

Corporate Update

February 2021

Ironbark 
Zinc Limited



FORWARD LOOKING STATEMENTS

The following information is not intended to guide any investment decisions in Ironbark Zinc Limited.

This material contains certain forecasts and forward-looking information, including possible or assumed future performance, costs, production levels or rates, reserves and resources, prices and valuations and industry growth and other trends. Such forecasts and information are not a guarantee of future performance and involve many risks and uncertainties, as well as other factors. Actual results and developments may differ materially from those implied or expressed by these statements and are dependent on a variety of factors.

The Citronen zinc project is considered to be at an early development stage and will require further regulatory approvals and securing of finance and there is no certainty that these will occur. Nothing in this material should be construed as either an offer to seek a solicitation or as an offer to buy or sell Ironbark securities. Consideration of the technical and financial factors requires skilled analysis and understanding of their context.

JORC CODE COMPLIANCE AND COMPETENT PERSON STATEMENT & DISCLOSURE

Competent Person Statement

The information included in this report relates to Exploration Targets, Exploration Results & Mineral Resources based on information compiled or reviewed by Ms Elizabeth Clare Laursen (B. ESc (Hons.), MAIG, MSEG, GradDipAppFin), an employee of Ironbark Zinc Limited. Ms Laursen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Targets, Exploration Results, Mineral Resources. Ms Laursen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The mining-specific information in this report, which relates to Ore Reserves, is based on information compiled by Mr Andrew Gasmier CP (Mining), who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Gasmier is employed full time by Mining Plus. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Gasmier consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Persons Disclosure

Ms Laursen is an employee of Ironbark Zinc Limited and currently holds securities in the company.

Cautionary Statement

Ironbark has concluded it has reasonable basis for providing the forward-looking statements included in this presentation. The detailed reasons for that conclusion are outlined throughout this presentation. This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. The Company believes there is a reasonable basis for the production targets and the forecast financial information and income-based valuation derived from those production targets provided in this document based on the detailed reasons and material assumptions which are outlined throughout the ASX announcement dated 14 and 18 September 2020 titled Feasibility Study Update. Ironbark is not aware of any new information or data that materially affects the information included in this ASX release, and Ironbark confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

Investment highlights



New Board and Management Team bedded down; Bacchus Capital Advisers appointed



100% owner of the Citronen Zn-Pb project in Greenland



EXIM Bank LOI – binding loan application scheduled for 2nd quarter 2021



Global majors Glencore & Trafigura ~13% combined shareholders (and Offtakers)



Bankable Feasibility Study update due 2nd quarter 2021



All pre-FID permits now granted by Govt of Greenland (EIA, SIA, Mining & Closure)



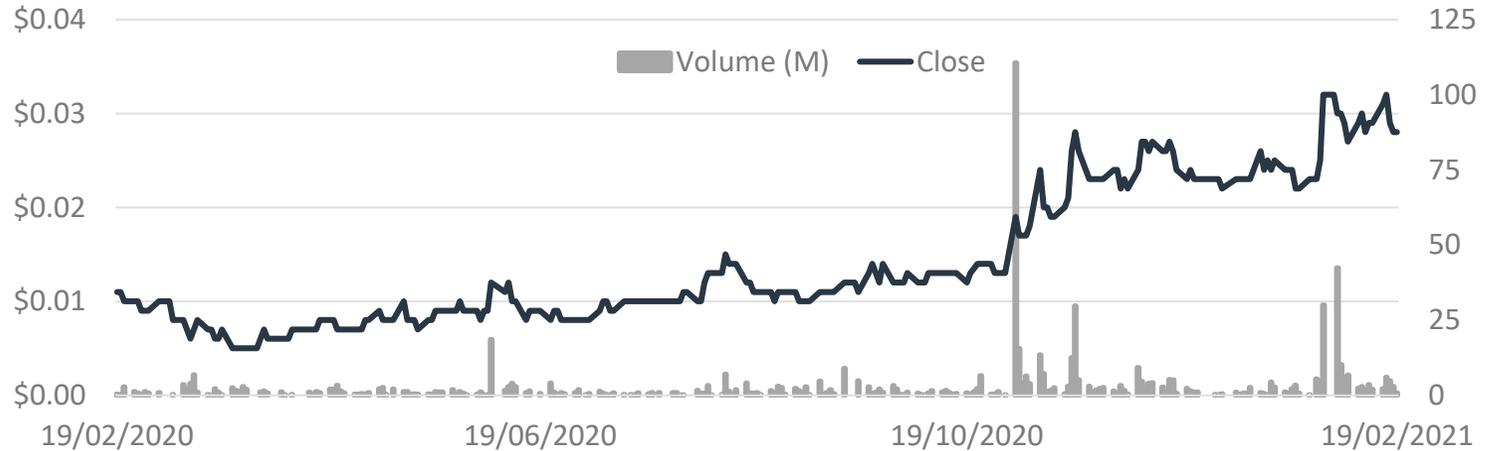
Citronen Production Royalty deal pending – likely to be value accretive

