

Quarterly Activities and Cashflow Report for Period Ended 30 June 2019

Highlights:

- **Inferred Mineral Resource of 9.0Mt @ 9.5% Zn+Pb at a 5.5% ZnEq cut off (Post Quarter)**
 - Increase to 860,000 tonnes of contained Zn + Pb
- **Exceptional preliminary metallurgical test work results**
 - **Zinc Concentrate:**
 - 96% recovery of Zn to concentrate
 - 56% Zn in concentrate
 - Minimal Pb in Zn concentrate (<0.5%)
 - **Lead Concentrate:**
 - 86% recovery of Pb to concentrate
 - 62% Pb in concentrate
 - Minimal Zn in Pb concentrate (<3%)
- **Phase 1 drill program commenced with multiple rigs on site**
 - Targeting areas with the potential to host additional zones of mineralisation similar to McGregor and Shamrock
 - Drilling continues to demonstrate widespread mineralisation in Allenwood Graben
- **Phase 2 drilling campaign currently being planned**
 - Focus on the significant potential to expand the Resource proximal to McGregor and Shamrock
- **In excess of \$3.0 million cash and cash equivalent position at end of Quarter**

European base metals explorer Zinc of Ireland NL (ASX: ZMI) (“ZMI” or “Company”) has had another productive quarter, where activities ramped up at its **100%-owned Kildare Zinc Project** in Ireland, following from the first quarter of 2019 where the Company completed a \$2.4 million placement to cornerstone investor, Dundee Resources Limited (a subsidiary of Canadian based Dundee Corporation).

During the Quarter, the Phase 1 drilling campaign in the Allenwood Graben commenced and preliminary metallurgical testwork yielded extremely positive results. Together with the subsequent updated Mineral Resource Estimate released post Quarter end, the Kildare Project continues on its pathway towards development.

Metallurgical testwork

Metallurgical test work completed during the Quarter has confirmed the flotation properties and metal recoveries of the mineralisation and composition of the resultant concentrate.

The preliminary metallurgical test work at the Kildare Project has yielded very positive results, demonstrating the potential for Kildare to produce high quality, marketable, zinc and lead concentrates (summarised in the tables below, and full details available ASX release dated 23 April 2019).

| Test Head Grade | | Total Recovered to Concentrate | | | | Combined Tails | | |
|-----------------|------|--------------------------------|------------|----------|------------|----------------|------------|------------|
| Zn | Pb | Mass (%) | Zn Rec (%) | Mass (%) | Pb Rec (%) | Mass (%) | Zn Rec (%) | Pb Rec (%) |
| 10.83 | 1.87 | 18.50 | 96.39 | 2.60 | 86.44 | 78.90 | 3.61 | 13.56 |

| Zinc Concentrate | | | | Lead Concentrate | | | |
|------------------|--------------|------------|--------------|------------------|--------------|------------|--------------|
| Zn Rec (%) | Zn Grade (%) | Pb Rec (%) | Pb Grade (%) | Pb Rec (%) | Pb Grade (%) | Zn Rec (%) | Zn Grade (%) |
| 96.39 | 56.43 | 4.59 | 0.46 | 86.44 | 62.35 | 0.66 | 2.75 |

This preliminary round of testing was designed to support the ongoing assessment of the economic potential of the Kildare Project in conjunction with the other parallel resource and development studies taking place in 2019.

The test work program was completed by Grinding Solutions Ltd. (UK) under the supervision of ZMI's metallurgical consultant. The representative sample comprised a composite sample of approximately 50kg of quarter HQ diamond drill core taken from the main zone of base of reef massive sulfide at McGregor (from diamond drill hole Z_4069_027) with a head grade of 10.1% Zn and 1.8% Pb.

Although these preliminary test results are indicative, it is expected that process refinements, including a basic process flow sheet, will lead to maximising the grade and recovery in future test work. Both the zinc and lead concentrates show only very low levels of potentially deleterious elements and therefore should be viewed as 'clean' and as such, should attract premium payment from potential buyers.

Additional metallurgical test work to support more detailed analysis and assessment will be initiated following the upcoming drilling campaign and as part of the ongoing assessment of the project economics.

Updated Mineral Resource Estimate

As per the Company's announcement dated 31 July 2019, subsequent to the end of the Quarter, the Company reported an updated independent resource estimate for the Kildare Project which now stands at **9.0Mt @ 9.5% Zn+Pb**. Full details of the mineral resource estimate are available in the ASX release dated 31 July 2019.

Details of the Inferred Mineral Resource for the McGregor and Shamrock Zones of the Kildare Zinc Project is summarised in Table 1. The preferred ZnEq cut off grade is 5.5%.

| Deposit | ZnEq Cut Off (%) | Mt | Zn% | Pb% | Pb%+Zn% | Zn(kt) | Pb(kt) |
|--------------|------------------|-------------|------------|------------|-------------|------------|------------|
| McGregor | 5.0 | 6.9 | 8.1 | 1.4 | 9.5 | 558 | 93 |
| Shamrock | 5.0 | 3.7 | 7.0 | 1.0 | 7.9 | 261 | 36 |
| Total | 5.0 | 10.6 | 7.7 | 1.2 | 8.9 | 819 | 129 |
| McGregor | 5.5 | 5.8 | 8.7 | 1.5 | 10.2 | 505 | 85 |
| Shamrock | 5.5 | 3.3 | 7.3 | 1.0 | 8.3 | 238 | 31 |
| Total | 5.5 | 9.0 | 8.2 | 1.3 | 9.5 | 743 | 116 |
| McGregor | 6.0 | 4.9 | 9.3 | 1.6 | 10.9 | 460 | 77 |
| Shamrock | 6.0 | 2.7 | 7.7 | 1.0 | 8.8 | 205 | 27 |
| Total | 6.0 | 7.6 | 8.8 | 1.4 | 10.1 | 665 | 104 |

- Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided
- The ratio between Pb and Zn (0.8) is based on long term average price assumptions of \$2,500 per tonne for zinc (Zn) and \$2,000 per tonne for lead (Pb)
- $ZnEq = (Zn\% * Zn \text{ recovery}) + (0.8 * (Pb\% * Pb \text{ recovery}))$.
- $ZnEq = (Zn\% * 0.9639) + (0.8 * Pb\% * 0.8644)$

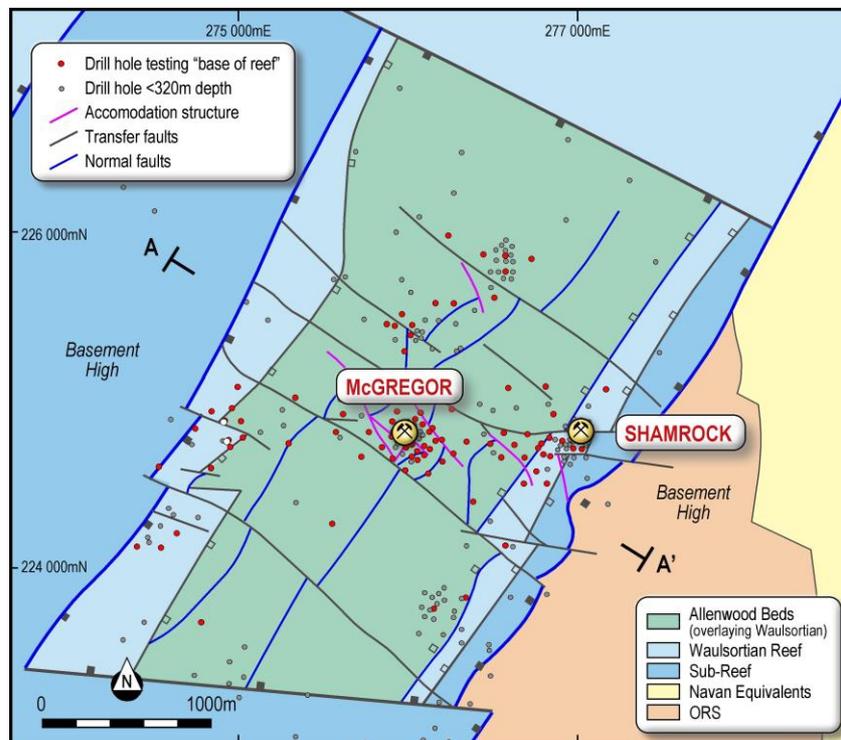


Figure 1: Schematic geological and structural map of the Allenwood Graben

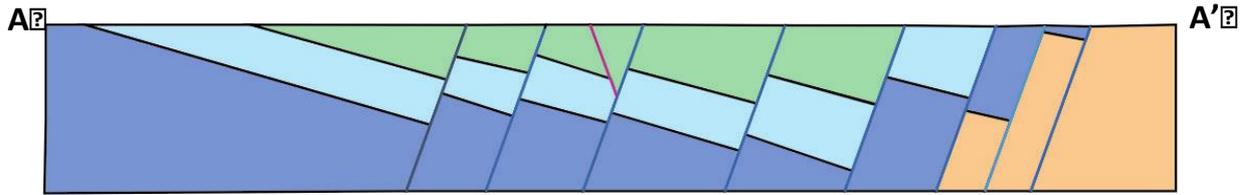


Figure 2: Schematic cross-section through the Allenwood Graben

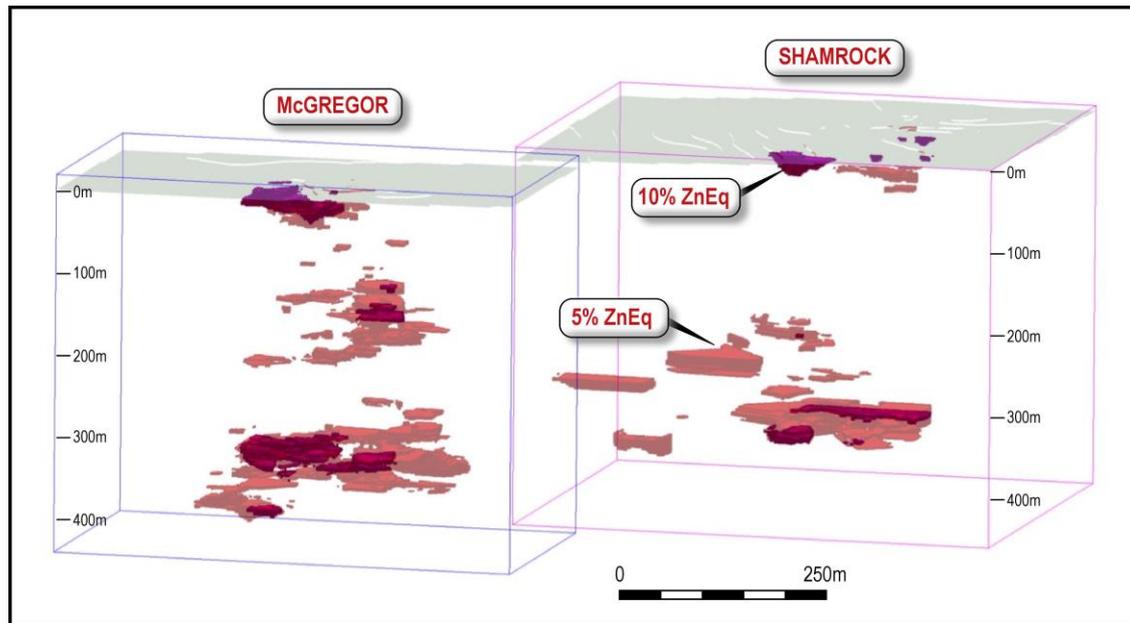


Figure 3: Isometric view of the McGregor (left) and Shamrock (right) 5% ZnEq (transparent red) and 10% ZnEq (solid pink) grade shells (note scale bar = 100m, vertical = horizontal scale). Other structures and lithostratigraphic boundaries omitted for clarity

Figure 4 summarises the tonnage distribution, by 10m RL increment, based on a 5% ZnEq cut off, subdivided for McGregor (blue) and Shamrock (red). The graph clearly shows that the system is mineralised at multiple levels, in both McGregor and Shamrock. The 'Upper', 'Above Waulsortian', Waulsortian and 'base of reef' or 'Below Waulsortian' mineralisation are evident, with Pb-Zn mineralisation being intersected over 500m of vertical extent.

