



AND ITS CONTROLLED ENTITIES
(ABN 93 118 751 027)

HALF YEAR REPORT
for the financial period
ended 31 December 2014

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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 2014 and any public announcements made by Ironbark Zinc Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

CORPORATE DIRECTORY

NON-EXECUTIVE CHAIRMAN

Peter Bennetto

EXECUTIVE MANAGING DIRECTOR

Jonathan Downes

EXECUTIVE TECHNICAL DIRECTOR

Adrian Byass

EXECUTIVE ENGINEERING DIRECTOR

Gregory Campbell

NON-EXECUTIVE DIRECTORS

David Kelly

Gary Comb

Chris James

COMPANY SECRETARY

Robert Orr

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PKF Mack

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SHARE REGISTER

Security Transfer Registrars Pty Ltd

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(Home Exchange: Perth, Western Australia)

Code: IBG

BANKERS

National Australia Bank

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WEBSITE

www.ironbark.gl

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of Ironbark Zinc Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of the half-year ended 31 December 2014.

1. DIRECTORS

The names of Directors who held office during or since the end of the half-year:-

Mr Peter Bennetto	Non Executive Chairman
Mr Jonathan Downes	Executive Managing Director
Mr Adrian Byass	Executive Technical Director
Mr Gregory Campbell	Executive Engineering Director
Mr David Kelly	Non Executive Director
Mr Gary Comb	Non Executive Director
Mr Chris James	Non Executive Director
Mr John McConnell	Non Executive Director (resigned 20 November 2014)

Directors have held office for the entire period and to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

During the half-year the principal activities of the Consolidated Entity consisted of exploration and development of the group's zinc ground holdings.

3. RESULT OF OPERATION

The Directors of the Company advise the consolidated loss of the Consolidated Entity after providing for income tax for the half-year to 31 December 2014 is \$839,371 (2013: \$1,026,209).

4. REVIEW OF OPERATIONS

Throughout the December 2014 half-year period, Ironbark Zinc Limited ("Ironbark") has remained well funded and focused on advancing the development of the Citronen Base Metals Project ("Citronen") in Greenland into a world-class mining operation.

Citronen is one of the world's largest credible zinc development projects at an advanced post-feasibility stage and, while a great deal of work remains to take Citronen through to financed production, Ironbark's team remains motivated by Citronen's prospects for growth and development.

During the half year, Ironbark was proud to announce it had lodged the formal Mining Licence application for Citronen with Greenland's government authorities - a defining step forward in the Company's development of Citronen.

Greenland has a history of zinc and lead mining and continues to seek to establish a mining industry; the country's government is seeking to develop a strong mineral and petroleum industry and has returned very high global rankings on the annual Fraser Institute survey.

A Mining Licence application in Greenland is comprehensive and encompasses regulations which cover all aspects of the proposed mine, including environmental permitting and social commitments. Following

DIRECTOR'S REPORT (cont)

approval, the Mining Licence would provide Ironbark with the right to mine at Citronen for a period of 30 years.

The Mining Licence application, prepared with significant consultation with relevant Greenlandic and Danish authorities, comprised a Feasibility Study, Social Impact Assessment (SIA), Environmental Impact Assessment with base line surveys (EIA) and a Navigational Safety Investigation (NSI).

The current stages of the Mining Licence application process require Ironbark to manage a public consultation process and to enter into an Impact Benefit Agreement (IBA). The IBA is a document used to provide a formal framework for Ironbark's obligations such as training and employment commitments to the Greenlandic people.

Ironbark has continued to work closely with China Nonferrous on construction and financing solutions for the development of Citronen. Ironbark is currently operating under a Memorandum of Understanding and is advancing this through to a detailed scope of works. The information is currently being prepared in a format suitable for review by Chinese banks.

The Company continues to be encouraged by the continued global drawdown in the zinc stockpiles which has, over the last three years, proven a supply deficit scenario that is widely expected to accelerate following the closure of the large Century (Australia) and Lisheen (Ireland) zinc mines in 2015.