Corporate overview

Capital Structure

Shares on Issue <i>(Post Royalty transaction*)</i>	949,750,027 1,071,750,027
Share price (19 Feb 2021)	\$0.028
A\$ Mkt Cap	\$26.6m
Cash (31 Dec 2020)	\$1.4m

Last 12 months



Board of Directors

Dr. Fred Hess

Non-Executive Chairman

Most recently the Managing Director of PanAust Ltd, Dr. Hess' diverse background includes roles where he managed construction, ramp up & operation of major mines in challenging environments.

Michael Jardine

Managing Director

Mr. Jardine has a background in Corporate Finance, Strategy Development & Minerals Marketing. His previous experience includes Board & Executive roles at several ASX-listed resource companies.

Maciej Sciazko

Non-Executive Director

Mr. Sciazko is the Vice President (Operations) and General Manager for mining operations at Trafigura, having previously held the role of VP for mining operations at Nyrstar in Canada.

Jonathan Whyte

Company Secretary

Mr. Whyte is a Chartered Accountant with extensive corporate, company secretarial and financial accounting experience, predominantly for listed resource sector companies.

*Assumes Royalty transaction announced 2 Feb closes on agreed terms

Shareholder analysis



Register continues to see substantial turnover amongst retail holders



Pearyland major new shareholder*; Trafigura & Glencore continued (unchanged) holders



Equity rebuild gathering pace; 52 week low \$0.004, 52 week high \$0.045.