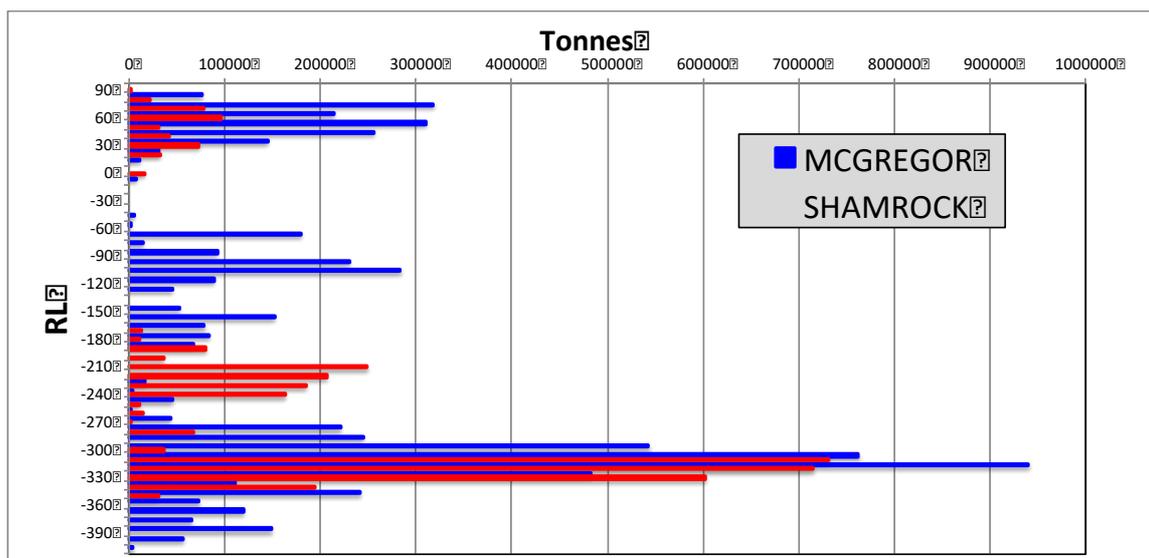


Figure 4: Resource distribution graph subdivided by 10m RL increment for McGregor and Shamrock, based on a 5% ZnEq cut off grade

Phase 1 Drilling: Allenwood Graben

Exploration drilling commenced and during the quarter a total of 1,145.9m of diamond drilling was completed. The focus of the exploration drilling has been previously undertested areas proximal to the Kildare Inlier fault with the potential to host repetitions of the style of zinc-lead mineralisation seen elsewhere in the Allenwood Graben.

Drill holes HZDD001 and HZDD002 were completed and HZDD003 and DMDD001 were commenced. Late in the quarter a second diamond drill rig was introduced into the program.

Subsequent to the quarter end, both HZDD003 and DMDD001 were completed and HZDD004 and DMDD002 were commenced.

All drill holes have been drilled with a dip of 75° towards 135°, with the exception of HZDD004, which is being drilled with a dip of 75° towards 315° using the same drill pad as HZDD002.

Please refer to Figure 5 for the location of the Quarter’s drilling activity.

Additionally, during the Quarter, the Allenwood Graben structural framework was created in 3D using Seequent’s Leapfrog. As a result, the Company has now established approximately 40 individual fault compartments. The aim of the Phase 1 program was to begin drill testing the highest ranked fault compartments that had been established during the Company’s Q1 technical meeting (see ZMI Corporate Presentation dated 27 February 2019 for additional detail). The initial ranking of the various fault compartments gave particular weight to the potential for a fault compartment to host large volumes of mineralisation as seen elsewhere in the Allenwood Graben.

HZDD001 (Hill Zone): Low grade Zn ± Pb mineralisation was intersected within the Allenwood Beds (supra-reef) within the interval 126m – 146m (**20m @ 0.66% Zn, 0.02% Pb**) and the Waulsortian Reef was intersected at a depth of 372m. Within this top of reef position patchy low grade Zn + Pb mineralisation was intersected from 384m – 400m (e.g. **3m @ 0.53% Zn, 0.3% Pb** (from 387m) and **2m @ 1% Zn, 0.35% Pb** (from 398m)). The drill hole then intersected a fault compartment bounding normal fault and drilled straight into the subreef which again was associated with minor low grade Zn + Pb and marcasite mineralisation (**4m @ 1.35% Zn, 0.18% Pb** (from 492m)) meaning that the targeted base of reef position was not tested. *All assays have been received from this drill hole; intervals reported using a 0.4% Zn cut-off, maximum 3m internal waste.*

HZDD002 (South Shamrock): The drill hole intersected the expected stratigraphy and intersected the Waulsortian Reef at 297m until once again intersecting a fault compartment bounding normal fault associated with fault scarp breccias at 400m and subsequently entering into the subreef (Muddy Bioclastic Limestone). Of particular note in this drill hole was the moderate to strong intensity of alteration and mineralisation within the top of reef position prior to intersecting the normal fault which was related to marcasite > manganocalcite ± minor sphalerite + galena; 327m – 352.5m (**25.5m @ 1.8% Zn, 0.3% Pb**, including **4m @ 4.3% Zn, 0.7% Pb** (from 335m)). *All assay results have been received for this drill hole; intervals reported using a 0.4% Zn cut-off, maximum 1m internal waste.*

