



Ark to expand tenement holding around Babinda project

- **Application for 99 units totalling 287 km²**
- **Expands total Babinda project area to 337 km²**
- **New project to be called Coonara**
- **Geophysics crews to mobilise shortly to further test Babinda**
- **Drilling at Bald Hills project to commence May 19th**

Sydney, New South Wales, 17 May 2011: New South Wales focused polymetallic exploration company Ark Mines Ltd ("Ark") (ASX: AHK) today announced that it has applied for 99 exploration units totalling 287 km² in the Lachlan Fold Belt near to the company's Babinda project.

Once granted, the new project area which has been named Coonara, will expand AHK's total land holding around its Babinda project to 337km² with the area prospective for gold, zinc, copper, silver and lead. Mineralisation is evident from over 20 historical mines on the project, and at the old Babinda Copper Mine, one line of shafts recorded 7.0% Cu, 31.0 g/t Au and 367.0 g/t Ag in multiple veins.

As previously reported, AHK has recently completed a ground gravity survey at Babinda over a previously discovered 4milligal gravity high. Ongoing survey work is continuing and a second geophysics team has been engaged to undertake more detailed gravity survey work to further refine the drilling targets.

The Gravity High coincides with an underlying magnetic high and localised Pb anomaly and is located on the Coonara Fault. The gravity high sits just North of YTCs Hera project.

Ark's Managing Director Roger Jackson said: "Given the encouraging results we have received from the completed ground gravity survey at Babinda, the Board thought it prudent to expand Ark's tenement holding around the project. We expect that the new ground will be equally as prospective as Babinda. Test work is ongoing on the project and we are very encouraged by the findings to date.

"AHK is also pleased to report that drilling at the Bald Hills project in the Lachlan Fold Belt will commence on 19th May. Drill sites are currently being prepared and the rig is expected to arrive in site in the next few days. Bald Hills is prospective for copper, gold and rare earths, and very promising gold grades have identified from rock chip samples."

ENDS

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

Released through Ben Jarvis, Six Degrees Investor Relations: +61413150448



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.

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Robert McLennan BSc(Hons), MSc, MAIG, who is a Fellow of The Australasian Institute of Mining and Metallurgy and who has more than ten years experience in the field of activity being reported on. Mr McLennan is a director of the Company. Mr McLennan 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 2004 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McLennan consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

mm003