

15 January 2018

The Manager
Company Announcements Office
ASX Limited

IRONBARK ZINC LIMITED - COMPANY UPDATE

Ironbark Zinc Limited (**Company**) (ASX: IBG) hereby provides an update regarding the development of the world class Citronen zinc project. This is an exciting time for the Company as it progresses toward the major project financing stage of the advanced and high margin, large scale Citronen zinc project at a period of such strong zinc prices.

Ironbark is focused on working towards project financing and then moving into production. The Citronen project is exceptionally well placed to meet the strong and growing global demand for zinc and would be highly profitable in today's environment and under a granted mining permit in a low sovereign risk jurisdiction, provides the Company with confidence that the financing process will be successfully achieved.

Cutfield Freeman & Co Appointed

Ironbark is pleased to announce the appointment of Cutfield Freeman & Co., (CF&Co) a highly credentialed tier one international financial advisory firm to assist Ironbark structure the financing for the world class Citronen zinc project.

CF&Co is an independent corporate finance house with offices in London, Toronto and Hong Kong providing independent advice to companies in the mining and metals sectors. CF&Co advises on all aspects of corporate, project and offtake-related finance, mergers and acquisitions, and joint ventures. CF&Co has acted on a wide variety of transactions for a range of mining companies including BHP Billiton Ltd, Dynatec Corporation, Molycorp Inc, Zijin Mining Group Co., Anatolia Mineral Development Ltd./Alacer Gold Corporation.

Senior Appointments

Ironbark has commenced work on identifying the project development team including the appointment of a Senior Project Manager and Senior Finance Manager.

The Feasibility Study Project Execution document is currently being reviewed by CPC Engineering. Long lead items and logistical plans are being prepared to ensure a seamless transition into production with mining planned to commence in 2019, with site preparation works being conducted this year.

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Germanium

Ironbark has identified potentially significant Germanium in the Citronen ore as released to the Australian Securities Exchange (ASX) on 7 December 2017. Further assaying is underway and results will be reported in due course.

Germanium is a potential credit in some zinc ore bodies that formed in low temperature environments, such as Citronen. As previously announced, Ironbark has released results for one composite ore sample that is considered representative of the Beach Zone ore body and that returned a result of 24 parts per million (ppm). Germanium tends to report to, and get upgraded to, the zinc concentrate during processing. Certain zinc smelters around the world are able to extract and pay for the germanium from the zinc concentrate, requiring no change to the Citronen processing of zinc concentrate on site. Ironbark makes no representation about how much, if any, of the germanium processed will be a payable credit to Ironbark.

The demand for germanium for fibre optic communication networks, solar panels, infrared night vision systems, and polymerisation catalysts has increased dramatically in recent years. These end uses represent the majority of worldwide germanium consumption. The US government designated germanium as a strategic and critical material and holds a supply in the national defence stockpile.

Germanium (Ge) ask price chart

Click and drag in the plot area to zoom in



Germanium ask Price Chart – source: Kitco/strategic-metals

China Nonferrous Progress

Work is ongoing with China Nonferrous (NFC) with the majority of the design and planning studies having been completed. We note that Chinese regulatory requirements and design changes have resulted in variations to the Western Feasibility Study. Some of these changes have resulted in delays and Ironbark remains in close discussion with NFC. Ironbark continues to work with NFC under the pre-existing Memorandum of Understanding.

Western Project Financing

Aided by Cutfield Freeman's global expertise, Ironbark is working on a traditional financing pathway that could see the adoption of the Metso plant and equipment and Western financing as envisaged under the current Feasibility Study. Ironbark has received interest from several large funds and is encouraged by the interest shown in the project.

Updated Shipping Study

Ironbark is pleased to advise that it has received an updated shipping study that incorporates weather conditions over the past 6 years. The Shipping Study, prepared by the Pre Eminent Shipping advisor highlights significant changes in the artic shipping environment around the proposed Citronen shipping pathway. This has a significant positive impact on the shipping vessel access.

Zinc Price Hits New Decade High

The zinc price has continued to rise and recently crossed decade high levels of US\$3,400/t or over US\$1.55/lb. These exceptionally strong levels are supported by falling London Metal Exchange (LME) inventories which are looking towards reaching critically low levels.

Ironbark remains one of the largest zinc projects in the world and offers strong leverage to the rising zinc price with exceptionally high revenues and a strong NPV, as released on 12 September 2017, once in production.

ENDS

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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 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. Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed. Ironbark has completed a Feasibility Study on the Citronen base metal project and has secured a 30 year mining licence.

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

The following information is not intended to guide any investment decisions in Ironbark Zinc Limited.

This material contains certain forecasts and forward-looking information, including possible or assumed future performance, costs, production levels or rates, reserves and resources, prices and valuations and industry growth and other trends. Such forecasts and information are not a guarantee of future performance and involve many risks and uncertainties, as well as other factors. Actual results and developments may differ materially from those implied or expressed by these statements and are dependent on a variety of factors. The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, based on the information contained in this and previous ASX announcements.

The Citronen zinc project is considered to be at an early development stage and will require further regulatory approvals and securing of finance and there is no certainty that these will occur. Nothing in this material should be construed as either an offer to seek a solicitation or as an offer to buy or sell Ironbark securities. Consideration of the technical and financial factors requires skilled analysis and understanding of their context.

Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed

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 GradDipAppFin), 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.