HZDD003 (Hill Zone): This drill hole was setup approximately 120m behind (northwest) HZDD001 given that the position of the fault compartment bounding normal fault had been previously established by that drill hole. The drill hole intersected the expected stratigraphy and intersected the base of reef position at 352m followed by the subreef (Muddy Bioclastic Limestone). Very minor marcasite ± galena was logged around the 346m mark. *Assay results are yet to be received for this drill hole.*

DMDD001 (Derrymullen): The drill hole represents a true greenfields exploration approach to the Allenwood Graben in that this area, located approximately 800m north from Shamrock has never historically had a drill hole intersect the base of reef position. The expected stratigraphy was intersected and the base of reef position was intersected at 407m followed by the subreef (Muddy Bioclastic Limestone). *Assay results are yet to be received for this drill hole.*

Two rigs are presently drilling exploration holes, with hole **HZDD004** underway at the South Shamrock fault compartment and **DMDD002** underway in Derrymullen approximately 300m northwest from **DMDD001** and 160m southeast from ZMI drill hole Z_3846_002.

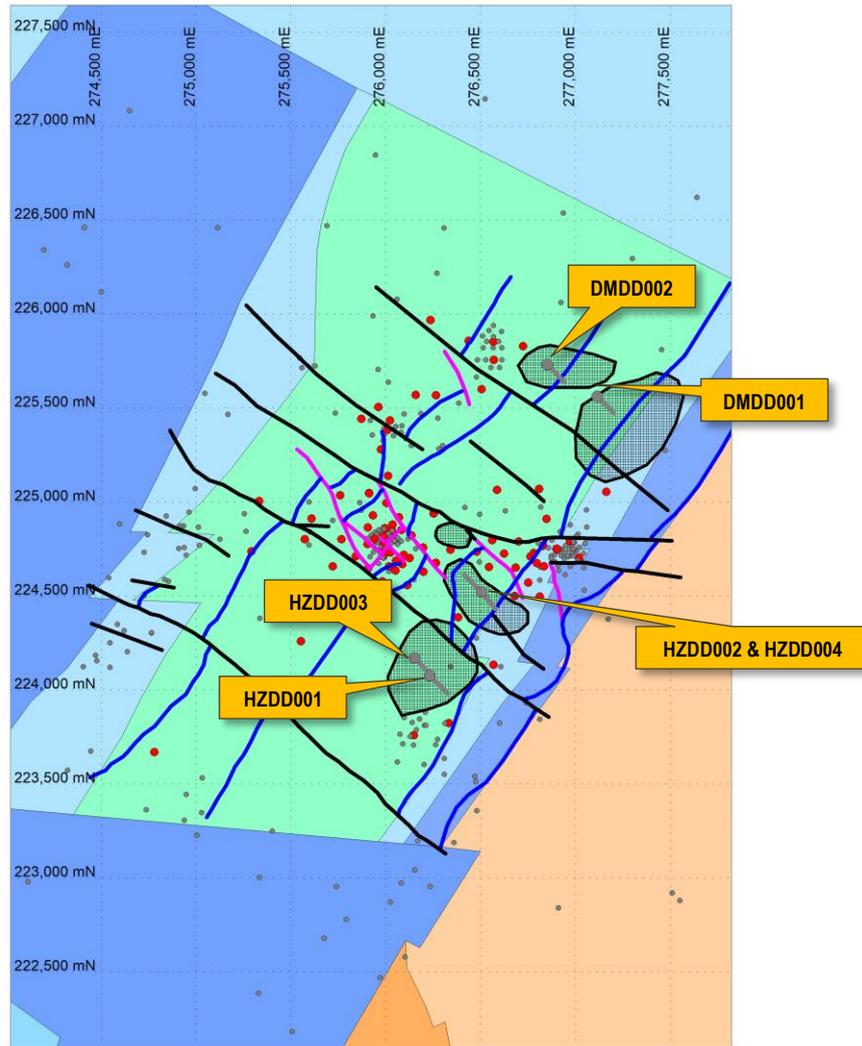


Figure 5. Allenwood Graben Q2 Drilling Activity overlain on the geology within the structural framework together with current target areas (1:20,000).

Other Matters

During and subsequent to the Quarter the Company continued to rationalise its project pipeline with a focus on building a pipeline of Irish-Type zinc projects, particularly within the Rathdowney Trend – which hosts the Company’s flagship Kildare Project, and the historical Lisheen and Galmoy Zinc-Lead Mines.

A number of non-core prospecting licences were surrendered (being those located in Counties Ballinasloe, Monaghan, Galway and Innishannon), other applications made within the Rathdowney Trend but none of the applications have been granted to date.

Subsequent to the end of the Quarter, the Company acquired a 100% interest in Prospecting Licences 3318, 4035 and 4510 by acquiring a local private company of which Thomas Corr (Director of the Company) was the sole shareholder. Reimbursement of costs directly associated with the original acquisition and subsequent project expenditure, being a maximum of €15,000, will be reimbursed to Mr Corr such that the Company has become the holder of those prospecting licences at the same cost as if they were applied for directly at first instance. These prospecting licences cover an area on 89km² within the Rathdowney Trend approximately 70km southwest of the Kildare Project.

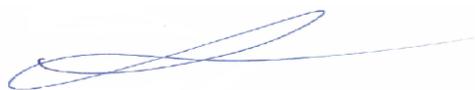
Looking Forward

As summarised above, the Phase 1 Exploration drilling campaign is ongoing in the Allenwood Graben with multiple rigs targeting areas with the potential to host additional zones of mineralisation similar to McGregor and Shamrock.

The planning of the Phase 2 drilling campaign is also being advanced, with particular focus being on the significant potential to expand the Resource proximal to McGregor and Shamrock. Allowance will also be made to follow up areas of priority from the Phase 1 drilling.

