Ironbark Zinc Limited

AND ITS CONTROLLED ENTITIES
(ABN 93 118 751 027)

HALF YEAR REPORT

for the financial period ending 31 December 2019

CONTENTS

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by Ironbark Zinc Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

CORPORATE DIRECTORY

NON-EXECUTIVE CHAIRMAN
Frederick Hess

EXECUTIVE MANAGING DIRECTOR
Michael Jardine

NON-EXECUTIVE DIRECTORS
Maciej Sciazko
Danny Segman

COMPANY SECRETARY
Jonathan Whyte

PRINCIPAL & REGISTERED OFFICE
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AUDITORS
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SECURITIES EXCHANGE LISTINGS
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: IBG

BANKERS
National Australia Bank
1232 Hay Street
WEST PERTH WA 6872

WEBSITE
www.ironbark.gl

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of Ironbark Zinc Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of the half-year ended 31 December 2019.

1. DIRECTORS

The names of Directors who held office during or since the end of the half-year:

Dr Frederick Hess	Non Executive Chairman (appointed 19 September 2019)
Mr Michael Jardine	Executive Managing Director (appointed 20 September 2019)
Mr Maciej Sciazko	Non Executive Director
Mr Danny Segman	Non Executive Director
Mr Peter Bennetto	Non Executive Chairman (resigned 19 September 2019)
Mr Jonathan Downes	Executive Managing Director (resigned 30 November 2019)
Mr Gary Comb	Non Executive Director (resigned 30 November 2019)

Directors have held office for the entire period and to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

During the half-year the principal activities of the Consolidated Entity consisted of exploration and development of the group's base metal exploration and development holdings.

3. RESULTS OF OPERATIONS

The Directors of the Company advise the consolidated loss of the Consolidated Entity after providing for income tax for the half-year to 31 December 2019 is $0.83 million (2018: $0.63 million).

4. REVIEW OF OPERATIONS

Throughout the December 2019 half-year period, Ironbark Zinc Limited ('Ironbark') has remained focused on advancing the development of the Company's flagship Citronen Base Metals Project ('Citronen') in Greenland.

Citronen is one of the world's largest undeveloped zinc deposits and is at an advanced post-feasibility stage, having been granted an Exploitation Licence (equivalent to a Mining Licence in Australia) in 2016.

During the period the Company relinquished all non-core Greenland Exploration Licenses to focus on the flagship Citronen project, as announced on 30 December 2019. The Company's Australian holdings have not changed in the period under review.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources is based on information compiled by Ms E Laursen (B. ESc Hons (Geol), GradDip App. Fin., 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.

DIRECTOR'S REPORT (cont)

Corporate Activities

On 4 July 2019 the Company announced a Share Purchase Plan (SPP) to raise $1.5 million, at an issue price of $0.015 per share. The SPP closed oversubscribed on 26 July 2019, with approximately $2.04 million raised from the issue of 136,066,593 shares.

On 7 August 2019 the Company advised that arbitration proceedings between Glencore International AG (Glencore) and Ironbark had concluded, with Glencore's claim against Ironbark dismissed.

On 20 September 2019 Mr Michael Jardine was appointed as Managing Director, replacing Mr Jonathan Downes. Mr Jardine has served in various Board & Executive roles at a number of junior ASX listed resource Companies, and he has extensive experience in Corporate & Project Finance, Strategy Development and Minerals Marketing.

On 19 September 2019 Dr Frederick Hess was appointed as Non-Executive Chairman, following the resignation of Mr Peter Bennetto. Dr. Hess has served in various roles including the management of construction, ramp up and operation of major mines in challenging environments. His experience in delivering and operating large scale, international mining projects makes him ideally suited to the task of guiding Ironbark's next phase of growth.

On 30 October 2019 the Company completed a placement, raising $1 million through the issue of 74,074,074 shares at an issue price of $0.0135 per share.

On 30 November 2019 Mr Jonathan Downes and Mr Gary Comb resigned from their positions as Non-Executive Directors.

At the end of the half year, cash available to the Company was $1.15 million (30 June 2019: $0.59 million).

5. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

DIRECTOR'S REPORT (cont)

6. DIVIDENDS

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

7. ROUNDING OF AMOUNTS

The amounts contained in this report have been rounded under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/91*. The Company is an entity to which the Instrument applies, and in accordance with that Instrument, amounts in the Directors' report and financial report have been rounded to the nearest thousand dollars (where rounding is appropriate).

