

“Building a Base Metal Mining House”

Quarterly Activities Report

Ending 30 September 2011

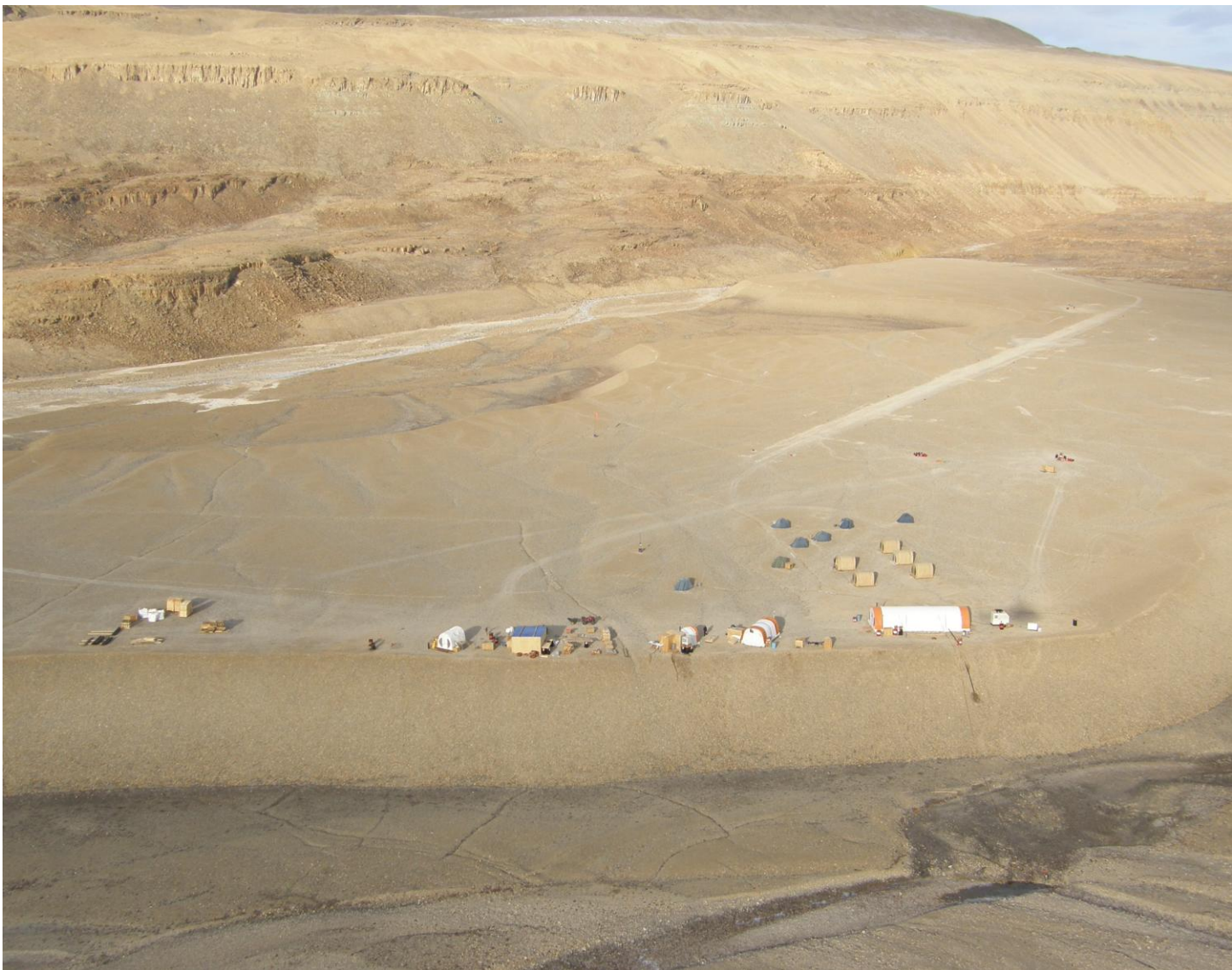


Figure 1: Washington Land Exploration Camp 2011

SEPTEMBER 2011 QUARTER

Ironbark Zinc Limited (“Ironbark”) is pleased to report on an active quarter that included the completion of a successful field season in Greenland which included drilling at Citronen, Mestersvig and Washington Land projects. The results of the drilling will be compiled and are expected to be released to the market early in the December quarter with drilling from Citronen expected to result in a resource upgrade. Drilling was also conducted at the Captains Flat project in Australia. Drilling commenced at the Peak View project in New South Wales and remains ongoing at the time of this report.

