

31 October 2012

QUARTERLY REPORT FOR PERIOD 30 September 2012

(ARK: code AHK)

OPERATIONAL HIGHLIGHTS

- Ark issued 14 units (42km²) around its Nangerybone EL6726 project
- Ark issued 156 units (502km²) around its Byrock EL 6365 in the Lachlan Fold Belt, NSW
- Ark granted 100% of EL 6341 Gundabooka
- 100% of Babinda now in Arks suite of Tenements
- Expenditure commitments reset for Babinda
- Ark has an EL application enveloping Babinda

GUNDABOOKA

A 300m RC program undertaken in 2011 was designed to test the shallow mineralisation around the old Gundabooka Mine. The Gundabooka Mine, historically mined high grade gold from underground.

Assay results from 2011 included 2m @ 2.49g/t Au from 48m to 50m with 1m @ 4.82g/t Au, 6m @3.5g/t Au from 37m to 43m with 1m @19.8g/t Au and rock chip samples from the Gundabooka old dumps assaying up to 122 g/t Au.

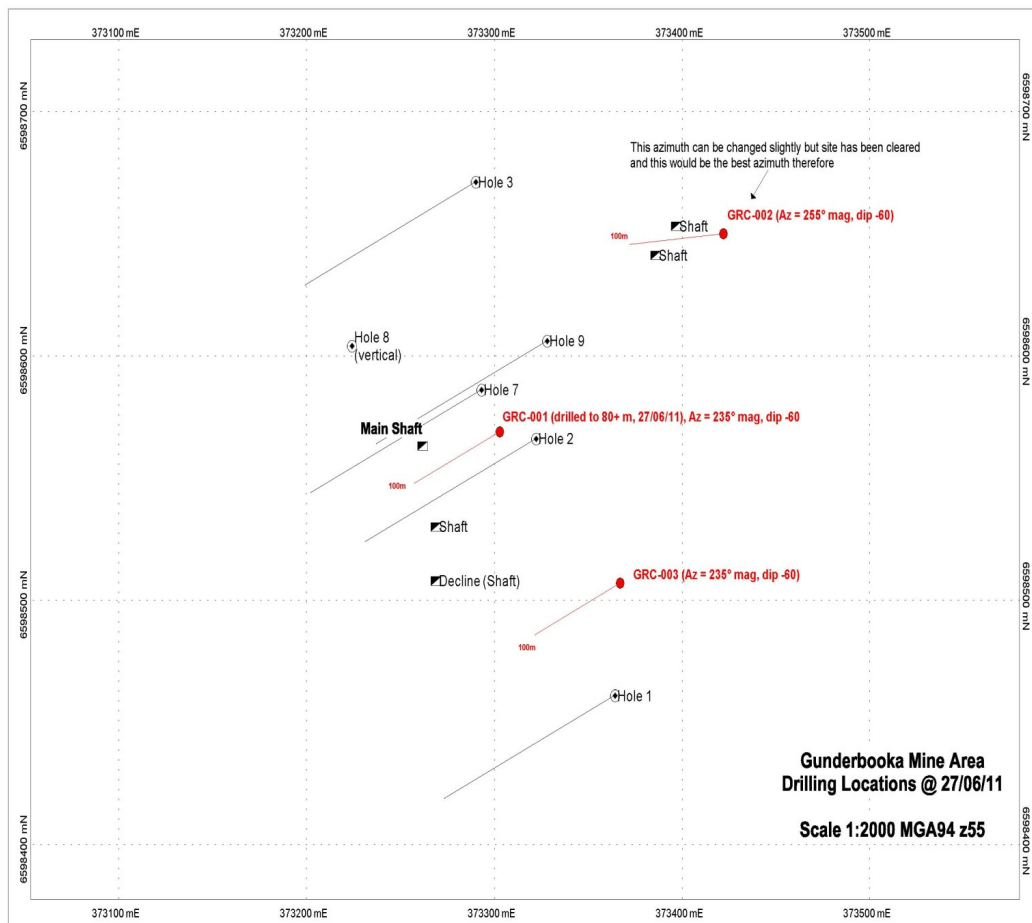
Ark has planned a strategic drill program around the Great Gundabooka Gold Mine. The program will commence early in 2013.

