

QUARTERLY ACTIVITIES REPORT

July to September 2006

Ironbark Gold Limited (Ironbark) is an Australian mineral exploration and development company that owns a suite of base metal and precious metal projects. Ironbark is initially targeting its advanced high grade base metal (primarily zinc) projects in New South Wales.

Highlights

- *Listed on the ASX after raising \$3,000,000*
- *Subsequent to the quarter, resource drilling has commenced at the Belara base metal project with 10 holes for 1,150 metres of RC drilling and 625 metres of diamond drilling*
- *EM geophysical survey commenced at the Belara project*
- *Entered into a farm in agreement to earn up to 75% of the Captains Flat base metal project*
- *Drilling planned at Jerangle base metal prospect south of Captains Flat project with 4 to 6 holes for at least 1,100 metres of drilling following the Belara programme*
- *Project base expanded following the acquisition of the Burrandana tungsten-tin project, Bogong copper project and Kiawarra tin project*
- *IP survey planned at the Stuart Town gold project following the Belara EM survey*
- *Expanded ground position around Belara base metal project with three further Exploration Licence Applications covering extensions to the Belara stratigraphy and other gold and copper prospects*

LISTING ON THE AUSTRALIAN STOCK EXCHANGE

Ironbark lodged its prospectus with the Australian Stock Exchange to raise \$3,000,000 on 10 July and due to strong public interest the Directors were able to close the offer early and oversubscribed.

Ironbark commenced trading on 16 August and debuted strongly in recognition of its quality projects, proven management and exceptional capital structure.

The Directors remain appreciative of the strong support and faith shown by shareholders and look forward to delivering positive results.

PROJECT UPDATES

Belara base metal project

Ironbark believes that its wholly owned Belara base metal project (zinc-lead-copper-silver-gold) represents a significant accumulation of potentially exploitable base metal mineralisation with a strike length of approximately 610 metres (excluding Native Bee) and known depth extent of at least 250 metres.

Ironbark has commenced a programme of ground Electro-Magnetic (EM) surveying and a drilling programme consisting of a combination of reverse circulation (RC) drilling and Diamond drilling.

The drilling programme will primarily target zones of previously identified mineralisation and it is expected that the drilling density will be sufficient so that a publicly quotable resource estimate can be released and confirm the previous explorer's resource potential estimations. The drilling programme will comprise a total of 10 holes for 1,150 metres of RC drilling and 625 metres of diamond drilling. The programme is likely to be modified or expanded as a result of the levels of encouragement encountered.

The EM survey is hoped to allow the relatively conductive ore body to be modeled in three dimensions to a depth of at least 300 metres and will help direct future drilling programmes.

Two new exploration licences were applied over regions of interpreted strike extensions of the Belara geology and cover a series of historic copper workings located to the south.

A long section diagram of the historic drilling and the current drilling programme is shown as Figure 1.