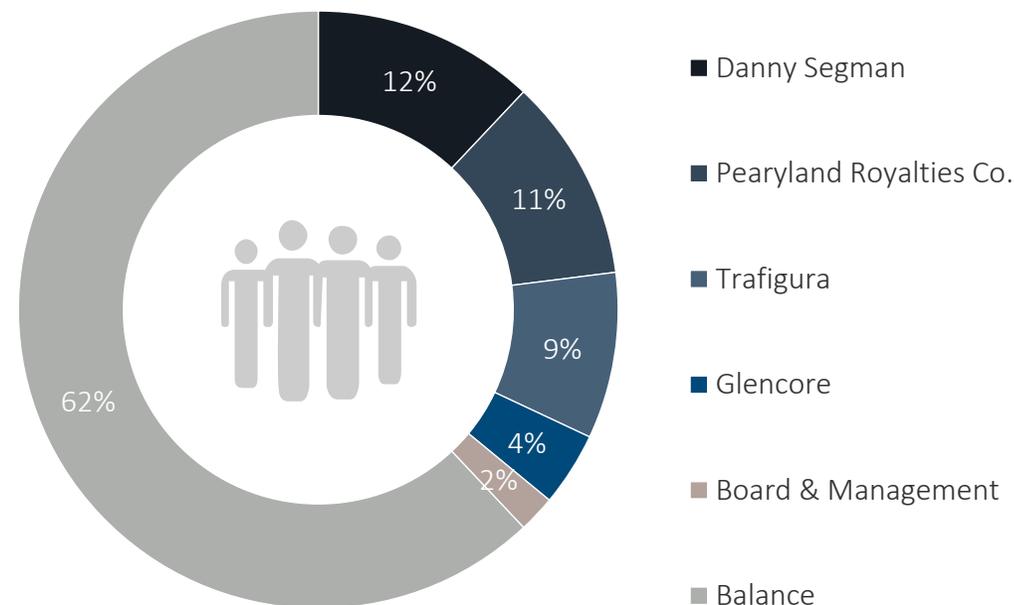


Volume continues to trend up last 12 months.



Newsflow heavy 2021 as financing talks progress

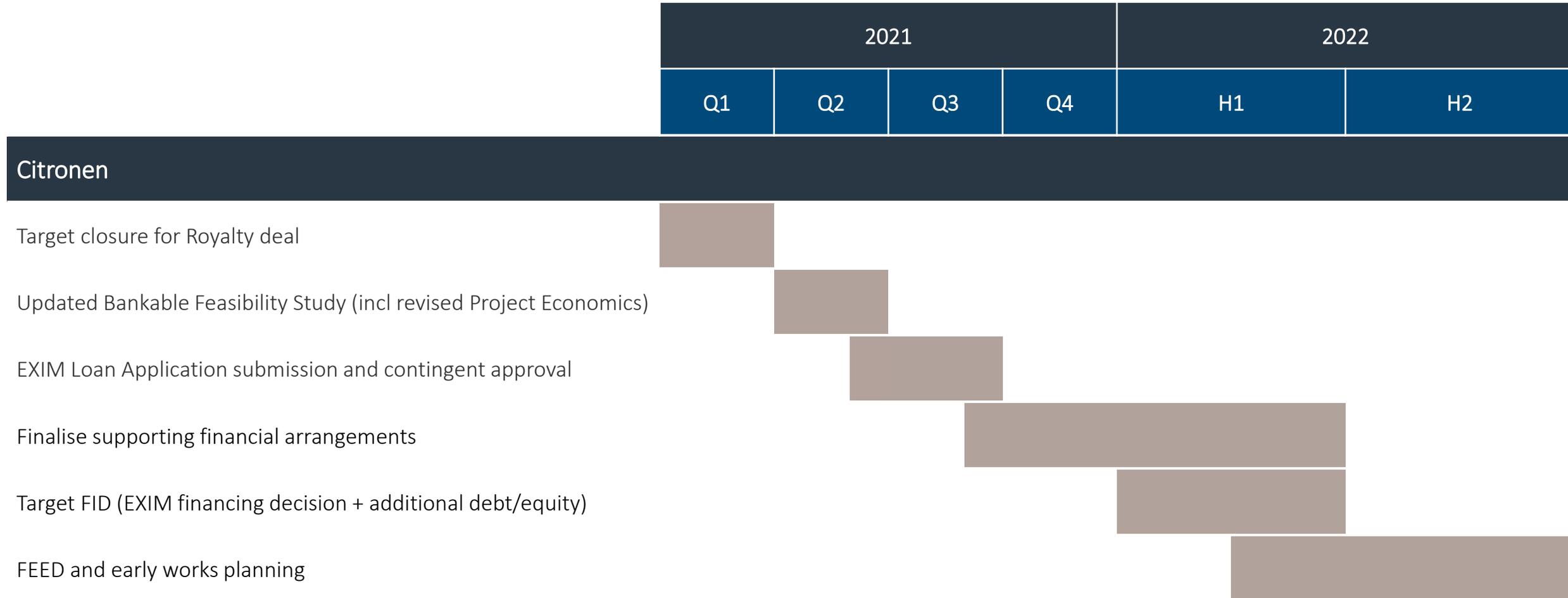
Pro Forma Register Post Royalty Transaction*



*Assumes Royalty transaction announced 2 Feb closes on agreed terms

Indicative Citronen 2021/2 timeline

EXIM loan confirmation may take up to 12 months from application



*The above dates are based on the current intentions of the Company. The dates are indicative and are subject to change.

