Quarterly Activities Report for Period Ended 30 June 2018

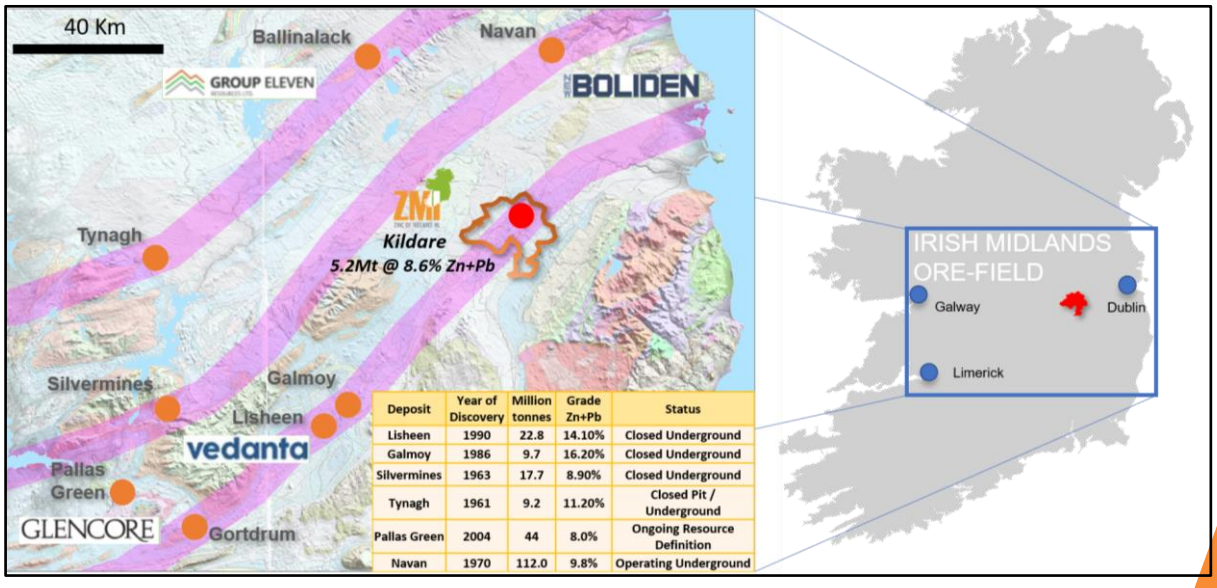
Highlights:

- **7,500m Phase 4 drilling commenced targeting new ore positions and extensions to existing Resources**
- **$2.55m Capital Raising completed, of which Directors subscribed to $350k**
- **Appointment of Richard Monti as Chairman**
- **Leonora Option extended and deal terms updated**
- **Ireland site visit by entire Board of Directors**

KILDARE ZINC PROJECT, IRELAND (ZMI: 100%)

Phase 4 Drilling Program

Following a technical review and refinement to the Kildare exploration model, ZMI commenced its fourth phase of drilling at the Kildare project targeting new ore positions and extensions to the existing resource of **5.2Mt @ 8.6% Zn+Pb**. A total of 7,500m of drilling is planned for the program, which is expected to continue for another four months. Fifteen drill holes were planned and permitted prior to commencement, and the program is fully funded.



Deposit	Year of Discovery	Million tonnes	Grade Zn+Pb	Status
Lisheen	1990	22.8	14.10%	Closed Underground
Galmoy	1986	9.7	16.20%	Closed Underground
Silvermines	1963	17.7	8.90%	Closed Underground
Tynagh	1961	9.2	11.20%	Closed Pit / Underground
Pallas Green	2004	44	8.0%	Ongoing Resource Definition
Navan	1970	112.0	9.8%	Operating Underground

Figure 1: Kildare project location showing current and historical mining information.

Target areas have been identified from a range of criteria, including anomalous historical soils and deep-overburden geochemistry, structural setting, and historical drilling that often-intersected zinc mineralisation but which ZMI considers either did not test, or did not adequately test the Base of Waulsortian Reef target zone.