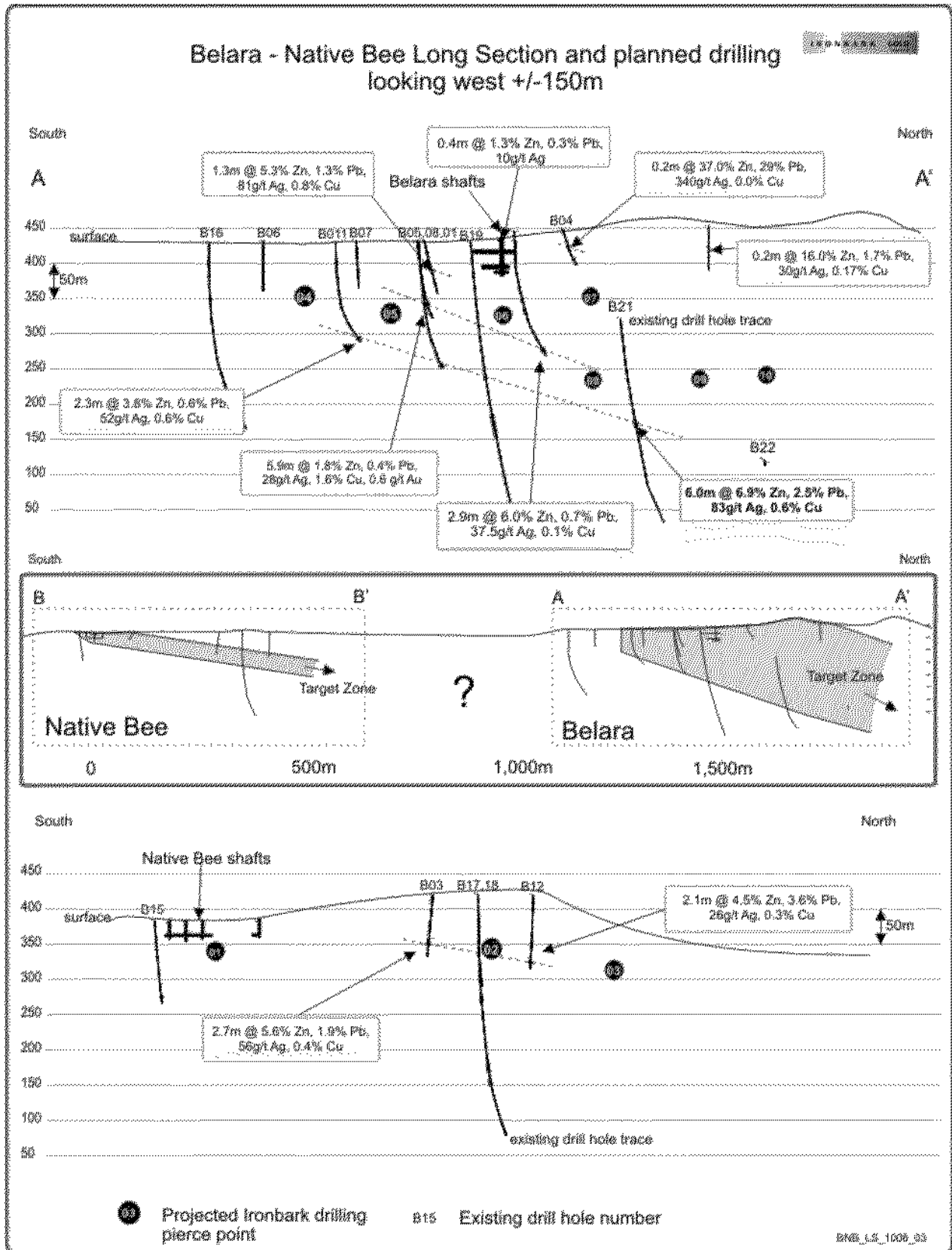


Figure 1. Long section showing historic drilling and planned drill hole pierce points

Captains Flat base metal project

Following the reaching of an agreement with Monaro Mining Limited, Ironbark has commenced the work necessary to earn an interest in the Captains Flat base metal (zinc-lead-copper-silver-gold) project. This involves a drilling programme planned for the December quarter this year at Jerangle (south of Captains Flat) where 4 to 6 holes for a total of up to 1,100 metres is planned

Captains Flat represents a well endowed belt of Volcanic Massive Sulphide (VMS) base metal mineralisation with numerous base metal occurrences and covers the historic Captains Flat Mine that has produced 4 million tonnes of high grade zinc-lead-copper-silver-gold valued at almost one ounce of gold equivalent per ton at current metal prices (October 2006). The mineralisation remains open at depth and numerous historic drill results along strike require follow up- Figure 2.

