

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2026

HIGHLIGHTS

- Commercial monazite product sample generated by IHC Robbins from a heavy minerals (**HM**) gravity concentrate produced from the Sandy Mitchell Rare Earths and Heavy Minerals Project, North Queensland.
 - Feedstock to produce the HM concentrate was derived from the representative bulk retained fraction of the Sandy Mitchell resource drill programme, from holes informing the MRE.
- Test work delivered a high-grade rare earth concentrate grading 54.8% TREO plus 1.49% Y₂O₃.
 - The proportion of NdPr oxide in TREO was 23.4%.
 - Strong titanium upside was also demonstrated, with production of a premium 73.5% TiO₂ leucoxene product from the HMC.
- Shallow gold intercepted in drilling targeting a topographic high paleochannel conglomerate south of the Sandy Mitchell Measured Mineral Resource Estimate (MRE) 71.8Mt @ 1,732ppm Monazite Equivalent (MzEq)¹.
- Ark is investigating extracting gold as a credit with the simple gravity processes used to extract the monazite-hosted rare earth elements and heavy minerals in the conglomerate unit.
- EPM 29189 was granted on 26 June 2026, with a five-year term expiring 25 June 2031, covering 8 sub-blocks.

Ark Mines Limited (ASX: AHK) ('Ark' or the 'Company') is pleased to report on its activities for the quarter ending 30 June 2026 (**Quarter, Reporting Period**).

Executive Chairman Roger Jackson commented: *"During the quarter, Ark achieved a significant technical milestone with confirmation that commercially saleable products can be generated from Sandy Mitchell ore. Test work by IHC Robbins delivered a 52.2% TREO combined monazite product, sitting near the top of the normal commercial grade range, alongside a 73.5% TiO₂ leucoxene product within the accepted commercial window. Importantly, these results were achieved using dry magnetic and electrostatic processing methods, which carry meaningful benefits for water use, reagent consumption and tailings management."*

"The quarter also delivered two new avenues of potential value for shareholders. Gold was intersected in drilling south of the Sandy Mitchell Mineral Resource, demonstrating potential to add gold credits to our heavy mineral concentrates, while the grant of EPM 29189 secures the Jackson Fluorite Project, adding exposure to another critical mineral with strong forecast demand. Following these achievements, we remain focused on delivering an updated Scoping Study and the Pre-Feasibility Study."

¹ Refer ASX Announcement dated 6 May 2026.

COMMERCIAL MONAZITE AND TITANIUM PRODUCTS GENERATED

During the quarter, Ark announced that IHC Robbins had demonstrated that commercially saleable monazite REE and leucoxene TiO_2 products can be separated from a HM gravity concentrate derived from the Company's Sandy Mitchell MRE in North Queensland, Australia.

The test work resulted in four product streams:

- The highest-grade stream (-0.15 mm stream) achieved 54.8% TREO with an NdPr oxide proportion of 23.4%, plus 1.49% Y_2O_3 .
- The coarse stream (-0.5mm to +0.15mm) achieved 52.6% TREO with an NdPr oxide proportion of 23.4%, plus 1.36% Y_2O_3 , without additional mineral liberation through grinding.
- The four stream composite product achieved 52.2% TREO with an NdPr oxide proportion of 23.0%, plus 1.45% Y_2O_3 .
- Both fine and coarse product streams are inside the normal commercial grade range of 45-55% TREO.

Cerium recovery on all four product streams was 65.43%.

- Ce recovery is used by metallurgists as a proxy for REE recovery since it can be reliably measured with XRF.
- IHC notes that in a commercial plant, this could be improved by recirculation of intermediate streams.

The fine monazite concentrate was achieved using reverse magnetic separation and triboelectrostatic separation.

- These dry processes have positive implications for reduced reagent and water use compared to wet gravity separation and floatation.
- The triboelectrostatic process may also be suitable for processing Sandy Mitchell's ultra-fine -0.045mm fraction.

A Ti concentrate HTRS (high tension roll separator) conductor stream of 73.5% TiO_2 leucoxene was also produced from the HM con.

- The HTRS 73.5% TiO_2 stream had low ZrO_2 of 0.6% and very low monazite contamination.
- The HTRS middlings graded 65.8% TiO_2 and the Company is undertaking further work to understand the commerciality of this material.

Sandy Mitchell REE Project Concentrate to Product Testing

In December 2025, Ark created a composite bulk sample from the retained fractions of resource drilling one metre samples, wholly within the MRE. The weighted average grade of this bulk sample was 1,170.3 ppm monazite, 127.9 ppm xenotime, 629.0 ppm zircon and 1,282.9 ppm Ti-Ox minerals (rutile, leucoxene, and ilmenite). Sample TREO was 379.6 ppm.

