

11 September 2019

Company Announcements

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

IRONBARK HIGH GRADE STUDY RESULTS – RETURNS UP TO 10.4% ZN+PB HEAD GRADE

Ironbark Zinc Limited (“**Ironbark, the Company**”) (ASX: IBG) is pleased to provide an update on the Company’s high-grade mining review. With preliminary results showing an increase in grade over the first 10 years of 23% from the original large scale (3.3Mtpa) mine plan¹, the revised mining schedule will form the basis for a study on an alternative 1Mtpa operation to be considered by the IBG Board.

HIGH GRADE 1Mtpa MINE INITIATIVE

Mining Plus are working on an alternative model to develop a smaller initial operation with a targeted 1Mtpa production rate. This opportunity is expected to provide:

- Lower Capital costs
- Grades up to 10.4% zinc+lead in Phase I, with the option to expand production to 3.3Mtpa, subject to market demand, during Phase II.
- The opportunity to target a high-grade but reduced scale operation is supported by existing drilling that has most of the shallow Beach Zone (the highest-grade portion of the Citronen resource) 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 study will investigate the option of scaling the development of Citronen in a manner more suited to current capital markets.

Ironbark has commenced work with a view to releasing the revised Study within two months. The major engineering work will be directly applicable to this revised Study and is not expected to require any further site work.

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

¹ Refer to ASX announcement 12 September 2017. Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, 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.

Background

Ironbark has 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). This review was centred on the potential to develop a smaller, 1Mtpa start-up mine with expected associated lower capital costs. It is anticipated that the smaller scale operation will be designed to ramp up to the full scale 3.3Mtpa case at a later date. The review has produced a modified Mining Schedule that provides an increased head grade to 10.4% zinc+lead in the first year of full production and a mined head grade of 8.9% zinc+lead over the first 4 years at full production rate of 1Mtpa (Figure 2). This high-grade result will provide the basis for ongoing studies as a revised smaller scale capital cost is evaluated. The engineering costs of the smaller high-grade operation are currently under review. Further engineering work will be required before the economic results can be reported. Ironbark is currently working on providing the details of this new schedule and its economic impact to the market once the work has been incorporated into the Feasibility Study (ASX Release 12 September 2017).

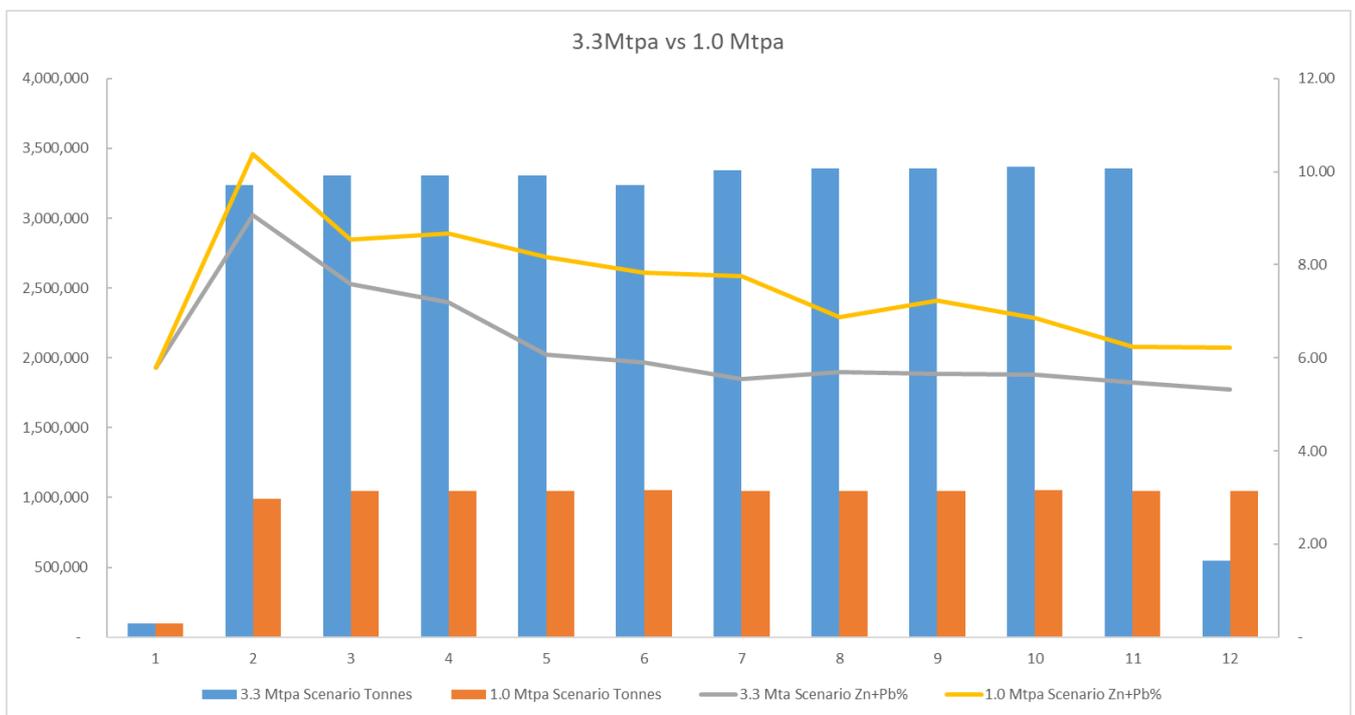


Figure 1: Previous Mining Schedule vs Revised Mining Schedule.

