Ironbark Zinc Limited

AND ITS CONTROLLED ENTITIES
(ABN 93 118 751 027)

ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

CONTENTS

Corporate Directory 1

Managing Director's Letter 2

Directors' Report 14

1. Directors 14
2. Company Secretary 14
3. Principal Activities and Significant Changes in Nature of Activities 14
4. Operating Results 14
5. Dividends Paid or Recommended 14
6. Likely Developments and Expected Results of the Operations 14
7. Review of Operations 15
8. Discussion and Analysis of Operations and the Financial Position 16
9. Significant Changes in State of Affairs 16
10. After Reporting Date Events 16
11. Environmental Issues 17
12. Information on Directors 17
13. Remuneration Report – Audited 19
14. Meetings of Directors 23
15. Indemnifying Officers or Auditor 24
16. Options 24
17. Proceedings on Behalf of the Company 24
18. Non-Audit Services 24
19. Officers of the Company who are Former Partners of PKF Perth 25
20. Auditor's Independence Declaration 25
21. Rounding of Amounts 25

Auditor's Independence Declaration 26

Consolidated Statement of Profit or Loss and Other Comprehensive Income 27

Consolidated Statement of Financial Position 28

Consolidated Statement of Changes In Equity 29

Consolidated Statement of Cashflows 30

Notes to the Financial Statements 31

1. Statement of Significant Accounting Policies 31
2. Other Revenue 43
3. Loss Before Income Tax Expenses 44
4. Income Tax Benefit 44
5. Key Management Personnel Compensation 45
6. Auditors' Remuneration 45
7. Loss Per Share 46
8. Cash and Cash Equivalents 46
9. Trade and Other Receivables 46
10. Controlled Entities 46

11. Plant & Equipment ... 47
12. Financial Assets ... 47
13. Other Assets ... 48
14. Exploration and Evaluation Expenditure ... 48
15. Interests in Joint Operations ... 48
16. Trade and Other Payables ... 49
17. Provisions ... 49
18. Issued Capital ... 49
19. Reserves ... 50
20. Capital Commitments ... 50
21. Operating Segments ... 51
22. Cash Flow Information ... 54
23. Share Based Payments ... 54
24. Related Party Disclosures ... 55
25. Events after the Reporting Date ... 56
26. Financial Risk Management ... 56
27. Commitments for Expenditure ... 60
28. Parent Entity Disclosures ... 60
29. Dividends ... 61
30. Contingent Assets and Liabilities ... 61
31. Company Details ... 61

Director's Declaration ... 62

Independent Auditor's Report ... 63

Additional Information For Listed Public Companies ... 68

Schedule Of Interests In Mining Tenements ... 70

Corporate Governance ... 72

CORPORATE DIRECTORY

NON EXECUTIVE CHAIRMAN
Peter Bennetto

EXECUTIVE MANAGING DIRECTOR
Jonathan Downes

NON EXECUTIVE DIRECTORS
Gary Comb
Maciej Sciazko
Danny Segman

COMPANY SECRETARY
Robert Orr

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SHARE REGISTER
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Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: IBG

BANKERS
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WEST PERTH WA 6872

WEBSITE
www.ironbark.gl

MANAGING DIRECTOR'S LETTER

Dear Shareholder,

I am pleased to provide the annual review of Ironbark Zinc Limited's ("Ironbark" or "the Company") activities to Shareholders.

Ironbark continued to focus primarily on securing a financing solution for the Citronen base metal project, one of the largest global zinc development projects. The Company is targeting a strategic partnership or financing package. Ironbark is in discussions with relevant groups and discussions remain ongoing. The Company notes that the mine financing market is challenging at this time and this has made progress slower than anticipated.

The Citronen project is:

- One of the largest zinc resources in the world and remains open ended to further mineralisation
- Permitted under a 30-year Mining Licence and 100% owned
- Low Sovereign Risk
- Completed Feasibility Study
- Simple processing/quality product
- The zinc market remains strong and is supported by exceptionally low zinc warehouse levels.

Ironbark holds a granted Mining Permit over one of the largest zinc deposits in the world and with a Feasibility Study – The current resource stands at 70.8Mt @ 5.7% zinc + lead using a 3.5% zinc cut-off (Measured 25Mt, Indicated 26.5Mt and Inferred 19.3Mt) which compares favourably against a global average underground primary zinc mine head grade of 4.9% zinc (S&P Global, October 2018). This places the Citronen project as a globally significant, open ended in terms of actual size, unmined asset that is uniquely well-placed moving forward to achieve long life and large-scale production.

The equity requirement of the project financing, with respect to the current relatively low market capitalisation, remains the largest challenge to development and Ironbark is aggressively seeking a strategic investment/joint venture partner at the project level. Ironbark has been advised that the appointment of a lead bank will require further clarity around the equity financing pathway or support regarding a joint venture/equity component.

Our hope and our expectation is that forming a strategic partnership or financing package will also support a stronger share price to assist in acquiring the equity component of the financing and the team is working hard on this strategy. Ironbark is unable to provide certainty around the timing or outcome around a strategic partner but recognises that this would provide a strong catalyst towards achieving Ironbark's objectives.

Ironbark has also commenced several new initiatives that are planned to increase the project value and enhance the project attractiveness to potential partners and investors. Some of these initiatives are detailed as follows:

HIGH GRADE MINING REVIEW

Ironbark identified that the Citronen project has a grade tonnage curve that hosts a large high-grade resource, primarily in the Beach and Esrum resource areas (Figure 1).

MANAGING DIRECTOR'S LETTER (cont)

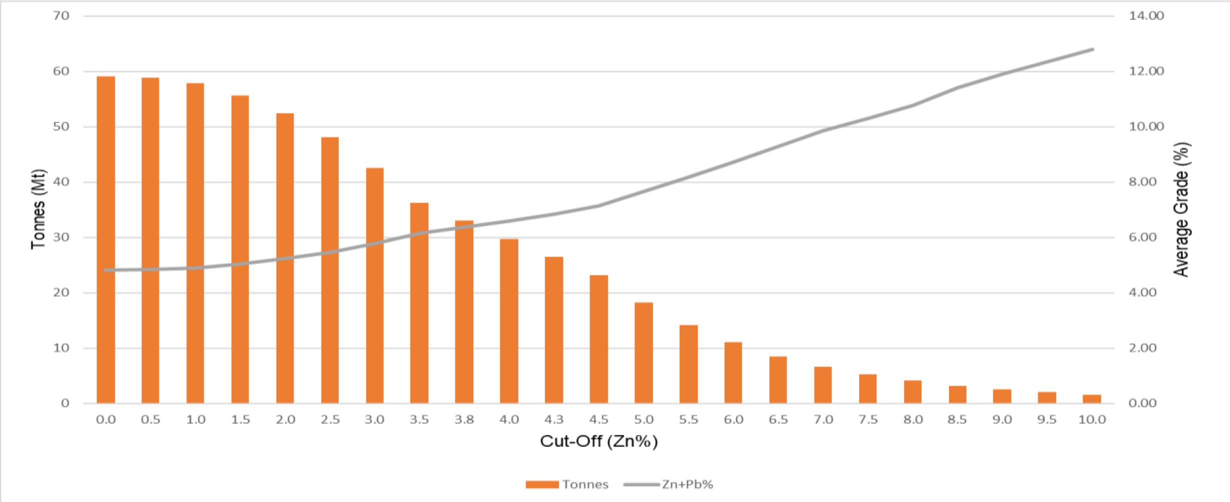


Figure 1: Grade Tonnage Curve for Citronen (refer to ASX announcement 23 July 2019).

Ironbark engaged Mining Plus, a leading international Mining Consultancy, to review the current Mining Schedule that underlies the existing Feasibility Study (ASX release 12/09/2017). The initial review has produced a modified Mining Schedule that provides an increase in head grade of 6.15% zinc in the first year (to 8.41% zinc and 0.65% lead). This is backed up with an overall increase in zinc head grade of 5.74% in the first 4 years (Figure 2). This result may have an impact on the economics of the project during this early period of production and will bring forward the mining of a further 35,600 tonnes of zinc metal in the first 4 years. Further engineering work will be required. Ironbark is currently working on providing the details of this new schedule and its economic impact to the market once the engineering work has been incorporated into the Feasibility Study (ASX Release 12 September 2017).

1 Refer to ASX announcement 12 September 2017. Subject to final due diligence and other industry standard review procedures Ironbark is not aware of any new information or data that materially affects the information included in this report, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

MANAGING DIRECTOR'S LETTER (cont)

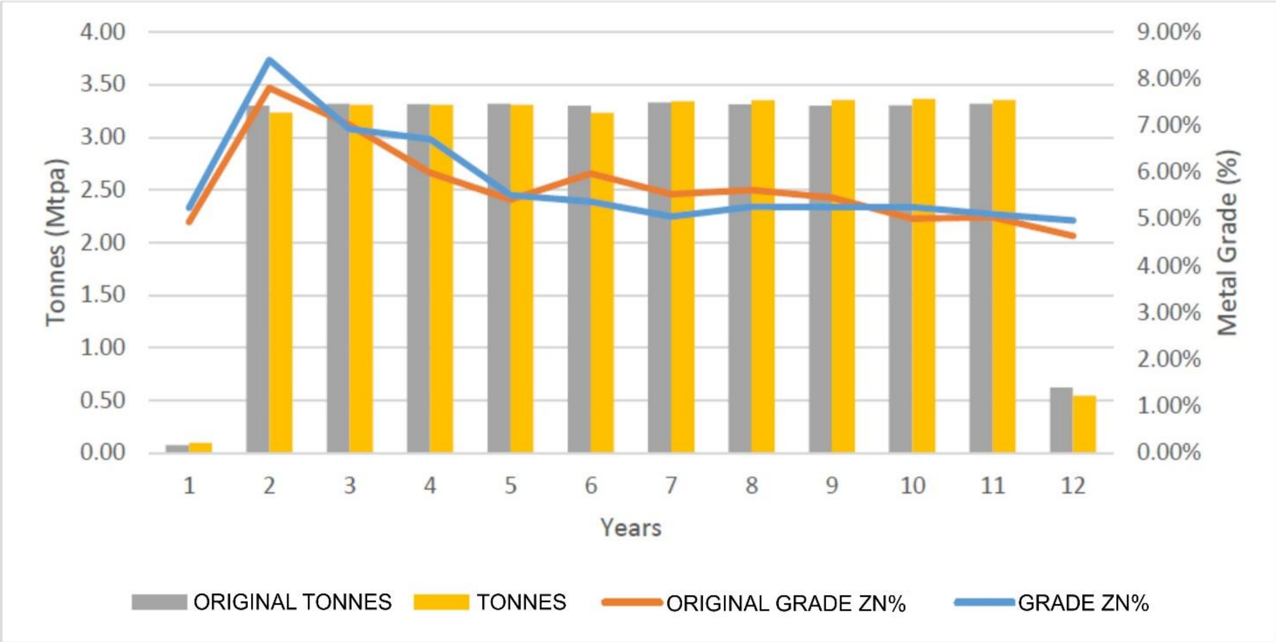


Figure 2: Previous Mining Schedule vs Revised Mining Schedule.

A breakdown of the planned mine development is provided on a yearly basis for comparison purposes in Figure 3.

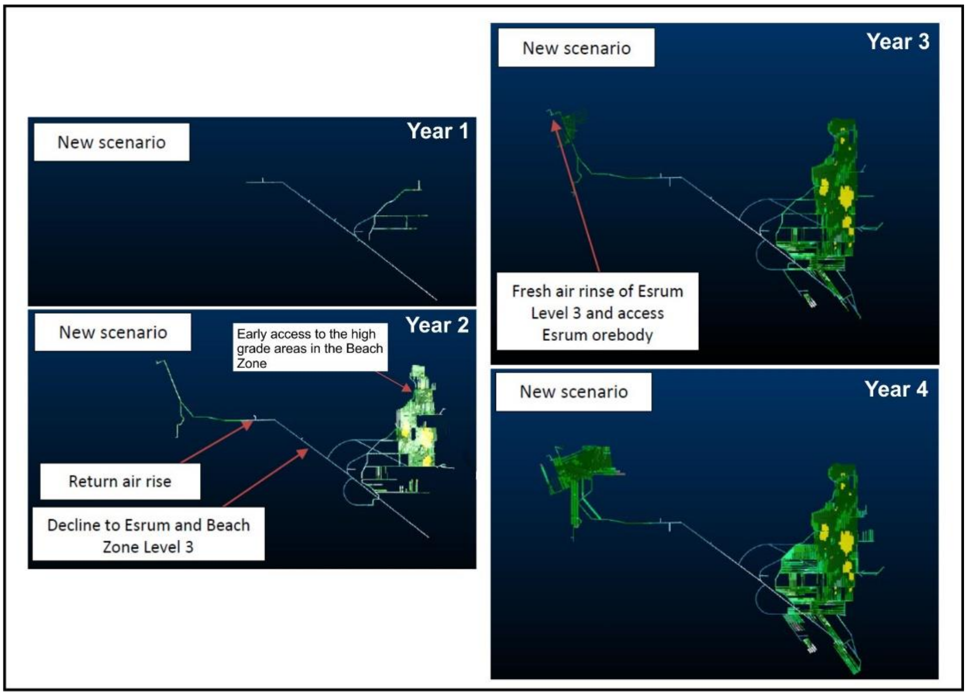


Figure 3: Yearly Plan View of the planned mine development.

