

Monday, 11 December 2023

Australian Securities Exchange Limited
Level 40, Central Park,
152-158 St Georges Terrace
PERTH WA 6000

Ironbark Acquires Option over Two Projects in Pilbara Region of WA; Secures Placement to Raise \$0.6 million

Ironbark Zinc Limited (“**Ironbark**”, “**the Company**”, or “**IBG**”) is pleased to update the market regarding its recently executed project acquisitions and capital raising.

HIGHLIGHTS

Acquisition of Bamboo Creek & Daltons Projects (“**Projects**”) in Pilbara Region of WA

- Approx. 90km² total landholding in areas immediately adjacent to Global Lithium (GL1) and the Pirra Lithium JV (SQM, Calidus, Haoma); region seeing significant inbound investment in Li exploration
- IBG has paid Sorrento Resources Pty Ltd (“**Sorrento**”) \$75,000 in cash for an exclusive 6-month option over the Projects; low-cost exposure to premium location
- If IBG elects to proceed it can acquire a 70% interest in the Projects by issuing Sorrento either \$200,000 in IBG shares¹, or 40 million IBG shares (at Sorrento’s election) and spending \$1m over 3-years
 - Minimum \$500,000 in the first 18-months for 51% interest (Earn-in will lapse if minimum not met)
 - \$500,000 in second 18-months for a further 19%
- IBG will manage the tenements during the Earn-In, expenditure can be expedited at IBG’s election
- Once the Earn-In is complete, parties will contribute to the Projects according to their project share
- If Sorrento’s interest falls below 5%, its share will convert to 2% Gross Royalty on all minerals

Placement

- Firm commitments secured to raise \$0.6 million (before costs) via the issue of 120,000,000 fully paid ordinary shares at \$0.005 per share (**Placement, Placement Shares**)
 - The Placement price was at a 23% discount to the 15-day VWAP to close of trade on Wednesday 6 December 2023 of \$0.0065
 - A 1-for-4 attaching unquoted option will also be issued with the Placement Shares (strike price \$0.01, 3-year expiry) (**Placement Options**)

¹ Calculated with reference to Ironbark’s 20 day volume weighted average share price calculated on the date immediately prior to the exercise of the option.

- 20 million unquoted Broker options on the same terms will also be issued under the Placement (**Broker Options**)
- The Placement is in a single tranche, from existing ASX Listing Rule 7.1 and 7.1A placement capacity, and is anticipated to settle on 14 December 2023
- The proceeds of the Placement will be used to fund the ongoing assessment of new Projects (including Bamboo Creek & Daltons during the Option Period) and for general working capital purposes

Board Renewal

As part of the Placement and Project Acquisition, Ironbark has agreed to bolstering shareholder participation on its Board by extending an invite to Bennelong Resource Capital Pty Ltd to appoint a nominee director. This right will be in effect for a period of 12-months from the date of the acquisition of the Projects.

IBG Managing Director Michael Jardine commented:

“Having long been focused almost solely on the development of Citronen the Board has now elected to enact a growth strategy underpinned by the pursuit of multiple, and parallel, growth opportunities. Bamboo Creek and Daltons represent a low-cost way to acquire a position in Western Australia, the world’s premier mining jurisdiction, as IBG moves towards holding a portfolio of opportunities spread across various metal markets.”

Bamboo Creek and Daltons are in an emerging part of the Pilbara for lithium exploration, a region that has seen huge inbound investment in 2023, and are also prospective for gold and copper mineralisation. These are excellent opportunities from which to further grow the asset base of the Company alongside the Citronen Project in Greenland.

It was pleasing to see our major shareholders including Bennelong Resource Capital strongly support the Placement, and we were able to welcome some well-known mining investors onto the register for the first time as well. The Company is now very well placed for a busy start to 2024.”

BAMBOO CREEK AND DALTONS PROJECTS

The Bamboo Creek (E 45/4560 and E 45/4853) and Daltons (E45/4681) Projects (“the Projects”), are in the mining centric Pilbara region of Western Australia nearby to the town of Marble Bar (see Figure 1). Neighbouring companies successfully exploring for Lithium include the SQM/Calidus/Haoma JV, Global Lithium and Lithium 1.

