

9 March 2021

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

Ironbark Raises \$3m to Progress to FID and EXIM Bank Loan proposal

Ironbark Zinc Limited (“Ironbark”, “the Company” or “IBG”) is pleased to update its shareholders with respect to its recently completed capital raise.

Highlights

- Strongly supported capital raise completed with \$3 million in firm commitments received for the issue of 125 million shares at \$0.024 per share (**Placement**),
- The Placement will take place in two tranches:
 - 95,498,585 shares will be issued from existing placement capacity; and
 - 29,501,415 shares will be issued subject to shareholder approval at an EGM proposed to be held on or around Monday 19 April
- Ironbark welcomes several new institutional shareholders onto the register
- Funding now in place to complete all work required to reach a Final Investment Decision (FID) at Citronen, including all costs associated with the proposed EXIM Bank Loan

IBG Managing Director Michael Jardine commented:

“The Board is pleased with the strong support received from the market in its recently closed capital raising.

Ironbark has not placed new shares since October 2019 and preserving the capital structure has been a focus throughout, as has rigorous cash management. The Ironbark corporate overhead has remained fixed since the current management team implemented its cost reduction program upon appointment in September 2019.

Direct project spend is now ramping up and further investment is required to optimise the goals in front of the business in 2021. This placement, conducted at an 80% premium to the October 2019 raise, will maximise the opportunity for Ironbark to complete its BFS update in a timely manner and go on to apply to convert the EXIM LOI into a binding loan facility.”

Rationale and Use of Funds

The proceeds of the Placement will be applied to completing the 2021 Bankable Feasibility Study (BFS), underwriting the costs of the EXIM loan process and for general working capital.

With respect to the BFS update, Ironbark have elected to complete approximately \$300,000 of new metallurgical test work aimed at further de-risking metallurgical performance. This is being completed by ALS Burnie under the supervision of IBG advisors Mineralis.

Existing cash was reduced at the recent completion of the Citronen Production Royalty buyback.

With respect to the EXIM loan process:

- On current estimates, IBG is preparing to invest approximately \$1 million in its EXIM loan application process to cover sponsor costs such as technical review, any required site visits and loan documentation
- These are standard items in any project financing application and IBG must be able to demonstrate sufficient equity to cover these costs prior to making its application

- Where possible these costs will be minimised, and in the event that a senior lending syndicate involving banks other than EXIM is agreed, it is Ironbark's intention that these costs will be applied to the whole group rather than duplicated for each lender

Placement Details

The Tranche 1 Placement Shares will fall within the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A. 1,421,581 Placement Shares will be issued under the Company's LR 7.1 capacity and 94,077,004 Placement Shares will be issued under the Company's LR7.1A capacity. The Placement Shares issued will rank equally with Ironbark's existing shares quoted on the ASX.

The Company is expected to settle the Tranche 1 Placement on 15 March 2021 and quotation of the Tranche 1 Placement Shares is expected to take place on 16 March 2021.

The Tranche 2 Placement Shares will be issued subject to Shareholder Approval at a general meeting to be convened on or around 19 April 2021.

With the recent closure of the Pearyland Royalties Co. Limited transaction and pending the successful completion of both tranches of the placement, Ironbark will have 1,196,750,027 shares on issue.

Advisers

Morgans Corporate Limited acted as Lead Manager to the Placement, and Everblu Capital acted as Co-Manager to the Placement. Bacchus Capital Advisers acted as Financial Adviser to Ironbark.

In a strong show of support for the company, Bacchus Capital Advisers has elected to take 100% of its current fees owed – covering several milestones achieved in recent months – in Ironbark shares at the placement price. Approval for this will also be obtained at the shareholder meeting to be convened on or around 19 April 2021.

Trading Halt

This is the announcement referred to in the Company's request for Trading Halt on 5 March 2021.

Further Details

This notice is authorised to be issued by the Board. For further information on the company and its projects, please visit: www.ironbark.gl.

Ironbark Zinc

Michael Jardine
Managing Director
mjardine@ironbark.gl
+61 424 615 047

Financial Adviser – Bacchus Capital

Peter Bacchus
peter.bacchus@bacchuscapital.co.uk
+44 (0) 203 848 1640

Richard Allan
richard.allan@bacchuscapital.co.uk
+44 203 848 1642