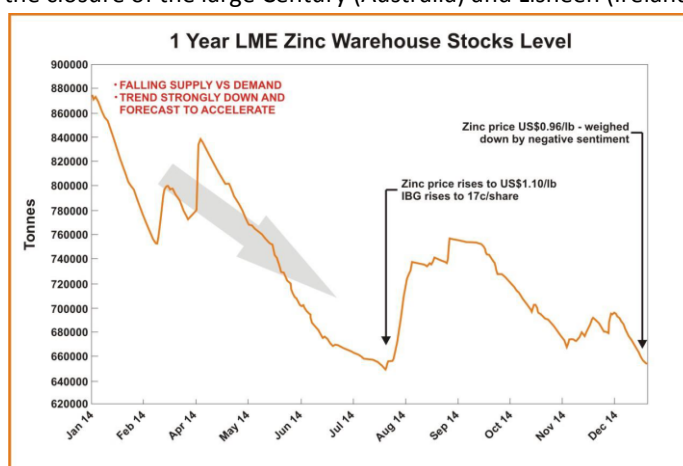


Figure 1: LME Zinc Stockpile and interpreted trends

Ironbark considers the circumstances causing the supply constraints to be unique to the zinc industry and that decades of under investment in the fourth most used metal will continue to support the zinc price and our vision of bringing Citronen into development as one of the world's top 6 zinc mines.

During the half year Ironbark upgraded Citronen's Resource in accordance with ASX Listing Rule 5.8 and compliance with the 2012 JORC Code.

70.8 million tonnes at 5.7% Zn + Pb

At a 3.5% Zn cut-off

Including a higher grade resource of

29.9 million tonnes at 7.1% Zn + Pb

At a 5.0% Zn cut-off

- 315 holes totalling 67,083 metres of diamond drilling completed to date
- 11km strike of drilling containing economic grade mineralisation*
- 91% of effectively drilled holes intersected sulphide mineralisation

DIRECTOR'S REPORT (cont)

- 73% of effectively drilled holes intersected economic grade mineralisation*
- Deposit open in every direction – huge exploration potential
- Exploitation (Mining) Licence Application lodged October 2014

*Economic grade mineralisation being a minimum of 2.0m @ 3.5% Zinc based on the Citronen Feasibility Report, 29 April 2013.

For further details, refer to the Company's ASX announcement released on 25 November 2014.

During the half year, Ironbark renegotiated the joint venture agreement for its domestic Captains Flat base metals project in New South Wales, taking on equal joint title of the project with its Joint Venture (JV) partner, Glencore.

Captains Flat comprises one Exploration Licence and was previously held by Rutila Resources Limited, with Ironbark and NSW Base Metals earning up to 75% of the Project. The new JV Agreement replaces the Rutila-Ironbark-Glencore JV Agreement. Ironbark will issue one million Ironbark shares to Rutila and a minor cash adjustment. Both JV partners will pay a proportional share of a 0.25% trailing production royalty to Rutila.

Ironbark and Glencore have already enjoyed exploration success with significant base metal intercepts returned from the Jerangle Prospect drilling in 2013, and look forward to continuing their work on this significant and underexplored proven high grade base metals province.

In corporate activities, the Company raised \$2.52 million to continue to advance Citronen and to ensure that the Company maintained a strong cash balance with no debt. In recognising the wider economic environment of the industry, Ironbark's Board has continued to maintain cost reduction strategies at all levels of the business in order to maintain the best foundation for growth during the forecast imminent improvement of the zinc market.

Ironbark's team has also committed a great deal of effort towards identifying opportunistic merger and acquisition prospects to utilise its US\$50M Glencore mergers and acquisition funding facility, with a view towards developing the Company's goal of becoming a major base metals company.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources is based on information compiled by Mr A Byass (B.Sc Hons (Geol), B.Econ, FSEG, MAIG) and Ms E Gibbon (B. ESc Hons (Geol), MSEG, MAIG), both employees of Ironbark Zinc Limited. Mr Byass & Ms Gibbon have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Byass & Ms Gibbon consent to the inclusion in the report of the matters based on this information in the form and context in which it appears

Corporate Activities

On 20 August 2014, the Company announced that it had issued 28 million shares at an issue price of \$0.09 pursuant to a placement of the Company's securities with professional investors. The placement successfully raised \$2.52 million in order for the Company to continue progress on its world class Citronen Zinc Project and continue exploration on its Greenland and Australian base metal projects.

