Ironbark Zinc Limited

AND ITS CONTROLLED ENTITIES
(ABN 93 118 751 027)

HALF YEAR REPORT

for the financial period ending 31 December 2018

CONTENTS

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 2018 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
Gary Comb
Maciej Sciazko

COMPANY SECRETARY
Robert Orr

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Telephone: (08) 6461 6350

AUDITORS
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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
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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 2018.

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 Gary Comb	Non Executive Director
Mr Maciej Sciazko	Non Executive Director (appointed 31 July 2018)
Mr David Kelly	Non Executive Director (resigned 8 October 2018)
Mr Kelly Strong	Non Executive Director (resigned 31 July 2018)

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 2018 is $626,071 (2017: $661,319).

4. REVIEW OF OPERATIONS

Throughout the December 2018 half-year period, Ironbark Zinc Limited ("Ironbark") has remained focused on advancing the development of the Citronen Base Metals Project ("Citronen") in Greenland towards developing a large-scale mining operation.

Citronen is one of the world's largest credible zinc development projects at an advanced post-feasibility stage. During the half year, Ironbark continued work primarily on the project financing. A series of site visits to the Citronen proposed mine site, were attended by several groups of high calibre potential investors, private equity groups, bankers, equipment suppliers and mining operators to review the project site, and as part of the due diligence process.

Ironbark also announced the significant achievement of proving the viability of shipping from Citronen. Ironbark chartered the "Nunavik", a 189m long Polar Class Cargo ship which has proved shipping access to the Citronen area marking the first time a large commercial ship has travelled to this region on the eastern coast of Greenland. Ironbark chartered the Nunavik to transit the area as part of the overall proof of logistical plan. The Citronen Project represents one of the World's largest zinc deposits and will be a largely conventional mine with the exception of its location. The ship accessed the project area with relative ease, even late in the season. This endeavour is a major milestone for Ironbark and supports the shipping plans as outlined in the Feasibility Study.

DIRECTOR'S REPORT (cont)

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

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. ESc Hons (Geol), GradDip App. Fin., 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 31 July 2018 Mr Maciej Sciazko was appointed as a Non-Executive Director to the Board following the resignation of Mr Kelly Strong on the same date. Both directors are appointed as a Nominee of Nyrstar N.V. (Nyrstar) a major shareholder of the Company.

On 8 August 2018 the Company announced that it had entered into a Memorandum of Understanding with Byrnecut Offshore Pty Ltd to potentially provide the Company with underground mining expertise and services in relation to the Citronen Project.

On 8 October 2018 Mr David Kelly resigned from the Board of Directors. Ironbark received from Glencore a request for Ironbark to appoint a replacement Glencore nominee director. The Board of Ironbark decided not to appoint a replacement Glencore nominee director and have informed Glencore of that decision. Glencore has provided a further notice to Ironbark that it:

- considers it has a contractual right to appoint a nominee director to the Ironbark board;
- requests the immediate reinstatement of a nominee director; and
- reserves its rights in relation to the matter.

Ironbark disagrees that Glencore has a contractual right to an ongoing Board position. Glencore has referred the matter to arbitration. Ironbark intends to defend the claim.

On 29 October 2018 the Company announced that it had entered into a Memorandum of Understanding with Metso Sweden AB, which provides the framework for future negotiations regarding mine processing services and equipment for the Company's' Citronen Project.

On 21 November 2018 the Company held its Annual General Meeting of Shareholders and subsequently announced that all resolutions put to the meeting were passed by a show of hands.

On 28 November 2018 the Company announced a placement of 71,428,571 fully paid ordinary shares with sophisticated investors. The shares had an issue price of $0.028 per share raising $2,000,000 which will finance the continual development of the Citronen Project and provide general working capital.

At the end of the half year, cash available to the Company was $2,101,768 (30 June 2018: $5,181,529).

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.

DIRECTOR'S REPORT (cont)

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 Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/91*. The Company is an entity to which the Instrument applies, and in accordance with that Instrument, amounts in the Directors' report and financial report have been rounded to the nearest thousand dollars (where rounding is appropriate).

