

Phase 4 Drilling Program Underway at Kildare

Targets planned to explore extensions to resources and new ore positions

Highlights:

- Two rigs on site for 7,500m Phase 4 drilling program
- Rig 1 initially targeting new ore positions along the Allenwood Corridor
- Rig 2 initially targeting northwest extensions to the McGregor Resource
- ZMI seeking to expand Resource position to give critical mass for assessment of mining scenarios

KILDARE ZINC PROJECT, IRELAND (ZMI: 100%)

ZMI is pleased to advise that two diamond drilling rigs are underway at Kildare, where the Company is looking to expand its current Inferred Resource of **5.2Mt @ 8.6% Zn+Pb** by targeting new ore positions and extensions to the Resource. The program will comprise ~7,500m of drilling, and continue for four to five months.

ZMI's managing Director Peter van der Borgh said the Company was entering a new phase in its exploration of Kildare. "We embark on a drilling campaign designed to evaluate the prospects of Kildare hosting a mining proposition. The zinc price is strong, and likely to remain so for many years, making deposits such as McGregor increasingly attractive.

"The previous concerted exploration effort at Kildare ended in the late 1980s, a couple of years before the discovery of the world class Lisheen mine, 80km along strike from Kildare. Lisheen produced 22.8Mt @ 14.1% Zn+Pb during 16 years in operation.

"A lot was learned about Waulsortian Reef hosted deposits from Lisheen and the nearby Galmoy mine since things wound down at Kildare, so we benefit from that knowledge, a good amount of historical data, and a couple of years of our own activity on the Project, all of which has helped to finesse our exploration model".

Phase 4 Drilling Program

ZMI has commenced a 7,500m drilling program with aspirations to grow its resource base and identify new ore positions within the Allenwood Graben, centred around Kildare's principal resource at McGregor. The priority target areas were outlined in the Company's presentation that was released to the ASX last week and is available on the Company's website.

Rig 1 has commenced drilling at Allenwood East (AC3, figures 1 and 2). Hole Z_3846_001 steps 150m west of historical drill holes that discovered zinc mineralisation in the Allenwood Beds beneath a deep overburden geochemical anomaly. ZMI has interpreted this to be the potential site for a McGregor 'lookalike', where mineralisation lies along the base of the Waulsortian Reef in the hangingwall of a mineralised fault.

