



AND ITS CONTROLLED ENTITIES
(ABN 93 118 751 027)

HALF YEAR REPORT
for the financial period
ended 31 December 2015

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Ironbark Zinc Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

CORPORATE DIRECTORY

NON-EXECUTIVE CHAIRMAN

Peter Bennetto

EXECUTIVE MANAGING DIRECTOR

Jonathan Downes

NON-EXECUTIVE DIRECTORS

David Kelly

Gary Comb

Jason Dunning

COMPANY SECRETARY

Robert Orr

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PKF Mack

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WEST PERTH WA 6005

SHARE REGISTER

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APPLECROSS WA 6153

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SECURITIES EXCHANGE LISTINGS

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

Code: IBG

BANKERS

National Australia Bank

1232 Hay Street

WEST PERTH WA 6872

WEBSITE

www.ironbark.gl

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of Ironbark Zinc Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of the half-year ended 31 December 2015.

1. DIRECTORS

The names of Directors who held office during or since the end of the half-year:-

Mr Peter Bennetto	Non Executive Chairman
Mr Jonathan Downes	Executive Managing Director
Mr Gregory Campbell	Executive Engineering Director (resigned 3 March 2016)
Mr David Kelly	Non Executive Director
Mr Gary Comb	Non Executive Director
Mr Jason Dunning	Non Executive Director (appointed 9 October 2015)
Mr Adrian Byass	Executive Technical Director (resigned 10 November 2015)
Mr Chris James	Non Executive Director (resigned 9 October 2015)

Directors have held office for the entire period and to the date of this report unless otherwise stated.

2. PRINCIPAL ACTIVITIES

During the half-year the principal activities of the Consolidated Entity consisted of exploration and development of the group's zinc ground holdings.

3. RESULT OF OPERATION

The Directors of the Company advise the consolidated loss of the Consolidated Entity after providing for income tax for the half-year to 31 December 2015 is \$450,665 (2014: \$839,371).

4. REVIEW OF OPERATIONS

Throughout the December 2015 half-year period, Ironbark Zinc Limited ("Ironbark") has remained focused on advancing the development of the Citronen Base Metals Project ("Citronen") in Greenland into a world-class mining operation.

Citronen is one of the world's largest credible zinc development projects at an advanced post-feasibility stage and, while a great deal of work remains to take Citronen through to financed production, Ironbark's team remains motivated by Citronen's prospects for growth and development.

During the half year, Ironbark announced that it had commenced the Public Consultation process which forms a part of the Mining Licence application for Citronen with Greenland's government authorities. This process was completed post this reporting period.

Greenland has a history of zinc and lead mining and continues to seek to establish a mining industry; the country's government is seeking to develop a strong mineral and petroleum industry and has returned very high global rankings on the annual Fraser Institute survey.

DIRECTOR'S REPORT (cont)

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources is based on information compiled by Ms E Laursen (B. ESsc Hons (Geol), MSEG, MAIG), an employee of Ironbark Zinc Limited. Ms Laursen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Laursen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears

Corporate Activities

On 9 October 2015, Mr. Chris James resigned from the Company's Board as a result of him accepting another role outside of Nyrstar NV (Nyrstar). Nyrstar is a substantial shareholder of the Company. Mr. Jason Dunning has been appointed to the Board as Nyrstar's replacement nominee board member and has resumed the role of non-executive director.

On 10 November 2015, Mr Adrian Byass resigned from the Company's Board of Directors. Mr Byass was a founding director of the Company.

On 25 November 2015, the Company held its Annual General Meeting of Shareholders and subsequently announced that all resolutions put to the meeting were passed unanimously by a show of hands.

At the end of the half year, cash available to the Company was \$1,207,685 (30 June 2015:\$2,131,544) and listed investments readily convertible to cash for exploration purposes totalled approximately \$16,002 (30 June 2015:\$12,001).

5. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

6. DIVIDENDS

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

7. ROUNDING OFF OF AMOUNTS

The amounts contained in this report have been rounded under the option available to the Company under ASIC Class Order 98/100. The Company is an entity to which the Class Order applies, and in accordance with that Class Order, amounts in the Directors' report and financial report have been rounded to the nearest thousand dollars (where rounding is appropriate).

DIRECTOR'S REPORT (cont)

8. AUDITOR'S DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 5 for the half-year ended 31 December 2015.

This report is made in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

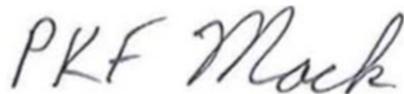


Jonathan Downes
Managing Director
Dated this 11 March 2016

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF IRONBARK ZINC LIMITED

In relation to our review of the financial report of Ironbark Zinc Limited for the half year ended 31 December 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF MACK



SHANE CROSS
PARTNER

11 MARCH 2016
WEST PERTH,
WESTERN AUSTRALIA

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INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF

IRONBARK ZINC LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Ironbark Zinc Limited (the Company) and controlled entities (consolidated entity) which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at 31 December 2015, or during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001. As the auditor of Ironbark Zinc Limited and the entities it controlled during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. In accordance with the Corporations Act 2001, we have given the directors' of the company a written Auditor's Independence Declaration.