Production Royalty Transaction – Highlights

What

Cancellation of Life of Mine 2.5% Net Smelter Return Royalty

Why

Significantly improved project cashflows

And?

Clears path to security for future lenders

Who

Pearyland Royalties Co is comprised of a number of experienced HNW resource investors

When

Settlement due ~early March 2021



Greenland



Citronen: Time to awaken from hibernation

Significant investment continues in 2021 in updating, upgrading and de-risking the development plan

Geology, Mining, ESG up to date for 2021



Metallurgical performance and process flowsheet being refined and de-risked



Definitive logistics plan – port, shipping, personnel, construction et al – will resolve issues under studied historically



End goal unchanged – get Citronen into production



Mine plan was significantly improved in 2020

Major increase in Zn metal recovery in early years



Mine plan made more robust – lowered Zn price assumption to USD1.20/lb, mine development now includes twin production declines



3.3 Mtpa run rate confirmed as viable; 14 year mine life*

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised



Maiden Ore Reserve declared – 21.6mt @ 6.3% Zn equivalent*



Additional 90kt of Zn metal produced in first 6 years of operation substantially improves early cashflow*



Binding offtake agreements for 70% LOM metal production remain in effect



**As announced on 14 and 18 September 2020. The Company confirms that it is not aware of any new information or data which affects the information disclosed and that all material assumptions underpinning the production target and ore reserve continue to apply and have not materially changed.*

Citronen: How big could it be?

Citronen a member of the clastic dominated lead-zinc family of deposits found worldwide

- Clastic-dominated deposits include sedimentary exhalative (Sedex) and Mississippi Valley Type (MVT) style of mineralisation
- Deposits proven to occur in camps or groups, such as Mt Isa-McArthur Basin (Century, Mount Isa and Hilton-George Fisher) in Queensland and Brooks Range, Alaska, USA (Red Dog)
- Franklinian Basin, which hosts Citronen, considered highly prospective for Zn-Pb (e.g. Polaris, Nanisivik Zn-Pb mines in Canada)



Figure showing global distribution of clastic-dominated lead-zinc deposits and ancient passive margin sequences (shown as purple lines); Taylor et al., 2009.