Parallel activities (such as environmental, ESIA, additional metallurgy etc.) will also be undertaken with a view to further de-risking the Kildare Zinc Project, such that any formal economic and development studies to be undertaken in the future can be expedited.

Yours faithfully,



Patrick Corr

Executive 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. Sean Hasson, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Hasson is Zinc of Ireland NL's Exploration Manager. Mr. Hasson 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. Hasson 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 previous Exploration Results is extracted from the ASX announcements entitled "Exceptional Preliminary Metallurgical Results From Kildare Zinc Project" released on 23 April 2019 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 announcements 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 announcements.

The information in this report that relates to the Mineral Resources is based on information compiled by Brian Wolfe, Senior Resource Consultant of International Resource Solutions Pty Ltd. Mr. Wolfe is a Member of the Australian Institute of Geoscientists and 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. Wolfe 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 in this document that relates to mineral resource estimates is extracted from the ASX announcement entitled "Updated Mineral Resource at Kildare Zinc Project" dated 30 July 2019 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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Company is focused on exploring the Allenwood Graben Zn Project which is part of the larger Kildare group of prospecting licences. Given the distinct lack of surface rock outcrop and the prevalent glacial till cover the Company specifically relies on exploration diamond drilling to determine the 3D geological, structural and mineralisation context of the Allenwood Graben. As such the Company endeavours at all times to extract the maximum amount of geological information from its drill core. The Company's current set of procedures for processing diamond drill core would be considered 'industry best practice'. |
| Drilling techniques | <ul style="list-style-type: none"> 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). | <ul style="list-style-type: none"> Commonly tri-coning occurs through the overburden (glacial till) to depths of approximately 20m or when solid rock is encountered. Diamond drill core diameter may be PQ3/HQ3/NQ3. Hex or full hole locking couplings are used on an as needs basis to promote hole stabilisation and reduce hole deviation as appropriate. The core was orientated at the drill site using a Reflex ACT III tool. |
| Drill sample recovery | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> Drill core has been logged for recovery by length of run, RQD and recovery per sample interval. Triple tube coring is now standard operating procedure. There does not appear to be a relationship between core recovery and grade and assessment remains ongoing on a regular basis. |

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| | <i>may have occurred due to preferential loss/gain of fine/coarse material.</i> | <ul style="list-style-type: none"> Sample recovery is maximised by drilling shorter length runs within zones of poor rock quality. |
| Logging | <ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> | <ul style="list-style-type: none"> Drill holes have been logged by a competent geologist in Ireland. The current logging procedures would be sufficient to meet the requirements for a mineral resource estimate. Mineralisation/alteration/brecciation types, intensities, amounts and interpreted lithologies have been completed using a standardised logging template and ZMI's stratigraphic coding and nomenclature that has been defined so as to be relevant to the local geology and the styles of alteration, structure and mineralisation encountered. Core photography (wet & dry) is routine. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> | <ul style="list-style-type: none"> Sampling has occurred within lithological/mineralised domains as and where appropriate. The Company marks up the core in regular sample intervals i.e. 2m intervals NQ and 1.5m intervals HQ3 (maximum sample size) and uses industry standard core cutting machines to cut the core into two halves with the right-hand side of the core downhole being sampled consistently. The remaining half-core is retained for reference and the selection of bulk density samples. The Company's sample preparation process would be considered "industry best practise" for this mineralisation style. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> | <ul style="list-style-type: none"> Samples are prepared by ALS Loughrea, Co Galway by jaw crushing to a nominal 70% passing 2mm with a representative 250g sample then split using a rotary splitter. The split sample is pulverised to 85% passing 75um in a LM-2. (ALS Code: ME-ICPORE) Ore grade analysis for base metals and associated elements by ICP-AES, 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 (0.001/40.0), 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 (0.005/30.0), S (0.05/50.0), Sb (0.005/100.0), Tl (0.005/1.0), Zn (0.002/100.0). The Company inserts appropriate certified reference material on a 1/20 basis. Field duplicates are taken on a 1/20 basis following the crushing stage and pulp replicates are taken on a 1/13 basis from the LM-2 bowl. The laboratory (ALS Loughrea) also carries out its own comprehensive internal QAQC on all jobs submitted by the Company. The Company QAQC data is reviewed by the responsible Geologist on a reported job basis and only after approval of said report is the data |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| | | <p>given the appropriate priority ranking within the acquire database.</p> <ul style="list-style-type: none"> Nominal 30cm billets of half core are selected for bulk density determination either by standard weight in air/weight in water (non-porous rock) or by the wax coating method depending on the quality of the sample. Sample spacing is on a nominal 10m downhole basis for non-mineralised intervals and on a nominal 3m downhole basis within mineralised zones. At present, approximately 17% of total analyses are related to the Company's QAQC program. |
| <p><i>Verification of sampling and assaying</i></p> | <ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> | <ul style="list-style-type: none"> All Company drill hole data is regularly validated upon its introduction into the acquire database. The database Manager will report any potential sample overlaps, non-valid coding etc. to the responsible Geologist for appraisal. Until such a time as the responsible Geologist provides the correct information, said data resides within the database but is given a different 'priority level' and cannot be used as part of the final, validated database that would be used for a mineral resource estimate. The Company has not specifically 'twinned' any historic (i.e. pre-ZMI) RC drill holes. The Company has not specifically 'twinned' any historic (i.e. pre-ZMI) diamond drill holes and has not 'twinned' any of its own diamond drill holes. There may be some ZMI drill holes that would be considered as having been drilled 'near' to some historic drill holes. The Company has on site a written set of procedures dealing with all aspects of the 'Exploration Program' e.g. dealing with zones of core loss in drill core through to data flow 'sign off' requirements, all of which have been specifically designed to be used with the acquire database management system. |
| <p><i>Location of data points</i></p> | <ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> | <ul style="list-style-type: none"> Proposed drill hole collar surveys are determined by hand-held GPS in Irish Grid 65. Final drill hole collars have been surveyed either by handheld GPS or by a differential GPS: Trimble GPS6000 (RTK GPS accurate to 5mm) Downhole surveys are determined by Reflex EZ-TRAC. The principal area of exploration drilling would be considered relatively flat with no significant topographic constraints. |
| <p><i>Data spacing and distribution</i></p> | <ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> | <ul style="list-style-type: none"> Drill spacing is currently appropriate to the level of exploration being conducted by the Company and have been designed to provide the maximum amount of geological, grade continuity and structural information. |
| <p><i>Orientation of data in relation to</i></p> | <ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering</i> | <ul style="list-style-type: none"> Base metal mineralisation at the 'base of reef' i.e. Waulsortian Limestone lower contact is known to be sub-horizontal based on the results of historic |