A breakdown of the planned mine development is provided in Figure 2.

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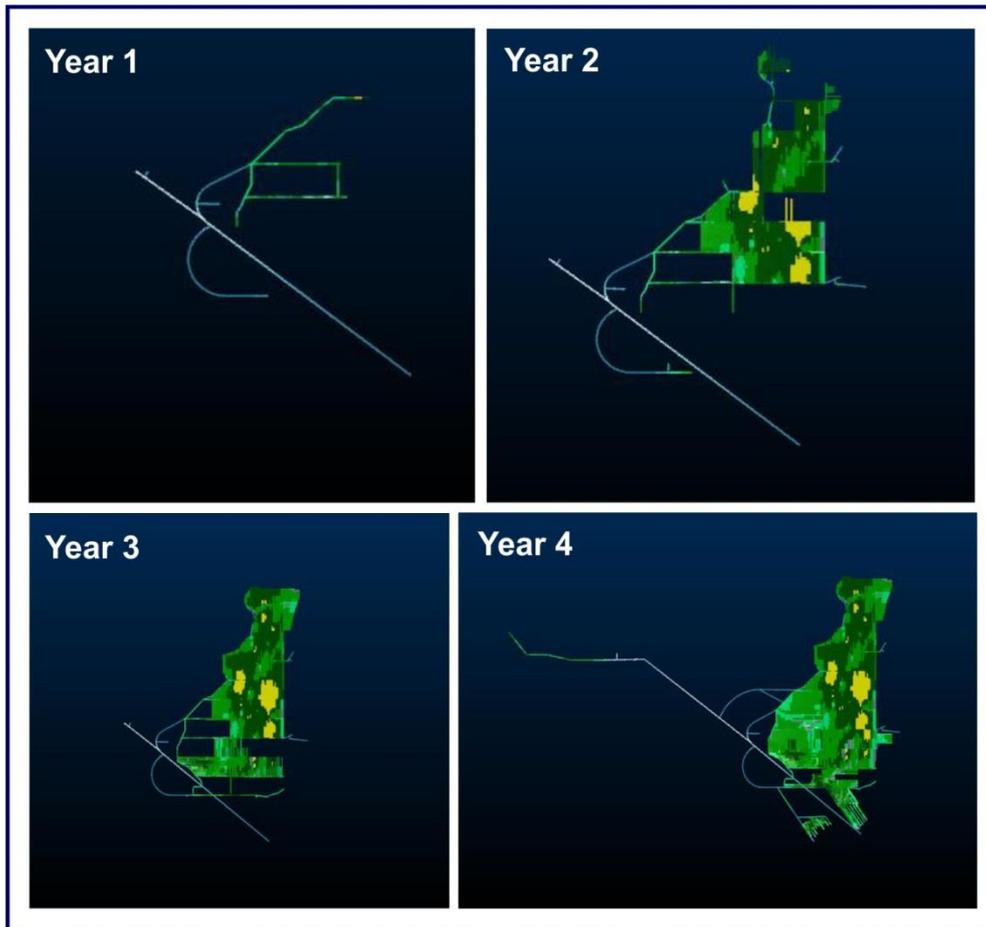


Figure 2: Proposed mine development plans Years 1 -4.

Ironbark recognises that the Citronen project has a grade tonnage curve that hosts a large high-grade resource, primarily in the Beach and Esum resource areas (Figure 3). A resource of this scale provides the opportunity to select the optimum grade sought against the mine life and capital cost.