8. EVENTS SUBSEQUENT TO REPORTING DATE

No other matter or circumstance has arisen subsequent to 31 December 2019 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting Consolidated Entity in future financial periods.

9. AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 5 for the half-year ended 31 December 2019.

This report is made in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

M. Jardine

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Michael Jardine
Managing Director
12 March 2020

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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF IRONBARK ZINC LIMITED

In relation to our review of the financial report of Ironbark Zinc Limited for the half year ended 31 December 2019, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER

12 MARCH 2020
WEST PERTH
WESTERN AUSTRALIA

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INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF IRONBARK ZINC LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Ironbark Zinc Limited (the company) and controlled entities (consolidated entity), which comprises the condensed consolidated statement of financial position as at 31 December 2019, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2019, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ironbark Zinc Limited is not in accordance with the Corporations Act 2001 including:-

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019, and of its financial performance for the half-year ended on that date; and

(b) complying with the Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our conclusion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity incurred a net loss after tax of $831,497 and net operating cash outflows of $711,018 during the half-year ended 31 December 2019. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the consolidated entity does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors' of the company a written Auditor's Independence Declaration.

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Directors' Responsibility for the Half-Year Financial Report

The directors' of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half year ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Ironbark Zinc Limited and the entities it controlled during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER

12 MARCH 2020
WEST PERTH
WESTERN AUSTRALIA

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the half year ended 31 December 2019

	31-Dec 2019 $'000	31-Dec 2018 $'000
Revenue		
Other revenue	195	84
Expenses		
Corporate and compliance expenses	(266)	(268)
Employee benefits expenses	(296)	(378)
Consulting expenses	(52)	(106)
Share based payments expenses	(15)	-
Impairment (expense)/writeback	(447)	65
Foreign exchange gain	50	-
Other expenses	-	(23)
Loss before income tax expense	**(831)**	**(626)**
Income tax expense	-	-
Loss for the period	**(831)**	**(626)**
Other comprehensive income		
Items that maybe reclassified subsequently to profit and loss		
Exchange differences arising on translation of foreign operations	(646)	1,366
Total comprehensive income/(loss) for the period	**(1,477)**	**740**
Earnings per share		
Basic and diluted loss per share (cents) calculated on loss for the period	(0.10)	(0.10)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2019

	Note	31-Dec 2019 $'000	30-Jun 2019 $'000
CURRENT ASSETS			
Cash and cash equivalents		1,152	591
Trade and other receivables		42	35
Financial assets		10	10
Other current assets	2	-	14
TOTAL CURRENT ASSETS		1,204	650
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	4	53,624	54,601
Other assets	2	3,098	1,415
TOTAL NON-CURRENT ASSETS		56,722	56,016
TOTAL ASSETS		**57,926**	**56,666**
CURRENT LIABILITIES			
Trade and other payables		368	435
Provisions		20	188
TOTAL CURRENT LIABILITIES		388	623
TOTAL LIABILITIES		388	623
NET ASSETS		**57,538**	**56,043**
EQUITY			
Issued capital	6	127,779	124,813
Reserves	7	3,904	4,544
Accumulated losses		(74,145)	(73,314)
TOTAL EQUITY		**57,538**	**56,043**

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the half year ended 31 December 2019

	31-Dec 2019 $'000	31-Dec 2018 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(791)	(662)
Payments for exploration and evaluation	(116)	(3,181)
Interest received	-	1
Refund of environmental bonds	-	80
Other revenue	195	86
NET CASH (USED IN) OPERATING ACTIVITIES	**(712)**	**(3,676)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to escrow account for environmental bonds	(1,683)	(1,270)
Payments for plant and equipment	-	(4)
NET CASH (USED IN) INVESTING ACTIVITIES	**(1,683)**	**(1,274)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	3,041	2,000
Costs of issuing share capital	(84)	(133)
NET CASH FROM FINANCING ACTIVITIES	**2,957**	**1,867**
Net increase/(decrease) in cash and cash equivalents	562	(3,083)
Effect of movement in exchange rates on cash held	(1)	3
Cash and cash equivalents at the beginning of the reporting period	591	5,182
Cash and cash equivalents at the end of the reporting period	**1,152**	**2,102**