8. EVENTS SUBSEQUENT TO REPORTING DATE

No other matter or circumstance has arisen subsequent to 31 December 2018 that has significantly affected, or may significantly affect, the state of affairs or operations of the reporting Consolidated Entity in future financial periods.

9. 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 2018.

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

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Jonathan Downes
Managing Director
Dated this 12 March 2019

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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 2018, 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 Perth

PKF PERTH

SIMON FERMANIS
PARTNER

12 MARCH 2019
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

Conclusion

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 2018, and 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, a statement of accounting policies, other selected explanatory notes, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2018, or during the half year.

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 2018, and of its financial performance for the half-year ended on that date; and

(b) complying with the Australian 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 indicates that the consolidated entity incurred a net loss after tax of $626,071 and net operating cash outflows of $4,946,224 during the half-year ended 31 December 2018. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's and consolidated entity's ability to continue as a going concern and therefore, the company and 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.

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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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 Regulations 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that 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 2018 and its performance for the half year ended on that date, and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations 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.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

12 MARCH 2019
WEST PERTH
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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the half year ended 31 December 2018

	31-Dec 2018 $'000	31-Dec 2017 $'000
Revenue		
Other revenue	84	51
Expenses		
Administrative expenses	(9)	(27)
Consultancy expenses	(106)	(84)
Depreciation and amortisation expenses	(2)	-
Directors fees	(113)	(114)
Employee benefits expense	(265)	(231)
Writeback/(impairment) of Exploration expenditure	27	(118)
Insurance expenses	(21)	(18)
Occupancy expenses	(25)	(22)
Reversal of provision for impairment on receivables	38	-
Realised losses on receivables	(37)	-
Regulatory expenses	(213)	(81)
Travel refund/(expenses)	2	(17)
Unrealised movement on financial assets	14	-
Loss before income tax expense	(626)	(661)
Income tax expense	-	-
Loss for the period	**(626)**	**(661)**
Other comprehensive income		
Items that maybe reclassified subsequently to profit and loss		
Exchange differences arising on translation of foreign operations	1,366	1,382
Total comprehensive income/(loss) for the period	**740**	**721**
Earnings per share		
Basic and diluted loss per share (cents) calculated on loss for the period	(0.10)	(0.12)

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 2018

	Note	31-Dec 2018 $'000	30-Jun 2018 $'000
CURRENT ASSETS			
Cash and cash equivalents		2,102	5,182
Trade and other receivables		36	44
Financial assets		14	-
Other current assets		15	17
TOTAL CURRENT ASSETS		2,167	5,243
NON-CURRENT ASSETS			
Plant and equipment		8	6
Exploration and evaluation expenditure	3	54,482	49,396
Other assets		1,419	114
TOTAL NON-CURRENT ASSETS		55,909	49,516
TOTAL ASSETS		58,076	54,759
CURRENT LIABILITIES			
Trade and other payables		1,089	408
Provisions		200	171
TOTAL CURRENT LIABILITIES		1,289	579
TOTAL LIABILITIES		1,289	579
NET ASSETS		56,787	54,180
EQUITY			
Issued capital	5	124,817	122,950
Reserves	6	4,684	3,318
Accumulated losses		(72,714)	(72,088)
TOTAL EQUITY		56,787	54,180

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 2018

	31-Dec-18 $'000	31-Dec-17 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments for administration and corporate expenses	(417)	(308)
Payments for exploration and evaluation expenses	(3,181)	(587)
Payments for staff costs	(245)	(364)
Interest received	1	13
Payments to escrow account for environmental bonds	(1,270)	-
Refund of environmental bonds	80	-
Other revenue	86	61
NET CASH USED IN OPERATING ACTIVITIES	**(4,946)**	**(1,185)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from non-refundable tenement sale deposit	-	25
Payments for plant and equipment	(4)	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES	**(4)**	**25**
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of shares	2,000	-
Costs of issuing share capital	(133)	(2)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	**1,867**	**(2)**
Net increase/(decrease) in cash and cash equivalents	(3,083)	(1,162)
Effect of movement in exchange rates on cash held	3	3
Cash and cash equivalents at the beginning of the reporting period	5,182	2,465
Cash and cash equivalents at the end of the reporting period	**2,102**	**1,306**