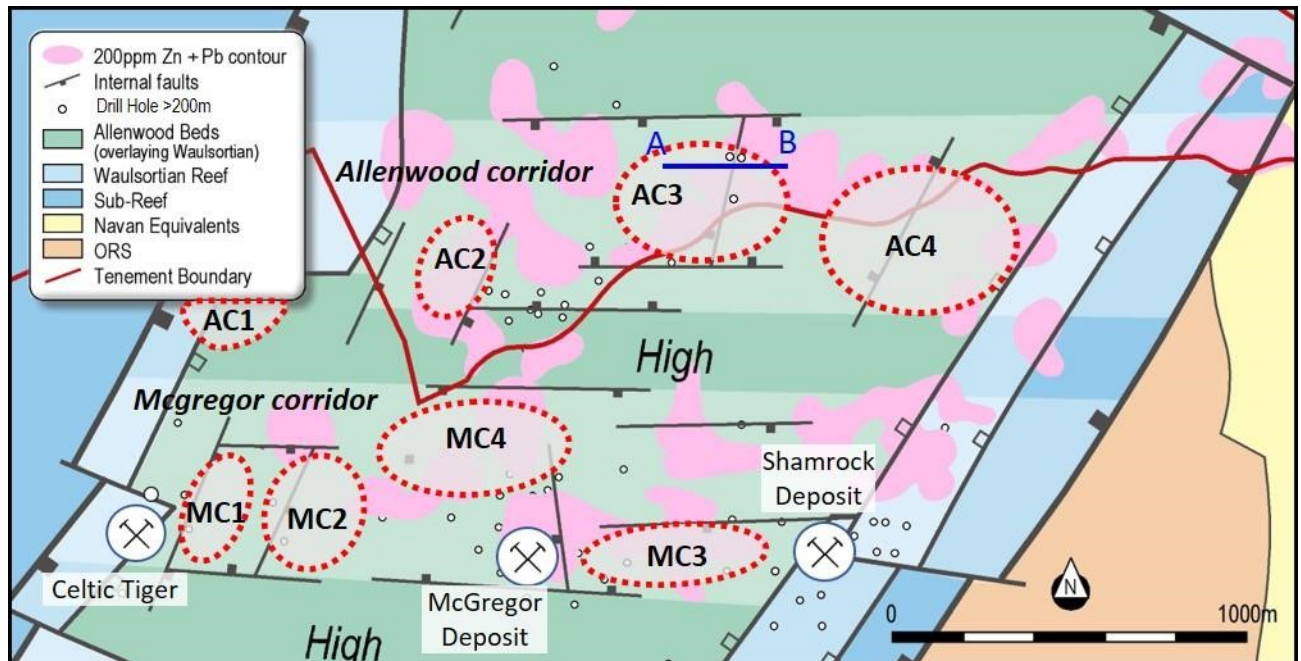


Figure 1: Target areas referred to in this report. Note the section line A-B represented in figure 2.

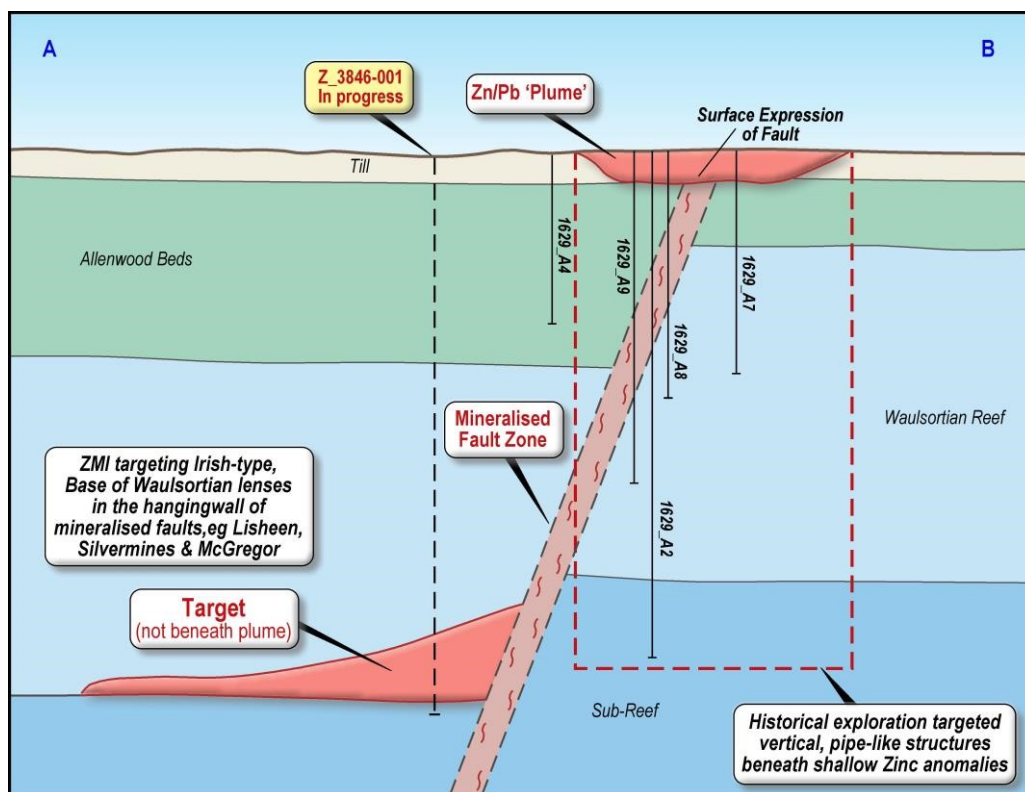


Figure 2: Cross section A-B in figure 1, showing the position of Z_3846_001 and historical and current exploration models.

Rig 2 has commenced drilling approximately 250m north of the main zone of mineralisation at McGregor, where the hole will test the potential for the McGregor deposit to extend considerably farther than currently defined.