MANAGING DIRECTOR'S LETTER (cont)

High Grade – Smaller Mine Initiative

Mining Plus is also working on a substantially revised model to develop a much smaller initial operation with a targeted 1Mtpa production rate. This opportunity is expected to provide:

- Lower Capital costs, which will be better received in the current market.
- Higher Grade mine from a reduced mining rate which will facilitate a substantially higher-grade inventory in the early years and the opportunity to expand production on better market conditions.
- The existing exploration target resource will not be significantly impaired by a high grade start up mine.
- The opportunity to target a high-grade but reduced scale operation is supported by existing drilling that has most of the Beach Zone (the highest-grade portion of the Citronen resource) being shallow and in the Measured Category. This study is unlikely to require any further site work.
- The Beach Zone mineralisation starts at only 40 metres below surface and is adjacent to the planned deep-water shipping point.

This may still allow an expansion to the original Feasibility Study output rate of mining of 3.3Mtpa at a later time. This work provides an exciting platform to commence with a lower cost project better suited to the current economic climate. The major existing engineering work will be directly applicable to this revised Study and is not expected to require any further site work. The first results from the 1Mtpa study were released subsequent to this reporting period and returned an encouraging 10.4% zinc+lead head grade for the first full year of production- see ASX release dated 11 September 2019.

Ironbark reiterates that discussions surrounding the development of the current 3.3Mtpa planned and permitted Feasibility Study remain ongoing.

Glencore Arbitration

On 8 October 2018, David Kelly, the Director Nominee for Glencore International AG (Glencore) resigned from his position on the Board of Ironbark. A replacement Nominee was sought by Glencore at that time. The Board of Ironbark chose not to make the new appointment.

Ironbark accepted the resignation of David Kelly, a Glencore International AG (Glencore) nominee, as a director of the Company. Concurrent with the notification of Mr Kelly's resignation (which was announced to ASX on 8 October 2018), Ironbark received from Glencore a request for Ironbark to appoint a replacement Glencore nominee director.

Ironbark disagreed that Glencore had a contractual right to an ongoing Board position and the matter was referred to arbitration.

Subsequent to this reporting period, Ironbark was informed that the arbitration tribunal provided a decision to the parties with the conclusion that Glencore's claim be dismissed.

Board Evolution

Ironbark has been successful in identifying and purchasing 100% of a world class asset, defining a resource, completing the necessary drilling, metallurgical testing and engineering assessments as well as delivering a Feasibility Study and securing a 30-year Mining Licence. The Greenland Government is exceptionally supportive of the development of a mining operation and assisted in arranging a cargo ship demonstration voyage last year.

Ironbark has however been slower than expected to secure the requisite full financing package, and while discussions are ongoing, the Company is looking to refresh the business. Ironbark engaged Derwent, a highly regarded executive recruitment firm, to assist Ironbark in enhancing and evolving its current Board. The current Board of Ironbark unanimously agree to seek out the best possible candidates to realise the full value of Citronen for its shareholders. This process is advanced and will likely inject fresh ideas and strengthen the financing experience of the existing Board.

MANAGING DIRECTOR'S LETTER (cont)

Captains Flat Project Update

Geophysical group, Gap Geophysics completed a HeliSAM electromagnetic (EM) survey over the proven large-scale Jerangle Prospect at Captains Flat (Figure 4). Preliminary interpretations show anomalies in several adjacent loops indicating the presence of a large, broad bed rock anomaly. Results from Loop 5 are shown in Figure 5 where there is a clear broader bedrock anomaly apparent on the north east section, at approximately 713,500mE and at depth. The broadening wavelength on the northern side of the anomalism would suggest some degree of plunge/deepening in the northerly direction.

The interpretation of the data is ongoing with a final report with drill targets expected to be generated.

The Captains Flat project hosts the historic and significant Lake George Mine as well as numerous highly prospective exploration targets.

Ironbark and NSW Base Metals, the joint venture partner, have already enjoyed historic exploration success with significant base metal intercepts returned from the Jerangle Prospect earlier drilling and look forward to continuing their work on this significant and underexplored proven high-grade base metals province. The geophysical survey is hoped to better identify and detail the location, scale and geometry of the identified mineralisation.

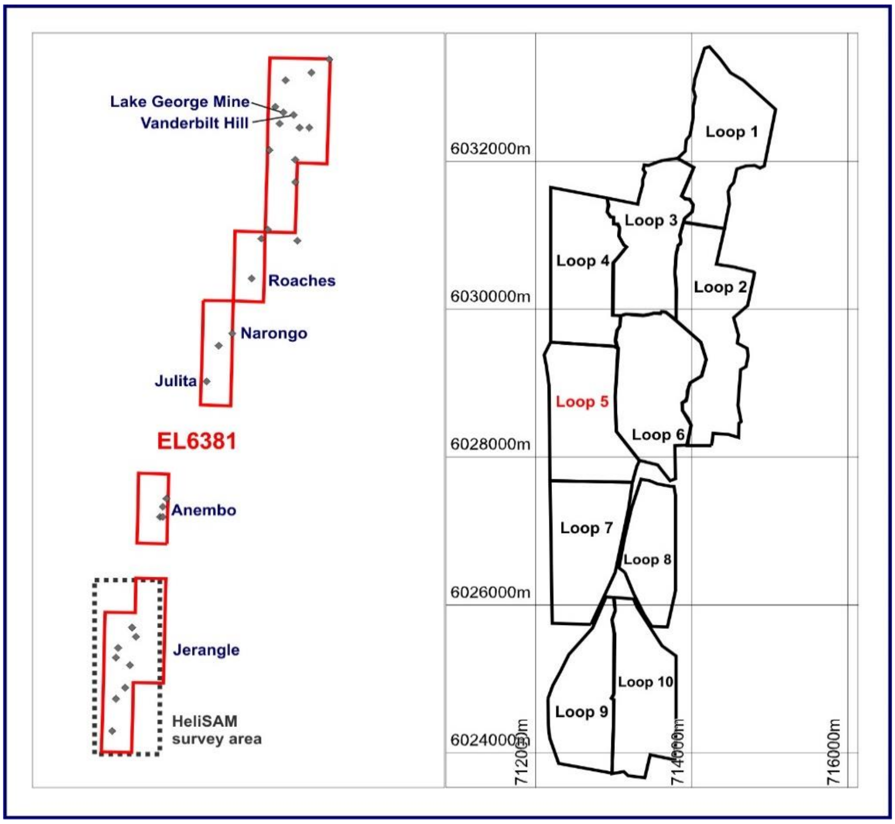


Figure 4: Exploration Licence 6381 showing prospect locations and the location of the HeliSAM survey at the Jerangle Prospect (left) and individual loop locations (right).

MANAGING DIRECTOR'S LETTER (cont)

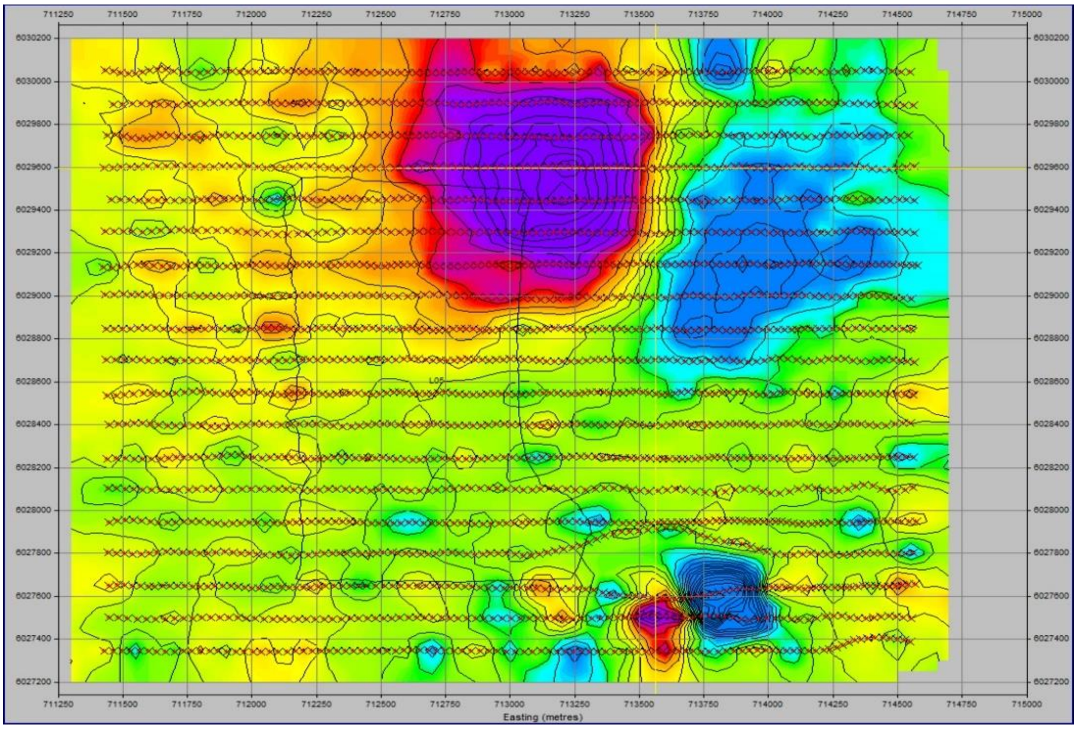


Figure 5: Preliminary results from Loop 5 of the HeliSAM survey showing broad bedrock anomalism.

Citronen Project Expansion

Ironbark expanded the project region held under licence application to dominate the district (Figure 6). The Licence was granted on 18th February 2019.

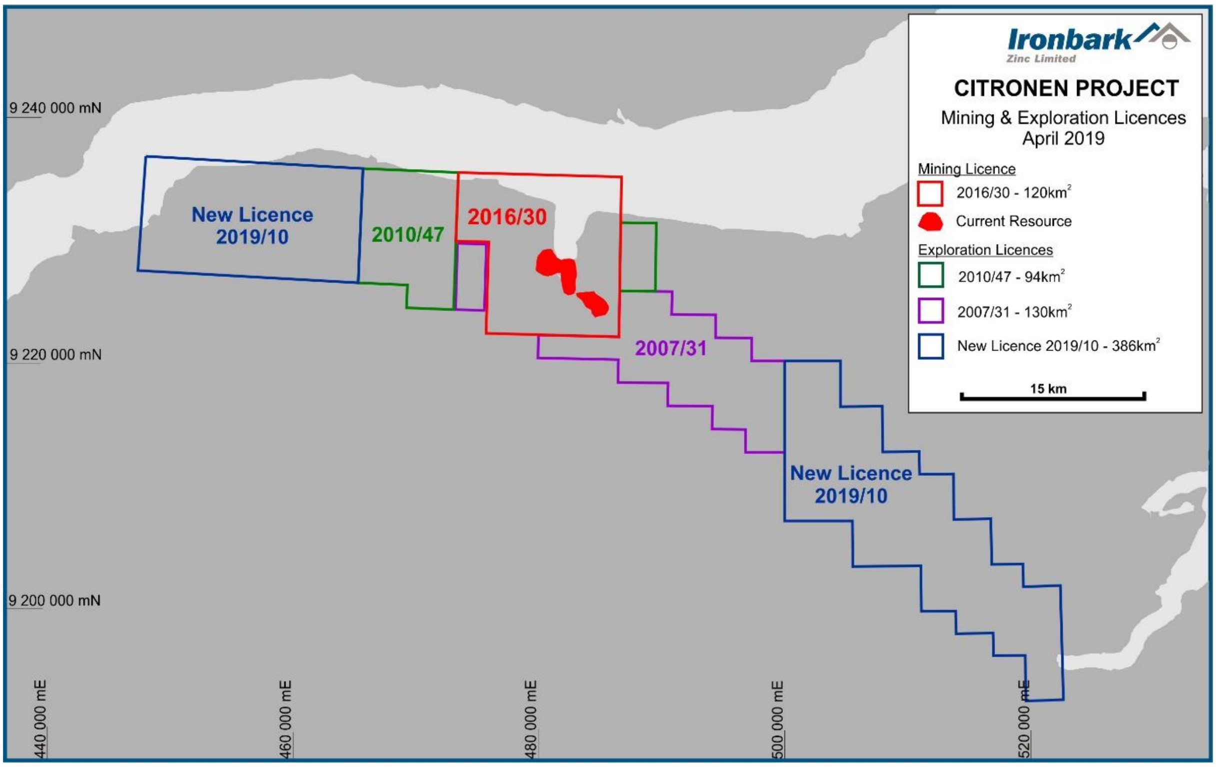


Figure 6: Citronen Expanded Licence Application.

MANAGING DIRECTOR'S LETTER (cont)

The Citronen project remains open ended at depth (repeat lodes), laterally and on strike. Mineralised outcropping gossans identified in the far North West ("The Western Gossans") occur over an extensive region overlying the interpreted source fault that follows the trend of the licence. This new licence application covers the identified areas that are considered prospective and the trend of the Western Gossans (Figure 7).

