IRONBARK Zinc Limited

Level 1
350 Hay Street
Subiaco 6008
Western Australia

PO Box 935
West Perth WA 6872
T: +61 8 6461 6350
F: +61 8 6210 1872
www.ironbark.gl
admin@ironbark.gl

17 April 2012

Company Announcements

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

CITRONEN BASE METALS PROJECT UPDATE

- **Open Pit Optimisation Upgrade –** large source of fresh sulphide mineralisation available
- **Increased Plant Throughput Opportunity –** potential for processing at an increased rate

Open Pit Study Results

Ironbark Zinc Limited (Ironbark, ASX:IBG) is pleased to announce the results from open pit mining studies at Ironbark's 100% owned Citronen Base Metal Project in Greenland.

The open pit optimisation studies have indicated a larger than previously optimised source of fresh sulphide mineralisation is available, which will be a valuable addition to the larger and higher grade underground mineral inventory at Citronen. The optimisation studies were the result of a significant resource upgrade (announced to the ASX, 9 January 2012). The open pit optimisation provides the final mine scheduling data required for the Feasibility Study.

Key Open Pit Study Findings

- Mill feed tonnage derived from open pit optimisations has increased by over 15% without a reduction in head grade as compared to previous (2011) results
- Only Measured and Indicated resources included in reported tonnage to allow Proven and Probable classification on completion of the Feasibility Study
- Allows delivery of information in a final form to China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd (NFC) to conclude capital cost evaluation of the project construction

Expanded Processing Throughput

Ironbark also advises that ongoing engineering work has suggested that the existing process plant design at Citronen has the potential to treat ore at a peak rate equivalent to 3.6 Mtpa throughput by upgrading the primary and secondary crushers (and other changes) with an overall relatively small additional capital cost. Ironbark is currently investigating the maximum continuous production rate that could be obtained through these plant modifications, with final processing plant modifications expected to increase capital costs by a nominal amount.

An increase in processing rate would have an impact on the projects peak revenue generation, profitability, mine life, fleet and development requirements. Mining studies have shown that mining at a peak rate of 3.6Mtpa is feasible from the Citronen Resource.

Open Pit Ore Scheduling Study Results

The open pit ore scheduling study results show over 9 million tonnes of mineralised material optimised by open pit mining with very low strip ratios (waste to ore ratios) as shown in Figure 1. **This material has the capacity to supplement the underground mined mineralisation to the process plant and increase the mine life by an additional 3 years from the underground only sourced material.**

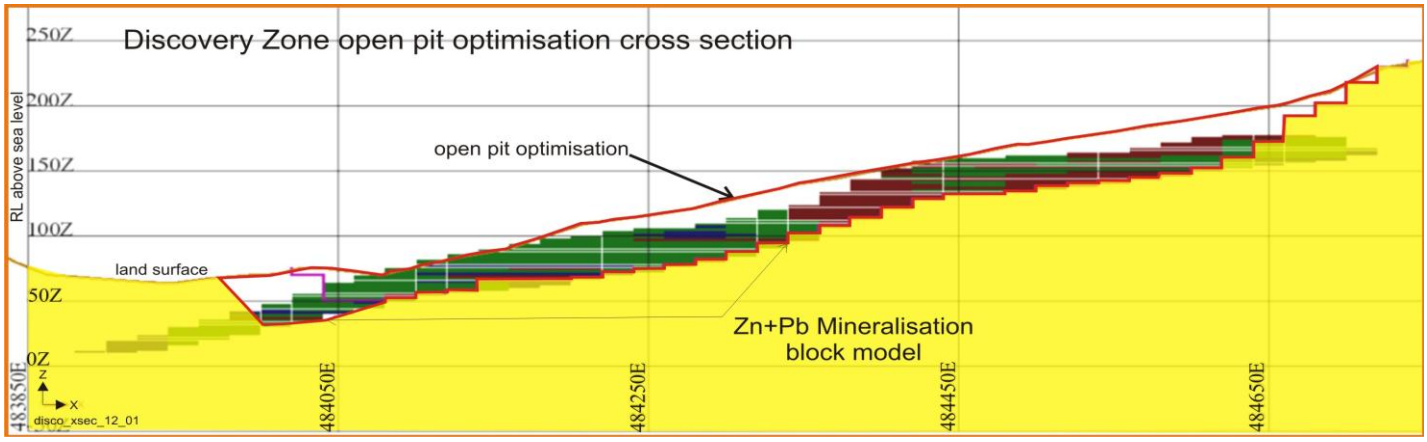

Figure 1: Summary open pit section showing low strip ratio

The base case scenario is shown in Table 1. **These results are expected to positively impact the ongoing feasibility study and will be incorporated in the ongoing work including an update to the mining schedule.**

Table 1: Open pit optimisation output statistics

Base Case*	Ore (t)	Waste (t)	Strip Ratio	Mined Grade (Zn+Pb)	Feed grade to Process Plant** (Zn+Pb)
Base Case	9,176,731	18,319,987	2.0	3.63%	4.84%

* This study accounts for dilution, ramps, berms and infrastructure losses of optimised tonnes
** Metal loss through the DMS upgrade plant is estimated to be 2.5%

The designed Open Pit, ramps and berms are shown in Figure 2. All waste material from the mine is expected to be stored in a waste dump approximately 1.2 km away from the open pit, adjacent to the Tailings Management Facility.