Overall, the sample was slightly below ROM in monazite and slightly above ROM in Ti-Ox, but generally close to ROM grade and within acceptable mining deviation of ROM.

The sample was dispatched to Currumbin Minerals, which operates a commercial HM concentration plant at Currumbin in Queensland. The sample was homogenised, deslimed and processed by wet shaker table followed by electrostatic separation to yield a HM concentrate.

In March 2026, AHK's Currumbin concentrate was sent to IHC Robbins to test the generation of product concentrates, with the aim of producing commercial grade products for further testing and to advance the Sandy Mitchell Stage 2 metallurgical test work programme.

The concentrate was screened into two fractions; -0.15mm and -0.5 to +0.15mm and dried. The fine fraction was passed through a high intensity roll magnetic separator. The non-magnetics were passed through a wet shaker table with the tails recirculated for a second pass. The dried concentrate was sent to a high-tension roll separator (**HTRS**) for electrostatic separation.

The HTRS conductor output yielded a 73.5% TiO_2 leucoxene product, and the middlings yielded a 65.8% TiO_2 stream that may also be commercially viable. The HTRS non-conductors were passed to an induced roll magnetic separator (**IRMS**) with one stage of recirculation of the non-magnetic fraction.

After drying, assays determined that the non-magnetic IRMS concentrate was contaminated with paramagnetic zircon. The concentrate was then passed through a triboelectric separator, with both the positively and negatively charged fractions separately passed through another stage of IRMS. The tribo-negative nonmagnetic fraction formed the low-grade concentrate stream 2, and the tribo-positive non-magnetic fraction was fed back through triboelectric separation. The positively charged output yielded the high-grade fine product stream, and the negatively charged output yielded the low-grade concentrate stream 1. The grade of these three outputs and their combinations is shown in Table 1 below.

The coarse fraction underwent dry-drum magnetic separation, and the non-magnetic fraction was passed to a wet shaker table with one round of tails recirculation. After drying, the table concentrate was passed to IRMS with the magnetic fraction passing to HTRS. The non-conductors were subsequently cleaned up using heavy liquid separation as a time saving measure, with IHC already proving that this size fraction could be treated appropriately by simple wet gravity concentration. The HLS sinks were passed to HTRS with the nonconductors passing to IRMS with one round of recirculation of the magnetic fraction. The non-magnetic fraction yielded the course REE product.

The apparent complexity of the process flow reflects intermediate-stage assaying and experimental determination of the next logic stage, not the commercial process, which this test work will allow to be optimised and simplified.

Stream	Product	TREO	LREO	MREO	HREO	Dy_2O_3 + Tb_4O_7	Nd_2O_3 + Pr_6O_{11}	Total MagRE O	Y_2O_3
		%	%	%	%	%	%	%	%
1	-0.15mm REE product	54.8	49.8	2.8	2.2	0.5	12.8	13.3	1.49
2	-0.15mm REE concentrate 1	41.3	37.2	2.1	2.0	0.4	9.6	10.0	1.32
1+2	TOTAL:	52.0	47.2	2.6	2.2	0.5	12.1	12.6	1.45
3	-0.15mm REE concentrate 2	46.4	41.6	2.4	2.5	0.5	10.8	11.3	1.68
1+2+3	TOTAL: -0.15mm REE product streams	52.0	46.2	2.6	2.2	0.5	11.9	12.4	1.49
4	-0.5+0.15mm REE product	52.6	47.7	2.8	2.1	0.5	12.3	12.8	1.36
1+4	TOTAL: REE products	53.8	48.9	2.8	2.2	0.5	12.6	13.1	1.43
1+2+3+4	TOTAL: REE product streams	52.2	46.7	2.7	2.2	0.5	12.0	12.5	1.45

Table 1: IHC concentrate test work REE products.

The magnetic and electrostatic processing path has real benefits with respect to water requirements and dry tailings yields, which are important for fine fractions. The triboelectrostatic process is also dry and IHC points out that it may be applicable to the ultra-fine fraction of Sandy Mitchell ore, which had previously and successfully been tested using wet high-intensity magnetic separation (**WHIMS**). Triboelectrostatic separation is proven technology and commercially available globally through companies such as ST Equipment & Technology.

Processing has yielded a 52.2% TREO combined monazite product, which sits near the top of the 45% to 55% normal commercial range, and a 73.5% TiO_2 leucoxene product, which sits inside the 70% to 90% TiO_2 window of Australian, African, Indian and US leucoxene concentrates.

The HTRS middlings 65.8% TiO_2 stream may also be commercial, and the Company is undertaking further work on this.

Recovery on the REE product streams, measured by Ce, was 65.43% overall; 42.63% from the fine fraction and 22.80% from the coarse fraction. IHC notes that recirculation of intermediate streams in a production processing circuit could increase recovery further.

