

Wednesday, 26 June 2024

Ironbark Acquires Perseverance Li-REE/Nb Projects in Brazil; Secures Placement to Raise \$715,000

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

HIGHLIGHTS

100% Acquisition of Perseverance Brazil Project:

- The Perseverance Package (**Perseverance**) consists of 7 key projects in northeastern Minas Gerais, in the geological extensions of the Lithium Valley, a politically defined area including the towns of Salinas and Araçuaí that lie adjacent to the mines and JORC/NI43-101 compliant resources of CBL, Sigma Lithium and Latin Resources. In total Perseverance is comprised of 27 tenements with a total area of ~**52,000 hectares**.
- The projects host potential for the discovery of **Lithium-related minerals, as well as other critical minerals including Niobium**
- Ironbark has agreed to acquire the Perseverance Project for consideration of A\$100,000 payable in cash to purchase 100% of Perseverance Lithium Pty Ltd (**Perseverance**), which owns the Perseverance Project
- Ironbark is planning and preparing to commence exploration activities on the exciting, newly acquired projects.
- Leading Melbourne boutique, **Peak Asset Management** led the raise

Placement

- Firm commitments secured to raise A\$715,000 via the issue of 178.7 million fully paid ordinary shares at \$0.004 per share (**Placement, Placement Shares**)
 - A 1-for-1 free attaching listed option (ASX:IBGO) will also be issued with the Placement Shares (strike price \$0.022, expiry 7 November 2025) (**Placement Options**)
 - 10 million listed IGBO Lead Manager options on the same terms will also be issued under the Placement (**Lead Manager Options**)
- The Placement is being conducted in two-tranches, tranche 1 will be issued from existing ASX Listing Rule 7.1 and 7.1A placement capacity with tranche 2 subject to shareholder approval at an EGM to be held as soon as practicable. The Lead Manager Options will also be subject to shareholder approval at the EGM
- The proceeds of the Placement will be used to settle the acquisition of Perseverance, fund initial exploration programs at both the Mt Isa and Perseverance Projects and for general working capital purposes

IBG Managing Director Michael Jardine commented:

“The ongoing pivot of Ironbark Zinc continues with the acquisition of the Perseverance Project following soon after we secured the Simon-Anderson Cu Projects in Mt Isa. Perseverance provides the Company with enormous exposure to one of the hottest hard rock Lithium neighbourhoods in the world at a very low cost and complements the other base metal projects in our portfolio.”

Brazil is a very well-established mining jurisdiction and, in my opinion, significantly improves our overall sovereign risk profile. Perseverance is very early stage but we look forward to exploring what's a vast and promising land holding in Brazil's Lithium Valley.

Back here in Australia our Geological team has already completed a positive maiden reconnaissance trip to our Mt Isa Projects and we'll have further news on our plans for Simon-Anderson in the short term.

We are pleased by the response to this capital raising which, together with existing cash, allows Ironbark to commence work in earnest on its new project portfolio. I thank existing shareholders for their support and welcome the new shareholders to the register."

PERSEVERANCE LITHIUM-REE PROJECT

Location

Perseverance is in northeastern Minas Gerais, in the geological extensions of the Lithium Valley (Figure 1), a politically defined area including the towns of Salinas and Araçuaí that lie adjacent to the mines and JORC / NI43-101 compliant resources of CBL, Sigma Lithium and Latin Resources. Belo Horizonte is the regional capital for the state of Minas Gerais.

Numerous artisanal mines exist within the tenements (Figure 2).

