

7 June 2016

Mr Dale Allen
Senior Adviser, Listings Compliance (Perth)
Australian Securities Exchange Limited
Level 40, Central Park
150-158 St Georges Terrace
PERTH WA 6000

Dear Dale,

RE: ASX Price Query

We refer to your letter of today and we respond to the questions you raise as follows –

1. Ironbark Zinc Limited (“Ironbark”, the Company) is not aware of any information concerning it that has not been announced to the market which if known by some in the market could explain the recent trading in its securities.
2. Not applicable given the answer to 1 above.
3. The Company confirms there is no other explanation that the Company may have for the recent trading in its securities.

We note that Ironbark trades with a close correlation to the zinc price and that the zinc price has recently rebounded from a multi-year low price of US\$1467 per tonne in January this year to US\$2019 per tonne last night representing a rise of over 37%. One of the key drivers of this price rise is the declining zinc stock levels held in the London Metal Exchange (LME) warehouses, the largest global zinc depository which has fallen to 7 year lows of approximately 380,000 tonnes from a high of over 1.2 million tonnes. This decline is widely forecast to continue in the face of limited new zinc discoveries and development against falling production due to recent major mine closures such as Brunswick, Lisheen and Century. These large operations have closed primarily due to the depletion of their ore bodies.

Recently we have also noted increased media coverage and general public awareness which has focused attention on the zinc shortfall and this has attracted investor attention. Most recently on 5 June 2016 in the “Business Weekly – Hot Stocks” Ironbark was discussed.

We also note our quarterly release to the Australian Securities Exchange (“ASX”) dated 28 April 2016 updating our positive progress in relation to the Mining Application process in respect of Ironbark’s world class Citronen Base Metal Project.

Despite zinc being a major industrial metal, Ironbark has limited remaining zinc developer and miner peers listed on the ASX and we believe we are the largest sole focused zinc explorer and developer on the ASX. The 100% owned Citronen zinc project is likely to provide exceptional leverage to a rising zinc price to Ironbark’s shareholders who include the worlds largest zinc miner Glencore AG and the world’s largest zinc smelter group Nyrstar NV.

4. The Company confirms that it is in compliance with ASX Listing Rules and in particular Listing Rule 3.1.

If you have any queries in relation to the above please contact me.

Yours sincerely

A handwritten signature in black ink that reads "Rob Orr". The signature is written in a cursive, slightly slanted style.

Rob Orr
Company Secretary
Ironbark Zinc Limited