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half year ended 31 December 2019

	Issued Capital	Share Based Payment Reserve	Foreign Translation Reserve	Accumulated Losses	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2019	**124,813**	**-**	**4,544**	**(73,314)**	**56,043**
Loss for the period	-	-	-	(831)	(831)
Other Comprehensive Income					
Exchange differences arising on translation of foreign operations	-	-	(646)	-	(646)
Total comprehensive income for the period	-	-	(646)	(831)	(1,477)
Transactions with owners, recorded directly in equity					
Issue of share capital	3,041	-	-	-	3,041
Share based payments	9	6	-	-	15
Costs of issuing capital	(84)	-	-	-	(84)
Total transactions with owners	2,966	6	-	-	2,972
Balance at 31 December 2019	**127,779**	**6**	**3,898**	**(74,145)**	**57,538**
Balance at 1 July 2018	**122,950**	**-**	**3,318**	**(72,088)**	**54,180**
Loss for the period	-	-	-	(626)	(626)
Other Comprehensive Income					
Exchange differences arising on translation of foreign operations	-	-	1,366	-	1,366
Total comprehensive income for the period	-	-	1,366	(626)	740
Transactions with owners, recorded directly in equity					
Issue of share capital	2,000	-	-	-	2,000
Costs of issuing capital	(133)	-	-	-	(133)
Total transactions with owners	1,867	-	-	-	1,867
Balance at 31 December 2018	**124,817**	**-**	**4,684**	**(72,714)**	**56,787**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 31 December 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Ironbark Zinc Limited (the Company) is a public company, limited by shares, domiciled and incorporated in Australia and listed on the Australian Securities Exchange. The half-year consolidated financial report of the company for the six months ended 31 December 2019, comprise the Company and its subsidiaries (the "Consolidated Entity" or "Group").

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year consolidated financial report does not include full disclosures of the type normally included in an annual financial report. Accordingly, it is recommended that this interim financial report be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by Ironbark Zinc Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

These consolidated half-year financial statements were authorised for issue in accordance with a resolution of the directors on 12 March 2020.

Basis of Preparation

The half-year consolidated financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. The presentation and functional currency is Australian Dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2019, except for the impact of the Standards and Interpretations described below. Those accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are relevant to their operations and mandatory for the current reporting period.

The Consolidated Entity has adopted AASB 16 Leases from 1 July 2019, with no financial impact. AASB 16 results in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS for the half year ended 31 December 2019 (cont)

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity and are consistent with those of the previous financial years and corresponding interim reporting period.

Impact of new standards and interpretations issued but not yet adopted

There are no new standards that have been issued since 30 June 2019 that have been applied by the Consolidated Entity. The 30 June 2019 annual report disclosed that the Consolidated Entity anticipated no new material impacts arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2019.

Going Concern Basis

The financial statements have been prepared on the going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Consolidated Entity incurred a net loss after tax of $0.83 million for the period ended 31 December 2019 (31 December 2018: $0.63 million). As at 31 December 2019 the Consolidated Entity had net assets of $57.54 million (30 June 2019: $56.04 million) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2019 the Consolidated Entity had $1.15 million (30 June 2019: $0.59 million) in cash and cash equivalents.

The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. Ultimate exploitation of the assets will depend on raising necessary funding in the future. Should the Consolidated Entity be unable to raise additional funds, there is a material uncertainty which may cast significant doubt over the Consolidated Entity ability to continue as a going concern. On 30 October 2019 the Company completed a placement, raising $1 million. This followed the completion of a Share Purchase Plan to raise in July 2019, which raised approximately $2.04 million. Fund raised under these equity raisings are being used primarily to fund further development work on the Company's portfolio of projects, and for general working capital. As at 31 December 2019 there has been no adjustment in the financial report relating to the recoverability and classification of the asset carrying amounts, or the amounts and classification of liabilities that might be necessary, should the Consolidated Entity be unable to raise capital as and when required, and the exploitation of the areas of interest not be successful, or the Consolidated Entity not continue as a going concern.

Significant accounting estimates, judgments and assumptions

The preparation of financial statements requires management to make judgments and estimates relating to the carrying amounts of certain assets and liabilities. Actual results may differ from the estimates made. Estimates and assumptions are reviewed on an ongoing basis. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next accounting period are:

(i) *Share based payment transactions*

The Consolidated Entity measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using an appropriate valuation model.

