

16 January 2013

Company Announcements  
Australian Securities Exchange Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

## IRONBARK VALUE METRICS

Dear Shareholders

While 2012 was a difficult year for junior resource stocks, with commodity prices and resource indices suffering, Ironbark Zinc Limited (ASX: IBG) ("Ironbark" or "the Company") made significant progress at its world class Citronen Base Metal Project (Citronen) and, importantly, finished the year with a strong cash balance of \$3.7M and no debt.

In 2013, Ironbark will remain focused on developing its 100% owned world class Citronen Base Metal project, utilising its US\$50M M&A facility and conducting exploration across its highly prospective portfolio of assets.

Ironbark reiterates its strong position and provides a summary of the key company statistics:

### IRONBARK

- **Market capitalisation of just ~\$31M** with over \$50M expended on the Citronen project to date
- **Strong cash balance of \$3.7M with no debt**
- Major investors and strategic partners include **Glencore International AG** (world's largest zinc trader), **Nyrstar NV** (world's largest zinc smelter group) and **China Nonferrous** (a major Chinese construction and engineering firm)
- **Over 13 billion pounds of zinc and lead identified at Citronen** –(current prices are \$0.91/ lb zinc and \$1.04/ lb lead) providing extraordinary leverage to base metal prices
- **Largest ASX-listed wholly owned zinc resource company**
- **Massive leverage to the zinc market** –refer to Figure 1 showing cash flow scenarios plotted against current Company valuation

### CITRONEN

- **Feasibility Studies** confirm world class scale of Citronen project, with potential for long life base metal mining operations, excellent recoveries, and a simple process flow sheet
- **Pathway to funding** under the MOU with China Nonferrous (NFC). Ironbark has an MOU with NFC for an EPC lump sum, fix priced construction and commissioning contract with an associated 70% debt funding and 20% direct project investment (total 90%). Details released to the ASX dated 1 September 2011
- **Potential to be a Top 6 Global Zinc Miner** at full production rate in low sovereign risk locality

### MERGERS AND ACQUISITIONS

**Merger and Acquisition search ongoing to utilise the US\$50M Glencore facility;** subject to drawdown the first US\$30M can be converted into equity at **\$0.42/share** at Ironbark's election

## EXPLORATION

**Exploration at Jerangle-Captains Flat Project (commenced) and Peak View Projects pending drilling approvals from NSW Government bodies.**

The Company provides this update to assure its shareholders that Ironbark's business continues to proceed in a positive manner and, with a strong financial position and world class project are well placed to enjoy a successful 2013. Ironbark remains focused on zinc and the development of its Citronen Project; Figure 2 compares Citronen's operating costs against its global peers and also shows mines due for closure within 5 years in red. Ironbark considers the commissioning of Citronen will commence at a time of severe zinc shortages.

