

28 April 2017

Company Announcements

Australian Securities Exchange Limited
Level 40, Central Park,
152-158 St Georges Terrace
PERTH WA 6000

QUARTERLY ACTIVITIES REPORT PERIOD ENDING 31 MARCH 2017

Ironbark Zinc Limited (ASX: IBG) (“Ironbark” or “the Company”) hereby reports on its activities for the period ending 31 March 2017 in which the Company remained focused on the advancement of the wholly owned Citronen Base Metals Project (“Citronen”) in Greenland.

Ironbark has continued to progress the development of the wholly owned Citronen zinc project which is now permitted for a 30 year mine life. The permit includes the essential social and environmental permitting and guidelines and provides an exceptional platform for the company to progress its mining plans. With the support of strong zinc prices, Ironbark is focused on progressing the project towards financing with the study currently being brought into line with Chinese banking requirements.

During the quarter:

- Executed an agreement with China Nonferrous Metal Industry’s Foreign Engineering and Construction Co., Ltd (“NFC”) to provide a feasibility costs update and advance the project towards financing and construction
- Commenced discussions with banks and banking advisors
- Ironbark completed a placement to strengthen the balance sheet as we commence the financing stage
- Appointed the Owners Engineers
- Advanced shipping and logistics planning
- Ongoing review of potential transaction
- Zinc stockpiles fall to 8 year lows and trending down with rising zinc prices

Ironbark is also pleased to note that the grant of the Mining Permit at Citronen coincides with a period of ongoing tightness in global zinc supply and demand dynamics and a corresponding strong zinc price. Following the grant of the 30 year Mining Permit Ironbark immediately commenced development and financing activities to pave the way for the Company to become one of the world’s largest zinc mining companies.

During the quarter Ironbark announced the appointment of NFC under an agreement to:

- Incorporate current Chinese equipment and construction costs into the Citronen Feasibility Study
- Prepare a project study report in compliance with the financing requirement of China's banks
- Ensure the technical criteria is in compliance with local laws, regulations, standards and codes in Greenland and China
- Assist Ironbark in securing Chinese project debt financing for the development of Citronen under the terms of the earlier Memorandum of Understanding

Ironbark views this agreement as a major step towards advancing the financing and development of Ironbark as it progresses to become one of the world's largest zinc mining companies.

Ironbark has selected NFC as providing the most technically capable, rapid and competitive construction engineers to deliver a turnkey, fixed price EPC solution to developing and commissioning Citronen. Moving beyond the existing Memorandum of Understanding with NFC, Ironbark will see the Citronen Feasibility Study updated and tailored to meet the Chinese banking requirements that will target 70% debt financing and provide NFC with an option to acquire up to 19.9% of the Citronen project.

During the quarter Ironbark provided a project update that highlighted that the Citronen zinc project, in joint development with NFC is making excellent progress towards development. NFC is well advanced with the review, re-costing and preparation of the Feasibility Study report into a Chinese format that is "in compliance with the approval by the Chinese Government and the financing requirements by the Chinese banking sector".

Owners Engineers Appointed

CPC Project Design (CPC) an Australian engineering contracting group was appointed as Ironbark's engineering team to assist Ironbark working with NFC on the Citronen project. The CPC lead engineer is Ms. Jaqueline London who has particular experience in zinc processing in cold climate locations.

CPC engineering are experienced in the design of mineral processing plants and associated equipment. Capabilities encompass all project disciplines including earthworks, concrete/civil works, structural, mechanical, piping, electrical, instrumentation and control systems. CPC work at the study/FEED stage and can proceed through to project implementation with detail design for construction.

Shipping/Logistics

Ironbark is progressing work with shipping advisors with regard to the optimal ship leasing options available to the Company. Ironbark recognises that shipping represents a substantial operational cost and is looking at reducing these through a variety of solutions.

Financing

In addition to seeking finance through the assistance of NFC, as discussed above, Ironbark is in discussions with several major international banking groups and corporate advisors to provide overall banking advice and assistance. In particular the projects location in Europe makes it a candidate for European Export Credit Agency (ECA) financing funding.