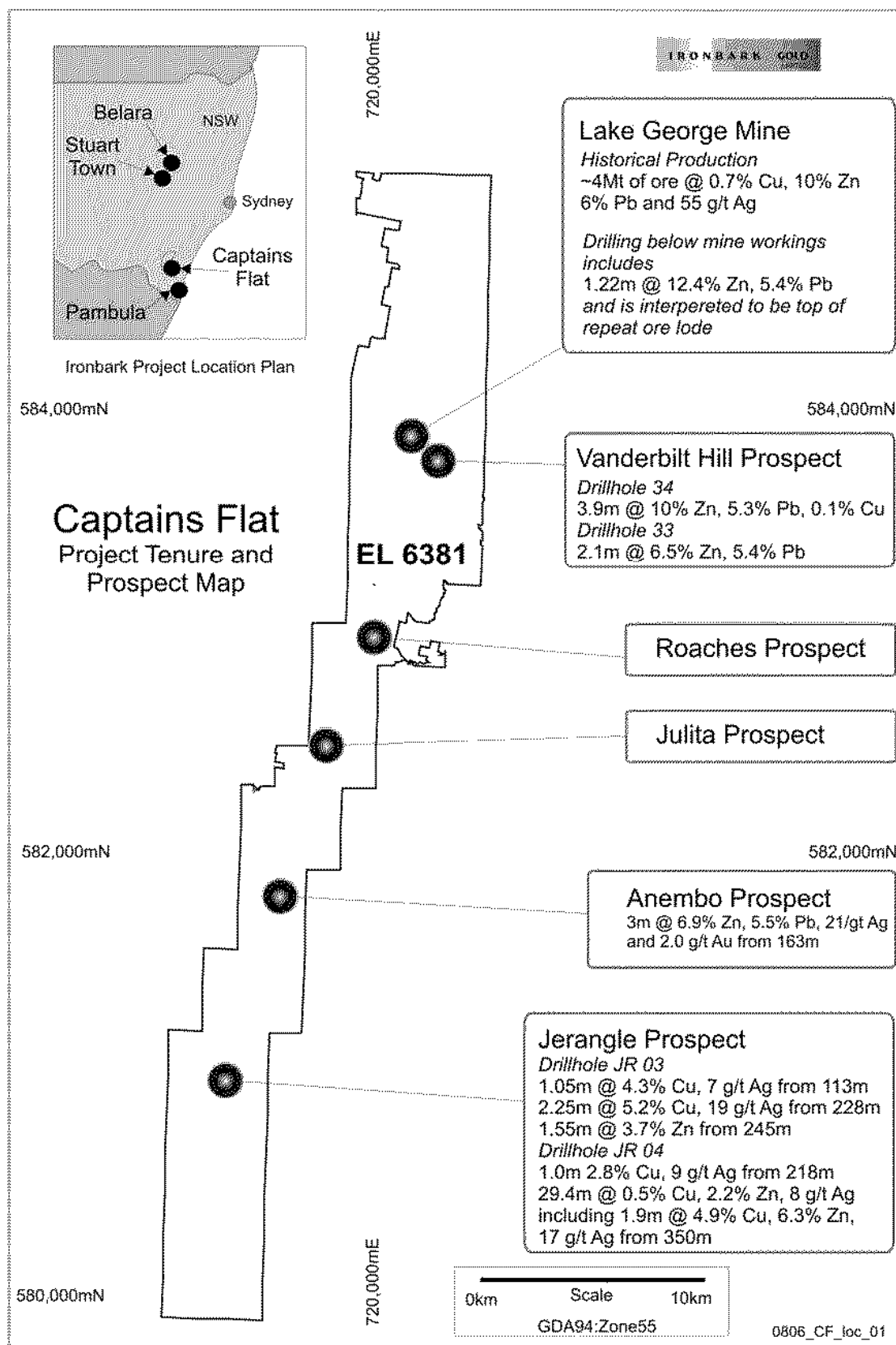


Figure 2: Plan view of the Captains Flat Licence and prospects

The initial exploration target to be tested is the Jerangle prospect on the southern end of the Captains Flat licence where Amoco (1981) intercepted significant zinc

and copper intercepts over a strike of 1,500 metres and remains open to the north and south. Two blind (does not reach surface) zones were identified, a copper zone and a zinc zone commencing at depths of approximately 100 metres. There is no drilling between the two zones - see Figure 3. In addition, historic soil sampling has identified a zone anomalous for zinc at a southern portion of the project that remains to be drill tested.

