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The Manager,
Company Announcement Office
Australian Stock Exchange Limited

IRONBARK COMMENCES DRILLING AT CAPTAINS FLAT- LAKE GEORGE MINE TAILINGS

Ironbark Gold Limited (Ironbark) reports that it has commenced drilling on the Lake George Mine Tailings at the Captains Flat Project in New South Wales. Kennedy Drilling has been contracted to complete a 3,000 metre air core program to test the mineral content of the historic tailings dumps.

As with all major historic mines, a significant amount of tailings have been produced and may represent significant "future value". *DPI tailings report 1965*

The tailings are deposited in 7 main dumps and are estimated to contain approximately 2.1Mt of material. The tailings typically have a grade of 28% sulphur and have previously been tested for fertiliser production.

The grade of zinc-lead-copper-silver-gold in the tailings is not known, however approximately half of the ore was processed prior to the local introduction of efficient modern floatation mineral treatment techniques. The recoveries during this time are not known, but it is believed these tailings represent an opportunity worth further investigation.

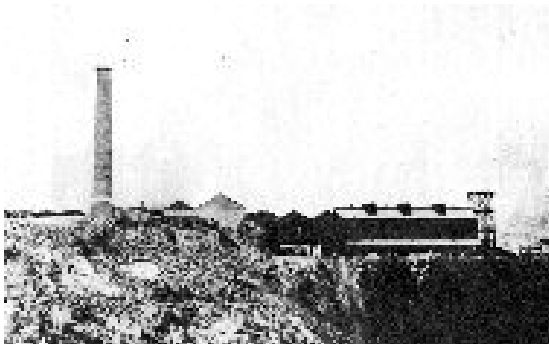
About Captains Flat - Lake George Mine

The historical production from Lake George yielded in excess of 4Mt @ 10% Zn, 6% Pb, 0.7% Cu, 55 g/t Ag and 1.8 g/t Au. Considerable amounts of remnant mineralisation are contained within the area of previous mining and within the tailings from historical treatment.

Deep drilling beneath the historical workings has intersected primary mineralisation which is thought to represent a possible continuation of the Lake George mineralisation. In addition numerous base metal prospects have been identified within the same trend to the south, over a 50 kilometre strike. The prospects will be the subject of Ironbark exploration in the future.

History

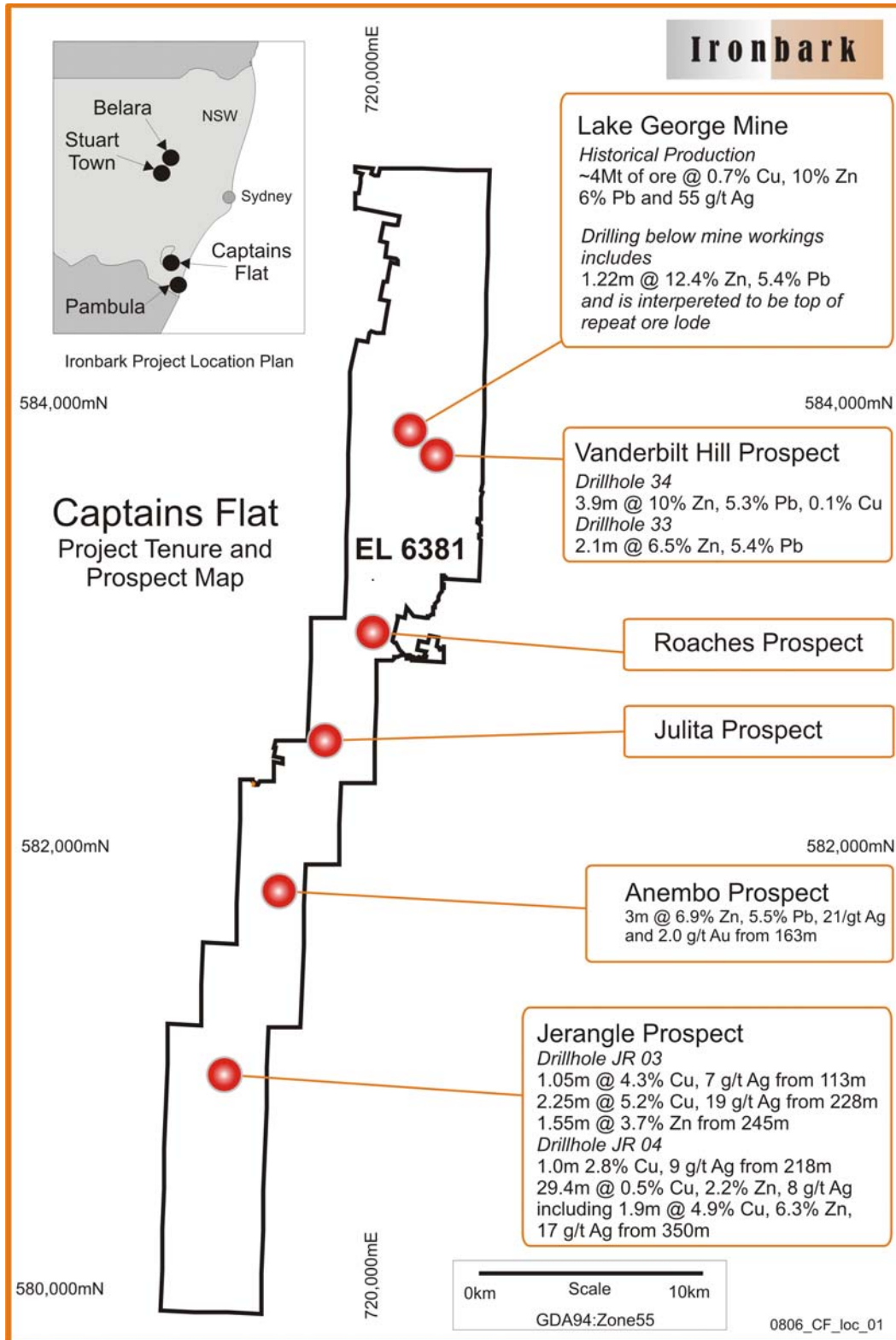
- Gold first discovered in 1864;
- First productive reef opened up in 1882 sparking the Molonglo River gold rush;
- 1883 saw first treatment plant built to recover gold but suffered due to high lead and silver in ore;
- 1885 saw first smelter and the focus turned to lead and silver;
- In 1887 BHP purchased part of the Captains Flat mine (Commodore) and built a Calcination plant – that failed to effectively treat the ore;
- 1890 saw ore “heap roasted” using local timber burnt under the ore;
- In 1894, the Commodore-Vanderbilt and Koh-i-noor mines were merged and became the Lake George Mining and Smelting Company. Major infrastructure was built including tramways, electricity, phones and pyritic smelters;
- In 1899 base metal production ceased and the mine became focused on gold again;
- In 1939 following intense lobbying the Government finally built a railway to Captains Flat and a major mining operation commenced;
- After mining over 4 million tons of ore for a recorded production of 406,418 tonnes of zinc, 243,851 tonnes of lead, 27,230 tonnes of copper, 7.4 million ounces of silver and 220,000 ounces of gold, the mine was closed in 1962.



Smelter in 1896



Mine head frame in 1959



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