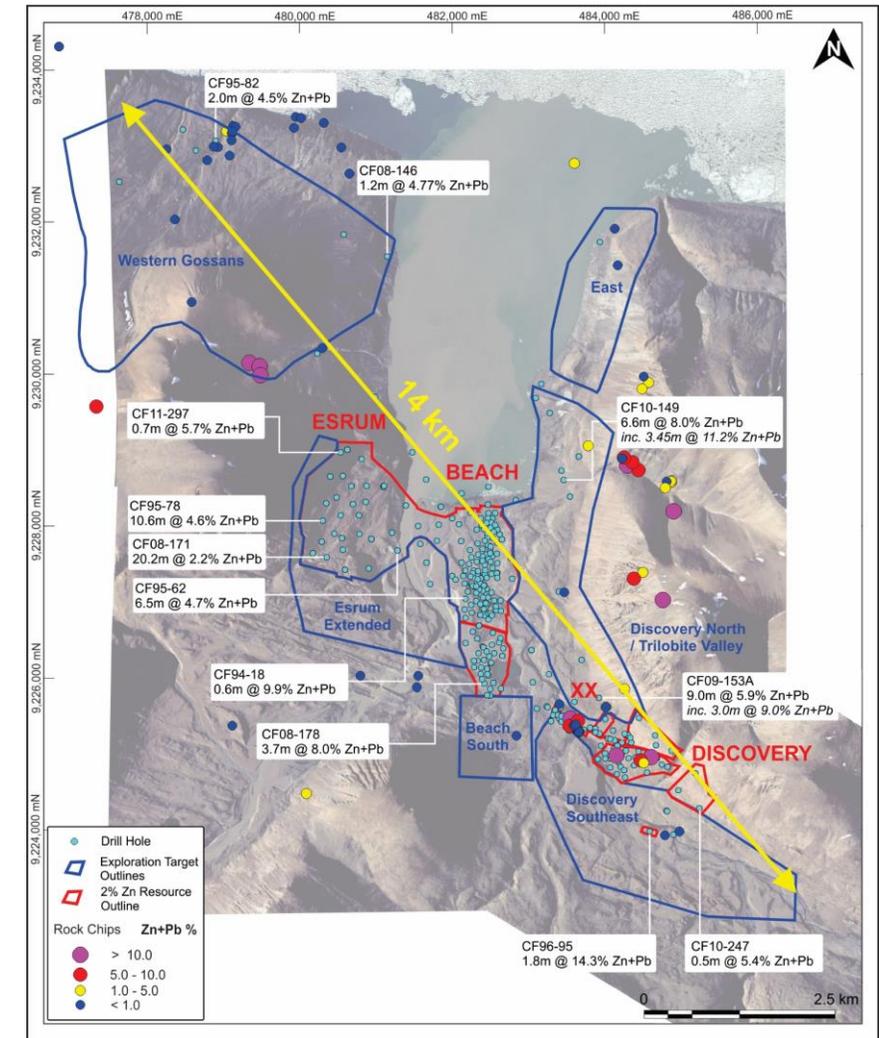
System is open in almost all directions

Six specific target zones identified

- Currently @ Citronen:
 - Mineral Resource: 70.8Mt @ 5.7% Zn + Pb
 - Ore Reserve: 21.6Mt @ 6.3% Zn equivalent*
- Exploration Target: 40-90Mt @ 5-7% Zn & Pb^

Disclaimer: The potential quantity and grade of the Exploration Target is conceptual in nature and is an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

- Six target zones identified for further exploration (see blue areas at right)
- Exploration will recommence following site establishment; significant advances have occurred in hard rock exploration since Citronen was last drilled in 2011, notably in Geophysics
- Further exploration may present opportunities to positively update existing mine plan via mine life extensions or scheduling



Plan view of Citronen orebody showing current Global Zn Mineral Resource outline in red, drill hole and rock chip sample locations and Exploration Target areas in blue.

A competent person's statement with regards to the exploration target is set out at page 2 of this presentation. ^The exploration target is supported by exploration results as announced on 11 February 2021, the Company confirms that it is not aware of any new information or data which affects the information

Exploration Target: Disclaimer to Slide 12

Supporting Information

- The Exploration Target listed on Slide 12 is formed on the basis of historic exploration work at Citronen, including over 60,000m of diamond drilling and subsequent work sufficient to declare the Mineral Resource and Ore Reserve also listed on Slide 12. The potential quantity and grade of the Exploration Target on Slide 12 is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.*
- Ironbark plans to test the Exploration Targets as part of a phased exploration and resource development program. This multi-year program is planned to commence concurrently with mine development and construction, and is aimed at further improving the current Citronen mine plan through some potential combination of mine life extensions, grade uplift and/or the deferral of major lateral mine development in the current schedule. At present, Ironbark intends to undertake this work will take place within two years of construction beginning at Citronen.*
- A systematic drilling program is planned to test extensions to the known mineralisation at the newly identified conceptual target areas. IBG already has four drill rigs at Citronen that are available for any future exploration program, and any further exploration equipment will be mobilised in conjunction with the site construction activities as required.*
- The Exploration Target is based upon review of project drilling, rock chip samples and the limited geophysical data available. A 3D geological model of the project was used to assist in identifying prospective areas. Each area was systematically reviewed with tonnage ranges based on conceptual target sizes and area prospectivity. Exploration Target zinc and lead grade ranges and rock densities are based upon typical grades observed from the current Citronen Resource (refer to ASX announcement 12th March 2020). The Exploration Target calculation has been based on a combination of actual exploration results as discussed in this report and proposed exploration programmes.*