On 12 November 2014, the Company announced it had increased its ownership of the Captains Flat Joint Venture ("JV") Project to 50%, acquiring a further 12.5% interest in the JV from Rutila Resources Limited ("Rutila"). The tenement lease is jointly owned with, and funded by NSW Base Metals Pty Ltd who holds an equal 50% interest. The Company will issue 1,000,000 shares with a valuation of \$100,000, and a minor cash adjustment of \$25,000 to Rutila as consideration, subject to transfer of exploration licenses.

DIRECTOR'S REPORT (cont)

On 20 November 2014, Ironbark held its Annual General Meeting of Shareholders ("AGM"). All resolutions put to the meeting were passed unanimously by a show of hands.

On the same date, the Company announced that it had issued to the Company's Directors, Officers and Employees in accordance with shareholder approval and the Company's Employee Share Plan:

1. 619,211 fully paid shares at an issue price of \$0.09 per shares; and
2. 15,000,000 options with an exercise price of \$0.133 and expiry of 20 November 2017

The sole change to the board during the half year period was the resignation of Mr John McConnell from his role as Non-Executive Director; Mr McConnell's resignation was effective from the date of the Company's AGM.

At the end of the half year, cash available to the Company was \$3,160,371 and listed investments readily convertible to cash for exploration purposes totalled approximately \$12,001

5. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

6. 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.

7. ROUNDING OFF OF AMOUNTS

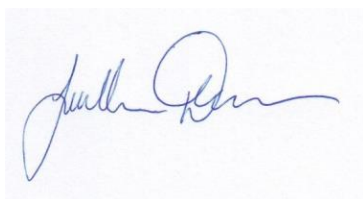
The amounts contained in this report have been rounded under the option available to the Company under ASIC Class Order 98/100. The Company is an entity to which the Class Order applies, and in accordance with that Class Order, amounts in the Directors' report and financial report have been rounded to the nearest thousand dollars (where rounding is appropriate).

8. AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 6 for the half-year ended 31 December 2014.

This report is made in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

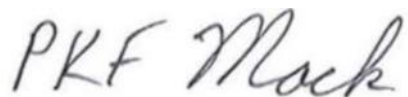


Jonathan Downes
Managing Director
Dated this 13 March 2015

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF IRONBARK ZINC LIMITED

In relation to our review of the financial report of Ironbark Zinc Limited for the half year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF MACK



SHANE CROSS
PARTNER

13 MARCH 2015
WEST PERTH,
WESTERN AUSTRALIA

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF IRONBARK ZINC LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Ironbark Zinc Limited (the Company) and controlled entities (consolidated entity) which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at 31 December 2014, or during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a 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 half-year 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 2014 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001. As the auditor of Ironbark Zinc Limited and the entities it controlled during the half year, 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. In accordance with the Corporations Act 2001, we have given the directors' of the company a written Auditor's Independence Declaration.

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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 Zinc Limited 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 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



PKF MACK



SHANE CROSS
PARTNER

13 MARCH 2015
WEST PERTH,
WESTERN AUSTRALIA

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
for the half year ended 31 December 2014**

	31-Dec 2014 \$'000	31-Dec 2013 \$'000
Revenue		
Other revenue	144	134
Expenses		
Administrative expenses	(89)	(106)
Consultancy expenses	(113)	(84)
Depreciation and amortisation expenses	(4)	(4)
Directors fees	(129)	(103)
Employee benefits expense	(233)	(172)
Equity compensation benefits	(216)	(146)
Exploration expenditure written off	(11)	(372)
Fair value movement of financial assets	(28)	8
Insurance expenses	(36)	(32)
Occupancy expenses	(48)	(64)
Regulatory expenses	(76)	(85)
	<hr/>	<hr/>
Loss before income tax expense	(839)	(1,026)
Income tax expense	<hr/> -	<hr/> -
Loss for the period	(839)	(1,026)
Other comprehensive income		
<i>Items that maybe reclassified subsequently to profit and loss</i>		
Net changes in fair value of available for sale financial assets	<hr/> -	<hr/> -
Total comprehensive loss for the period	<hr/> <hr/> (839)	<hr/> <hr/> (1,026)
Earnings per share		
Basic and diluted loss per share (cents) calculated on loss for the period	(0.19)	(0.26)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2014