The finalised mining study will be provided to China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd (NFC) to conclude their capital cost evaluation and feasibility study under the MOU (see ASX release dated 1 September 2011 – "Ironbark signs memorandum of understanding with leading Chinese construction group for the Citronen base metal project"). The MOU outlines the frame work for:

- NFC to engineer, design, procure, supply, construct, test and commission the Project on a full turnkey basis,

- NFC to facilitate funding of the Project Development Costs from major banks in China,
- NFC entering into an offtake agreement for the concentrate products of the Project or a portion thereof.

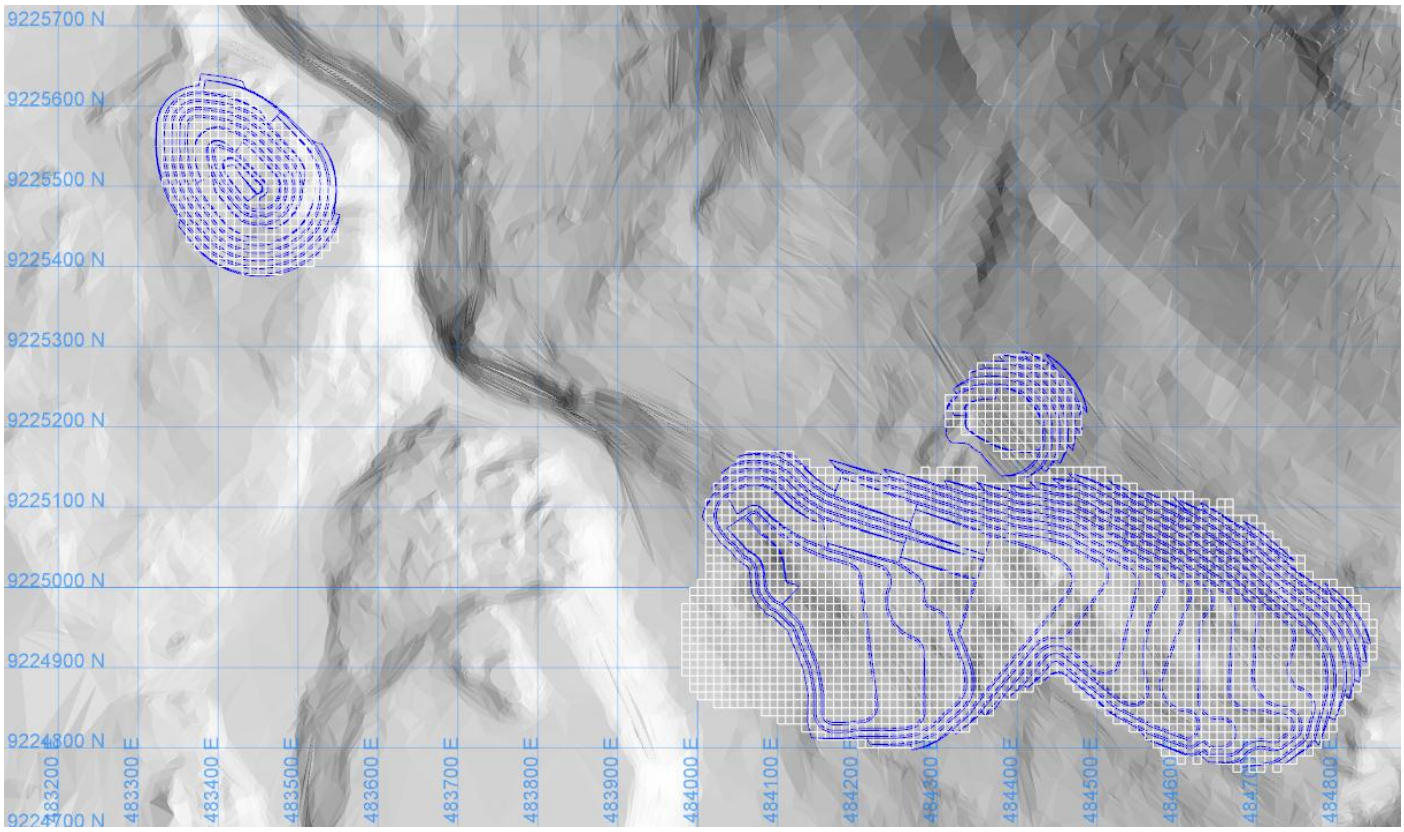

Figure 2: Plan showing the design of the Open Pit

About Ironbark

Ironbark is listed on the Australian Securities Exchange and is seeking to become a base metal mining house. Ironbark has a US$50M funding facility provided by Glencore International AG for the purpose of pursuing acquisition opportunities.

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. 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 13.0 Billion pounds of zinc (Zn) and lead (Pb). Engineering work is currently being undertaken by China Nonferrous Metal Mining (Group) Co., Ltd on Citronen.

The studies are based on an Ordinary Kriging methodology estimated mineral inventory of;

The current JORC compliant resource for Citronen:

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	25.0	5.0	0.5	5.5
Indicated	26.5	5.5	0.5	6.0
Inferred	19.3	4.7	0.4	5.1
Total	70.8	5.1	0.5	5.7

Using Ordinary Kriging interpolation and reported at a 3.5% Zn cut-off
Figures rounded to one decimal place

For further information please contact:

Jonathan Downes
Managing Director
T +61 8 6461 6350
www.ironbark.gl

James Moses
Mandate Corporate
T +612 8012 7702
E 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.