Ironbark Zinc Limited

Annual Report

For the Financial Year Ended 30 June 2022

Contents

Corporate Directory

Non-Executive Chairman	Frederick Hess
Managing Director	Michael Jardine
Non-Executive Directors	Alexander Downer AC Paul Cahill
Company Secretary	Jonathan Whyte
Principal & Registered Office	Units 32/33, 22 Railway Road Subiaco WA 6008 T: +61 8 6146 5325
Auditors	PKF Perth Level 4, 35 Havelock Street West Perth WA 6005
Share Registry	Automic Group Level 2, 267 St Georges Terrace Perth WA 6000 T: 1300 288 664
Stock Exchange	Australian Securities Exchange (ASX) Code: IBG
Website	www.ironbark.gl

Managing Director's Letter

Dear Shareholder,

The 12 months to 30 June 2022 was an eventful year for Ironbark's shareholders, employees and broader stakeholder groups. Much was achieved despite an at times difficult macro environment and this steady progress provides an excellent base from which to launch into 2023.

Management's prime focus during the last 12 months has been to progress our project financing discussions with US EXIM Bank. Reflecting the scale of the Citronen Project, Ironbark's negotiations with EXIM are now a multi-year endeavour first beginning with the LOI in 2020, application and preliminary debt approval in 2021 and detailed financial, technical, social & environmental due diligence taking place in 2022. This process has clearly been lengthy, and it is to the credit of the Executive team that support the Board - Ironbark's staff and core advisory team - so energetically that the EXIM opportunity remains a live one.

There is no doubt that this process has also required patience from Shareholders and on behalf of the Board I would like to recognise your ongoing commitment to the Company. Many of you have been long-term supporters of the business and believe strongly, as we do, in the value of the Citronen Project. The size of the opportunity offered by Citronen is, after all, why we've been so persistent in pursuing the current strategy that prioritises the US EXIM opportunity; it being the most likely one – of the pathways currently available – of seeing full value recognition for the asset.

We are of course also being pragmatic in how we build value and recently introduced the concept of meaningful site-based works taking place in the Greenlandic summers of 2023 and 2024. Any works carried out – be that further exploration, monitoring & surveying or early works infrastructure - would be focused on improving the base case presented in the 2021 BFS and therefore fully aligned with our ambition to see Citronen go into production at the earliest possible opportunity.

The other major strategic opportunity arising from the last 12 months was the MOU signed with Norwegian Arctic mining & construction specialist LNS Group. LNS have a formidable track record in Arctic operations and their potential involvement in the development of Citronen, off the back of their participation in the July 2022 EXIM site visit, would undoubtedly present as a major de-risking step in the development of the Project.

A brief comment on the Zinc market and its increasingly recognised role as a critical mineral. 2022 has seen major geopolitical upheavals that have substantially impacted metal, debt & equity markets, created substantial uncertainty for large new project developments and helped spur global inflation rates to multi-decade highs. Throughout all of this Zinc has continued to demonstrate its importance to the industrial activity of both today and tomorrow with the price holding above Ironbark's 2021 BFS price of US$1.30/lb for the entirety of the last 12 months.

In closing I would like to extend my gratitude to my fellow Directors Chairman Dr. Fred Hess, Mr. Alexander Downer AC and Mr. Paul Cahill, and Ironbark's Company Secretarial team for all their assistance over the last 12 months. The Company benefits greatly from your efforts and expertise and it will continue to be invaluable as we seek to grow the business into 2023.

Yours faithfully,

Michael Jardine
Managing Director

Directors' Report

Your Directors present their report on Ironbark Zinc Limited (the '**Company**' and '**Ironbark**') and its controlled entities (together the '**Consolidated Entity**') for the financial year ended 30 June 2022.

Directors

The names of Directors in office at any time during or since the end of the year are:

- Frederick Hess
- Michael Jardine
- Alexander Downer AC (appointed 1 October 2021)
- Paul Cahill (appointed 1 October 2021)
- Maciej Sciazko (resigned 1 October 2021)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the Consolidated Entity during the financial year were the exploration and evaluation of the Consolidated Entity's zinc and gold ground holdings. There were no significant changes in the nature of the Consolidated Entity's principal activities during the financial year.

Operating Results

The consolidated loss of the Consolidated Entity after providing for income tax amounted to $3.74 million (2021: $2.98 million).

Review of Operations

<u>Projects</u>

Citronen Base Metals Project, Greenland

<u>Overview</u>

The Company's 100% owned flagship Citronen Zinc-Lead Project in Greenland (**Citronen**) is one of the world's largest undeveloped zinc deposits. Ironbark holds a granted 30-year Mining Permit over the deposit, and during the current year declared an increase to its JORC compliant maiden Ore Reserve as part of the 2021 Bankable Feasibility Study process.

The focus during the financial year was initially on completing and publishing the updated Feasibility Study (successfully delivered in July 2021) and on progressing project finance discussions with US EXIM Bank (**EXIM**), which culminated in the Company receiving Preliminary Approval from EXIM for up to US$657 million in debt funding in December 2021. In parallel to the EXIM processes, Ironbark conducted a targeted process led by its strategic financial advisers, London based Bacchus Capital Advisers, to identify and consider prospective equity investors.

Directors' Report (continued)

Phase 2 financial and legal due diligence commenced following meetings with senior US EXIM staff in London, UK in March 2022 and in July 2022 Ironbark hosted EXIM's representatives (**RPM Global**) on a site visit to the Citronen Project.

The strategic equity process, which took place in a very challenging macro environment, did result in Ironbark executing a non-binding Memorandum of Understanding (**MOU**) with Norwegian group Leonhard Nilsen & Sønner (**LNS**) regarding a possible equity investment in, and contractual arrangement for services to, the Company's flagship Citronen Project. The meshing of LNS' high latitude operational expertise with the Citronen asset is a genuinely new combination and has the potential to substantially reduce overall project execution risk.

Notwithstanding this significant progress at a project level and with US EXIM Bank on project debt, Ironbark announced in August 2022 that it believes it unrealistic to assume that the goal of reaching FID in 2022 will be achieved, and as a result, is now considering additional pathways to realise maximum value from the Citronen project.

The substantial work completed during the year has however reaffirmed the Boards belief that the Citronen Project is one of the most advanced undeveloped Zinc projects globally and the Project will remain at a state of high readiness for when market conditions improve.

Importantly, the Company holds concentrate offtake agreements with major shareholders Glencore Plc and Trafigura such that 70% of the Zinc concentrate to be produced from Citronen is already committed.

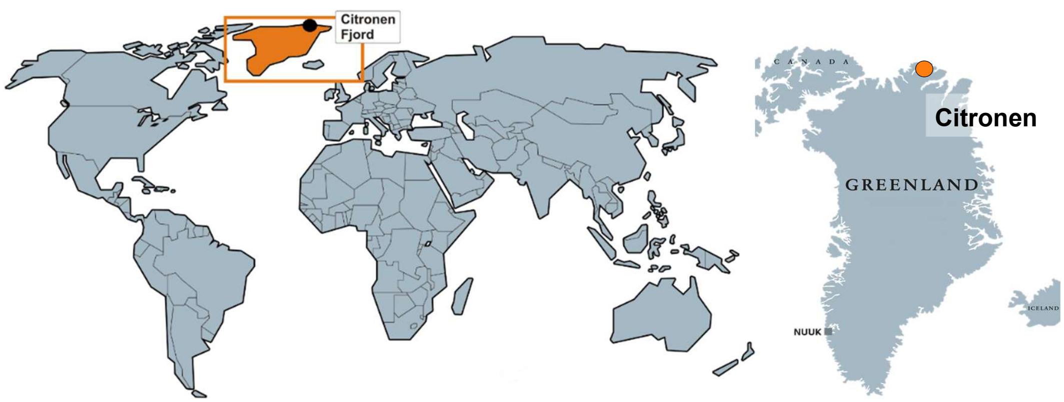

Figure 1 - Citronen Base Metals Project, Greenland

Directors' Report (continued)

Figure 2 – Citronen Project Site Visit @ the core yard. Attendees from left to right include IBG Chairman Dr. Fred Hess, IBG Managing Director Mr. Michael Jardine, Mr. Richard Allan (Bacchus Capital), Mr. Terry Brown (RPM Global), Mr. Aaron Poole (RPM Global), Frank Van Der Stijl (Exploration Geologist, responsible for the maiden discovery at Citronen in the 1990s), Mr. Frode Nilsen (LNS) and Mr. Nigel Goldup (Tetra Tech).

Table 1: JORC 2012 compliant Mineral Resource Estimate - Citronen

84.7 million tonnes at 4.7% Zn & 0.5% Pb

Category	Mt	Zn%	Pb%
Measured	34.3	4.4	0.5
Indicated	28.4	5.3	0.5
Inferred	22.0	4.6	0.4
Total	**84.7**	**4.7**	**0.5**

JORC Table 1 included in an announcement to the ASX released on 19th July 2021: "2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project". Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Directors' Report (continued)

Table 2: JORC 2012 compliant Ore Reserve Estimate - Citronen

48.8 million tonnes at 4.8% Zn & 0.5% Pb

Category	Mt	ZnEq %	Zn%	Pb%	ZnEq Metal (Mt)	Zn Metal (Mt)	Pb Metal (Mt)
Proved	24.6	5.1	4.6	0.5	1.2	1.2	0.1
Probable	24.2	5.1	5.0	0.4	1.2	1.1	0.1
Total	**48.8**	**5.1**	**4.8**	**0.5**	**2.5**	**2.3**	**0.2**

The Ore Reserve is based on Measured and Indicated Resources only and does not include any Inferred Mineral Resources. JORC Table 1 included in an announcement to the ASX released on 19th July 2021: "2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project" Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Bankable Feasibility Study confirms Citronen as World Class Zinc Project

On 19 July 2021 Ironbark announced the results of the 2021 Bankable Feasibility Study (**2021 BFS**) for Citronen, with the highlights detailed below.

Highlights

- Robust economics, with the 3.3Mtpa Citronen Project to deliver a post-tax free cash flow of US$1.46 billion (Bn) at a Zn price of US$1.30/lb
  - Post-tax NPV$_{(8\%)}$ of US$363 million (M); IRR 15.2%; CAPEX US$654m
- Significant leverage to future zinc (Zn) price growth; 2.5 million tonnes (Mt) Zn metal produced life of mine (LOM) averaging ~130ktpa
- Competitive C1+sustaining capital costs per pound payable zinc
  - Years 1 to 5 US$ 0.68/lb; LOM US$ 0.76/lb
- 50% increase in mine life to 20 years in a low-risk jurisdiction and emerging mining frontier
- Environmental, Social and Governance (ESG) approvals and management plans are well advanced
  - Process underway to ensure full compliance with Equator Principles and relevant IFC Performance Standards
- Binding offtake agreements remain in place with major Ironbark shareholders Trafigura (35% of LOM production) and Glencore 35% (10 years Zn, LOM Pb)
- Significantly expanded Ore Reserve:
  - Mineral Resource of 85Mt @ 4.7% Zn and 0.5% Pb
  - Ore Reserve of 48.8Mt @ 4.8% Zn and 0.5% Pb
- Substantial exploration upside

The 2021 BFS represented the first ground-up evaluation of the Project in a decade and superseded the feasibility study published on 12 September 2017.