	Note	31-Dec 2014 \$'000	30-Jun 2014 \$'000
CURRENT ASSETS			
Cash and cash equivalents		3,160	2,194
Trade and other receivables		126	112
Other current assets		16	18
TOTAL CURRENT ASSETS		3,302	2,324
NON-CURRENT ASSETS			
Plant and equipment		35	38
Exploration and evaluation expenditure	3	89,650	88,570
Financial assets		12	40
Other assets		169	167
TOTAL NON-CURRENT ASSETS		89,866	88,815
TOTAL ASSETS		93,168	91,139
CURRENT LIABILITIES			
Trade and other payables		269	450
Provisions		173	168
TOTAL CURRENT LIABILITIES		442	618
TOTAL LIABILITIES		442	618
NET ASSETS		92,726	90,521
EQUITY			
Issued capital	5	112,588	110,179
Reserves	6	1,388	753
Accumulated losses		(21,250)	(20,411)
TOTAL EQUITY		92,726	90,521

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the half year ended 31 December 2014

	31-Dec-14 \$'000	31-Dec-13 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(682)	(700)
Interest received	41	45
Other revenue	130	93
	<u> </u>	<u> </u>
NET CASH USED IN OPERATING ACTIVITIES	(511)	(562)
	<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(875)	(378)
Payments for fixed assets	(1)	-
Refund of deposits	-	3
	<u> </u>	<u> </u>
NET CASH USED IN INVESTING ACTIVITIES	(876)	(375)
	<u> </u>	<u> </u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,520	2,202
Payment for costs of issue of shares	(167)	(157)
	<u> </u>	<u> </u>
NET CASH FROM FINANCING ACTIVITIES	2,353	2,045
	<u> </u>	<u> </u>
Net increase/(decrease) in cash and cash equivalents	966	1,108
Cash and cash equivalents at the beginning of the reporting period	2,194	2,122
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the reporting period	3,160	3,230
	<u> </u>	<u> </u>

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half year ended 31 December 2014

	Issued Capital \$'000	Share Based Payment Reserve \$'000	Accumulated Losses \$'000	Total \$'000
Balance at 1 July 2014	110,179	753	(20,411)	90,521
Loss for the period	-	-	(839)	(839)
Total comprehensive income for the period	-	-	(839)	(839)
<i>Transactions with owners, recorded directly in equity</i>				
Issue of share capital	2,520	-	-	2,520
Share-based payments	56	635	-	691
Costs of raising capital	(167)	-	-	(167)
Total transactions with owners	2,409	635	-	3,044
Balance at 31 December 2014	112,588	1,388	(21,250)	92,726
Balance at 1 July 2013	107,680	1,936	(16,930)	92,686
Loss for the period	-	-	(1,026)	(1,026)
Total comprehensive income for the period	-	-	(1,026)	(1,026)
<i>Transactions with owners, recorded directly in equity</i>				
Issue of share capital	2,422	-	-	2,422
Share-based payments	234	-	-	234
Costs of raising capital	(157)	-	-	(157)
Lapse of option on expiry	-	(1,182)	1,182	-
Total transactions with owners	2,499	(1,182)	1,182	2,499
Balance at 31 December 2013	110,179	754	(16,774)	94,159

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

CONDENSED NOTES TO THE FINANCIAL STATEMENTS for the half year ended 31 December 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Ironbark Zinc Limited (the Company) is a public company, limited by shares, domiciled and incorporated in Australia and listed on the Australian Securities Exchange. The half-year consolidated financial report of the company for the six months ended 31 December 2014, comprise the Company and its subsidiaries (the "Consolidated Entity" or "Group").

