

13 March 2017

## **Drilling Commenced at Kildare MVT Zinc Project, Ireland**

*3,000m diamond drilling program underway with multiple targets to be tested*

### **Key Points:**

- **Phase 2 drilling program underway at 100%-owned Kildare MVT District Zinc Project.**
- **First hole designed to test a potential link between thick high grade zinc mineralisation at the McGregor and Shamrock prospects.**
- **Drilling will also test the extent of mineralisation at McGregor to aid resource calculation, and recently identified green fields exploration targets with exciting discovery potential.**
- **Regular updates to be provided as drilling progresses.**

Further to its announcement of 2 March 2017, European base metals explorer Zinc of Ireland NL (ASX: ZMI – “ZMI” or “the Company”) is pleased to advise that the Phase 2 diamond drilling program has commenced at its 100%-owned **Kildare MVT Zinc Project** in Ireland (Figure 1).

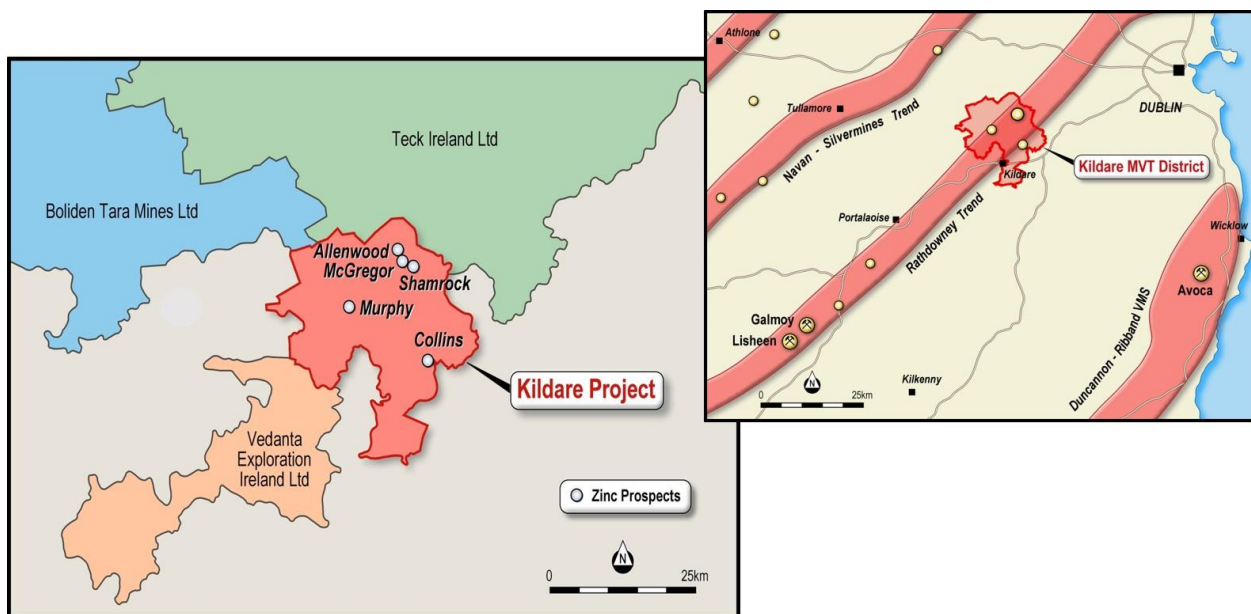
The program, which is being undertaken by experienced surface and underground drilling contractor Priority Drilling, will comprise approximately 3,000m of diamond drilling.

The drilling has been designed to test multiple targets, including extensions of mineralisation at previously drilled prospects and a number of newly identified high-priority exploration targets. The number of holes will depend on the mineralisation encountered in the target horizons.

The first hole, Z\_1609\_001, has been collared to target beneath a deep overburden anomaly between the McGregor and Shamrock Zones, where the base of reef and sub-reef targets remain untested despite historical drilling of a similar anomaly leading to the discovery at McGregor. Two further holes are planned for this highly significant target area (Figure 2).

An in-fill hole will also be drilled at McGregor to test the eastern extent of the mineralisation to assist with the potential calculation of a maiden JORC (2012) compliant Mineral Resource.

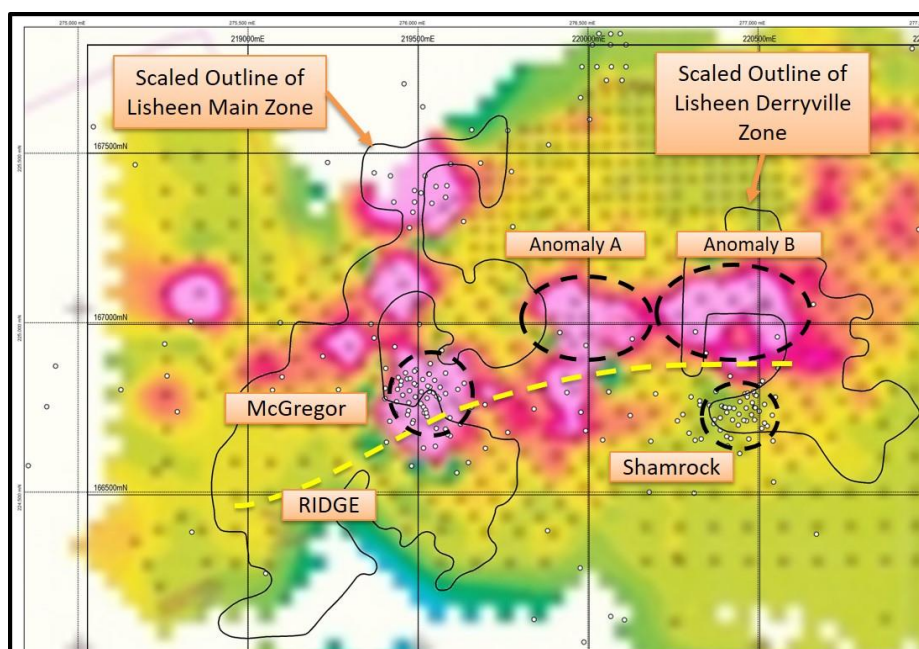
The rig will then move on to test a number of newly identified green fields exploration targets, where the Company believes there is outstanding potential to make new discoveries. Regular updates will be provided as drilling progresses.



**Figure 1: Regional setting of the Kildare Project**

The Kildare District is host to numerous Mississippi Valley Type (MVT) zinc-rich breccias, with the favourable “Waulsortian Limestone” host rock forming a bed across the district.

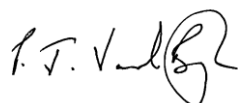
ZMI’s maiden drilling program was undertaken at the Shamrock and McGregor Prospects in late 2016, with the results confirming and extending historical mineralisation. The drilling also confirmed the presence of significant thick zones of zinc mineralisation at four distinct stratigraphic horizons.



**Figure 2: Deep overburden geochemistry highlighting anomalies A and B to be drill tested in the current program**

A detailed overview of the targets to be tested in the current programme was provided in the Drilling Update Presentation lodged on 20 February.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'P. J. van der Borgh', with a large, stylized flourish at the end.

**Peter van der Borgh**  
Managing Director  
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**Competent Person Statement**

*The information in this document that relates to exploration results is based on information compiled by Mr Benjamin Sharp BSc MAIG, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Sharp is a director and shareholder of Zinc of Ireland NL. Mr Sharp has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken 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 (JORC Code). Mr Sharp consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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- *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by ZMI, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,*
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