

31 October 2016

QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR THE PERIOD ENDED 30 SEPTEMBER 2016

Thick, high grade intercepts from maiden drilling program at Kildare, including:

- **15.65m @ 11.17% Zn + Pb from 417.15m in ZB16-002**
- **14.19m @ 7.28% Zn + Pb from 435.9m in ZB16-004**
- **13.5m @ 6.06% Zn + Pb & 18.99g/t Ag from 19m in ZB16-003**
- **11.3m @ 6.5% Zn + Pb from 67.5m in ZB16-001**

Corporate and Strategic Changes

Capital raisings completed to raise approximately \$3.70 million (before costs)

Board changes and appointment of Managing Director

Thousands of metres of historical drill core acquired

SUMMARY

The Company underwent major corporate and strategic changes early in the quarter in connection with the acquisition of Zinc Mines of Ireland Limited which culminated in the rebranding of the Company as 'Zinc of Ireland NL' under the new ASX ticker 'ZMI'. In addition to these corporate changes, the Company has completed capital raisings whereby approximately \$3.70 million (before costs) was raised, undertook a consolidation of capital and made several changes to its board of directors.

The Company has enjoyed a busy and fruitful quarter centred around a maiden drilling campaign at its 100% owned flagship Kildare project in Ireland, approximately 60km west of Dublin. Commencing in mid-August, six holes were completed for a total of 2,252m at the Shamrock and McGovern Prospects. Subsequent to the quarter

ended 30 September 2016, assay results have been received for the first four holes drilled at the Shamrock Prospect, which confirm and extend known mineralisation.

Of particular significance are HB16-004, which confirmed the presence of a new zone of mineralisation in the sub-reef (**14.19m @ 7.28% Zn + Pb**), and HB16-02, which returned **15.65m @ 11.17% Zn + Pb** in a similar stratigraphic position more than 120m to the east.

CORPORATE ACTIVITY

On 5 July 2016, the Company sought and obtained shareholder approval to complete the acquisition of Zinc Mines of Ireland Limited at a general meeting of shareholders. Other approvals obtained at the general meeting were a significant change to nature and scale of activities, consolidation of capital on a 10 for 1 basis, issue of consideration securities, change of Company name from Global Metals Exploration NL to Zinc of Ireland NL, issue of securities, conversion of converting loan agreements and placement of shares and options.

On 22 July 2016, the Company announced the completion of the acquisition of Zinc Mines. The Company also announced it had raised a total of approximately \$1,369,000 (before costs) pursuant to an offer made under a Prospectus dated 19 July 2016, and with over-subscriptions a total amount of approximately \$2.2 million would be accepted. Messrs Peter Wall and Keith Bowker resigned as directors and Messrs Patrick Corr and Benjamin Sharp were appointed as directors.

On 30 August 2016, the Company announced a capital raising of \$1.44 million (before costs) by way of issue of fully paid ordinary shares at \$0.024 per share to professional and sophisticated investors of the Company. Under that placement, the Company also issued one free attaching listed option exercisable at \$0.02 on or before 21 July 2017 and agreed to the subsequent issue of one free attaching unlisted option exercisable at \$0.04 on or before 21 July 2021.

On 7 September 2016, the Company announced it had successfully completed placements at issue prices of \$0.008 and \$0.024 (being the capital raisings announced on 22 July 2016 and 30 August 2016) thereby raising approximately \$2.3 million (before costs).

Subsequent to the end of the quarter, on 7 October 2016, the Company announced the appointment of Mr Peter van der Borgh as Managing Director of the Company and the appointment of Mr Thomas Corr as Non-Executive Director. Steve Bamford resigned as a director of the Company.

EXPLORATION ACTIVITY

ZMI's maiden drilling program commenced in mid-August, and was completed in mid-October utilising two diamond drill rigs. All holes were drilled vertically except for ZB16-004 which was drilled at an inclination of 70. The core was summarised at the drill site, with a

comprehensive log completed once core was delivered to the core storage area. Samples were cut and submitted to ALS Minerals in Loughrea, Co. Galway, along with inserted standards, blanks and duplicates as part of ZMI's internal quality control. All assays passed ZMI's internal QAQC checks and the samples will be sent to a third-party lab for check analysis.