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 2018

	Issued Capital	Share Based Payment Reserve	Foreign Translation Reserve	Accumulated Losses	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2018	**122,950**	**-**	**3,318**	**(72,088)**	**54,180**
Loss for the period	-	-	-	(626)	(626)
Other Comprehensive Income					
Exchange differences arising on translation of foreign operations	-	-	1,366	-	1,366
Total comprehensive income for the period	-	-	1,366	(626)	740
Transactions with owners, recorded directly in equity					
Issue of share capital	2,000	-	-	-	2,000
Share-based payments	-	-	-	-	-
Lapse of share options	-	-	-	-	-
Costs of issuing capital	(133)	-	-	-	(133)
Total transactions with owners	1,867	-	-	-	1,867
Balance at 31 December 2018	**124,817**	**-**	**4,684**	**(72,714)**	**56,787**
Balance at 1 July 2017	**117,179**	**1,309**	**716**	**(71,622)**	**47,582**
Loss for the period	-	-	-	(661)	(661)
Other Comprehensive Income					
Exchange differences arising on translation of foreign operations	-	-	1,382	-	1,382
Total comprehensive income for the period	-	-	1,382	(661)	721
Transactions with owners, recorded directly in equity					
Issue of share capital	-	-	-	-	-
Share-based payments	142	-	-	-	142
Lapse of share options	-	(1,309)	-	1,309	-
Costs of issuing capital	(2)	-	-	-	(2)
Total transactions with owners	140	(1,309)	-	1,309	140
Balance at 31 December 2017	**117,319**	**-**	**2,098**	**(70,974)**	**48,443**

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 2018

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 2018, 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 2018 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 12 March 2019.

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 2018, 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 relevant to their operations and 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 and are consistent with those of the previous financial years and corresponding interim reporting period.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2018 (cont)

Impact of new standards and interpretations issued but not yet adopted

There are no new standards that have been issued since 30 June 2018 that have been applied by the Consolidated Entity. The 30 June 2018 annual report disclosed that the Consolidated Entity anticipated no new material impacts arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2018.

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 $626,071 for the period ended 31 December 2018 (31 December 2017: $661,319). As at 31 December 2018 the Consolidated Entity had net assets of $56,787,381 (30 June 2018: $54,179,446) and continues to incur expenditure on its exploration tenements drawing on its cash balances. As at 31 December 2018 the Consolidated Entity had $2,101,768 (30 June 2018: $5,181,529) 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. On 28 November 2018 the Company announced a placement raising a total of $2,000,000. The funds will be utilised to advance the Citroneon Project and provide general operational funding. As at 31 December 2018 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.

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.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS for the half year ended 31 December 2018 (cont)

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) *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.

2. SEGMENT INFORMATION

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the 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.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2018 (cont)

2018		Australia	Greenland	Total
		$000	$000	$000
(i)	**Segment performance**			
	For the period ended 31 December 2018			
	Revenue			
	Unallocated items:			
	Interest revenue	-	-	1
	Cost recoveries	-	-	58
	Other revenue	25	-	25
	Total segment revenue	25	-	84
	Reconciliation of segment result to group net profit/(loss) before tax			
	Amounts not included in segment result but reviewed by the Board:			
	Exploration expenditure impairment	64	(37)	27
	Unallocated items:			
	Other expenses			(737)
	Net loss before tax			(626)
(ii)	**Segment assets**			
	As at 31 December 2018			
	Segment assets at 1 July 2018	1,472	48,103	49,575
	Segment asset increase for the period:	-	1	1
	Financial assets	-	3	3
	Exploration assets	41	5,044	5,085
	Other assets	-	1,306	1,306
		1,513	54,457	55,970
	Reconciliation of segment assets to group assets			
	Unallocated assets:			
	Financial assets			2,008
	Trade and other receivables			36
	Plant and equipment			7
	Other assets			55
	Total group assets			58,076
(iii)	**Segment liabilities**			
	As at 31 December 2018			
	Reconciliation of segment liabilities to group liabilities			
	Other liabilities	2	607	609
	Unallocated items:			
	Other liabilities			680
				1,289

