

28 April 2022

Company Announcements

Australian Securities Exchange Limited
Level 40, Central Park,
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PERTH WA 6000

QUARTERLY ACTIVITIES REPORT PERIOD ENDING 31 MARCH 2022

Ironbark Zinc Limited (“Ironbark”, “the Company” or “IBG”) (ASX: IBG) hereby provides a report on its activities for the quarter ending 31 March 2022.

Highlights

Citronen

- Following US EXIM Bank Preliminary Approval for up to US\$657 Million in debt funding in December
 - Phase 2 Financial and Legal Due Diligence commenced during quarter following face to face meetings with senior US EXIM staff in London, UK in March 2022
 - Technical, Marketing, Environmental and Shipping advisors scheduled to commence work in Q2 2022
 - US EXIM bank Site Visit to Citronen scheduled for July 2022
- Strategic Equity process underway to shortlist equity partners to accompany EXIM debt finance

Corporate

- Dual Offshore listing options are being reviewed to compliment project location
- \$4.15 million Cash at Bank as at 31 March 2022

Zinc Market

- Zinc has continued to strengthen in 2022 with prices holding above US \$1.60/lb for the entire quarter, peaking at US\$ 1.93/lb on 31 March 2022 and rising further post quarter end
- Only major new Zinc mine scheduled to complete in 2022 – Ozernoye in Russia – facing significant headwinds post Ukraine invasion
- Long term supply/demand curve remains favourable for Citronen to make substantial progress towards funding in 2022

Ironbark Zinc Limited Managing Director:

“All commodity markets saw substantial upheaval in the March quarter and metals were no different with elevated prices, and especially volatility levels, seen across a number of different parts of the market.

Whilst not seeing the extremes of Nickel trading witnessed on the LME in March for example, Zinc continues to show sustained strength and pricing is beginning to reflect the criticality of the metal to world supply chains. Put simply, the world needs more Zinc for both new and traditional infrastructure and therein lies the opportunity for Citronen in 2022.

We continue to make good progress with EXIM and discussions with prospective equity partners are progressing in parallel as planned. The next several months will see activity levels further ramp up with Ironbark again meeting with EXIM face to face in Washington in May before the VIP site visit in July.

I look forward to further updating shareholders on progress as soon as events allow.”

Projects - Citronen

US EXIM Bank Progress

In December 2021 the Company advised that its Phase I due diligence (DD) period with US EXIM Bank had successfully concluded and that Ironbark had received a Preliminary Project Letter (PPL) outlining EXIM’s intention, subject to further due diligence and EXIM Board approval, to extend up to **US\$657m** in debt funding to Ironbark to cornerstone the development of the Citronen Project.

The PPL, whilst not yet a binding offer of credit, signals EXIM’s intent to undertake further serious consideration of the funding application and provides project sponsors with a process and issues list to resolve prior to a formal loan offer. The proposed EXIM facility, if successfully closed, would likely provide all required project debt.

Phase II due diligence commenced in early 2022, which will include further financial, technical, environmental and legal reviews as determined by EXIM Bank (including finalisation of construction arrangements) and the appointment of a number of advisors in addition to EXIM’s advisor Greengate LLC.

It is expected that this process will take approximately 6 months from the appointment of a full advisory panel, with Ironbark’s advisors Bacchus Capital overseeing the process. EXIM are expected to conduct a site visit at Citronen in July.

Strategic Equity Process

Ironbark has commenced a targeted process led by its strategic financial advisers, London based Bacchus Capital Advisers, to identify and consider prospective equity investors. Initially, the net has been cast globally and is expected to involve a range of interested parties drawn from the fields of base metals mining, refining & trading, and financial investment. The progress made with securing EXIM Bank funding in recent months provides the necessary pathway to address one of the primary obstacles to advancing any new project development – access to project debt funding on attractive terms. The Citronen Zinc Project, with its initial 20-year mine life, its potential to rank as a top 10 global zinc producer, and now, an advanced pathway to securing project financing, is expected to attract widespread interest from a range of participants seeking to participate in its development.

The equity process is being conducted in parallel with the Phase II due diligence program, possibly not concluding until a complete project financing package is agreed between all debt & equity investors. Targets

include mid to large cap mining companies (public and private), downstream base metal market participants and financial investors. It is expected that shortlisted equity partners would accompany the EXIM due diligence team on the site visit of Citronen, anticipated for late July.

Projects - Australia

Fiery Creek (EL 6925)

Inclement weather continued to hamper site work on EL 6925 during the March quarter and the flora and fauna survey planned for December 2021 is now on indefinite hiatus. The Board continues to believe the Fiery Creek Cu-Au Project offers substantial upside however and the work will be resumed when conditions allow. Upon successful completion of the survey, a Review of Environmental Factors (REF) can be submitted and Ironbark can obtain permission for its first ever drill campaign at Fiery Creek (EL 6925 was last drilled in the 1980s).

Captains Flat (EL 6381)

No work occurred on the Captains Flat Project (held in a 50/50 JV with Glencore) in the quarter and conversations remains ongoing between the JV partners as to how best realise value from EL 6381.

Corporate

Offshore Listing

During the quarter the Company commenced a review of several options to dual list on exchanges located outside of Australia, given the project location, customer & lender jurisdictions and understanding of Arctic mining projects. This work remains ongoing and the market will be informed of progress at the appropriate time.

ASX Listing Rule 5.4.5 Disclosure

Payments to related parties during the quarter as outlined in Sections 6.1 and 6.2 of the Appendix 5B consisted of \$242,211 in directors' fees and fees to the Managing Director under his executive services agreement.