Rig 2 has completed two holes targeting extensions to the McGregor deposit approximately 250m north and north-northwest of the main zone at McGregor. Drill holes Z_4069_019 and 020 both intersected faulting, brecciation and sulphides, typically marcasite (FeS_2), with occasional subordinate sphalerite (ZnS) and galena (PbS). Both holes also encountered thick Allenwood Beds above the Reef, and a thinning of the Reef similar to that observed at McGregor. However, it appears that the thinning of the Reef in these holes is due to faulting, and the Base of Reef target horizon was not intersected. A third hole targeting coincident deep overburden and gravity anomalies is underway to the west of McGregor.

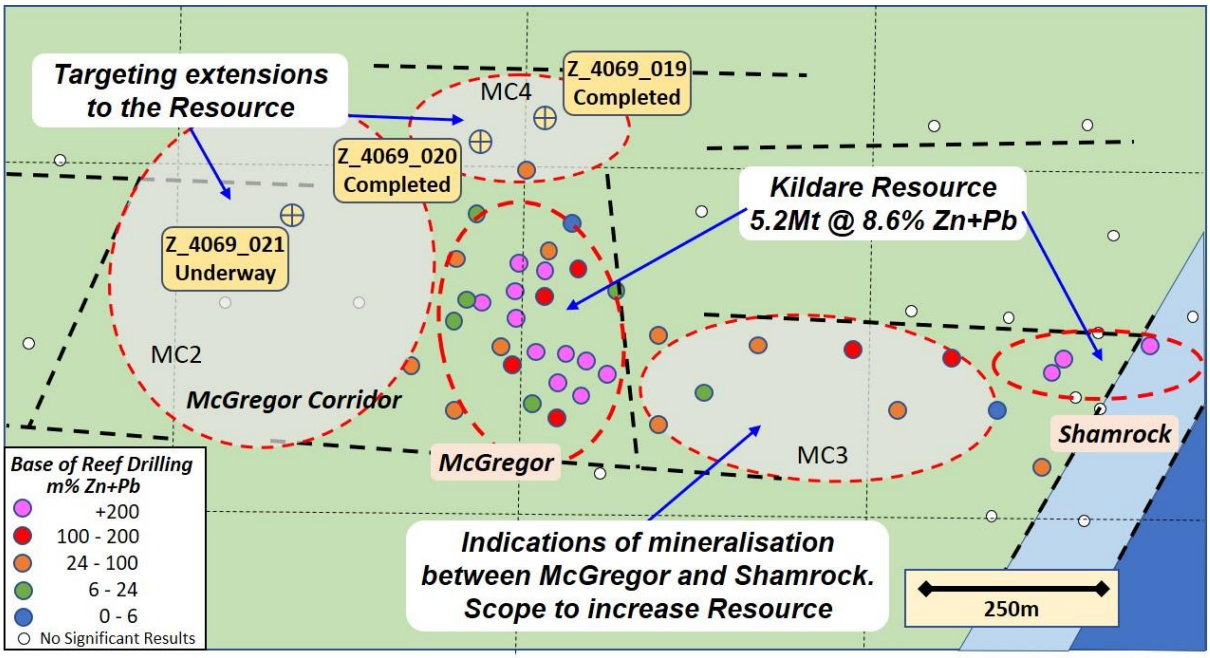


Figure 2 highlighting mineralisation at McGregor and Shamrock, areas of interest being targeted in the current drilling program, and the position collar positions of Z_4069_019, 020 and 021.

Rig 1 has completed two holes in the Allenwood Corridor in proximity to the historical Allenwood East prospect where there is anomalous deep overburden geochemistry and shallow zinc mineralisation in historical drilling.

