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Australian Securities Exchange Limited

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100% OWNED CITRONEN ZINC PROJECT RECEIVES LANDMARK 402(A) DESIGNATION
FROM US EXIM BANK

Highlights

- Citronen is the first funding application of any kind globally to receive a standalone 402(A) designation from EXIM Bank under its China and Transformational Exports Program (CTEP)
- Ironbark's project loan application is now eligible for special consideration under the Section 402 provisions
- Project financing discussions with the EXIM Credit Team remain ongoing and on track for an initial decision in the current quarter as previously announced

Ironbark Zinc Limited (ASX: IBG) (**Ironbark** or the **Company**) advises that its Citronen Zinc Project in Greenland is the first standalone project application worldwide to qualify for privileged 402(A) support status under the US Government's recently introduced China and Transformational Export Program (CTEP), administered by EXIM. As a result, EXIM may be able to offer Ironbark:

- Extended repayment tenors
- Exceptions from EXIMs Country Limitation Schedule, if applicable
- Extended drawdown
- Reduced fees

Ironbark Managing Director, Michael Jardine, commented:

"The strategic importance of Ironbark's Citronen Zinc Project to US interests is implicit in today's world first confirmation of 402(A) eligibility. Our original US EXIM application for funding broke new ground for Ironbark in its quest to see the Citronen Zinc Project developed and today's announcement provides further momentum for achieving our goal. I must stress that while our funding application is still in the process of being assessed by EXIM,

today's announcement is encouraging, particularly with Zinc being recently added to the US Geological Survey's Critical Minerals List.

Some two years ago now, the new Board of Ironbark Zinc embarked upon a strategy to increase shareholder value by advancing the development of the Citronen Zinc Project. This has resulted in a comprehensive revision and update of the Citronen Feasibility Study to bankable status, the granting of outstanding environmental permits, the buyback of the life of mine production royalty, the appointment of Bacchus Capital Advisers, the recent addition of new Board members, and of course, our decision to pursue US EXIM project development funding. We have achieved a great deal, and, regardless of the outcome of our loan application with EXIM bank, our company is now very much better placed to shape our future."

Overview of the 402 Program

The "Program on China and Transformational Exports", also known as Section 402, was added to the EXIM Bank Charter via legislation passed in late 2019. The program sets EXIM a goal of reserving not less than 20% of the agency's total financing authority (US\$27bn out of a total of US\$135bn) "...to support the extension of loans, guarantees, and insurance, at rates and on terms and other conditions, to the extent practicable, that are fully competitive with rates, terms, and other conditions established by the People's Republic of China or by a covered country, that aim to:

- A. directly neutralise export subsidies for competing goods and services financed by official export credit, tied aid, or blended financing provided by China or by other covered countries; and
- B. advance the comparative leadership of the United States with respect to China, or support United States innovation, employment, and technological standards, through direct exports in ten transformational export categories."

Source: (<https://www.exim.gov/sites/default/files/21-01-19-exim-bank-2019-charter-as-amended-final.pdf>)

Citronen's confirmation as a 402 Project does not represent a financing commitment by EXIM. All final commitments must meet EXIM's reasonable reassurance of repayment test and comply with EXIM policies as well as program, legal, and eligibility requirements. Any flexibilities offered to Ironbark via its 402(A) status will be determined during the loan application period and remain subject to approval by EXIM's Board of Directors.

Further Details

This notice is authorised to be issued by the Board. Please contact Managing Director Mr Michael Jardine for any further inquiries on either mjardine@ironbark.gl or +61 424 615 047.