The drivers for the preparation of this 2021 BFS were threefold:

1. To update the development plan;
2. To increase the level of confidence in the study parameters; and
3. To apply a more conservative risk filter to key economic assumptions to demonstrate the robustness of cash flows over the extended mine life.

In updating the BFS, IBG drew on the services of a range of leading consultants to provide a much broader assessment of the project opportunities and risks. Some key assumptions adopted in the 2017 study were adjusted to incorporate the results of additional study work and deliver a realistic assessment of the Project in line with the prevailing outlook.

The combination of these various changes materially impacted on project economics. These include both the impact of improved project design and more conservative economic and operational assumptions adopted as part of the financial analysis:

- Mine life extended to 20 years;
- Greatly improved, and more detailed, underground mine design has enhanced efficiency and lowered sustaining capital;
- Significant improvement on per tonne shipping costs;
- Evaluation uses a more conservative zinc price (US$1.30 vs US$1.38/lb);
- A higher 'real' discount rate has been applied (8.0% vs 5.5%); $NPV_{(8\%)}$ in 2017 had previously incorporated a 2.5% inflation rate to the zinc price;
- Full recognition of tax liabilities (in the 2017 Feasibility Study Announcement the 'post tax' NPV excluded US$554m owed in withholding tax, impacting the 'post tax' NPV); and
- Cost increases occurred across CAPEX, OPEX (mostly energy costs) and overall project contingency.

While the net effect of these changes is a material decrease in the headline post-tax NPV and IRR, on a like-for-like basis (using common assumptions) however, the 2021 BFS delivered an improved financial result (US$48m higher post tax $NPV_{8\%}$).

For full details of the 2021 BFS refer to the ASX announcement released on 19 July 2021.

Cautionary Statement:

The contents of this announcement reflect various technical and economic conditions at the time of writing. Given the nature of the resources industry, these conditions can change significantly over relatively short periods of time. Consequently, actual results may vary from those detailed in this announcement.

Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Citronen Receives Landmark 402A Designation from EXIM Bank

On 23 November 2021 the Company advised that its Citronen Project is the first standalone project application worldwide to qualify for privileged 402(A) support status under the US Government's recently introduced China and Transformational Export Program (**CTEP**), administered by EXIM.

Directors' Report (continued)

As a result, EXIM may be able to offer Ironbark:

- Extended repayment tenors
- Exceptions from EXIMs Country Limitation Schedule, if applicable
- Extended drawdown
- Reduced fees

Any flexibilities offered to Ironbark via its 402(A) status will be determined during Phase 2 and remain subject to approval by EXIM's Board of Directors.

Refer to the ASX announcement dated 23 November 2021 for further details, including an overview of the 402 Program.

Australian Projects

Fiery Creek (EL 6925)

Fiery Creek is an exploration licence prospective for Gold and Base Metals located approximately 90km south east of Canberra in NSW, and has been held by Ironbark since 2007. The flora and fauna survey planned for the reporting year was delayed initially by Covid lockdowns in NSW and then subsequently by adverse weather and is now on hold pending access to site. The Board's intention remains unchanged in the interim with a drilling campaign planned once the permitting process has been completed.

Captains Flat (EL 6381)

Ironbark is a 50/50 JV partner in Captains Flat (EL6381) – which hosts several historic mine sites and workings - with Glencore Plc. No site work took place in the 12 months to 30 June 2022 although the joint venture partners have held a series of discussions regarding the prospects of further investment in Captains Flat and continue to assess options for value realisation from EL 6381.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources and Exploration Targets is based on information compiled by Ms Elizabeth Clare 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.

The mining-specific information in this report, which relates to Ore Reserves, is based on information compiled by Mr Andrew Gasmier CP (Mining), who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Gasmier is employed full time by Mining Plus. He has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Gasmier consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Corporate

US EXIM Bank issues Preliminary Approval for up to US$657 million in Funding

In December 2021 the Company advised that its Phase I due diligence (**DD**) period with US EXIM Bank had successfully concluded and that Ironbark had received a Preliminary Project Letter (**PPL**) outlining EXIM's intention, subject to further due diligence and EXIM Board approval, to extend up to US$657 million in debt funding to Ironbark to cornerstone the development of the Citronen Project.

The PPL, whilst not yet a binding offer of credit, signals EXIM's intent to undertake further serious consideration of the funding application and provides project sponsors with a process and issues list to resolve prior to a formal loan offer. It is a welcome endorsement of the fundamentals of the Citronen Zinc Project for a world projected to increasingly consume more zinc metal as the transition to carbon neutrality gains further traction globally. Given the quantity of debt funding potentially being made available by EXIM Bank, no further project debt is anticipated to be required if an EXIM facility was successfully closed on the terms outlined in the PPL.

In addition to signalling EXIM Bank's intention to proceed with the transaction, and tabling an indicative Term Sheet, the PPL provides guidance to Ironbark on key issues for Phase II due diligence.

The key commercial details of the indicative Term Sheet include (all dollar figures USD):

- Loan Amount – up to $657 million comprising $485 million in US Costs plus $171 million in Local Costs; final amount subject to Ironbark meeting minimum equity commitments;
- Tenor – 8.5 years; may be extended subject to further 402(A) flexibilities;
- Rate – 100 basis points above five-year US treasury rate (implied rate ~2.2% p.a.); and
- Both Commitment and Establishment Fees would be payable under the facility (exact amounts to be confirmed).

The proposed EXIM facility, if successfully closed, would likely provide all required project debt.

$4 million Placement successfully completed

In December 2021 the Company raised $4 million through the issue of 90,909,091 fully paid ordinary shares at $0.044 per share (**Placement**). The proceeds of the Placement are being used for Phase 2 due diligence with US EXIM, to fund the strategic equity process and for general working capital purposes.

Morgans Corporate Limited acted as Lead Manager to the Placement and Bacchus Capital Advisers acted as Financial Adviser to Ironbark.

Board Changes

In late September 2021 the Company announced the appointments of Mr. Alexander Downer AC and Mr. Paul Cahill as Non-Executive Directors of the Company, effective from 1 October 2021. As part of these Board changes, Mr. Maciej Sciazko retired from the Board effective 1 October 2021.

Alexander Downer AC was Australia's longest ever serving Foreign Minister and his appointment reflects the geopolitical importance of the Citronen Project. Paul Cahill was Group Head of Business Development and Head of Strategic Relationships Management at Anglo American and is currently Senior Adviser - Mineral Resources Investment for Mitsubishi Corporation and Chairman of the Advisory Board of Bacchus Capital Advisers.

Directors' Report (continued)

Discussion and Analysis of Operations and the Financial Position

The net assets of the Consolidated Entity have slightly decreased from $59.67 million in 2021 to $58.46 million in 2022, primarily due to foreign exchange movements on capitalised exploration and evaluation.

The Consolidated Entity's working capital, being current assets less current liabilities, was a surplus of $0.33 million (2021: deficit of $0.14 million). As at 30 June 2022 the Consolidated Entity had $2.919 million (2021: $2.528 million) cash on hand. The Directors consider it appropriate to prepare the financial statements on a going concern basis.

Exploration and evaluation costs are capitalised as exploration and evaluation assets on an area of interest basis.

Exploration and evaluation assets are only recognised if:

- 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.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. All exploration projects have been reviewed at 30 June 2022. The Consolidated Entity has assessed the carrying amount of the exploration and evaluation expenditure in accordance with AASB 6 Exploration and Evaluation of Mineral Resources and has recognised an impairment expense of $4,000 in relation to non-core exploration areas of interest during the year (2021: $1.55 million).

During the financial year, the Company assessed the carrying value of its exploration expenditure on the Citronen project and concluded that it was appropriate to maintain the value of the project.

The Consolidated Entity continues to ensure that administration and overhead costs are kept to a minimum. The Consolidated Entity continually reviews the overhead associated with fees, consultants, corporate compliance and maintaining the listed entity and seeks to keep these costs to a minimum without compromising the entity's commitment to appropriate corporate governance principles.

The Directors believe the Consolidated Entity is in a stable financial position to expand and grow its current operations.

Significant Changes in State of Affairs

There have been no significant changes in the state of affairs of the Consolidated Entity other than those disclosed in the Review of Operations.

Dividends Paid or Recommended

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.

Events After Reporting Date

In July 2022, Ironbark hosted EXIM's representatives RPM Global on a site visit to the Citronen Project. As a project site visit had been flagged as a key milestone to be achieved prior to any final credit decision by the EXIM Board, it was of vital importance this visit occurred in the 2022 field season.

Directors' Report (continued)

In August 2022 the Board of Ironbark announced that, despite the significant process at project level and with EXIM on project debt, it believes it unrealistic to assume that the goal of reaching FID in 2022 will be achieved, and as a result, is now considering additional pathways to realise maximum value from the Citronen project.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is constantly changing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No further matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

Likely Developments and Expected Results of the Operations

The Consolidated Entity intends to continue its exploration, development and production activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

Environmental Regulations

The Consolidated Entity is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

Information on Directors

The names and details of Directors in office at any time during or since the end of the year are:

Dr. Frederick Hess
Non-Executive Chairman | Appointed 19 September 2019

Dr. Hess was most recently the Managing Director of PanAust Limited which was acquired by Chinese SOE, Guangdong Rising Assets Management. Dr. Hess's diverse background includes various roles where he managed the construction, ramp up and operation of major mines in challenging environments. Dr. Hess currently holds directorships in Aeon Metal Ltd (since July 2019) and Mining Project Accelerator Ltd (since April 2019). Dr. Hess has the following interest in shares and rights in the Company as at the date of this report – 2,582,853 ordinary shares and nil performance rights.

Mr. Michael Jardine
Managing Director | Appointed 20 September 2019

Mr. Jardine has a strong background in Corporate & Project Finance, Strategy Development and Minerals Marketing and his previous experience includes Board & Executive roles at a number of junior ASX-listed resource companies. Mr. Jardine has previously served as a Director of Atrum Coal Ltd and Pegasus Metals Ltd (now Scorpion Minerals Ltd). Mr. Jardine also served as the General Manager, Corporate Development for formerly listed General Mining Corporation from 2013-2016, and Eastern Goldfields during the same period. Mr. Jardine has the following interest in shares and rights in the Company as at the date of this report – 19,395,826 ordinary shares and 8,000,000 performance rights.

Directors' Report (continued)

Mr. Alexander Downer AC
Non-Executive Director | Appointed 1 October 2021

Mr. Downer is Executive Chair of the International School for Government at King's College London. From 2014 to 2018, Mr. Downer was Australian High Commissioner to the UK. Prior to this, he was Australia's longest-serving Minister for Foreign Affairs, a role he held from 1996 to 2007. Mr. Downer also served as Opposition Leader and leader of the Australian Liberal Party from 1994 to 1995 and was Member of the Australian Parliament for Mayo for over 20 years.

In addition to a range of other political and diplomatic roles, he was Executive Director of the Australian Chamber of Commerce and the United Nations Secretary General's Special Adviser on Cyprus, in which he worked on peace talks between Turkish Cypriots and Greek Cypriots. He is currently Chairman of the UK think tank Policy Exchange and a trustee of the International Crisis Group. Mr. Downer has the following interest in shares and rights in the Company as at the date of this report – nil ordinary shares and nil performance rights.

