

Thursday 27 July 2023

Company Announcements

Australian Securities Exchange Limited
Level 40, Central Park,
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PERTH WA 6000

QUARTERLY ACTIVITIES REPORT PERIOD ENDING 30 JUNE 2023

Ironbark Zinc Limited (“Ironbark”, “the Company” or “IBG”) (ASX: IBG) hereby provides a report on its activities for the quarter ending 30 June 2023.

Highlights

Citronen

- Post due-diligence work with US EXIM Bank ongoing; current priority is an updated and expanded 2023 Stakeholder Engagement Strategy
- MOU with Norwegian Arctic Specialist LNS A/S extended for further 12-Months
- JV partner discussions continue with prospective Project joint venture partners, focused on mid to large capitalisation miners experienced in Arctic operations

Corporate

- A\$1.27 million Cash at Bank as at 30 June 2023

Zinc Market

- Zinc prices trended down throughout a majority of the quarter, hitting 3-year lows around the end of May 2023 before a modest recovery towards quarter end
- Treatment charges for zinc concentrates for 2023 settled higher at USD \$274/t, up from \$230/t in 2022 and \$159/t in 2021 largely due to a mismatch between ongoing mine supply and idled smelting capacity as a result of elevated power charges globally

Ironbark Zinc Limited Managing Director:

“The June quarter saw Ironbark continue to progress the Citronen Project despite a challenging metal price environment and ongoing macroeconomic uncertainty in key markets globally.

Extending the MOU with LNS was a logical step given the relationship established to date and it preserves our collective optionality to work more closely together at Citronen in the future. Likewise, the Company continues to prioritise the opportunity to partner with US EXIM Bank and we’re working closely with them on updating our stakeholder management program over the second half of 2023.

In parallel to the above the Company continues to review new growth opportunities, covering a range of metals across a range of jurisdictions, with a view to acquiring one or more new projects that will provide the market with more regular news flow and value catalysts.”

Projects - Citronen

2023 Stakeholder Strategy

Ironbark presented its new Stakeholder Strategy to EXIM in their Washington offices in early March 2023. RPM Global continue to advise EXIM Bank on both technical and ESG related matters regarding Ironbark’s proposed development at Citronen. Of the four areas highlighted by US EXIM’s 2022 Due Diligence program (see ASX announcement dated 12 December 2022), an updated Stakeholder Engagement Strategy is the first of the workstreams to be addressed. IBG submitted a proposal to RPM Global for review in the June quarter and approval is now expected imminently, after which final planning will commence for mobilisation in Greenland in the second half of 2023.

Ironbark notes that the revised Stakeholder Engagement Strategy is largely being undertaken to update EXIM on community views in Greenland regarding the development of Citronen given this work was initially undertaken by Ironbark in the period 2011-2016 as part of its Exploitation Licence approval. The already granted exclusive Exploitation Licence, under which IBG’s EIA, SIA and IBA have all been approved by the Government of Greenland, is unaffected by anything undertaken for the benefit of US EXIM Bank.

12-month extension to MOU with Norwegian Arctic Specialist LNS A/S

In May 2023 Ironbark executed a 12-month extension to its non-binding Memorandum of Understanding (“**MOU**”), on the same terms as agreed previously, (see ASX announcement dated 23 May 2022) with Norwegian Arctic specialist Leonhard Nilsen & Sønner (“**LNS**”). Having become very familiar with the LNS business, including its people and execution capabilities, Ironbark is pleased to extend its relationship with LNS, who visited Citronen as part of the US EXIM Bank site visit in July 2022, with a view to eventually forming a potential partnership to progress the project.

JV Partner Search

Relative to the broad-based Strategic Equity Process run in 2022, and in recognition of the scale of the Citronen Project, operational complexity of the Arctic environment and US EXIM’s lending parameters, Ironbark has elected to undertake a much more focused search for a JV partner at Citronen in 2023. Advanced zinc development projects capable of sustaining multi-decade mine lives are rare, and ones located in jurisdictions with a strong rule of law even more so. It is also the case however that mining in the high Arctic requires specialised capabilities and the successful development of Citronen over the long term will require significant technical and financial resources. The Company is therefore targeting mid to large cap mining companies with significant balance sheet strength, current or planned exposure to the base metals market and experience with operating high latitude mines.