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Conclusion

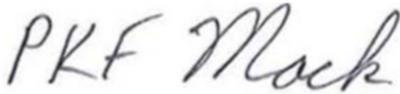
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ironbark Zinc Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our conclusion, we draw attention to Note 1 in the financial report, which confirmed that the consolidated entity incurred a net loss after tax of \$450,665 during the half year ended 31 December 2015. These conditions, along with other matters as set out in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the consolidated entity does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.



PKF MACK



SHANE CROSS
PARTNER

11 MARCH 2016
WEST PERTH,
WESTERN AUSTRALIA

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
for the half year ended 31 December 2015**

	31-Dec 2015 \$'000	31-Dec 2014 \$'000
Revenue		
Other revenue	108	144
Expenses		
Administrative expenses	(41)	(89)
Consultancy expenses	(69)	(113)
Depreciation and amortisation expenses	(3)	(4)
Directors fees	(109)	(129)
Employee benefits expense	(212)	(233)
Equity compensation benefits	-	(216)
Exploration expenditure written off	(1)	(11)
Fair value movement of financial assets	4	(28)
Insurance expenses	(17)	(36)
Occupancy expenses	(56)	(48)
Regulatory expenses	(55)	(76)
	<hr/>	<hr/>
Loss before income tax expense	(451)	(839)
Income tax expense	-	-
	<hr/>	<hr/>
Loss for the period	(451)	(839)
Other comprehensive income		
<i>Items that maybe reclassified subsequently to profit and loss</i>		
Net changes in fair value of available for sale financial assets	-	-
	<hr/>	<hr/>
Total comprehensive loss for the period	(451)	(839)
	<hr/> <hr/>	<hr/> <hr/>
Earnings per share		
Basic and diluted loss per share (cents) calculated on loss for the period	(0.10)	(0.19)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2015

	Note	31-Dec 2015 \$'000	30-Jun 2015 \$'000
CURRENT ASSETS			
Cash and cash equivalents		1,208	2,132
Trade and other receivables		36	64
Other current assets		29	21
TOTAL CURRENT ASSETS		1,273	2,217
NON-CURRENT ASSETS			
Plant and equipment		31	32
Exploration and evaluation expenditure	3	43,643	43,132
Financial assets		16	12
Other assets		179	177
TOTAL NON-CURRENT ASSETS		43,869	43,353
TOTAL ASSETS		45,142	45,570
CURRENT LIABILITIES			
Trade and other payables		185	157
Provisions		199	204
TOTAL CURRENT LIABILITIES		384	361
TOTAL LIABILITIES		384	361
NET ASSETS		44,758	45,209
EQUITY			
Issued capital	5	112,678	112,678
Reserves	6	1,388	1,388
Accumulated losses		(69,308)	(68,857)
TOTAL EQUITY		44,758	45,209

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the half year ended 31 December 2015

	31-Dec-15 \$'000	31-Dec-14 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(564)	(682)
Interest received	16	41
Other revenue	82	130
	<u>(466)</u>	<u>(511)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(493)	(875)
Payments for fixed assets	(2)	(1)
Proceeds from joint arrangements	37	-
	<u>(458)</u>	<u>(876)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	2,520
Payment for costs of issue of shares	-	(167)
	<u>-</u>	<u>2,353</u>
Net increase/(decrease) in cash and cash equivalents	(924)	966
Cash and cash equivalents at the beginning of the reporting period	<u>2,132</u>	<u>2,194</u>
Cash and cash equivalents at the end of the reporting period	<u><u>1,208</u></u>	<u><u>3,160</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half year ended 31 December 2015

	Issued Capital \$'000	Share Based Payment Reserve \$'000	Accumulated Losses \$'000	Total \$'000
Balance at 1 July 2015	112,678	1,388	(68,857)	45,209
Loss for the period	-	-	(451)	(451)
Total comprehensive income for the period	-	-	(451)	(451)
<i>Transactions with owners, recorded directly in equity</i>				
Issue of share capital	-	-	-	-
Share-based payments	-	-	-	-
Costs of raising capital	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 31 December 2015	112,678	1,388	(69,308)	44,758
Balance at 1 July 2014	110,179	753	(20,411)	90,521
Loss for the period	-	-	(839)	(839)
Total comprehensive income for the period	-	-	(839)	(839)
<i>Transactions with owners, recorded directly in equity</i>				
Issue of share capital	2,520	-	-	2,520
Share-based payments	56	635	-	691
Costs of raising capital	(167)	-	-	(167)
Total transactions with owners	2,409	635	-	3,044
Balance at 31 December 2014	112,588	1,388	(21,250)	92,726

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 31 December 2015**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Ironbark Zinc Limited (the Company) is a public company, limited by shares, domiciled and incorporated in Australia and listed on the Australian Securities Exchange. The half-year consolidated financial report of the company for the six months ended 31 December 2015, comprise the Company and its subsidiaries (the "Consolidated Entity" or "Group").

