

27 January 2017

Company Announcements

Australian Securities Exchange Limited
Level 40, Central Park,
152-158 St Georges Terrace
PERTH WA 6000

QUARTERLY ACTIVITIES REPORT PERIOD ENDING 31 DECEMBER 2016

Ironbark Zinc Limited (ASX: IBG) (“Ironbark” or “the Company”) hereby reports on its activities for the period ending 31 December 2016 in which the Company remained focused on the advancement of the wholly owned Citronen Base Metals Project (“Citronen”) in Greenland.

Citronen Mining Permit Awarded

This quarter was significant as Ironbark announced that the Exploitation Licence (Mining Permit) for its Citronen Project, one of the largest zinc projects in the world, was awarded by the Government of Greenland.

- Ironbark holds the right to exploit its 100%-owned Citronen Zinc-Lead Project for a period of 30 years
- Ironbark to immediately advance Project development and financing to allow Ironbark to become one of the world’s largest zinc mining companies

This represents an exciting and major milestone for the Company, and marks a significant point in the Company’s development pathway. The grant of the Mining Permit provides a platform for Ironbark to move forward with the development of the project and realise its goal to become a major mid-tier mining company. As a condition of the award of the Mining Permit, Ironbark has entered into a net smelter royalty agreement with the Government of Greenland that commences in the first and second year of production at a rate of 1% and rises to 1.5% in the third year, 2% in the fourth year and 2.5% thereafter in accordance with the Mining Act. The royalty is offset against corporate and dividend withholding tax and the 1% rate in the early mine life was granted to assist Ironbark in the ramp up period of the operation.

Ironbark looks forward to immediately advancing development and financing activities that will pave the way for the Company to become one of the world’s largest zinc mining companies.

Ironbark is also delighted to note that the grant of the Mining Permit at Citronen coincides with a period of growing tightness in global zinc supply and demand dynamics and a corresponding rise in the zinc price.

Events Subsequent to the Quarter

Agreement with China Nonferrous to Advance Project Financing and Construction

Following the grant of a 30-year Mining Licence for Citronen in Greenland, Ironbark Zinc Limited announced the appointment of China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd (NFC) under an agreement to:

- Incorporate current Chinese equipment and construction costs into the Citronen Feasibility Study
- Prepare a project study report in compliance with the financing requirement of China's banks
- Ensure the technical criteria is in compliance with local laws, regulations, standards and codes in Greenland and China
- Assist Ironbark in securing Chinese project debt financing for the development of Citronen under the terms of the earlier Memorandum of Understanding

Ironbark views this agreement as a major step towards advancing the financing and development of Ironbark as it progresses to become one of the world's largest zinc mining companies.

Ironbark has selected NFC as providing the most technically capable, rapid and competitive construction engineers to deliver a turnkey, fixed price EPC solution to developing and commissioning Citronen.

Moving beyond the existing Memorandum of Understanding with NFC, Ironbark will see the Citronen Feasibility Study updated and tailored to meet the Chinese banking requirements that will target 70% debt financing and provide NFC with an option to acquire up to 19.9% of the Citronen project.

Ironbark is excited by this opportunity to work with NFC, one of the world's largest construction engineering groups that has the relevant experience and the capability to provide the key equipment for the Citronen project. NFC has a strong relationship with the Chinese banking sector that is expected to provide an excellent basis to achieve the debt funding objectives of 70% of the capital for Citronen.

Cash Position

The Company holds a cash position at the end of the December 2016 quarter of approximately \$1.4M with no debt. Strong cost saving measures remain in place and an initiative to top up working capital with a \$2.3 M raising is being conducted in January 2017.

End.

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

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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
Captains Flat (Joint Venture with Glencore)	EL6381	New South Wales	50%	-
Fiery Creek	EL6925 EL8107	New South Wales	100%	-
Citronen	EL2016/30	Greenland	100%	100%
	EL2007/02		0%	(100%)
	EL2007/31		100%	-
	EL2010/47		100%	-
Mestersvig	EL2011/28	Greenland	100%	-
	EL2007/32			
	EL2016/22			
Washington Land	EL2007/33	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 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 through acquisition. 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). For full details refer to ASX announcement 25 November 2014 –Citronen Project Resource Update – JORC 2012 compliant resource.

The current JORC 2012 compliant resource for Citronen:

70.8 million tonnes at 5.7% Zn + Pb

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	4.9	0.4	5.3

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

Including a higher grade resource of:

29.9 million tonnes at 7.1% Zn + Pb

Category	Mt	Zn%	Pb%	Zn+Pb%
Measured	8.9	6.6	0.6	7.2
Indicated	13.7	6.8	0.5	7.3
Inferred	7.3	6.2	0.5	6.6

Using Ordinary Kriging interpolation and reported at a 5.0% Zn cut-off

“Ironbark is an emerging leader amongst Australia’s mineral resource companies, dedicated to the development of its major base metal mining operation in Greenland – the world class Citronen Project, and the acquisition of quality base metals projects.”

Disclosure Statements and Important Information

Forward Looking Statements

This announcement contains certain statements that may constitute “forward looking statement”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources is based on information compiled by Ms E Laursen (B. ESc Hons (Geol), MSEG, MAIG), an employee of Ironbark Zinc Limited. Ms Laursen has 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. Ms Laursen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears

Competent Persons Disclosure

Ms E Laursen is an employee of Ironbark Zinc Limited and currently holds securities in the company.