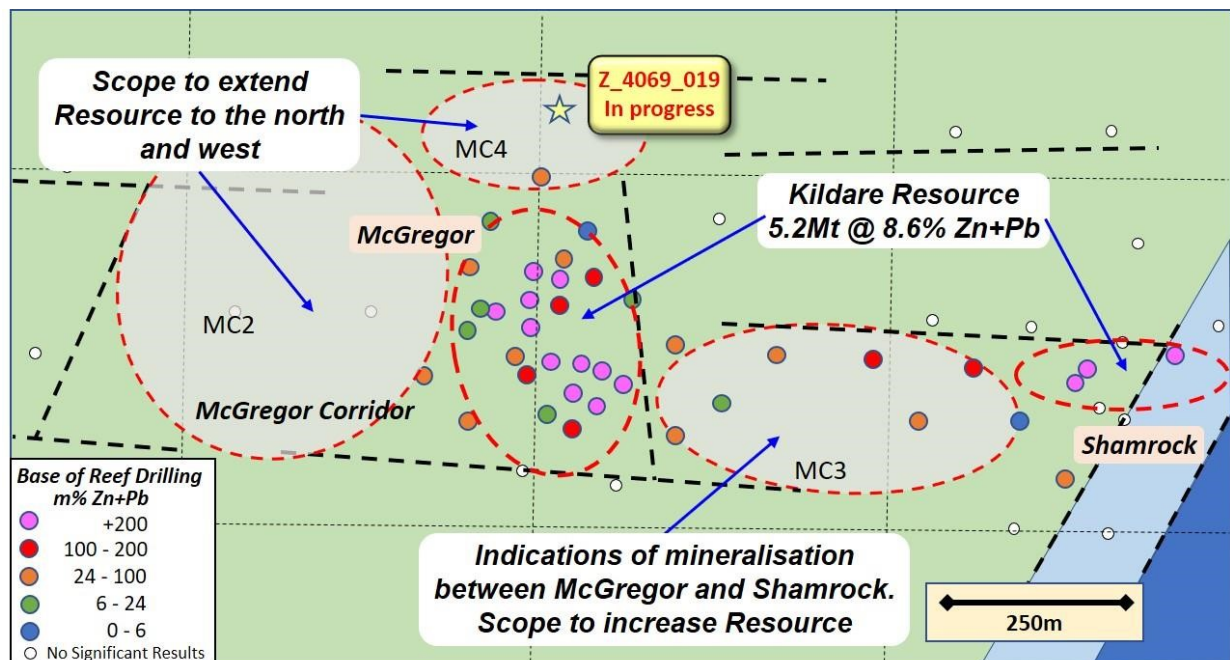
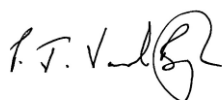


Figure 3: Plan of McGregor showing target areas and location of drill hole Z_4069_019.

These two drill holes represent the first in a series of holes that will be drilled over the next four to five months, testing a range of targets including new ore positions in similar structural positions to McGregor and Shamrock, and along the Western Platform where ZMI successfully intersected multiple zones of thick, high grade mineralisation at Celtic Tiger. Several holes will also be drilled to test extensions to the current resources.