Mr. Paul Cahill
Non-Executive Director | Appointed 1 October 2021

Mr. Cahill has over 30 years of experience leading the origination, evaluation, negotiation and execution of major complex transactions as both senior adviser and principal, particularly in the natural resources sector where he was Group Head of Business Development and Head of Strategic Relationships at Anglo American.

In 2017, Mr. Cahill became a co-Founder and Managing Director of Bacchus Capital Advisers, an independent investment and merchant banking platform focussed on metals and mining and with particular expertise in public market takeover and defence, complex cross-border M&A, equity and debt financing and corporate restructuring. He remains Chairman of the Bacchus Capital Advisory Board. Mr. Cahill is an independent Non-Executive Director of LSE-listed CQS Natural Resources Growth and Income PLC and a Senior Adviser – Mineral Resources Investment for Mitsubishi Corporation.

Mr. Cahill has the following interest in shares and rights in the Company as at the date of this report – nil ordinary shares and nil performance rights.

Mr. Maciej Sciazko
Non-Executive Director | Appointed 31 July 2018 | Resigned 1 October 2021

Mr. Sciazko is the Vice President (Operations) and General Manager for mining operations at Trafigura, having previously held the role of Vice President for mining operations at Nyrstar where he was responsible for Nyrstar's mining and milling operations in Canada. Mr. Sciazko brings almost two decades of senior management experience in mining operations, building of megamining projects and turnarounds. He worked in various mining executive roles in Europe, Turkey, Indonesia, India, Australia, Canada and South America. These roles included working at underground and open pit operations in coal, copper, zinc, molybdenum, gold and silver. Prior to joining Nyrstar, Mr. Sciazko was the CEO and General Manager of Lumina Copper, ramping up and turning around the Caserones mine in Chile and previously the General Manager of Sierra Gorda mine in Chile taking it from the construction to the production stage. Mr Sciazko has the following interest in shares and rights in the Company as at the date of this report – nil ordinary shares and nil performance rights.

Directors' Report (continued)

Company Secretary

The following person held the position of Company Secretary during the financial year:

Mr. Jonathan Whyte
Appointed 10 February 2020

Mr. Whyte is a Chartered Accountant with extensive corporate, company secretarial and financial accounting experience, predominantly for listed resource sector companies. Mr. Whyte is currently Company Secretary of AIM-listed Empyrean Energy Plc as well as ASX-listed companies Infinity Lithium Corporation Ltd, Charger Metals NL and Peninsula Energy Ltd. Mr. Whyte has the following interest in shares and rights in the Company as at the date of this report – 600,000 ordinary shares and 500,000 performance rights.

Meetings of Directors

During the financial year, 5 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
Directors	Number Eligible to Attend	Number Attended
Frederick Hess	5	5
Michael Jardine	5	5
Alexander Downer	5	5
Paul Cahill	5	5
Maciej Sciazko	-	-

Options

As at the date of this report, the unissued ordinary shares of the Company under option are as follows:

Details	Grant Date	Number	Exercise Price ($)	Date of Expiry
Unlisted Options	10 Dec 2021	8,000,000	$0.08	17 Dec 2024

Performance Rights

On 8 October 2021, 10,000,000 performance rights were issued in two tranches to employees of the Company. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and the employee remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved.

Valuation and Assumptions of Performance Rights:		
	Tranche A	Tranche B
Grant date	8 Oct 2021	8 Oct 2021
Number	5,000,000	5,000,000
Share price	$0.043	$0.043
Exercise price	$0.00	$0.00
Vesting date	8 Oct 2022	8 Oct 2022

Valuation and Assumptions of Performance Rights:	Tranche A	Tranche B
Expiry date	8 Oct 2022	8 Oct 2022
Volatility	115.73%	115.73%
Option life	1.00	1.00
Dividend yield	-	-
Risk-free interest rate	0.10%	0.10%
Value per right	$0.043	$0.043
Total fair value	$215,000	$215,000
Expense vested during year	$215,000	$156,095

On 29 November 2021, 8,000,000 performance rights were approved for issue to Managing Director, Mr. Michael Jardine at the Company's Annual General Meeting. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and Mr. Jardine remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved. As at the reporting date these Performance Rights have not yet been converted into ordinary shares.

Valuation and Assumptions of Performance Rights:	Tranche A	Tranche B
Grant date	29 Nov 2021	29 Nov 2021
Number	4,000,000	4,000,000
Share price	$0.044	$0.044
Exercise price	$0.00	$0.00
Vesting date	8 Oct 2022	8 Oct 2022
Expiry date	8 Oct 2022	8 Oct 2022
Volatility	115.73%	115.73%
Option life	0.86	0.86
Dividend yield	-	-
Risk-free interest rate	0.10%	0.10%
Value per right	$0.044	$0.044
Total fair value	$176,000	$176,000
Expense vested during year	$176,000	$119,770

Indemnifying Directors and Officers

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The Company has paid premiums to insure each of the Directors and Officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director and Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was $27,000 to insure the Directors and Officers of the Company.

Directors' Report (continued)

Corporate Governance Statement

The Company's 2022 Corporate Governance Statement has been released as a separate document and is located on the Company's website at: *www.ironbark.gl/corporate/corporate-governance*.

Indemnity and Insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Non-Audit Services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and the objectivity of the auditor; and
- The nature of the services provided to not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid to the current external auditors:

Service	2022	2021
	$'000	$'000
Taxation Services	5	5
Total	**5**	**5**

Officers of the Company who are Former Partners of PKF Perth

There are no officers of the Company who are former partners of PKF Perth.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 24 of the financial report.

Rounding of Amounts

The Company is an entity to which ASIC Corporations Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Remuneration Report – Audited

This report details the nature and amount of remuneration for each key management person of Ironbark.

Remuneration policy

The Company's remuneration policy has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Consolidated Entity's financial results. The Company's Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Consolidated Entity, as well as create goal congruence between Directors, Executives and Shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Consolidated Entity is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed by the remuneration committee and approved by the Board.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation and fringe benefits.
- The remuneration committee reviews key management personnel packages annually by reference to the Consolidated Entity's performance, executive performance and comparable information from industry sectors.

The Company is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, Directors and senior executives are paid market rates associated with individuals in similar positions, within the same industry.

Options have previously been issued to Directors to provide a mechanism to participate in the future development of the Company and an incentive for their future involvement with and commitment to the Company.

Further options and performance incentives may be issued as the entity moves from an exploration entity to a producing entity, and key performance indicators such as profits and growth can be used as measurements for assessing board performance.

The key management personnel receive a superannuation guarantee contribution required by the government, which was 10% for the year ended 30 June 2022, and do not receive any other retirement benefits.

All remuneration paid to key management personnel is valued at the cost to the Company and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by the key management personnel. Options are valued using the Black-Scholes methodology. Performance Rights are valued using either the Black-Scholes or Hoadley option valuation model.

Directors' Report (continued)

The Board policy is to remunerate Non-Executive Directors at market rates for time, commitments and responsibilities. The remuneration committee determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Consolidated Entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

The employment conditions of the Executive Directors and other key management personnel are formalised in contracts of employment. All key management personnel are permanent employees of Ironbark.

The employment contract states a three-month resignation period. The Company may terminate an employment contract without cause by providing one to three months' written notice or making payment in lieu of notice, based on the individual's salary component.

Employment Details of Directors and Members of Key Management Personnel

The employment terms and conditions of Key Management Personnel are formalised in contracts of employment.

Dr. Frederick Hess
Chairman (Non-Executive)

- Terms of agreement – no fixed term;
- Base chairman fee of $100,000 per annum, exclusive of superannuation (55% in cash and 45% in shares - equity based remuneration will be paid annually and is subject to shareholder approval at the Company's Annual General Meeting); and
- No termination benefit is specified in the agreement.

Mr. Michael Jardine
Managing Director

- Consultancy services agreement – no fixed term;
- Consultancy fee of $18,200 per month, exclusive of GST;
- Notice period – 3 months; and
- No termination benefit is specified in the agreement.

Mr. Alexander Downer AC
Director (Non-Executive)

- Terms of agreement – no fixed term;
- Base director fee of $50,000 per annum, exclusive of superannuation; and
- No termination benefit is specified in the agreement.

Mr. Paul Cahill
Director (Non-Executive)

- Terms of agreement – no fixed term;
- Base director fee of $50,000 per annum, exclusive of superannuation; and
- No termination benefit is specified in the agreement.

Mr. Maciej Sciazko

Director (Non-Executive)

- Appointed subject to nomination right held by Nyrstar Netherlands (Holdings) BV (Nyrstar) under the Subscriber Rights Deed with the Company, while Nyrstar voting power is above 10%; and
- No fee or termination benefits are applicable.

Mr. Jonathan Whyte

Company Secretary

- Consultancy services agreement – no fixed term;
- Consultancy fee of $4,000 per month, exclusive of GST;
- Notice period – 1 month; and
- No termination benefit is specified in the agreement.

Table of Benefits and Payments for the Year Ended 30 June 2022

The following table provides employment details of persons who were, during the financial year, Directors and members of Key Management Personnel of the Consolidated Entity. The table also illustrates the proportion of remuneration that was performance based and the proportion of remuneration received in the form of ordinary shares or performance rights.

		Salary & Fees		Post-Employment Benefits	Incentives				
Key Management Personnel	Year	Cash Based $	Equity Based $	Super-annuation $	Cash Based $	Performance Rights[2,3] $	Shares & Options[4,5]	Total $	Performance Based %
Frederick Hess	2022	99,996	-	9,943	-	-	67,028	176,967	38%
	2021	54,996	45,000	9,500	-	-	-	109,496	-
Michael Jardine	2022	218,400	-	-	100,000	295,770	134,055	748,225	71%
	2021	218,400	-	-	-	167,055	-	385,455	43%
Alexander Downer[1]	2022	37,500	-	3,750	-	-	19,548	60,798	32%
	2021	-	-	-	-	-	-	-	-
Paul Cahill[1]	2022	37,500	-	-	-	-	19,548	57,048	34%
	2021	-	-	-	-	-	-	-	-
Maciej Sciazko[1]	2022	-	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-	-
Jonathan Whyte	2022	48,000	-	-	-	37,110	-	85,110	44%
	2021	48,000	-	-	-	-	-	48,000	-
Total	**2022**	**441,396**	**-**	**13,693**	**100,000**	**332,880**	**240,179**	**1,128,148**	
	2021	**321,396**	**45,000**	**9,500**	**-**	**167,055**	**-**	**542,951**	

Notes:

1) In late September 2021 the Company announced the appointments of Mr. Alexander Downer AC and Mr. Paul Cahill as Non-Executive Directors of the Company, effective from 1 October 2021. As part of these Board changes, Mr. Maciej Sciazko retired from the Board effective 1 October 2021.