This approach with perhaps fewer but much more committed potential investors, has necessitated a different process to the more structured, but broader one ran in 2022 and is showing signs of being successful. The key attributes of the Project – granted mining licence, multi-decade Mineral Resource, clean concentrate, Offtakes largely pre-sold, presence of US EXIM, significant exploration upside – remain attractive to various majors and discussions remain ongoing at the time of this report.

Projects - Australia

Fiery Creek (EL 6925)

No work occurred on the Fiery Creek Project in the June quarter following various track closures (for scheduled maintenance) by NSW National Parks.

Captains Flat (EL 6381)

No work occurred on the Captains Flat Project in the June quarter.

Corporate

ASX Listing Rule 5.4.5 Disclosure

Payments to related parties during the quarter as outlined in Sections 6.1 and 6.2 of the Appendix 5B consisted of A\$97,624 in directors' fees and fees to the Managing Director under his executive services agreement.

The Company's cash balance, as at 30 June 2023, was **A\$1.27 million**.

Further Inquiries

Contact and person who authorised the announcement:

Managing Director Michael Jardine on +61 424 615 047 or mjardine@ironbark.gl for any further inquiries.

ABOUT IRONBARK

Ironbark is listed on the Australian Securities Exchange and is seeking to become a base metal mining house. 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 through acquisition. The management and board of Ironbark have extensive technical and corporate experience in the minerals sector.

Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

JORC Resource

The current JORC 2012 compliant resource for Citronen (see ASX announcement dated 19 July 2021):

84.7 million tonnes at 4.72% Zn & 0.47% Pb

Category	Tonnes	Zn (%)	Pb (%)
Open pit @ 1.5% Zn cut-off			
Measured	11,767,520	2.9	0.5
Indicated	2,159,548	2.6	0.3
M&I	13,927,068	2.8	0.5
Inferred	3,303,573	2.9	0.4
Open pit total	17,230,641	2.8	0.4
Underground @ 3.5% Zn cut-off			
Measured	22,518,764	5.2	0.5
Indicated	26,208,555	5.5	0.5
M&I	48,727,319	5.4	0.5
Inferred	18,744,401	4.8	0.4
Underground total	67,471,720	5.2	0.5
TOTAL Mineral Resource			
Measured	34,286,284	4.36	0.51
Indicated	28,368,103	5.30	0.46
Inferred	22,047,974	4.55	0.42
Total	84,702,361	4.72	0.47

JORC Table 1 included in an announcement to the ASX released on 19th July 2021: “2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project”. Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Ore Reserve

The current JORC 2012 compliant Ore Reserve for Citronen is summarised below:

Deposit	Category	Tonnes (Mt)	ZnEq grade (%)*	Zn grade (%)	Pb grade (%)	ZnEq metal (Mt)	Zn metal (Mt)	Pb metal (Mt)
Beach underground	Proved	19.0	5.5	5.2	0.5	1.0	1.0	0.1
	Probable	7.0	5.8	5.7	0.5	0.4	0.4	0.03
Esrum underground	Proved	-	-	-	-	-	-	-
	Probable	15.8	5.1	4.8	0.4	0.8	0.8	0.06
Discovery open pit	Proved	5.5	3.5	3.2	0.6	0.2	0.2	0.03
	Probable	1.4	2.5	2.3	0.4	0.04	0.03	0.01
Total	Proved	24.6	5.1	4.6	0.5	1.2	1.1	0.13
	Probable	24.2	5.1	5.0	0.4	1.2	1.1	0.10
	Total	48.8	5.1	4.8	0.5	2.5	2.3	0.24

The Ore Reserve is based on Measured and Indicated Resources only and does not include any Inferred Mineral Resources. JORC Table 1 included in an announcement to the ASX released on 19th July 2021: "2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project" Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Exploration Target