Yours faithfully,



Peter van der Borgh

Managing Director
Zinc of Ireland NL

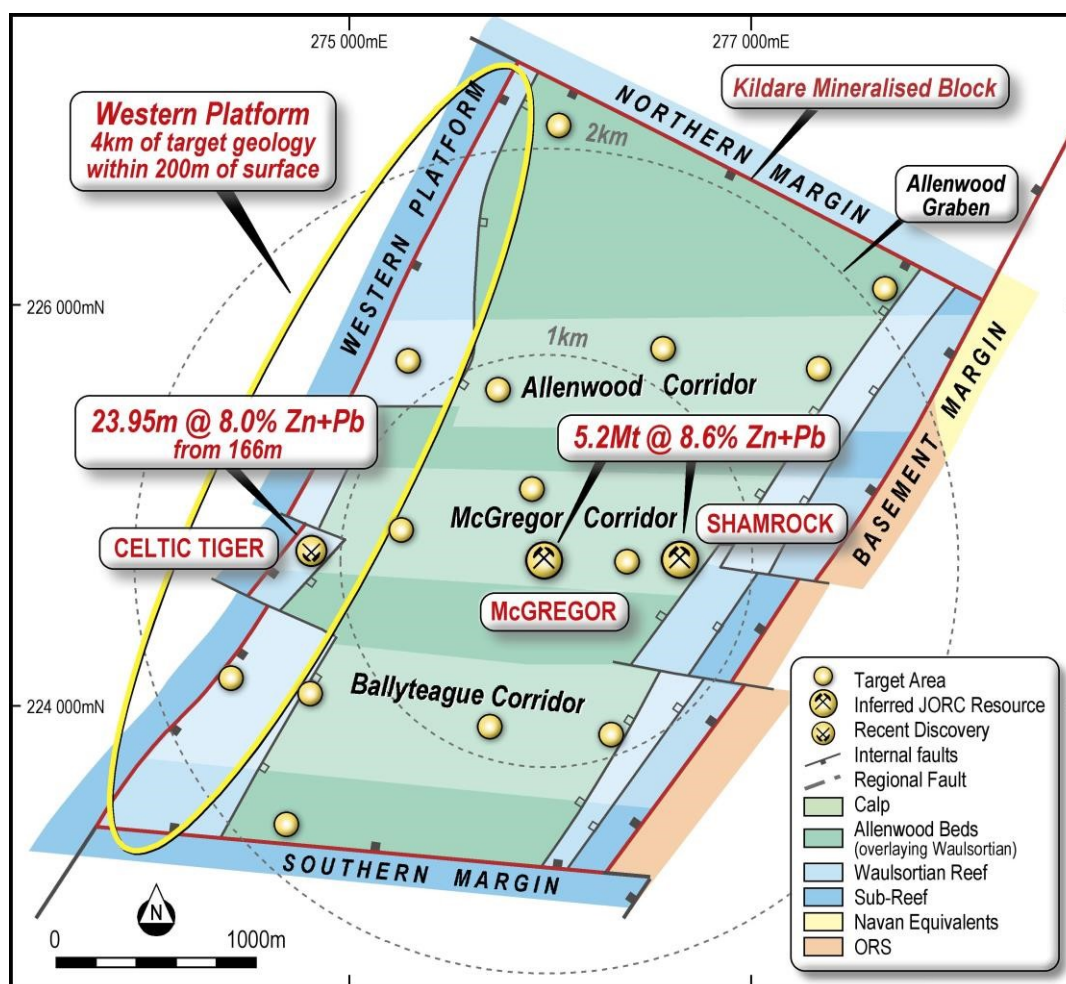
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About the Kildare Project:

The Kildare Project is located in the Republic of Ireland, approximately 40km south-west of the capital of Dublin. Ireland is the world's richest zinc real estate in tonnes of zinc per km², and is the home of several large, high grade zinc mines including Navan, Lisheen, Galmoy and Tynagh. As zinc supply continues to fall worldwide, ZMI are seeking to establish a significant zinc project at Kildare by utilising the following key advantages:

- Maiden Inferred JORC resource of 5.2Mt @8.6% Zn+Pb
- Significant regional exploration upside
- Similarities to other renowned Irish-Type zinc projects becoming visible
- Mining friendly jurisdiction with stable government
- Excellent infrastructure (including port and rail)



The Kildare Mineralised Block (Allenwood Graben), highlighting existing prospects and 2018 targets.

Competent Person Statement

The information in this report that relates to exploration results is based on information compiled by Mr Peter van der Borgh, a Competent Person who is a Fellow of the Geological Society of London. Mr van der Borgh is a director and shareholder of Zinc of Ireland NL. Mr van der Borgh 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 van der Borgh consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The information that relates to mineral resource estimates is based on information compiled by Mr Phil Jones BAppSc (App Geol), MAIG, MAusIMM, a Competent Person who is a Member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Jones is a full-time employee of Al Maynard & Associates: Geological (AM&A) and does not hold any interest in Zinc of Ireland NL. AM&A invoiced ZMI and ZMI are expected to pay a fee for the preparation of the mineral resource estimate report. This fee comprises a normal, commercial daily rate plus expenses and the payment is not contingent on the results of the report. Mr Jones 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 Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information that relates to mineral resource estimates is extracted from the ASX announcement entitled “High-Grade Zn-Pb Inferred Resource Estimate at Kildare” released on 1 June 2017 and is available to view on www.zincofireland.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which Competent Person’s findings are presented here have not been materially modified from the original market announcement.

Disclaimer

Certain statements contained in this announcement, including information as to the future financial or operating performance of ZMI and its projects, are forward-looking statements that:

- *may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;*
- *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,*
- *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.*