

29 August 2011

Company Announcements

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

Exploration Update – Large High Grade Ore Zone Identified at Esum Deposit at Citronen Base Metal Project

Ironbark Zinc Limited (“Ironbark”) is pleased to report that drilling at the Citronen base metal project has been completed for 2011 and that the team have established a new exploration camp at the Washington Land project. Drilling has commenced at the Cass Prospect in Washington Land.

Drilling at Citronen this year was primarily aimed at resource definition and infill drilling at the Esum zone in conjunction with extensional drilling around areas of higher-grade mineralisation at the Beach zone. This activity is targeting the conversion of further resources currently in the Inferred category into Indicated or Measured categories (as classified by the JORC Code 2004). This conversion is expected to allow further resources to be included in the mine optimisation work and allow inclusion in the mine schedule. The drilling has been very successful and has identified a continuous high grade zone of continuous mineralisation that extends for approximately 1 kilometre.

Unlike the Beach Zone which is earmarked for initial optimisation and is predominantly classified as Indicated and Measured resource category, a significant portion of Esum was in the Inferred category. Results to date are exciting and confirm Ironbark’s geological interpretation of a high-grade zone. Drill hole CF11-294 has returned the highest grade intercept (as determined by Niton XRF) at Esum to date of **3.7 metres grading 11.5% zinc + lead**. Previously resources in this area were spaced up to 400 metres apart and the continuity of high material was uncertain. This year’s drilling is likely to increase both the grade of the Esum zone and the confidence category according to the JORC Code. Mineralisation that is able to be classified as Indicated Resources may be optimised as reserves and included in the mine plan for Esum. Figure 1 shows the expected impact on the Esum resource.

Importantly the extent of the Esrum high grade zone has not been identified at this stage. Full details of the drilling will be released once all the assay results have been received.