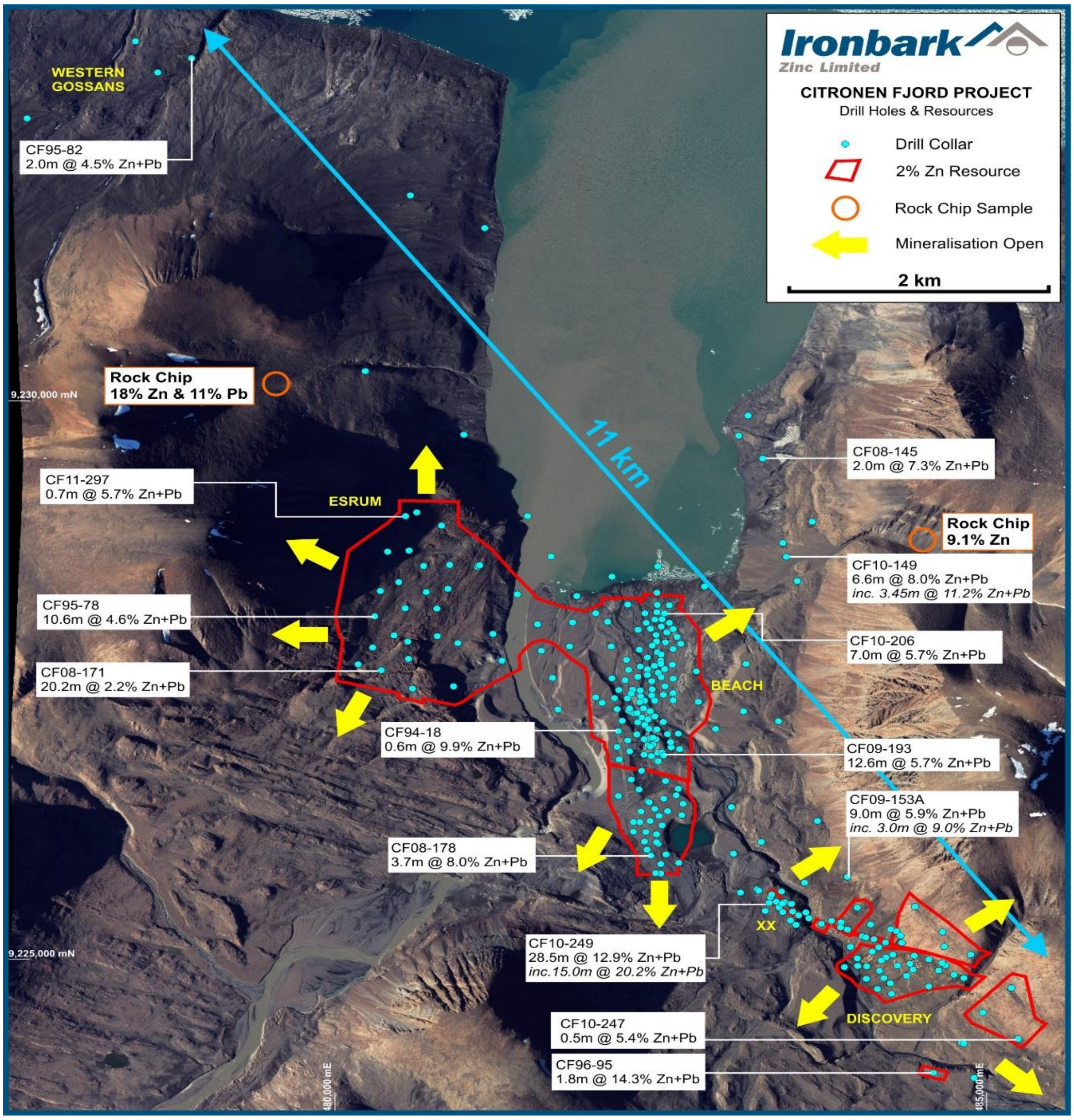


Figure 7: Plan view of the Citronen Project.

Memorandum of Understanding with Metso Sweden AB

Ironbark entered into a Memorandum of Understanding with Metso Sweden AB (**"Metso"**). The agreement provides a framework to negotiate a commercial agreement regarding services and equipment to be provided to Ironbark by Metso. This Memorandum of Understanding seeks to:

1) Provide a platform to negotiate a commercial and binding agreement regarding services and equipment to be provided by Metso to Ironbark for the Citronen Zinc Project.

MANAGING DIRECTOR'S LETTER (cont)

2) Enable Metso to commence engineering tasks which shall precede the completion of detailed engineering of processing equipment, including the provision of technical specifications for specific third party supplied equipment. The completion of the design works, and manufacture of the key process equipment is contingent upon the parties entering into a commercially binding agreement to design, manufacture and supply the Citronen processing plant.

Ironbark is also in discussions with other highly regarded groups regarding the supply of all components for the Citronen Facility. These companies have the potential to assist with the overall project financing.

Metso have collaborated with Ironbark for several years and were instrumental in the preparation of the Process Flow Sheet for the Citronen Feasibility Study. A Metso technical representative visited the project site in August 2018.

Metso is a world-leading industrial company offering equipment and services for the sustainable processing and flow of natural resources in the mining, aggregates, recycling and process industries. Metso's unique knowledge and innovative solutions, Metso helps its customers improve their operational efficiency, reduce risks and increase profitability.

The future commercial agreement will, inter alia, contain and address the following matters:

- Scope of Metso's supply of services and equipment;
- Price for Metso's supply of services and equipment and payment terms, including a lump sum cost for remaining engineering works and project management scope;
- Delivery terms;
- Provision of Process Guarantee;
- Metso compliance with Greenlandic Government requirements and guidelines as applicable.

Ironbark is moving towards building on the long running relationship with Metso and the Citronen zinc project. Metso is exceptionally well regarded internationally and has direct experience with operations which are very similar in commodity/grade/scale to the Citronen project. Metso is also located in Scandinavia and therefore is well positioned to comply and assist with the training and employment obligations that Ironbark is operating under in Greenland.

Financing Update

During the reporting period Ironbark continued work on the project financing with the appointed financial advisors, Cutfield Freeman & Co., engaged to assist Ironbark structure the financing for the Citronen zinc project. Following on from the series of site visits to the Citronen proposed mine site, attended by several groups of high calibre potential investors, private equity groups, bankers, equipment suppliers and mining operators to review the project site. Ironbark reports that it continues with discussions towards financing and has ongoing interest towards building the syndicated financing solution for the Citronen base metal project and advance the financing of one of the largest global zinc mines.

The equity requirement versus the current market capitalisation remains the largest challenge facing the project development and Ironbark is also actively seeking a strategic investment / commitment at the project level. Discussions remain incomplete and ongoing. Typical Confidentiality Agreements preclude Ironbark from confirming these parties, the status of any discussion or any terms. In addition, it is likely due to the size of the funding requirement, that the financing will be comprised of several parts provided by several parties.

Cost Reduction

Ironbark has strongly reduced its operating costs, including senior staff reductions and this will assist in preserving the funds held. This necessary course has not reduced the work and effort being employed to deliver a financing solution and many of the staff potentially remain on call to provide specialist services.

MANAGING DIRECTOR'S LETTER (cont)

Byrnecut Mining Services Agreement

Ironbark entered into a Memorandum of Understanding with Byrnecut Offshore Pty Ltd (**"Byrnecut"**).

The agreement provides Ironbark with the extensive international experience in underground hard rock mechanised mining. The role is intended to include underground contract mining services, underground mine cost modelling, providing the underground mining fleet, and includes holding the debt and security of the equipment. Ironbark has commenced work seeking to remove key capital items off the Capital Cost of the Citronen project. Ironbark has identified several further key opportunities to reduce the project Capital Cost. The parties will work towards a more detailed cost based commercial agreement operating under agreed margins through each project stage and will also encompass agreed performance margins. Ironbark is in discussions with other highly regarded groups for the remaining disciplines or to support the project that have the potential to collectively and significantly assist with the overall project financing. Byrnecut will operate under the Greenland Government guidelines and will assist Ironbark achieve its training and employment obligations. A Byrnecut technical representative visited Citronen during the site inspections conducted during the financial year.

Byrnecut is an internationally recognised underground mining contractor that offers both a full range of professional mining support services and a 30 year history of world class mining experience. Since starting its international operations in 1999, it has grown into one of the most experienced underground mining contractors across the globe. Byrnecut currently employs over 4,000 people worldwide with operations currently in the Australia, Democratic Republic of Congo, Mali, Burkina Faso, Saudi Arabia and Tanzania.

Byrnecut specialises in mechanised underground mine feasibility, mine development and mine production and has been successful in securing many Australian and international contracts over the past 30 years. It offers its clients a range of services including:

- Mechanised development and production
- Shotcreting
- Equipment rebuilds and maintenance engineering
- Mine engineering consultancy services
- Workforce safety and training
- Labour hire and management
- Raise drilling
- Shaft sinking

Byrnecut have first-hand knowledge of the skills necessary to overcome remote location logistics, language barriers and upskilling the national workforce. They offer clients a safe, efficient and professional contracting service to assist in optimising the development and production of their mineral resources, training of local workforce, and they are capable of providing first world mining capabilities to any international location. Byrnecut have the capacity to provide Ironbark with an immediate "bolt-on" underground mining expertise that will assist Ironbark as we move from financing to active mining.

Milestone ship route proven

Ironbark announced the significant achievement of proving the viability of shipping from the Citronen base metal project in Greenland.

Ironbark chartered the "Nunavik", a 189m long Polar Class Cargo ship which proved shipping access to the Citronen site (Figure 8) marking the first time a large commercial ship has travelled so far north on the eastern coast of Greenland. The vessel took advantage of late summer ice conditions and open water leads whenever possible to prove viable access to the project site (Figures 9 and 10). Ironbark chartered the icebreaking Nunavik to transit the area as part of the overall proof of logistical plan. The ship accessed the project site with relative ease, even late in the season. This endeavour was a major milestone for Ironbark and supports the shipping plans as outlined in the Feasibility Study.

MANAGING DIRECTOR'S LETTER (cont)

The Citronen project has some unique characteristics that are likely to make this one of the most environmentally friendly and sustainable global operations. Ironbark plans to draw on these advantages to deliver the cleanest zinc mine in the world. In conjunction with Fednav's impeccable environmental track record and reputation, Ironbark ensured that the Nunavik made this journey consuming low sulphur marine diesel oil instead of conventional heavy fuel oil (HFO) while in Greenland waters.

Figure 8: The Nunavik in North-East Greenland.

MANAGING DIRECTOR’S LETTER (cont)

The Nunavik’s master, Thomas Grandy with more than 20 years of polar navigating experience, remarked *"Despite harsh ice conditions at times, Nunavik was able to make good progress to & from the entrance to Frederick E. Hyde Fjord thanks to a properly suited vessel with machinery operating at peak performance, an experienced ice navigation team, up to date weather information and ice charts, and satellite imagery received in a timely manner from Fednav's shore team in Montreal".*

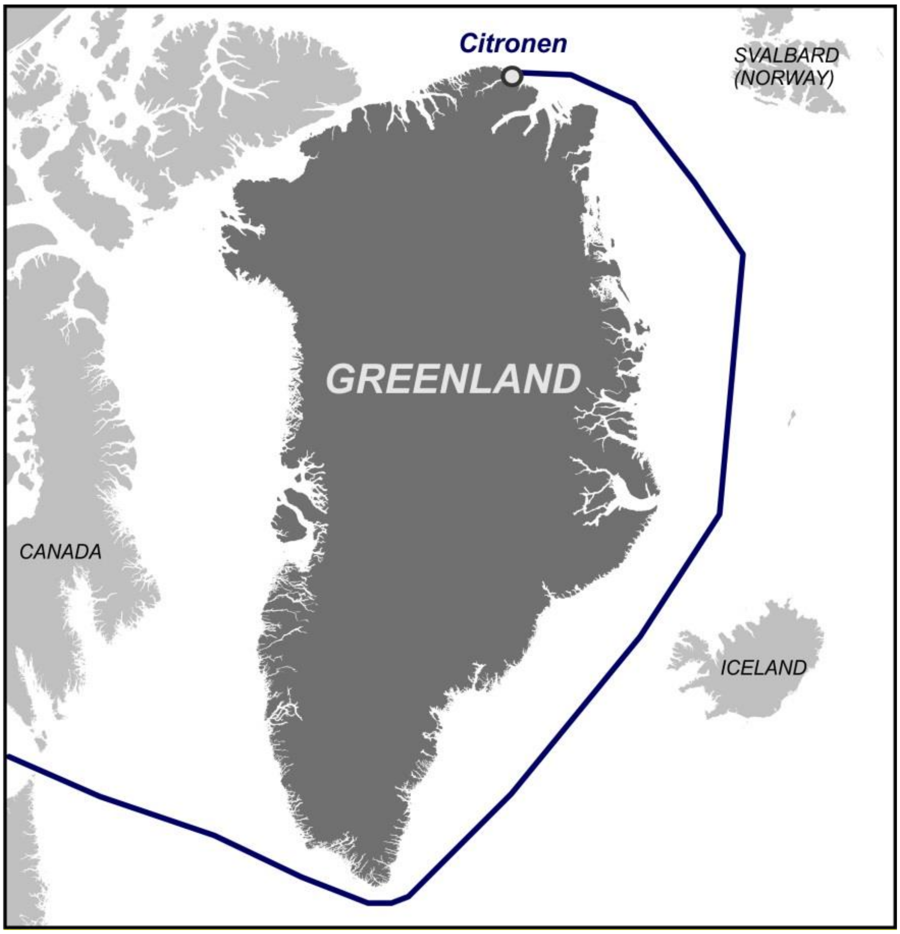


Figure 9: The preliminary shipping route.