(ii) *Income tax expenses*

Judgement is required in assessing whether deferred tax assets and liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2019 (cont)

(iii) Impairment of exploration and evaluation assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:
- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements;
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

(iv) Carrying value of exploration and evaluation assets

The Company assessed the carrying value of its exploration expenditure for indicators of impairment and concluded that impairment testing of the project was not required.

2. OTHER ASSETS

	31-Dec 2019 $'000	30-Jun 2019 $'000
Environmental bonds	3,058	1,375
Other	40	54
Balance at the end of the period	3,098	1,429

3. SEGMENT INFORMATION

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM') to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by Management based on the mineral resource and exploration activities in Australia and Greenland. Discrete financial information about each project is reported to the chief operating decision maker on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

The Consolidated Entity has two reportable segments based on the geographical areas of the mineral resource and exploration activities in Australia and Greenland. Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2019 (cont)

2019		Australia	Greenland	Total
		$'000	$'000	$'000
(i)	**Segment performance**			
	For the period ended 31 December 2019			
	Revenue			
	Unallocated items:			
	Cost recoveries			195
	Total segment revenue			195
	Reconciliation of segment result to group net profit/(loss) before tax			
	Amounts not included in segment result but reviewed by the Board:			
	Exploration expenditure impairment	-	(447)	(447)
	Unallocated items:			
	Other expenses			(579)
	Net loss before tax			(831)
(ii)	**Segment assets**			
	As at 31 December 2019			
	Segment assets at 1 July 2019	1,534	54,549	56,083
	Segment asset increase/(decrease) for the period:			
	Exploration assets	5	(980)	(975)
	Other assets	-	1,681	1,681
		1,539	55,250	56,789
	Reconciliation of segment assets to group assets			
	Unallocated assets:			
	Financial assets			1,095
	Trade and other receivables			42
	Total group assets			57,926
(iii)	**Segment liabilities**			
	As at 31 December 2019			
	Reconciliation of segment liabilities to group liabilities			
	Other liabilities	-	74	74
		-	74	74
	Unallocated items:			
	Other liabilities			314
				388

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2019 (cont)

2018		Australia	Greenland	Total
		$'000	$'000	$'000
(iv)	**Segment performance**			
	For the period ended 31 December 2018			
	Revenue			
	Other revenue	25	-	25
		25	-	25
	Unallocated items:			
	Interest revenue			1
	Cost recoveries			58
	Total segment revenue			84
	Reconciliation of segment result to group net profit/(loss) before tax			
	Amounts not included in segment result but reviewed by the Board:			
	Exploration expenditure written off	64	(37)	27
	Unallocated items:			
	Other expenses			(737)
	Net loss before tax			(626)
(v)	**Segment assets**			
	As at 30 June 2019			
	Segment assets at 1 July 2018	1,472	48,103	49,575
	Segment asset increase/(decrease) for the period:			
	Exploration expenditure	62	5,143	5,205
	Financial assets	-	2	2
	Other assets	-	1,301	1,301
		1,534	54,549	56,083
	Reconciliation of segment assets to group assets			
	Unallocated assets:			
	Financial assets			493
	Trade and other receivables			36
	Other assets			54
	Total group assets			56,666
(vi)	**Segment liabilities**			
	As at 30 June 2019			
	Reconciliation of segment liabilities to group liabilities			
	Other liabilities	-	17	17
		-	17	17
	Reconciliation of segment liabilities to group liabilities			
	Unallocated Items:			
	Other liabilities			606
	Total group liabilities			623

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2019 (cont)

(vii) Segment analysis by geographical region

	31-Dec 2019 $'000	30-Jun 2019 $'000
Non-current assets		
Australia	1,580	1,574
Greenland	55,142	54,442
	56,722	56,016

4. EXPLORATION EXPENDITURE

	31-Dec 2019 $'000	30-Jun 2019 $'000
Balance at the beginning of the period	54,601	49,396
Exploration expenditure capitalised during the period	111	4,020
Foreign exchange movements	(641)	1,219
Impairment of exploration expenditure	(447)	(34)
Balance at the end of the period	53,624	54,601

The value of the exploration expenditure is dependent upon:

- The continuance of the rights to tenure of the areas of interest;
- The results of future exploration; and
- The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