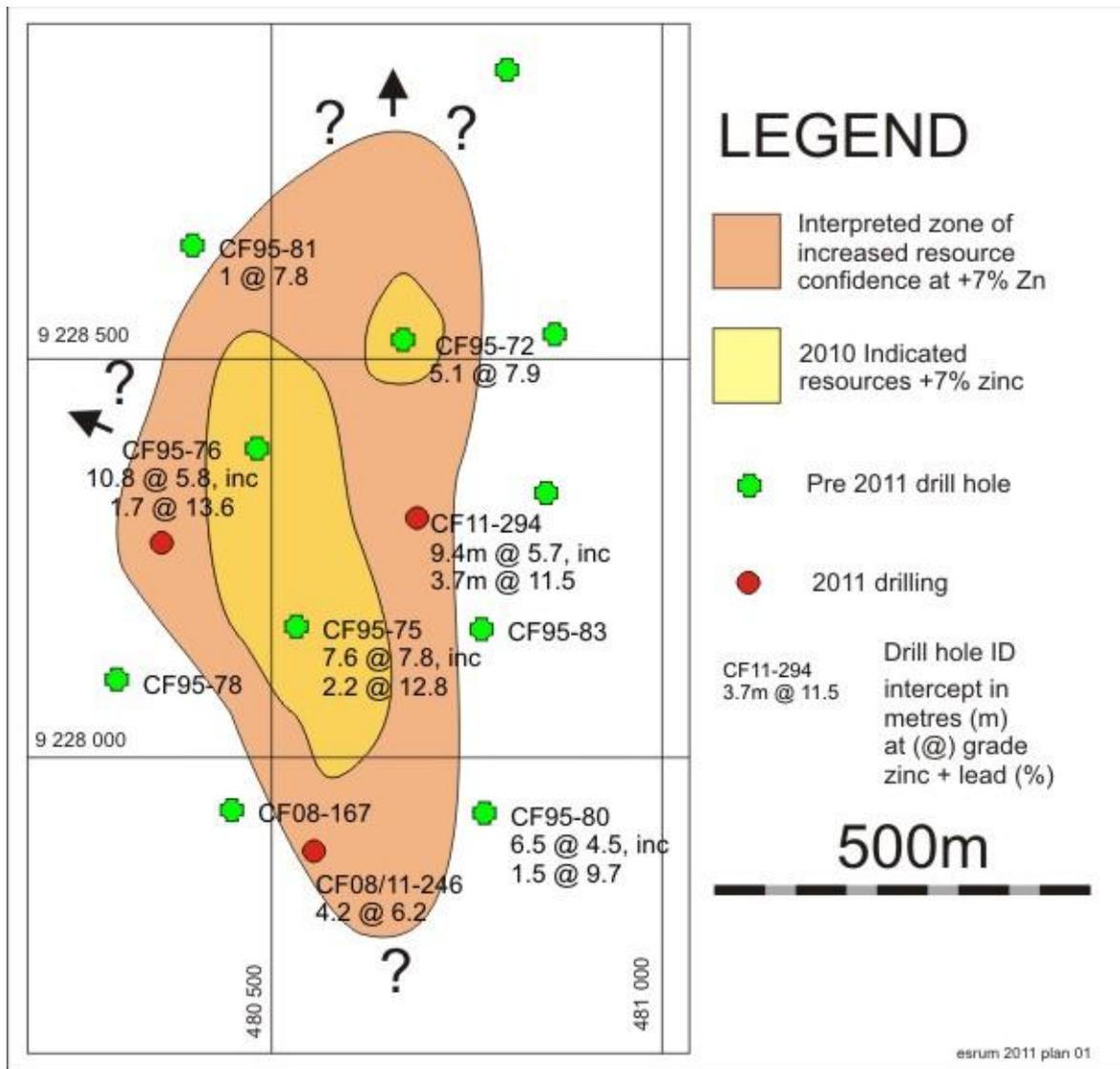


Figure 1: Drilling at Esrum in 2011 was designed to infill prospective areas which were previously drilled in excess of 300m between drill holes and confirm estimated high grade zones

Drilling at the company’s 100% owned Washington Land project will continue into late 2011. This will be the first exploration follow-up from the limited work conducted by Rio Tinto Exploration at Washington Land in 1999. The Cass Prospect at Washington Land was identified in 1999, in a joint venture targeting Mississippi Valley Type (MVT) base metal mineralisation between Platinova AS and Rio Tinto Mining and Exploration Inc., (“Rio Tinto”) a subsidiary of London based Rio Tinto PLC. The Cass prospect is situated in the Franklinian Basin geological unit which is also the host of the Citronen project. The mineralisation is considered to be contemporaneous with the Polaris and Nanisivik historic high lead and zinc mines located in Baffin Land, Canada.

Mineralisation at the Cass Prospect occurs within a mineralised structure with an observed strike length of approximately four kilometres. The structure may be mineralised over a longer length which will be tested in 2011 (Figure 3, 4). The structure outcrops poorly due to overlying glacial till including boulders and gravel. Continuous historic rock chip composite samples returned;

- 25 metres returned an average grading 8.9% zinc, 11.1% lead and 95 g/t silver and a second continuous rock chip composite sample taken 550m along strike to the east returned;
- 25 metre at an average grade of 3.7% zinc, 7% lead and 40 g/t silver.

A single diamond drill hole yielded 1.2 metres at 8.4% zinc, 0.04% lead and 94 g/t silver. Rio Tinto withdrew from the joint venture following the drilling in 1999 at a period of very low zinc and lead prices. The drill hole is regarded as not necessarily intercepting the main target and will be followed up in 2011.

