

# QUARTERLY ACTIVITIES REPORT

## Ending June 2007

Ironbark Gold Limited (Ironbark) is a focused and dedicated base metal exploration and development Company listed on only the Australian Stock Exchange. The Company has a technically strong Board with significant relevant experience and owns a suite of base metal and precious metal projects in Australia and Greenland.

### Highlights during the March Quarter

#### 1. Concluded Major Zinc Project Acquisition

Ironbark finalised the acquisition of 100% of the major Citronen Zinc and Lead Project in Greenland representing 16.8Mt @ 7.8% Zinc, 0.9% lead. The project has outstanding exploration potential with mineralisation boundaries not defined by current drilling.

#### 2. \$25.75M Equity Raising and Partnership with Glencore AG

Following the Shareholder Meeting on 21 May, Ironbark has issued 10.3M shares to raise \$25.75 million at a price of \$2.50 per share to institutional, sophisticated and industry investors.

#### 3. Five for One Share Split

Ironbark has increased its issued capital five times to existing shareholders through a capital reorganisation in order to improve the attractiveness of the stock and to improve liquidity of the stock.

#### 4. Executive Appointments

In order to expedite Ironbark's project developments in Greenland and Australia, several key personnel have been added to the team. These include;-

<b>David Round</b>	Chief Financial Officer
<b>Donald Maclean</b>	Geology Manager (Greenland)
<b>Gregory Campbell</b>	Director of Engineering
<b>Stepan Orlov</b>	Senior Geologist (Greenland)

#### 5. Mobilisation to the Citronen Zinc Project

Ironbark engaged the Danish based POLOG group to manage all logistical aspects of the Project and have mobilised a team to site and commenced work on the project. A new 40 person camp is being established and large amounts of previously unassayed but mineralised material is being assayed and will be incorporated into an updated resource estimate.

#### 6. Belara Base Metal Project Initial Resource

The first JORC compliant inferred resource estimate for the wholly owned Belara base metal project of 1.0 million tonnes at 5.0% zinc, 0.4% copper, 1.5% lead, 0.3 g/t gold and 50 g/t silver.

#### 7. Three New Greenland Zinc Projects Granted

Three further zinc projects in Greenland have been granted. The projects offer excellent exploration potential.

#### 8. Issue of Options

As part of Ironbark's recruitment and retention of senior management policies, the Board of Directors have issued options to senior management and will seek shareholders approval to allocate further options to a Director at the forthcoming Annual General Meeting.

## 1. CONCLUDED MAJOR ZINC PROJECT ACQUISITION

Ironbark has formally concluded the agreement to acquire 100% of the Citronen Zinc Project (Citronen) in Greenland. The Company has issued 8,000,000 shares and 16,000,000 options (before the share split) exercisable at \$1.50 on or before 1 February 2010 as approved by shareholders on 21 May 2007 and made the final \$4.5M cash payment.

Citronen represents one of the worlds largest undeveloped zinc resources and is located in northern Greenland, a self governed territory of the Kingdom of Denmark. This major acquisition significantly increases the scope of Ironbark towards becoming a substantial zinc producer.

Previous estimates of mineralisation associated with the Project were generated prior to the introduction of the JORC Code guidelines for the reporting of identified mineral resources and ore reserves. On this basis, previous estimates can not be reported as “resources” or “reserves” under the JORC Code guidelines. Whilst the Company considers these previous estimates are material and provide a reasonable reflection of the quantum and grade mineralisation, there can be no guarantee that re-classification will occur.



Cutting previously unassayed mineralised drill core on site at Citronen

The most recent resource estimate of the Project starts at approximately 16.8Mt tonnes at 7.8% zinc and 0.9% lead (approximately 8.3% zinc equivalent). This is based on 32,826 metres of diamond drilling conducted between 1993 and 1996 returning intercepts such as 28.8 metres @ 9.7% zinc (including a higher grade zone of 8.5m @ 19.0% zinc). The most recent resource estimate was taken from the Platinova A/S 1999 Annual report as lodged with the Toronto Stock Exchange and was in compliance with the Canadian Institute for Mining, Metallurgy and Petroleum standard for reporting mineral resources.