Jerangle prospect drilling with significant historical results

IRONBARK GOLD LIMITED

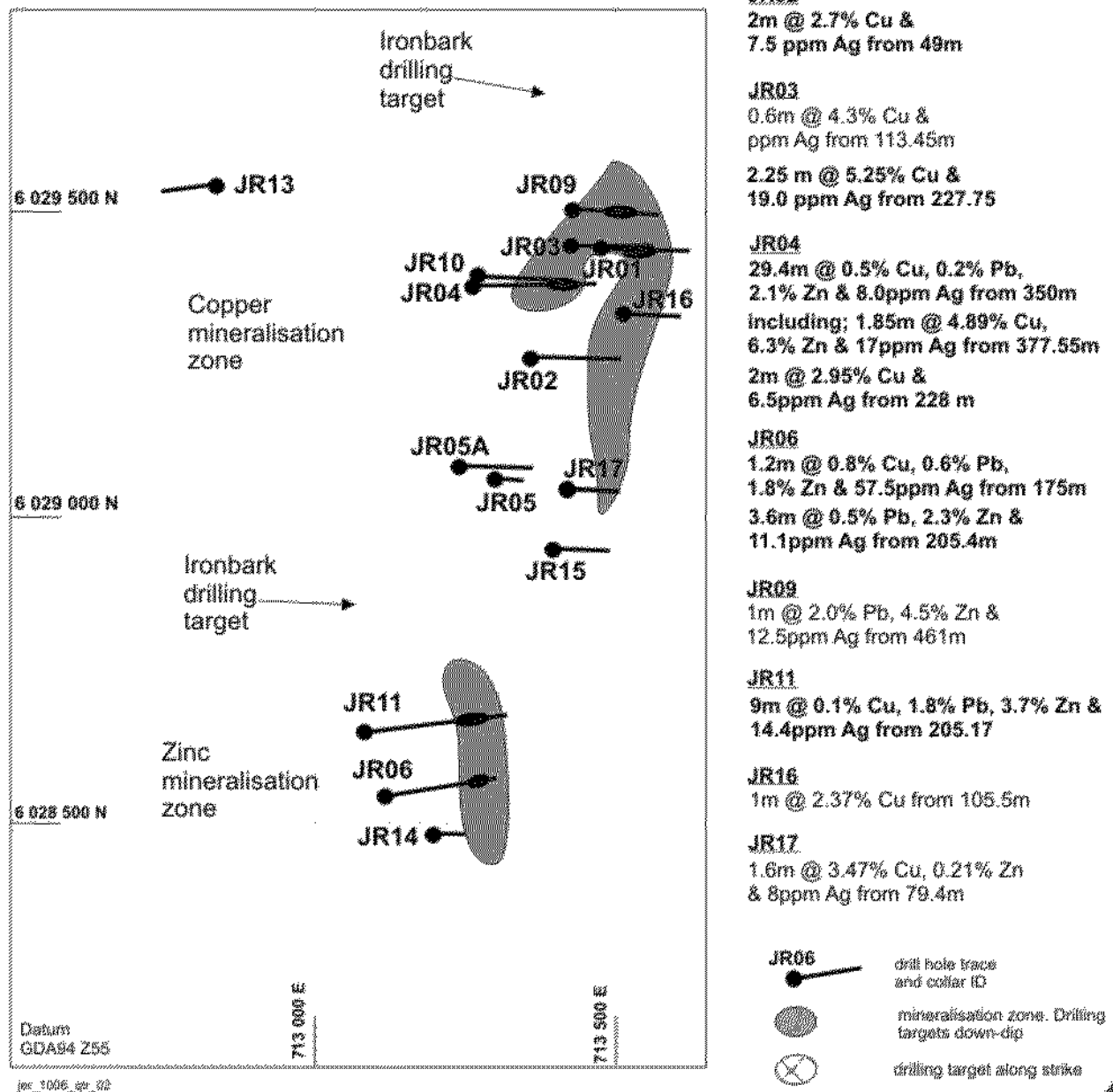


Figure 3: Plan View of historic drilling results (the complexity of the mineralisation and continuity between holes has not yet been ascertained).

Stuart Town

The Stuart Town goldfield comprises over 80 quartz vein and alluvial occurrences. Gold mining first commenced in the 1850's and more than 170,000 ounces of gold was produced between 1875 (when mine records were first kept in NSW) and the turn of the century.

Ironbark geologists have mapped several of the sites and have prepared an Induced Polarisation (IP) survey to map underlying alteration below the overburden to identify targets for drilling. The IP survey should be complete by the end of December quarter.

Gold occurs in structurally controlled often laminated quartz veins in stockwork with pyrite and minor arsenopyrite, galena, chalcopyrite, and sphalerite. The veins are structurally controlled by faulting, jointing, cleavage and bedding planes and believed to represent leakage from an underlying mineralised intrusion.

In order to determine the potential for an intrusive porphyry source at depth below the Stuart Town area, previous explorers commissioned a reconnaissance gravity survey. The most prominent feature identified by this survey was a residual gravity low anomaly centred in the region of the Quartz Hill and Manna Hill mines. The feature was virtually coincident with the centre of a magnetic low anomaly.

