

11 August 2017

Phase 3 Drilling Underway at Kildare

Following up high-grade intercepts at McGregor, and Celtic Tiger Discovery.

Key Points:

- Exciting Phase 3 drilling underway at 100%-owned Kildare Zinc Project.
- First hole to test continuity of thick high-grade mineralisation in Hole 003.
- Ramp-up with 2nd rig due early September to follow up high grade discovery at Celtic Tiger.

European base metals explorer Zinc of Ireland NL (ASX: ZMI – “ZMI” or “the Company”) is pleased to advise that its Phase 3 diamond drilling program has commenced at the **Kildare Zinc Project** in Ireland.

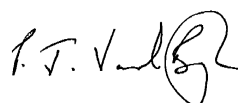
The first hole ‘Z_4069_006’ is underway at the **McGregor Prospect** where ZMI is seeking to extend mineralisation along strike and eastwards of the spectacular intercept in hole 003 that was announced in June. Hole 006 is the first of several holes planned at McGregor with the aim of extending the thick, high-grade Base of Reef mineralisation and calculating a Resource upgrade later in the year.

The Phase 3 program will ramp up further when a second drilling rig arrives in early September to target the newly discovered **Celtic Tiger** prospect, ~1km west of McGregor.

“Finding orebodies requires luck, hard work and good science” said Managing Director Peter van der Borgh, “and with a modicum of each in the past year ZMI has delivered a Resource, arguably the best zinc drilling intercept of 2017, and a nearby discovery at Celtic Tiger within 200m of the surface. We aim to build on that in our Phase 3 drilling program”.

“Zinc is the 4th most required industrial metal the world needs, and the current level of zinc supplies resembles those in 2006 that led to a price breakout. We see the zinc price heading north in a substantial and sustainable way, and our growth story is positioned to be right there with it”.

Yours faithfully,



Peter van der Borgh
Managing Director
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Competent Person Statement

The information in this document that relates to exploration results is based on information compiled by Mr Peter van der Borgh BSc (Hons, 1st Class), a Competent Person who is a Fellow of the Geological Society of London. Mr van der Borgh is a director and shareholder of Zinc of Ireland NL. Mr van der Borgh has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken 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 (JORC Code). Mr van der Borgh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

Certain statements contained in this announcement, including information as to the future financial or operating performance of ZMI and its projects, are forward-looking statements that:

- *may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;*
- *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by ZMI, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,*
- *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.*