Ironbark considers that Citronen offers exceptional **large scale, low risk, long life and high margin production potential** as well as an **outstanding exploration opportunity** with the extent of mineralisation yet to be determined.

The mineralisation is considered to be of a SEDEX style zinc deposit and this model is potentially very large. The mineralisation starts from the surface and is shallow, flat lying and adjacent to a deep water fjord that may provide near mine ship docking and loading opportunities.

## **2. \$25.75M Equity Raising and partnership with Glencore AG**

Ironbark received shareholder approval to issue institutional, sophisticated and industry investors with 10,300,000 shares to raise \$25.75 million at a price of \$2.50 per share (before the share split). These funds should provide adequate working capital to aggressively progress the Citronen Zinc Project towards a feasibility study for a period of two years.

Ironbark also entered into a Heads of Agreement with Glencore International AG encompassing potential future funding, entering in an agency agreement to assist in marketing and the appointment of a non-executive Director to the Board of Ironbark.

Merrill Lynch Equities (Australia) and Glencore International AG have become significant shareholders in Ironbark.

## **3. Five for One Share Split**

Ironbark has completed the subdivision of its issued capital on the basis that every one fully paid ordinary share was subdivided into five fully paid ordinary shares and the options on issue were adjusted in accordance with the Listing Rules.

The share split is intended to increase the liquidity and affordability to retail investors of the Company's shares.

Approval was given for the share split at a General Meeting held on 21 May 2007. The number of shares on issue increased from 40,800,000 to 204,000,000 Shares and the number of Options increased from 18,600,000 to 93,000,000 Options.

Immediately after the Share Split, each shareholder held the same proportion of the Company's issued share capital and net assets as before the Share Split. The rights attaching to the Shares and Options were not affected.

## **4. Executive Appointments**

In order to expedite Ironbark's project developments in Greenland and Australia, several key personnel have been added to the team. These include;-

**David Round** - Chief Financial Officer and Company Secretary, B.Bus, CPA, MBA.

David is a highly experienced accountant and company secretary with corporate finance and taxation experience with Grant Thornton and Ernst & Young in Australia and KPMG in Europe.

Previous roles include adviser to Chief Financial Officers of a number of groups including SNC Lavalin, International Drill-Quip, KPMG in London, Grant Thornton, Home Building Society, Satterley Property Group and several mining joint ventures based in Perth. David has been involved in numerous projects in WA market involving valuations, major capital raisings, expert reports and due diligence assignments for publicly listed and privately owned Organisations. David has most recently been employed in the role of Chief Operating Officer and Chief Financial Officer for the Western Force Super 14 Rugby Team.

David has a detailed understanding of new International Accounting Standards and their application to Australian listed groups which will be particularly pertinent to the management of Ironbarks Greenlandic operations.

**Donald Maclean** - Geology Manager (Greenland), B.Sc (Hons) Geol.

Donald is a geologist with over 13 years experience. Don has worked for Lynas Gold, Great Central Mines and later for Normandy Mining Limited at the Jundee mine in Western Australia in a Senior role. Most recently Don was been employed as the Manager Mine Development for Newmont at the Waihi Mine in New Zealand.

Donald has excellent management and geological skills which will be well utilised by Ironbarks Greenland operations during the development drilling and mining feasibility studies.

**Gregory Campbell** - Director of Engineering, BE (Chem) Hons, MAusIMM, MIEAust.

Greg has agreed to substantially increase his role within Ironbark and move from his current non-executive Director position to a full time Executive Director role. Greg has over 17 years engineering experience across Australia covering chemical and process engineering, operating, marketing and financial analysis of projects in the metals industry. This experience has been gained in various capacities including eight years with BHP Limited in a range of engineering and technical roles, eight years in senior engineer consultancy roles with Kvaerner and Promet Engineers and both process engineering and technical marketing roles for Ausmelt Limited.