Directors' Report (continued)

2) On 29 November 2021, 8,000,000 performance rights were approved for issue to Managing Director, Mr. Michael Jardine at the Company's Annual General Meeting. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and Mr. Jardine remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved.
3) On 8 October 2021, 10,000,000 performance rights were issued in two tranches to employees of the Company, including 1,000,000 performance rights issued to Mr. Jonathan Whyte. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and the employee remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved.
4) On 29 October 2021, the Company announced that the vesting condition for the advance of 30,000,000 loan shares to Managing Director, Mr. Michael Jardine, and 15,000,000 loan shares to the Chairman Dr. Frederick Hess, being a 20-day volume weighted average price (VWAP) condition of $0.046 per share, had been met. This represented a 100% uplift from the 20-day VWAP of the Company's shares prior to the date of the 2020 Annual General Meeting (2020 AGM). Unless otherwise agreed, these loan shares can now be issued to Mr. Jardine and Dr. Hess, in accordance with the terms and conditions detailed in the Notice of Annual General Meeting released on the ASX on 27 October 2020. The limited recourse loans must be repaid within three years of the date of the 2020 AGM. As at 30 June 2022 no loan shares have been advanced.
5) On 29 November 2021, a further 8,000,000 loan shares were approved for advance at the Annual General Meeting to Non-Executive Directors Mr. Alexander Downer AC (4,000,000 loan shares) and Mr. Paul Cahill (4,000,000 loan shares). The limited recourse loans were valued independently using the Hoadley option valuation model and are being expensed over the term of the loans. As at 30 June 2022 no loan shares have been advanced.

Number of Shares Held by Key Management Personnel for the Year Ended 30 June 2022

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity including their personally related parties is set out below:

Key Management Personnel	Held at 1 July 2021	On-Market Trades	Net Change Other[1]	Held at 30 June 2022
Frederick Hess	2,582,853	-	-	2,582,853
Michael Jardine	19,395,826	-	-	19,395,826
Alexander Downer[2]	N/A	-	-	-
Paul Cahill[2]	N/A	-	-	-
Maciej Sciazko[2]	-	-	-	N/A
Jonathan Whyte	100,000	-	500,000	600,000
Total	**22,078,679**	**-**	**500,000**	**22,578,679**

Notes:
1) The Company issued 500,000 fully paid ordinary shares to Mr. Jonathan Whyte on conversion of vested Tranche A Performance Rights on 22 December 2021.
2) In late September 2021 the Company announced the appointments of Mr. Alexander Downer AC and Mr. Paul Cahill as Non-Executive Directors of the Company, effective from 1 October 2021. As part of these Board changes, Mr. Maciej Sciazko retired from the Board effective 1 October 2021.

Directors' Report (continued)

Rights and Options Held by Key Management Personnel for the Year Ended 30 June 2022

Performance Rights

Key Management Personnel	Held at 1 July 2021	Granted as compensation[1,2]	Vested & converted[1]	Held at 30 June 2022
Frederick Hess	-	-	-	-
Michael Jardine	-	8,000,000	-	8,000,000
Alexander Downer	N/A	-	-	-
Paul Cahill	N/A	-	-	-
Maciej Sciazko	-	-	-	N/A
Jonathan Whyte	-	1,000,000	(500,000)	500,000
Total	**-**	**9,000,000**	**(500,000)**	**8,500,000**

1) On 8 October 2021, 10,000,000 performance rights were issued in two tranches to employees of the Company, including 1,000,000 performance rights issued to Mr. Jonathan Whyte. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and the employee remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved. The Company issued 500,000 fully paid ordinary shares to Jonathan Whyte on conversion of vested Tranche A Performance Rights on 22 December 2021.

Valuation and Assumptions of Performance Rights: (Jonathan Whyte)	Tranche A	Tranche B
Grant date	8 Oct 2021	8 Oct 2021
Number	500,000	500,000
Share price	$0.043	$0.043
Exercise price	$0.00	$0.00
Vesting date	8 Oct 2022	8 Oct 2022
Expiry date	8 Oct 2022	8 Oct 2022
Volatility	115.73%	115.73%
Option life	1.00	1.00
Dividend yield	-	-
Risk-free interest rate	0.10%	0.10%
Value per right	$0.043	$0.043
Total fair value	$21,500	$21,500
Expense vested during year	$21,500	$15,610

2) On 29 November 2021, 8,000,000 performance rights were approved for issue to Managing Director, Mr. Michael Jardine at the Company's Annual General Meeting. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and Mr. Jardine remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved. As at the reporting date these Performance Rights have not yet been converted into ordinary shares.

Valuation and Assumptions of Performance Rights: (Michael Jardine)	Tranche A	Tranche B
Grant date	29 Nov 2021	29 Nov 2021
Number	4,000,000	4,000,000
Share price	$0.044	$0.044
Exercise price	$0.00	$0.00
Vesting date	8 Oct 2022	8 Oct 2022
Expiry date	8 Oct 2022	8 Oct 2022
Volatility	115.73%	115.73%
Option life	0.86	0.86
Dividend yield	-	-
Risk-free interest rate	0.10%	0.10%
Value per right	$0.044	$0.044
Total fair value	$176,000	$176,000
Expense vested during year	$176,000	$119,770

Loan Shares

On 29 October 2021, the Company announced that the vesting condition for the advance of 30,000,000 loan shares to Managing Director, Mr. Michael Jardine, and 15,000,000 loan shares to the Chairman Dr. Frederick Hess, being a 20-day volume weighted average price (VWAP) condition of $0.046 per share, had been met. This represented a 100% uplift from the 20-day VWAP of the Company's shares prior to the date of the 2020 Annual General Meeting (2020 AGM).

Unless otherwise agreed, these loan shares can now be issued to Mr. Jardine and Dr. Hess, in accordance with the terms and conditions detailed in the Notice of Annual General Meeting released on the ASX on 27 October 2020. The limited recourse loans must be repaid within three years of the date of the 2020 AGM. As at 30 June 2022 no loan shares have been advanced.

On 29 November 2021, a further 8,000,000 loan shares were approved for advance at the Annual General Meeting to Non-Executive Directors Mr. Alexander Downer AC (4,000,000 loan shares) and Mr. Paul Cahill (4,000,000 loan shares). The limited recourse loans were valued independently using the Hoadley option valuation model and are being expensed over the term of the loans. As at 30 June 2022 no loan shares have been advanced.

Valuation and Assumptions of Loan Shares:	Tranche A	Tranche B
Grant date	27 Nov 2020	29 Nov 2021
Maximum number to be issued	45,000,000	8,000,000
Share price	$0.0230	$0.0410
Exercise price	$0.0229	$0.0423
Barrier price	$0.0460	$0.0460
Vesting date	N/A	N/A
Expiry date	27 Nov 2023	27 Nov 2024
Volatility	100%	100%
Option life	3.00	3.00
Dividend yield	-	-
Risk-free interest rate	0.11%	0.92%
Value per loan share	$0.0139	$0.0251
Total fair value	$625,500	$200,800
Expense vested during year	$201,083	$39,095

Directors' Report (continued)

There were no other rights or options over ordinary shares in the Company held by any other Director or members of key management personnel of the consolidated entity, including their personally related parties.

Voting at Last Annual General Meeting

At the last Annual General Meeting, shareholders indicated their support of the Company's remuneration practices with 98% of the votes cast being in favour of the adoption of the Remuneration Report.

End of Audited Remuneration Report

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Michael Jardine
Managing Director

29 September 2022

PKF Perth

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF IRONBARK ZINC LIMITED

In relation to our audit of the financial report of Ironbark Zinc Limited for the year ended 30 June 2022, 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

29 SEPTEMBER 2022
WEST PERTH,
WESTERN AUSTRALIA

Level 4, 35 Havelock Street, West Perth, WA 6005
PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	Notes	2022 $'000	2021 $'000
Other revenue	*2*	21	52
Corporate and compliance expense		(492)	(406)
Employee benefits expense	*3*	(563)	(370)
Consulting expense		(197)	(114)
Finance expense	*3*	(1,420)	-
Share-based payments expense	*22*	(997)	(548)
Impairment expense	*3*	(4)	(1,546)
Foreign exchange loss		(86)	(43)
Loss before income tax		**(3,738)**	**(2,975)**
Income tax expense	*4*	-	-
Loss for the year		**(3,738)**	**(2,975)**
Other comprehensive income/(loss), net of income tax			
Items that may be subsequently reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		(2,292)	(1,648)
Other comprehensive income/(loss), net of tax		(2,292)	(1,648)
Total comprehensive income/(loss) for the year		**(6,030)**	**(4,623)**
Loss per share			
Basic and diluted loss per share (cents)	*7*	(0.30)	(0.29)

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

Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	2022 $'000	2021 $'000
Current Assets			
Cash and cash equivalents	*8*	2,919	2,528
Trade and other receivables	*9*	22	111
Financial assets	*11*	10	10
Total Current Assets		2,951	2,649
Non-Current Assets			
Exploration and evaluation expenditure	*13*	55,269	56,829
Property, plant & equipment		4	2
Other assets	*12*	2,863	2,975
Total Non-Current Assets		58,136	59,806
Total Assets		**61,087**	**62,455**
Current Liabilities			
Trade and other payables	*15*	1,118	1,232
Provisions	*16*	42	34
Other liabilities	*17*	1,463	1,518
Total Current Liabilities		2,623	2,784
Total Liabilities		**2,623**	**2,784**
Net Assets		**58,464**	**59,671**
Equity			
Issued capital	*18*	137,558	133,807
Reserves	*19*	2,418	3,638
Accumulated losses		(81,512)	(77,774)
Total Equity		**58,464**	**59,671**

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

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2022

	Notes	Issued Capital $'000	Share based payment reserve $'000	Foreign translation reserve $'000	Accumulated Losses $'000	Total $'000
Balance as at 30 June 2020		**127,779**	**41**	**5,286**	**(74,799)**	**58,307**
Loss for the year		-	-	-	(2,975)	(2,975)
Other comprehensive income						
Exchange differences arising on translation of foreign operations		-	-	(1,648)	-	(1,648)
Total comprehensive income for the year		-	-	(1,648)	(2,975)	(4,623)
Transactions with owners, recorded directly in equity						
Issue of share capital	*18*	5,892	(208)	-	-	5,684
Share-based payments	*22*	394	167	-	-	561
Costs of raising capital		(258)	-	-	-	(258)
Total transactions with owners		**6,028**	**(41)**	**-**	**-**	**5,987**
Balance as at 30 June 2021		**133,807**	**-**	**3,638**	**(77,774)**	**59,671**
Loss for the year		-	-	-	(3,738)	(3,738)
Other comprehensive income						
Exchange differences arising on translation of foreign operations		-	-	(2,292)	-	(2,292)
Total comprehensive income for the year		-	-	(2,292)	(3,738)	(6,030)
Transactions with owners, recorded directly in equity						
Issue of share capital	*18*	4,351	(215)	-	-	4,136
Share-based payments	*22*	80	907	-	-	987
Costs of raising capital		(680)	380	-	-	(300)
Total transactions with owners		**3,751**	**1,072**	**-**	**-**	**4,823**
Balance as at 30 June 2022		**137,558**	**1,072**	**1,346**	**(81,512)**	**58,464**

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

Consolidated Statement of Cashflows

For the Year Ended 30 June 2022

	Notes	2022 $'000	2021 $'000
Cash Flows from Operating Activities			
Payments to suppliers and employees		(2,024)	(994)
Interest paid		-	(11)
Other receipts		21	52
Net cash flows used in operating activities	*21*	**(2,003)**	**(953)**
Cash Flows from Investing Activities			
Payments for exploration and evaluation		(1,309)	(1,394)
Payments for security bonds		(15)	-
Payments for property, plant and equipment		(2)	(2)
Net cash flows used in investing activities		**(1,326)**	**(1,396)**
Cash Flows from Financing Activities			
Proceeds from issue of shares		4,000	3,000
Payments for share issue costs		(280)	(248)
Net cash flows generated from financing activities		**3,720**	**2,752**
Net increase in cash and cash equivalents		391	403
Effect of exchange rates on cash		-	-
Cash and cash equivalents at the beginning of the financial year		2,528	2,125
Cash and cash equivalents at the end of the financial year	*8*	**2,919**	**2,528**

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

Note 1. Statement of Significant Accounting Policies

The financial report of Ironbark Zinc Limited ('**Ironbark**' or the '**Company**') for the year ended 30 June 2022 was approved for issue in accordance with a resolution of Directors on 29 September 2022. The Directors have the power to amend and reissue the financial statements.

