

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2026

HIGHLIGHTS

- Mining Licence granted by Queensland Government for EPM28013, covering ~406 hectares at the Sandy Mitchell Rare Earths and Heavy Minerals Project in North Queensland
- Licence area covers the deposit that hosts the Measured Mineral Resource Estimate (MRE) of 71.8Mt @ 1,732ppm Monazite Equivalent (MzEq)
- Licence grant represents a key permitting milestone supporting advancement of project studies, development planning and offtake discussions
- Memorandum of Understanding (MoU) executed to undertake a processing trial of monazite ore from the Sandy Mitchell Project
- The trial commenced in February 2026, with the aim of recovering Thorium and other Rare Earth Elements (REEs) from the Company's monazite ore using existing low-cost cracking technology
- MoU covers a comprehensive processing scope, from initial monazite cracking into other rare earth oxides and refined thorium
- Thomas Patterson appointed as a Director post quarter end, bringing a diverse background in accounting, finance, tax and corporate development across a range of sectors

Ark Mines Limited (ASX: AHK) (AHK' or the 'Company') is pleased to report on its activities for the quarter ending 31 March 2026 (**Quarter, Reporting Period**).

Executive Chairman Roger Jackson commented: "During the quarter, Ark achieved an important milestone with the grant of the Sandy Mitchell Mining Licence, a pivotal step in de-risking the project that clears our pathway to advance further into development. With this approval in place, we are now positioned to progress our project workstreams, with the release of the Sandy Mitchell Pre-Feasibility Study targeted for later in 2026. In the near term, we expect to deliver an updated Scoping Study, which will provide a key input into the PFS."

"Concurrently, we commenced a processing trial under our MoU to evaluate the recovery of thorium and other rare earth elements from our monazite ore using a low-cost cracking technology. Progressing downstream test work such as this supports our development strategy, as we assess cost-effective opportunities to secure additional value from our unique critical minerals project."

MINING LICENCE GRANTED

During the quarter, Ark Mines announced the Mining Licence was granted by the Queensland Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development for its Sandy Mitchell Rare Earth Elements and Heavy Minerals Project in North Queensland.

The Mining Licence covers approximately 406 hectares within Ark's EPM 28013 tenure and encompasses the area containing the Company's Measured MRE at Sandy Mitchell.

The Mining Licence represents an important regulatory milestone as Ark advances Sandy Mitchell from exploration towards development, having been granted following completion of the relevant statutory processes required under Queensland legislation.

The licence provides Ark Mines with development tenure over the resource area and enables the Company to advance project development activities, including:

- Detailed mine planning and engineering studies
- Ongoing metallurgical testwork and processing optimisation
- Infrastructure planning and development studies
- Engagement with strategic partners and potential offtake customers

TECHNICAL WORK

Ark Mines continued to advance technical work at the Sandy Mitchell Project following the submission of the Mining Licence application.

During this period, Ark completed additional drilling programs aimed at expanding the existing Mineral Resource, progressed metallurgical testwork and initiated bulk sample processing trials to evaluate concentrate recoveries and product specifications. These programs were designed to further refine the project's processing flowsheet and support the next phase of development studies.

The shallow nature of mineralisation and the presence of rare earth bearing heavy minerals support the potential for low-cost mining and simple gravity-based beneficiation processes.

MOU SIGNED FOR PROCESSING TRIAL

In February, Ark announced it had signed a Memorandum of Understanding (MoU) with a processing technology provider to partner in a processing trial to crack its monazite ore from the Sandy Mitchell Project to recover Thorium and other Rare Earth Elements (REEs).

The MoU established a framework for the parties to collaborate on the cracking of monazite ore using a proven, low-cost process to recover both Thorium and REEs.

The terms of the agreement are, at this stage, subject to commercial confidentiality.

Under the agreement, the parties will work together from initial monazite cracking through to the production of further rare earth oxides and refined Thorium.

The processing trial commenced in February 2026, comprising a small-scale program targeting the recovery of Thorium, Neodymium and Praseodymium. The program will deliver an integrated Phase 1 chemical analysis and separation chemistry proving campaign across all three target materials.

This work program includes comprehensive analytical characterisation, radionuclide profiling, reagent optimisation and separation chemistry proving, delivered as a single program. The objective is to support Ark's processing readiness and to de-risk downstream development.

The program includes up to three chemical process variations for each target material, with any additional process variations to be undertaken subject to further agreement.

Subject to the successful completion of these test programs, the MoU partners intend to jointly progress the development of a scaled pilot plant program. The objective of this work is to support downstream process validation and to facilitate engagement with potential end-users and offtake partners.

SANDY MITCHELL PROJECT DEVELOPMENT

Resource Expansion Drilling

Ark is awaiting assay results from its recent Sandy Mitchell resource expansion drill program, comprising 219 holes for 2,324m. The results of this program will be incorporated into an updated resource model forming the foundation of the upcoming Pre-Feasibility Study (PFS).

Results from the drill program are expected in Q4 2026.