| Criteria | JORC Code explanation | Commentary |
|-----------------------------|---|--|
| <i>geological structure</i> | <p><i>the deposit type.</i></p> <ul style="list-style-type: none"> <i>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.</i> | drilling. |
| <i>Sample security</i> | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> Samples are prepared and stored at the Company's secure Grangeclare West core shed facility until such a time as they are transported to the ALS Loughrea facility by Company representatives. |
| <i>Audits or reviews</i> | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> No material audits or reviews to date. |

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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The Kildare Project is comprised of 7 Prospecting Licenses, namely PL890, PL3846, PL3866, PL4069, PL4070, PL4072 and PL4073 all of which are in 'good standing'. All tenements are 100% owned by Raptor Resources, a 100% owned 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 | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> Historical exploration is outlined in GXN Announcement dated 17th March 2016 and associated annexes. Also, please see asx.com.au, under 'ZMI'. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> The Kildare Project is situated approximately 2km NW of the Lower Palaeozoic Kildare Inlier on a northeast-southwest trending fault. Local geology consists of calcareous sediments conformably overlying Carboniferous Waulsortian Mudbank. This mudbank overlies a thick succession of carbonates and limestones above Paleozoic basement rocks. The area is considered prospective for breccia-hosted Fe-Zn-Pb deposits similar to Irish-Type mineralisation. |
| Drill hole Information | <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> HZDD001: 276231mE, 224076mN, 93mRL, -75 dip, 135 azimuth, total depth 518.9m. HZDD002: 276505mE, 224520mN, 93mRL, -75 dip, 135 azimuth, total depth 450m. HZDD003: 276152mE, 224169mN, 91mRL, -75 dip, 135 azimuth, total depth 372m. DMDD001: 277115mE, 225560mN, 77mRL, -75 dip, 135 azimuth, total depth 474.6m. HZDD004: 276505mE, 224520mN, 93mRL, -75 dip, 315 azimuth; currently drilling. DMDD002: 276850mE, 225730mN, 75mRL, -75 dip, 135 azimuth; currently drilling. |
| Data aggregation methods | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> Future reporting of mineralised intervals will incorporate the appropriate information. |

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| | <p><i>should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> | <ul style="list-style-type: none"> The Company will endeavour to provide the requisite information on intercept lengths and mineralisation lengths relationships on an as required basis as exploration drilling results are returned. |
| Diagrams | <ul style="list-style-type: none"> <i>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.</i> | <ul style="list-style-type: none"> The Company regularly observes this requirement. |
| Balanced reporting | <ul style="list-style-type: none"> <i>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.</i> | <ul style="list-style-type: none"> The Company regularly observes this requirement. |
| Other substantive exploration data | <ul style="list-style-type: none"> <i>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.</i> | <ul style="list-style-type: none"> The Company regularly observes this requirement. |
| Further work | <ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | <ul style="list-style-type: none"> The Company regularly observes this requirement and acknowledges that it will inform the market to the best of its abilities providing that the information is not commercially sensitive. |

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---------------------------|--|--|
| Database integrity | <ul style="list-style-type: none"> Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used. | <ul style="list-style-type: none"> The Company stores all its exploration data within the acQuire relational database; data are only accepted as Priority 1 following a rigorous validation process and only the Database Manager can make changes to the dataset. On a day to day basis all data derived from drill core is entered into specifically validated (i.e. drop down menu is locked) excel spreadsheet templates (e.g. alteration, brecciation, bulk density, collar, geotech, lithology, mineralisation, plan, drill plod, sample, structure, survey, core photos etc.) which are present on the Toughbook laptops that are used for this specific purpose; on a daily basis these templates are uploaded onto the server and following validation, into acQuire. |
| Site visits | <ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. | <ul style="list-style-type: none"> Mr Brian Wolfe visited ZMI's Grangeclare West Core Processing Facility on the 12th & 13th February 2019 so as to participate in the Company's Technical Session and also to review all data collection procedures together with a discussion relating to the Company's standard QAQC practices. He also witnessed drilling operations and independently checked a representative number of ZMI drill collars using a hand held GPS unit. |
| Geological interpretation | <ul style="list-style-type: none"> Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. | <ul style="list-style-type: none"> Approximately 68,000m of diamond drilling has been completed within the Allenwood Graben to date; all of which has been competently logged for lithology. The majority of that drilling has been completed within the McGregor-Shamrock area. Given that there is no outcrop within the project area all geological interpretations have been defined by diamond drill core. For the purposes of geological modelling, the lithologies of the Allenwood Graben have been summarised into the following units: <i>Overburden, 'Carbonate-dominated' upper mineralisation, Above Waulsortian, Waulsortian, Below Waulsortian, Basement.</i> A multi-disciplinary approach has been adopted in the development of a comprehensive model of the Allenwood Graben and geological, structural, alteration and geochemical information has been compiled from an extensive re-logging and re-analysis programme using a number of specialist consultants and ZMI technical staff. As a result of the above, a combined 3D lithological and structural model has been developed for the Allenwood Graben and has been used to control block model development and grade estimation during resource estimation. |