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year consolidated financial report does not include full disclosures of the type normally included in an annual financial report. Accordingly, it is recommended that this interim financial report be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by Ironbark Zinc Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

These consolidated half-year financial statements were authorised for issue in accordance with a resolution of the directors on 13 March 2015.

Basis of Preparation

The half-year consolidated financial 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. The presentation and functional currency is Australian Dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2014 annual financial report for the financial year ended 30 June 2014, except for the impact of the Standards and Interpretations described below. Those accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS for the half year ended 31 December 2014 (cont)

The following Accounting Standards and Interpretations are most relevant to the Consolidated Entity:

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

The Consolidated Entity has applied AASB 2013-3 from 1 July 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The Consolidated Entity has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the Entity or its Parent and requires disclosure of the fees paid to the management entity; AASB 140 'Investment Property': clarifies that the acquisition of an investment property may constitute a business combination.

New standards and interpretations not yet adopted

The following Australian Accounting Standards have been issued or amended and are applicable to the annual financial statements of the Group but are not yet effective. This assumes the following have not been adopted in preparation of the financial statements at the reporting date.

<u>AASB No.</u>	<u>Title</u>	<u>Application date of standard</u>	<u>Issue date</u>
AASB 9	Financial Instruments	1-Jan-18	Dec-10
AASB 2013-9	Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments Part C - Financial Instruments	Part C - 1 January 2015	Dec-13
AASB 2014-1	Amendments to Australian Accounting Standards Part D - Consequential Amendments arising from AASB 14 Regulatory Deferral Accounts Part E - Financial Instruments	Part D - 1 January 2016 Part E - 1 January 2018	Jun-14
AASB 2014-3	Amendments to Australian Accounting Standard – Accounting for Acquisition of Interest in Joint Operations	1-Jan-16	Aug-14
AASB 2014-4	Amendments to Australian Accounting Standard - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	1-Jan-16	Aug-14
AASB 2014-5	Amendments to Australian Accounting Standard Arising From AASB 15	1-Jan-17	Dec-14

**NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2014 (cont)**

<u>AASB No.</u>	<u>Title</u>	<u>Application date of standard</u>	<u>Issue date</u>
AASB 2014-7 AASB 2014-8	Amendments to Australian Accounting Standard Arising From AASB 9	1-Jan-18	Dec-14
AASB 2014-9	Amendments to Australian Accounting Standard - Equity Method in Separate Financial Statements	1-Jan-16	Jan-15
AASB 2014-10	Amendments to Australian Accounting Standard - Sale of Contribution of Assets Between Investors and its Associates or Joint Venture	1-Jan-16	Jan-15
AASB 2015-5	Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception	1-Jan-16	Jan-15
AASB 14	Regulatory Deferral Account	1-Jan-16	Jun-14
AASB 15	Revenues from Contracts with Customers	1-Jan-17	Dec-14

Going Concern Basis

The financial statements have been prepared on the going concern basis. As at 31 December 2014 the Consolidated Entity had net assets of \$92,725,772 (30 June 2014: \$90,521,466) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2014 the Consolidated Entity had \$3,160,371 (30 June 2014: \$2,194,182) 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. As at 31 December 2014 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.

Significant accounting estimates, judgments and assumptions

The preparation of financial statements requires management to make judgments and estimates relating to the carrying amounts of certain assets and liabilities. Actual results may differ from the estimates made. Estimates and assumptions are reviewed on an ongoing basis.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next accounting period are:

(i) Share based payment transactions

The Consolidated Entity measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using an appropriate valuation model.

(ii) Income tax expenses

Judgement is required in assessing whether deferred tax assets and liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised.

**NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2014 (cont)**

(iii) Impairment of exploration and evaluation assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements;
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

(iv) Classification of investments

The Consolidated Entity has decided to classify investments in listed securities as available for sale. These securities are accounted for at fair value. Any increments or decrements in their value at reporting date are charged or credited to the revaluation reserves.