In his Executive position Greg will take on the roles of managing metallurgical and process and plant design in relation to the Company's mining feasibility studies.

**Stepan Orlov** - Senior Geologist (Greenland), B.Sc Geol, MAIG.

Stepan has over 15 years experience in the mining and minerals industry. This experience has principally been gained through exploration in remote climates, including the Arctic and high altitude areas. Companies that Stepan has worked with include Jubilee Mines NL, Batavia Mining, Siberia Mining Corporation Limited and Fortescue Metals Group Limited. Stepan has planned and managed numerous exploration programs in remote climates.

In addition to these appointments, Ironbark has previously announced that it has engaged the services of Andrew Stocks in the role of Logistics Advisor. Andrew has over 20 years of experience in the minerals industry as a mining engineer and mine manager. He has held senior management positions with Barrack Gold (Mine Manager of open pit and underground gold mining operation) and most recently Crew Gold Corporation PLC. In the role of Vice president, Andrew managed and oversaw the commissioning of the Nalunaq gold mine in Greenland. In this role Andrew became familiar with the logistical requirements and business procedures in Greenland.

## **5. Mobilisation to Citronen**

Ironbark has engaged the Danish based POLOG group to manage all logistical aspects of the Project exploration during 2007 including the procurement and transport to site of the required personnel and equipment including a new 40 man camp, fuel, food and general supplies. POLOG has extensive experience managing large scale mineral exploration projects in Greenland.

The Canadian based, global engineering and geological consulting firm Wardrop Engineering Inc (Wardrop) has been engaged to provide start up geological input. Greg Mosher, who will head Wardrops involvement, is a highly experienced geologist who was involved in the exploration, discovery, interpretation and documentation of the Citronen Zinc Project from 1993 to 1995 inclusive. His input and knowledge has assisted Ironbark's exploration ramp up. Wardrop and Ironbark will jointly work towards the evaluation and preparation of a modern and quotable resource estimate.

Greenland Resources A/S in partnership with Cyr Drilling International Limited (Cyr Drilling) based out of Canada were engaged to operate the two diamond drilling rigs owned by Ironbark on a 24 hour basis. Gordon Cyr of Cyr Drilling was previously the principal of Midwest Drilling Ltd. Midwest Drilling Ltd co-ordinated all the past drilling at the Project from 1993. Some delays were encountered in securing approvals for the heavy lift aircraft from the Danish Civil Aviation Authority which has resulted in a delay in setting up the camp site. The new camp site is being constructed this field season and fuel and equipment required for an intense drilling campaign is being mobilised to site. Drilling will be delayed until the 2008 drilling season which is planned to commence in April and continue into September. Ironbark will endeavour to operate 3 diamond drilling rigs in 2008.

As part of the licence transfer process Ironbark has assumed the responsibility for all the equipment at the Project site. Ironbark currently has two drilling rigs, a bulldozer, tractor and all terrain vehicle (ATV) as well as a very large inventory of spare parts (including a new drill rig engine, hundreds of metres of new drilling rods, diamond bits etc). Ironbark has completed a first pass site inspection with a team of mechanics and is currently utilising the drill rig, bulldozer, generator and an ATV.

The delay in active drilling will have a minimal impact on the development of the project as the teams on site are currently fully occupied cutting the previously unassayed diamond drill core. The zones of mineralisation are considered to have been wider than previously recognised and only certain sections were assayed due to the very low prevailing metal prices during the time of discovery. Significant mineralisation has been identified in previously unassayed drill core which will be incorporated into the data set. The expanded and modern data set will be used to generate a revised resource that has the potential to be larger than the currently quoted resource. In addition a large amount of material will be collected to conduct metallurgical test work. This information will be used as part of the ongoing feasibility study.