Drill hole Z_3846_001 intersected a fault that is interpreted to be the northern bounding fault to the Allenwood Corridor, and consequently didn't test the hangingwall Base of Reef target. Drill hole Z_3846_002 was subsequently positioned ~100m to the south and ~300m to the east, where it has intersected a previously unrecognised sequence of finely graded siltstones resembling a turbidite sequence in the sub-reef target position. Beneath this is a zone of massive hematite which is not reported elsewhere in the Irish Midlands apart from the historical Tynagh mine where a formation of banded magnetite and hematite forms a halo around the zinc mineralisation which was mined out between 1965 and 1980. The technical team is undergoing further assessment of the geology and structure encountered in these holes, as well as results from down hole geophysics before planning further holes in this area.

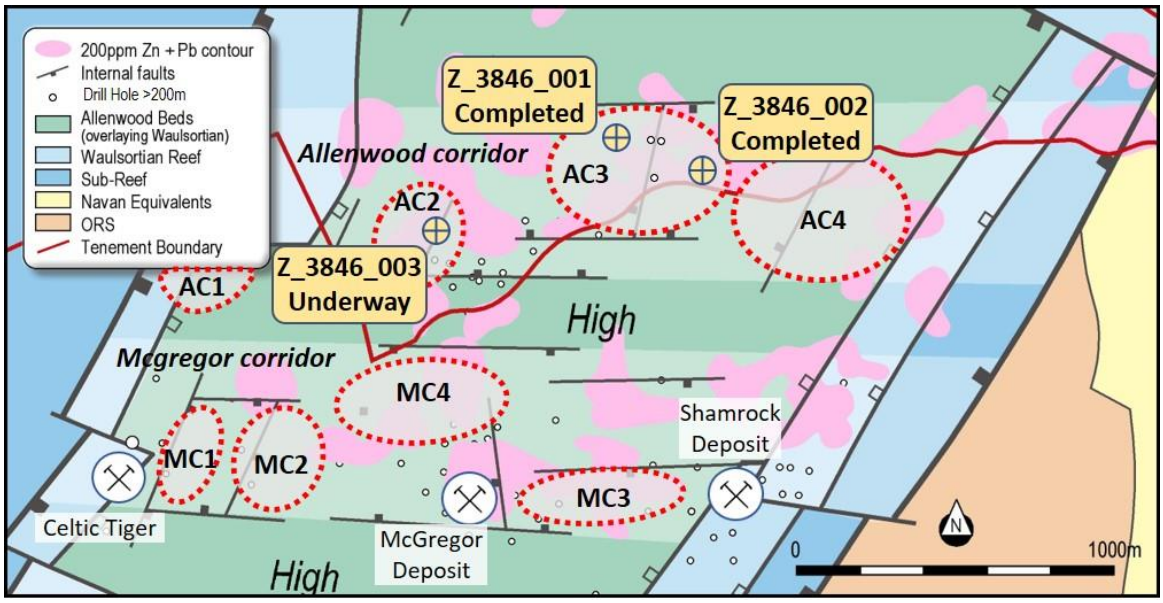


Figure 3 showing the collar positions of drill holes Z_3846_001, 002 and 003 targeting geochemical and structural features in the Allenwood Corridor.

ZMI is encouraged by the drilling thus far, which continues at Allenwood West (AC2) and in the McGregor Corridor (MC2). ZMI will update the market as and when results become available.

OTHER IRISH PROJECTS

The Company continues to review its other projects and develop suitable exploration programs.

CORPORATE

Capital Raising

ZMI completed a $2.55 million Capital Raising via the issue of 410 million shares at $0.005 per share to sophisticated and institutional investors, and a further issue of 100 million shares to Directors and related parties (ASX Announcements 16/05/2018 and 09/07/2018). All new shares were issued with an attaching ZMIOC listed option on a 1:1 basis. The Capital raising was strongly supported by shareholders at an EGM held in Perth on 9th July 2018 (ASX Announcement 09/07/2018).

The monies raised by the share issues are being used to fund the current drilling program at the Company's Kildare Project.

Appointment of Chairman

ZMI was delighted to welcome Richard Monti as the new Chairman of the Board (ASX Announcement 16/05/2018). Richard has over 30 director-years' experience on thirteen ASX

and TSX listed mining and exploration companies from micro-caps through to mid-size miners and has built and managed teams of up to 70 personnel.