Placement

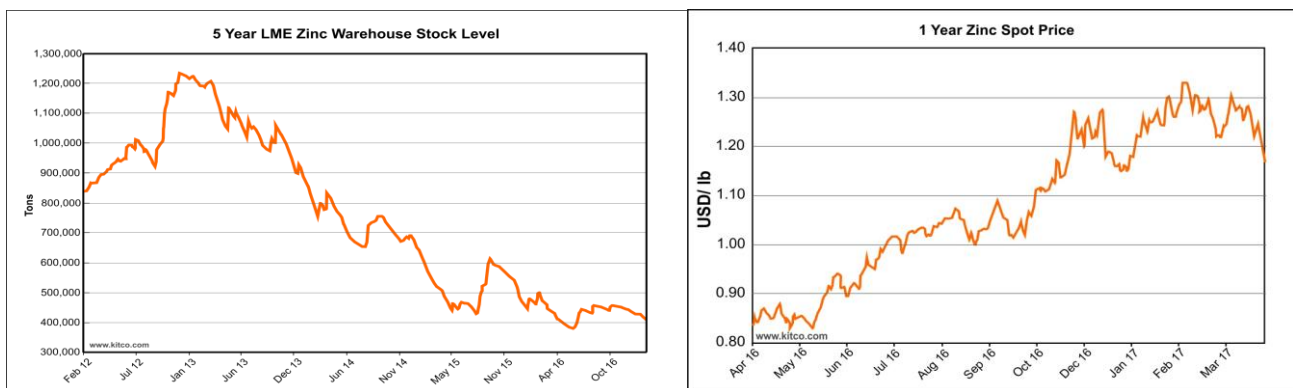
During the quarter Ironbark announced that it completed a book build for a placement to institutional and sophisticated professional investors which raised \$2.3 million at an issue price of \$0.08 per share (“Placement”).

The Placement included the issue of approximately 28.75 million new shares, pursuant to the Company’s capacity under ASX Listing Rules 7.1. The strong demand for the Placement, which was heavily oversubscribed, reflects the significant market interest in the development of the Company’s Citronen Project.

The funds raised pursuant to the Placement will be used primarily to fund the further development of Citronen including the appointment of China Nonferrous to advance the financing and development and for general working capital. In addition Ironbark will continue to seek to build shareholder value through exploration and development of its suite of projects, and will continue to review and assess potential additional base metal acquisitions.

