

# Ark Mines Acquires Glencoe Project

**Sydney, 25 February 2016:** Ark Mines Ltd (**ASX: AHK**) is pleased to announce that it has executed and exchanged a sale and purchase agreement (**Agreement**) with Newmarket Gold NT Holdings Pty Ltd (**Newmarket**) for ML29679 in the Northern Territory (**Glencoe**), (refer to AHK announcement dated 13 October 2016).

The acquisition of Glencoe is an important step in AHK fulfilling its plans to become a medium level gold producer in the Northern Territory. Glencoe joins AHK's established projects at Mt. Porter (refer to AHK announcement dated 1 February 2016) and Frances Creek (refer to AHK announcement dated 18 February 2016).

Roger Jackson, AHK Managing Director said: *"Ark is focused on developing a continuing stream of meaningful gold production from the middle of 2016. This stream will commence with Mt. Porter and be followed by Glencoe mining in 2017 and Frances Creek mining in 2017/18, subject to required permitting. We do not intend to stop there. We are actively engaged in locating and securing other gold tenements that can be mined within 12 months or so after acquisition."*

Material terms of the Agreement (and associated arrangements) are that:

- AHK will pay to Newmarket the sum of \$40,390 for Glencoe and associated information;
- Glencoe bonds and securities already in place, totalling \$34,610, shall be released to Newmarket as soon as AHK replaces those bonds;
- AHK shall pay to Newmarket the sum of \$100,000 prior to commencement of Glencoe mining;
- AHK and Newmarket shall in good faith negotiate an agreement to toll treat Glencoe ore at Union Reef (should AHK decide to toll treat);
- AHK shall pay Emerchants Ltd (**Emerchants**) the sum of \$100,000 prior to commencement of Glencoe mining;
- AHK shall pay to Newmarket a 1% Net Smelter Royalty (**NSR**) for gold produced from Glencoe; and
- AHK shall pay to Emerchants a 1% NSR for gold produced from Glencoe.

## Highlights of the Glencoe Project include:

- ✓ 704,000 tonnes @1.9g/t Au with 253,000 tonnes @2.2 g/t Au oxide and 451,000 tonnes @ 1.7 g/t Au Fresh (see Table A below). This mineral resource estimate complies with recommendations in the Australasian Code for Reporting of Mineral Resources and Ore Reserves (2004) by the Joint Ore Reserves Committee (JORC);
- ✓ metallurgical test work has shown high gravity/cyanidation recoveries of 95.85% (Ammtec 2012). Reagent consumptions were relatively low, with lime and cyanide consumption of 1.01 and 0.77 kg/t, respectively;

- ✓ bulk sample has been undertaken and reconciled;
- ✓ pre strip completed;
- ✓ the oxide zone is 30m below surface;
- ✓ the deposit is proximal to the other AHK tenements and within trucking distance of Newmarket's Union Reef gold mill;
- ✓ a strike length of 800m (from 3,300mE to 4,100mE) with potential for extensions;
- ✓ the deposit being located in three mineralized zones, the largest of which is around 700m in strike length, 100m down dip and up to 15m in width;
- ✓ sealed road access;
- ✓ flat and easily accessible terrain; and
- ✓ no existing entitlements.

<b>Table A: Glencoe Deposit April 2006 Mineral Resource Estimate</b>							
<b>1.0g/t Cut-off, High Grade Cut 20g/t</b>							
<b>Zone</b>	<b>Indicated</b>		<b>Inferred</b>		<b>Total</b>		
	<b>Tonnes T</b>	<b>Cut Au g/t</b>	<b>Tonnes T</b>	<b>Cut Au g/t</b>	<b>Tonnes T</b>	<b>Cut Au g/t</b>	<b>Cut Au Ounces</b>
Oxide	208,000	2.1	45,000	2.4	<b>253,000</b>	<b>2.2</b>	<b>17,700</b>
Fresh	174,000	2.0	277,000	1.6	<b>451,000</b>	<b>1.7</b>	<b>25,200</b>
<b>Total</b>	<b>382,000</b>	<b>2.1</b>	<b>322,000</b>	<b>1.7</b>	<b>704,000</b>	<b>1.9</b>	<b>42,900</b>
<b>Previous Estimates</b>							
ERA 1989					730,000	2.3	54,000

### About Ark Mines

AHK is a Sydney based company now readying itself for near term gold production, from assets in the Northern Territory. The company's aim is to establish itself as a medium level gold producer producing gold from tenements in the Northern Territory, developing prospective tenements in the Northern Territory and New South Wales and to acquire other prospective gold mining projects in Australia.



**FURTHER INFORMATION: Roger Jackson, Managing Director, Ark Mines Ltd: +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.*