Richard was Principal of corporate advisory firm, Ventnor Capital, from 2005 to 2010 and is currently principal of Terracognita which supplies advice to resource industry companies. He has proven experience and understanding of equity capital markets, debt funding and has strong relationships with broking and banking houses in Australia and Canada.

Richard is currently on the board of one ASX listed company and one TSX listed company, and resides in Perth, Australia.

Former Chairman Patrick Corr has remained on the Board as a non-executive Director, and Keith Bowker resigned as a Director.

Leonora Farm-in Agreement

In May, ZMI entered into a Variation Agreement with Roman Kings Pty Ltd in relation to the Term Sheet previously entered into and announced on 21 November 2016.

The Variation Agreement (ASX Announcement 18/05/2018) has the effect that ZMI will transfer 75% of its current 100% interest in the Project to Roman Kings which will be acquired by Kingwest (**Transaction**), subject to (amongst certain standard conditions):

a) Kingwest being listed on ASX by no later than 31 August 2018; and
b) necessary regulatory approvals being obtained.

The 75% interest the subject of the Transaction is the aggregate of the Stage 1 and Stage 2 Interests as referred to in the original announcement of 21 November 2016.

Under the Original Agreement, Roman Kings was required to be listed on ASX by 21 May 2018 in order to be entitled to retain any interest in the Project. As such, the Variation Agreement grants an extension of time for Roman Kings to be listed on ASX via the listing of Kingwest on ASX. In order for Kingwest to be listed on ASX, it will be required to raise in the order of $5 million.

Upon settlement of the Transaction, ZMI will receive $490,000 cash in consideration of the aggregate of the 75% interest. At settlement, ZMI will also receive 1 million shares in Kingwest (Kingwest IPO price is 20 cents per share) in consideration of ZMI's existing shares in Roman Kings issued as part of the Original Agreement. ZMI will also retain the right to receive $5 per ounce in any additional Mineral Resources of gold grading above 1g/t at the Project.

The Kingswest shares to be issued to ZMI may be subject to ASX imposed escrow, and upon payment of the consideration to ZMI, a joint venture will be formed between ZMI and Roman

Kings on the basis of 25:75 respectively, and whereby the parties will either contribute to the development of the Project in proportion to its interest or be diluted.

The Company received strong shareholder support for the transaction at the 9th July EGM in accordance with Listing Rule 11.4 (ASX Announcement 9th July 2018).

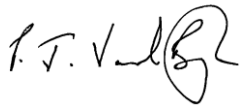
Site Visit

The Board of Directors visited Ireland in July, introducing the new Chairman to the Company's technical team, observing the two drilling rigs in operation and down-stream procedures, and surveying the Kildare project and broader Irish Midlands region.

Looking Ahead

The Phase 4 drilling program is in full swing and set to continue for another four months. Significant technical information is being gleaned, and the Company is encouraged by observations thus far in pursuit of its objective of growing the Kildare project by discovering extensions to the existing resource and finding new ore positions in close proximity.

Yours faithfully,



Peter van der Borgh

Managing Director
Zinc of Ireland NL

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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.*

ADDITIONAL INFORMATION
JORC CODE, 2012 EDITION – TABLE 1

The following sections are provided for compliance with requirements for the reporting of exploration results under the JORC Code, 2012 Edition.

