

**IRONBARK GOLD LIMITED
A.B.N. 93 118 751 027
AND CONTROLLED ENTITIES**

HALF YEAR REPORT

31 DECEMBER 2008

IRONBARK GOLD LIMITED
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AND CONTROLLED ENTITIES

31 DECEMBER 2008

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by Ironbark Gold Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

IRONBARK GOLD LIMITED
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Corporate Directory

NON-EXECUTIVE CHAIRMAN
Peter D Bennetto

EXECUTIVE MANAGING DIRECTOR
Jonathan C Downes

EXECUTIVE TECHNICAL DIRECTOR
Adrian P Byass

EXECUTIVE ENGINEERING DIRECTOR
Gregory C Campbell

NON-EXECUTIVE DIRECTOR
Vincent Hyde
David Kelly

COMPANY SECRETARY
David Round

PRINCIPAL & REGISTERED OFFICE
Level 1, 350 Hay Street
SUBLACO WA 6008

Telephone: (08) 6461 6350
Facsimile: (08) 6210 1872

AUDITORS
Mack & Co
Level 2, 35 Havelock Street
WEST PERTH WA 6005

SHARE REGISTRAR
Security Transfer Registrars Pty Ltd
770 Canning Hwy
APPLECROSS WA 6153
Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233

STOCK EXCHANGE LISTINGS
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: IBG

BANKERS
Westpac Banking Corporation
1257-1261 Hay Street
WEST PERTH WA 6005

WEBSITE
www.ironbarkgold.gl

IRONBARK GOLD LIMITED
A.B.N. 93 118 751 027
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DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2008.

DIRECTORS

The names of directors who held office during or since the end of the half year and up to the date of this report are:-

Mr Peter D Bennetto	Non Executive Chairman
Mr Jonathan C Downes	Executive Managing Director
Mr Adrian P Byass	Executive Technical Director
Mr Gregory C Campbell	Executive Engineering Director
Mr Vincent Hyde	Non Executive Director
Mr David Kelly	Non Executive Director

PRINCIPAL ACTIVITIES

During the half year the principal activities of the consolidated entity consisted of exploration and evaluation of the group's zinc ground holdings.

RESULT OF OPERATIONS

The directors of Ironbark Gold Limited advise the consolidated loss of the consolidated group after providing for income tax for the half year to 31 December 2008 is \$594,181.

REVIEW OF OPERATIONS

This report summarises results of exploration conducted by Ironbark during the half year to 31 December 2008.

Citronen Base Metals Project

Ironbark spent the majority of its efforts evaluating the Citronen Base metals project in Greenland. During the reporting period Ironbark conducted drilling, assaying and resource modelling that resulted in a major resource upgrade ratifying the global significance of the project. Large amounts of work were also conducted on the development and evaluation of the project with regards to process route, plant design, plant costing, tailing disposal, infrastructure design and costing and evaluating mine planning.

Captains Flat Base Metal Project

Ironbark conducted metallurgical testwork on the tailings deposit from the Lake George Mine as well as a high resolution hand held XRF ground soil sampling survey in the Jerangle area of the licence targeting further base metal mineralisation.

Ironbark entered into an equal earn in and joint venture with Glencore International AG on the Captains Flat project.

Belara Base Metal Project

Field mapping was conducted at the Belara project that has improved the understanding of the geological setting and enhanced the target generation for further resource definition.

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DIRECTORS' REPORT

DIVIDENDS

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

AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307c of the Corporations Act 2001 is set out on page 4 for the half year ended 31 December 2008.

This report is made in accordance with a resolution of the directors.


Jonathan Downes
Managing Director

Dated this 13 day of March 2009.

**IRONBARK GOLD LIMITED
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**AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF IRONBARK GOLD LIMITED**

I declare that to the best of my knowledge and belief, during the half year ended 31 December 2008 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

MACK & CO
Mack & Co
Chartered Accountants
2nd Floor, 35 Havelock Street
WEST PERTH WA 6005

N A Calder
N A Calder
Partner

Date: *MARCH 13 2009*

IRONBARK GOLD LIMITED
A.B.N. 93 118 751 027
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CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$	31 December 2007 \$
Revenue	539,781	796,580
Administrative expenses	(133,767)	(55,723)
Consultancy expenses	(119,846)	(52,357)
Depreciation and amortisation expenses	(201,945)	(87,317)
Directors fees	(105,725)	(39,188)
Employee benefits expense	(361,105)	(508,331)
Insurance expenses	(34,657)	(18,271)
Exploration expenditure written off	(8,989)	-
Occupancy expenses	(89,832)	(92,516)
Regulatory expenses	(78,096)	(38,264)
	<hr/>	<hr/>
Loss before income tax expense	(594,181)	(95,387)
Income tax expense	<hr/> -	<hr/> -
Loss after income tax expense	<hr/> (594,181)	<hr/> (95,387)
	<hr/>	<hr/>
Basic and diluted loss per share (cents)	(0.28)	(0.05)

The above consolidated income statement should be read in conjunction with the accompanying notes.