Lithologies at the Kildare project are overlain by up to 20m of glacial overburden comprising a mix of boulders, gravel, sand and clay. At Shamrock this is underlain by the Waulsortian Reef, a pink/grey micritic limestone with varying degrees of shale and biological fauna, calcite veining, brecciation and sulphides, which is recognised as a regionally significant host rock for zinc across the Irish Carboniferous Basin. In parts of the project area this includes a mineralised oxidised zone with occasional remnant sulphides. The Waulsortian Reef is underlain by A silty calc-arenite layer which is occasionally brecciated with shale laminae, calcite veining, crinoids and sulphide mineralisation.

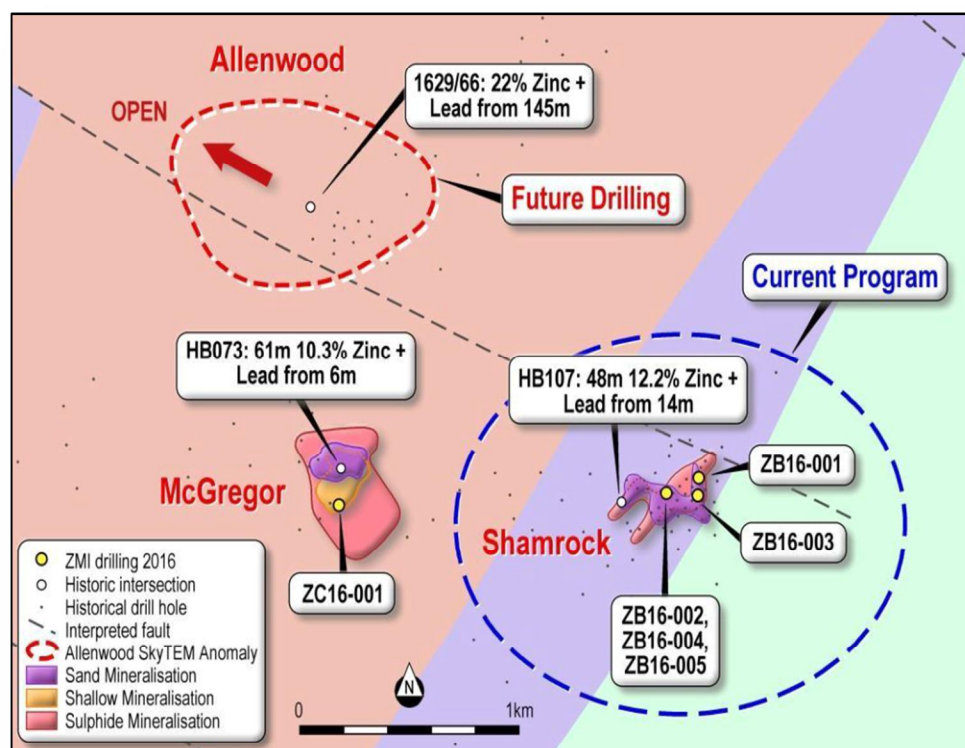


Figure 1 – Plan showing drill hole locations

The Phase 1 drilling program was planned to target both shallow oxide and deeper sulphide MVT-style mineralisation. Hole ZB16-001 was designed to test shallow zones of mineralisation and did not pass through the base of the Waulsortian Reef. Shallow oxide

was also intercepted from 19m in ZB16-003 which returned substantial lead assays up to 9.8% over 1m and silver assays up to 67.5g/t over 1m.