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year consolidated financial report does not include full disclosures of the type normally included in an annual financial report. Accordingly, it is recommended that this interim financial report be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Ironbark Zinc Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

These consolidated half-year financial statements were authorised for issue in accordance with a resolution of the directors on 11 March 2016.

Basis of Preparation

The half-year consolidated financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. The presentation and functional currency is Australian Dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2015, except for the impact of the Standards and Interpretations described below. Those accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)

New standards and interpretations not yet adopted

The following Australian Accounting Standards have been issued or amended and are applicable to the half year financial statements of the Group but are not yet effective. This assumes the following have not been adopted in preparation of the financial statements at the reporting date.

<u>AASB No.</u>	<u>Title</u>	<u>Application date of standard</u>	<u>Issue date</u>
AASB 9	Financial Instruments	1/01/2018	1/12/2010
AASB 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations	1/01/2016	1/08/2014
AASB 2014-4	Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation	1/01/2016	1/08/2014
AASB 2014-9	Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements	1/01/2016	1/12/2014
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1/01/2016	1/12/2014
AASB 1057	Application of Australian Accounting Standards	1/01/2016	1/07/2015
AASB 2015-1	Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle	1/01/2016	1/01/2015
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	1/01/2016	1/01/2015
IFRS 16	Leases	1/01/2019	1/01/2015

Going Concern Basis

The financial statements have been prepared on the going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Consolidated Entity incurred a net loss after tax of \$450,665 for the period ended 31 December 2015 (31 December 2014: \$839,371). As at 31 December 2015 the Consolidated Entity had net assets of \$44,758,371 (30 June 2015: \$45,209,036) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2015 the Consolidated Entity had \$1,207,685 (30 June 2015: \$2,131,544) in cash and cash equivalents.

The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas of interest. Ultimate exploitation of the assets will depend on raising necessary funding in the future. Should the Consolidated Entity be unable to raise additional funds, there is a material uncertainty which may cast significant doubt over the Consolidated Entity ability to continue as a going concern. As at 31 December 2015 there has been no adjustment in the financial report relating to the recoverability and classification of the asset carrying amounts, or the amounts and classification of liabilities that might be necessary, should the Consolidated Entity be unable to raise capital as and when required, and the exploitation of the areas of interest not be successful, or the Consolidated Entity not continue as a going concern.

**NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)**

Significant accounting estimates, judgments and assumptions

The preparation of financial statements requires management to make judgments and estimates relating to the carrying amounts of certain assets and liabilities. Actual results may differ from the estimates made. Estimates and assumptions are reviewed on an ongoing basis. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next accounting period are:

(i) Share based payment transactions

The Consolidated Entity measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by an external valuer using an appropriate valuation model.

(ii) Income tax expenses

Judgement is required in assessing whether deferred tax assets and liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised.

(iii) Impairment of exploration and evaluation assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements;
- Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities.

(iv) Classification of investments

The Consolidated Entity has decided to classify investments in listed securities as available for sale. These securities are accounted for at fair value. Any increments or decrements in their value at reporting date are charged or credited to the revaluation reserves.

(v) Project valuation

The variables used by the Directors in valuing the project are based on a series of assumptions provided by the executives and external consultants. The Company is currently completing a definitive feasibility study and is seeking to support and affirm the project value. There is a risk that the assumptions used in present valuations and the change in prevailing market conditions could affect the project value.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)

2. SEGMENT INFORMATION

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by Management based on the mineral resource and exploration activities in Australia and Greenland. Discrete financial information about each project is reported to the chief operating decision maker on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

The Consolidated Entity has two reportable segments based on the geographical areas of the mineral resource and exploration activities in Australia and Greenland. Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

2015	Australia	Greenland	Total
	\$000	\$000	\$000
(i) Segment performance			
For the period ended 31 December 2015			
Revenue			
<u>Unallocated items:</u>			
Interest revenue			17
Cost recoveries			80
Other revenue			11
Total segment revenue			<u>108</u>
 <i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Amounts not included in segment result but reviewed by the Board:			
Exploration expenditure written off	-	(1)	(1)
<u>Unallocated items:</u>			
Other expenses	-	-	(558)
Net loss before tax	<u>-</u>	<u>(1)</u>	<u>(451)</u>

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)

