

ARK MINES LTD.

ASX ANNOUNCEMENT

22 MARCH 2022

DRILL PROGRAM COMMENCES THIS WEEK AT HIGH PRIORITY GUNNAWARRA NICKEL-COBALT PROJECT

HIGHLIGHTS

- **2,000m of reverse circulation ('RC') drilling to test nickel-cobalt mineralisation to a depth of ~60m; rig on-route to site with drilling to commence this Thursday**
- **High priority targets identified following the completion of drone magnetic survey**
- **Drill program will examine laterite nickel cobalt deposits with associated scandium as well as testing the underlying ultramafic basement rocks**
- **Gunnawarra has the potential to be a significant battery metals project. It has an extensive 36km² footprint and borders Australian Mines Limited's (ASX: AUZ), Bell Creek Mineral resource, a part of the Sconi project which is the most advanced Cobalt-Nickel-Scandium project in Australia**
- **First-pass drill program expected to be concluded late next week with first assays likely to be reported before the end of May**

Queensland-focused exploration and project development company **Ark Mines Ltd (ASX: AHK)** ('Ark' or 'the Company') is pleased advise that a 2,000 metre shallow reverse circulation ('RC') drill program at the 36km² Gunnawarra Nickel-Cobalt project will commence this Thursday with the rig currently on-route to site.

The first phase program will test known mineralisation structures to the north of the tenement (*refer images 1 & 2*) as well as other key targets across Ark's Exploration Permit Minerals ('EPM') up to 60m in depth.

The program is designed to examine the laterite nickel cobalt deposits with associated scandium as well as test the underlying ultramafic basement rocks identified during the Company's recent drone magnetic survey (*refer ASX announcement: 03 March 2022*).

Gunnawarra has significant potential as a battery mineral exploration and development project in a proven Tier 1 jurisdiction for similar projects. It surrounds the Bell Creek resource, a component of the Sconi project owned by Australian Mines Limited (ASX: AUZ), the most

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advanced Cobalt-Nickel-Scandium project in Australia. Ark's 36km² EPM is significantly larger than the surrounding ground held by AUZ on which the Bell Creek resource lies.

This first pass drill program is expected to take approximately 10 days to complete with first assays anticipated in late May. The commencement of the Gunnawarra drill program is the first stage in the Company's aggressive exploration ramp up which also includes finalising drill targets at the Company's Mt Jesse Copper-Iron project, with drilling to follow shortly thereafter subject to rig availability.

Executive Director Ben Emery commented: "Securing the drill rig so early in the season allows us to hit the ground running and significantly ramp up our exploration initiatives at Gunnawarra. Following the success of our drone magnetic survey where we reaffirmed the extensive Nickel and Cobalt laterite mineralisation at the project, this drill program is aimed to test high priority targets and also assess the extremities of the mineralisation."

"Gunnawarra could emerge as a significant battery minerals asset, giving Ark exposure to commodities such as nickel, cobalt, copper and scandium which are all critical for the uptake and development of the EV and other renewable energy sectors. As we continue with our exploration both at Gunnawarra and Mt Jesse, our focus is to determine and extract the full value of our projects. We will provide updates as the drill program advances and at its conclusion."

