

14 November 2012
Company Announcements

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

EXCEPTIONAL METAL RECOVERIES ACHIEVED AT CITRONEN UTILIZING INDUSTRY STANDARD FLOW SHEET

Ironbark Zinc Limited (Ironbark) is pleased to announce that it has completed the latest round of metallurgical testwork for the Citronen base metal project (Citronen) which has yielded exceptional recoveries while producing a high grade saleable concentrate. The latest round of flotation testwork managed by Ironbark's in house engineering team returned 90% recovery at 54% zinc and represents exceptionally high recoveries for this style of mineralisation. The increase in recoveries has been achieved through trialling a suite of grinding regimes and reagent optimisations. Typically SEDEX style deposits yield zinc flotation recoveries of approximately 80%. These new results will have a significant direct and positive impact on Citronen and will be incorporated in the ongoing engineering and development work. Previously achieved flotation recoveries for the Esrum resource returned 86% recoveries for a 55% zinc concentrate.

Table 1: Flotation Concentrate Grades and Recoveries

	Zn	Pb
Head Grade	6.03%	1.37%
Flotation Concentrate Grade	54.6%	51%
Flotation Concentrate Recovery	90%	58%

Further metallurgical testwork is ongoing and results will be reported in due course.

Site Inspection by China Nonferrous engineers and geologists

As part of completing the Feasibility Study and related financing objectives under the MOU with China Nonferrous (NFC), a team from NFC and Arcon Mining Services, a subsidiary of the Allmine Group Limited recently visited the Citronen site. Review work included inspecting the proposed decline portals, process plant, port facilities, mining, accommodation and other infrastructure sites.

Extensive zones of outcropping mineralisation at the open pit region was also inspected (Figure 1). The drilling, QA/QC methods and drill databases were inspected along with the drill core as part of the geological/resource validation process. This is part of the standard due diligence requirements of NFC and NFC representatives stated that they were impressed with the scale and potential of the project.

China Nonferrous are progressing under the MOU on the basis that they will deliver an integrated EPC fixed price contract to design, build and commission Citronen with a funding package from Chinese banks. This work will also provide the final estimated Capex required for Ironbark to deliver a Feasibility Study. The Study will incorporate an increased mining rate of 3.3 million tonnes per annum, the 2012 resource and the latest mining schedule that upgraded the life of mine head grades 23% higher than the 2011 mining schedule. The ongoing work will also incorporate the latest metallurgical testwork results.

As part of this ongoing work, the Arccon Managing Director and Project Manager were also taken to site and will assist both IBG and NFC with the ongoing engineering work.

Outcomes from this NFC work will continue to be released as they become available.

Metallurgical Testwork

Further metallurgical testwork is continuing and is being managed by Ironbark's in house engineering to enhance the excellent results to date. Results will be released when the programmes have been concluded.

EIA Submitted to the BMP

Ironbark and its environmental consultant, Orbicon AS, have worked extensively with the BMP and its advisors over the last three years to ensure that the EIA meets the highest standards of environmental sustainability and addresses all of the concerns of the regulators. All supporting testwork including extensive Humidity Cell Test-work, three environmental base line surveys and Scoping Level Environmental Review Assessment (SLERA) has been completed. The EIA is subject to a final and public review process during the final submission of all elements of the completed Feasibility Study and Mineral Exploitation license application.

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.

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 13.1 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:

Medium grade resource of:

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*

within a larger resource of:

Resource Category	Mt	Zn %	Pb %	Zn+Pb%
Measured	43.1	4.1	0.5	4.6
Indicated	51.2	4.1	0.4	4.6
Inferred	37.7	3.8	0.4	4.2
Total	132.0	4.0	0.4	4.5

*Using Ordinary Kriging interpolation and reported at a 2.0% Zn cut-off
Figures rounded to one decimal place*

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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.