Next Steps

IHC Robbins is planning further work to test the concentrate for garnet production and will integrate the findings of this test work programmed into AHK's main Stage 2 metallurgical testing scope to inform plant PFS.

The Company is investigating test work to crack the IHC REE product to rare earth oxides and thorium end products.

GOLD INTERCEPTED IN SANDY MITCHELL PALEOCHANNEL DRILLING

Ark Mines announced that gold had been intersected in drilling undertaken in late 2025 at the Company's Sandy Mitchell Project.

Following completion of the Sandy Mitchell resource expansion drilling program in 2025 and subsequent identification of gold in streams within the southern tenement area, Ark undertook a focused drilling program to test the source of this mineralisation.

Drilling was designed to determine whether gold panned in streams in the south of the Sandy Mitchell tenement was shedding from the topographically elevated paleochannel Mesa.

The gold intercepts were returned south of Sandy Mitchell's Measured MRE of 71.8Mt at 1,732ppm Monazite Equivalent (MzEq)². The gold grades are not high but demonstrate potential to add value to the Heavy Mineral concentrates if the gold carries within the rare earth and heavy mineralisation.

Notable results from Hole 1 of this drill program include:

- 1m at 0.07 g/t Au from 1m, returning 0.46 g/t Au in concentrate (concentration factor 6.77)
- 1m at 0.27 g/t Au from 5m, returning 4.5 g/t Au in concentrate (concentration factor 16.66)
- 1m at 0.16 g/t Au from 7m, returning 3.66 g/t Au in concentrate (concentration factor 22.63)

Initial assay results have been received from 38 of the 166 one-metre intercepts across eight drill holes (refer Table 1 AHK announcement dated 6 May 2026), with the Company progressing assaying of the remaining samples.

Next Steps

Following these initial results, Ark will assay the remaining samples from the conglomerate drilling for gold. Additionally, the Company intends to identify further gold credits contained within the sands across the wider Sandy Mitchell Project area, with the design of an infill drill program underway.

The Company is also continuing to progress key workstreams, results from the recently completed resource expansion drilling will contribute to an updated MRE, which in turn will form a key input into the PFS.

An updated Scoping Study, incorporating improved processing pathways and metallurgical optimisation, will highlight further economic advantages for the project.

The recent granting of the Sandy Mitchell Mining Licence paves the way for Ark to advance the Sandy Mitchell Project from exploration towards mine development.

² Refer ASX Announcement dated 6 May 2026.