IRONBARK GOLD LIMITED
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CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	31 December 2008 \$	30 June 2008 \$
CURRENT ASSETS		
Cash and cash equivalents	6,199,432	13,283,426
Trade and other receivables	94,265	916,195
Inventories	113,712	232,419
Loan	8,598	-
Other current assets	48,265	287,615
TOTAL CURRENT ASSETS	<u>6,464,272</u>	<u>14,719,655</u>
NON-CURRENT ASSETS		
Plant and equipment	2,504,718	2,547,948
Exploration and evaluation expenditure	110,391,947	105,731,820
Other non current assets	10,088	-
Financial assets	2,060,100	4,000,000
TOTAL NON-CURRENT ASSETS	<u>114,966,853</u>	<u>112,279,768</u>
TOTAL ASSETS	<u>121,431,125</u>	<u>126,999,423</u>
CURRENT LIABILITIES		
Trade and other payables	687,730	3,723,038
Short-term provisions	31,370	45,082
Deferred tax liabilities	273,000	861,000
TOTAL CURRENT LIABILITIES	<u>992,100</u>	<u>4,629,120</u>
TOTAL LIABILITIES	<u>992,100</u>	<u>4,629,120</u>
NET ASSETS	<u>120,439,025</u>	<u>122,370,303</u>
EQUITY		
Issued capital	74,165,341	74,165,341
Accumulated losses	(2,772,016)	(2,292,738)
Reserves	49,045,700	50,497,700
TOTAL EQUITY	<u>120,439,025</u>	<u>122,370,303</u>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

IRONBARK GOLD LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Issued Capital	Accumulated Losses	Asset Revaluation Reserve	Option Reserves	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2007	68,494,646	(2,473,712)	2,772,000	49,118,000	117,910,934
Fair value accounting of available for sale financial assets taken	-	-	2,114,000	-	2,114,000
Loss attributable to members of parent entity	-	(95,387)	-	-	(95,387)
Transaction costs	-	-	-	-	-
Balance at 31 December 2007	<u>68,494,646</u>	<u>(2,569,099)</u>	<u>4,886,000</u>	<u>49,118,000</u>	<u>119,929,547</u>
Balance at 1 July 2008	74,165,341	(2,292,738)	1,909,000	48,588,700	122,370,303
Fair value accounting of available for sale financial assets taken	-	-	(1,452,000)	-	(1,452,000)
Loss attributable to members of parent entity	-	(594,181)	-	-	(594,181)
Loss attributable to subsidiary which is no longer a subsidiary	-	114,903	-	-	114,903
Balance at 31 December 2008	<u>74,165,341</u>	<u>(2,772,016)</u>	<u>457,000</u>	<u>48,588,700</u>	<u>120,439,025</u>

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

IRONBARK GOLD LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	31 December 2008 \$	31 December 2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(722,255)	(687,756)
Interest received	382,393	367,636
Other	-	-
	<hr/>	<hr/>
Net cash used in operating activities	(339,862)	(320,120)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(158,714)	(342,499)
Loans	(692)	3,693
Payments for exploration and evaluation	(3,837,926)	(518,916)
Payments for purchase of investments	(37,710)	(1,000,000)
Proceeds from sale of plant and equipment	-	50,907
	<hr/>	<hr/>
Net cash used in investing activities	(4,035,042)	(1,806,815)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	-
Payments for divestment of subsidiary	(2,709,090)	-
	<hr/>	<hr/>
Net cash provided by financing activities	(2,709,090)	-
	<hr/>	<hr/>
Net increase/(decrease) in cash held	(7,083,994)	(2,126,935)
Cash and cash equivalents at the beginning of the reporting period	13,283,426	16,474,828
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	<u>6,199,432</u>	<u>14,347,893</u>

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

IRONBARK GOLD LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 1: BASIS OF PREPARATION OF HALF YEAR FINANCIAL REPORT

The half year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

Ironbark Gold Limited is a public company, limited by shares, domiciled and incorporated in Australia and listed on the Australian Securities Exchange.

It is recommended that this interim financial report be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by Ironbark Gold Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2008 financial report.

The half year report does not include full disclosures of the type normally included in an annual financial report.