(ii) Segment assets			
As at 31 December 2015			
Segment assets at 1 July 2015	1,097	42,141	43,238
Segment asset increase for the period:			
Exploration expenditure	88	423	511
Trade and other receivables	(38)	-	(38)
Other assets	-	2	2
	1,147	42,566	43,713
Reconciliation of segment assets to group assets			
<u>Unallocated assets:</u>			
Cash and cash equivalents			1,208
Trade and other receivables			36
Plant and equipment			31
Financial assets			16
Other assets			138
Total group assets			45,142
(iii) Segment liabilities			
As at 31 December 2015			
Reconciliation of segment liabilities to group liabilities			
Other liabilities	-	64	64
<u>Unallocated items:</u>			
Other liabilities			320
			384
2014	Australia	Greenland	Total
	\$000	\$000	\$000
(iv) Segment performance			
For the period ended 31 December 2014			
Revenue			
<u>Unallocated items:</u>			
Interest revenue			42
Cost recoveries			102
Total segment revenue			144
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Amounts not included in segment result but reviewed by the Board:			
Exploration expenditure written off	(11)	-	(11)
<u>Unallocated items:</u>			
Other expenses	-	-	(972)
Net loss before tax	(11)	-	(839)

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)

(v) Segment assets			
As at 30 June 2015			
<u>Reconciliation of segment assets to group assets</u>			
Exploration expenditure	1,049	42,083	43,132
Other assets	48	58	106
	1,097	42,141	43,238
 <u>Unallocated assets:</u>			
Cash and cash equivalents			2,132
Trade and other receivables			64
Plant and equipment			32
Financial assets			12
Other assets			92
Total group assets			45,570
 (vi) Segment liabilities			
As at 30 June 2015			
<u>Reconciliation of segment liabilities to group liabilities</u>			
Other liabilities	-	45	45
	-	45	45
 <u>Unallocated items:</u>			
Other liabilities			316
			361

3. EXPLORATION EXPENDITURE

	31 Dec 2015	30 Jun 2015
	\$'000	\$'000
Balance at the beginning of the period	43,132	88,570
Exploration expenditure capitalised during the period	512	1,531
Impairment of exploration expenditure	(1)	(47,047)
Balance at the end of the period	43,643	43,132

The value of the exploration expenditure is dependent upon:

- The continuance of the rights to tenure of the areas of interest;
- The results of future exploration; and
- The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)

4. CONVERTIBLE NOTE FUNDING FACILITY

In October 2011, the Consolidated Entity entered into a US\$50 million Convertible Note funding facility and offtake facility pursuant to a transaction with a wholly owned subsidiary of Glencore International AG ('Glencore'). The Convertible Note is at a conversion price of AUD\$0.42 for the first US\$30 million (at Ironbark or Glencore's election to convert) and AUD\$0.50 for the next US\$20 million (at Glencore's election to convert). The availability of the facility is subject to the completion of certain conditions. As at 31 December 2015, the Consolidated Entity has not fulfilled all the conditions of the agreement and hence has not drawn on the funding facility or issued the Convertible Note.

5. ISSUED CAPITAL

	31-Dec 2015 \$'000	30-Jun 2015 \$'000
(a) Issued and fully paid shares		
Fully paid ordinary shares	115,743	115,743
Less: capital issue costs net of tax	<u>(3,065)</u>	<u>(3,065)</u>
	<u>112,678</u>	<u>112,678</u>

6. SHARE BASED PAYMENT RESERVE

	31-Dec 2015 \$'000	30-Jun 2015 \$'000
Share based payment reserve	<u>1,388</u>	<u>1,388</u>

The options outstanding at reporting date had a weighted average exercise price of \$0.17 and a weighted average remaining contractual life of 1.87 years.

All options on issue are ordinary shares in the Company, which confer a right of one ordinary share for every option held. During the period there was no share issues as a result of exercise of options and no lapse of options due to expiry.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2015 (cont)

7. FAIR VALUE MEASUREMENT

The following table details the Consolidated Entity's assets and liabilities, measured or disclosed at fair value, using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).

	31-Dec 2015 \$'000	30-Jun 2015 \$'000
<u>Assets</u>		
Ordinary shares available-for-sale	<u>16</u>	<u>12</u>

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

8. CONTINGENT LIABILITIES

There has been no change to contingent liabilities since the last annual reporting date.

9. DIVIDENDS

No dividends have been declared or paid during the half-year ended 31 December 2015.

10. KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

11. EVENTS SUBSEQUENT TO REPORTING DATE

No matter or circumstance has arisen subsequent to 31 December 2015 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting Consolidated Entity in future financial periods.

DIRECTOR'S DECLARATION

The Directors of the Company declare that:-

1. The financial statements and notes, as set out on pages 8 to 19 are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting, and Corporations Regulations 2001; and
 - (b) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.



Jonathan Downes
Managing Director

Dated this day 11 March 2016