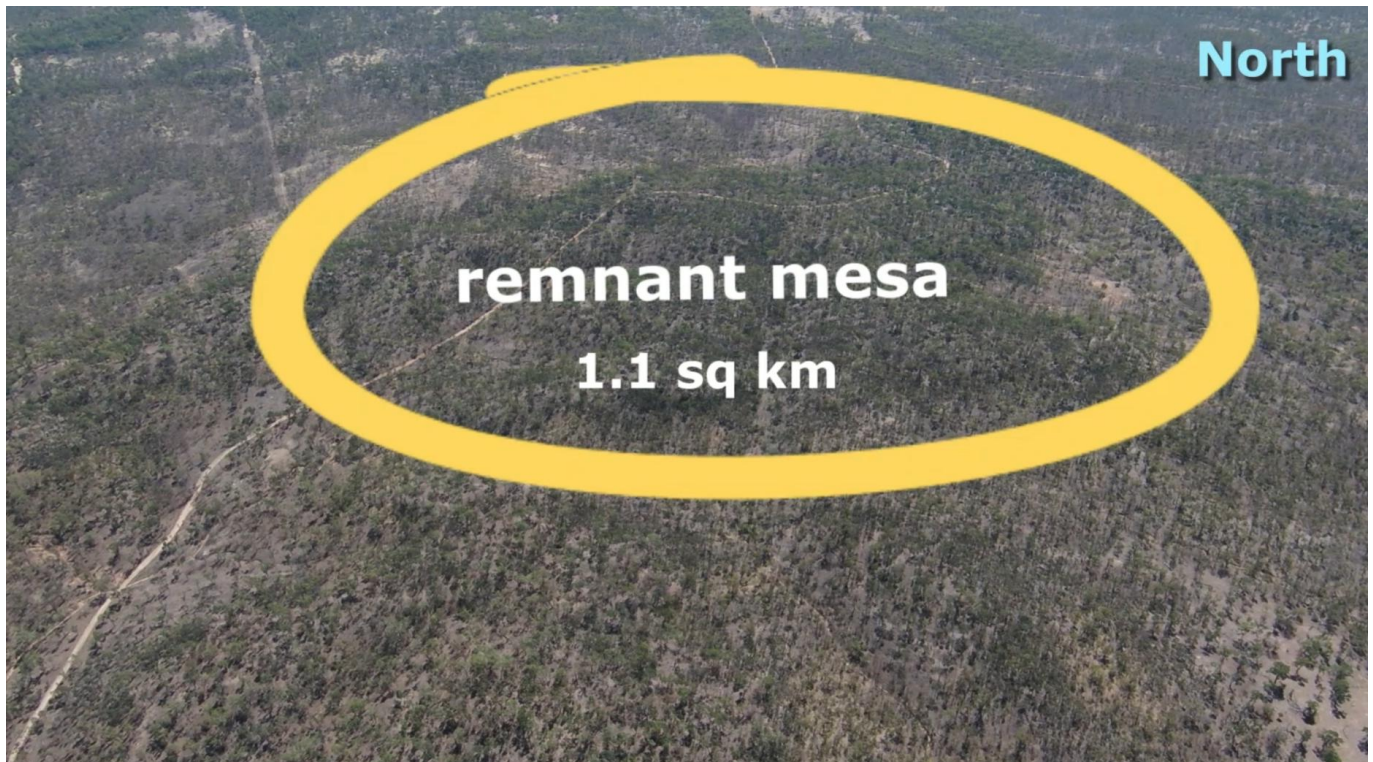


Figure 1: Drone image of the paleochannel conglomerate mesa in the south of the Sandy Mitchell tenement.

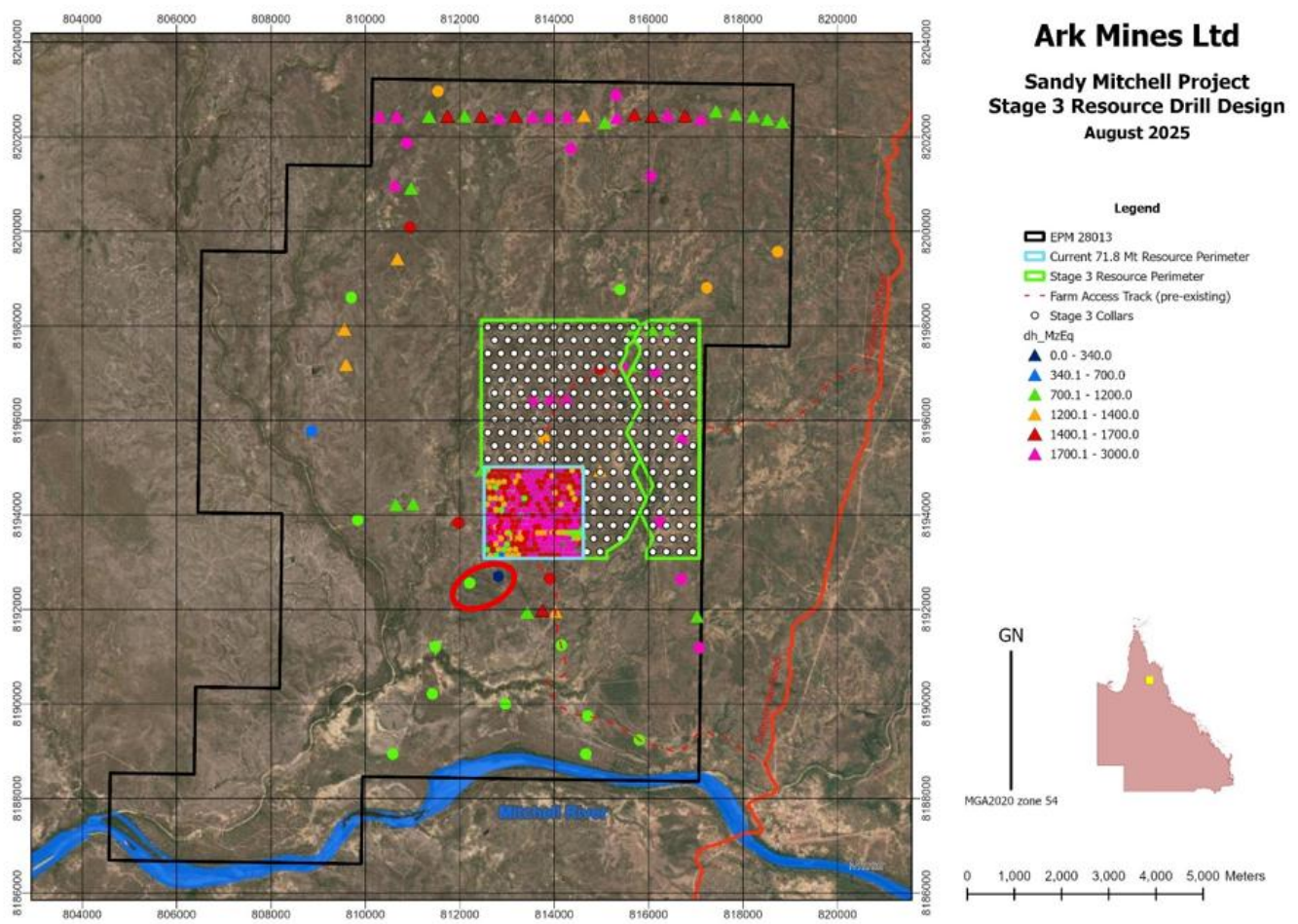


Figure 2: MRE outlined in Blue, recent expanded drilling in green and the mesa in a red circle.