This financial report includes the consolidated financial statements and notes of Ironbark Zinc Limited and its controlled entities ('**Consolidated Entity**' or '**Group**').

Ironbark is a listed public company, trading on the Australian Securities Exchange (**ASX**), limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Statement of Compliance

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) issued by the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001 as appropriate for profit oriented entities. The consolidated financial report of the Group comply with International Financial Reporting Standards (**IFRS**) and Interpretations as issued by the International Accounting Standards Board (**IASB**).

Basis of Measurement

The financial report has been prepared on an accruals basis and going concern basis, and is based on historical costs, modified, where applicable, by the measurement of fair value of selected non-current assets, financial assets and financial liabilities.

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 $3.74 million for the year ended 30 June 2022 (30 June 2021: $2.98 million). As at 30 June 2022 the Consolidated Entity had net assets of $58.46 million (30 June 2021: $59.67 million) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 30 June 2022 the Consolidated Entity had $2.92 million (30 June 2021: $2.53 million) in cash and cash equivalents and a working capital surplus of $0.33 million (30 June 2021: deficit of $0.14 million).

The ability of the Consolidated Entity to fund its working capital and exploit its exploration assets will depend on raising necessary funding in the future. Should the Consolidated Entity be unable to successfully complete the raising of these additional funds, there would be a material uncertainty which may cast significant doubt over the Consolidated Entity ability to continue as a going concern. As at 30 June 2022 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.

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 that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any impact on the financial performance or position of the Consolidated Entity.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. No significant impact is expected from the adoption of the new, revised or amended Accounting Standards.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Ironbark as at 30 June 2022 and the results of all controlled entities for the year then ended. Ironbark and its controlled entities together are referred to in this financial report as the Consolidated Entity.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. All controlled entities have a June financial year end.

Rounding of Amounts

The Company is an entity to which ASIC Corporations Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Goods and Services Tax ('GST') and Other Similar Taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Key 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 annual reporting period are disclosed in the relevant notes.

Coronavirus (COVID-19) Pandemic

Judgment has been exercised in considering the impacts that the Coronavirus (**COVID-19**) pandemic has had, or may have on the Consolidated Entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Consolidated Entity operates. Other services offered, customers, supply chain, staffing and geographic regions in which the Consolidated Entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respects to events or conditions which may impact the Consolidated Entity unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Note 2. Other Revenue

	2022 $'000	2021 $'000
Operating Activities		
Tax grants	21	52
Total Other Revenue	**21**	**52**

Accounting Policy

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other Revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 3. Loss Before Income Tax

	2022 $'000	2021 $'000
Loss before income tax includes the following specific expenses:		
Occupancy costs	7	6
Employee benefits expense	543	354
Superannuation expense	20	16
Exploration expenditure impairment	4	1,546
Finance expense[1]	1,420	-

Notes:

1) In December 2021 the Company advised that its Phase I DD period with US EXIM Bank had successfully concluded and that Ironbark had received a PPL outlining EXIM's intention, subject to further due diligence and EXIM Board approval, to extend up to US$657 million in debt funding to Ironbark to cornerstone the development of the Citronen Project. In addition to signalling EXIM Bank's intention to proceed with the transaction, and tabling an indicative Term Sheet, the PPL provided guidance to Ironbark on key issues for Phase II due diligence which commenced in early 2022, including completing further financial, technical, environmental and legal reviews as determined by EXIM Bank (including finalisation of construction arrangements).

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 4. Income Tax Benefit/(Expense)

	2022 $'000	2021 $'000
a) The components of tax benefit comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
b) Reconciliation of income tax to prima facie tax payable		
Accounting loss before tax	(3,738)	(2,975)
Income tax (benefit)/expense @ 25% (2021: 26%)	(934)	(774)
Add/(deduct) tax effect of:		
• Non-assessable non-exempt income received	-	(9)
• Non-deductible expenses	251	50
• Movement in deferred tax positions not recognised	154	(870)
• Revenue losses not recognised	529	1,595
• Impact of reduction in future corporate tax rate	-	8
Income tax (benefit)/expense attributable to entity	-	-

c) As at the date of this report, the potential refundable tax offset for the reporting period ended 30 June 2022 has not been determined.

	2022 $'000	2021 $'000
d) The following deferred tax balances have not been recognised:		
Deferred Tax Assets @ 25% (2021: 25%)		
Carried forward revenue losses	4,003	3,651
Carried forward capital losses	36	36
Carried forward capital losses (overseas) @ 25% (2021: 26.5%)	13,064	15,153
Provisions and accruals	16	14
Investments	2	2
Other	425	117
	17,546	**18,973**

The tax benefits of the above Deferred Tax Assets will only be obtained if:

- The Group derives future assessable income of a nature and an amount sufficient to enable the benefits to be utilised;
- The Group continues to comply with the deductibility conditions imposed by law; and
- No change in income tax legislation adversely affects the Group in utilising the benefits.

	2022 $'000	2021 $'000
Deferred Tax Liabilities @ 25% (2021: 25%)		
Exploration, evaluation and development expenditure	12	9
Exploration, evaluation and development expenditure (overseas) @ 25% (2021: 26.5%)	13,064	15,050
Other	4	14
	13,080	**15,073**

The above Deferred Tax Liabilities have not been recognised as they have given rise to the carry forward revenue losses for which the Deferred Tax Asset has not been recognised.

Accounting Policy

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on either accounting profit or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Tax Consolidation

Ironbark and its wholly-owned Australian subsidiaries have not formed an income tax consolidated group under tax consolidation legislation.

Key Estimates, Judgments and Assumptions

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.

Change in Corporate Tax Rate

There has been a legislated change in the corporate tax rate that will apply to future income years. The impact of this reduction in the corporate tax rate has been reflected in the unrecognised deferred tax positions and the prima face income tax reconciliation above.

Note 5. Key Management Personnel Compensation

Names and positions held of Consolidated Entity key management personnel in office at any time during the financial year are:

Key Management Personnel	Position
Frederick Hess	Non-Executive Chairman
Michael Jardine	Managing Director
Alexander Downer	Non-Executive Director (appointed 1 October 2021)
Paul Cahill	Non-Executive Director (appointed 1 October 2021)
Maciej Sciazko	Non-Executive Director (resigned 1 October 2021)
Jonathan Whyte	Company Secretary

The totals of remuneration paid to key management personnel of the Company and the consolidated group during the year are as follows:

	2022 $	2021 $
Key Management Personnel Compensation		
Short term employment benefits	541,396	321,396
Post-employment benefits	13,693	9,500
Share-based payments	573,059	212,055
Total Key Management Personnel Compensation	**1,128,148**	**542,951**

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated:

- No amounts in addition to those disclosed in the Remuneration Report in the Directors' Report were paid or payable to Directors of the Company at the end of the year; and
- There were no loans to key management personnel at the end of the year.

Note 6. Auditor's Remuneration

During the financial year the following fees were paid or payable for services provided by PKF Perth, the auditor of the Group:

	2022 $	2021 $
Audit or review of financial statements	45,190	42,975
Preparation of tax return	5,200	4,600
Total Auditor's Remuneration	**50,390**	**47,575**

Note 7. Loss Per Share

The following reflects the income and share data used in the calculations of basic and diluted earnings per share (**EPS**):

	2022 $'000	2021 $'000
a) Reconciliation of earnings to loss		
Loss used to calculate basic and diluted EPS	(3,738)	(2,975)

	2022 No.	2021 No.
b) Weighted average number of shares outstanding during the year		
Weighted average number of ordinary shares outstanding during the year used in calculating basic and dilutive EPS	1,259,579,539	1,008,878,479

Accounting Policy

Basic earnings per share
Basic earnings per share is determined by dividing the net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 8. Cash and Cash Equivalents

	2022 $'000	2021 $'000
Cash at bank and in hand	2,919	2,528
Total Cash and Cash Equivalents	**2,919**	**2,528**

Accounting Policy
Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 9. Trade and Other Receivables

	2022 $'000	2021 $'000
Current		
GST receivable	8	65
Prepayments	14	46
Total Trade and Other Receivables	**22**	**111**

Accounting Policy
Other receivables are recognised at amortised cost, less any provision for impairment.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for expected credit losses is raised when some doubt as to collection exists.

Provision for Impairment of Receivables
Current trade and term receivables are non-interest bearing loans and generally on 30-day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for expected credit losses is recognised when there is objective evidence that an individual trade or term receivable is impaired.

There are no balances within trade and other receivables that contain assets that are past due. It is expected these balances will be received when due. Refer to Note 24 Financial Risk Management for further details.

Note 10. Controlled Entities

	Country of Incorporation	Percentage Owned (%)	
		2022	2021
Parent Entity			
Ironbark Zinc Limited	Australia	100%	100%
Subsidiaries of Ironbark Zinc Limited:			
Ironbark Zinc Pty Ltd	Australia	100%	100%
Doctor Evil Pty Ltd	Australia	100%	100%
Ironbark Aust Pty Ltd	Australia	100%	100%
Bedford (No 3) Ltd	British Virgin Islands	100%	100%
Subsidiaries of Ironbark Aust Limited:			
Ironbark A/S	Greenland	100%	100%

There were no acquisitions or disposals of controlled entities during the year.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 11. Financial Assets

	2022 $'000	2021 $'000
Current		
Financial assets	10	10
	10	**10**

Financial assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

The Consolidated Entity's exposure to credit, market and liquidity risk related to financial assets is disclosed in Note 24 Financial Risk Management.

Accounting Policy

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Note 12. Other Assets

	2022 $'000	2021 $'000
Non-Current		
Environmental bond[1]	2,808	2,925
Security deposits	55	50
Total Non-Current Other Assets	**2,863**	**2,975**

Notes:

1. Over the period July 2018 to December 2019, IBG transferred approximately 14 million Danish Kroner (DKK) into a Greenlandic escrow account to cover the potential rehabilitation of the exploration camp at Citronen.

   The Government of Greenland agreed to allow IBG to redraw 50% of the escrowed funds over May and June 2020, being AUD $1.518 million (DKK 6.63 million). The key condition of drawdown is that these funds are reinstated no more than 24 months later provided that the Citronen exploration camp is still potentially in need of rehabilitation. Under the prevailing government conditions, if the Citronen project moves into development within the next 24 months, then it is likely that a revised bonding regime will be re-instated.

   As at 30 June 2022, non-current environmental bond assets consist of Greenland escrow account balance of AUD $1.35 million and repayable non-cash balance of $1.46 million. The repayable amount is reflected as a current liability at Note 17.

Note 13. Exploration and Evaluation Expenditure

	2022 $'000	2021 $'000
Movement in Carrying Value:		
Balance at the beginning of the year	56,829	55,248
Exploration expenditure capitalised during the year	729	4,778
Foreign exchange movement on translation	(2,285)	(1,651)
Impairment of exploration expenditure	(4)	(1,546)
Carrying Amount at the End of the Year	**55,269**	**56,829**

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.