Figure 10: Junction of the main Fjord, Frederik Hyde Fjord and the open ocean - taken from an aircraft servicing the Citronen project in August 2018.

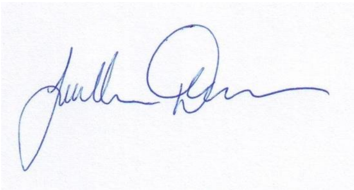
MANAGING DIRECTOR'S LETTER (cont)

Fednav is Canada's largest ocean-going dry-bulk ship owning and chartering group. For close to 75 years, Fednav has been delivering practical, innovative maritime transportation solutions as a pioneer in the international shipping industry. With offices on four continents and a reputation built on a commitment to customer care and reliability, Fednav is the leader in international shipping on the Great Lakes, as well as the Arctic, boasting the world's largest fleet of ice-class bulk carriers.

Environmental protection is one of the cornerstones of Fednav's philosophy and a core company value. Enhanced sustainable strategies and initiatives are constantly assessed, revised, and upgraded. Partnerships with world-class shipyards and suppliers paired with feedback gained in the daily operating of its fleet enable the company to continuously improve the design and efficiency of new vessels. These two main factors also allow Fednav to deploy innovative engineering solutions and implement sophisticated cargo handling processes.

During this voyage with Ironbark, the Nunavik collected local marine life information, and in conjunction with instruction from qualified Danish Marine Observers (MMSO) recorded the local marine fauna. Ironbark and Fednav are acutely aware and respectful of the sensitive arctic environment. The information will be compiled and passed on to the Greenland environmental bodies and we look forward to developing strong and mutually beneficial relationships with the organisations as we progress the development of the mine.

Yours sincerely,



Jonathan Downes
Managing Director

DIRECTORS' REPORT

Your Directors present their report on Ironbark Zinc Limited (the "Company" and "Ironbark") and its controlled entities (together the "Consolidated Entity") for the financial year ended 30 June 2019.

1. Directors

The names of Directors in office at any time during or since the end of the year are:

Mr Peter Bennetto	Non Executive Chairman
Mr Jonathan Downes	Executive Managing Director
Mr Gary Comb	Non Executive Director
Mr Danny Segman	Non Executive Director (appointed 17 May 2019)
Mr Maciej Sciazko	Non Executive Director (appointed 31 July 2018)
Mr Kelly Strong	Non Executive Director(resigned 31 July 2018)
Mr David Kelly	Non Executive Director (resigned 8 October 2018)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. Company Secretary

Mr Robert Orr, CA holds the position of Company Secretary. Mr Orr is a Chartered Accountant and has acted as Chief Financial Officer and Company Secretary for a number of ASX listed companies, with over 20 years' experience in public practice and commerce. He has worked extensively in the resource industry with experience in capital markets, project development, contract negotiation and mining operations.

3. Principal Activities and Significant Changes in Nature of Activities

The principal activities of the Consolidated Entity during the financial year were the exploration and evaluation of the Consolidated Entity's zinc and gold ground holdings. There were no significant changes in the nature of the Consolidated Entity's principal activities during the financial year.

4. Operating Results

The consolidated loss of the Consolidated Entity after providing for income tax amounted to $1,225,767 (2018: $1,774,921).

5. Dividends Paid or Recommended

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.

6. Likely developments and expected results of the operations

The Consolidated Entity intends to continue its exploration, development and production activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

MANAGING DIRECTOR'S LETTER (cont)

7. Review of Operations

BUSINESS ACTIVITIES

The principal activities focused on the financing activities for the Citronen Zinc Project

Following the update of the Feasibility Study and with the granted 30 year Mining Licence, the Company appointed Cutfield Freeman & Co., to assist with Citronen project financing. Ironbark also completed a series of investor inspections of the project site and in addition, also achieved the significant milestone of chartering a cargo ship to confirm the practicality of the proposed shipping plan. Financing work remains ongoing.

Further details surrounding the annual activities can be found in the attached Managing Directors Letter.

CORPORATE ACTIVITIES

On 31 July 2018 Mr Maciej Sciazko was appointed as a Non-Executive Director to the Board following the resignation of Mr Kelly Strong on the same date. Both directors are appointed as a Nominee of Nyrstar N.V. (Nyrstar) a major shareholder of the Company.

On 3 August 2018 the Company announced that it had entered into a Memorandum of Understanding with Byrnecut Offshore Pty Ltd to potentially provide the Company with underground mining expertise and services in relation to the Citronen Project.

On 8 October 2018 Mr David Kelly resigned from the Board of Directors. The Company received from Glencore a request for the Company to appoint a replacement Glencore nominee director. The Board of Directors decided not to appoint a replacement Glencore nominee director and informed Glencore of that decision. Glencore provided a further notice to the Company that it:

- considers it has a contractual right to appoint a nominee director to the Ironbark board;
- requests the immediate reinstatement of a nominee director; and
- reserves its rights in relation to the matter.

The Company disagreed that Glencore has a contractual right to an ongoing Board position. Glencore referred the matter to arbitration. The arbitration concluded on the 7 August 2019, with Glencore's claim being dismissed.

On 29 October 2018 the Company announced that it had entered into a Memorandum of Understanding with Metso Sweden AB, which provides the framework for future negotiations regarding mine processing services and equipment for the Company's' Citronen Project.

On 21 November 2018 the Company held its Annual General Meeting of Shareholders and subsequently announced that all resolutions put to the meeting were passed by a show of hands.

On 28 November 2018 the Company announced a placement of 71,428,571 fully paid ordinary shares with sophisticated investors. The shares had an issue price of $0.028 per share raising the Company $2,000,000, which will contribute to financing the continual development of the Citronen Project and provide general working capital.

On 17 May 2019 the Company appointed Mr Danny Segman to the Board of Directors in the position of non-executive director. Mr Segman, through his controlled entities, holds approximately 13.59% of the Company's issued capital.

On 23 May 2019 the Company announced its change of registered and principal place of business address to Level 2, 38 Richardson Street, West Perth.

MANAGING DIRECTOR'S LETTER (cont)

8. Discussion and Analysis of Operations and the Financial Position

The net assets of the Consolidated Entity have increased from $54,179,446 in 2018 to $56,043,500 in 2019.

The Consolidated Entity's working capital, being current assets less current liabilities, has decreased from $4,663,547 in 2018 to $17,711 in 2019 and as at 30 June 2019 the Consolidated Entity had $590,834 (2018: $5,181,529) cash on hand. The Consolidated Entity may require further funding during the 2020 financial year in order to meet day to day obligations as they fall due and progress its exploration and development projects. The Directors anticipate that future financing for exploration and mining activities will be secured in a reasonable timeframe and accordingly the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Exploration and evaluation costs, are capitalised as exploration and evaluation assets on an area of interest basis. Exploration and evaluation assets are only recognised if:

- 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.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. All exploration projects have been reviewed at 30 June 2019. Accordingly, the Consolidated Entity recorded an impairment of exploration expenditure of $33,550 (2018: $250,306).

During the financial year, the Company assessed the carrying value of its exploration expenditure on the Citronen project and concluded that it was appropriate to maintain the value of the project.

The Consolidated Entity continues to ensure that administration and overhead costs are kept to a minimum through sharing office costs and administration and accounting costs. The Consolidated Entity continually reviews the overhead associated with fees, consultants, corporate compliance and maintaining the listed entity and seeks to keep these costs to a minimum without compromising the entity's commitment to appropriate corporate governance principles.

The Directors believe the Consolidated Entity is in a stable financial position to expand and grow its current operations.

9. Significant Changes in State of Affairs

There have been no significant changes in the state of affairs of the Consolidated Entity other than those disclosed in the Review of Operation.

10. After Reporting Date Events

On 30 July 2019 the Company announced an issue of 136,066,593 fully paid ordinary shares with an issue price of $0.015, pursuant to the Company's Share Purchase plan offer (offer announced on 4 July 2019). The Company raised $2,040,999, which will provide funding to further develop the Company's Citronen project and provide general working capital.

MANAGING DIRECTOR'S LETTER (cont)

On 7 August 2019 the Company announced that the arbitration proceedings brought against the Company by Glencore had concluded, with Glencore's claim being dismissed. Glencore claimed that it had a contractual right to an ongoing Board position in the Company.

No further matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

11. Environmental Issues

The Consolidated Entity is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

12. Information on Directors

Mr Peter Bennetto	—	Non Executive Chairman
Qualifications	—	GAICD, SA Fin
Experience	—	Mr Bennetto has over 30 years' experience in investment and banking. He has held company Director positions in exploration, mining and manufacturing companies listed on the ASX since 1990.
Interest in Shares and Options	—	4,293,430 fully paid ordinary shares
Length of service	—	From 6 June 2006 to present
Special responsibilities:	—	None
Directorships held in other listed entities	—	Medadvisor Limited (formerly Exalt Resources) from 28 November 2013 to present Kingwest Resources Ltd 9 May 2018 to present

Mr Jonathan Downes	—	Executive Managing Director
Qualifications	—	BSc Geol, MAIG
Experience	—	Mr Downes has over 25 years experience in the minerals industry and has worked in various geological and corporate capacities. Mr Downes has experience in nickel, gold and base metals and has had extensive involvement in numerous private and public capital raisings. Mr Downes was a founding Director of Hibernia Gold (now Moly Mines Limited) and Siberia Mining Corporation Limited. Mr Downes is currently a Non Executive Director of Corazon Mining Limited.
Interest in Shares and Options	—	12,112,060 fully paid ordinary shares
Length of service		From 18 April 2006 to present
Special responsibilities:	—	None
Directorships held in other listed entities	—	Corazon Mining Limited from 10 April 2006 to present date Sabre Resources Limited from 14 December 2007 to 7 December 2016 Galena Mining Limited from 7 September 2017 to present date

MANAGING DIRECTOR'S LETTER (cont)

Mr David Kelly	—	Non Executive Director
Qualifications	—	BCom, CA
Experience	—	Mr Kelly is a qualified Chartered Accountant and Glencore representative.
Interest in Shares and Options	—	Nil
Length of service		From 16 July 2007 to 8 October 2018
Special responsibilities:	—	None
Directorships held in other listed entities	—	Nil

Mr Gary Comb	—	Non Executive Director
Qualifications	—	BE Mech, BSc, Dip Ed
Experience	—	Mr Comb has spent over 25 years' in the Australian mining industry, both with mining companies and in mining contractor roles. He was previously the Chief Executive Officer of BGC Contracting Pty Ltd, the mining contracting arm of West Australian construction group BGC Australia Pty Ltd and Managing Director of Jabiru Metals Limited.
Interest in Shares and Options	—	3,652,137 fully paid ordinary shares
Length of service		From 1 February 2012 to present
Special responsibilities:	—	None
Directorships held in other listed entities	—	Finders Resources Ltd from 5 June 2013 to 4 April 2018 Aurelia Metals Ltd (formerly YTC Resources Limited) from 4 July 2012 to 30 June 2019

Mr. Maciej Sciazko	—	Non Executive Director
Qualifications	—	Masters Econ.
Experience	—	Mr. Sciazko is the Vice President for mining operations at Nyrstar. In his role he is responsible for Nyrstar's mining and milling operations in Canada. Mr. Sciazko brings almost two decades of senior management experience in mining operations, building of megamining projects and turnarounds. He worked in various mining executive roles in Europe, Turkey, Indonesia, India, Australia, Canada and South America. These roles included working at underground and open pit operations in coal, copper, zinc, molybdenum, gold and silver. Prior to joining Nyrstar, Mr. Sciazko was the CEO and General Manager of Lumina Copper, ramping up and turning around the Caserones mine in Chile and previously the General Manager of Sierra Gorda mine in Chile taking it from the construction to the production stage.
Interest in Shares and Options	—	Nil
Length of service		From 31 July 2018 to present
Special responsibilities:	—	None
Directorships held in other listed entities	—	Nil

MANAGING DIRECTOR'S LETTER (cont)

Mr Danny Segman	—	Non Executive Director
Experience	—	Mr Segman has a strong and successful background in banking, construction and property development and hotel operation and brings a broad range of business acumen to the Company.
Interest in Shares and Options	—	115,000,000 fully paid ordinary shares
Length of service	—	From 17 May 2019 to present
Special responsibilities:	—	None
Directorships held in other listed entities	—	Nil

Mr Kelly Strong	—	Non Executive Director
Qualifications	—	B. Eng
Experience	—	Mr. Strong was the Vice President for mining operations at Nyrstar located in Tennessee. Mr. Strong was responsible for all of Nyrstar's zinc mining and milling operations in Canada and the United States, operating the mining of polymetallic zinc ore bodies, and associated products. Mr. Strong spent 14 years with Vale in various senior management roles. These roles included working at their nickel operations in Indonesia and was also responsible for mining and smelting operations in various parts of Canada and the UK. In Mr. Strong's last role he was the Vice President of the Ontario and UK operations where his portfolio included mining, smelting and refining operations of nickel, copper, cobalt and precious metals
Interest in Shares and Options	—	Nil
Length of service		From 13 November 2017 to 31 July 2018
Special responsibilities:	—	None
Directorships held in other listed entities	—	Nil

13. Remuneration Report – Audited

This report details the nature and amount of remuneration for each key management person of Ironbark.