5. CONVERTIBLE NOTE FUNDING FACILITY

In October 2011, the Consolidated Entity entered into a US$50 million Convertible Note funding facility and offtake facility pursuant to a transaction with a wholly owned subsidiary of Glencore International AG ('Glencore'). The Convertible Note is at a conversion price of AUD$0.42 for the first US$30 million (at Ironbark or Glencore's election to convert) and AUD$0.50 for the next US$20 million (at Glencore's election to convert). The availability of the facility is subject to the completion of certain conditions. As at 31 December 2019, the Consolidated Entity has not fulfilled all the conditions of the agreement and hence has not drawn on the funding facility or issued the Convertible Note.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2019 (cont)

6. ISSUED CAPITAL

	31-Dec 2019 $'000	30-Jun 2019 $'000
Issued and fully paid ordinary shares	131,715	128,665
Less: capital issue costs net of tax	(3,936)	(3,852)
	127,779	124,813

On 30 July 2019 the Company issued 136,066,593 fully paid ordinary shares at an issue price of $0.015 per share to raise approximately $2.04 million under a Share Purchase Plan.

On 30 October 2019 the Company issued 74,074,074 fully paid ordinary shares at an issue price of $0.0135 per share to raise approximately $1 million under a Placement.

On 9 December 2019 the Company issued 617,788 fully paid ordinary shares at an issue price of $0.1437 in lieu of director's fees.

7. RESERVES

	31-Dec 2019 $'000	30-Jun 2019 $'000
Foreign translation reserve	3,898	4,544
Share based payment reserve	6	-
	3,904	4,544

a) Foreign exchange translation reserve

Balance at the beginning of the period	4,544	3,318
Exchange differences arising on translating the foreign operations	(646)	1,226
Balance at the end of the period	3,898	4,544

b) Share based payments reserve

Balance at the beginning of the period	-	-
Performance rights expense	6	-
Balance at the end of the period	6	-

There were no outstanding share options at reporting date.

On 9 December 2019, 18,395,826 performance rights were issued in two tranches to Managing Director, Michael Jardine. They will vest in two equal tranches, subject to the share price trading 50% and 100% higher respectively, than the 20-day VWAP prior to the date of the 2019 Annual General Meeting for 5 consecutive trading days. The rights were valued independently using the Hoadley option valuation model and are being expensed over the vesting period of the options.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2019 (cont)

Valuation and assumptions of performance rights:

	Tranche A	Tranche B
Grant date	28 Nov 2019	28 Nov 2019
Number	9,197,913	9,197,913
Share price	$0.014	$0.014
Exercise price	$0.00	$0.00
Vesting hurdle (20-day VWAP)	$0.0216	$0.0287
Vesting date	27 Nov 2022	27 Nov 2022
Expiry date	27 Nov 2023	27 Nov 2023
Volatility	70%	70%
Option life	3.00	3.00
Dividend yield	-	-
Risk-free interest rate	0.71%	0.71%
Value per right	$0.0121	$0.0105

8. CONTROLLED ENTITIES

	Country of incorporation	Percentage owned 31-Dec 2019 %	30-Jun 2019 %
Subsidiaries of Ironbark Zinc Limited:			
Bedford (No 3) Ltd	British Virgin Islands	100	100
Ironbark Zinc Pty Ltd	Australia	100	100
Doctor Evil Pty Ltd	Australia	100	100
Ironbark Aust Pty Ltd	Australia	100	100
Subsidiaries of Ironbark Aust Pty Ltd:			
Ironbark A/S	Greenland	100	100

9. CONTINGENT ASSETS AND LIABILITIES

There has been no change to contingent liabilities since the last annual reporting date.

10. DIVIDENDS

No dividends have been declared or paid during the half-year ended 31 December 2019.

11. KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

12. EVENTS SUBSEQUENT TO REPORTING DATE

No other matter or circumstance has arisen subsequent to 31 December 2019 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting Consolidated Entity in future financial periods.

DIRECTOR'S DECLARATION

The Directors of the Company declare that:-

1. The financial statements and notes, as set out on pages 8 to 19 are in accordance with the Corporations Act 2001, including:

   (a) complying with Accounting Standard AASB 134: Interim Financial Reporting, and Corporations Regulations 2001; and

   (b) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

M. Jardine

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Michael Jardine
Managing Director

12 March 2020