| Criteria | JORC Code explanation | Commentary |
|--|---|---|
| <i>Dimensions</i> | <ul style="list-style-type: none"> <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i> | <ul style="list-style-type: none"> The base metal mineralisation at Kildare is both structurally and stratigraphically-controlled. Within the McGregor-Shamrock region mineralisation has been traced for over 1km east-west, 500m north-south and over 500m depth. The style consists of numerous fault-controlled zones. |
| <i>Estimation and modelling techniques</i> | <ul style="list-style-type: none"> <i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i> <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i> <i>The assumptions made regarding recovery of by-products.</i> <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i> <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i> <i>Any assumptions behind modelling of selective mining units.</i> <i>Any assumptions about correlation between variables.</i> <i>Description of how the geological interpretation was used to control the resource estimates.</i> <i>Discussion of basis for using or not using grade cutting or capping.</i> <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i> | <ul style="list-style-type: none"> The probabilistic approach (indicator kriging) in order to define volumes in which to carry out Ordinary Kriging is considered to be the most appropriate estimation approach at this stage of the project development. No alternative estimation method (such as nearest neighbour or inverse distance weighting) have been carried out as part of this resource estimate as the methods are not considered to be appropriate for the style of mineralisation. The style of mineralisation at Kildare consist of sphalerite (zinc) and galena (lead) with very low levels of potentially deleterious elements. Other than lead and zinc there are no other by-product minerals. As any potentially deleterious elements are only present at very low levels, additional estimates of these elements has not been carried out to date. Recent metallurgical testwork has been carried out on representative freshly drilled diamond core and the results have been used in calculating a zinc equivalent cut off. A parent block cell size of 10m x 10m x 10m with sub-blocking to 2.5m x 2.5m x 2.5m has been adopted to replicate the various lithostratigraphic surfaces, fault boundaries and probability shells that have been used to both build the block model frameworks but also for grade estimation. Correlation studies were carried out between zinc grade and density in order to build correlation algorithms for use in density assignment. The univariate statistics for lead and zinc exhibit low coefficients of variation (standard deviation divided by the mean) indicating that outlier grades do to exist at Kildare. As such the data was not cut before grade estimation. Following grade estimation, declustered statistical analysis was undertaken to ensure that the block model match the source data. Validation after grade estimation has consisted of both visual and statistical methods. During grade estimation both the structural framework and the key lithostratigraphic units were used as controls during grade estimation. |
| <i>Moisture</i> | <ul style="list-style-type: none"> <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i> | <ul style="list-style-type: none"> Dry bulk densities were collected and measured by both ZMI technical staff, ZMI's consultants and ALS (Ireland). The dry bulk density data has been correlated with both the lithostratigraphic logging and the analytical data. |

| Criteria | JORC Code explanation | Commentary |
|--------------------------------------|--|---|
| Cut-off parameters | <ul style="list-style-type: none"> The basis of the adopted cut-off grade(s) or quality parameters applied. | <ul style="list-style-type: none"> Although it is premature for the Kildare project to adopt a detailed NSR approach when reporting resources, a review of likely cut off grades, based on both current operations and historical operations within the Irish Lead-Zinc belt and other operations worldwide, suggests that a range of cut offs from 5% ZnEq to 6% ZnEq are appropriate for the project at the current level of definition. A long term metal price (5 year LME average spot process from June 2014 to June 2019) were used to establish product prices for use in cut off grade calculations and to establish the price ratio between zinc and lead (0.8). The results of the metallurgical testwork were also taken into account. A recovery of 96.39% for zinc and 86.44% for lead has been used and is supported by the metallurgical testwork results. |
| Metallurgical factors or assumptions | <ul style="list-style-type: none"> The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made. | <ul style="list-style-type: none"> The metallurgical testwork was carried out at a coarse grind size of p80 -150 microns, using a standard differential flotation process and a standard reagent regime. Very encouraging concentrates were produced. An overall 96.4% recovery of Zn to the Zn concentrate was achieved, with a 56% Zn grade in the concentrate and with minimal Pb (<0.5%). The Pb concentrate achieved 86.4% recovery with a 62% Pb concentrate grade and minimal Zn (<3%). Similarly, minimal levels of deleterious elements occur in either concentrate. Refer to the ZMI ASX announcement on the 23rd April 2019 for further details. In order to determine appropriate Pb and Zn prices for use in calculating a ZnEq cut-off grade, the monthly average LME spot prices for Pb and Zn were assessed for the 5 years between June 2014 and June 2019, resulting in an average price of US\$2,468 per tonne for Zn and US\$2,047 per tonne for Pb. For the purposes of calculating a ZnEq cut off, these two prices were rounded to \$2,500 per tonne for Zn and \$2,000 per tonne for Pb, resulting in a 0.8 ratio between Pb and Zn. The resultant ZnEq formula used in resource reporting is: $\text{ZnEq} = (\text{Zn}\% * \text{Zn recovery}) + (0.8 * (\text{Pb}\% * \text{Pb recovery}))$ $\text{ZnEq} = (\text{Zn}\% * 0.9639) + (0.8 * \text{Pb}\% * 0.8644)$ |
| Environmental factors or assumptions | <ul style="list-style-type: none"> Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential | <ul style="list-style-type: none"> ZMI maintains an active ESIA programme with the express purpose of earning and retaining the social licence to operate. The project is at an early stage of development, however, the framework for environmental base line studies has been developed and is being put into action by ZMI management and their consultants. The region has a long history of mining of lead-zinc mineralisation and ZMI is well aware of the steps required to develop and permit a mining operation in Ireland. |