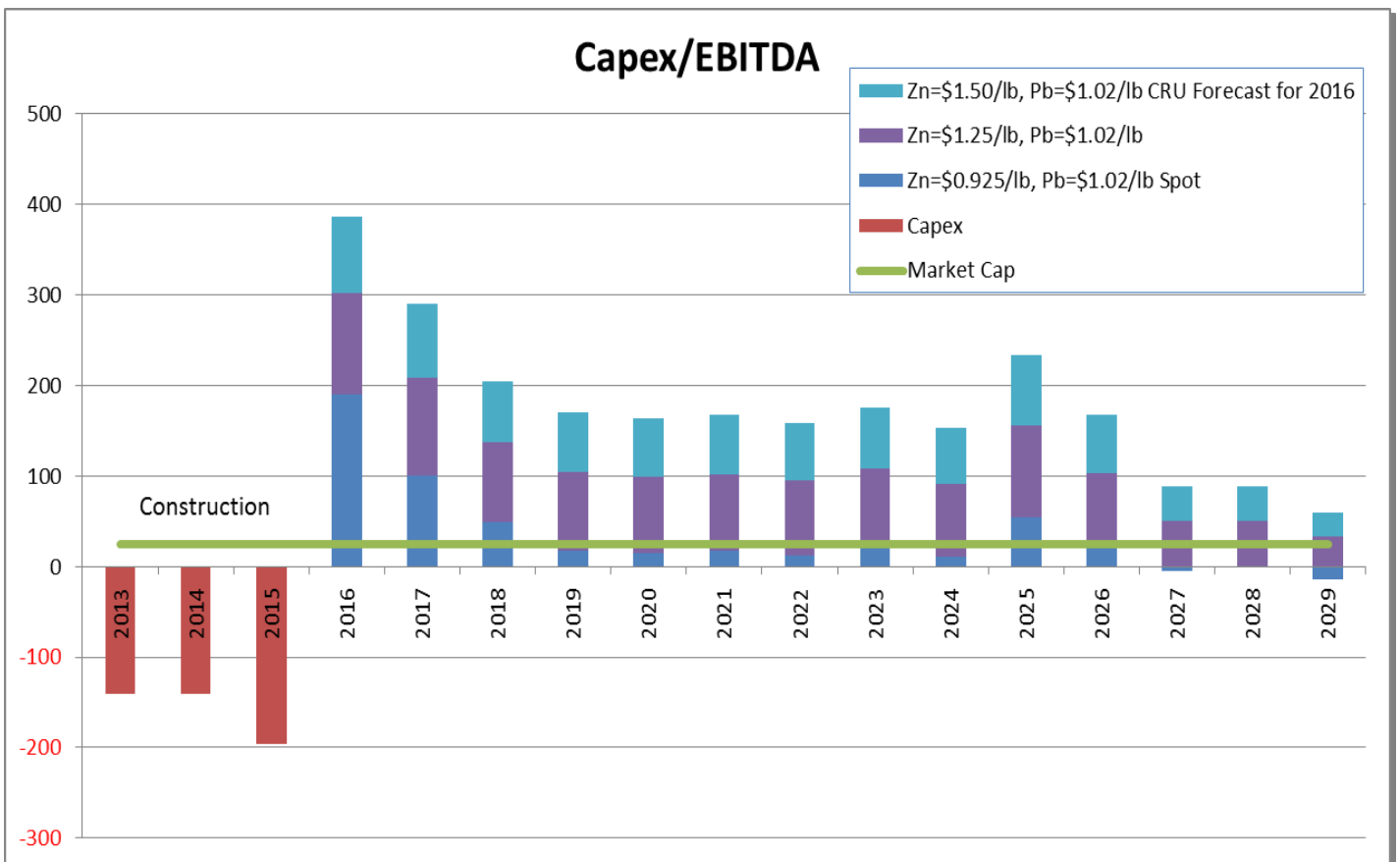


Figure 1: Cash flow scenarios over current company value highlighting exceptional leverage\*

\*Assumptions include mining rate of 3.3 Mtpa, first fills included in year 3 as CAPEX (from 2011 capital cost estimates), Barge leasing, smelter TC/RC's per current contracts. Metal prices including spot dated 6/12/2012 and CRU Forecast for the year 2016