The Consolidated Entity has assessed the carrying amount of the exploration and evaluation expenditure in accordance with AASB 6 Exploration and Evaluation of Mineral Resources and has recognised an impairment expense of $4,000 in relation to non-core exploration areas of interest during the year (2021: $1.55 million). This expense is included in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Accounting Policy

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of interest are current and either:

- The expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- Activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

An impairment exists when the carrying amount of capitalised exploration and evaluation expenditure relating to an area of interest exceeds its recoverable amount. The asset is then written down to its recoverable amount. Any impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to mining property and development assets within property, plant and equipment and depreciated over the life of the mine.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Where applicable, such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Key Estimates, Judgments and Assumptions

Impairment of exploration and evaluation assets and investments in and loans to subsidiaries

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation asset.

Impairment assessments are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts.

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 triggered.

Note 14. Interests in Joint Operations

The Company has a material joint operation Captains Flat tenement in Australia. The Company has a 50% share in the tenement lease which is jointly owned with NSW Base Metals Pty Ltd (**NSW Base Metals**). The Company has classified this as a joint arrangement because under the terms of the arrangement, NSW Base Metals and the Company share the ownership of the asset. The tenement expenditure commitments are jointly funded by NSW Base Metals and the Company.

Accounting Policy
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operation recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of the other parties' interest in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

Note 15. Trade and Other Payables

	2022 $'000	2021 $'000
Current		
Trade payables	621	674
Sundry payables and accrued expenses	497	558
Total Trade and Other Payables	**1,118**	**1,232**

Accounting Policy
Trade and other payables represent the liability outstanding at the end of the reporting period for good and services received by the consolidated group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 16. Provisions

	2022 $'000	2021 $'000
Current		
Employee Entitlements:		
Annual leave	30	24
Long service leave	12	10
Total Current Provisions	**42**	**34**

Accounting Policy

Wages, salaries and annual leave

Liabilities for wages, salaries and annual leave expected to be settled within one year of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Employee benefits payable later than one year

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Superannuation

Contributions are made by the Group to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

Note 17. Other Liabilities

	2022 $'000	2021 $'000
Current		
Environmental bond payable[1]	1,463	1,518
Total Current Liabilities	**1,463**	**1,518**

Notes:

1. Over the period July 2018 to December 2019, IBG transferred approximately 14 million Danish Kroner (DKK) into a Greenlandic escrow account to cover the potential rehabilitation of the exploration camp at Citronen.

   The Government of Greenland agreed to allow IBG to redraw 50% of the escrowed funds over May and June 2020, being AUD $1.46 million (DKK 6.63 million). The key condition of drawdown is that these funds are reinstated no more than 24 months later provided that the Citronen exploration camp is still potentially in need of rehabilitation. Under the prevailing government conditions, if the Citronen project moves into development within the next 24 months, then it is likely that a revised bonding regime will be re-instated.

   Refer to Note 12 for details of environmental bond assets at 30 June 2022.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 18. Issued Capital

	2022 $'000	2021 $'000
A reconciliation of the movement in capital and reserves for the consolidated group can be found in the Statement of Changes in Equity.		
1,307,102,427 fully paid ordinary shares (2021: 1,202,791,694)	142,432	138,001
Less: capital raising costs	(4,874)	(4,194)
	137,558	**133,807**

	2022 No.	2021 No.
a) Ordinary Shares – Number of Shares		
At the beginning of the reporting year	1,202,791,694	920,409,145
Shares issued during the year:		
• Placement[1]	90,909,091	125,000,000
• Shares issued to advisors[2,3]	8,401,642	13,146,658
• Conversion of performance rights[4]	5,000,000	18,395,826
• Shares issued to consultants	-	1,875,000
• Shares issued in consideration for royalty extinguishment	-	122,000,000
• Shares issued to Directors	-	1,965,065
Total at the end of the reporting year	**1,307,102,427**	**1,202,791,694**

	2022 $'000	2021 $'000
b) Ordinary Shares – Value of Shares		
At the beginning of the reporting year	138,001	131,715
Shares issued during the year:		
• Placement[1]	4,000	3,000
• Shares issued to advisors[2,3]	216	304
• Conversion of performance rights[4]	215	208
• Shares issued to consultants	-	45
• Shares issued in consideration for royalty extinguishment	-	2,684
• Shares issued to Directors	-	45
Total at the end of the reporting year	**142,432**	**138,001**

Notes:

1. On 10 December 2021 the Company announced that it had received firm commitments for the issue of 90.91 million shares at $0.044 per share to raise $4 million.
2. On 19 October 2021 the Company issued 5,986,661 fully paid ordinary shares at an issue price of $0.0227 per share to Bacchus Capital Advisers, in lieu of a cash sign-on fee. This represented the second and final tranche of the sign-on fee and was accrued for at 30 June 2021.
3. On 22 December 2021 the Company issued 1,980,198 fully paid ordinary shares at an issue price of $0.0303 per share and on 9 March 2022 the Company issued 434,783 fully paid ordinary shares at an issue price of $0.046 per share to Bacchus Capital Advisers in lieu of cash for advisory services.

4. On 22 December 2021 the Company issued 5,000,000 fully paid ordinary shares to employees of the Company on conversion of vested Performance Rights. The Performance Rights Tranche A vesting milestone was successfully achieved, being the Company receiving a positive initial credit decision from EXIM Bank in the form of a Preliminary Project Letter on 8 December 2021.

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. The fully paid ordinary shares have no par value.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

c) Capital Management

The Directors' primary objective is to maintain a capital structure that ensures the lowest cost of capital to the Company. At reporting date the Company has no external borrowings. The Company is not subject to any externally imposed capital requirements.

Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

Key Estimates, Judgments and Assumptions

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.

Note 19. Reserves

	2022 $'000	2021 $'000
Share-based payments reserve[a]	1,072	-
Foreign currency reserve[b]	1,346	3,638
Total Reserves	**2,418**	**3,638**

a) Share-Based Payments Reserve

The share-based payments reserve records items recognised as expenses on valuation of employee share and consultants' options.

A reconciliation of the movement in the share-based payments reserve is as follows:

	2022 $'000	2021 $'000
At the beginning of the reporting year	-	41
Share-based payments (Note 22)	907	167
Capital raising costs (share-based) (Note 22)	380	-
Conversion of Performance Rights (Note 18)	(215)	(208)
Total at the end of the reporting year	**1,072**	**-**

Accounting Policy – Share-Based Payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Black-Scholes or Hoadley option valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity received the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Black-Scholes or Hoadley option valuation model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period;
- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transaction is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

b) Foreign Currency Reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign operations.

	2022 $'000	2021 $'000
At the beginning of the reporting year	3,638	5,286
Exchange differences arising on translation of foreign operations	(2,292)	(1,648)
Total at the end of the reporting year	**1,346**	**3,638**

Accounting Policy - Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

Note 20. Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors and Managing Director (chief operating decision makers) 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.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted
Unless otherwise stated, all amounts reported to the Board of Directors and Managing Director, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the consolidated group.

(b) Segment assets
Where an asset is used across multiple segments, the asset is allocated to that segment that receives the majority asset economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(c) Segment liabilities
Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of that segment. Borrowings and tax liabilities are generally considered to relate to the consolidated group as a whole and are not allocated. Segment liabilities include trade and other payables.

(d) Unallocated items
Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

Geographical Information

	2022 $'000	2021 $'000
Non-Current Assets		
Australia	2,197	3,012
Greenland	55,219	56,794
Total Non-Current Assets	**58,136**	**59,806**

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

30 June 2022	Australia $'000	Greenland $'000	Total $'000
Revenue			
Unallocated Revenue			
Other revenue	-	-	21
Total Revenue	**-**	**-**	**21**
Expenses			
Impairment expense	(4)	-	(4)
Allocated Segment Expenses	**(4)**	**-**	**(4)**
Unallocated Expenses			
Corporate and compliance expense	-	-	(492)
Employee benefits expense	-	-	(563)
Consulting expense	-	-	(197)
Finance expense	-	-	(1,420)
Share-based payments expense	-	-	(997)
Foreign exchange loss	-	-	(86)
Income tax expense	-	-	-
Loss for the Year	**-**	**-**	**(3,738)**
Segment Assets			
Cash and cash equivalents	2,820	99	2,919
Trade and other receivables	22	-	22
Financial assets	10	-	10
Exploration and evaluation expenditure	50	55,219	55,269
Property, plant & equipment	4	-	4
Other assets	55	2,808	2,863
Total Assets	**2,961**	**58,126**	**61,087**
Segment Liabilities			
Trade and other payables	1,118	-	1,118
Provisions	42	-	42
Other liabilities	-	1,463	1,463
Total Liabilities	**1,159**	**1,463**	**2,623**

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

30 June 2021	Australia $'000	Greenland $'000	Total $'000
Revenue			
Unallocated Revenue			
Other revenue	-	-	52
Total Revenue	**-**	**-**	**52**
Expenses			
Impairment expense	(1,546)	-	(1,546)
Allocated Segment Expenses	**(1,546)**	**-**	**(1,546)**
Unallocated Expenses			
Corporate and compliance expense	-	-	(406)
Employee benefits expense	-	-	(370)
Consulting expense	-	-	(114)
Share-based payments expense	-	-	(548)
Foreign exchange loss	-	-	(43)
Income tax expense	-	-	-
Loss for the Year	**-**	**-**	**(2,975)**
Segment Assets			
Cash and cash equivalents	2,424	104	2,528
Trade and other receivables	111	-	111
Financial assets	10	-	10
Exploration and evaluation expenditure	35	56,794	56,829
Property, plant & equipment	2	-	2
Other assets	50	2,925	2,975
Total Assets	**2,632**	**59,823**	**62,455**
Segment Liabilities			
Trade and other payables	1,221	11	1,232
Provisions	34	-	34
Other liabilities	-	1,518	1,518
Total Liabilities	**1,255**	**1,529**	**2,784**

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 21. Cash Flow Information

Reconciliation of cash flow from operations with loss after income tax:

	2022 $'000	2021 $'000
Net loss for the year	(3,738)	(2,975)
Non-cash flows in loss		
Impairment expense	4	1,546
Share-based payments expense	997	548
Foreign exchange loss	86	-
Consulting fees (share-based)	-	50
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease in trade and other receivables	89	34
Increase/(decrease) in trade payables relating to operating activities	551	(164)
Increase in provisions	8	8
Net cash outflows from operating activities	**(2,003)**	**(953)**

Note 22. Share-Based Payments

	2022 $	2021 $
Performance rights[1,2]	666,866	167,055
Loan shares[3]	240,178	-
Director fees in lieu of cash – issued	-	18,750
Director fees in lieu of cash – accrued[4]	26,250	26,250
Advisor fees in lieu of cash – issued[5]	64,191	203,846
Advisor fees in lieu of cash – accrued	-	131,707
Total Share-Based Payments – P&L	**997,485**	**547,608**
Advisor fees in lieu of cash – issued[6]	380,277	-
Total Share-Based Payments – Equity (Costs of Capital)	**380,277**	**-**

Notes:

1. On 8 October 2021, 10,000,000 performance rights were issued in two tranches to employees of the Company. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and the employee remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved.