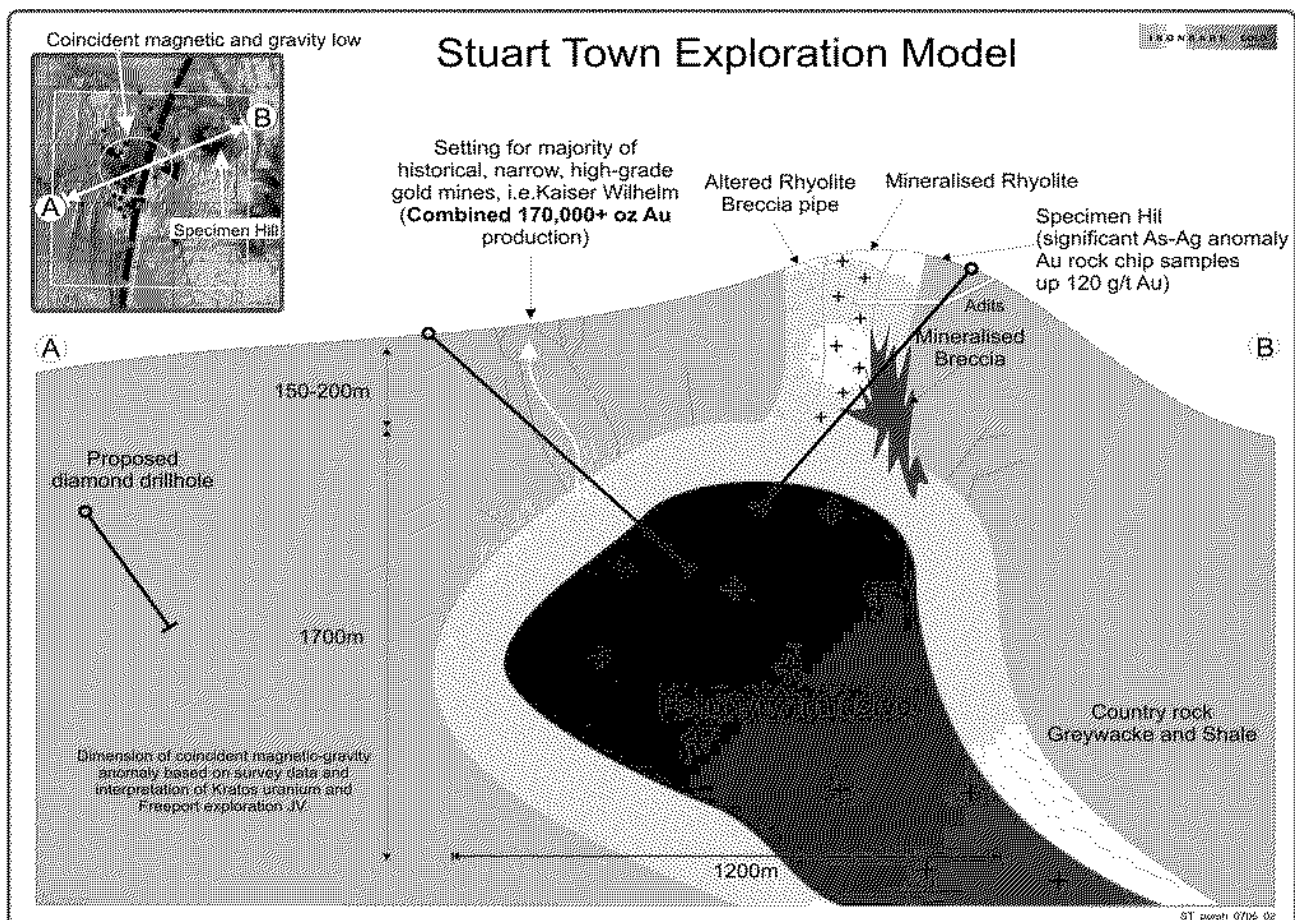


Figure 4: Stuart Town exploration model

Pambula

Mapping and sampling at the Pambula gold project was used to complete the drilling data base which has been audited and a modelled using 3D software. The review has highlighted that, while ore grade gold results were returned by earlier explorers, the rugged terrain greatly constrained their exploration efforts. Ironbark is currently using a track mounted drilling rig that may be capable of advancing this project however no work is planned at Pambula during the December quarter.

NEW PROJECTS

Burrandana

During the quarter, Ironbark acquired the Burrandana tungsten and tin project. The project area was explored and drilled by The Shell Company of Australia Limited in the late 1970's and early 1980's targeting tin-tungsten (Sn-W) mineralisation. Three key prospects have been identified (Tin Hill, Tungsten Valley and Pachmarhi) through mapping, soil sampling, trenching, Rotary Air Blast (RAB), Reverse Circulation (RC) and Diamond (DDH) Drilling.

Ironbark is targeting bulk tonnage sheeted-vein tin-tungsten mineralisation and has commenced discussions with other parties to further advance this project.

The geology of the prospect area is shown in Figure 5 and comprises metamorphosed Ordovician sedimentary rocks, biotite-rich and tourmaline-rich altered granites. Mineralisation is characterised by sheeted quartz-vein sets hosting scheelite and cassiterite mineralisation.

Significant drill intercepts from the limited drilling conducted at the Tin Hill prospect to date include:-

- 1.5m @ 1.9% WO₃ from 26m (PBT14),
- 4.0m @ 1.2% WO₃ from 36m (PBT04),
- 6.0m @ 0.18% Cu and 0.6% WO₃ from 18m including 2m @ 0.26% Cu and 1.6% WO₃ (PBT05).

The mineralisation at Tin Hill is interpreted to be a flat lying greissen system and remains open in almost every direction.

In the northern part of the licence at the Pachmarhi prospect one deep diamond drill hole (DCP1) targeting a down dip position of outcropping anomalous tin-tungsten sheeted veins intersected ore-grade tungsten mineralisation (0.9m @ 0.87% WO₃) from 161.1 metres down hole.