Remuneration policy

The Company's remuneration policy has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Consolidated Entity's financial results. The Company's Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Consolidated Entity, as well as create goal congruence between Directors, Executives and Shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Consolidated Entity is as follows:

– The remuneration policy, setting the terms and conditions for the key management personnel, was developed by the remuneration committee and approved by the Board.
– All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation and fringe benefits.

MANAGING DIRECTOR'S LETTER (cont)

- The remuneration committee reviews key management personnel packages annually by reference to the Consolidated Entity's performance, executive performance and comparable information from industry sectors.

The Company is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, Directors and senior executives are paid market rates associated with individuals in similar positions, within the same industry.

Options have previously been issued to Directors to provide a mechanism to participate in the future development of the Company and an incentive for their future involvement with and commitment to the Company.

Further options and performance incentives may be issued as the entity moves from an exploration entity to a producing entity, and key performance indicators such as profits and growth can be used as measurements for assessing board performance.

The key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

All remuneration paid to key management personnel is valued at the cost to the Company and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by the key management personnel. Options are valued using the Black-Scholes methodology.

The Board policy is to remunerate Non Executive Directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the Non Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non Executive Directors are not linked to the performance of the Consolidated Entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

The employment conditions of the Executive Directors and other key management personnel are formalised in contracts of employment. All key management personnel are permanent employees of Ironbark.

The employment contract states a three-month resignation period. The Company may terminate an employment contract without cause by providing one to three months' written notice or making payment in lieu of notice, based on the individual's salary component.

MANAGING DIRECTOR'S LETTER (cont)

Names and positions held of Consolidated Entity key management personnel in office at any time during the financial year are:

2019

Key Management Personnel	Position held as at 30 June 2019 and any change during the year	Contract details (duration and termination)	Proportion of elements of remuneration related to performance			Proportion of elements of remuneration not related to performance		
			Non-Salary cash-based incentives %	Shares/ Units %	Options /Rights %	Cash based remuneration %	Equity based remuneration	Total %
Peter Bennetto	Non Executive Chairman	No fixed term.	-	-	-	100	-	100
Jonathan Downes	Executive Managing Director	No fixed term. 3 months notice required to terminate.	-	-	-	100	-	100
Gary Comb	Non Executive Director	No fixed term.	-	-	-	100	-	100
Danny Segman	Non Executive Director	No fixed term.	-	-	-	-	-	-
David Kelly	Non Executive Director	No fixed term. Upon advice from Nominee Glencore, required to terminate.	-	-	-	-	-	-
Maciej Sciazco	Non Executive Director	No fixed term.	-	-	-	-	-	-
Robert Orr	Chief Financial Officer and Company Secretary	No fixed term. 3 months notice required to terminate.	-	-	-	100	-	100

2018

Peter Bennetto	Non Executive Chairman	No fixed term..	-	-	-	43	57	100
Jonathan Downes	Executive Managing Director	No fixed term. 3 months notice required to terminate.	-	-	-	81	19	100
David Kelly	Non Executive Director	No fixed term. Upon advice from Nominee Glencore, required to terminate.	-	-	-	-	-	-
Gary Comb	Non Executive Director	No fixed term.	-	-	-	41	59	100
Jason Dunning	Non Executive Director	No fixed term.	-	-	-	-	-	-
Kelly Strong	Non Executive Director	No fixed term.	-	-	-	-	-	-
Robert Orr	Chief Financial Officer and Company Secretary	No fixed term. 3 months notice required to terminate.	-	-	-	78	22	100

MANAGING DIRECTOR'S LETTER (cont)

a. Key Management Personnel Remuneration

	Short Term Benefits		Share Based Payments	Post Employment Benefits	Total
	Salary and fees	Others	Securities	Superannuation	
2019					
Jonathan Downes	208,955	-	-	19,851	228,806
Peter Bennetto	49,007	-	-	4,656	53,663
Gary Comb	34,626	-	-	3,290	37,916
Maciej Sciazko	-	-	-	-	-
Danny Segman	-	-	-	-	-
David Kelly	-	-	-	-	-
Kelly Strong	-	-	-	-	-
Robert Orr	157,199	-	-	14,934	172,133
	449,787	-	-	42,731	492,518

	Short Term Benefits		Share Based Payments	Post Employment Benefits	Total
	Salary and fees	Others	Securities	Superannuation	
2018					
Peter Bennetto	38,023	-	55,695	3,612	97,330
Jonathan Downes	216,161	-	54,539	20,535	291,235
Gary Comb	26,865	-	42,885	2,552	72,302
David Kelly	-	-	-	-	-
Jason Dunning	-	-	-	-	-
Kelly Strong	-	-	-	-	-
Robert Orr	162,619	-	50,164	15,449	228,232
	443,668	-	203,283	42,148	689,099

Performance income as a proportion of total income

No bonuses were paid to Executive or Non Executive Directors during the period.

b. Options and rights holdings

There were no options over ordinary shares in the Company held during the financial year by any Director and/or other members of key management personnel of the consolidated entity, including the personally related parties.

MANAGING DIRECTOR'S LETTER (cont)

c. Share holdings

The number of shares in the Company held during the financial year by each Director and other member of key management personnel of the consolidated entity including their personally related parties is set out below:

Number of shares held by key management personnel:	Opening Balance 01.07.18	Received as compensation	Options exercised	Net change other	Closing Balance 30.6.2019
	No.	No.	No.	No.	No.
Jonathan Downes	11,582,060	-	-	-	11,582,060
Peter Bennetto	3,293,430	-	-	-	3,293,430
Gary Comb	2,652,137	-	-	-	2,652,137
Maciej Sciazko	-	-	-	-	-
Danny Segman (*)	97,750,000	-	-		97,750,000
David Kelly	-	-	-	-	-
Kelly Strong	-	-	-	-	-
Robert Orr	2,184,418	-	-	-	2,184,418
Total	117,462,045	-	-	-	117,462,045

- Mr Danny Segman was appointed to the Board on 17 May 2019, his opening balance refers to his balance held on appointment.

End of remuneration report

14. Meetings of Directors

During the financial year, nine meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Peter Bennetto	9	9
Jonathan Downes	9	9
David Kelly	3	3
Gary Comb	9	8
Maciej Sciazko	9	9
Danny Segman	1	1
Kelly Strong	-	-

MANAGING DIRECTOR'S LETTER (cont)

15. Indemnifying Officers or Auditor

During or since the end of the financial year the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The Company has paid premiums to insure each of the following directors and key personnel against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of premium appropriated to each Director and officer for the financial period was approximately $2,409. The amounts varied for each party proportionate to their duration of service to the Company during the financial period.

- Peter Bennetto
- Jonathan Downes
- Gary Comb
- Danny Segman
- Maciej Sciazko
- Kelly Strong
- David Kelly
- Robert Orr

No payments have been made on behalf of the auditor and the Company has not indemnified the auditor in any way.

16. Options

At the date of this report, there were no unissued ordinary shares of the Company under option.

17. Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

18. Non-Audit Services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and the objectivity of the auditor; and
- the nature of the services provided to not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid out to PKF Perth for non-audit services provided during the year ended 30 June 2019:

Taxation compliance service $4,600 (2018: $4,640)

MANAGING DIRECTOR'S LETTER (cont)

19. Officers of the company who are former partners of PKF Perth

There are no officers of the company who are former partners of PKF Perth.

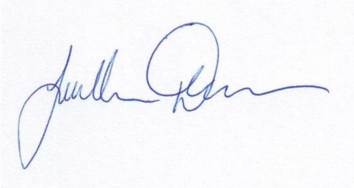
20. Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 26 of the financial report.

21. Rounding of Amounts

The Company is an entity to which ASIC Corporations Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

Signed in accordance with a resolution of the Board of Directors.



Jonathan Downes
Executive Managing Director

Date: 18 September 2019

Advisory • Audit
Business Solutions

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF IRONBARK ZINC LIMITED

In relation to our audit of the financial report of Ironbark Zinc Limited for the year ended 30 June 2019, 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 Perth

PKF PERTH

SIMON FERMANIS
PARTNER

18 SEPTEMBER 2019
WEST PERTH
WESTERN AUSTRALIA

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $000	2018 $000
Other revenue	2	129	151
Administration expenses		(30)	(158)
Consultancy expenses		(119)	(250)
Depreciation and amortisation expense	3	(2)	(1)
Director's fees		(174)	(208)
Employee benefits expense		(416)	(549)
Impairment of exploration expenditure	3	(34)	(250)
Insurance		(41)	(35)
Occupancy expenses	3	(60)	(43)
Reversal of provision for impairment of receivables		38	-
Realised loss on receivables		(37)	-
Realised loss on disposal of fixed assets		(8)	-
Regulatory and legal expenses		(483)	(362)
Travel expenses		1	(70)
Unrealised movements of financial assets		10	-
Loss before income tax expense		(1,226)	(1,775)
Income tax benefit	4	-	-
Loss for the year		(1,226)	(1,775)
Other comprehensive income/(loss), net of income tax			
Items that may be subsequently reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		1,226	2,602
Other comprehensive income/(loss), net of tax		1,226	2,602
Total comprehensive income/(loss) for the year		-	827
LOSS PER SHARE			
Basic and diluted loss per share (cents)	7	(0.18)	(0.31)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	NOTE	2019 $000	2018 $000
CURRENT ASSETS			
Cash and cash equivalents	8	591	5,182
Trade and other receivables	9	35	44
Financial assets	12	10	-
Other current assets	13	14	17
TOTAL CURRENT ASSETS		650	5,243
NON CURRENT ASSETS			
Plant and equipment	11	-	6
Exploration and evaluation expenditure	14	54,601	49,396
Other assets	13	1,415	114
TOTAL NON CURRENT ASSETS		56,016	49,516
TOTAL ASSETS		56,666	54,759
CURRENT LIABILITIES			
Trade and other payables	16	435	408
Short-term provisions	17	188	171
TOTAL CURRENT LIABILITIES		623	579
TOTAL LIABILITIES		623	579
NET ASSETS		56,043	54,180
EQUITY			
Issued capital	18	124,813	122,950
Reserves	19	4,544	3,318
Accumulated losses		(73,314)	(72,088)
TOTAL EQUITY		56,043	54,180

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Issued Capital $000	Share based payment reserve $000	Foreign translation reserve $000	Accumulated Losses $000	Total $000
Balance at 30 June 2017	**117,179**	**1,309**	**716**	**(71,622)**	**47,582**
Loss for the year	-	-	-	(1,775)	(1,775)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	2,602	-	2,602
Total comprehensive income/(loss) for the year	-	-	2,602	(1,775)	827
Transactions with owners, recorded directly in equity					
Issue of share capital	6,000	-	-	-	6,000
Equity-based compensation	142	-	-	-	142
Costs of raising capital	(371)	-	-	-	(371)
Lapse of share options	-	(1,309)	-	1,309	-
Total Transactions with owners	5,771	(1,309)	-	1,309	5,771
Balance at 30 June 2018	**122,950**	**-**	**3,318**	**(72,088)**	**54,180**
Loss for the year	-	-	-	(1,226)	(1,226)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	1,226	-	1,226
Total comprehensive income/(loss) for the year	-	-	1,226	(1,226)	-
Transactions with owners, recorded directly in equity					
Issue of share capital	2,000	-	-	-	2,000
Equity-based compensation	-	-	-	-	-
Costs of raising capital	(137)	-	-	-	(137)
Lapse of share options	-	-	-	-	-
Total Transactions with owners	1,863	-	-	-	1,863
Balance at 30 June 2019	**124,813**	**-**	**4,544**	**(73,314)**	**56,043**

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

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $000	2018 $000
Cash Flows from Operating Activities			
Payments for administration and corporate expenses		(750)	(911)
Payments for exploration and evaluation expenses		(4,101)	(1,580)
Payments for staff costs		(515)	(614)
Interest received		1	23
Other revenue		102	169
Net cash flows used in operating activities	22	**(5,263)**	**(2,913)**
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(4)	(5)
Payment for environmental bonds		(1,271)	-
Refund of environmental bonds		80	-
Proceeds of deposit for conditional sale of tenement		-	-
Proceeds from joint arrangements		-	-
Net cash flows used in investing activities		**(1,195)**	**(5)**
Cash Flows from Financing Activities			
Proceeds from issue of shares		2,000	6,000
Payments for share issue cost		(136)	(371)
Net cash flows generated from financing activities		**1,864**	**5,629**
Net increase in cash and cash equivalents		(4,594)	2,711
Effect of exchange rates on cash		3	6
Cash and cash equivalents at beginning of financial year		5,182	2,465
Cash and cash equivalents at end of financial year		**591**	**5,182**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of Ironbark Zinc Limited ('Ironbark' or the 'Company') for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of Directors on 18 September 2019. The Directors have the power to amend and reissue the financial statements.

