

22 December 2010

Company Announcements

Australian Securities Exchange Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

**Citronen Resource Estimate Update 2010;  
13% increase to 11.8 billion lb of zinc and lead with >65% of global resource in  
Measured and Indicated JORC category**

Ironbark Zinc Limited (Ironbark) is pleased to announce a revised resource estimate based on infill drilling at Citronen in 2009 and 2010. Key Points from 2010 resource update;

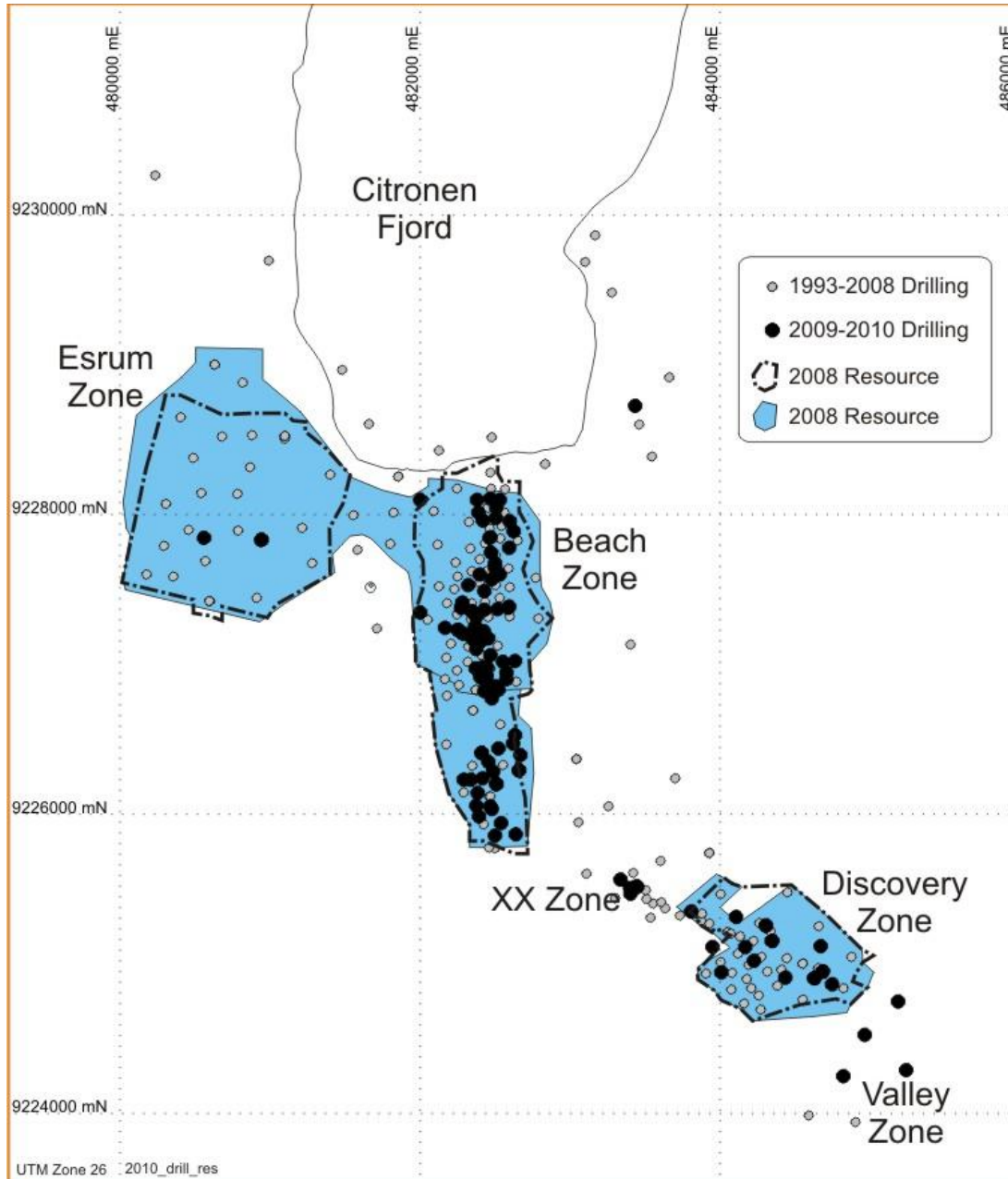
- **Large resource category upgrade with majority of mineralization now in the Measured and Indicated category. Previously mostly under Inferred category.**
- **Increase in contained metal at equivalent grade in global resource with a 13% increase in contained zinc and lead at +4% zinc (Zn) + lead (Pb) grade to now 11.8 billion pounds (lb) of Zn+Pb using 2% Zn cutoff.**
- **Esrum and Beach mineralization joined with open-ended mineralization within Level 3 sulphide horizon extending continuously in excess of 3,500 metres based on current drilling.**
- **Recent spectacular intercepts reported within 2010 exploration drilling at Valley and XX-Zone not included in resource figures yet as drilling density not sufficient to be classified under JORC but represent high priority drilling targets for 2011.**
- **Upward pressure on exploration target of 302-347Mt @ 4.4-5.0% Zn+Pb based on exploration success.**

This 2010 resource has been prepared by independent consultants and is classified under JORC guidelines with tables and parameters contained in Appendix 1.