Valuation and Assumptions of Performance Rights:	Tranche A	Tranche B
Grant date	8 Oct 2021	8 Oct 2021
Number	5,000,000	5,000,000
Share price	$0.043	$0.043
Exercise price	$0.00	$0.00
Vesting date	8 Oct 2022	8 Oct 2022
Expiry date	8 Oct 2022	8 Oct 2022
Volatility	115.73%	115.73%
Option life	1.00	1.00
Dividend yield	-	-
Risk-free interest rate	0.10%	0.10%
Value per right	$0.043	$0.043
Total fair value	$215,000	$215,000
Expense vested during year	$215,000	$156,095

2. On 29 November 2021, 8,000,000 performance rights were approved for issue to Managing Director, Mr. Michael Jardine at the Company's Annual General Meeting. They vest in two equal tranches, subject to the Company receiving a positive initial credit decision from EXIM Bank within 12 months of the date of issue of the performance rights and Mr. Jardine remaining employed with the Company for 12 months from the date of issue of the performance rights. The rights were valued using the Black-Scholes option valuation model and are being expensed over the vesting period of the rights. On 8 December 2021 the Performance Rights Tranche A vesting milestone was achieved. As at the reporting date these Performance Rights have not yet been converted into ordinary shares.

Valuation and Assumptions of Performance Rights:	Tranche A	Tranche B
Grant date	29 Nov 2021	29 Nov 2021
Number	4,000,000	4,000,000
Share price	$0.044	$0.044
Exercise price	$0.00	$0.00
Vesting date	8 Oct 2022	8 Oct 2022
Expiry date	8 Oct 2022	8 Oct 2022
Volatility	115.73%	115.73%
Option life	0.86	0.86
Dividend yield	-	-
Risk-free interest rate	0.10%	0.10%
Value per right	$0.044	$0.044
Total fair value	$176,000	$176,000
Expense vested during year	$176,000	$119,770

3. On 29 October 2021, the Company announced that the vesting condition for the advance of 30,000,000 loan shares to Managing Director, Mr. Michael Jardine, and 15,000,000 loan shares to the Chairman Dr. Frederick Hess, being a 20-day volume weighted average price (VWAP) condition of $0.046 per share, had been met. This represented a 100% uplift from the 20-day VWAP of the Company's shares prior to the date of the 2020 Annual General Meeting (2020 AGM).

   Unless otherwise agreed, these loan shares can now be issued to Mr. Jardine and Dr. Hess, in accordance with the terms and conditions detailed in the Notice of Annual General Meeting released on the ASX on 27 October 2020.

The limited recourse loans must be repaid within three years of the date of the 2020 AGM. As at 30 June 2022 no loan shares have been advanced.

On 29 November 2021, a further 8,000,000 loan shares were approved for advance at the Annual General Meeting to Non-Executive Directors Mr. Alexander Downer AC (4,000,000 loan shares) and Mr. Paul Cahill (4,000,000 loan shares). The limited recourse loans were valued independently using the Hoadley option valuation model and are being expensed over the term of the loans. As at 30 June 2022 no loan shares have been advanced.

Valuation and Assumptions of Loan Shares:	Tranche A	Tranche B
Grant date	27 Nov 2020	29 Nov 2021
Maximum number to be issued	45,000,000	8,000,000
Share price	$0.0230	$0.0410
Exercise price	$0.0229	$0.0423
Barrier price	$0.0460	$0.0460
Vesting date	N/A	N/A
Expiry date	27 Nov 2023	27 Nov 2024
Volatility	100%	100%
Option life	3.00	3.00
Dividend yield	-	-
Risk-free interest rate	0.11%	0.92%
Value per loan share	$0.0139	$0.0251
Total fair value	$625,500	$200,800
Expense vested during year	$201,083	$39,095

4. Amounts for Dr. Frederick Hess' equity-based remuneration for the current financial year have been accrued as at 30 June 2022. Issue of the fully paid ordinary shares is subject to shareholder approval at the Company's Annual General Meeting.

5. On 19 October 2021 the Company issued 5,986,661 fully paid ordinary shares at an issue price of $0.0227 per share to advisors Bacchus Capital Advisers, in lieu of a cash sign-on fee. This represented the second and final tranche of the sign-on fee and was accrued for at 30 June 2021, resulting in an expense of $4,000 in the current year. On 22 December 2021 the Company issued 1,980,198 fully paid ordinary shares at an issue price of $0.0303 per share and on 9 March 2022 the Company issued 434,783 fully paid ordinary shares at an issue price of $0.046 per share to Bacchus Capital Advisers in lieu of cash for advisory services.

6. On 10 December 2021, 8,000,000 unlisted options were approved for issue to Morgans Corporate Limited as Lead Manager to the Placement and subsequently issued on 13 January 2022. The options have an exercise price of $0.08 and expire on 17 December 2024. The options have been valued using the Black-Scholes option valuation model and expensed as a cost of capital.

Valuation and Assumptions of Options:	Options
Grant date	10 Dec 2021
Number	8,000,000
Share price	$0.054
Exercise price	$0.08
Vesting date	10 Dec 2021
Expiry date	17 Dec 2024

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Valuation and Assumptions of Options:	Options
Volatility	189.13%
Option life	3.02
Dividend yield	-
Risk-free interest rate	0.94%
Value per option	$0.0475
Total fair value	$380,277
Expense vested during year	$380,277

Note 23. Parent Entity Disclosures

	2022 $'000	2021 $'000
Current assets	2,841	2,535
Non-current assets	58,420	57,774
Total assets	**61,261**	**60,309**
Current liabilities	2,622	2,772
Non-current liabilities	-	-
Total liabilities	**2,622**	**2,772**
Net assets	**58,639**	**2,772**
Issued capital	137,558	133,807
Share based payments reserve	1,072	-
Accumulated losses	(79,991)	(76,270)
Total equity	**58,639**	**57,537**
Loss of parent entity	(3,721)	(2,962)
Other comprehensive income/(loss)	-	-
Total comprehensive income/(loss) of the parent entity	**(3,721)**	**(2,962)**

Commitments

The commitments of the Parent Entity are consistent with that of the Consolidated Entity (refer to Note 25).

Contingent Assets, Contingent Liabilities and Guarantees

The contingent assets, contingent liabilities and guarantees of the Parent Entity are consistent with that of the Consolidated Entity (refer to Note 27).

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 24. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

Financial Risk Management Policies

a) Treasury Risk Management

The Board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board on a regular basis. These include the use of credit risk policies and future cash flow requirements.

b) Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are foreign currency risk, liquidity risk, credit risk and price risk.

i. Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's measurement currency. The currencies in which these transactions primarily are denominated are AUD and DKK.

The carrying amount of the Consolidated Entity's foreign currency denominated financial assets and financial liabilities at the reporting date was as follows:

	Assets		Liabilities	
	2022	2021	2022	2021
	Kr.'000	Kr.'000	Kr.'000	Kr.'000
Consolidated				
DKK	7,060	7,120	-	-

The effect of a 10% strengthening DKK against the AUD at the reporting date on the DKK-denominated assets and liabilities carried within the AUD functional currency entity would, all other variables held constant, have resulted in a decrease in post-tax loss for the year and increase of net assets of A$0.15 million (2021: A$0.15 million).

ii. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

	Financial Asset & Financial Liability Maturity Analysis							
	Within 1 Year		1-5 Years		Over 5 Years		Totals	
	2022	2021	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial Assets								
Cash and cash equivalents	2,919	2,528	-	-	-	-	2,919	2,528
Trade and other receivables	13	65	-	-	-	-	13	65
Financial assets	10	10	-	-	-	-	10	10
Other assets	-	-	2,863	2,975	-	-	2,863	2,975
Total Financial Assets	**2,942**	**2,603**	**2,863**	**2,975**	**-**	**-**	**5,805**	**5,578**
Financial Liabilities								
Trade and other payables	1,118	1,232	-	-	-	-	1,118	1,232
Other financial liabilities	1,463	1,518	-	-	-	-	1,463	1,518
Total Financial Liabilities	**2,581**	**2,750**	**-**	**-**	**-**	**-**	**2,581**	**2,750**

iii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities. The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Group does not have any material credit risk exposure to any single receivable or Group of receivables under financial instruments entered into by the Group.

Credit risk related to balances with banks and other financial institutions are managed in accordance with approved Board policy. The consolidated group's current investment policy is aimed at maximising the return on surplus cash, with the aim of outperforming the benchmark within acceptable levels of risk return exposure and to mitigate the credit and liquidity risks that the consolidated group is exposed to through investment activities.

The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

	2022 $'000	2022 $'000
Cash and cash equivalents		
A-Rated	2,919	2,528

iv. Price risk

- Commodity price risk
  The Group is not directly exposed to commodity price risk. However, there is a risk that the changes in prevailing market conditions and commodity prices could affect the viability of the project.

- Equity price risk
  Equity price risk arises from equity securities held. Material investments are managed on an individual basis and all buy and sell decisions are approved by the board.

v. Interest rate risk exposure analysis

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The consolidated group does not use derivatives to mitigate these exposures.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing	
	2022	2021	2022	2021	2022	2021
	%	%	$'000	$'000	$'000	$'000
Financial Assets						
Cash at bank & on hand	-	-	-	-	2,919	2,528
Receivables	-	-	-	-	13	65
Other assets	0.25%	1.90%	55	40	2,808	2,935
Total Financial Assets			**55**	**40**	**5,740**	**5,528**
Financial Liabilities						
Payables	-	-	-	-	1,118	1,232
Other liabilities	-	-	-	-	1,463	1,518
Total Financial Liabilities			**-**	**-**	**2,581**	**2,750**

The above interest rate, foreign exchange rate and price risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Fair Value

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

a) Cash and short-term investments – the carrying amount approximates fair value because of their short term to maturity;
b) Trade receivables and trade creditors – the carrying amount approximates fair value; and
c) Other assets and liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Note 25. Capital Commitments

In order to maintain current rights of tenure to exploration tenements the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State Governments and overseas government bodies. These obligations can be reduced by selective relinquishment of exploration tenure or renegotiation.

	2022 $'000	2021 $'000
Minimum Tenement Expenditure Commitments		
Within one year	255	290
Later than one year but no later than five years	511	-
Total	**766**	**290**

Greenland Government Environmental Deposit

The Company has agreed to provide a guarantee to the Greenland Government to support potential costs of rehabilitation of the site in relation to removal of the camp and equipment and returning the site to its original state.

	2022 $'000	2021 $'000
Within one year	2,808	-
Later than one year	-	2,925
Total	**2,808**	**2,925**

Note 26. Events After Reporting Date

In July 2022, Ironbark hosted EXIM's representatives RPM Global on a site visit to the Citronen Project. As a project site visit had been flagged as a key milestone to be achieved prior to any final credit decision by the EXIM Board, it was of vital importance this visit occurred in the 2022 field season.

In August 2022 the Board of Ironbark announced that, despite the significant process at project level and with EXIM on project debt, it believes it unrealistic to assume that the goal of reaching FID in 2022 will be achieved, and as a result, is now considering additional pathways to realise maximum value from the Citronen project.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No further matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

Note 27. Contingent Assets and Liabilities

The Company is unaware of any contingent assets or liabilities that may have a material impact on the Company's financial position.

Directors' Declaration

For the Year Ended 30 June 2022

The Directors of the Company declare that:

The financial statements, notes and additional disclosures included in the Directors' report and designated as audited, are in accordance with the *Corporations Act 2001* and:

a) comply with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Consolidated Entity and Company;

c) the financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements.