This financial report includes the consolidated financial statements and notes of Ironbark and controlled entities ('Consolidated Entity' or 'Group').

Ironbark is a listed public company, trading on the Australian Securities Exchange (ASX), limited by shares, incorporated and domiciled in Australia.

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.

AASB No.	Title	Application date of standard *	Issue date
AASB 2017-4	Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments	1 January 2019	July 2017
AASB 2017-6	Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation	1 January 2019	December 2017
AASB 2017-7	Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures	1 January 2019	December 2017
AASB 2018-1	Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle	1 January 2019	February 2018
AASB 2018-2	Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement	1 January 2019	March 2018
AASB 2018-3	Amendments to Australian Accounting Standards – Reduced Disclosure Requirements	1 January 2019	August 2018
AASB 2018-5	Amendments to Australian Accounting Standards - Deferral of AASB 1059	1 January 2019	October 2018
AASB 2018-6	Amendments to Australian Accounting Standards – Definition of a Business	1 January 2020	December 2018
AASB 2018-7	Amendments to Australian Accounting Standards – Definition of Material	1 January 2020	December 2018
AASB 2019-1	Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020	May 2019
AASB 16	Leases	1 January 2019	February 2016
AASB 17	Insurance Contracts	1 January 2021	July 2017
AASB 1059	Service Concession Arrangements: Grantors	1 January 2020	July 2017
AASB Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019	June 2017

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 CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments
The Consolidated Entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers
The Consolidated Entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Basis of Preparation
The accounting policies set out below have been consistently applied to all years presented.

Statement of Compliance
The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* as appropriate for profit oriented entities. The consolidated financial report of the Group comply with International Financial Reporting Standards (IFRSs) and Interpretations as issued by the International Accounting Standards Board (IASB).

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Basis of Measurement

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. 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. Refer to note 23 for further details.

(ii) Impairment of exploration and evaluation assets and investments in and loans to subsidiaries

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation asset.

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 planned operations and carrying values of assets and liabilities.

Refer to note 14 for further details.

(iii) 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. Refer to note 4 for further details.

(iv) Carrying Value of Exploration and Evaluation Assets

The Company assessed the carrying value of its exploration expenditure for indicators of impairment and concluded that impairment testing of the project was not required.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

b. Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Ironbark as at 30 June 2019 and the results of all controlled entities for the year then ended. Ironbark and its controlled entities together are referred to in this financial report as the Consolidated Entity.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 10 to the financial statements.

c. Exploration and Evaluation Assets

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of interest are current and either:

- The expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- Activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

An impairment exists when the carrying amount of capitalised exploration and evaluation expenditure relating to an area of interest exceeds its recoverable amount. The asset is then written down to its recoverable amount. Any impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to mining property and development assets within property, plant and equipment and depreciated over the life of the mine.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Where applicable, such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

d. Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operation recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of the other parties' interest in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

e. Impairment

(i) Exploration and Evaluation Assets

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount at the reporting date.

Exploration and evaluation assets are tested for impairment in respect of cash generating units, which are no larger than the area of interest to which the assets relate.

(ii) Non-financial Assets other than Exploration and Evaluation Assets

The carrying amounts of the Group's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units, then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exits. An impairment provision is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment provision is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

f. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on either accounting profit or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Tax Consolidation

Ironbark and its wholly-owned Australian subsidiaries have not formed an income tax consolidated group under tax consolidation legislation.

g. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial year in which they are incurred.

h. Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Plant and equipment	10–40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

i. Financial Instruments

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

j. Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

k. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

l. Employee Benefits

(i) *Wages, salaries and annual leave*

Liabilities for wages, salaries and annual leave expected to be settled within one year of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Employee benefits payable later than one year

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

(iii) *Superannuation*

Contributions are made by the Group to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

(iv) *Employee benefit on costs*

Employee benefit on costs, including payroll tax, are recognised and included in employee benefits liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(v) *Equity-settled compensation*

Equity-settled and cash-settled share-based compensation benefits are at times provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

m. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

n. Revenue and Other Income

Revenue is recognised when it is probable that the economic benefit will flow to the Consolidated Entity and the revenue can be reliably measured.

Interest revenue is recognised as it accrues. Dividend revenue is recognised when the right to receive a dividend has been established.

o. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flow on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST receivable from, or payable to, the tax authority.

p. Receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is raised when some doubt as to collection exists.

q. Earnings Per Share (EPS)

Basic earnings per share

Basic earnings per share is determined by dividing the net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

r. Contributed Equity

Ordinary shares are classified as equity.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

s. Investments

Interests in listed and unlisted securities are initially brought to account at cost.

Controlled entities are accounted for in the consolidated financial statements as set out in Note 1(b).

Other securities are included at fair value at reporting date. Unrealised gains/losses on securities held for short term and long term investment are accounted for as set out in Note 1 (i).

t. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

u. Acquisition of Assets

The purchase method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is determined as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

v. Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the Parent entity is disclosed in Note 28.

w. Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

x. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

y. Rounding of Amounts

The Company has applied the relief available to it under ASIC Corporations Instrument 2016/91 and accordingly, amounts in the financial report and Directors' Report have been rounded off to the nearest $000.

z. Going concern basis

These financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. As at 30 June 2019 the Group had net assets of $56,043,500 (2018: $54,179,446) and $590,834 (2018: $5,181,529) in cash and cash equivalents. The Group recorded a loss of $1,225,767 (2018: loss $1,774,921) and had a net working capital surplus of $17,711 (2018: $4,663,546).

The ability of the Company and Group to continue to pay its debts as and when they fall due is dependent on the Company successfully raising additional share capital and ultimately developing its mineral properties.

The directors believe it is appropriate to prepare these financial statements on a going concern basis because:

- The directors have appropriate plans to raise additional funds as and when required. In light of the Group's current exploration projects, the directors believe that the additional capital can be raised in the market; and
- The directors have an appropriate plan to contain certain operating and exploration expenditure if required funding is not available.

These financial statements have been prepared on the basis that the Company and Group can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of its assets and settlement of its liabilities can occur in the ordinary course of business.

In the event that the Group is unable to satisfy future funding requirements, a material uncertainty would arise that may cast significant doubt on the Group's ability to continue as a going concern with the result that the Group may be required to realise its assets at amounts different from those currently recognised, settle liabilities other than in the ordinary course of business and make provisions for costs which may arise as a result of cessation or curtailment of normal business operations.

2. OTHER REVENUE

	2019 $000	2018 $000
Operating activities		
- Interest received	1	24
- Cost recoveries	103	124
- Equipment hire	-	3
- Non-refundable deposit received for tenement sale	25	-
Total Other Revenue	129	151

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

3. LOSS BEFORE INCOME TAX EXPENSES

	2019 $000	2018 $000
Losses before income tax have been arrived after charging the following items:		
Occupancy costs	60	43
Employee benefits expense	369	495
Superannuation expenses	47	54
Depreciation of non-current assets		
- plant & equipment	2	1
Exploration expenditure impairment	34	250

4. INCOME TAX BENEFIT

a. The components of tax benefit comprise:

Current tax	-	-
Deferred tax	-	-

b. The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable on loss from ordinary activities before income tax at 27.5% (2018: 27.5%)	(338)	(488)
Add:		
Tax effect of:		
- Provisions and accruals	-	5
- Revenue losses not recognised	1,511	496
	1,511	501
Less:		
- Other	31	9
- Provisions and accruals	8	-
- Exploration, evaluation and development expenditure	1,135	4
	1,173	13
Income tax benefit attributable to entity	-	-
The applicable average weighted tax rates are	-	-

c. As at the date of this report, the potential refundable tax offset for the reporting period ended 30 June 2019 has not been determined.

d. The following deferred tax balances have not been recognised:

Deferred Tax Assets:		
At 27.5% (2018: 27.5%)		
Carried forward revenue losses	3,343	3,079
Carried forward capital losses	40	40
Carried forward capital losses (overseas)	15,941	14,106
Provisions and accruals	56	62
Property, plant and equipment	1	2
Investments	3	6
other	55	33
	19,438	17,327

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

The tax benefits of the above Deferred Tax Assets will only be obtained if:

a) The Company derives future assessable income of a nature and an amount sufficient to enable the benefits to be utilised; and
b) The Company continues to comply with the deductibility conditions imposed by law; and
c) No change in income tax legislation adversely affects the Company in utilising the benefits.

Deferred Tax Liabilities:	2019	2018
At 27.5% (2018: 27.5%)	$000	$000
Exploration, evaluation and development expenditure	419	402
Exploration, evaluation and development expenditure (overseas)	15,948	14,753
Investments	4	6
	16,371	15,161

The above Deferred Tax Liabilities have not been recognised as they have given rise to the carry forward revenue losses for which the Deferred Tax Asset has not been recognised.

5. KEY MANAGEMENT PERSONNEL COMPENSATION

a. Names and positions held of Consolidated Entity key management personnel in office at any time during the financial year are:

Peter Bennetto	Non Executive Chairman
Jonathan Downes	Executive Managing Director
Gary Comb	Non Executive Director
Danny Segman	Non Executive Director (appointed 17 May 2019)
Maciej Sciazko	Non Executive Director (appointed 31 July 2018)
Kelly Strong	Non Executive Director(resigned 31 July 2018)
David Kelly	Non Executive Director (resigned 8 October 2018)
Robert Orr	Chief Financial Officer and Company Secretary

b. Key management personnel compensation

The key management personnel compensation comprised:		
Short term employment benefits	450	444
Post-employment benefits	43	42
Share based payments	-	203
	493	689

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

6. AUDITORS' REMUNERATION

During the financial year the following fees were paid or payable for services provided by PKF Perth, the auditor of the Group:

Audit or review of financial statements	41	37
Preparation of tax return	5	5
	46	42

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

7. LOSS PER SHARE

		2019 $000	2018 $000
a.	Loss used to calculate basic and dilutive EPS	(1,226)	(1,775)
		No.	No.
b.	Weighted average number of ordinary shares outstanding during the year used in calculating basic and dilutive EPS	680,215,839	580,726,687

8. CASH AND CASH EQUIVALENTS

	2019 $000	2018 $000
Cash at bank and in hand	591	5,182
Short term bank deposits	-	-
	591	5,182

The effective interest rate on short-term bank deposits was 0% in 2018 (2018:0%); these deposits had an average maturity of 90 days.

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	591	5,182

9. TRADE AND OTHER RECEIVABLES

Current		
GST receivable	24	31
Other receivables	2	3
Amounts receivable from		
- Other related parties	9	10
Total trade and receivables	35	44

Provision for Impairment of Receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for expected credit losses is recognised when there is objective evidence that an individual trade or term receivable is impaired.

There are no balances within trade and other receivables that contain assets that are past due. It is expected these balances will be received when due. Refer to note 26 Financial Risk Management for further details.

10. CONTROLLED ENTITIES

	Country of incorporation	Percentage owned 2019 %	2018 %
Subsidiaries of Ironbark Zinc Limited:			
Bedford (No 3) Ltd	British Virgin Islands	100	100
Ironbark Zinc Pty Ltd	Australia	100	100
Doctor Evil Pty Ltd	Australia	100	100
Ironbark Aust Pty Ltd	Australia	100	100
Ironbark A/S	Greenland	100	100

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

11. PLANT & EQUIPMENT

	2019 $000	2018 $000
Plant and equipment:		
At cost	-	18
Accumulated depreciation	-	(12)
Total plant and equipment	-	6

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and equipment $000
Consolidated Group:	
Balance at 1 July 2017	2
Additions	5
Disposals	-
Depreciation expense	(1)
Balance at 30 June 2018	6
Additions	4
Disposals	(8)
Depreciation expense	(2)
Balance at 30 June 2019	-

12. FINANCIAL ASSETS

	2019 $000	2018 $000
NON-CURRENT		
Financial assets	*10*	-
	10	-

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2019 $000	2018 $000
Opening fair value	-	-
Additions	-	-
Disposals	-	-
Revaluation increments/(decrements)	10	-
Closing fair value	10	-

Financial assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

The Consolidated Entity’s exposure to credit, market and liquidity risk related to financial assets is disclosed in Note 26.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

13. OTHER ASSETS

	2019 $000	2018 $000
Current		
Prepayments	13	17
Other	1	-
	14	17
Non-current		
Environmental bond	1,375	74
Term deposit for credit card	40	40
	1,415	114
Total other assets	1,429	131

14. EXPLORATION AND EVALUATION EXPENDITURE

	2019	2018
Exploration expenditure capitalised - exploration and evaluation	54,601	49,396
Movement in carrying value:		
Brought forward	49,396	45,477
Exploration expenditure capitalised during the year	4,020	1,563
Foreign exchange movement on translation	1,219	2,606
Impairment on exploration expenditure	(34)	(250)
At reporting date	54,601	49,396

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.