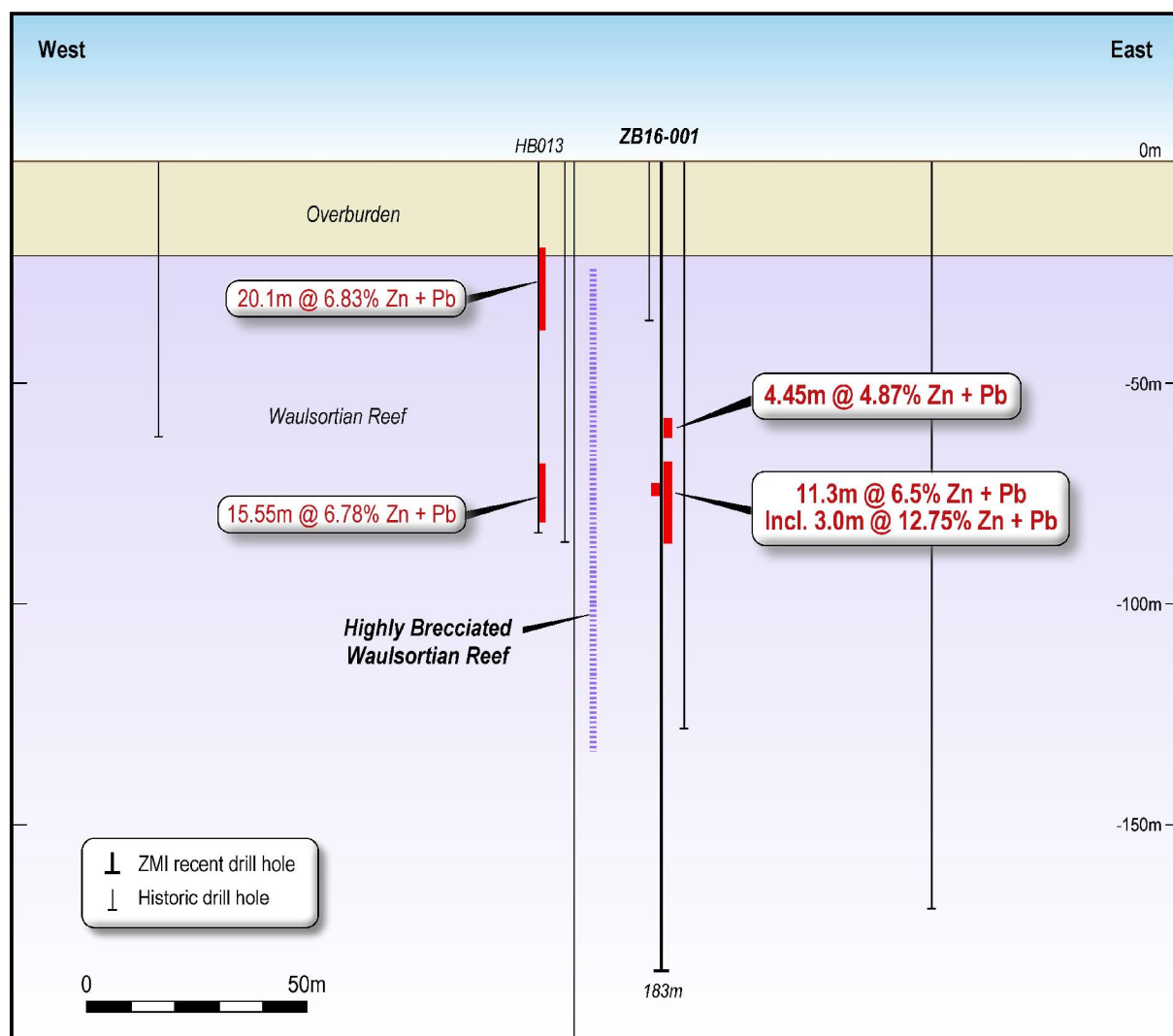


Figure 2 - ZB16-001 section

The reported intersections in ZB16-001 and ZB16-003 appear to be in agreeance with the historical data associated with this area of the Kildare Project.