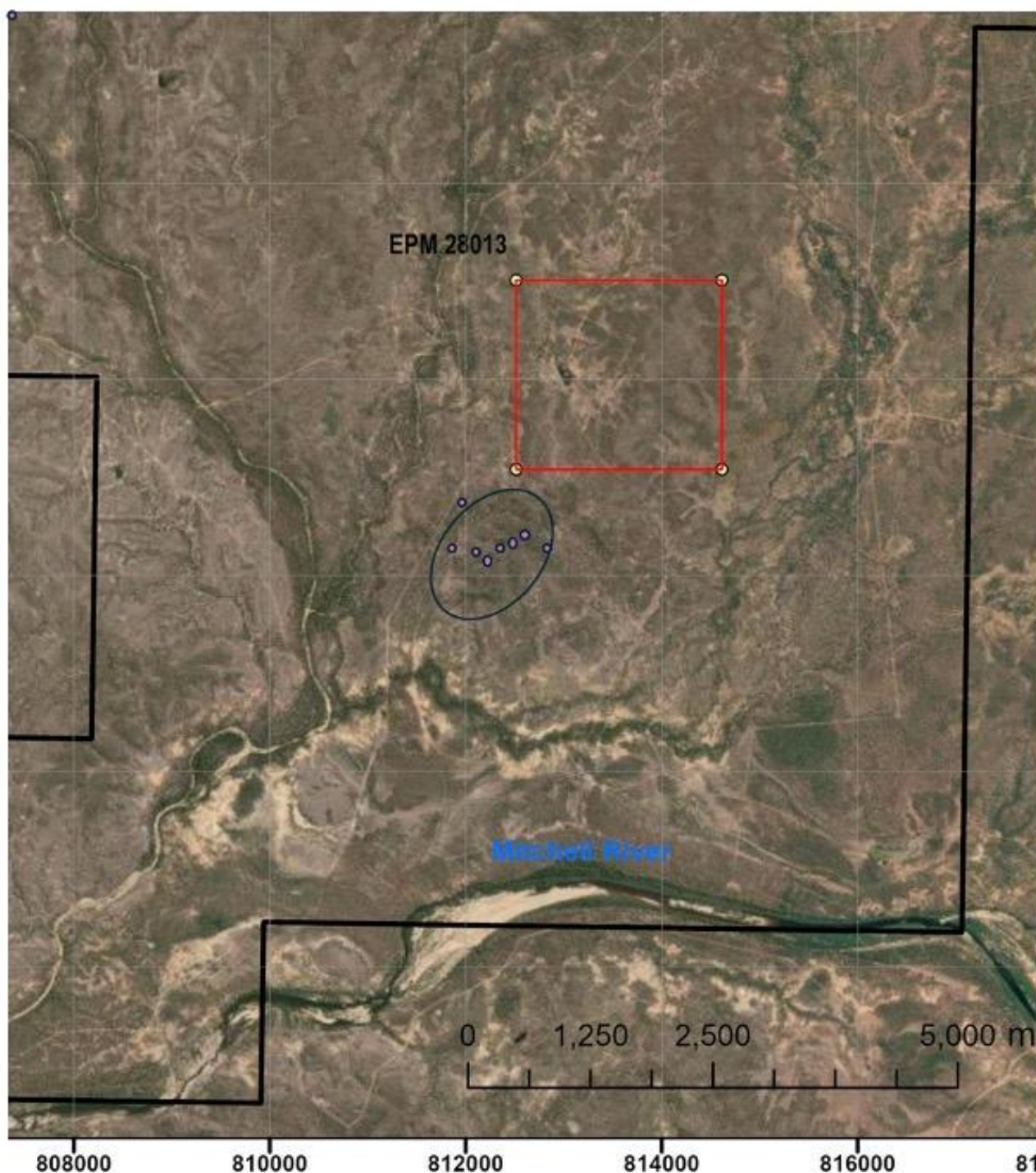


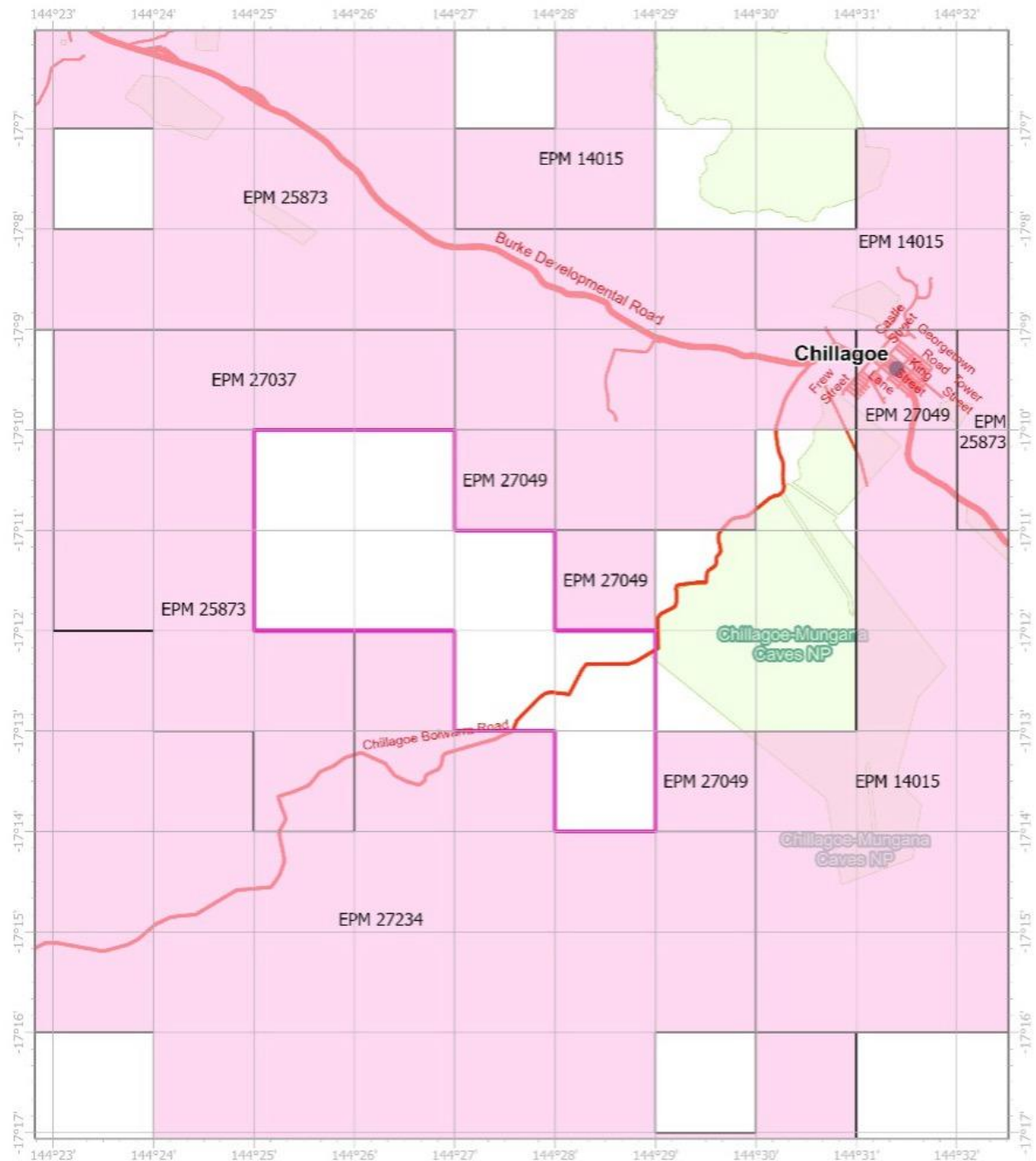
Figure 3: Sandy Mitchell Mining Licence in red, Paleochannel mesa in blue and RC drill holes in pink.

EXPLORATION PERMIT GRANTED FOR JACKSON FLUORITE PROJECT

Post quarter, Ark advised that the Queensland Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development had granted Exploration Permit for Minerals EPM 29189, covering the Jackson Fluorite Project near Chillagoe, North Queensland.

EPM 29189 – Key Details

EPM 29189 was granted on 26 June 2026 for a five-year term that expires on 25 June 2031, covering 8 sub-blocks. Environmental authority number P-EA-101118064 has been issued for the permit, which excludes the Chillagoe Mungana Caves National Park and is subject to Native Title Protection Conditions.



ARK MINES
LTD.



- Jackson EPM application
- Adjacent EPM
- National Park
- Main Road
- Secondary Road
- Local Road

TN
★
AGD 66

Jackson EPM Application Area Adjacent EPMs

0 1.25 2.5 5 Kilometers

Figure 4: Location of Ark's EPM 29189.



Figure 5: Fluorite vein and the historic Jackson Fluorite open cut mine.



Figure 6: The Jackson Fluorite Mine.



Figure 7: Exposed fluorite vein.