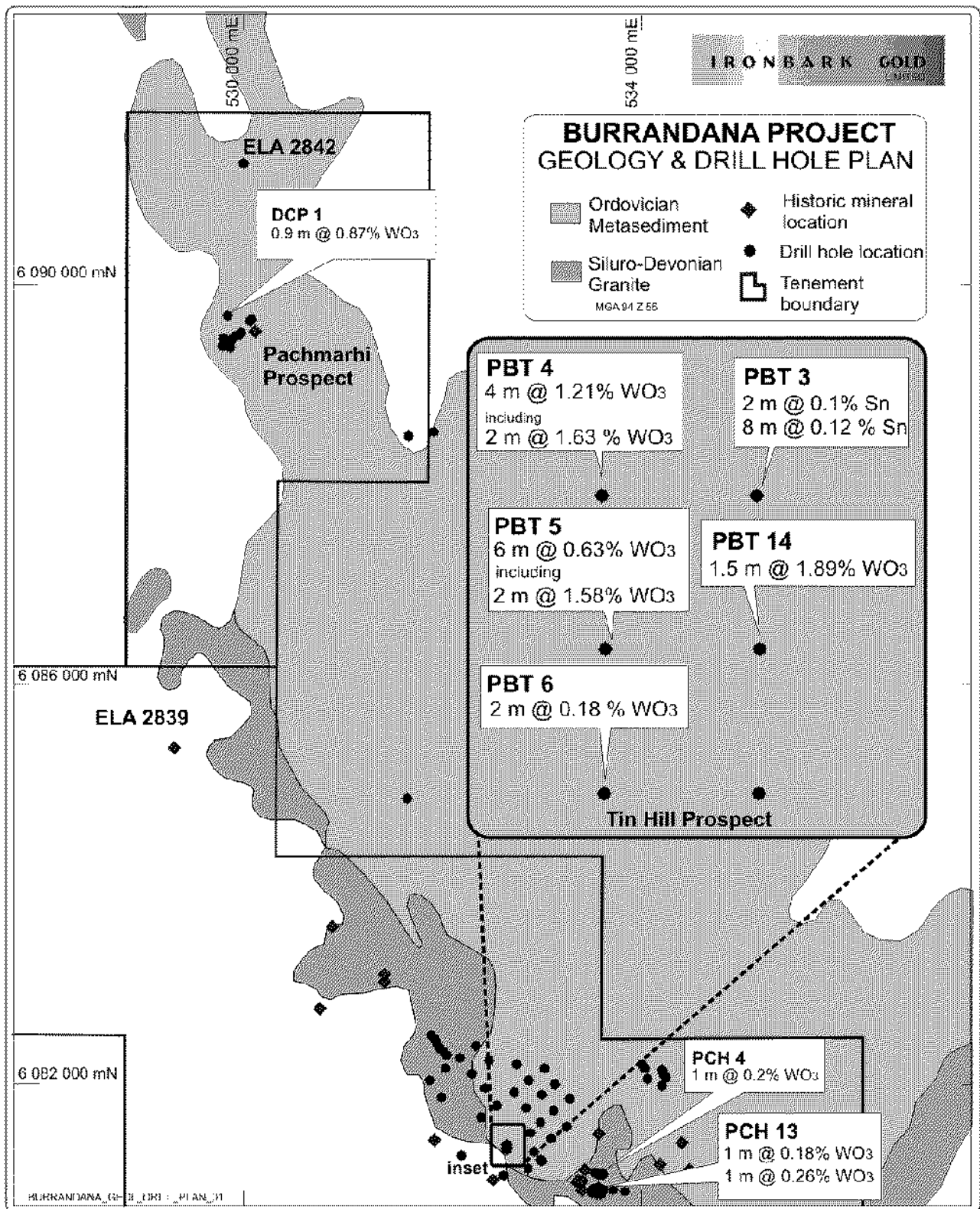


Figure 5: Plan of Burrandana Tungsten and Tin Field, tenure and drill hole locations

Bogong

During the quarter, Ironbark acquired the Bogong copper project located 20 kilometres south east of Tumut. Most recent drilling was in 1974 returning a best intercept of 200 feet (~61m) @ 1% copper, which significantly started and ended in mineralisation (Figure 6).

A high-grade mineralised shear zone was previously the focus for copper mining. Ironbark plans to test the potential for large, disseminated copper mineralisation as mapped in the surrounding altered felsic volcanic rocks.