Ironbark remained focused on the progression and optimisation of the feasibility study of the Citronen base metal project as a major base metal mine and released the key results. To further advance the Citronen project, Ironbark signed a memorandum of understanding with a leading Chinese engineering and construction group, China Nonferrous Metal Industry’s Foreign Engineering and Construction Co. Ltd (“NFC”), to evaluate and optimise the study. Further work is also ongoing with regards to resource evaluation, mine scheduling and other engineering work.

Subsequent to the Quarter Ironbark announced that it has entered into a US\$50 million convertible note funding facility with a wholly owned subsidiary of Glencore International AG. This transaction, which is subject to shareholder approval, is an exciting progression in the development of Ironbark that complements the work Ironbark is undertaking to advance the Citronen project to production. The funding facility provided will place Ironbark in a very strong position to build a leading international base metals company at a time when Ironbark believes considerable external growth opportunities exist.

The transaction also contemplates strengthening Ironbark’s Board of Directors and support from major industry shareholders such as Glencore and Nyrstar N.V, and with the technical expertise of project partner NFC, will provide the financial capacity and technical and commercial expertise to rapidly accelerate Ironbark’s aspiration to build a leading international base metals company.

PROGRESS DURING THE QUARTER

Ironbark signed a memorandum of understanding with leading Chinese engineering and construction group

Ironbark signed a Memorandum of Understanding (“MOU”) with one of China’s leading construction and engineering groups, NFC and Arccon (WA) Pty Ltd (“Arccon”), a subsidiary of the Allmine Group Limited (ASX:AZG). NFC undertakes international contracted nonferrous metal projects and exports related engineering technologies, equipment, and labour services.

The MOU establishes the framework for formal agreements that will seek to define:

- NFC to engineer, design, procure, supply, construct, test and commission the Project on a full turnkey basis;
- NFC to facilitate funding of the project development costs from major banks in China;
- NFC entering into an offtake agreement for the concentrate products of the Project or a portion thereof

Under the MOU Ironbark will work with NFC and Arccon to establish the development programme and associated costs for the delivery of the Citronen base metal project feasibility study.

Drilling at Citronen identifies large high grade zone of mineralisation at the Esum deposit

Drilling at Citronen this year was primarily aimed at resource definition and infill drilling at the Esum zone in conjunction with extensional drilling around areas of higher-grade mineralisation at the Beach zone. This activity is targeting the conversion of further resources currently in the Inferred category into Indicated or Measured categories (as classified by the JORC Code 2004). This conversion is expected to allow further resources to be included in the mine optimisation work and allow inclusion in the mine schedule. The drilling has been very successful and has better defined a continuous high grade zone of continuous mineralisation that extends for approximately 1 kilometre.

Unlike the Beach Zone which is earmarked for initial optimisation and is predominantly classified as Indicated and Measured resource category, a significant portion of Esum was in the Inferred category at completion of 2010. Results from 2011 drilling to date are considered exciting by Ironbark geologists and confirm the interpretation of a high-grade zone. Drill hole CF11-294 has returned the highest grade intercept (as determined by Niton XRF) at Esum to date of **3.7 metres grading 11.5% zinc + lead**. Previously resources in this area were spaced up to 400 metres apart and the continuity of high material was uncertain. Mineralisation that is able to be classified as Indicated Resources may be optimised as reserves and included in the mine plan for Esum. Figure 2 shows the expected impact on the Esum resource.

The extent of the Esum high grade zone has not been identified at this stage. Full details of the drilling will be released once all the assay results have been received.