(v) Project valuation

The variables used by the Directors in valuing the project are based on a series of assumptions provided by the executives and external consultants. The Company is currently completing a definitive feasibility study and is seeking to support and affirm the project value. There is a risk that the assumptions used in present valuations and the change in prevailing market conditions could affect the project value.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2014 (cont)

2. SEGMENT INFORMATION

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by Management based on the mineral resource and exploration activities in Australia and Greenland. Discrete financial information about each project is reported to the chief operating decision maker on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

The Consolidated Entity has two reportable segments based on the geographical areas of the mineral resource and exploration activities in Australia and Greenland. Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

2014	Australia	Greenland	Total
	\$000	\$000	\$000
(i) Segment performance			
For the period ended 31 December 2014			
Revenue			
<u>Unallocated items:</u>			
Interest revenue			42
Cost recoveries			102
Total segment revenue			<u>144</u>
 <i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Amounts not included in segment result but reviewed by the Board:			
Exploration expenditure written off	(11)	-	(11)
<u>Unallocated items:</u>			
Other expenses	-	-	(972)
Net loss before tax	<u>(11)</u>	<u>-</u>	<u>(839)</u>
 (ii) Segment assets			
As at 31 December 2014			
Segment assets at 1 July 2014	770	87,858	88,628
Segment asset increase for the period:			
Exploration expenditure	208	872	1,080
Other assets	38	2	40
	<u>1,016</u>	<u>88,732</u>	<u>89,748</u>
 Reconciliation of segment assets to group assets			
<u>Unallocated assets:</u>			
Cash and cash equivalents			3,160
Financial assets			12
Plant and equipment			35
Other assets			213
Total group assets			<u>93,168</u>

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2014 (cont)

2014	Australia	Greenland	Total
	\$000	\$000	\$000
(iii) Segment liabilities			
As at 31 December 2014			
Reconciliation of segment liabilities to group liabilities			
Other liabilities	(126)	(4)	(130)
	<u>(126)</u>	<u>(4)</u>	<u>(130)</u>
<u>Unallocated items:</u>			
Other liabilities			(312)
			<u>(442)</u>
2013			
(i) Segment performance			
For the period ended 31 December 2013			
Revenue			
<u>Unallocated items:</u>			
Interest revenue			48
Cost recoveries			86
Total segment revenue			<u>134</u>
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Amounts not included in segment result but reviewed by the Board:			
Exploration expenditure written off	(372)	-	(372)
<u>Unallocated items:</u>			
Other expenses	-	-	(788)
Net loss before tax	<u>(372)</u>	<u>-</u>	<u>(1,026)</u>
(ii) Segment assets			
As at 31 December 2013			
Segment assets at 1 July 2013	2,426	88,333	90,759
Segment asset increase for the period:			
Exploration expenditure	(266)	349	83
Other assets	-	3	3
	<u>2,160</u>	<u>88,685</u>	<u>90,845</u>
Reconciliation of segment assets to group assets			
Unallocated assets:			
Cash and cash equivalents			3,230
Financial assets			120
Plant and equipment			40
Other assets			166
Total group assets			<u>94,401</u>
(iii) Segment liabilities			
As at 31 December 2013			
Reconciliation of segment liabilities to group liabilities			
<u>Unallocated items:</u>			
Other liabilities			242
Total group liabilities			<u>242</u>

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2014 (cont)

3. EXPLORATION EXPENDITURE

	31 Dec 2014	30 Jun 2014
	\$'000	\$'000
Balance at the beginning of the period	88,570	90,699
Exploration expenditure capitalised during the period	1,091	1,271
Impairment of exploration expenditure	(11)	(3,400)
Balance at the end of the period	<u>89,650</u>	<u>88,570</u>

The value of the exploration expenditure is dependent upon:

- The continuance of the rights to tenure of the areas of interest;
- The results of future exploration; and
- The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

4. CONVERTIBLE NOTE FUNDING FACILITY

In October 2011, the Consolidated Entity entered into a US\$50 million Convertible Note funding facility and offtake facility pursuant to a transaction with a wholly owned subsidiary of Glencore International AG ('Glencore'). The Convertible Note is at a conversion price of AUD\$0.42 for the first US\$30 million (at Ironbark or Glencore's election to convert) and AUD\$0.50 for the next US\$20 million (at Glencore's election to convert). The availability of the facility is subject to the completion of certain conditions. As at 31 December 2014, the Consolidated Entity has not fulfilled all the conditions of the agreement and hence has not drawn on the funding facility or issued the Convertible Note.