40 Mt to 90 Mt at 5.0% to 7.1% zinc + lead combined

Prospect Area	Prospective sulphide horizons	Tonnes from - to (Mt)	Zinc % Grade range	Lead % Grade range	Combined zinc + lead grade
East	L3/L4	3 to 5Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Western Gossans	L3/L4	5 to 8Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Beach South	L2/L3	4 to 10Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Esrum Extended	L3	12 to 28Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Discovery South East	L1/L2/L3	10 to 25Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Discovery North/Trilobite Valley	L2/L3/L4	6 to 14 Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Total		40 to 90 Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead

For further information on the Citronen Exploration Target, please see the ASX announcement dated 11 February 2021. The Exploration Target has not been included in the calculation of the life of mine or project NPV. The Exploration Target listed above is formed on the basis of historic exploration work at Citronen, including over 60,000m of diamond drilling and subsequent work sufficient to declare the Mineral Resource and Ore Reserve. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Ironbark plans to test the Exploration Targets as part of a phased exploration and resource development program. This multi-year program is planned to commence concurrently with mine development and construction, and is aimed at further improving the current Citronen mine plan through some potential combination of mine life extensions, grade uplift and/or the deferral of major lateral mine development in the current schedule. At present, Ironbark intends to undertake this work will take place within two years of construction beginning at Citronen.

A systematic drilling program is planned to test extensions to the known mineralisation at the newly identified conceptual target areas. IBG already has four drill rigs at Citronen that are available for any future exploration program, and any further exploration equipment will be mobilised in conjunction with the site construction activities as required.

The Exploration Target is based upon review of project drilling, rock chip samples and the limited geophysical data available. A 3D geological model of the project was used to assist in identifying prospective areas. Each area was systematically reviewed with tonnage ranges based on conceptual target sizes and area prospectivity. Exploration Target zinc and lead grade ranges and rock densities are based upon typical grades observed from the current Citronen Resource (refer to ASX announcement 12th March 2020). The Exploration Target calculation has been based on a combination of actual exploration results as discussed in this report and proposed exploration programmes.

“Ironbark is an emerging leader amongst Australia’s mineral resource companies, dedicated to the development of its major base metal mining operation in Greenland – the world class Citronen Project, and the acquisition of quality base metals projects.”

Disclosure Statements and Important Information

Forward Looking Statements

The following information is not intended to guide any investment decisions in Ironbark Zinc Limited. This material contains certain forecasts and forward-looking information, including possible or assumed future performance, costs, production levels or rates, reserves and resources, prices and valuations and industry growth and other trends. Such forecasts and information are not a guarantee of future performance and involve many risks and uncertainties, as well as other factors. Actual results and developments may differ materially from those implied or expressed by these statements and are dependent on a variety of factors. The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, based on the information contained in this and previous ASX announcements.

The Citronen Zinc Project is considered to be at an early development stage and will require further regulatory approvals and securing of finance and there is no certainty that these will occur. Nothing in this material should be construed as either an offer to seek a solicitation or as an offer to buy or sell Ironbark securities. Consideration of the technical and financial factors requires skilled analysis and understanding of their context.

Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources and Exploration Targets is based on information compiled by Ms Elizabeth Clare 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.

The mining-specific information in this report, which relates to Ore Reserves, is based on information compiled by Mr Andrew Gasmier CP (Mining), who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Gasmier is employed full time by Mining Plus. He has sufficient experience which 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gasmier consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Persons Disclosure

Ms Laursen is an employee of Ironbark Zinc Limited and currently holds securities in the company.

Schedule of Tenements (as required by ASX Listing Rule 5.3.3)

IRONBARK ZINC LIMITED CONSOLIDATED BASIS				
SCHEDULE OF INTERESTS IN MINING TENEMENTS				
Project	Mining Licence and tenements held	Location of tenements	Beneficial % interest at end of the quarter	Change in the quarter
Captains Flat (Joint Venture with Glencore)	EL6381	New South Wales	50%	-
Fiery Creek	EL6925	New South Wales	100%	-
Citronen	ML 2016/30	Greenland	100%	-