The Chief Executive Officer and Chief Financial Officer have each declared that:

a) the financial records of the Company for the financial year have been properly maintained in accordance with section 295A of the *Corporations Act 2001*;

b) the financial statements and notes for the financial year comply with the Australian Accounting Standards and Interpretations; and

c) the financial statements and notes for the financial year give a true and fair view;

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 Board of Directors.

Michael Jardine
Managing Director

29 September 2022

Advisory • Audit
Business Solutions

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

IRONBARK ZINC LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Ironbark Zinc Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end.

In our opinion the accompanying financial report of Ironbark Zinc Limited is in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to the financial report which indicates the consolidated entity has incurred a loss of $3,737,967 and operating cash outflows of $2,003,942 for the year ended 30 June 2022. These conditions along with other matters 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.

Level 4, 35 Havelock Street, West Perth, WA 6005
PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matter

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial report of the current year. This matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context

Carrying value of capitalised exploration expenditure

Why significant

As at 30 June 2022 the carrying value of exploration and evaluation assets was $55,268,812 (2021: $56,829,000), as disclosed in Note 13. Exploration and Evaluation assets written off during the year amounted to $4,229.

The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 13.

Significant judgement is required:

- in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and
- in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular:
    - whether the particular areas of interest meet the recognition conditions for an asset; and
    - which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.

How our audit addressed the key audit matter

Our work included, but was not limited to, the following procedures:

- to assess management's assessment of impairment trigger events prepared in accordance with AASB 6 including:
    - assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;
    - holding discussions with the Directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and
    - obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programmes.;
- considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
- testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the consolidated entity's accounting policy; and
- assessing the appropriateness of the related disclosures in Note 13.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' for the Financial Report

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

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the consolidated entity's internal control

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Ironbark Zinc Limited for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

PKF Perth

PKF PERTH

SHANE CROSS
PARTNER
29TH September 2022
WEST PERTH,
WESTERN AUSTRALIA

ASX Additional Information

a) Distribution of Shareholders as at 28 September 2022

Spread of Holdings	Number of Ordinary Shareholders	Number of Shares
1 – 1,000	148	30,924
1,001 – 5,000	142	472,883
5,001 – 10,000	193	1,670,180
10,001 – 100,000	1,532	66,380,486
100,001 – and over	1,070	1,238,547,950
Total	**3,085**	**1,307,102,423**

b) Top 20 Shareholders as at 28 September 2022

Position	Holder Name	Holding	% IC
1	BENNELONG RESOURCE CAPITAL PTY LTD	130,178,136	9.96%
2	TORONGA PTY LTD	100,000,000	7.65%
3	NYRSTAR INTERNATIONAL BV	97,690,702	7.47%
4	SINGPAC INVESTMENT HOLDING PTE LTD	44,110,593	3.37%
5	MR RAM SHANKER KANGATHARAN	34,248,700	2.62%
6	HEAGRA PTY LIMITED <GS & HR CAMPBELL SF A/C>	25,000,000	1.91%
7	CITICORP NOMINEES PTY LIMITED	23,713,262	1.81%
8	BACCHUS CAPITAL ADVISERS LIMITED	21,548,300	1.65%
9	DULYNE PTY LTD <THE ATLANTIS SUPER FUND A/C>	21,000,000	1.61%
10	PENTIRE HOLDINGS PTY LTD <DEVONSHIRE A/C>	18,395,826	1.41%
11	BNP PARIBAS NOMS PTY LTD <DRP>	15,461,193	1.18%
12	SHOW CATERERS PTY LIMITED	15,000,000	1.15%
13	MR TIMOTHY STEWART CAMPBELL	12,500,000	0.96%
14	MR JOHN LINDSAY HANNING	12,000,000	0.92%
15	CIMAROSTI NOMINEES PTY LTD <CARL CIMAROSTI S/FUND A/C>	11,200,000	0.86%
16	MR PETER JOSEPH MCGUIRE	10,300,000	0.79%
17	RAMCO INVESTMENTS PTY LTD <RAMCO FAMILY A/C>	10,170,000	0.78%
18	MR SHANNON JAMES HOPE WEBSTER	10,000,000	0.77%
19	MR TREVOR RONALD STEINHARDT	8,012,000	0.61%
20	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	6,800,014	0.52%
	Total	**627,328,726**	**47.99%**
	Total issued capital - selected security class(es)	**1,307,102,423**	**100.00%**

c) Ordinary share capital

- The number of shareholders holding less than a marketable parcel of shares is 1,313, totalling 20,227,810 ordinary shares.
- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Schedule of Interests in Mining Tenements

Project	Mining Licence and Tenements Held	Location of Tenements	% of Interest
Captains Flat (Joint Venture with Glencore)	EL6381	New South Wales	50%
Fiery Creek	EL6925	New South Wales	100%
Citronen	ML 2016/30	Greenland	100%

Mineral Resources and Reserves (MROR) Statement 30 June 2022

The current JORC 2012 compliant resource for Citronen (see ASX announcement dated 19 July 2021):

84.7 million tonnes at 4.72% Zn & 0.47% Pb

Category	Mt	Zn (%)	Pb (%)
Open pit @ 1.5% Zn cut-off			
Measured	11,767,520	2.9	0.5
Indicated	2,159,548	2.6	0.3
M&I	**13,927,068**	**2.8**	**0.5**
Inferred	3,303,573	2.9	0.4
Open pit total	**17,230,641**	**2.8**	**0.4**
Underground @ 3.5% Zn cut-off			
Measured	22,518,764	5.2	0.5
Indicated	26,208,555	5.5	0.5
M&I	**48,727,319**	**5.4**	**0.5**
Inferred	18,744,401	4.8	0.4
Underground total	**67,471,720**	**5.2**	**0.5**
TOTAL Mineral Resource			
Measured	**34,286,284**	**4.36**	**0.51**
Indicated	**28,368,103**	**5.30**	**0.46**
Inferred	**22,047,974**	**4.55**	**0.42**
Total	**84,702,361**	**4.72**	**0.47**

JORC Table 1 included in an announcement to the ASX released on 19th July 2021: "2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project". Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially *changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

Ore Reserve

The current JORC 2012 complaint Ore Reserve for Citronen is summarised below:

Deposit	Category	Tonnes (Mt)	ZnEq grade (%)*	Zn grade (%)	Pb grade (%)	ZnEq metal (Mt)	Zn metal (Mt)	Pb metal (Mt)
Beach underground	Proved	19.0	5.5	5.2	0.5	1.0	1.0	0.1
	Probable	7.0	5.8	5.7	0.5	0.4	0.4	0.03
Esrum underground	Proved	-	-	-	-	-	-	-
	Probable	15.8	5.1	4.8	0.4	0.8	0.8	0.06
Discovery open pit	Proved	5.5	3.5	3.2	0.6	0.2	0.2	0.03
	Probable	1.4	2.5	2.3	0.4	0.04	0.03	0.01
Total	**Proved**	**24.6**	**5.1**	**4.6**	**0.5**	**1.2**	**1.1**	**0.13**
	Probable	**24.2**	**5.1**	**5.0**	**0.4**	**1.2**	**1.1**	**0.10**
	Total	**48.8**	**5.1**	**4.8**	**0.5**	**2.5**	**2.3**	**0.24**

The Ore Reserve is based on Measured and Indicated Resources only and does not include any Inferred Mineral Resources. JORC Table 1 included in an announcement to the ASX released on 19th July 2021: "2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project" Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Exploration Target

40 Mt to 90 Mt at 5.0% to 7.1% zinc + lead combined

Prospect Area	Prospective sulphide horizons	Tonnes from - to (Mt)	Zinc % Grade range	Lead % Grade range	Combined zinc + lead grade
East	L3/L4	3 to 5Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Western Gossans	L3/L4	5 to 8Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Beach South	L2/L3	4 to 10Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Esrum Extended	L3	12 to 28Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Discovery South East	L1/L2/L3	10 to 25Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Discovery North/Trilobite Valley	L2/L3/L4	6 to 14 Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Total		***40 to 90 Mt***	***4.6 to 6.5% Zn***	***0.4 to 0.6 % Pb***	***5 to 7.1% zinc + lead***

For further information on the Citronen Exploration Target, please see the ASX announcement dated 11 February 2021. The Exploration Target has not been included in the calculation of the life of mine or project NPV. The Exploration Target listed above is formed on the basis of historic exploration work at Citronen, including over 60,000m of diamond drilling and subsequent work sufficient to declare the Mineral Resource and Ore Reserve. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Ironbark plans to test the Exploration Targets as part of a phased exploration and resource development program. This multi-year program is planned to commence concurrently with mine development and construction, and is aimed at further improving the current Citronen mine plan through some potential combination of mine life extensions, grade uplift and/or the deferral of major lateral mine development in the current schedule. At present, Ironbark intends to undertake this work will take place within two years of construction beginning at Citronen.

A systematic drilling program is planned to test extensions to the known mineralisation at the newly identified conceptual target areas. IBG already has four drill rigs at Citronen that are available for any future exploration program, and any further exploration equipment will be mobilised in conjunction with the site construction activities as required.

The Exploration Target is based upon review of project drilling, rock chip samples and the limited geophysical data available. A 3D geological model of the project was used to assist in identifying prospective areas. Each area was systematically reviewed with tonnage ranges based on conceptual target sizes and area prospectivity. Exploration Target zinc and lead grade ranges and rock densities are based upon typical grades observed from the current Citronen Resource (refer to ASX announcement 12th March 2020). The Exploration Target calculation has been based on a combination of actual exploration results as discussed in this report and proposed exploration programmes.

Competent Persons Statement

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

Ironbark announced to the ASX on 19th July 2021 information pertaining to the exploration and mineral resource estimates of the Citronen Base Metals Project in accordance with ASX Listing Rule 5.8 and compliance with the 2012 JORC Code.

A review of factors was conducted which may affect the MROR. These factors include:

- Sovereign risk;
- Commodity prices;

- Processing or metallurgical understanding;
- Environmental or mineability setting; and
- Standing of consultants/contractors/technology used in estimation process.

Further details relating to the resource can be found on the release lodged with the ASX on 19th July 2021. Table 1 of the release provides full details on the data collection, interpolation and estimation parameters used in the calculation of this statement.

Summary of Governance and Controls

Ironbark employs professional technical personnel who oversee exploration and data gathering on site. These personnel are also involved with assisting independent consultants and contractors used in the data gathering and estimation processes which produce the MROR Statement.

Ironbark employs qualified geoscientists (geologists) registered with relevant national professional bodies to conduct work required with the preparation and publication of MROR statements. Independent contractors and consultants are used in the calculation of mineral resources. Work is also conducted by different organisations and results have historically been compared as checks on publicly reported information. Internal controls ensure that multiple geologists are involved in the planning, implementation, data gathering, interpretation of results. Sample data is checked on site using portable assay equipment and then despatched to independent certified assay laboratories for assaying. Data was compiled and QA/QC checks completed by database administration consultants. All data gathering is done using standard and acceptable industry practices. Resource estimation is conducted using eternal consultants and contractors who have been present on site during periods of exploration and have witnessed internal practices and procedures. Resource estimates are then reported when they are confirmed by the Competent Person (Ironbark staff member) and released. This is considered acceptable and industry standard practice.