

Quarterly Activities Report

Ending 30 June 2012

Ironbark Zinc Limited (“Ironbark” or “the Company”) continues to advance towards building a base metals mining house. The Company remains in a strong position to achieve this, despite the tough environment facing base metal explorers, developers and miners.

Ironbark is uniquely positioned to take advantage of the difficult market conditions, with a strong treasury position, low cash burn and the US\$50M funding facility provided by Glencore International AG. A great deal of ongoing work has gone into advancing Ironbark’s corporate growth aspirations and results will be provided to the market as soon as possible.

Ironbark also remains focused on finalising its Citronen base metal project feasibility study. During the quarter the Company delivered the final open pit mining study which concluded the platform of work required to deliver the capital costs for the Citronen base metal mine feasibility study. The capital costs are anticipated to be provided under a memorandum of understanding with China Non Ferrous Industry’s Foreign Engineering and Construction Co. Ltd (NFC) and Arcon (WA) Pty Ltd (“Arcon”), a subsidiary of the Allmine Group Limited (ASX:AZG). Under this agreement Ironbark will be working in conjunction with NFC and Arcon to provide engineering and construction costs and services for the development of Citronen.

During the quarter Ironbark delivered:

- Optimisation results (open pit) at Citronen
- Throughput increase evaluation at Citronen
- Broker report and coverage initiated

The Company is continuing work to advance the Citronen Base Metal Project (Citronen) with ongoing metallurgical programmes and expanded processing cases under review.

Ironbark also continues to explore its other projects, with trial electromagnetic (EM) work proving successful at the Jerangle prospect in New South Wales. A full EM survey with follow up drilling is scheduled to take place during 2012.

In addition, further exploration is planned to the south at the Peak View prospect, where results including the below have been received:

- 3.2m @ 7.5% zinc + lead
- 53.08m @ 2.7% copper
- 1.0m @ 25.8% zinc + lead
- 152.5m @ 119 g/t silver and 1.0% copper

Developments During the Quarter

Open Pit Optimisation Results

Ironbark announced the results from open pit mining studies conducted at its 100% owned Citronen Base Metal Project in Greenland.

The open pit optimisation studies indicated a larger than previously optimised source of fresh sulphide mineralisation is available, which will be a valuable addition to the larger and higher grade underground mineral inventory at Citronen. The optimisation studies were the result of the resource upgrade (announced to the ASX, 9 January 2012). The open pit optimisation provides the final mine scheduling data required for the Feasibility Study.

Key Open Pit Study Findings

- Mill feed tonnage derived from open pit optimisations has increased by over 15% without a reduction in head grade as compared to previous (2011) results
- Only Measured and Indicated resources are included in reported tonnage to allow Proven and Probable classification on completion of the Feasibility Study
- Allows delivery of final information to China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd (NFC) to conclude capital cost evaluation of the project construction

Throughput Study at Citronen

Ongoing engineering work has suggested the existing process plant design at Citronen has the potential to treat ore at a peak rate equivalent to 3.6 Mtpa throughput by upgrading the primary and secondary crushers (and other minor modifications) with an overall relatively small additional capital cost. Ironbark is currently investigating the maximum continuous production rate that could be obtained through these plant modifications, with final processing plant modifications expected to increase capital costs by a nominal amount.

Broker Coverage and Report

Hartleys Limited, a brokerage firm with extensive depth and experience in the resource sector, initiated coverage on Ironbark and released a research note that is available on the front page of Ironbark's web site: www.ironbark.gl

About Ironbark

Ironbark is listed on the Australian Securities Exchange and is seeking to become a base metal mining house. Ironbark has a US\$50M funding facility provided by Glencore International AG.

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.

The wholly owned Citronen base metal project currently hosts in excess of 13.1 Billion pounds of zinc (Zn) and lead (Pb).

Engineering work is currently being undertaken by China Nonferrous Metal Mining (Group) Co., Ltd on the Citronen project. The studies are based on an Ordinary Kriging methodology estimated mineral inventory of;

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	25.0	5.0	0.5	5.5
Indicated	26.5	5.5	0.5	6.0
Inferred	19.3	4.7	0.4	5.1
Total	70.8	5.1	0.5	5.7

Using Ordinary Kriging interpolation and reported at a 3.5% Zn cut-off

within a larger resource of:

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	43.1	4.2	0.5	4.7
Indicated	51.2	4.2	0.4	4.7
Inferred	37.7	3.8	0.4	4.2
Total	132.0	4.0	0.4	4.5

Using Ordinary Kriging interpolation and reported at a 2.0% Zn cut-off

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Competent Person Statement: *The information in this report related 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 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.*