#### **Infill drilling and resource classification**

The previous resource estimate delivered in Q4 2008 was based on 44,055m of diamond drilling and the majority of mineralisation was in the Inferred Category, with no

mineralisation under the measured Category of JORC. Subsequent drilling in 2009 and 2010 (19,742m) was predominantly targeted on infill drilling (Figure 1) in order to increase resource category confidence as part of the Feasibility Study being undertaken by Ironbark.



**Figure 1: Drill collar location and resource outline plan. Variations between 2008 and 2010 Resource estimates illustrated.**

Drilling in 2009 (~2,100m) was concentrated around the site of the proposed underground portal for geotechnical purposes. Drilling in 2010 (~17,700m) was designed to meet the requirements of increased resource category confidence as the 2008 global resource was +50% Inferred category and only Measured and Indicated classified (JORC 2004) material can be included in financial analysis in Feasibility study financial reporting and Reserve classification. Ironbark is using the resource estimate compiled by independent consultants in Perth using both ordinary Kriging which has also incorporated Conditional Simulation methodologies to conduct its financial modelling.

## Global resource base

The contained metal reported at Citronen for the global resource (2% Zn cutoff) has increased by 13% to 11.8 billion pounds of zinc and lead (Zn+Pb). This is primarily due to increases in the tonnage of material which forms the Level 3 sulphide horizons subsequent to increased geological information allowing Beach and Esrum Zones to be joined. The mining optimisation studies are being based around the medium grade resource components (3.5% Zn cutoff), primarily within the Beach Zone remains essentially unchanged with 59.9Mt @ 5.9% Zn+Pb significantly with the majority (70%) now in Measured and Indicated Category of global resource.

## Exploration success

As a result of high productivity on site by the drilling team during 2010, a small amount of unplanned extensional/ exploration drilling was able to be undertaken with available field personnel. This was undertaken at the end of the field season outside previously defined resource areas (Figure 2).



**Figure 2: One of Ironbark's drill rig drilling at Citronen in September 2010**

This drilling was successful in defining spectacular structurally controlled, high-grade mineralization at the XX Zone (35m @ 9.6% Zn+Pb inc 21m @ 14.4% Zn+Pb CF10\_271A and CF10\_244 which returned 35m @ 9.6% Zn+Pb including 21m @ 14.4% Zn+Pb ( ASX releases 21 September 2010 and 14 October 2010) and interpreted continuations of Discovery mineralization in the Valley Zone (ASX releases dated 2 September 2010). Due to the pre-planned completion of field work in September, Ironbark was not able to be followed up with sufficient drill density to allow classification under the JORC code.

Ironbark considers follow up drilling in 2011 to be a priority for exploration targets at Citronen.

## Target Resource

In January 2010 Ironbark released an exploration target for the Citronen Deposit of 302-347Mt @ 4.4-5.0% Zn+Pb (ASX release 28 January 2010). Ironbark views the success of the limited drilling outside defined resource areas (approximately 5% of total drilling in 2009/10 was not infill drilling) as strong support for the prospectively of the Citronen area and reaffirms its existing target resource with upward pressure on target.

## Resource Estimate

The 2010 resource estimate was compiled by Ravensgate geological consultants of Perth (Ravensgate) in conjunction with Ironbark. Ironbark also commissioned Snowden Mining Consultants of Perth (Snowdens) to produce Conditional Simulations outputs for the more highly drilled Beach Zone mineralization based on the Ordinary Kriged resource estimate produced by Ravensgate. The median output of this Conditional Simulation will be incorporated in mine planning and optimisation work.

ENDS

For further information please contact:

Jonathan Downes  
Managing Director  
T +61 8 6461 6350  
[www.ironbark.qi](http://www.ironbark.qi)

James Moses  
Mandate Corporate  
T +612 8012 7702  
M +61 420 991 574  
E [james@mandatecorporate.com.au](mailto:james@mandatecorporate.com.au)

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG an employee of Ironbark Zinc Limited. Mr Byass has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appear.*

*Drill samples are submitted from the drill core and sent to ALS Chemex Laboratories in Ojebyn, Sweden for sample preparation, with final analysis using ore-grade ICP Fusion at ALS Chemex in Vancouver, BC, Canada using ME-ICP81 and ICP-Fusion for ore grade results. Independent certified laboratory standards are submitted for quality control. The final chemical assays results are used in the resource modeling.*

## Appendix 1

### Resource estimate

Citronen global resource estimate by JORC classification;

*2.0% Zn cutoff Global resource Ordinary Kriging*

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	33.2	3.8	0.5	4.2
Indicated	52.2	3.7	0.5	4.2
Inferred	47.2	3.3	0.4	3.7
<b>Total</b>	<b>132.6</b>	<b>3.6</b>	<b>0.5</b>	<b>4.0</b>

*2.6% Zn cutoff Global resource Ordinary Kriging*

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	26.4	4.2	0.5	4.7
Indicated	40.1	4.1	0.5	4.6
Inferred	34.3	3.7	0.4	4.2
<b>Total</b>	<b>100.8</b>	<b>4.0</b>	<b>0.5</b>	<b>4.5</b>

Which contains a medium grade resource of;

*3.0% Zn cutoff Medium Grade resource Inverse Distance Squared*

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	15.0	5.8	0.5	6.3
Indicated	19.3	5.1	0.6	5.7
Inferred	25.5	5.3	0.5	5.8
<b>Total</b>	<b>59.9</b>	<b>5.3</b>	<b>0.5</b>	<b>5.9</b>