

Quarterly Activities Report - Period Ending 31 December 2013

HIGHLIGHTS

- **Ironbark continuing to progress towards the granting of a Mining License for its world class Citronen Zinc Project**
- **China Nonferrous advancing the Citronen EPC/ financing arrangements under the memorandum of understanding (MOU)**
- **Ironbark is without peer for zinc development on the ASX and remains in an excellent position to take advantage of strong zinc market fundamentals, including:**
 - **Increasing global demand for zinc**
 - **30% decline in global zinc stockpiles over the past 12 months**
 - **Global stockpile decrease accelerated by the 2013 closures of the major Brunswick and Perseverance mines in Canada**

Managing Director's Report

Ironbark Zinc Limited (ASX: IBG) ("Ironbark" or "the Company") is pleased to report on its activities for the period ending 31 December 2013 towards bringing the world class Citronen Zinc Project ("Citronen") into development. Ironbark remains well funded and focused on its goal of delivering shareholder value through building a globally significant base metals mining house.

Throughout the December quarter, Ironbark continued working towards obtaining requisite project approval via an Exploitation License (Mining License) for Citronen (located in northern Greenland), as well as working with China Nonferrous on progressing the EPC and funding plans under the Memorandum of Understanding ("MOU").

The Ironbark team, committed to delivering a major mining operation as rapidly as possible, worked throughout the quarter with China Nonferrous under the MOU and with Bluewater Shipping to investigate lower than currently planned costs for shipping concepts, routes and marshalling areas for Citronen.

Ironbark also continued to explore business development opportunities through utilisation of its US\$50M Glencore mergers and acquisition funding facility, and by continued exploration and development of economic resources within the Company's other exploration licences.

The Company is pleased to report it has maintained a strong cash balance with no debt. The Company's continued implementation of cost reduction strategies at all levels of the

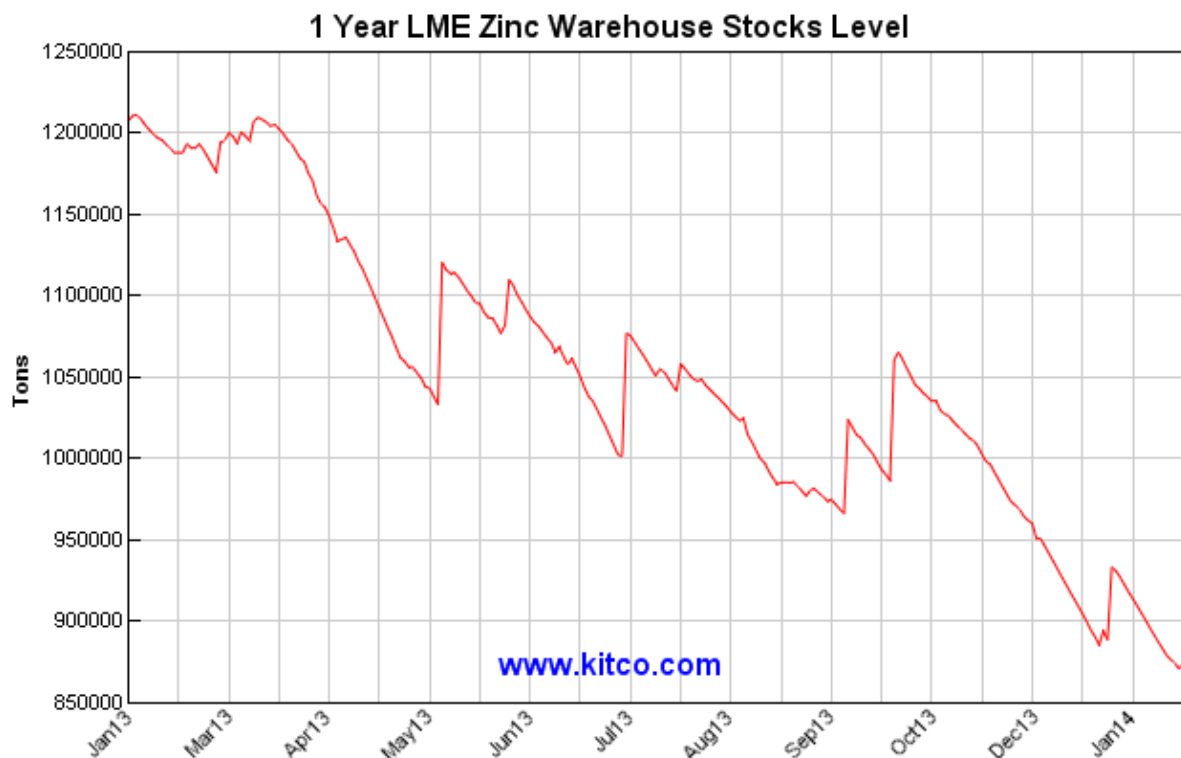
business has kept Ironbark in good standing to reap the benefits of the forecast imminent improvement of the zinc market.

Ironbark is increasingly confident the zinc market supply and demand fundamentals, including the factors below, have created an exciting platform for strong zinc price appreciation:

- Ever increasing zinc demand (increased by ~7.6% over 2013)*
- Major mine closures and looming closures outweigh mine developments
- London Metal Exchange (the largest global zinc warehouse) has reported an almost 30% drop in warehouse zinc levels over the past 12 months
 - Presently, zinc stock levels have fallen below 900,000 tonnes, representing less than one month's global zinc consumption
- Declining mine head grades
- Zinc currently a long running under-invested commodity despite being the fourth most used metal in the world and it having no substitute (every car and building uses zinc)

*Source: International Lead and Zinc Study Group (data for first 11 months of 2013 only)

Zinc's recent hostile investment environment has left Ironbark essentially without any zinc peers on the Australian Securities Exchange (ASX); a position enhanced by the recent cash acquisition of Perilya Limited by Zhongjin Lingnan (total value of \$269M). This leaves Ironbark in an advantageous position once the global zinc shortage drives zinc prices higher, as predicted by major metal forecasting companies.