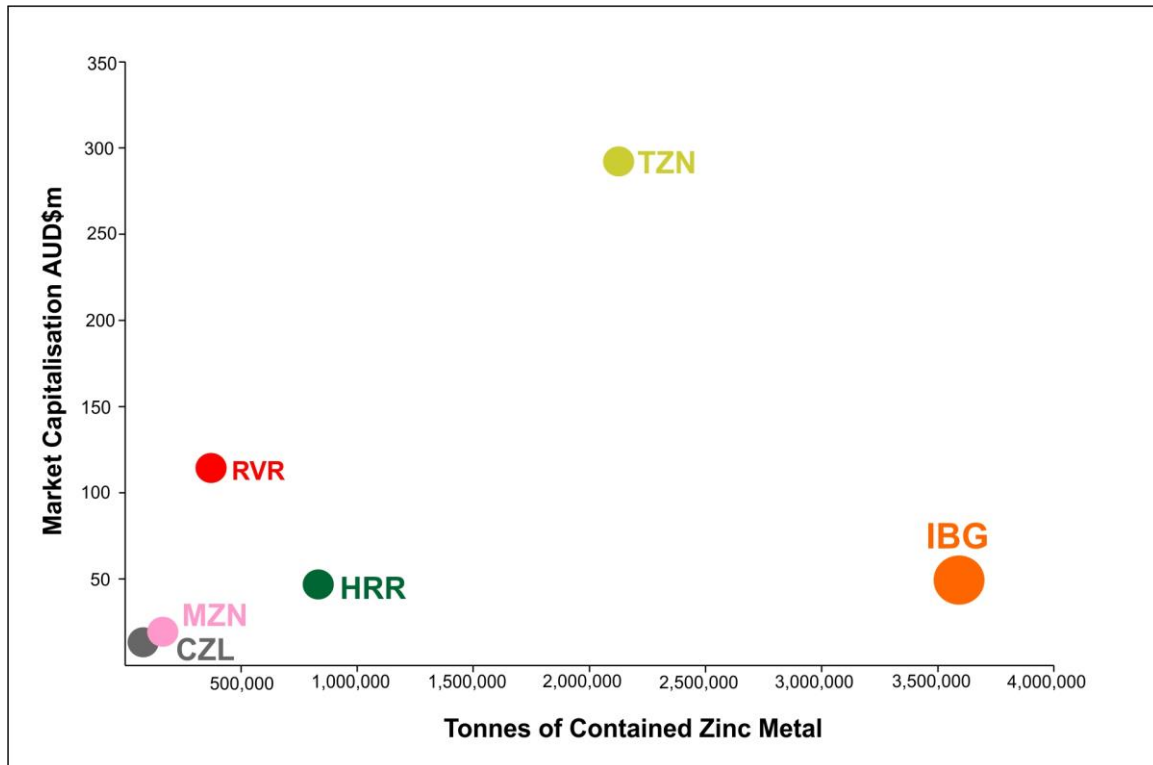
Marketing/Promotion

Ironbark has been in discussions with several broking institutions and fund managers seeking further coverage and research to improve the market understanding of the Citronen project. Ironbark considers that Citronen represents a compelling investment exposure to zinc, with zinc stockpiles at 10 year lows and continuing to fall, driving a strong zinc price.



Falling zinc warehouse stock levels are driving a strong zinc price providing Ironbark with exceptional leverage to a rallying zinc price

The Citronen Project is currently being prepared for project funding with the assistance of NFC. In addition Ironbark has secured the Mining Permit that encompasses the key environmental permitting required by the Greenland Government. This combination of factors results in Citronen being considered an exceptionally advanced project following the completion of the Feasibility Study at a cost of approximately \$50m. The robust Citronen deposit which remains open to further mineralisation in many directions sees Ironbark considered to be peerless on the ASX.



ASX Zinc Peer Comparison – With in excess of 3.6Mt of contained zinc in-ground, and market capitalisation of \$50m - Ironbark appears to be extremely undervalued

Cash Position

The Company holds a cash position at the end of the March 2017 quarter of approximately \$2.8M with no debt. Strong cost saving measures remain in place however it is noted that costs were incurred during the quarter in relation to a potential transaction.

End.

For further information please visit Ironbark’s website www.ironbark.gl or contact us:

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About Ironbark

Ironbark is listed on the Australian Securities Exchange and is seeking to become a base metal mining house. Ironbark has an undrawn US\$50M funding facility provided by Glencore to expand its project base through acquisition.

Ironbark seeks to build shareholder value through exploration and development of its projects and also seeks to actively expand the project base controlled by Ironbark through acquisition. The management and board of Ironbark have extensive technical and corporate experience in the minerals sector.

The wholly owned Citronen base metal project currently hosts in excess of 13.1 Billion pounds of zinc (Zn) and lead (Pb). For full details refer to ASX announcement 25 November 2014 –Citronen Project Resource Update – JORC 2012 compliant resource.

The current JORC 2012 compliant resource for Citronen:

70.8 million tonnes at 5.7% Zn + Pb

Category	Mt	Zn%	Pb%	Zn+Pb%
Measured	25.0	5.0	0.5	5.5
Indicated	26.5	5.5	0.5	6.0
Inferred	19.3	4.9	0.4	5.3

Using Ordinary Kriging interpolation and reported at a 3.5% Zn cut-off

Including a higher grade resource of:

29.9 million tonnes at 7.1% Zn + Pb

Category	Mt	Zn%	Pb%	Zn+Pb%
Measured	8.9	6.6	0.6	7.2
Indicated	13.7	6.8	0.5	7.3
Inferred	7.3	6.2	0.5	6.6

Using Ordinary Kriging interpolation and reported at a 5.0% Zn cut-off

“Ironbark is an emerging leader amongst Australia’s mineral resource companies, dedicated to the development of its major base metal mining operation in Greenland – the world class Citronen Project, and the acquisition of quality base metals projects.”

Disclosure Statements and Important Information

Forward Looking Statements

This announcement contains certain statements that may constitute “forward looking statement”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources is based on information compiled by Ms Laursen (B. ESc Hons (Geol), MSEG, MAIG), an employee of Ironbark Zinc Limited. Ms Laursen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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. Ms Laursen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears

Competent Persons Disclosure

Ms Laursen is an employee of Ironbark Zinc Limited and currently holds securities in the company.

Schedule of Tenements (as required by ASX Listing Rule 5.3.3)

IRONBARK ZINC LIMITED CONSOLIDATED BASIS SCHEDULE OF INTERESTS IN MINING TENEMENTS				
Project	Mining tenements held	Location of tenements	Beneficial % interest at end of the quarter	Change in the quarter
Captains Flat (Joint Venture with Glencore)	EL6381	New South Wales	50%	
Fiery Creek	EL6925 EL8107	New South Wales	100%	
Citronen	ML2016/30 EL2007/31 EL2010/47	Greenland	100%	
Mestersvig	EL2011/28 EL2007/32 EL2016/22	Greenland	100%	
Washington Land	EL2007/33	Greenland	100%	