ZB16-002 was a vertical hole planned to target shallow mineralisation to 200m and associated extensions thereafter to 500m (see ZMI Announcement dated 16th August 2016). ZB16-004 was drilled at an angle of 70° utilising the same drill pad as ZB16-002, targeting high grade mineralisation beneath the Waulsortian Reef. The intersection in ZB16-002 appears to correlate broadly with that of ZB16-004, and historical holes HB49 and HB107, giving the Sub-Reef Zone a horizontal extent of approximately 160m.

The high-grade intersection in ZB16-002 returned spectacular zinc assays up to **35.76% Zn over 1m**. There remains significant potential for additional zones of mineralisation in these areas that have not been targeted historically.

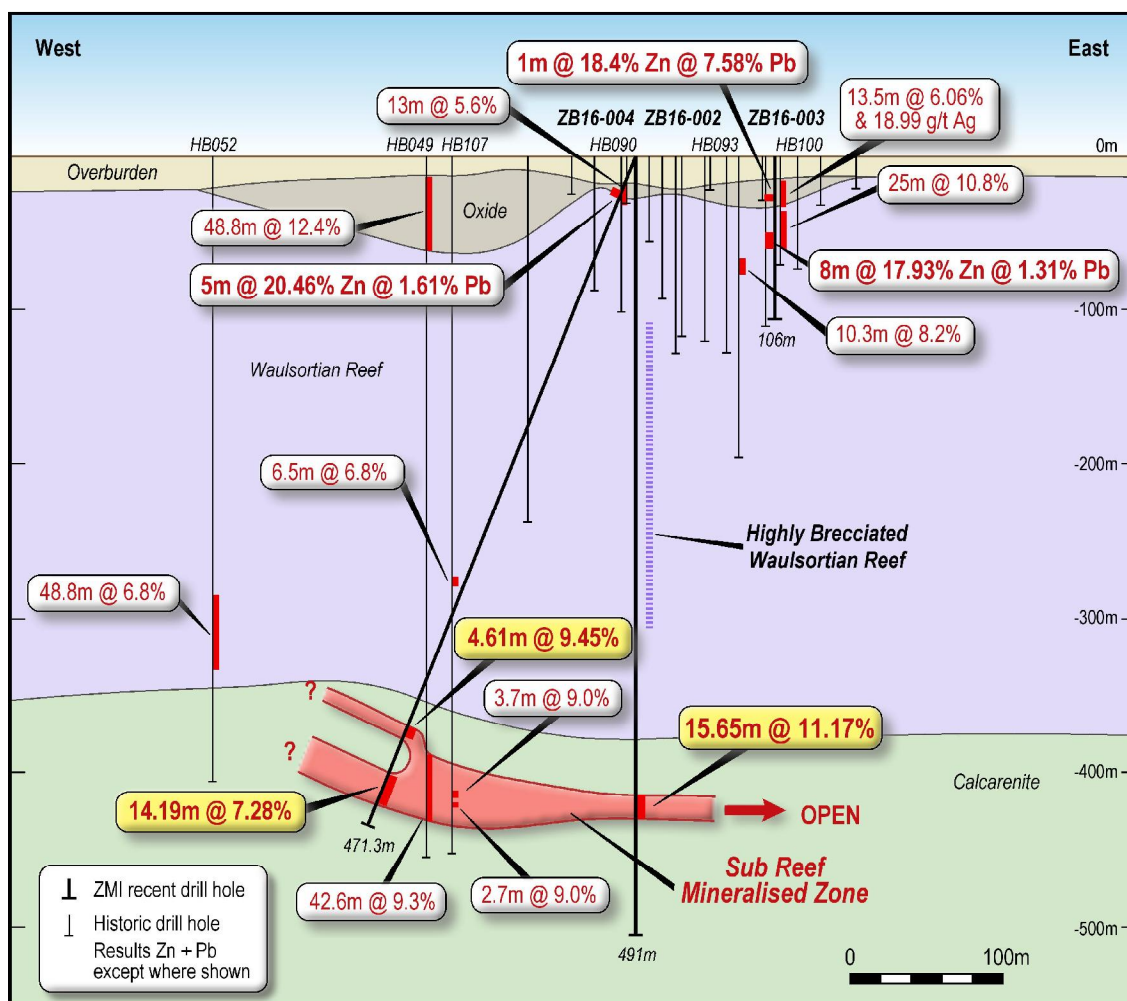


Figure 3 - ZB16-002, ZB16-003 and ZB16-004 Section looking north

In addition to the assay results, the drilling program has provided technical information in respect to geology, ground conditions, drilling advance rates, sampling and assaying methods, QAQC, and a range of costs, all of which will be applicable in future drilling programs for which planning is underway.