Section 1 Sampling Techniques and Data

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• N/A • N/A • N/A • N/A
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling, PQ, HQ and NQ sized. • Upper portions of the drill holes are triple tubed or tri-coned to increase hole stability. • The core was not orientated.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill core had recovery lengths and RQD estimated. • Triple tubing was used to stabilise the hole. • There does not appear to be a relationship between recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill holes are logged by a competent representative geologist in Ireland. The detailed logging is ongoing and should support addition into a mineral resource estimate at a later date. • Where possible, a visual estimate of mineral types and amounts and interpreted lithology is completed using a standardised logging template. • Photography of mineralised zones is completed prior to sample prep.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core is sampled by cutting in half before lab preparation. • The sample preparation is considered "industry standard" for this sample type. • A representative selection of submitted samples comprises duplicates, blanks and standards which were unbeknownst to the assaying laboratory. The laboratory also conducted internal QAQC checks. • Fields duplicates, blanks and standards for the submitted assays are required to pass both internal laboratory and ZMI QAQC standards.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples are assayed by a multi element oxidising digestion with an inductively coupled plasma atomic emission spectroscopy finish (ICP-AES). A selection of samples also have specific gravity (S.G.) measured. • Samples are submitted for the same procedure as previous comprising ore grade analysis for base metals and associated elements by ICPAES, following a strong oxidizing acid digestion. Elements (low reporting limit/upper limit) –units are % unless indicated otherwise: Ag (1/1500 ppm (µg/g)), As (0.005/30.0), Bi (0.005/30.00), Ca (0.01/50.0), Cd (0.001/10.0), Co (0.001/20.0), Cu (0.005/40.0), Fe (0.01/100.0), Hg (8/10000 ppm (µg/g)), Mg (0.01/50.0), Mn (0.005/50.0), Mo (0.001/10.0), Ni (0.001/30.0), P (0.01/20.0), Pb (0.01/30.0), S (0.05/50.0), Sb (0.005/100.0), Tl (0.005/1.0), Zn (0.01/100.0). • Field duplicates, blanks and standards for the submitted assays have all surpassed internal and ZMI QAQC standards.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Drill core is typically inspected by several contract and ZMI geologists. Such interaction forms the basis of continuous development of models, discussion of new concepts, and planning all of which are paramount in the exploration process. • Holes were not twinned. • Information from the drill logs is regularly updated into the drill hole database using appropriate validation protocols. • N/A
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Initial surveys are by hand-held GPS in Irish Grid 65. • Collars have been surveyed either by handheld GPS or by a differential GPS: Trimble GPS6000 (RTK GPS accurate to 5mm) • Downhole surveys are by Relfex EZ-TRAC and are displayed in Appendix 2. • Location of the collar and downhole information is considered appropriate for this stage of exploration.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill collars are not at a standard data spacing but are placed to intersect maximum metal grades (see plan view maps above). • Data spacing for the results contained in this report are not appropriate for resource estimation alone. • N/A

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• N/A • N/A
Sample security	• *The measures taken to ensure sample security.*	• N/A
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have taken place.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Kildare Project is comprised of 7 tenements namely PL3846, PL3866, PL4069, PL4070, PL4072 and PL4073, PL890. • All tenements are 100% owned by Raptor Resources, a subsidiary of Zinc of Ireland NL. • No historical, wilderness or national parks are known to infringe significantly on the tenure.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historical exploration is outlined in GXN Announcement dated 17th March 2016 and associated annexes.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kildare Project is situated approximately 2km NW of the Lower Paleozoic Kildare Inlier on a northeast-southwest trending reverse fault. Local geology consists of sediments conformably overlying Carboniferous Waulsortian Mudbank. This mudbank overlies a thick succession of carbonates and limestones atop basement volcanics, • The area is considered prospective for breccia-hosted Fe-Zn-Pb deposits (a Mississippi Valley-type mineralisation style).

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Z_4069_019: 276,012mE, 225,142mN, 77m AOD, -90° dip, 360° azimuth, total depth 483.0m.
		• Z_4069_020: 275,913mE, 225,049mN, 78m AOD, -90° dip, 360° azimuth, total depth 452m.
		• Z_3846_001: 276,440mE, 225,859mN, 78m AOD, -90° dip, 360° azimuth, total depth 428.5m.
		• Z_3846_002: 276,727mE, 225,827mN, 82m AOD, -77° dip, 179° azimuth, total depth 452m.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No Assay results have been reported in the current program and drilling is ongoing. • The visual samples depicted in this report are type examples of various styles of mineralisation mentioned in this report. The visual estimates relate only to the samples as shown. • Ranges are used in this instance.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No assay results have been reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• No assay results are reported. Geological observations and interpretations are ongoing under the direction of the Company's contract geologists and ZMI. Sections and other maps will accompany the reporting of assay results and other findings in due course.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• This document is considered to be a balanced report with a suitable cautionary note.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Samples are being prepared and analysed by ALS Loughrea, Co Galway. All previous assay results received from this laboratory have passed ZMI's industry standard QAQC parameters.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• As outlined in this report