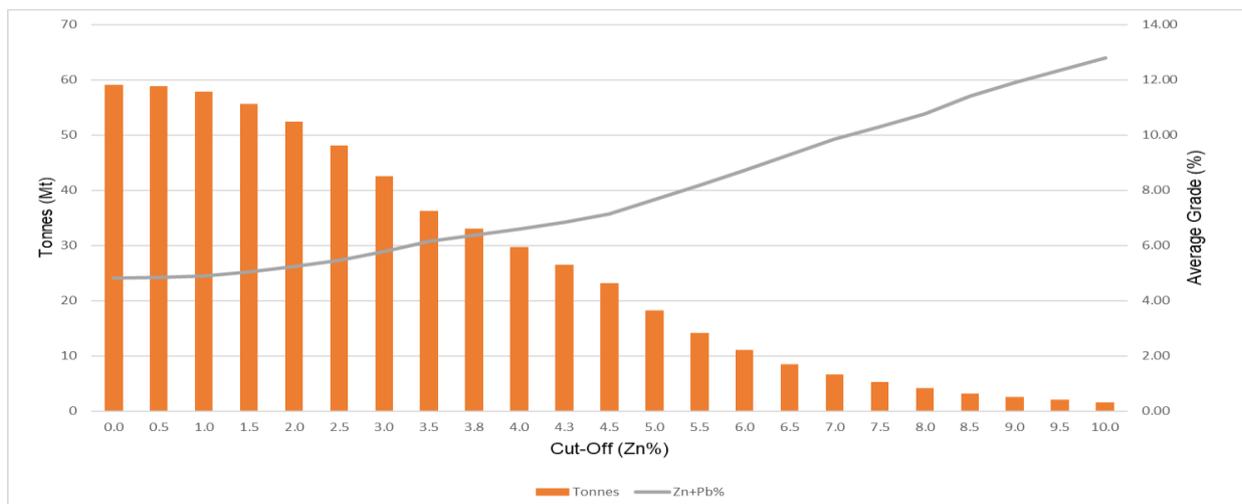


Figure 3: Grade Tonnage Curve for Citronen (refer to ASX announcement 23 July 2019).

Ironbark is focused on developing one of the world's largest zinc mines and believes it has the resource base to support these aspirations. Ironbark has been given encouragement regarding the debt component to partly fund the currently planned mine development. Nevertheless, the challenge lies in solving the equity component of the project while facing relatively challenging market conditions. While Ironbark is in discussions on joint venture opportunities, we have been looking at financing solutions that better suit the broader current market.

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

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ABOUT IRONBARK

Ironbark is listed on the Australian Securities Exchange and is seeking to become a base metal mining house. Ironbark seeks to build shareholder value through exploration and development of its projects and also seeks to actively expand the project base controlled by Ironbark through acquisition. The management and board of Ironbark have extensive technical and corporate experience in the minerals sector.

The wholly owned Citronen base metal project currently hosts in excess of 13.1 Billion pounds of zinc (Zn) and lead (Pb). For full details refer to ASX announcement 25 November 2014 – Citronen Project Resource Update – JORC 2012 compliant resource. Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

The current JORC 2012 compliant resource at 6.0% Zn cut-off for Citronen:

17.64 Mt @ 8.24%Zn+Pb

Beach Zone					
	Cut-off	Tonnes	Zn%	Pb%	Zn+Pb%
Measured	6.0%	5,031,646	8.00	0.75	8.75
Indicated	6.0%	5,176,277	8.14	0.71	8.86
Inferred	6.0%	786,650	7.14	0.54	7.68
Total	6.0%	10,994,572	8.00	0.72	8.72

Esrum Zone					
	Cut-off	Tonnes	Zn%	Pb%	Zn+Pb%
Measured	6.0%				
Indicated	6.0%	3,996,827	7.23	0.47	7.70
Inferred	6.0%	2,648,161	6.55	0.50	7.05
Total	6.0%	6,644,987	6.96	0.48	7.44

Beach + Esrum Zones					
	Cut-off	Tonnes	Zn%	Pb%	Zn+Pb%
Measured	6.0%	5,031,646	8.00	0.75	8.75
Indicated	6.0%	9,173,104	7.74	0.61	8.35
Inferred	6.0%	3,434,811	6.69	0.51	7.19
Total	6.0%	17,639,561	7.61	0.63	8.24

Reported at a 6.0% cut-off using Inverse Distance Squared Interpolation (ASX Release 25/11/2014)

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

Disclosure Statements and Important Information

Forward Looking Statements

The following information is not intended to guide any investment decisions in Ironbark Zinc Limited. This material contains certain forecasts and forward-looking information, including possible or assumed future performance, costs, production levels or rates, reserves and resources, prices and valuations and industry growth and other trends. Such forecasts and information are not a guarantee of future performance and involve many risks and uncertainties, as well as other factors. Actual results and developments may differ materially from those implied or expressed by these statements and are dependent on a variety of factors. The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, based on the information contained in this and previous ASX announcements.

The Citronen Zinc Project is considered to be at an early development stage and will require further regulatory approvals and securing of finance and there is no certainty that these will occur. Nothing in this material should be construed as either an offer to seek a solicitation or as an offer to buy or sell Ironbark securities. Consideration of the technical and financial factors requires skilled analysis and understanding of their context.

Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, 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.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources is based on information compiled by Ms Elizabeth Clare Laursen (B. ESc Hons (Geol), GradDip App. Fin., MSEG, MAIG), an employee of Ironbark Zinc Limited. Ms Laursen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Laursen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Competent Persons Disclosure

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