Table 1 Gundabooka RC Drill Hole locations

Hole No	Easting MGA94z55	Northing MGA94z55	Depth to EOH m	Dip	Azimuth
GRC001	373303mE	6598569mN	100	60	235
GRC002	373422mE	6598650mN	100	60	255
GRC003	373367mE	6598507mN	100	60	235
Mine Rock Sample	402650mE	65812000N			

Table 2 Gundabooka Drill hole Gold Results

Hole No	From	To	Au g/t
GRC001	18m	19m	0.114
	21m	22m	0.128
	23m	24m	0.242
	48m	49m	4.82
	49m	50m	0.161
GRC002	8m	9m	0.293
	26m	27m	0.163
	37m	38m	0.106
	38m	39m	0.939
	39m	40m	19.8
	40m	41m	0.262
	41m	42m	0.212
	42m	43m	0.235
GRC003	46m	47m	0.691
	30m	31m	0.608
	31m	32m	0.121



NANGERYBONE



Figure 1 Blackfellows Dam Mine

Ark has been granted 14 units (42km²) around its Nangerybone EL6726 tenement.

EL 6726 is situated south of the Bodadah base metal mines and immediately west of the Gilmore Suture. It encompasses Ordovician Girilambone Group flysch which to the west is intruded by the Silurian Erimeran Granite. Within basement Girilambone Group there are two tightly folded synclines of Early Devonian Baledmund Formation plunging to the north. These are bound to the east by the Wirrilah and Walkers Hill Fault Zones (Thrusts). In the southern half of the licence area is the Crawl Creek lineament which sub-parallel the Erimeran Granite-basement contact.

Intrusive related base-metal, tin, molybdenum, uranium and fluorite prospects are spatially related to the Crawl Ck lineament or the basement contact ie Break O'Day Cu-F (Pb-Zn), Blackfellows Dam U-Zn-Cu(Pb, Ag), Honeysuckle Cu-Pb-Zn (U,Ag), Promise Mo-W.

In addition there is a line of low grade gold prospects collectively known as "Carpina Ridge". These are hosted by a shear zone with broad pervasive silica alteration and narrow quartz veining occurring between the Baledmund Fm synclines.

BABINDA**KEY ASPECTS OF BABINDA**

- Babinda Elaine VMS Deposit located on the Coonara Fault, parallel to the Rookery Fault (hosts the Cobar mineral field)
- Positive Drilling results sit in
 - the centre of a large magnetic anomaly
 - a regional PB – Zn soil geochemical anomaly
 - the recently derived Babinda Elaine gravity anomaly
- Located between YTC's Hera deposit and Polymetals' Mount Boppy Mine
- 5 holes anomalous in Cu, Zn, Pb and Ag for the length of hole (100m)
- Strike length of 750m

PLANNED EXPLORATION

- Lord Dudley Gravity high yet to be drilled
- A program to further drill Babinda Elaine and Lord Dudley will be looked at immediately
- Further Ground Gravity will be undertaken to extend the gravity anomaly to the north

PREVIOUS DRILLING HIGHLIGHTS INCLUDE:**BRC008 (note drilled in centre of Gravity High)**

- **32m @ .22% Cu and .05% Zn from 8m to 40m**

Including:

- **11m @ .35% Cu from 17m to 28m**
- **4m @ .59% Cu, 1.4g/t Ag from 24m to 28m**
- **7m @ .10% Cu, .13% Zn, .44g/t Ag from 12m to 19m**

Plus:

- **6m @ .53% Zn, .19% Pb, .91g/t Ag from 70m to 76m**

Including:

- **1m @ .95 % Zn, .49% Pb, 2.2g/t Ag, .12g/t Au from 70m to 71m**

Hole ended in anomalous Zn .08% from 97m to 100m and average for the 100m .08% Cu, .07% Zn per m

BRC009

- 54m @ .055% Cu, .04% Zn from 40m to 94m

Including:

- 8m @ .13% Cu from 60m to 68m
- 2m @ .36%, Cu .22% Zn, 1.15g/t Ag from 83m to 85m

Hole ended in anomalous mineralisation of Zn of .02% and average for the 100m .03% Cu, .07% Zn per m

BRC006

- 2m @ .56% Pb, .13% Zn, 2.35 g/t Ag from 37m to 39m

Hole ended in .08% Zn, .05%Pb, 0.5 g/t from 99m to 100m and average for the 100m .02% Cu, .03% Zn per m

BRC007

- 2m @ .15% Zn, .19% Pb, 0.8 g/t Ag from 26m to 28m
 - 6m @ .12% Zn, .06% Pb from 47m to 63m
 - 2m @ .11% Zn, .09%Cu, 0.6g/t Ag from 59m to 61
- Hole average for the 97m .05% Zn, .02% Pb, .01% Cu per m

BRC005

- 1m @ .14% Zn, .6 g/t Ag from 63m to 64m
- Hole average for the 100m .02% Zn, .01% Pb per m

Note intersections do not represent true thickness.