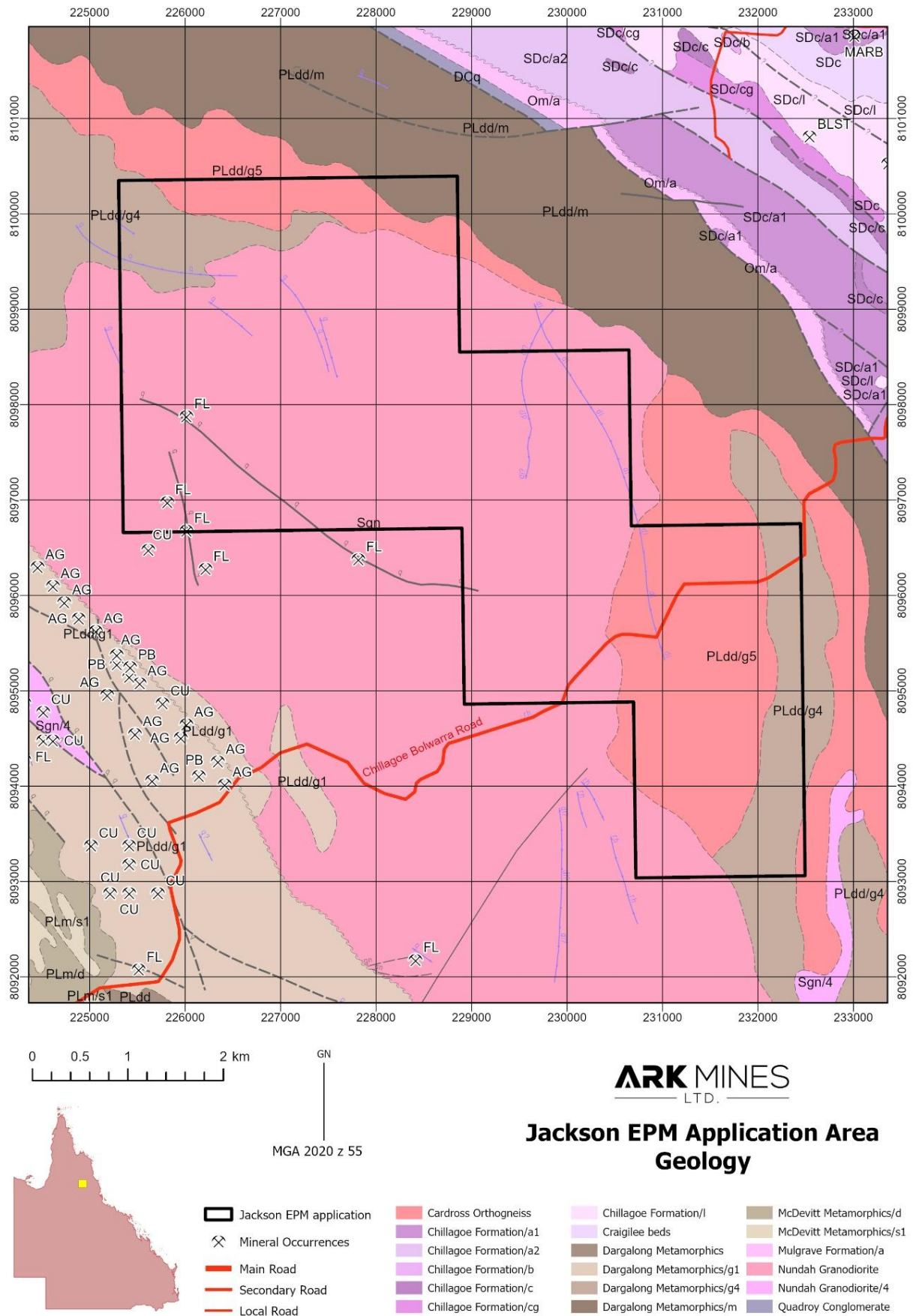


Figure 8: Map showing the geology of EPM29189

Fluorite Uses

Fluorite (also known commercially as fluorspar) is a calcium fluoride mineral (CaF_2) with a broad range of industrial applications. Its role spans steelmaking and aluminium production, electronics, optics and chemical manufacturing.

Fluorite is the chief ore for elemental fluorine and is essential for producing hydrofluoric acid (HF), the primary ingredient used to manufacture almost all organic and inorganic fluorine-bearing chemicals. From hydrofluoric acid flows a cascade of downstream products: refrigerants, fluoropolymers (such as Teflon), cement, glass and aluminium castings, as well as materials used in uranium processing.

In the clean energy transition, fluorite is used in solar panels, EV batteries, wind turbines and semiconductor manufacturing. A lithium-ion electric vehicle battery requires up to five to ten times more fluorspar than lithium.

China, Mexico, Mongolia and South Africa account for over 75% of global production. The US Department of Energy forecasts that demand for fluorspar will exceed current supply by 40–70% by 2035, driven largely by clean energy applications.