## **6. Belara Base Metal Project Initial Resource**

Ironbark reported the first JORC compliant inferred resource estimate for the wholly owned Belara base metal project (copper, lead, zinc, gold and silver). Belara is located approximately 98km NNE of Orange in New South Wales, Australia..

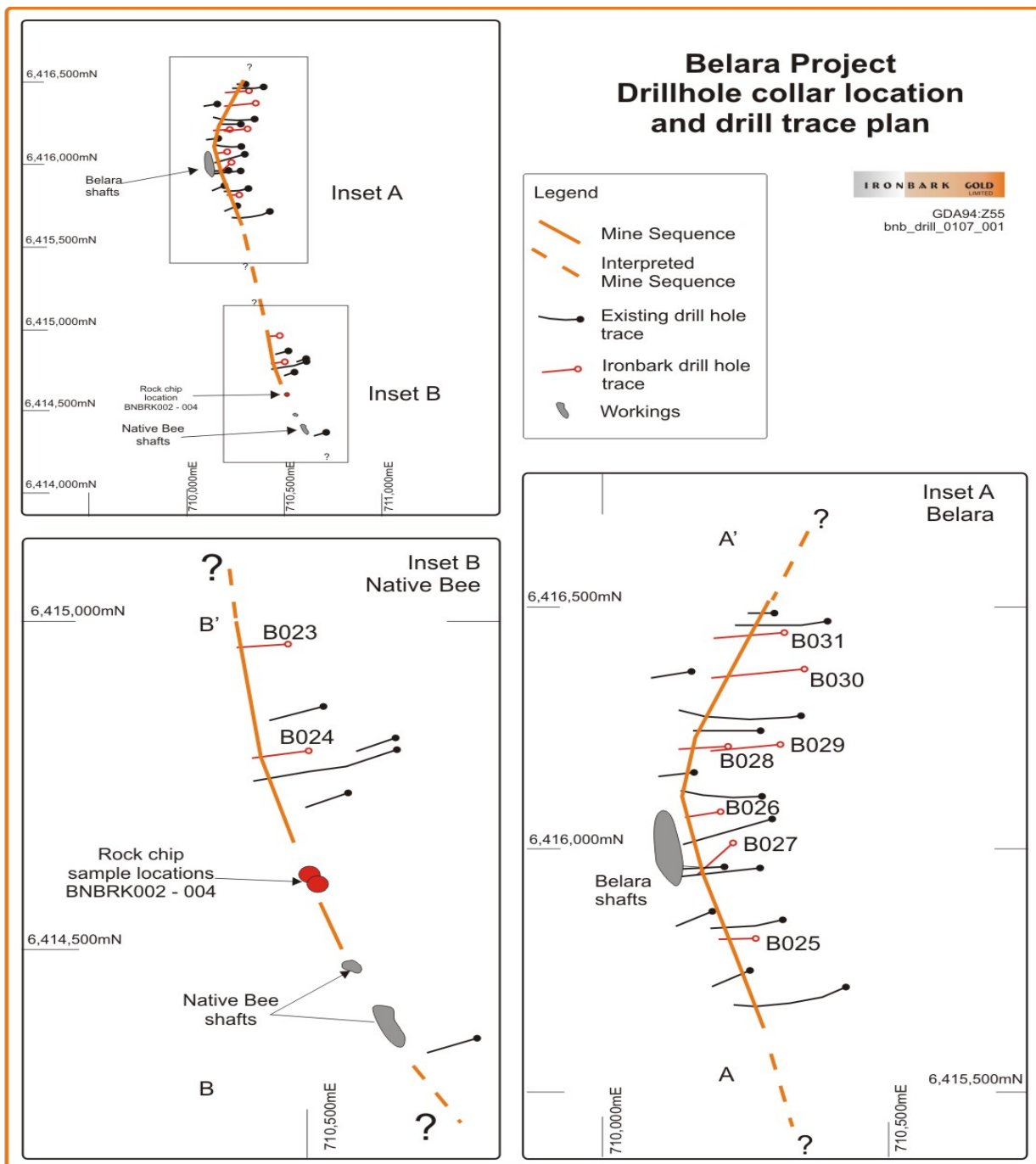
Ironbark considers the resource to be significant and is encouraged that the two deepest holes have returned the highest grade and widths indicating that the ore body is open ended at its thickest point. Ironbark plans to expand the resource by conducting further drilling targeting extensions to mineralisation. Additional drilling is planned to bring the resource to a higher level of confidence and increase the overall grade of the ore body. The resource estimate has been prepared by independent minerals industry consultants Ravensgate and totals:

