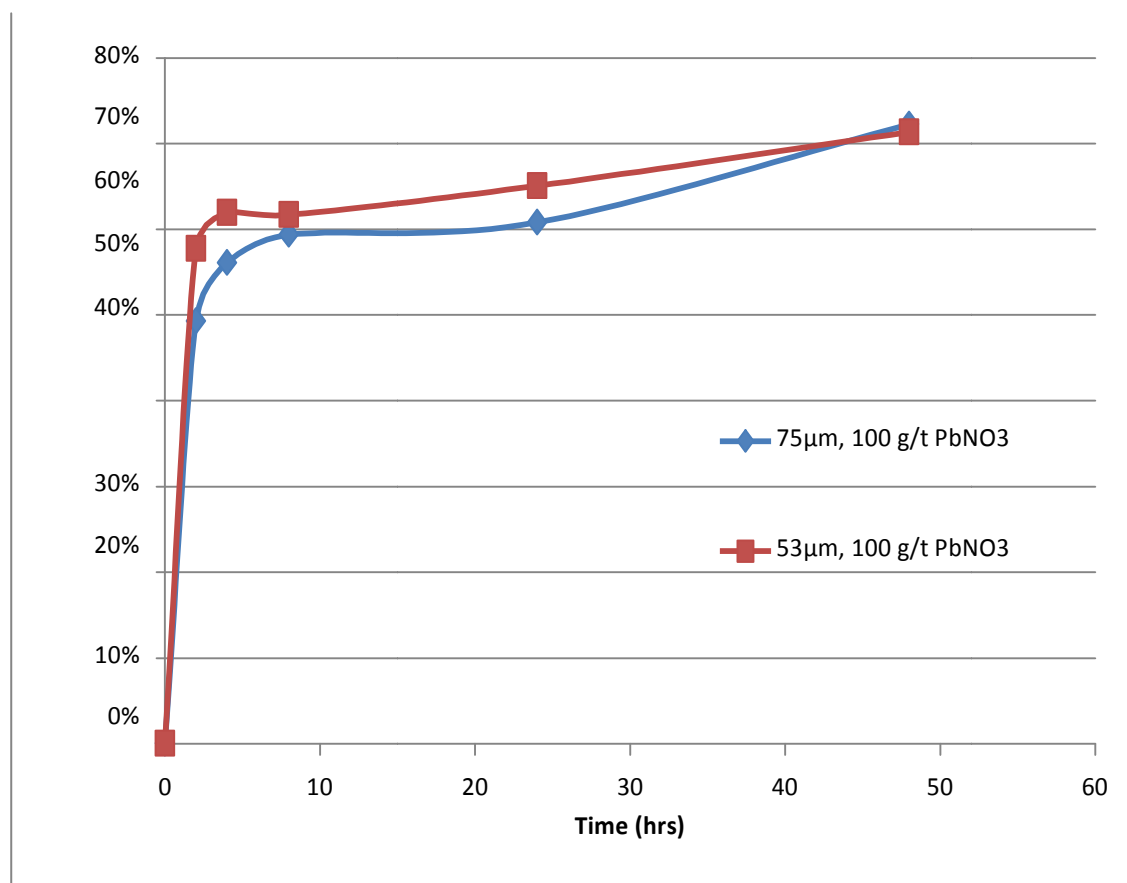


# ARK Advances Plans to Mine Mount Porter JORC Resource

**Sydney, 26 May 2015:** The Board of Ark Mines Ltd (**ASX: AHK**) is pleased to advise that results received from the recent metallurgical test work are positive and support the economic viability of mining Mount Porter. Ark will now extend the test work to include gravity treatment, to further enhance recoveries.

Mt. Porter (Mining Lease 22389) is a 34,200 Au ounces 2004 JORC resource that AHK is permitted to mine during the continuance of the 2013 Mining, Farmin and Joint Venture Agreement (**Farmin Agreement**) with Arafura Resources Ltd (**ASX: ARU**).

Leach tests conducted on the material, with no other pre-beneficiation, yielded a maximum of 73% gold recovery, which is better than expected. This recovery was achieved with the addition of PbNO<sub>3</sub> and oxygen with a maintained NaCN concentration of 300 ppm. Additionally, at the conclusion of testing (48 hours), leaching still appeared to be occurring as evidenced by the absence of a plateau in the recovery curve.



**Figure 1 Mt Porter Leach Kinetic Curve**

The sulphide response at a higher terminal concentration (1000ppm NaCN) for the flotation concentrate netted a recovery of 80% with an overall of 71%. There are potential improvements on the flotation tailings that may enable an overall improvement on a flotation route. Running significantly higher cyanide will, however, result in elevated operating cost due to increased cyanide consumption and detoxification.

AHK:

- has now engaged Independent Metallurgical Operations (**IMO**) to undertake further work, including longer residence time and gravity recovery test work; and
- is now considering undertaking further float, regrind and leach test work.

The potential for separate recovery of gravity recoverable gold is indicated. Gravity test work on a 5kg basis will be conducted with subsequent leaches under typical conditions to assess potential improvements in recovery. A gravity circuit also offers benefit in terms of reduced elution costs and carbon attrition gold loss.

Upon IMO completing the additional test work, the results will be entered into the Whittle model developed for AHK (see 12 May 2015 announcement), to confirm expected cash flows and profitability levels.

Further to AHK's most recent announcement (12 May 2015), AHK:

- has now engaged a resource geologist to undertake a resource study of Golden Honcho and Golden Slips prospects at Frances Creek with a view to developing a 2012 JORC resource. This work is expected to be completed within 4 weeks;
- is actively engaging with mill owners with a view to process the Mt. Porter ore;
- is actively engaged in acquiring other prospective mining leases in the Northern Territory with gold resources; and
- is currently finalising its plans for the next phase of work to be undertaken at Frances Creek pursuant to the Farmin Agreement through which AHK shall earn a 40% interest in relevant Arafura gold assets and then be in a position to elect to either spend further funds to earn a further 30% interest in such assets or to exercise an option to acquire 100% of those gold assets.



## About Ark Mines

Ark Mines Ltd (ASX: AHK) is a publicly listed company with Gold Tenements including Advanced Gold Mining Licences in Northern Territory and New South Wales. Ark's Exploration Licence (EL) in New South Wales (NSW) lie within the Lachlan Fold Belt. This area is the focus for significant Exploration in NSW and the epicentre of many major poly metallic and precious metal Mines.

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

*The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Roger Jackson BSc, Grad Dip Fin Man, Dip Ed, AICD, who is a Member of The Australasian Institute of Mining and Metallurgy and who has more than five years' experience in the field of activity being reported on. Mr Jackson is a director of the Company. Mr Jackson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jackson consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.*