



ASX ANNOUNCEMENT

29 August 2011

Issue of Options

Ark Mines Ltd ("Ark") advises that, subject to obtaining all necessary shareholder and regulatory approvals, the Board has resolved to issue a total of 2,750,000 options in Ark Mines Ltd to each of, Roger Jackson Managing Director, Antony Corel Chairman, John Slade Non Executive Director, Robert McLennan Non Executive Director and Ian Mitchell Non Executive Director.

Mr Jackson is to receive 1,200,000 options, exercisable at 30 cents or if higher, a 1.25 multiple of the 30 day volume weighted average trading price, prior to the date of the AGM, expiring four years from the date of issue. The issue is subject to Mr Jackson remaining on as Managing Director. The purpose of the proposed issue of options to Mr Jackson is to provide him with a long-term incentive to utilise his experience and expertise to the benefit of the company and its shareholders.

Mr Corel is to receive 300,000 options, exercisable at 30 cents or if higher, a 1.25 multiple of the 30 day volume weighted average trading price, prior to the date of the AGM, expiring four years from the date of issue. The issue is subject to Mr Corel remaining on as Chairman. The purpose of the proposed issue of options to Mr Corel is to provide him with a long-term incentive to utilise his experience and expertise to the benefit of the company and its shareholders.

Mr Slade is to receive 300,000 options, exercisable at 30 cents or if higher, a 1.25 multiple of the 30 day volume weighted average trading price, prior to the date of the AGM, expiring four years from the date of issue. The issue is subject to Mr Slade remaining on as a NED. The purpose of the proposed issue of options to Mr Slade is to provide him with a long-term incentive to utilise his experience and expertise to the benefit of the company and its shareholders.

Mr McLennan is to receive 650,000 options, exercisable at 30 cents or if higher, 1.25 multiple of the 30 day volume weighted average trading price, prior to the date of the AGM, expiring four years from the date of issue. The issue is subject to Mr McLennan remaining on as NED and consultant. The purpose of the proposed issue of options to Mr McLennan is to provide him with a long-term incentive to utilise his experience and expertise to the benefit of the company and its shareholders.

Mr Mitchell is to receive 300,000 options, exercisable at 30 cents or if higher, 1.25 multiple of the 30 day weighted average share price, prior to the date of the AGM, expiring four years from the date of issue. The issue is subject to Mr Mitchell remaining on as NED. The purpose of the proposed issue of options to Mr Mitchell is to provide him with a long-term incentive to utilise his experience and expertise to the benefit of the company and its shareholders.

The resolutions for the shareholder approval for the proposed option issue will be included in a Notice of General Meeting to be dispatched to shareholders in the coming weeks. The Notice will detail further the terms and conditions of the options.

ENDS



About Ark Mines

Ark Mines Ltd (Ark) is a publicly listed company with five highly prospective tenements in the Lachlan Fold Belt, in the central west of New South Wales. Ark's exploration efforts are focussed on gold and base metals, whilst potential for "rare earth" and iron provide Ark with a diversified suite of valued commodities.

FURTHER INFORMATION: Roger Jackson, Managing Director, Ark Mines Ltd: +61400 408 550

**For and Behalf of
Ark Mines Ltd
Roger Jackson
Managing Director**

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