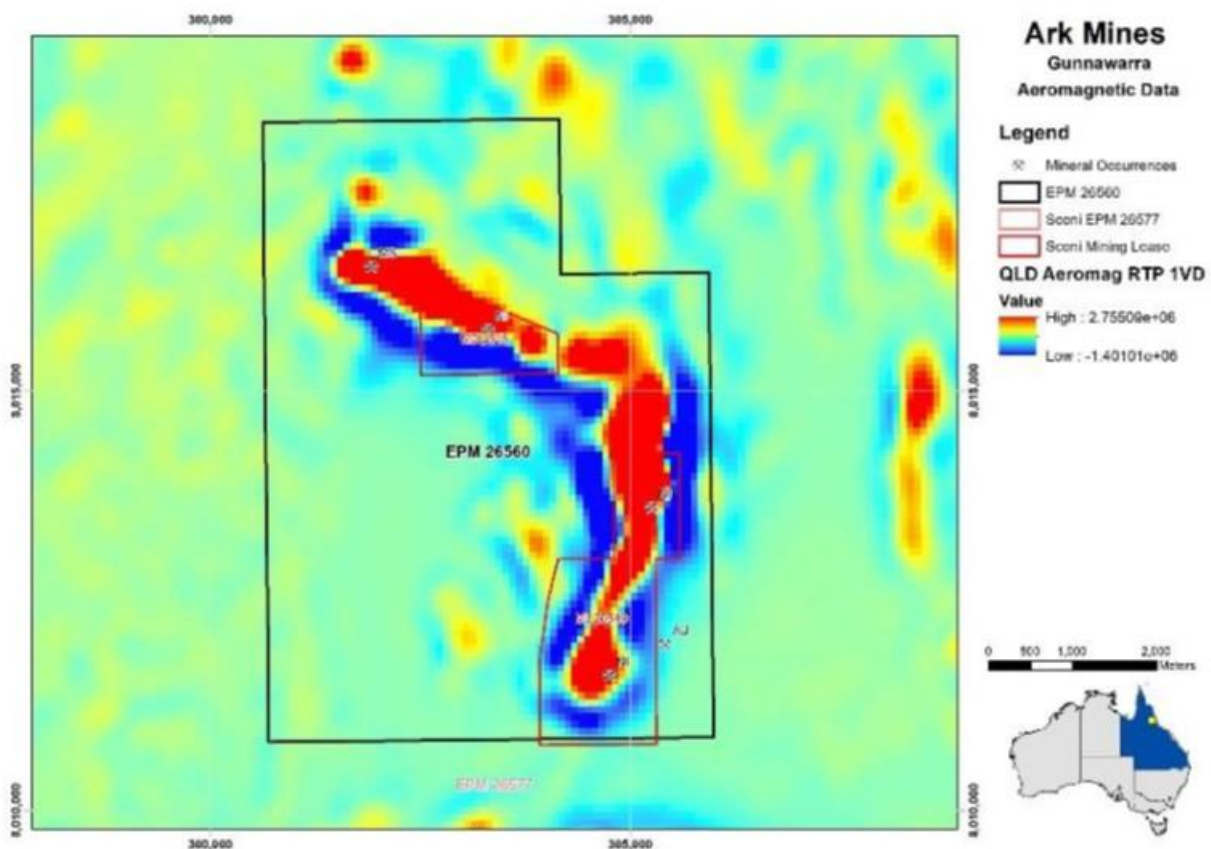


Image 1: Aeromagnetic data over the Gunnawarra project showing strong continuity from the Australian Mines Limited (ASX: AUZ) Licences into EPM 26560



Image 2: Exposed nickel laterite at the Gunnawarra Nickel-Cobalt project

This announcement has been approved by the Board of Ark Mines Ltd.

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About Ark Mines Limited

Ark Mines is an ASX listed Australian mineral exploration company focused on developing its 100% owned projects located in the prolific Mt Garnet and Greenvale mineral fields of Northern Queensland. The Company's exploration portfolio consists of three high quality projects covering 65km² of tenure that are prospective for copper, iron ore, nickel-cobalt and porphyry gold:

Mt Jesse Copper-Iron project

- Project covers a tenure area of 12.4km² located ~25km west of Mt Garnet
- Centered on a copper rich magnetite skarn associated with porphyry style mineralization
- Three exposed historic iron formations
- Potential for near term production via toll treat and potential to direct ship

Gunnawarra Nickel-Cobalt project

- Comprised of 11 sub-blocks covering 36km²

- Borders Australian Mines Limited Sconi project - the most advanced Cobalt-Nickel-Scandium project in Australia
- Potential synergies with local processing facilities with export DSO Nickel/Cobalt partnership options

Pluton Porphyry Gold project

- Located ~90km SW of Cairns near Mareeba, QLD covering 18km²
- Prospective for gold and associated base metals (Ag, Cu, Mo)
- Porphyry outcrop discovered during initial field inspection coincides with regional scale geophysical interpretation

Competent Persons Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Roger Jackson, who is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Jackson is a director of the Company. Mr Jackson has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Jackson consents to the inclusion of this information in the form and context in which it appears in this report.