The Company's cash balance, as at 31 March 2021, was **AUD \$4.15 million**. Project expenditure will remain elevated in the coming months due to costs associated with EXIM Phase 2 due diligence, and licence related commitments to the Government of Greenland.

Further Inquiries

Contact and person who authorised the announcement:

Managing Director Michael Jardine on +61 424 615 047 or mjardine@ironbark.gl for any further inquiries.

ABOUT IRONBARK

Ironbark is listed on the Australian Securities Exchange and is seeking to become a base metal mining house. Ironbark seeks to build shareholder value through exploration and development of its projects and also seeks to actively expand the project base controlled by Ironbark through acquisition. The management and board of Ironbark have extensive technical and corporate experience in the minerals sector.

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 resource estimates in this release continue to apply and have not materially changed.

JORC Resource

The current JORC 2012 compliant resource for Citronen (see ASX announcement dated 19 July 2021):

84.7 million tonnes at 4.72% Zn & 0.47% Pb

Category	Mt	Zn (%)	Pb (%)
Open pit @ 1.5% Zn cut-off			
Measured	11,767,520	2.9	0.5
Indicated	2,159,548	2.6	0.3
M&I	13,927,068	2.8	0.5
Inferred	3,303,573	2.9	0.4
Open pit total	17,230,641	2.8	0.4
Underground @ 3.5% Zn cut-off			
Measured	22,518,764	5.2	0.5
Indicated	26,208,555	5.5	0.5
M&I	48,727,319	5.4	0.5
Inferred	18,744,401	4.8	0.4
Underground total	67,471,720	5.2	0.5
TOTAL Mineral Resource			
Measured	34,286,284	4.36	0.51
Indicated	28,368,103	5.30	0.46
Inferred	22,047,974	4.55	0.42
Total	84,702,361	4.72	0.47

JORC Table 1 included in an announcement to the ASX released on 19th July 2021: “2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project”. Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Ore Reserve

The current JORC 2012 compliant Ore Reserve for Citronen is summarised below:

Deposit	Category	Tonnes (Mt)	ZnEq grade (%)*	Zn grade (%)	Pb grade (%)	ZnEq metal (Mt)	Zn metal (Mt)	Pb metal (Mt)
Beach underground	Proved	19.0	5.5	5.2	0.5	1.0	1.0	0.1
	Probable	7.0	5.8	5.7	0.5	0.4	0.4	0.03
Esrum underground	Proved	-	-	-	-	-	-	-
	Probable	15.8	5.1	4.8	0.4	0.8	0.8	0.06
Discovery open pit	Proved	5.5	3.5	3.2	0.6	0.2	0.2	0.03
	Probable	1.4	2.5	2.3	0.4	0.04	0.03	0.01
Total	Proved	24.6	5.1	4.6	0.5	1.2	1.1	0.13
	Probable	24.2	5.1	5.0	0.4	1.2	1.1	0.10
	Total	48.8	5.1	4.8	0.5	2.5	2.3	0.24

The Ore Reserve is based on Measured and Indicated Resources only and does not include any Inferred Mineral Resources. JORC Table 1 included in an announcement to the ASX released on 19th July 2021: "2021 Bankable Feasibility Study Confirms Citronen as World Class Zinc Project" Ironbark confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Exploration Target

40 Mt to 90 Mt at 5.0% to 7.1% zinc + lead combined

Prospect Area	Prospective sulphide horizons	Tonnes from - to (Mt)	Zinc % Grade range	Lead % Grade range	Combined zinc + lead grade
East	L3/L4	3 to 5Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Western Gossans	L3/L4	5 to 8Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Beach South	L2/L3	4 to 10Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Esrum Extended	L3	12 to 28Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Discovery South East	L1/L2/L3	10 to 25Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Discovery North/Trilobite Valley	L2/L3/L4	6 to 14 Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead
Total		40 to 90 Mt	4.6 to 6.5% Zn	0.4 to 0.6 % Pb	5 to 7.1% zinc + lead

For further information on the Citronen Exploration Target, please see the ASX announcement dated 11 February 2021. The Exploration Target has not been included in the calculation of the life of mine or project NPV. The Exploration Target listed above 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. The potential quantity and grade of the Exploration Target 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.

“Ironbark is an emerging leader amongst Australia’s mineral resource companies, dedicated to the development of its major base metal mining operation in Greenland – the world class Citronen Project, and the acquisition of quality base metals projects.”

Disclosure Statements and Important Information

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 Company believes that it has a reasonable basis for making the forward looking statements in the announcement, based on the information contained in this and previous ASX announcements.

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.

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.

Competent Persons Statement

The information included in this report that relates to Exploration Results & Mineral Resources and Exploration Targets is based on information compiled by Ms Elizabeth Clare Laursen (B. ESc Hons (Geol), GradDip App. Fin., MSEG, MAIG), 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 they are 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. 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.

Schedule of Tenements (as required by ASX Listing Rule 5.3.3)

IRONBARK ZINC LIMITED CONSOLIDATED BASIS				
SCHEDULE OF INTERESTS IN MINING TENEMENTS				
Project	Mining Licence and tenements held	Location of tenements	Beneficial % interest at end of the quarter	Change in the quarter
Captains Flat (Joint Venture with Glencore)	EL6381	New South Wales	50%	-
Fiery Creek	EL6925	New South Wales	100%	-
Citronen	ML 2016/30	Greenland	100%	-