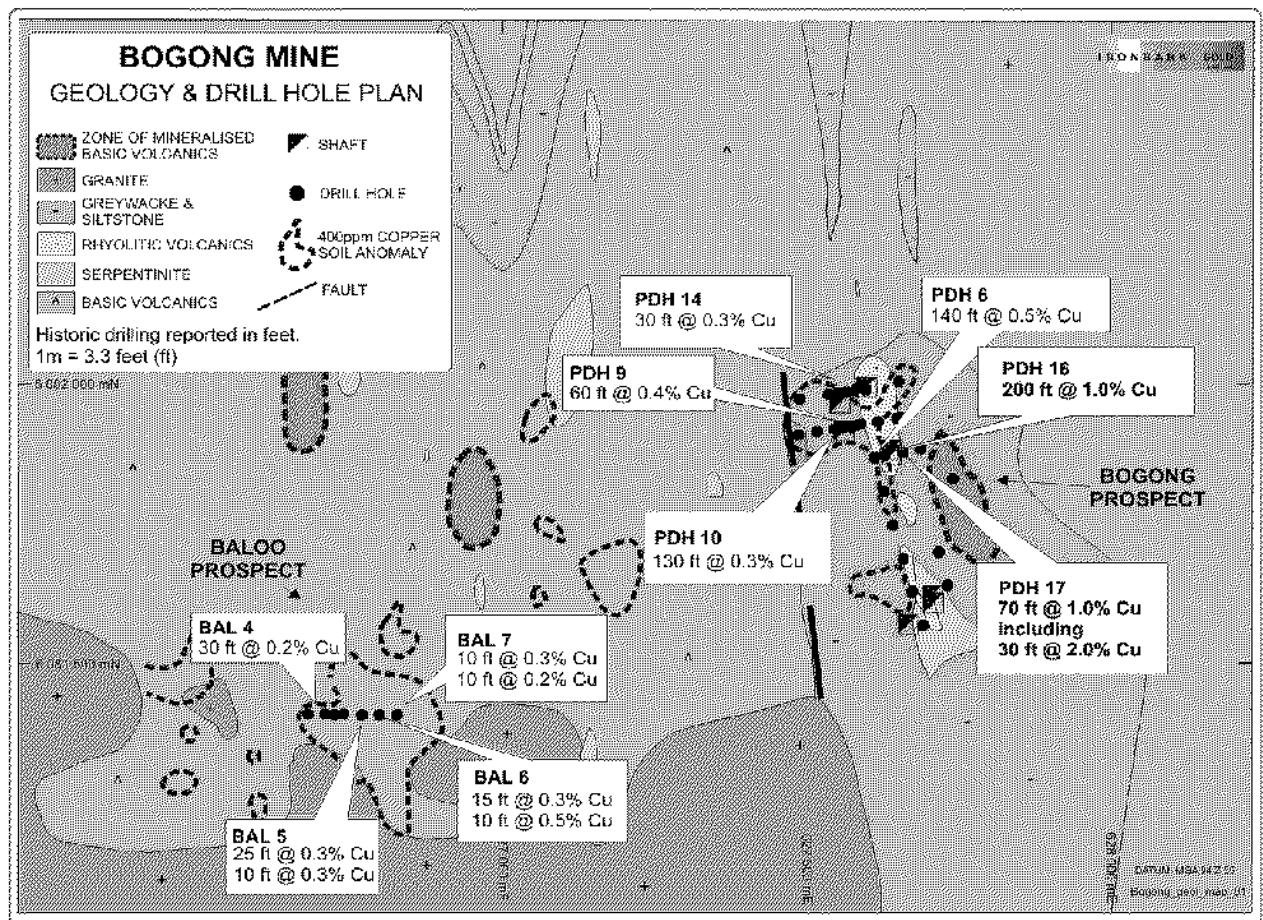


Figure 6: Plan view of historic copper workings, drill collars and anomalous soil geochemistry

The historic mine was operated during the 1900's and produced 30 tonnes of ore at a head grade of 25% copper. The mine was worked again in 1918 producing a further 50 tonnes of ore at a head grade of 10% copper.

While the historic mining was focussed on a mineralised shear, small pits and workings are noted within the surrounding altered rhyolite host rock. This was characterised by disseminated copper mineralisation (bornite and chalcopyrite) peripheral to the mineralised shear and with no identified structural control. Ironbark intends to investigate the project area for large tonnage low grade disseminated copper mineralisation.

The most recent explorer to drill the prospect was A.O.G. Minerals Pty Ltd (AOG) and in 1974 returned a best drill intercept in hole "BOGONG16" of **200 feet (~61m) @ 1% copper** from 0 to 200 feet ending in mineralisation and hole "BOGONG17" returned 70 feet (~21m) @ 1% copper including **30 feet @ 2% copper**.

The project area is generally obscured by overburden and several regions of mapped outcropping and mineralised rhyolite identified by AOG have not been drill tested and represent immediate drill targets.

Kiawarra

During the quarter, Ironbark acquired the Kiawarra tin prospect located 35 kilometres northeast of Yass in New South Wales.

The project area was explored and drilled by Shell Australia Pty Ltd in the late 1970's and early 1980's targeting tin (Sn) mineralisation. The key prospect area is known as the Tin Mines Grid and is situated around numerous historic tin workings. The area has been mapped, soil sampled, trenched, Rotary Air Blast (RAB), Reverse Circulation (RC) and Diamond (DDH) Drilled.

The Kiawarra Tin Field was predominately worked between 1932 and 1965 in a series of mines comprising small pits and shafts over a strike of 1,500 meters targeting stockwork and sheeted vein tin ore. Alluvial tin mining was also conducted from the wash off material derived from the main and hard rock workings (Figure 7).

Commencing in 1980 The Shell Company of Australia Limited represented the first phase of serious modern exploration. Following the mapping, rock chip sampling, costeaning (returning up to 5m @ 1% Sn) and several phases of drilling confirmed the stockwork nature of the mineralisation. The target for the exploration is a bulk tonnage - low grade tin resource.