Metallurgical Improvement Program

Complementing the resource expansion program, Ark is advancing a detailed metallurgical improvement program with IHC Mining. The work aims to optimise beneficiation and mineral separation processes for both rare earths and heavy minerals, enhancing project recoveries and economic outcomes for inclusion in the forthcoming PFS.

SANDY MITCHELL – KEY NEAR-TERM MILESTONES

Ark Mines entered the June 2026 quarter well-funded and strongly positioned to deliver multiple value-defining milestones at Sandy Mitchell. Importantly, the granting of the Mining Licence paves the way for the Sandy Mitchell Project to advance from exploration towards mine development.

The Company is progressing key workstreams, with results from its resource expansion drilling to contribute to an updated Sandy Mitchell Mineral Resource Estimate, which in-turn will form a key input into the PFS.

An updated Scoping Study, incorporating improved processing pathways and metallurgical optimisation, will be released shortly, presenting a step forward to the PFS.

The combination of strong institutional backing, advanced project readiness and favourable policy conditions places Ark Mines at the forefront of Australia's next generation of rare earth producers.

SECTOR OUTLOOK

The rare earths sector continues to benefit from strong macroeconomic and geopolitical tailwinds. Major global governments, including those of the United States, Japan, the European Union and Australia, have prioritised the security of rare earth supply chains, driving new investment into domestic projects that reduce reliance on offshore processing.

The Australian and United States Governments continue to strengthen cooperation under the Critical Minerals Framework. Post quarter, a further A\$5 billion in combined financing was committed to accelerate development of priority critical minerals and rare earths projects¹. The initiative targets commodities essential to clean energy, advanced manufacturing and defence, including rare earths. The framework is designed to strengthen supply chain resilience among allied nations and reduce reliance on China-dominated processing markets, while positioning Australia as a key global supplier of critical minerals.

As one of only a handful of advanced-stage Australian rare earths developers, Ark Mines is strategically positioned to capitalise on an initiative such as this, supported by high-grade, near-surface mineralisation, a low-cost beneficiation pathway, and strong alignment with government-backed initiatives for local supply chain development.

¹<https://www.minister.industry.gov.au/ministers/king/media-releases/australia-us-critical-minerals-framework-investing-additional-projects>

SAFETY AND ENVIRONMENT FOR THE QUARTER

- Reportable Incidents Nil
- Medical Treatments Nil
- LTIs Nil
- Environmental incidents Nil
- Landholder Issues Nil

EXPLORATION EXPENDITURE SUMMARY FOR THE QUARTER

Activity	Current Quarter \$(000)	Year to Date (9-months) \$(000)
Compilation activities	-	10
Surface exploration	2	50
Drilling	44	428
Advanced prospect testing / resource estimation	88	170
Administration	2	9
Other	-	155
Total	136	822

TENEMENT SUMMARY

Permit	Holder	Project	Ownership	Location
EPM 26464	Mt Jesse Pty Ltd	Mt Jesse	100%	40km North of Mt Garnet Nth Queensland
EPM 26560	Gunnawarra Pty Ltd	Gunnawarra	100%	25km South of Mt Garnet Nth Queensland
EPM 26883	Mt Pluton Base Pty Ltd	Mt Pluton	100%	90km East of Dimbulah Nth Queensland
EPM 28013	Ark Mines Ltd	Sandy Mitchell	100%	120km Northwest of Chillagoe Nth Queensland

The Group did not acquire or dispose of any tenements during the quarter.

The Group has not entered into any farm-in agreements.

CORPORATE

Pursuant to ASX Listing Rule 5.3.5, Ark advises that payments of A\$91,156 were made to related parties during the Quarter. These payments were made for consulting fees to executive Directors for work done to advance the Group's exploration tenements and Board fees to all Directors to act as directors of the Company. The total of these amounts is shown in Section 6 of the Quarterly Cash flow Report.

SUBSEQUENT EVENTS

Appointment of Director

On 9 April 2026, experienced board advisor Thomas Patterson was appointed as a Director, bringing a diverse background in accounting, finance, tax, and corporate development across a range of sectors.

Mr Patterson advises both private and public corporations and high net worth family groups, including on strategy, transactions, and capital raisings. He was a Non-Executive Director of Acusensus Limited (ASX: ACE), an Australian technology company that develops artificial intelligence solutions, from shortly after its Series A funding round until after its successful ASX listing in 2023.

Mr Patterson is a chartered accountant, and holds a Bachelor of Commerce (Corporate Finance) from the University of Adelaide and a Masters in Applied Taxation at UNSW. He was also a chartered tax adviser during his tenures at accounting firms Deloitte and Pitcher Partners.

As at the date of this report, no other material events have occurred post quarter-end.

PREVIOUSLY REPORTED INFORMATION

The information in this announcement references previously reported announcements. The announcements are available to view on the Company's website (www.arkmines.com.au) and on the ASX website (www.asx.com.au).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the exploration results continue to apply and have not materially changed.

This announcement has been approved for release to the ASX by the Board of Ark Mines Limited.

– ENDS –

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