Citronen: Towards bridging the funding gap

Moving towards a Financial Investment Decision to green light Citronen



2021 Bankable Feasibility Study



US EXIM bank vanguard support secured

- Tier 1 ECA – first Aus deal since Roy Hill in 2014
 - Multi bn invested, strong mining team, pro Greenland, very motivated
-



Commercial project debt financing discussions greatly aided by EXIM/ECA stamp of approval



Potential joint venture partner discussions & equity funding alternatives



2021 royalty cancellation presents new structuring opportunities

Who are EXIM Bank?

EXIM Bank is the official Export Credit Agency (ECA) of the United States Government



Citronen: a uniquely strategic location in the Arctic

The High Arctic is a major focus for several global superpowers



USA, Russia & China highly active in region

Northern trading routes opening up into Asian markets

Russia investing heavily in LNG sector and icebreaking fleet

Danish polar nation status comes via Greenland

Citronen will be northernmost private infrastructure asset in the world

Source: <https://www.arcticcentre.org/EN/arcticregion/Maps/Administrative-areas>

Citronen: Why Citronen will be developed

Favourable capital and operating cost structure and comparative risk profile

-  On the starting grid – no on ground impediments to FID ✓
-  Stable political jurisdiction underpinned by strong “rule of law” governance framework ✓
-  World class sized orebody that remains largely open in most directions ✓
-  Strong support from Greenland Government for a foundational mine in country ✓
-  World needs new long term zinc projects ✓
-  Binding take or pay, long term concentrate offtake agreements agreed with Tier 1 buyers ✓
-  Competitive capital intensity and grade profile ✓
-  Risk profile is well understood and has comparative advantages to peer development projects ✓

Citronen: The pros far outweigh the cons

Risks are known and understood, many common development risks are absent



Ample precedent operations in high Arctic
– Red Dog, Polaris, Nanisivik



Final product well understood (Mt Isa style Zn concentrate) – easily benchmarked in market



All pre FID approvals granted – EIA, SIA, Mining, Closure



Project meets requirements for low cost, long tenor debt – long mine life, binding offtakes



Authorised by the Board

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Mineral Resources and Ore Reserves

Table 1 – Ore Reserves

Category	Tonnes (Mt)	ZnEq Grade (%)	Zn Grade (%)	Pb Grade (%)	ZnEq Metal (Mt)	Zn Metal (Mt)	Pb Metal (Mt)
Proved	7.8	6.3	5.9	0.6	0.5	0.5	0.04
Probable	13.5	6.3	6.0	0.4	0.8	0.8	0.06
Total P&P	21.3	6.3	6.0	0.5	1.3	1.3	0.1

The Ore Reserve is based on Measured and Indicated Resources only and does not include any Inferred Mineral Resources.

The Mineral Resources for the Citronen Project, on which these Ore Reserves are based, are summarised below in Table 2:

Table 2 – Mineral Resources

Category	Mt	Zn%	Pb%	Zn+Pb%
Measured	25.0	5.0	0.5	5.5
Indicated	26.5	5.5	0.5	6.0
Inferred	19.3	4.9	0.4	5.4
Total	70.8	5.1	0.5	5.7

As announced on 18 September 2020; see Slide 2 for Competent Persons statement

References

Taylor, R.D., Leach, D.L., Bradley, D.C., and Pisarevsky, S.A., 2009, Compilation of mineral resource data for Mississippi Valley-type and clastic-dominated sediment-hosted lead-zinc deposits: U.S. Geological Survey Open-File Report 2009–1297, 42 p.