The Consolidated Entity has assessed the carrying amount of the exploration and evaluation expenditure in accordance with AASB 6 Exploration and Evaluation of Mineral Resources and has recognised an impairment expense of $33,550 (2018: $250,306) and included in the statement of profit or loss and other comprehensive income. The majority of this impairment expense recognised is attributable to the Consolidated Entity's Fiery Creek, Mestersvig and Washington land project's which were conservatively written down.

15. INTERESTS IN JOINT OPERATIONS

The Company has a material joint operation Captains Flat tenement in Australia. The Company has a 50% share in the tenement lease which is jointly owned with NSW Base Metals Pty Ltd ("NSW Base Metals"). The Company has classified this as a joint arrangement because under the terms of the arrangement, NSW Base Metals and the Company share the ownership of the asset. The tenements expenditure commitments are jointly funded by NSW Base Metals and the Company.

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

16. TRADE AND OTHER PAYABLES

	2019 $000	2018 $000
Trade payables	91	123
Sundry payables and accrued expenses	344	285
	435	408

Refer to note 26 Financial Risk Management for further details.

17. PROVISIONS

Employee benefits		
Annual leave	124	118
Long service leave	64	53
	188	171

	Employee benefits $000
Opening balance at 1 July 2018	171
Increase of provision	17
Balance at 30 June 2019	188

18. ISSUED CAPITAL

	2019 $000	2018 $000
709,650,690 (2018: 638,222,119) fully paid ordinary shares	128,665	126,665
Less: capital raising costs	(3,852)	(3,715)
	124,813	122,950

a. Ordinary shares

	2019 No.	2018 No.	2019 $000	2018 $000
At the beginning of reporting period	638,222,119	539,425,912	126,665	120,524
Shares issued during the year (*)	71,428,571	98,796,207	2,000	6,141
At reporting date	709,650,690	638,222,119	128,665	126,665

* On 28 November 2018 the Company announced a placement of 71,428,571 fully paid ordinary shares with sophisticated investors. The shares had an issue price of $0.028 per share raising the Company $2,000,000, which will contribute to financing the continual development of the Citronen Project and provide general working capital.

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. The fully paid ordinary shares have no par value.

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. *Capital Management*

The Directors' primary objective is to maintain a capital structure that ensures the lowest cost of capital to the Company. At reporting date the Company has no external borrowings. Other than the placement noted in subsequent events, the Directors have no current plans to raise capital through the issue of additional shares in the Company. The Company is not subject to any externally imposed capital requirements.

19. RESERVES

Share based payment reserve

The share based payment reserve records items recognised as expenses on valuation of employee share and consultants options.

	2019 $000	2018 $000
Reserve at beginning of financial year	-	1,309
Lapse of options on expiry	-	(1,309)
Reserve at end of financial year	-	-

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Reserve at beginning of financial year	3,318	716
Exchange differences arising on translating the foreign operations	1,226	2,602
Reserve at end of financial year	4,544	3,318

20. CAPITAL COMMITMENTS

In order to maintain current rights of tenure to exploration tenements the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State Governments and overseas government bodies. These obligations can be reduced by selective relinquishment of exploration tenure or renegotiation.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Capital expenditure commitments contracted for exploration and evaluation expenditure payable for each of the Company's tenements are listed below:

		2019		2018	
Project	**Licence**	Within one year $000	Later than one year but no later than five years $000	Within one year $000	Later than one year but no later than five years $000
Australian Projects					
Captains Flat	EL6381	300	-	120	300
Fiery Creek	EL6925	375	-	350	-
Belara	EL6576	175	-	-	-
Greenland Projects					
Citronen	2007/31	49	-	180	180
Citronen	2010/47	49	-	142	142
Citronen	2019/10	123	701	-	-
Mestersvig	2007/32	49	-	169	169
Mestersvig	2011/28	95	49	48	143
Mestersvig	2016/22	49	24	99	116
Washington Land	2007/33	49	-	115	115
Total commitments		1,313	774	1,223	1,165

21. OPERATING SEGMENTS

Identification of reportable segments

The Group 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 Group 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.

Ironbark Zinc Limited

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

2019		**Australia $000**	**Greenland $000**	**Total $000**
(i)	**Segment performance**			
	For the year ended 30 June 2019			
	Revenue			
	Other revenue	25	-	25
		25	-	25
	Unallocated items:			
	Interest revenue			1
	Cost recoveries			103
	Total segment revenue			129
	Reconciliation of segment result to group net profit/(loss) before tax			
	Amounts not included in segment result but reviewed by the Board:			
	Exploration expenditure impairment	54	(87)	(34)
	Unallocated items:			
	Other expenses			(1,321)
	Net loss before tax			(1,226)
(ii)	**Segment assets**			
	As at 30 June 2019			
	Segment assets at 1 July 2018	1,472	48,103	49,575
	Segment asset increase/(decrease) for the period:			
	Exploration expenditure	62	5,143	5,205
	Financial assets	-	2	-
	Other assets	-	1,301	1,301
		1,534	54,549	56,083
	Reconciliation of segment assets to group assets			
	Unallocated assets:			
	Financial assets			493
	Trade and other receivables			36
	Plant and equipment			-
	Other assets			54
	Total group assets			56,666
(iii)	**Segment liabilities**			
	As at 30 June 2019			
	Reconciliation of segment liabilities to group liabilities			
	Other liabilities	-	17	17
		-	17	17
	Reconciliation of segment liabilities to group liabilities			
	Unallocated Items:			
	Other liabilities			606
	Total group liabilities			623

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

2018		Australia $000	Greenland $000	Total $000
(iv)	**Segment performance**			
	For the year ended 30 June 2018			
	Revenue			
	Unallocated items:			
	Interest revenue			24
	Cost recoveries			125
	Other revenue			2
	Total segment revenue			151
	Reconciliation of segment result to group net profit/(loss) before tax			
	Amounts not included in segment result but reviewed by the Board:			
	Exploration expenditure impairment	(25)	(225)	(250)
	Unallocated items:			
	Other expenses			(1,674)
	Net loss before tax			(1,775)
(v)	**Segment assets**			
	As at 30 June 2018			
	Segment assets at 1 July 2017	1,233	44,415	45,648
	Segment asset increase/(decrease) for the period:			
	Exploration expenditure	239	3,680	3,919
	Financial assets	-	5	5
	Other assets	-	3	3
		1,472	48,103	49,575
	Reconciliation of segment assets to group assets			
	Unallocated assets:			
	Cash and cash equivalents			5,076
	Trade and other receivables			44
	Plant and equipment			6
	Other assets			58
	Total group assets			54,759
(vi)	**Segment liabilities**			
	As at 30 June 2018			
	Reconciliation of segment liabilities to group liabilities			
	Other liabilities	4	12	16
		4	12	16
	Reconciliation of segment liabilities to group liabilities			
	Unallocated Items:			
	Other liabilities			563
	Total group liabilities			579

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Segment analysis by geographical region	Non-current assets	
	2019	2018
	$000	$000
Australia	1,574	1,518
Greenland	54,442	47,998
	56,016	49,516

22. CASH FLOW INFORMATION

	2019 $000	2018 $000
Reconciliation of cash flow from operations with loss after income tax		
Net loss for the year	(1,226)	(1,775)
Non cash flows in loss		
Depreciation	2	1
Equity based payments	-	142
Foreign currency translation movement	-	14
Realised loss on disposal of assets	8	-
Realised loss on receivables	37	-
Provision for impairment of receivables	(38)	-
Unrealised movements of financial assets	(10)	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in exploration and evaluation expenditure	(4,062)	(1,341)
(Increase)/decrease in trade and term receivables	(21)	(8)
(Increase)/decrease in prepayments	4	1
Increase/(decrease) in trade payables and accruals	27	(37)
Increase/(decrease) in provisions	16	40
Cash flow from operations	(5,263)	(2,913)

23. SHARE BASED PAYMENTS

SHARE OPTIONS

All share-based option payment arrangements had expired by 30 June 2019.

	2019		2018	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Issue to Key Management Personnel	**No**	**$**	**No**	**$**
Outstanding at the beginning of the year	-	-	13,000,000	0.133
Granted	-		-	
Forfeited	-		-	
Exercised	-		-	
Expired (a)	-	-	(13,000,000)	0.133
Outstanding at year end	-	-	-	-
Exercisable at year end	-	-	-	-

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

	2019		2018	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Issue to other employees				
Outstanding at the beginning of the year	-	-	1,000,000	0.133
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired (a)	-	-	(1,000,000)	0.133
Outstanding at year end	-	-	-	-
Exercisable at year end	-	-	-	-
Issue to consultants				
Outstanding at the beginning of the year	-	-	5,000,000	0.30
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired (b)	-	-	(5,000,000)	0.30
Outstanding at year end	-	-	-	-
Exercisable at year end	-	-	-	-

There were no unlisted shares options still on issue at reporting date.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

The following share-based payment arrangements were in existence during the current and prior reporting periods:

Series	Number Granted No.	Number Vested No.	Grant Date	Expiry Date	Exercise Price $	Fair Value at Grant Date $
(i) Consultants	5,000,000	5,000,000	24/01/2012	31/12/2017	0.30	0.143
(ii) Key management personnel	13,000,000	13,000,000	20/11/2014	20/11/2017	0.133	0.0423
(iii) Other employees	1,000,000	1,000,000	20/11/2014	20/11/2017	0.133	0.0423

Details of factors used in the Black Scholes option valuation calculation for the options granted:

Inputs into the Model	Series (i)	Series (ii)	Series (iii)
Grant date share price	$0.24	$0.09	$0.09
Exercise price	$0.30	$0.133	$0.133
Expected volatility	69%	85.79%	85.79%
Option life	5 years	3 years	3 years
Risk-free interest rate	3.57%	2.57%	2.57%

24. RELATED PARTY DISCLOSURES

i. The ultimate parent entity in the Group is Ironbark Zinc Limited.

ii. No amounts in addition to those disclosed in the Remuneration Report in the Directors' Report were paid or payable to Directors of the Company at the end of the year.

iii. There were no loans to key management personnel at the end of the year.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Related entity receivables/payables

Receivables
The Company charges a related party for shared office and salary expenses. Corazon Mining Limited is considered related due to Jonathan Downes directorship in the entity.

Corazon Mining Limited ("Corazon")
The total charged for the financial year ended 30 June 2019 was $30,646 (2018: $33,274). At reporting date the balance for outstanding receivables owing by Corazon was $1,873

Wholly owned group transactions/balances

The following intercompany loans were in existence at reporting date:

Balance of loans provided from Parent entity at financial year end

Ironbark A/S	$49,390,978 (2018: $45,271,268)
Ironbark Aust Pty Ltd	$100,415 (2018: $100,415)
Dr Evil Pty Ltd	$146,271 (2018: $146,271) (a)
Ironbark Zinc Pty Ltd	$25,458 (2018: $25,458) (a)

(a) These intercompany loans have been fully impaired at reporting date.

25. EVENTS AFTER THE REPORTING DATE

On 30 July 2019 the Company announced an issue of 136,066,593 fully paid ordinary shares with an issue price of $0.015, pursuant to the Company's Share Purchase plan offer (offer announced on 4 July 2019). The Company raised $2,040,999, which will provide funding to further develop the Company's Citronen project and provide general working capital.

On 7 August 2019 the Company announced that the arbitration proceedings brought against the Company by Glencore had concluded, with Glencore's claim being dismissed. Glencore claimed that it had a contractual right to an ongoing Board position in the Company.

No further matters or circumstances other than matters listed above have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

26. FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies
The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

i. **Treasury Risk Management**
The Board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Risk management policies are approved and reviewed by the Board on a regular basis. These include the use of credit risk policies and future cash flow requirements.

ii. Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are foreign currency risk, liquidity risk, credit risk and price risk.

Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's measurement currency. The currencies in which these transactions primarily are denominated are AUD, DKK, and CAD.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities. The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Group does not have any material credit risk exposure to any single receivable or Group of receivables under financial instruments entered into by the Group.

Price risk

a) Commodity price risk

   The Group is not directly exposed to commodity price risk. However, the Company has recently completed a feasibility study. There is a risk that the changes in prevailing market conditions and commodity prices could affect the viability of the project.

b) Equity price risk

   Equity price risk arises from equity securities held. Material investments are managed on an individual basis and all buy and sell decisions are approved by the board.