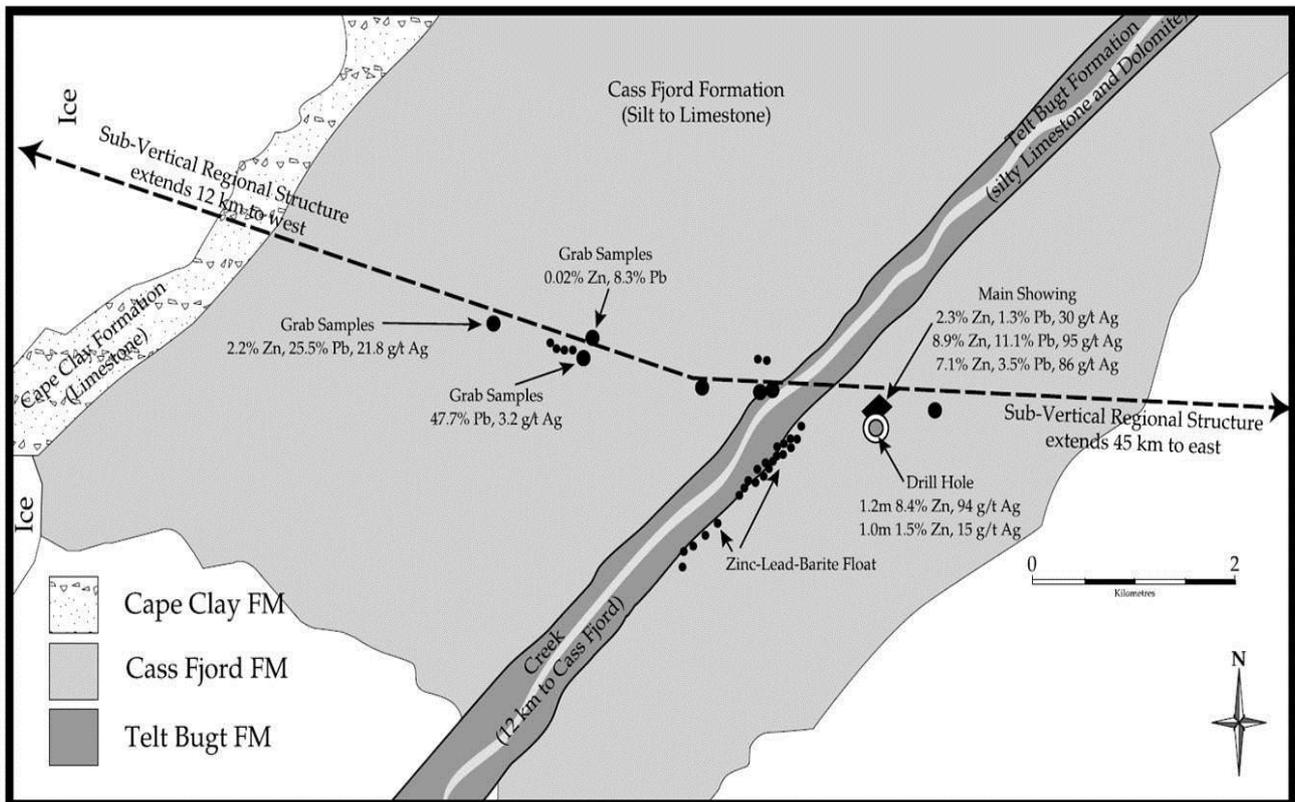


Figure 2: Cass Fjord rock chip and drill collar plan (After Rio Tinto 1999)

ABOUT IRONBARK

Ironbark is a well-funded Company listed on the Australian Securities Exchange (ASX: IBG) and focused on the development of a major base metal mining operation in Greenland.

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.

Citronen currently hosts in excess of 11 Billion pounds of zinc (Zn) and lead (Pb). The current JORC compliant resource for Citronen:

59.9 million tonnes at 5.9% zinc (Zn) + lead (Pb)

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
Total	59.9	5.3	0.5	5.9

Using inverse distance squared (ID²) interpolation and reported at a 3.0% Zn cut-off

within a larger global resource of:

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
Total	132.6	3.6	0.5	4.0

Using Ordinary Kriging interpolation and reported at a 2% Zn cut-off

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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.