| Criteria | JORC Code explanation | Commentary |
|--|---|---|
| | <p><i>environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></p> | |
| Bulk density | <ul style="list-style-type: none"> • <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i> • <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i> • <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i> | <ul style="list-style-type: none"> • The Company routinely collects approximately 30cm billets of half core for determination of bulk density; 1 sample every 10m when within unmineralised country rock and 1 sample every 3m within mineralised areas. • Bulk density samples that exhibit open space and/or clear porosity are sent to ALS Loughrea for bulk density determination by wax coating followed by the water immersion method (ALS Loughrea code: OA-GRA09a). • Bulk density samples that are clearly non-porous are determined internally at the Company's Core Processing Facility using the water immersion method. |
| Classification | <ul style="list-style-type: none"> • <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i> • <i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i> • <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> | <ul style="list-style-type: none"> • There has been no extrapolation of the mineralisation in the model beyond the parameters derived by the geostatistical modelling. • On average the McGregor and Shamrock zones have been effectively drilled on a nominal 60m spacing. • The resource estimate is considered to be an Inferred Resource under the JORC 2012 guidelines. |
| Audits or reviews | <ul style="list-style-type: none"> • <i>The results of any audits or reviews of Mineral Resource estimates.</i> | <ul style="list-style-type: none"> • The resource estimate has been reviewed in detail internally by ZMI technical staff. No external audit of the independent resource estimate has been carried out to date. |
| Discussion of relative accuracy/confidence | <ul style="list-style-type: none"> • <i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i> • <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> • <i>These statements of relative accuracy</i> | <ul style="list-style-type: none"> • As an Inferred Resource, the current resource estimate is considered as a global estimate. It is recognised that additional infill drilling will be required to develop more robust local estimates, that are required to promote mineralisation to higher JORC resource categories for use in feasibility level studies. |

| Criteria | JORC Code explanation | Commentary |
|----------|---|------------|
| | <i>and confidence of the estimate should be compared with production data, where available.</i> | |

TENEMENT DETAILS

| Location | Project Name | Tenement # | Ownership | Titleholder # |
|----------|--------------|------------|-----------|-----------------------------|
| Ireland | Meath | 1450 | 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 | Kildare | 3846 | 100% | Raptor Resources Ltd |
| Ireland | Kildare | 3866 | 100% | Raptor 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 | Offaly | 2702 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Navan | 3219 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Navan | 3220 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Roscommon | 2981 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Roscommon | 2982 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Roscommon | 2523 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 1022 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 1562 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 3771 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 3772 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 3774 | 100% | Beal Na Blath Resources Ltd |

| | | | | |
|-----------|---------|----------|------|-----------------------------|
| Ireland | Mayo | 2887 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 3929 | 100% | Beal Na Blath Resources Ltd |
| Ireland | Mayo | 3930 | 100% | Beal Na Blath Resources Ltd |
| Australia | Leonora | M37/1202 | *25% | Messina Resources Ltd |
| Australia | Leonora | E37/893 | *25% | 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.*

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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 (ASX : ZMI) | |
| ABN | Quarter ended ("current quarter") |
| 23 124 140 889 | 30 June 2019 |

| 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 | (701) | (2,534) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (118) | (544) |
| (e) administration and corporate costs | (53) | (436) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 3 | 33 |
| 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 | (869) | (3,481) |

| Consolidated statement of cash flows | Current quarter | Year to date (12 months) |
|---|------------------------|-------------------------------------|
| | \$A'000 | \$A'000 |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | (21) | (21) |
| (b) tenements (see item 10) | (21) | 469 |
| (c) investments | - | - |
| (d) other non-current assets | - | - |
| 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 | (42) | 448 |
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of shares | - | 3,375 |
| 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 | - | (201) |
| 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 | 0 | 3,174 |

| Consolidated statement of cash flows | | Current quarter | Year to date (12 months) |
|---|--|------------------------|-------------------------------------|
| | | \$A'000 | \$A'000 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 3,951 | 2,978 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (869) | (3,481) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (42) | 448 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | 3,174 |
| 4.5 | Effect of movement in exchange rates on cash held | (28) | (107) |
| 4.6 | Cash and cash equivalents at end of period | 3,012 | 3,012 |

| 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 | 2,992 | 3,951 |
| 5.2 | Call deposits | 20 | - |
| 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)** | 3,012 | 3,951 |

**** Note** - Cash at the end of the Quarter does not include approx A\$373,000 due to Raptor Resources Pty Ltd in VAT refunds, Raptor is a 100% owned ZMI Group subsidiary.

| | |
|--|------------------------------------|
| 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 | 118 |
| 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, wages and superannuation – 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 <i>Add notes as necessary for an understanding of the position</i> | 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 | 700 |
| 9.2 | Development | - |
| 9.3 | Production | - |
| 9.4 | Staff costs | 90 |
| 9.5 | Administration and corporate costs | 150 |
| 9.6 | Other (provide details if material) | - |
| 9.7 | Total estimated cash outflows | 940 |

| 10. | Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location <small>(All PLs located in Ireland)</small> | 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 | 1690 Sligo | PL | 100% | Nil |
| | | 3969 Sligo | PL | 100% | Nil |
| | | 2105 Ballinasloe | PL | 100% | Nil |
| | | 3163 Ballinasloe | PL | 100% | Nil |
| | | 3459 Ballinasloe | PL | 100% | Nil |
| | | 2193 Monaghan | PL | 100% | Nil |
| | | 3027 Monaghan | PL | 100% | Nil |
| | | 3397 Monaghan | PL | 100% | Nil |
| | | 3526 Monaghan | PL | 100% | Nil |
| | | 3870 Monaghan | PL | 100% | Nil |
| | | 3871 Monaghan | PL | 100% | Nil |
| | | 4248 Monaghan | PL | 100% | Nil |
| | | 4251 Monaghan | PL | 100% | Nil |
| | | 2724 Galway | PL | 100% | Nil |
| | | 3251 Galway | PL | 100% | Nil |
| | | 3880 Galway | PL | 100% | Nil |
| | 2440 Innishannon | PL | 100% | Nil | |
| | 3202 Innishannon | PL | 100% | Nil | |
| 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: _____
Executive Director

Date: 31 July 2019

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.