Fluorite is listed as a critical mineral by Australia, the US Geological Survey, the European Union and China, and as a strategic mineral by the United Kingdom.

SANDY MITCHELL

Project Development

Ark has received 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).

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.

Key Near-Term Milestones

Ark Mines has commenced the September 2026 quarter well-funded and in position to deliver multiple value-defining milestones at Sandy Mitchell. An updated Scoping Study, incorporating improved processing pathways and metallurgical optimisation, will be released in the near term, presenting a key step towards to the Pre-Feasibility Study (PFS).

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.

SECTOR OUTLOOK

The rare earths sector continued to benefit from strong macroeconomic and geopolitical tailwinds during the June quarter. NdPr oxide prices rallied strongly over the first half of 2026, while the US Department of Defense's price floor arrangement with MP Materials, guaranteeing US\$110/kg for NdPr oxide, continues to provide a policy-backed Western reference price for the sector.³

³ MP Materials, announcement of public-private partnership with the US Department of Defence, July 2025 (mpmaterials.com/news)

Cooperation under the Australia-United States Critical Minerals Framework also accelerated, with the two governments announcing combined project financing support of A\$1.4 billion (Australia) and US\$2.2 billion (United States) following the inaugural Mining, Minerals and Metals Investment Ministerial in March 2026⁴.

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

CORPORATE

Retirement of Director

During the quarter, Mr Ian Mitchell retired as a Director of Ark. Mr Mitchell joined the Board in December 2010 and was one of the Company's two longest serving Directors.

The Company thanked Mr Mitchell for his tireless dedication to the Company's development. His keen business acumen, boardroom skills and extensive legal and governance experience have been an asset to Ark.

Following Mr Mitchell's retirement, CFO and co-company secretary Mr Ian White has assumed a greater role in Ark's secretarial affairs.

Director, Technical Services Manager and Geologist Appointment

Ark Mines announced the appointment of Mr Tom Patterson as a Director of Ark. Mr Patterson is an experienced board advisor and director across a number of sectors with a strong finance and accounting background.

Ark Mines also advised of Mr Daemon de Chaeney's appointment as the Technical Services Manager and Geologist for the Sandy Mitchell Project. Mr de Chaeney is a highly experienced geologist who will be responsible for delivering the updated Scoping Study, Pre-Feasibility Study and site works for Sandy Mitchell.

Investor Presentation

In May, Ark Mines presented at the RIU Sydney Resources Round-up Conference. A copy of the presentation can be found on the Company's www.arkmines.com.au

Payments to Related Parties and their Associates

Payments of \$226,197 were made to related parties and their associates during the quarter. These payments were made for consulting fees to all Directors for work done to advance the Company'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.

SAFETY AND ENVIRONMENT FOR THE QUARTER

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

⁴ Department of Industry, Science and Resources, "Australia and United States advance cooperation on critical minerals and rare earths supply chains", 13 April 2026 (industry.gov.au)

EXPLORATION EXPENDITURE SUMMARY FOR THE QUARTER

Activity	Current Quarter \$(000)	Year to Date (12-months) \$(000)
Compilation activities	6	16
Geophysical surveys and remote	-	-
Surface exploration	7	57
Drilling	54	482
Other laboratory work	6	6
Advanced prospect testing / resource estimation	69	239
Administration	14	23
Other	3	158
Total	159	981

TENEMENT SUMMARY

Permit	Holder	Project	Ownership	Location
EPM 26464	Mt Jesse Pty Ltd	Mt Jesse	100%	40 km North of Mt Garnet North Queensland
EPM 26560	Gunnawara Pty Ltd	Gunnawara	100%	25 km South of Mount Garnet North Queensland
EPM 26883	Mt Pluton Base Pty Ltd	Mt Pluton	100%	90 km East of Dimbulah North Queensland
EPM 28013	Ark Mines Ltd	Sandy Mitchell	100%	120km Northwest of Chillagoe North Queensland
EPM 29189	Ark Mines Ltd	Jackson Fluorite	100%	20km Southwest of Chillagoe North Queensland
ML 100409	Ark Mines Ltd	Sandy Mitchell	100%	130km Northwest of Chillagoe North Queensland

SUBSEQUENT EVENTS

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

PREVIOUSLY REPORTED INFORMATION

The information in this report 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 referred to in this report and that all material assumptions and technical parameters underpinning the exploration results continue to apply and have not materially changed.

COMPETENT PERSONS STATEMENT

The information included in this report is based on and fairly represents information compiled by Mr Roger Jackson, a Director and shareholder of the Company, who is a 25+ year Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Company Directors. Mr Jackson has sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jackson has approved this report and included mineral resources statements as a whole and consents to the inclusion of the data contained in relevant resource reports used for this report as well as their form and context.

AUTHORITY FOR RELEASE

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

– ENDS –

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