The presentation and functional currency is Australian Dollars.

Reporting Basis and Conventions

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

Basis of Preparation and Going Concern Basis

The financial statements have been prepared on the going concern basis. As at 31 December 2008 the consolidated entity had net assets of \$120,439,025 and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2008 the consolidated entity had \$6,199,432 in cash and cash equivalents. The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. Ultimate exploitation of the assets will depend on raising necessary funding in the future. At this time the directors are of the opinion that no asset is likely to be realised for an amount less than the amount in the financial report. Accordingly 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.

IRONBARK GOLD LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 1: BASIS OF PREPARATION OF HALF YEAR FINANCIAL REPORT (cont)

Accounting Policies

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Ironbark Gold Limited ('company' or 'parent entity') as at 31 December 2008 and the results of all controlled entities for the half year then ended. Ironbark Gold Limited and its controlled entities together are referred to in this financial report as the consolidated group. The effects of all transactions between entities in the consolidated entity are eliminated in full.

Subsidiaries are all those entities over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another 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.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the consolidated entity.

Intercompany 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.

Impairment of Assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 2: SEGMENT INFORMATION

The consolidated entity operates predominantly in two geographical segments, being Greenland and Australia, and in one industry, mineral mining and exploration.

	Australia		Greenland	
	31 December 2008	31 December 2007	31 December 2008	31 December 2007
	\$	\$	\$	\$
Primary Reporting – Geographical Segments				
Segment revenue	-	-	-	-
Unallocated revenue	539,781	796,580	-	-
Total revenue from ordinary activities	539,781	796,580	-	-
Segment result	(1,133,962)	(891,967)	-	-
Unallocated expenses net of unallocated revenue	539,781	796,580	-	-
Loss before income tax benefit	(594,181)	(95,387)	-	-
Income tax benefit	-	-	-	-
Loss after income tax benefit	(594,181)	(95,3687)	-	-

NOTE 3: CONTINGENT LIABILITIES

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

NOTE 4: EVENTS SUBSEQUENT TO REPORTING DATE

The consolidated entity informed the market that it had entered a Trading Halt on the 23rd January 2009 pending an announcement. Further to this, the company entered voluntary suspension on 27th January 2009 pending an announcement concerning a capital raising facility for the company.

As at the date of this report, the consolidated entity has yet to conclude the detail of the capital raising transaction and shall inform the market of this once finalised.

NOTE 5: DIVIDENDS

No dividends have been declared or paid during the half year ended 31 December 2008

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 6: RESERVES

a. Asset revaluation reserve

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve. The consolidated entity holds 3,000,000 shares in Wolf Minerals Ltd. The share price at 30th June 2008 was \$1.02 and the share price at 31 December 2008 was .40 resulting in a large reduction in the value of the asset revaluation reserve.

b. Option reserve

The option reserve records items recognised as expenses on valuation of employee share options.

NOTE 7: CAPITAL COMMITMENTS

In order to maintain current rights of tenure to mining tenements, the consolidated entity has the following discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable:

Exploration and evaluation expenditure	\$ 2,485,000
Payable:	
- not later than 6 months	828,333
- longer than 6 months but not longer than 12 months	828,333
- longer than 12 months but not longer than 18 months	828,333

If the consolidated entity decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.


**IRONBARK GOLD LIMITED
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DIRECTORS' DECLARATION

The directors of the Company declare that:-

1. The financial statements and notes, as set out on pages 5 to 12
 - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:



Jonathan Downes
Managing Director

Dated this 13 day of March 2009.

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF IRONBARK GOLD LIMITED

Report on the Half year Financial Report

We have reviewed the half year financial report of Ironbark Gold Limited and Controlled Entities (the consolidated entity) which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half year end or from the time during the half year.

Director's Responsibility for the Half year Financial Report

The directors of the disclosing entity are responsible for the preparation and fair presentation of the half year financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. Our review has been conducted in accordance with Auditing Standards on *Review Engagements ASRE 2410 Review on an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporation Regulations 2001*, and other mandatory financial reporting requirements in Australia. As the auditor of Ironbark Gold Limited and Controlled Entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF IRONBARK GOLD LIMITED**

Conclusion

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

- A. giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half year ended on that date; and
- B. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

Recoverability of Exploration Expenditure

Without qualification to the statement expressed above, attention is drawn to the following. As noted in Note 1 the recoverability of the carrying amount of the exploration and development assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Mack & Co

Mack & Co
Chartered Accountants
2nd Floor, 35 Havelock Street
WEST PERTH WA 6005

Date: *MARCH 13 2009*

N A Calder

N A Calder
Partner