Figure 1 – Project Location

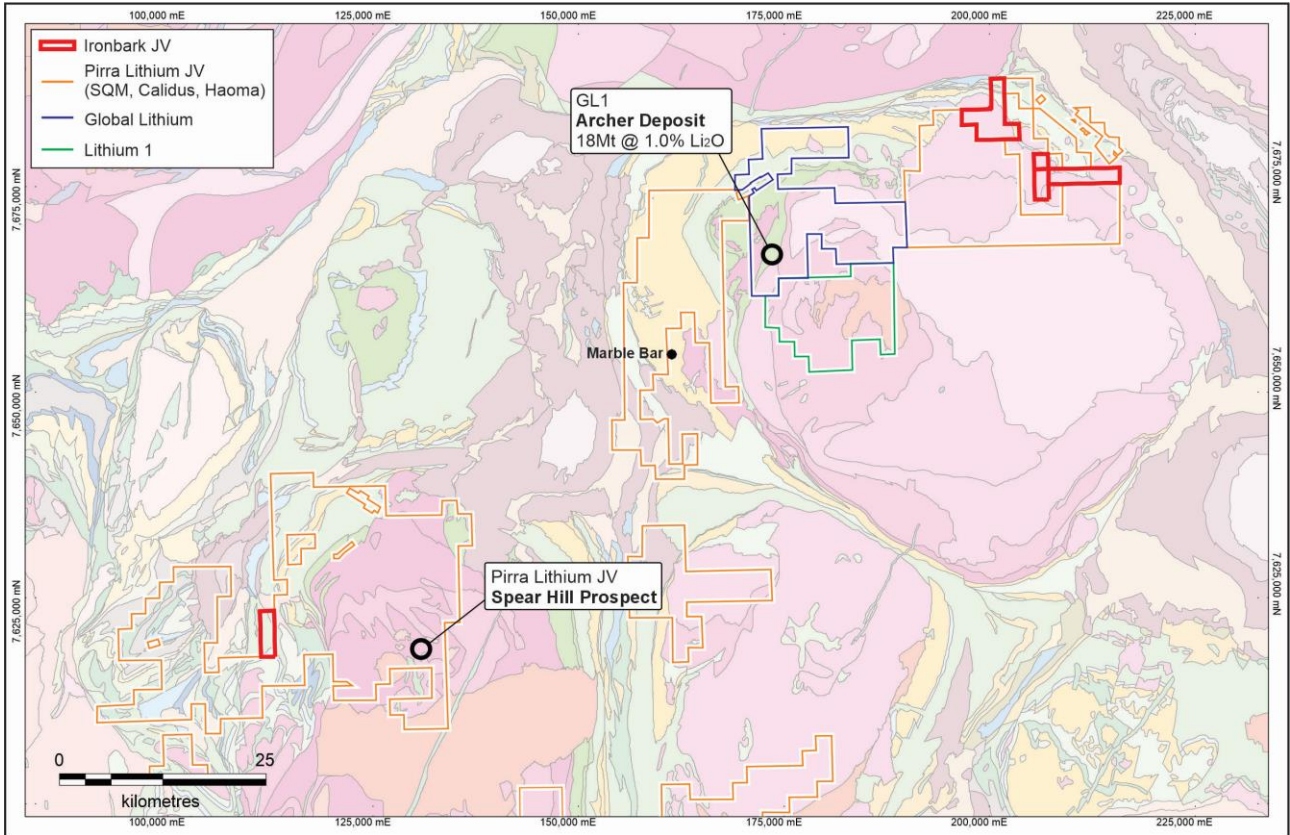
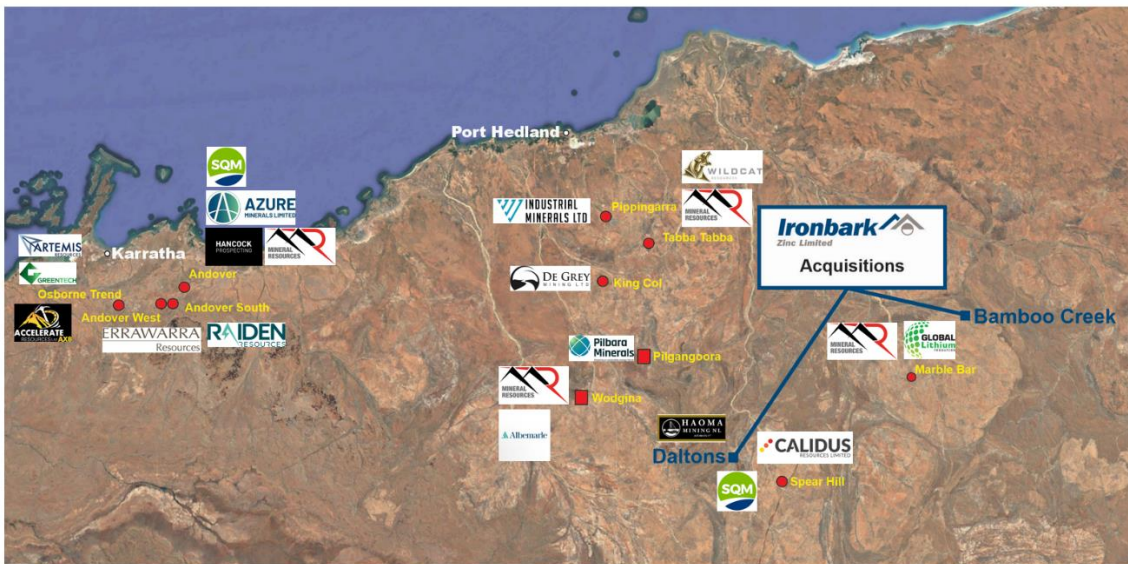


Figure 2 – Regional Location



Source: Argonaut, Ironbark

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PLACEMENT DETAILS

The Placement Shares and Placement Options will be issued utilising the Company's placement capacity under ASX Listing Rules ("LR") 7.1 and 7.1A. 120,000,000 Placement Shares will be issued under the Company's LR 7.1A capacity and 50,000,000 Options will be issued under the Company's LR 7.1 capacity. The Placement Shares issued will rank equally with Ironbark's existing shares quoted on the ASX.

The Company is expected to settle the Placement on 14 December 2023 and quotation of the Placement Shares is expected to take place on 15 December 2023. Pending the successful completion of the Placement, Ironbark will have 1,593,872,617 shares on issue. The Options will be issued shortly after the anticipated settlement date and will be unquoted.

CPS Capital acted as Lead Manager to the Placement. Under the terms of their mandate, CPS will receive a 6% capital raising fee on all funds introduced by CPS Capital and 20,000,000 unquoted Broker Options on the same terms as the Placement Options to be shared equally with Bennelong Resource Capital Pty Ltd. The Broker Options will be issued utilising the Company's LR 7.1 capacity.

TRADING HALT

This is the announcement referred to in the Trading Halt Request dated Thursday 7 December 2023.

FURTHER DETAILS

This notice is authorised to be issued by the Board. Please contact Managing Director Mr Michael Jardine for any further inquiries at mjardine@ironbark.gl or +61 424 615 047.

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