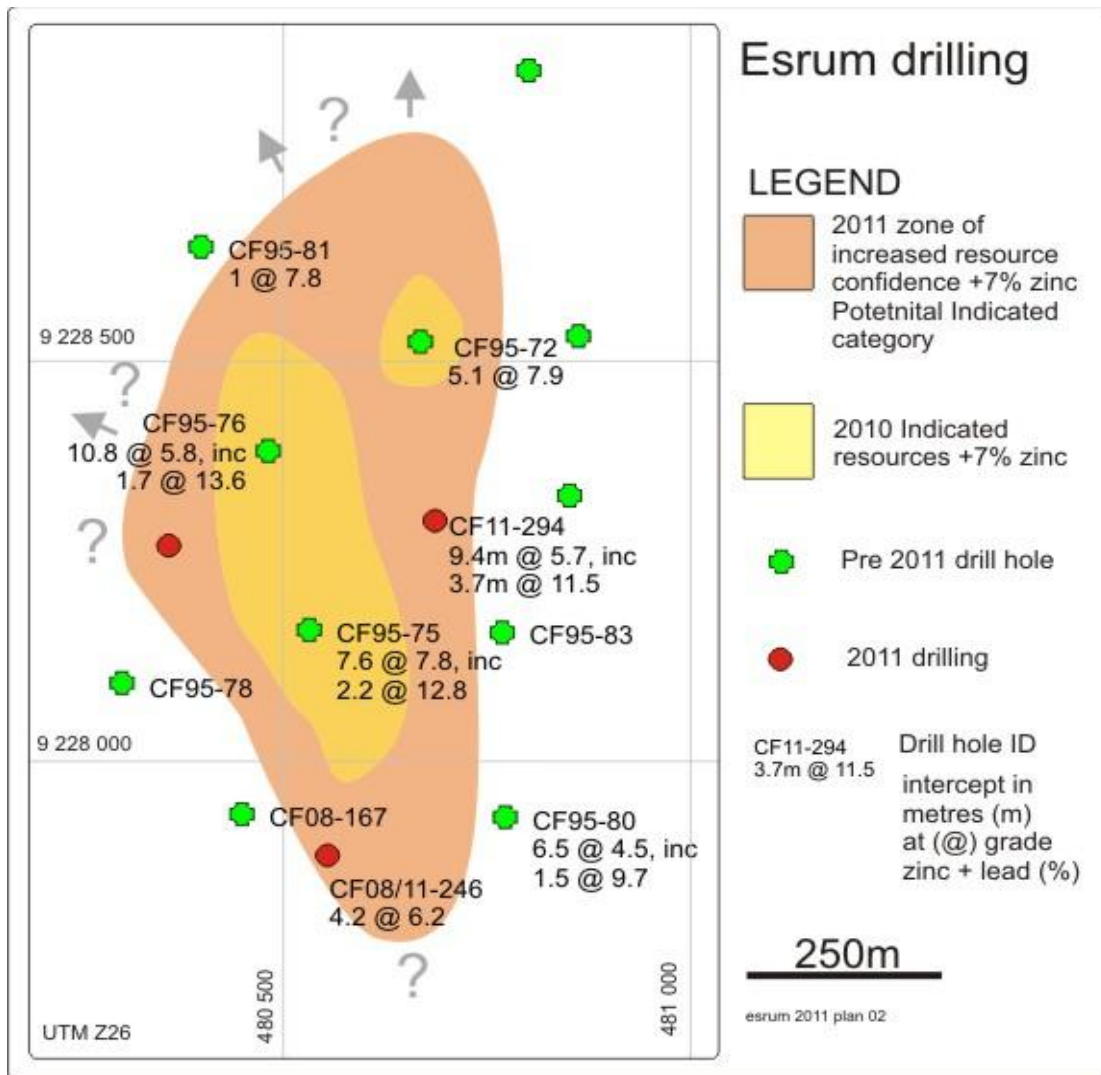


Figure 2: Drilling at Esrum in 2011

Drilling at Washington Land

Ironbark conducted the first exploration to follow-up from the limited work conducted by Rio Tinto Exploration at Washington Land in 1999. The Cass Prospect at Washington Land was identified in 1999, in a joint venture targeting Mississippi Valley Type (MVT) base metal mineralisation between Platinova AS and Rio Tinto Mining and Exploration Inc., ("Rio Tinto") a subsidiary of London based Rio Tinto PLC. The Cass prospect is situated in the Franklinian Basin which also hosts the Citronen project, Polaris and Nanisivik historic high lead and zinc mines located in Baffin Land, Canada.