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2018 (cont)

2017		Australia	Greenland	Total
		$000	$000	$000
(iv)	**Segment performance**			
	For the period ended 31 December 2017			
	Revenue			
	Unallocated items:			
	Interest revenue			13
	Cost recoveries			35
	Other revenue			3
	Total segment revenue			51
	Reconciliation of segment result to group net profit/(loss) before tax			
	Amounts not included in segment result but reviewed by the Board:			
	Exploration expenditure written off	(25)	(93)	(118)
	Unallocated items:			
	Other expenses			(594)
	Net loss before tax			(661)
(v)	**Segment assets**			
	As at 30 June 2018			
	Segment assets at 1 July 2017	1,233	44,415	45,648
	Segment asset increase/(decrease) for the period:			
	Exploration expenditure	239	3,680	3,919
	Financial assets	-	5	5
	Other assets	-	3	3
		1,472	48,103	49,575
	Reconciliation of segment assets to group assets			
	Unallocated assets:			
	Cash and cash equivalents			5,076
	Trade and other receivables			44
	Plant and equipment			6
	Other assets			58
	Total group assets			54,759
(vi)	**Segment liabilities**			
	As at 30 June 2018			
	Reconciliation of segment liabilities to group liabilities			
	Other liabilities	4	12	16
		4	12	16
	Reconciliation of segment liabilities to group liabilities			
	Unallocated Items:			
	Other liabilities			563
	Total group liabilities			579

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2018 (cont)

Segment analysis by geographical region	Non-current assets	
	31 Dec 2018 $000	30 Jun 2018 $000
Australia	1,560	1,518
Greenland	54,349	47,998
	55,909	49,516

3. EXPLORATION EXPENDITURE

	31 Dec 2018 $'000	30 Jun 2018 $'000
Balance at the beginning of the period	49,396	45,477
Exploration expenditure capitalised during the period	3,688	1,563
Foreign exchange movements	1,371	2,606
Writeback/(Impairment) of exploration expenditure	27	(250)
Balance at the end of the period	54,482	49,396

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.

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 2018, 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.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2018 (cont)

5. ISSUED CAPITAL

	31-Dec 2018 $'000	30-Jun 2018 $'000
Issued and fully paid ordinary shares	128,665	126,665
Less: capital issue costs net of tax	(3,848)	(3,715)
	124,817	122,950

On 28 November 2018 the Company announced a placement of 71,428,571 fully paid ordinary shares with sophisticated investors. The shares had an issue price of $0.028 per share.

6. RESERVES

	31-Dec 2018 $'000	30-Jun 2018 $'000
Foreign translation reserve	4,684	3,318
Share based payment reserve	-	-
	4,684	3,318

a) Foreign exchange translation reserve

Balance at the beginning of the period	3,318	716
Exchange differences arising on translating the foreign operations	1,366	2,602
Balance at the end of the period	4,684	3,318

b) Share based payment reserve

Balance at the beginning of the period	-	1,309
Lapse of options on expiry	-	(1,309)
Balance at the end of the period	-	-

There were no outstanding share options at reporting date.

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.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS
for the half year ended 31 December 2018 (cont)

7. CONTROLLED ENTITIES

	Country of incorporation	Percentage owned 31 December 2018 %	30 June 2018 %
Subsidiaries of Ironbark Zinc Limited:			
Bedford (No 3) Ltd	British Virgin Islands	100	100
Ironbark Zinc Pty Ltd	Australia	100	100
Doctor Evil Pty Ltd	Australia	100	100
Ironbark Aust Pty Ltd	Australia	100	100
Subsidiaries of Ironbark Aust Pty Ltd:			
Ironbark A/S	Greenland	100	100

8. CONTINGENT ASSETS AND 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 2018.

10. KEY MANAGEMENT PERSONNEL

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

11. EVENTS SUBSEQUENT TO REPORTING DATE

No other matter or circumstance has arisen subsequent to 31 December 2018 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 2018 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*.

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Jonathan Downes
Managing Director

Dated this day 12 March 2019