Yours faithfully,



Patrick Corr
Non-Executive Chairman
Zinc of Ireland NL

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

23 124 140 889

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(109)	(109)
(b) development	-	-
(c) production	-	-
(d) staff costs	(26)	(26)
(e) administration and corporate costs	(330)	(330)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
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	(462)	(462)

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	Year to date (3 months)
		\$A'000	\$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	3,700	3,700
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	(127)	(127)
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	3,573	3,573

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	72	72
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(462)	(462)
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)	3,573	3,573
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,183	3,183

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	3,183	72
5.2 Call deposits	-	-
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)	3,183	72

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

26

-

Directors' fees payments are on normal commercial terms.

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

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	400
9.2	Development	-
9.3	Production	-
9.4	Staff costs	50
9.5	Administration and corporate costs	100
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	550

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	Refer to attached Annexure A		-	100%

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 October 2016

Non-Executive Chairman

Print name: Patrick Corr

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.

ANNEXURE A

Item 10.2 – Interests in mining tenements and petroleum tenements acquired or increased

All tenements below are located in the Republic of Ireland.

TID	TSTATUS	MANAGER	PROJECT	HOLDER1
1450	LIVE	Zinc of Ireland NL	Meath	Beal Na Blath Resources Ltd.
1690	LIVE	Zinc of Ireland NL	Sligo	Beal Na Blath Resources Ltd.
2105	LIVE	Zinc of Ireland NL	Roscommon	Beal Na Blath Resources Ltd.
2193	LIVE	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
2440	LIVE	Zinc of Ireland NL	Cork	Beal Na Blath Resources Ltd.
2724	LIVE	Zinc of Ireland NL	Galway	Beal Na Blath Resources Ltd.
2836	LIVE	Zinc of Ireland NL	Meath	Beal Na Blath Resources Ltd.
3027	LIVE	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
3163	LIVE	Zinc of Ireland NL	Roscommon	Beal Na Blath Resources Ltd.
3202	LIVE	Zinc of Ireland NL	Cork	Beal Na Blath Resources Ltd.
3251	LIVE	Zinc of Ireland NL	Galway	Beal Na Blath Resources Ltd.
3397	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
3414	APP	Zinc of Ireland NL	Longford	Beal Na Blath Resources Ltd.
3459	LIVE	Zinc of Ireland NL	Galway	Beal Na Blath Resources Ltd.
3526	APP	Zinc of Ireland NL	Longford	Beal Na Blath Resources Ltd.
3846	LIVE	Zinc of Ireland NL	Kildare	Raptor Resources Ltd.
3866	LIVE	Zinc of Ireland NL	Kildare	Raptor Resources Ltd.
3870	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
3871	LIVE	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
3880	LIVE	Zinc of Ireland NL	Galway	Beal Na Blath Resources Ltd.
3969	LIVE	Zinc of Ireland NL	Sligo	Beal Na Blath Resources Ltd.
4069	LIVE	Zinc of Ireland NL	Kildare	Raptor Resources Ltd.
4070	LIVE	Zinc of Ireland NL	Kildare	Raptor Resources Ltd.
4072	LIVE	Zinc of Ireland NL	Kildare	Raptor Resources Ltd.
4073	LIVE	Zinc of Ireland NL	Kildare	Raptor Resources Ltd.
4247	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
4248	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
4249	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
4250	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.
4251	APP	Zinc of Ireland NL	Monaghan	Beal Na Blath Resources Ltd.