Mineralisation at the Cass Prospect occurs within a mineralised structure with an observed strike length of approximately four kilometres. The structure may be mineralised over a longer length. Continuous historic rock chip composite samples returned;

- 25 metres returned an average grading 8.9% zinc, 11.1% lead and 95 g/t silver and a second continuous rock chip composite sample taken 550m along strike to the east returned;
- 25 metre at an average grade of 3.7% zinc, 7% lead and 40 g/t silver.

A single diamond drill hole yielded 1.2 metres at 8.4% zinc, 0.04% lead and 94 g/t silver. Rio Tinto withdrew from the joint venture following the drilling in 1999 at a period of very low zinc and lead prices. The drill hole is regarded as not necessarily intercepting the main target and will be followed up in 2011.

Drilling at Mestersvig

Ironbark conducted drilling at Mestersvig on the East coast of Greenland. Visible mineralisation was detailed in the June quarter however the final assays results have not yet been received.

Drilling at Peak View

Ironbark commenced drilling at its 100% owned Peak View copper, lead, zinc, gold and silver prospect located in New South Wales, Australia.

Ironbark plans to drill 11 holes for a total of approximately 1700m. The 2011 drilling program will:

- Follow up on historic WMC drilling at the Peak View prospect (see Figure 1) with historic intercepts such as:
 - 2.1m @ 11.65% zinc, 5.64% lead & 1.93% copper** in PVD03 from 33m; and
 - 2.65m @ 3.89% zinc, 1.46% lead & 5.03% copper** in PVD07 from 91m.
- Determine a potential extent of the mineralisation at depth and extensional to the south

The Peak View prospect hosts outcropping gossans and a recent high resolution soil sampling programme identified a north, north-west trending zone of continuous base metal mineralisation that extends north and south of the historic drilling.

Drilling at Captains Flat

Ironbark announced that Ironbark's joint venture partner, NSW Base Metals Pty Ltd (a subsidiary of Glencore International AG) completed a diamond drillhole at the Jerangle Prospect. The location of the hole was based on historic drilling results and recent soil sampling.

The drill hole reached a depth of 450.2m. Preliminary visual inspection notes substantial zones of sulphide mineralisation. The drill core has been transported to Cobar and laboratory results will be reported when they become available.

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About Ironbark

Ironbark is a well-funded Company listed on the Australian Securities Exchange (ASX: IBG) and focused on the development of a major base metal mining operation in Greenland.

Ironbark seeks to build shareholder value through exploration and development of its projects and also seeks to actively expand the project base controlled by Ironbark. The management and board of Ironbark have extensive technical and corporate experience in the minerals sector.

Citronen currently hosts in excess of 11 Billion pounds of zinc (Zn) and lead (Pb). The current JORC compliant resource for Citronen:

59.9 million tonnes at 5.9% zinc (Zn) + lead (Pb)

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	15.0	5.8	0.5	6.3
Indicated	19.3	5.1	0.6	5.7
Inferred	25.5	5.3	0.5	5.8
Total	59.9	5.3	0.5	5.9

Using inverse distance squared (ID²) interpolation and reported at a 3.0% Zn cut-off

within a larger global resource of:

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	33.2	3.8	0.5	4.2
Indicated	52.2	3.7	0.5	4.2
Inferred	47.2	3.3	0.4	3.7
Total	132.6	3.6	0.5	4.0

Using Ordinary Kriging interpolation and reported at a 2% Zn cut-off

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG an employee of Ironbark Zinc Limited. Mr Byass has sufficient experience that 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appear.

Ironbark routinely uses a Niton hand-held portable XRF (Niton) to analyse drill core and provide a preliminary estimate of zinc content using 5cm regular reading intervals. Niton results from previous drilling that have been released to the ASX are consistent with laboratory assay results. This re-affirms Ironbark's view that the Niton, when used properly with an appropriate rigorous testing procedure, is a valid tool for reporting the tenor of zinc exploration results.