Additionally, the increasing media attention on the zinc market, which identifies Ironbark as one of the last remaining zinc players for investors to gain exposure to the zinc market, are impacting positively on the Company's share price (recent media articles can be found at www.ironbark.gl).

Ironbark continues to progress towards the granting of a Mining License for the Citronen Zinc Project

Ironbark is finalising the Social Impact Assessment (“SIA”), a key report required for the application for a Mining License, which details the beneficial effects the Citronen mine will have on Greenland and its people.

Ironbark has appointed Grontmij, a leading European consulting and engineering industry company, to assist with the preparation of the SIA and to manage the public review process, which involves significant stakeholder consultation. Grontmij possesses world-class expertise in the fields of energy, highways and roads, light rail, sustainable buildings and water. The initial public consultation programme is currently underway.

During the quarter, Ironbark prepared and submitted the Navigational Safety Investigation (NSI) draft report to the Danish Maritime Authority (DMA) for comment prior to formal lodgement as part of the application for exploitation documentation. Ironbark is currently working through the DMA’s comments, prior to undertaking another round of submission.

Once these reports are completed, The Environmental Impact Assessment (which included three years of environmental base line surveys), SIA, NSI and Feasibility Study summary documents will be lodged with the Mineral Licence and Safety Authority (MLSA) (previously the Bureau of Minerals and Petroleum or BMP) of Greenland as part of the application for exploitation documentation.

To date, Ironbark has experienced difficulties with the Government approval process with regards to the studies not progressing as rapidly as anticipated, with several generations of questions and comments being provided throughout the process. Ironbark nonetheless remains confident that progress will continue to be made through its continued collaboration with the Greenland Government.

“We are pleased to be systematically working towards obtaining project approval as we seek to develop our world class zinc Project,” said Managing Director Jonathan Downes

In addition to the work completed towards advancing the Citronen Project in the December quarter, Ironbark engaged Bluewater Shipping to optimise shipping routes and marshalling areas for the Citronen Fjord Project. Bluewater offers freight solutions by road, rail, sea and air through many offices worldwide as well as providing a solid network of agents and partners, and is a specialist freight forwarder of General Cargo, Reefer Logistics, Energy & Projects, Port Operations, Marine Logistics & the North Atlantic.

Ironbark requested to be Greenland representative at China Mining Conference

Ironbark, at the request of the MLSA, recently presented Citronen Zinc Project at the China Mining Conference in Tianjin, where discussions were held with the new Minister for Mining, Mr Jens-Erik Kirkegaard. Meetings were later held in Beijing between NFC and the Minister and his department representatives, with a subsequent meeting held between NFC and Ironbark’s infrastructure engineering firm, MT Hojgaard to collaborate on the development of Citronen.



Greenland presentation speakers, including Ironbark MD, Jonathan Downes, at the China Mining Conference 2013, Tianjin

Cash at 31 December 2013

Cash available to the Company at the end of the December 2013 quarter was approximately \$3.2 million.

Results of Annual General Meeting

The Company held its Annual General Meeting on 28 November 2013. All resolutions put to the meeting were passed unanimously by a show of hands.

Issue of Shares

During the December quarter the Company issued 4,491,856 fully paid ordinary shares at 5.1 cents in lieu of cash salary in accordance with Ironbark's employee share plan and as approved by shareholders at the Annual General Meeting on 28 November 2013.

Option Expiry

During the December quarter, Ironbark advised the below options expired:

- 9,050,000 options exercisable at \$0.45 on or before 16 November 2013
- 500,000 options exercisable at \$0.35 on or before 16 November 2013
- 500,000 options exercisable at \$0.45 on or before 20 January 2015 (employee ceased employment without the options being exercised).

End.

For further information please visit Ironbark's website www.ironbark.qi or contact us:

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Disclosure Statements and Important Information

Competent Persons 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.

Schedule of Tenements (as required by ASX Listing Rule 5.3.3)

IRONBARK ZINC LIMITED CONSOLIDATED BASIS SCHEDULE OF INTERESTS IN MINING TENEMENTS				
Project	Mining tenements held	Location of tenements	Beneficial % interest at end of the quarter	Change in the quarter
Belara	EL6576	New South Wales	100%	
Captains Flat (In Joint Venture with Glencore)	EL6381	New South Wales	37.5%	
Fiery Creek	EL6925 EL8107	New South Wales	100%	
Citronen	EL2007/02 EL2007/31 EL2011/33 EL2010/47	Greenland	100%	
Mestersvig	EL2011/28 EL2007/32	Greenland	100%	
Washington Land	EL2007/33 EL2011/32	Greenland	100%	

About Ironbark

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

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).

China Nonferrous Metal Mining (Group) Co. Ltd is currently undertaking engineering work on the Citronen project. The studies are based on an Ordinary Kriging methodology estimated mineral inventory of:

JORC Compliant				
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:

JORC Compliant				
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

“Ironbark is an emerging leader amongst Australia’s mineral resource companies and is dedicated to delivering shareholder value through the development of its major base metal mining operation in Greenland, and the acquisition of quality base metals projects.”