5. ISSUED CAPITAL

	31-Dec 2014	30-Jun 2014
	\$'000	\$'000
(a) Issued and fully paid shares		
Fully paid ordinary shares	115,653	113,077
Less: capital issue costs net of tax	<u>(3,065)</u>	<u>(2,898)</u>
	<u>112,588</u>	<u>110,179</u>

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2014 (cont)

	Number of shares	\$'000
(b) Movements in issued and fully paid shares		
Balance at the beginning of the period	413,584,523	110,179
Shares issued		
- Placement 20 August 2014	28,000,000	2,520
- Director share issue 20 November 2014	619,211	56
Less: capital issue costs	<u>-</u>	<u>(167)</u>
Balance at the end of the period	<u><u>442,203,734</u></u>	<u><u>112,588</u></u>

6. SHARE BASED PAYMENT RESERVE

	31-Dec 2014 \$'000	30-Jun 2014 \$'000
Share based payment reserve	<u><u>1,388</u></u>	<u><u>753</u></u>

	Number of options	\$'000	Weighted average exercise price
<u>Movements in share options</u>			
Balance at the beginning of the period	6,000,000	753	\$0.27
Options issued			
- Directors option issue 20 November 2014 (a)	12,000,000	508	\$0.13
- Staff option issue 20 November 2014 (a)	3,000,000	127	\$0.13
Balance at the end of the period	<u><u>21,000,000</u></u>	<u><u>1,388</u></u>	<u><u>\$0.17</u></u>

The options outstanding at balance date had a weighted average exercise price of \$0.17 and a weighted average remaining contractual life of 2.87 years.

All options on issue are ordinary shares in the Company, which confer a right of one ordinary share for every option held. During the period there was no share issues as a result of exercise of options and no lapse of options due to expiry.

- (a) On 20 November 2014 the Company issued to the Company's Directors, Officers and Employees in accordance with shareholder approval and the Company's Employee Share Plan: 15,000,000 options with an exercise price of \$0.133 and expiry of 20 November 2017.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS for the half year ended 31 December 2014 (cont)

The fair value of these options granted is \$0.0423 per option with a total allotment value of \$634,802. In valuing these options the Company used the following inputs in the Black Scholes option valuation model.

Inputs into the Model

Grant date share price	\$0.09
Exercise price	\$0.133
Expected volatility	85.79%
Option life	3 years
Risk-free interest rate	2.57%

7. FAIR VALUE MEASUREMENT

The following table details the Consolidated Entity's assets and liabilities, measured or disclosed at fair value, using quoted prices (unadjusted) in active markets for identical assets or liabilities that the Entity can access at the measurement date (level 1).

	31-Dec 2014 \$'000	30-Jun 2014 \$'000
<u>Assets</u>		
Ordinary shares available-for-sale	<u>12</u>	<u>40</u>

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

8. CONTINGENT LIABILITIES

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

9. DIVIDENDS

No dividends have been declared or paid during the half-year ended 31 December 2014.

10. KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

11. EVENTS SUBSEQUENT TO REPORTING DATE

No matter or circumstance has arisen subsequent to 31 December 2014 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting Consolidated Entity in future financial periods.

DIRECTOR'S DECLARATION

The Directors of the Company declare that:-

1. The financial statements and notes, as set out on pages 9 to 21 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting, and Corporations Regulations 2001; and
 - (b) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2014 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 directors made pursuant to s.303(5) of the *Corporations Act 2001*.



Jonathan Downes
Managing Director

Dated this day 13 March 2015