TENEMENT DETAILS

Location	Project Name	Tenement #	Ownership	Titleholder #
Ireland	Meath	1450	100%	Beal Na Blath Resources Ltd
Ireland	Roscommon	2105	100%	Beal Na Blath Resources Ltd
Ireland	Monaghan	2193	100%	Beal Na Blath Resources Ltd
Ireland	Cork	2440	100%	Beal Na Blath Resources Ltd
Ireland	Galway	2724	100%	Beal Na Blath Resources Ltd
Ireland	Meath	2836	100%	Beal Na Blath Resources Ltd
Ireland	Monaghan	3027	100%	Beal Na Blath Resources Ltd
Ireland	Roscommon	3163	100%	Beal Na Blath Resources Ltd
Ireland	Cork	3202	100%	Beal Na Blath Resources Ltd
Ireland	Galway	3251	100%	Beal Na Blath Resources Ltd
Ireland	Monaghan	3397	100%	Beal Na Blath Resources Ltd
Ireland	Galway	3459	100%	Beal Na Blath Resources Ltd
Ireland	Longford	3526	100%	Beal Na Blath Resources Ltd
Ireland	Kildare	3846	100%	Raptor Resources Ltd
Ireland	Kildare	3866	100%	Raptor Resources Ltd
Ireland	Monaghan	3870	100%	Beal Na Blath Resources Ltd
Ireland	Monaghan	3871	100%	Beal Na Blath Resources Ltd
Ireland	Galway	3880	100%	Beal Na Blath Resources Ltd
Ireland	Kildare	4069	100%	Raptor Resources Ltd
Ireland	Kildare	4070	100%	Raptor Resources Ltd
Ireland	Kildare	4072	100%	Raptor Resources Ltd
Ireland	Kildare	4073	100%	Raptor Resources Ltd
Ireland	Kildare	890	100%	Raptor Resources Ltd

Ireland	Monaghan	4248	100%	Beal Na Blath Resources Ltd
Ireland	Monaghan	4251	100%	Beal Na Blath Resources Ltd
Australia	Leonora	M37/1202	*100%	Messina Resources Ltd
Australia	Leonora	E37/893	*100%	Messina Resources Ltd

 # Beal na Blath Resources Ltd and Raptor Resources Ltd are wholly-owned subsidiaries of Zinc Mines of Ireland Limited. Zinc Mines of Ireland Limited is a wholly-owned subsidiary of Zinc of Ireland NL (ZMI).

Messina Resources Ltd is a wholly owned subsidiary of ZMI. The Leonora Project is subject to a 'farm-in' Agreement with Roman Kings Ltd.*

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

ZINC OF IRELAND NL

ABN	**Quarter ended ("current quarter")**
23 124 140 889	30 June 2018

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(196)	(1,387)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(104)	(374)
	(e) administration and corporate costs	(102)	(557)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	9	29
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(393)**	**(2,289)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter** **$A'000**	**Year to date (12 months)** **$A'000**
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	1,755	4,087
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(95)	(171)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**1,660**	**3,916**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,711	1,351
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(393)	(2,289)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,660	3,916
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,978**	**2,978**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	178	461
5.2	Call deposits	2,800	1,250
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,978**	**1,711**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	104
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Directors' fees and wages – all payments are on normal commercial terms

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/A

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

N/A

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	750
9.2	Development	-
9.3	Production	-
9.4	Staff costs	104
9.5	Administration and corporate costs	116
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**970**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 31 July 2018

Managing Director

Print name: **Peter van der Borgh**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.