**1.0 million tonnes at 5.0% zinc, 0.4% copper, 1.5% lead, 0.3 g/t gold and 50 g/t silver at a 4% zinc cutoff.**

Within a larger lower grade resource of:

**3.8 million tonnes at 3.1% zinc, 0.4% copper, 1.0% lead, 0.2 g/t gold and 34 g/t silver at a 1% zinc cutoff.**

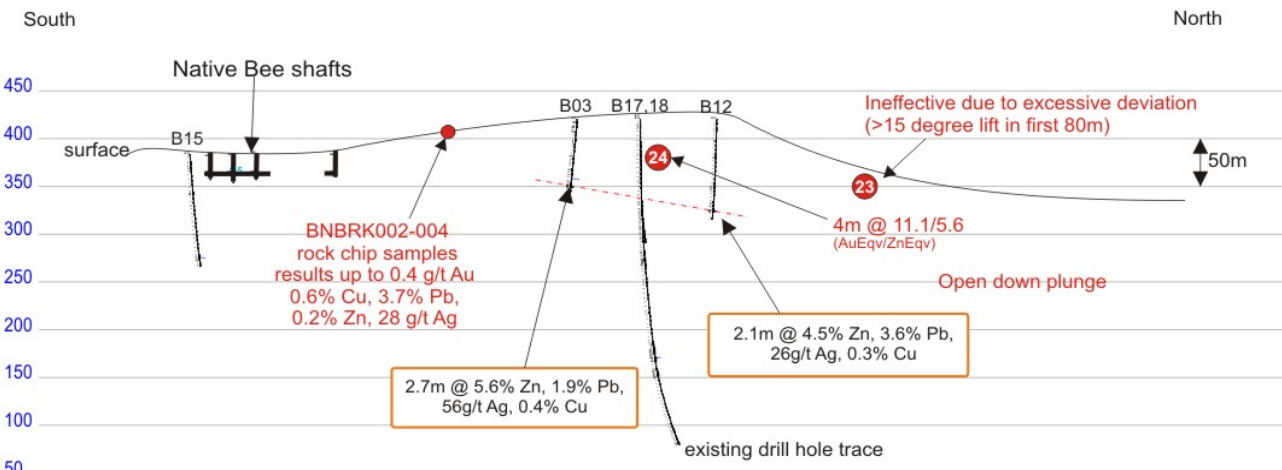
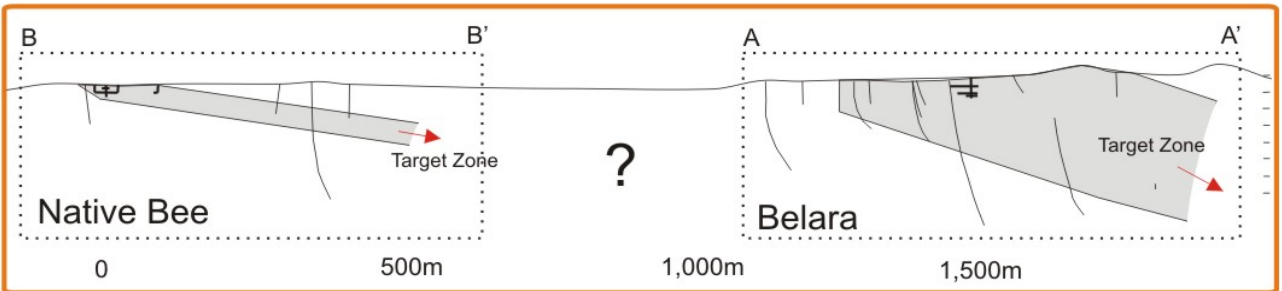
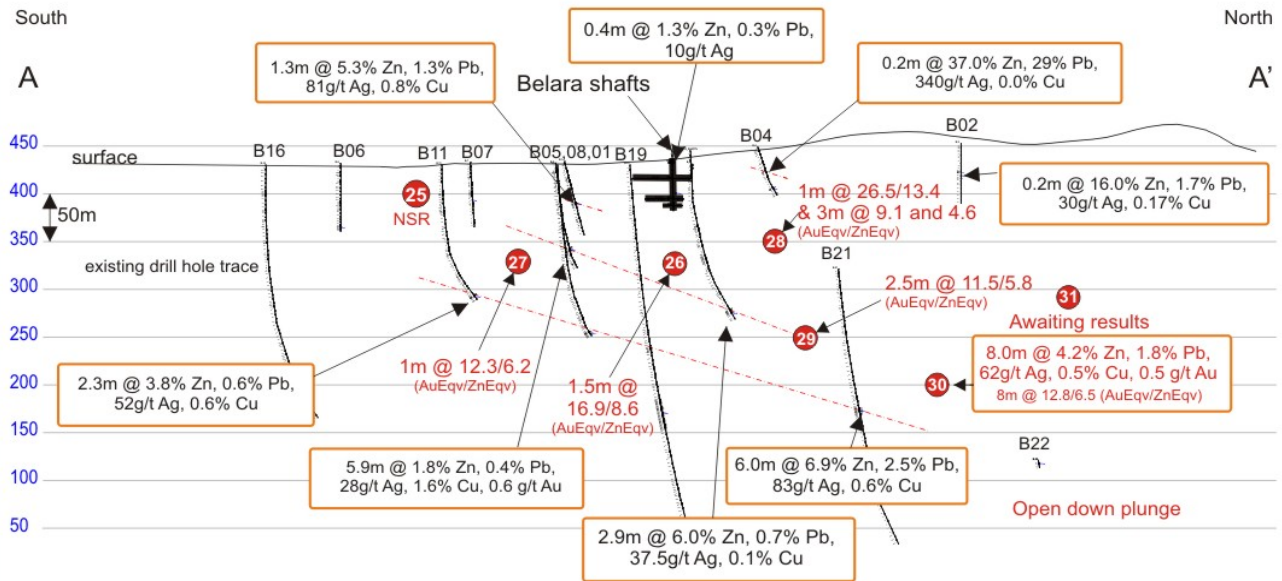
The Belara ore body begins at surface and has been estimated to a depth of 350 metres. The emphasis of the ongoing appraisal will be on zinc which accounts for approximately 60% of the in-ground metal values. Many of the historic drill holes were not assayed for gold and these intervals were treated as having no gold mineralisation. Further drilling is likely to increase the gold grade.