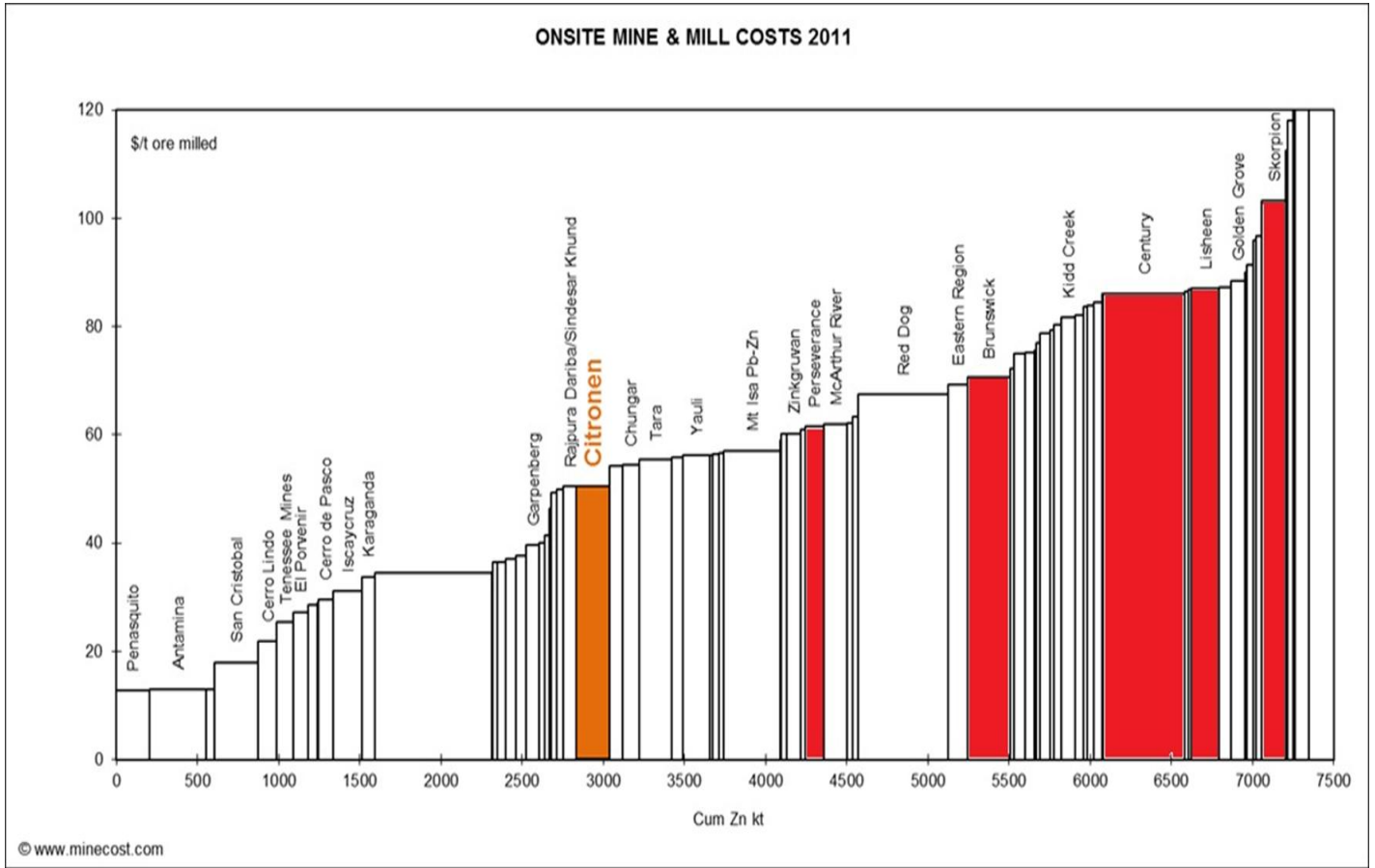


Figure 2: Estimate of site mine and mill costs for global mines with forecast mine closures within 5 years shown in red highlighting a market moving into deficit

## ABOUT IRONBARK

Ironbark is a well-funded Company listed on the Australian Securities Exchange (ASX: IBG) focused on the development of its major base metal mining operation in Greenland. Ironbark seeks to build shareholder value through the exploration and development of its projects and also seeks to actively expand its project base controlled. The management and board of Ironbark have extensive technical and corporate experience in the minerals sector.

Citronen currently hosts in excess of 13 billion pounds of zinc (Zn) and lead (Pb) at a 2% zinc cut-off. The current JORC compliant resource for Citronen:

### 70.8 million tonnes at 5.6% zinc (Zn) + lead (Pb)

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
<b>Total</b>	<b>70.8</b>	<b>5.1</b>	<b>0.5</b>	<b>5.7</b>

*Using Ordinary Kriging interpolation and reported at a 3.5% Zn cut-off  
Figures rounded to one decimal place*

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*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.*