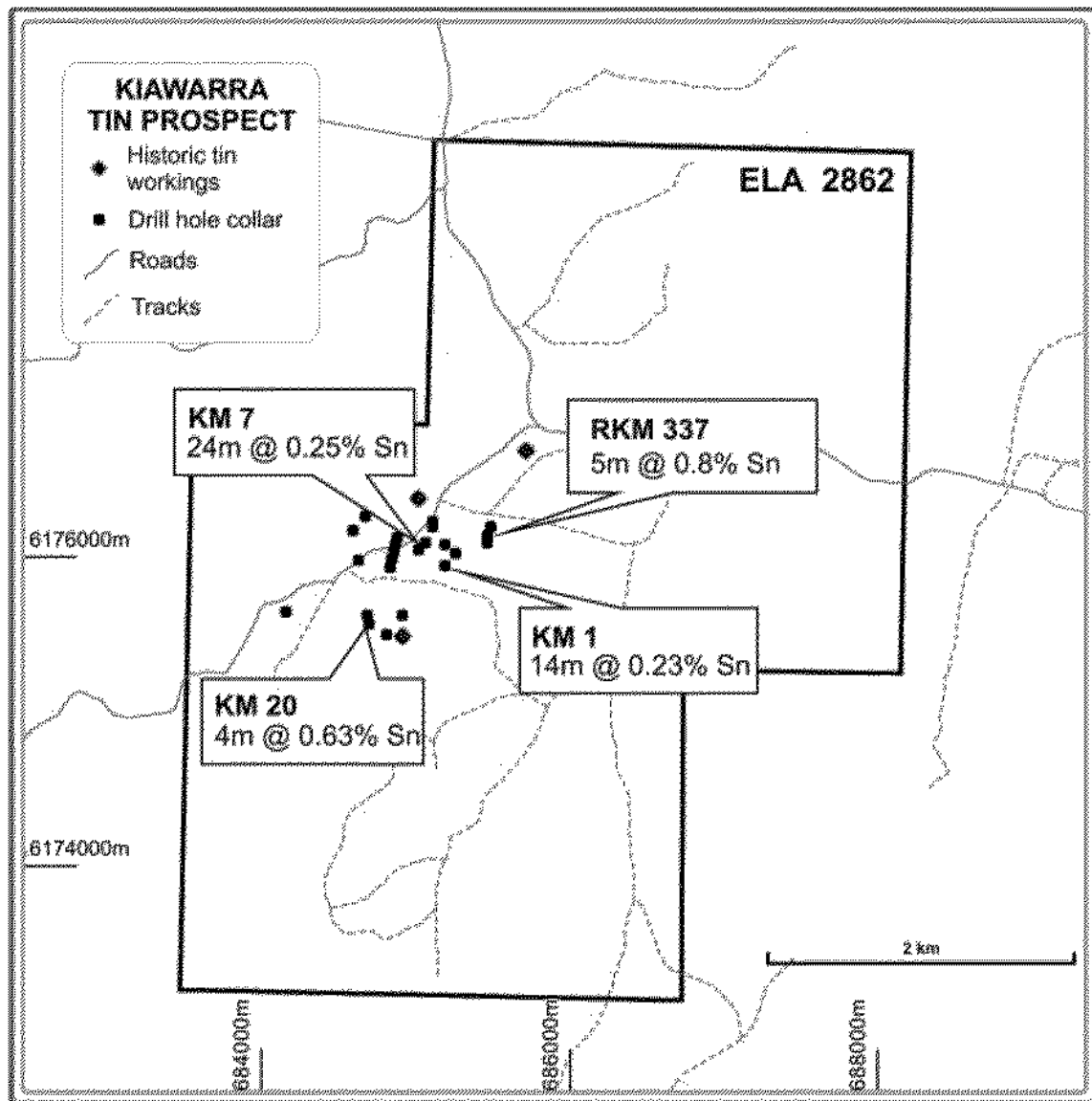


Figure 7: Kiawarra Tin Field and tenure.

For further information please contact:

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

IRONBARK GOLD LIMITED

ABN

93 118 751 027

Quarter ended ("current quarter")

30 September 2006

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(88)	(88)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(61)	(61)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	14	14
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(135)	(135)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	(50)	(50)
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(50)	(50)
1.13	Total operating and investing cash flows (carried forward)	(185)	(185)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(185)	(185)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	3,000	3,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - costs to issue	(160)	(160)
	Net financing cash flows	2,840	2,840
	Net increase (decrease) in cash held	2,655	2,655
1.20	Cash at beginning of quarter/year to date	367	367
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,022	3,022

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	27
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1. Payment of consulting and directors fees to directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	400
4.2	Development	-
Total		400

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3	367
5.2 Deposits at call	3,019	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,022	367

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	NIL		
6.2	Interests in mining tenements acquired or increased	EL6506 EL6575 EL6576 ELA 2756 ELA 2783 ELA 2841 ELA 2839 ELA 2842 EL 6381	100% 100% 100% 100% 100% 100% 100% 100% Earn in – up to 75%	0% 0% 0% 0% 0% 0% 0% 0% 100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

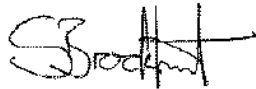
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	22,500,000	17,000,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,000,000	15,000,000		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	2,000,000		<i>Exercise price</i> \$0.30	<i>Expiry date</i> 10 August 2011
7.8 Issued during quarter	2,000,000		\$0.30	10 August 2011
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Stephen Brockhurst
(Company secretary)

Date: 26 October 2006

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.