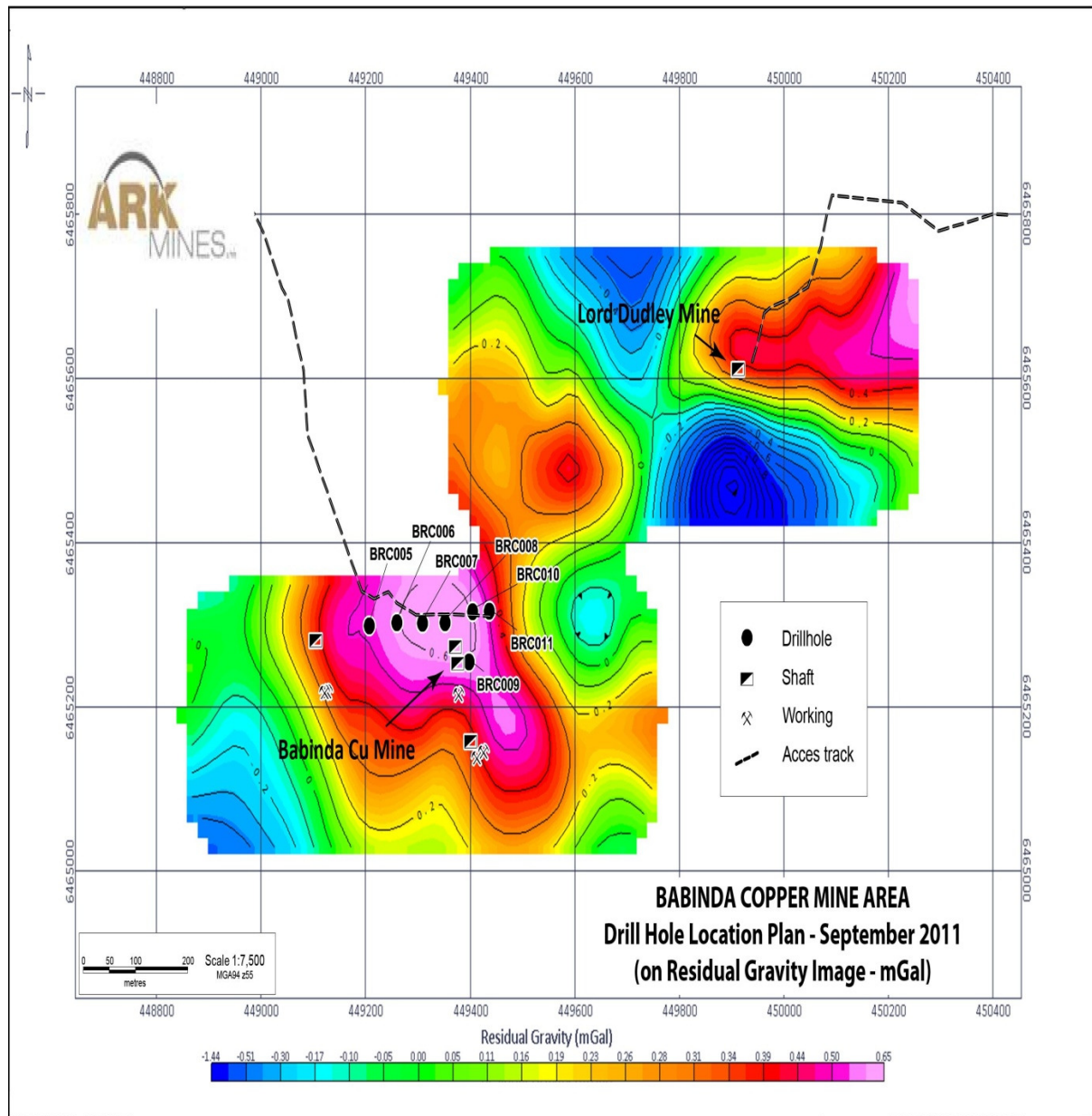


Table 3 Hole collar locations

Hole No	Easting MGA94z55	Northing MGA94z55	Depth to EOH m	Dip
BRC005	449210	6465300	100	Vertical
BRC006	449250	6465300	100	Vertical
BRC007	449300	6465300	97	Vertical
BRC008	449350	6465300	100	Vertical
BRC009	449400	6465259	100	Vertical
BRC010	449410	6465300	100	Vertical



QUARTERLY ACTIVITIES REPORT – SEPTEMBER 2012

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.

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

A handwritten signature in black ink, appearing to read "R. Jackson".

Roger Jackson

Managing Director

Ark Mines Ltd