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

The Group holds the following financial instruments:

	2019 $000	2018 $000
Financial assets:		
Cash and cash equivalents	591	5,182
Receivables	35	44
Other assets	1,425	114
Total financial assets	2,051	5,340
Financial liabilities:		
Trade and sundry payables	435	408
Total financial liabilities	435	408
	1,616	4,932

Trade and sundry payables are expected to be paid as follows:		
Less than 1 month	435	408

iii. Fair value

Trade Receivables and Payables

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.

v. Sensitivity analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The Group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2019, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2019 $000	2018 $000
Monetary items exposed to interest rate fluctuations at reporting date		
Cash and cash equivalents	-	-
Other assets	1,405	104
Trade and other creditors	(9)	(15)
	1,396	89

The effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

NOTES TO THE CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Change in profit	2019 $000	2018 $000
Increase in interest rate by 1% (100 basis points)	10	1
Decrease in interest rate by 1% (100 basis points)	(10)	(1)
Change in equity		
Increase in interest rate by 1% (100 basis points)	10	1
Decrease in interest rate by 1% (100 basis points)	(10)	(1)

Foreign Currency Risk Sensitivity Analysis

The carrying amount of the Consolidated Entity's foreign currency denominated financial assets and financial liabilities at the reporting date was as follows:

	Assets		Liabilities	
Consolidated	**2019 $000**	**2018 $000**	**2019 $000**	**2018 $000**
DKK	6,808	810	-	-

At 30 June 2019 the effect on profit and equity as a result of changes in the value of the Australian Dollar to the Danish Kroner (DKK) with all other variables remaining constant is as follows:

	2019 $000	2018 $000
Change in profit		
Improvement in AUD to DKK by 10%	(97)	(11)
Decline in AUD to DKK by 10%	119	14
Change in equity		
Improvement in AUD to DKK by 10%	(97)	(11)
Decline in AUD to DKK by 10%	119	14

Interest Rate Risk Exposure Analysis

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing	
FINANCIAL ASSETS	**2019 %**	**2018 %**	**2019 $000**	**2018 $000**	**2019 $000**	**2018 $000**
Cash at bank & on hand	0.0%	0.0%	-	-	590	5,182
Receivables	-	-	-	-	35	44
Other assets	0.29%	0.99%	1,405	104	10	10
Total financial assets			1,405	104	635	5,236
FINANCIAL LIABILITIES						
Payables		15.5%	9	16	426	392
Total financial liabilities			9	16	426	392

The above interest rate, foreign exchange rate and price risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

27. COMMITMENTS FOR EXPENDITURE

Operating leases

The current office sub-lease on the premises at Level 2, 38 Richardson Street, West Perth WA is renewed monthly.

Greenland Government Environmental deposit

The Company has agreed to provide a guarantee to the Greenland Government to support potential costs of rehabilitation of the site in relation to removal of the camp and equipment and returning the site to its original state.

Within one year	$1,852,041
Later than one year but not more than five years	-
Total	$1,852,041

The Company has paid and provided a guarantee for $930,000 of the above commitment, subsequent to year end, and is in discussion with the Greenland Government to reduce or waive the balance based on a reduced estimate of rehabilitation costs.

28. PARENT ENTITY DISCLOSURES

	2019 $000	2018 $000
Financial position		
Assets		
Current assets	532	5,137
Non-current assets	52,440	46,953
Total assets	52,972	52,090
Liabilities		
Current liabilities	610	579
Total liabilities	610	579
Net assets	52,363	51,511
Equity		
Issued capital	124,813	122,950
Share based payments reserve	-	-
Accumulated losses	(72,451)	(71,439)
Total equity	52,362	51,511
Financial performance		
Loss for the year	(1,012)	(1,213)
Other comprehensive income/(loss)	-	-
Total comprehensive loss	(1,012)	(1,213)

Commitments

The commitments of the Parent Entity are consistent with that of the Consolidated Entity (refer to note 27).

NOTES TO THE CONSOLIDATED STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (cont)

Contingent assets, contingent liabilities and guarantees

The contingent assets, contingent liabilities and guarantees of the Parent Entity are consistent with that of the Consolidated Entity (refer to note 30).

29. DIVIDENDS

The Board of Directors have recommended that no dividend be paid.

30. CONTINGENT ASSETS AND LIABILITIES

The Company is unaware of any contingent assets or liabilities that may have a material impact on the Company's financial position.

31. COMPANY DETAILS

The registered office and principal place of business is:

Ironbark Zinc Limited
Level 2
38 Richardson Street
WEST PERTH WA 6005

DIRECTOR'S DECLARATION

The Directors of the Company declare that:

The financial statements, notes and additional disclosures included in the Directors' report and designated as audited, are in accordance with the *Corporations Act 2001* and:

a) comply with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Consolidated Entity and Company;

c) the financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statement.

The Chief Executive Officer and Chief Financial Officer have each declared that:

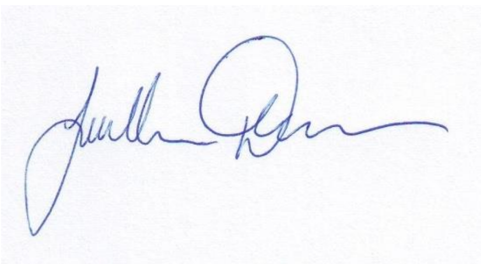
a) the financial records of the Company for the financial year have been properly maintained in accordance with section 295A of the *Corporations Act 2001*;

b) the financial statements and notes for the financial year comply with the Australian Accounting Standards and Interpretations; and

c) the financial statements and notes for the financial year give a true and fair view;

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 Board of Directors.



Jonathan Downes
Managing Director

Dated this day 18 September 2019

Advisory • Audit
Business Solutions

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IRONBARK ZINC LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Ironbark Zinc Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion:

The financial report of Ironbark Zinc Limited is in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(aa) in the financial report, which indicated that the consolidated entity incurred a net loss after tax of $1,225,767 during the year ended 30 June 2019 (2018: loss of $1,774,921). The consolidated entity will be reliant on future capital raisings to continue as a going concern. This, along with other matters as set forth in Note 1(aa), indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

The financial report of the consolidated entity does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

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Independence

We are independent of the consolidated entity in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. This matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For this matter, our description of how our audit addressed the matter is provided in that context.

Carrying Value of Capitalised Exploration Expenditure

Why significant

As at 30 June 2019 the carrying value of exploration and evaluation assets was $54,601,177 (2018: $49,396,513), as disclosed in Note 14.This represents 96% of the total assets of the consolidated entity.
The Group's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 1c and in relation to significant accounting estimates, judgments and assumptions is outlined in Note 1a (ii) and (iv).
Significant judgement is required:

- in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and
- in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the Group's accounting policy. In particular:
  - whether the particular areas of interest meet the recognition conditions for an asset; and
  - which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.

How our audit addressed the key audit matter

Our work included, but was not limited to, the following procedures:

- conducting a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:
  - assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;
  - holding discussions with the directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and
  - obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programmes;
- considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
- testing, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the consolidated entity's accounting policy; and
- assessing the appropriateness of the related disclosures in Notes 1a(ii), 1a(iv), 1c, and 14.

Other Information

Other information is financial and non-financial information in the annual report of the consolidated entity which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report.

The Other Information we obtained prior to the date of this Auditor's Report was the Managing Director's Letter, Director's report and Additional Information for Listed Public Companies.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Directors' Responsibilities for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the Directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Ironbark Zinc Limited for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

18 SEPTEMBER 2019
WEST PERTH
WESTERN AUSTRALIA

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies only.

Ordinary share capital

845,717,283 fully paid shares are held by 1,991 individual shareholders as at 4 September 2019.
There were no shareholdings held in less than marketable parcels.
Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Distribution of holders of equity securities

Category (size of holding)	Number Fully paid ordinary shares
1 – 1,000	0
1,001 – 5,000	118
5,001 – 10,000	154
10,001 – 100,000	196
100,001 – and over	774
	1,991

Substantial shareholders

	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
TORONGA PL and DULYNE PL	115,000,000	13.59%
NYRSTAR INTNL BV	97,690,702	11.55%
SINGPAC INV HLDG PTE LTD	44,110,593	5.22%

Largest shareholders — ordinary shares

A record of the 20 largest shareholders as at 5 September 2019 is as follows:-

	Ordinary shareholders	Number of Ordinary Fully Paid Shares Held	% Held of Issued Capital
1	NYRSTAR INTNL BV	97,690,702	11.55%
2	TORONGA PL	60,000,000	7.09%
3	DULYNE PL	55,000,000	6.50%
4	SINGPAC INV HLDG PTE LTD	44,110,593	5.22%
5	KANGATHARAN RAM SHANKER	21,830,000	2.58%
6	CITICORP NOM PL	14,592,553	1.73%
7	RAMCO INV PL	10,170,000	1.20%
8	JAMAX HLDGS PL	9,929,772	1.17%
9	EQUITY TTEES LTD	6,404,487	0.76%
10	DUNHILL GAVIN JEREMY	6,000,000	0.71%
11	ROGERS P W + CLARK A J	5,999,766	0.71%
12	SHOW CATERERS PL	5,500,000	0.65%
13	STEINHARDT TREVOR RONALD	5,452,000	0.64%
14	CAMPBELL GRAHAM S + H R	5,000,000	0.59%
15	MCGUIRE PETER JOSEPH	4,700,000	0.56%
16	HSBC CUSTODY NOM AUST LTD	4,699,124	0.56%
17	DOWNES JONATHAN C + K P	4,658,704	0.55%
18	CAMPBELL TIMOTHY STEWART	4,500,000	0.53%
19	LEET INV PL	4,300,000	0.51%
20	CANONBAR INV PL	4,143,430	0.49%
	TOP 20 TOTAL	374,681,131	44.30%

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES (Cont.)

Company Secretary
Mr Robert Orr

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Level 2, 38 Richardson Street,
WEST PERTH WA 6005.
Telephone +61 (0) 8 6461 6350

Share Registry
Security Transfer Registrars
770 Canning Highway,
APPLECROSS, WA 6153.
Telephone +61 (0) 8 9315 2333

SCHEDULE OF INTERESTS IN MINING TENEMENTS

	Project	Tenement Number	Location of tenements	% of interest
1	Captains Flat (In Joint Venture with Glencore)	EL6381	New South Wales	50%
2	Fiery Creek	EL6925	New South Wales	100%
3	Citronen	2016/30 (exploitation Lic), 2007/31, 2010/47 2019/10	Greenland	100%
4	Mestersvig	2007/32 2011/28,2016/22	Greenland	100%
5	Washington Land	2007/33	Greenland	100%

Ironbarks Mineral Resources and Reserves (MROR) Statement

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

Competent Persons Statement

The information included in this report that relates to Exploration Targets, Exploration Results & Mineral Resources is based on information compiled by Mr Jonathan Downes (B. Sc, MAIG) and Ms Elizabeth Laursen (B. ESc Hons (Geol), MSEG, MAIG, GradDipAppFin), both employees of Ironbark Zinc Limited. Mr Downes and 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 Targets, Exploration Results, Mineral Resources and Ore Reserves. Mr Downes and 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

Mr Downes and Ms Laursen are employees of Ironbark Zinc Limited and currently hold securities in the company.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES (Cont.)

The MROR was updated in the year ended 30 June 2015. Ironbark announced to the ASX on 25 November 2014 information pertaining to the exploration and mineral resource estimates of the Citronen Base Metals Project in accordance with ASX Listing Rule 5.8 and compliance with the 2012 JORC Code.

A review of factors was conducted which may affect the MROR. These examined included;

- Sovereign risk
- Commodity prices
- Processing or metallurgical understanding
- Environmental or mineability setting
- Standing of consultants/contractors/technology used in estimation process.

Further details relating to the resource can be found on the release lodged with the ASX on 25 November 2014. Table 1 of the release provides full details on the data collection, interpolation and estimation parameters used in the calculation of this statement.

Ironbark is not aware of any new information or data that materially affects the information included in this report, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this report continue to apply and have not materially changed.

Summary of governance and controls

Ironbark employs professional technical personnel who oversee exploration and data gathering on site. These personnel are also involved with assisting independent consultants and contractors used in the data gathering and estimation processes which produce the MROR Statement.

Ironbark employs qualified geoscientists (geologists) registered with relevant national professional bodies to conduct work required with the preparation and publication of MROR statements. Independent contractors and consultants are used in the calculation of mineral resources. Work is also conducted by different organisations and results have historically been compared as checks on publicly reported information. Internal controls ensure that multiple geologists are involved in the planning, implementation, data gathering, interpretation of results. Sample data is checked on site using portable assay equipment and then despatched to independent certified assay laboratories for assaying. Data was compiled and QA/QC checks completed by database administration consultants. All data gathering is done using standard and acceptable industry practices. Resource estimation is conducted using eternal consultants and contractors who have been present on site during periods of exploration and have witnessed internal practices and procedures. Resource estimates are then reported when they are confirmed by the Competent Person (Ironbark staff member) and released. This is considered acceptable and industry standard practice.

CORPORATE GOVERNANCE

Ironbark Zinc Limited and its controlled entities ("the Consolidated Entity") are committed to high standards of corporate governance. Policies and procedures which follow the "Principles of Good Corporate Governance and Best Practice Recommendations" 3rd Edition issued by the Australian Securities Exchange ("ASX") Corporate Governance Council, to the extent they are applicable to the Consolidated Entity, have been adopted. The Companies corporate governance policies and procedures are disclosed on the Company web site which can be found on the following link: http://ironbark.gl/corporate/corporate-governance/