Plan view on the surface expression of Belara line of mineralisation and drill holes

## Belara - Native Bee Long Section and planned drilling looking west +/-150m. Historical drilling and Ironbark drilling intercepts showing gold equivalent (g/t AuEqv) and zinc equivalent (% ZnEqv) intercepts

IRONBARK GOLD



28 Ironbark drilling pierce point with hole number (B028)  
 B15 Existing drill hole number  
 4m @ 12.2/6.1 (AuEqv/ZnEqv)  
 Intercept width and calculated gold equivalent (AuEqv) and Zinc equivalent (ZnEqv) grade expressed as g/t AuEqv and % ZnEqv calculated based on:-  
 Zn US\$ 1.80/lb      Ag US\$ 13/oz  
 Pb US\$ 0.70/lb      Au US\$ 625/oz  
 Cu US\$ 2.75/lb

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Long section of the Belara mineralisation

## **7. Three New Greenland Zinc Projects Granted**

Ironbark has been granted three further zinc projects in Greenland which offer excellent exploration potential. A brief description of each of the projects is provided below:

### **Washington Land – Cass Prospect**

The Cass Prospect was identified in 1999, in a joint venture targeting Mississippi Valley Type (MVT) base metal mineralisation between Platinova AS and Rio Tinto Mining and Exploration Inc., (Rio Tinto) a subsidiary of London based Rio Tinto PLC (Rio Tinto). The Cass prospect is situated in the Franklinian Basin geological unit. The Cass Prospect mineralisation is considered to be contemporaneous with the significant Polaris and Nanisivik historic mines located in Canada.

Mineralisation at the Cass Prospect occurs within a structure with an observed strike length of approximately four kilometres. The structure outcrops poorly due to overlying glacial till including boulders and gravel. A continuous rock chip composite sample spanning 25 metres returned an average grading 8.9% zinc, 11.1% lead and 95 g/t silver and a second continuous rock chip composite sample spanning 25 metres located 550 metres to the east returned an average grade of 3.7% zinc, 7% lead and 40 g/t silver. The precise details of sampling and assaying methodology are unknown however this information was released to the Toronto Stock Exchange in 1999. A single diamond drill hole yielded 1.2 metres at 8.4% zinc, 0.04% lead and 94 g/t silver. Rio Tinto withdrew from the joint venture following the drilling in 1999 at a period of very low zinc and lead prices. The hole is regarded as not necessarily intercepting the main target and will be followed up as a matter of priority.

### **Mesters Vig – Blyklippen Zinc Mine**

The Blyklippen Zinc Mine was mined from 1956 to 1962 and yielded production of 544,600 tonnes for a recovered grade of 9.9% zinc and 9.3% lead. Previous explorers identified additional mineralised structures near the main mine and the project area is considered prospective and amenable to geophysical exploration techniques.

An excellent summary of the project has been prepared by GEUS (Geological Survey of Denmark and Greenland) and can be downloaded using the following link:

<http://www.geus.dk/minex/go05.pdf>

### **Navarana Fjord**

In the Navarana Fjord anticline, a vertical, seven metre thick and 300 metre long, brecciated calcite vein crosscuts the limestone of the Portfield Formation. Centrally in the calcite vein of a one metre wide breccia zone epigenetic sphalerite occurs associated with barite, which constitutes 60-70% of the matrix. In addition another zinc-barite occurrence has been identified in the area which is described as a strata-bound occurrence within a carbonaceous shale and chert sequence. The model is described as being of the MVT base metal mineralisation.



Location Plan of Ironbark Projects in Greenland

## 8. Issue of Options

Options have been issued to recently appointed Senior Management, David Round and Don McLean. The issued options have been escrowed for a minimum of 12 months and are exercisable up to the 18th June 2012. The strike price for the issued options is \$4.25 (before the share split).

The Board of Directors also proposes to issue 100,000 options to Director, Greg Campbell. This allocation is subject to shareholder approval at the company's forthcoming Annual General Meeting.

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr A Byass, B.Sc Hons(Geol), B.Econ, FSEG, MAIG an employee of Ironbark Gold Limited. Mr Byass has sufficient experience that 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

For further information please contact:

Jonathan Downes  
Managing Director

**IRONBARK GOLD LIMITED**

Level 1, 350 Hay Street,  
Subiaco,  
WA 6008

Tel: (08) 6461 6350