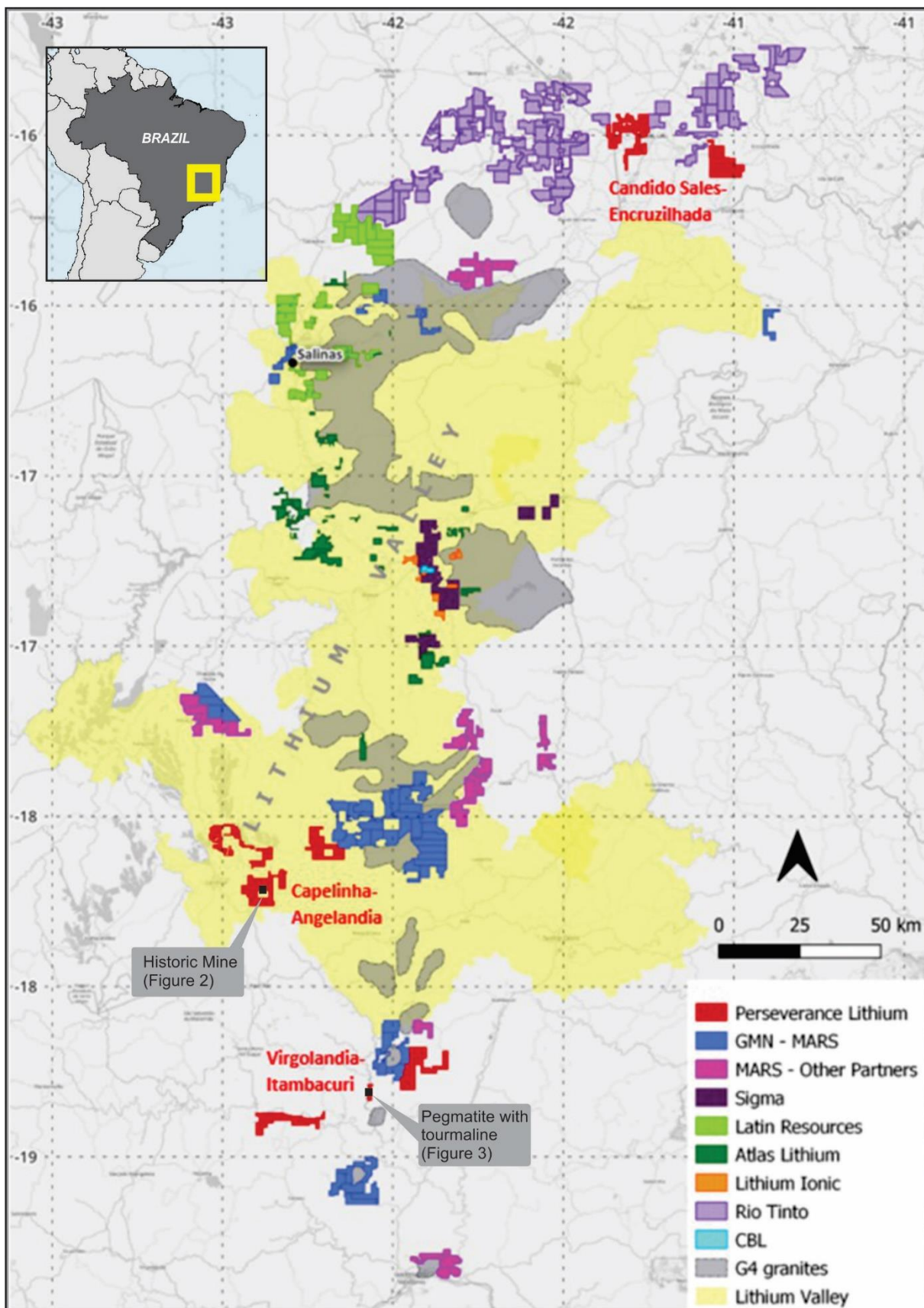


Figure 1 – Perseverance Project Lithium tenements in the Araçuaí Orogen in relation to the G4 source granites and projects held by Sigma Lithium, CBL and Latin Resources.

A number of high profile Lithium explorers & developers are located in the region including the well-known Sigma Lithium (TSXV:SGML) and Latin Resources (ASX:LRS).



Figure 2: Historic Mine workings within the Perseverance tenements (location shown on Figure 1).

Geology

The Araçuaí Orogen has a series of characteristics that make it prone to lithium mineralisation. It has a lower Proterozoic to Archean basement at least to the west of the suture shown on Figure 3 below, a protracted time at high temperatures, probably underplating and intrusion by mafic magmas and a series of granites known to be lithium prone that are in places only partially unroofed.

Structural interpretation in the Araçuaí Orogen undertaken by the Vendor's structural expert has identified likely locations for concealed granites that may be at shallow depth where the sediments in the target zones are likely to be lithium pegmatite bearing. Known mineralisation in the Araçuaí Orogen includes not only common pegmatite minerals but some occurrences of minerals indicative of LCT type pegmatites.

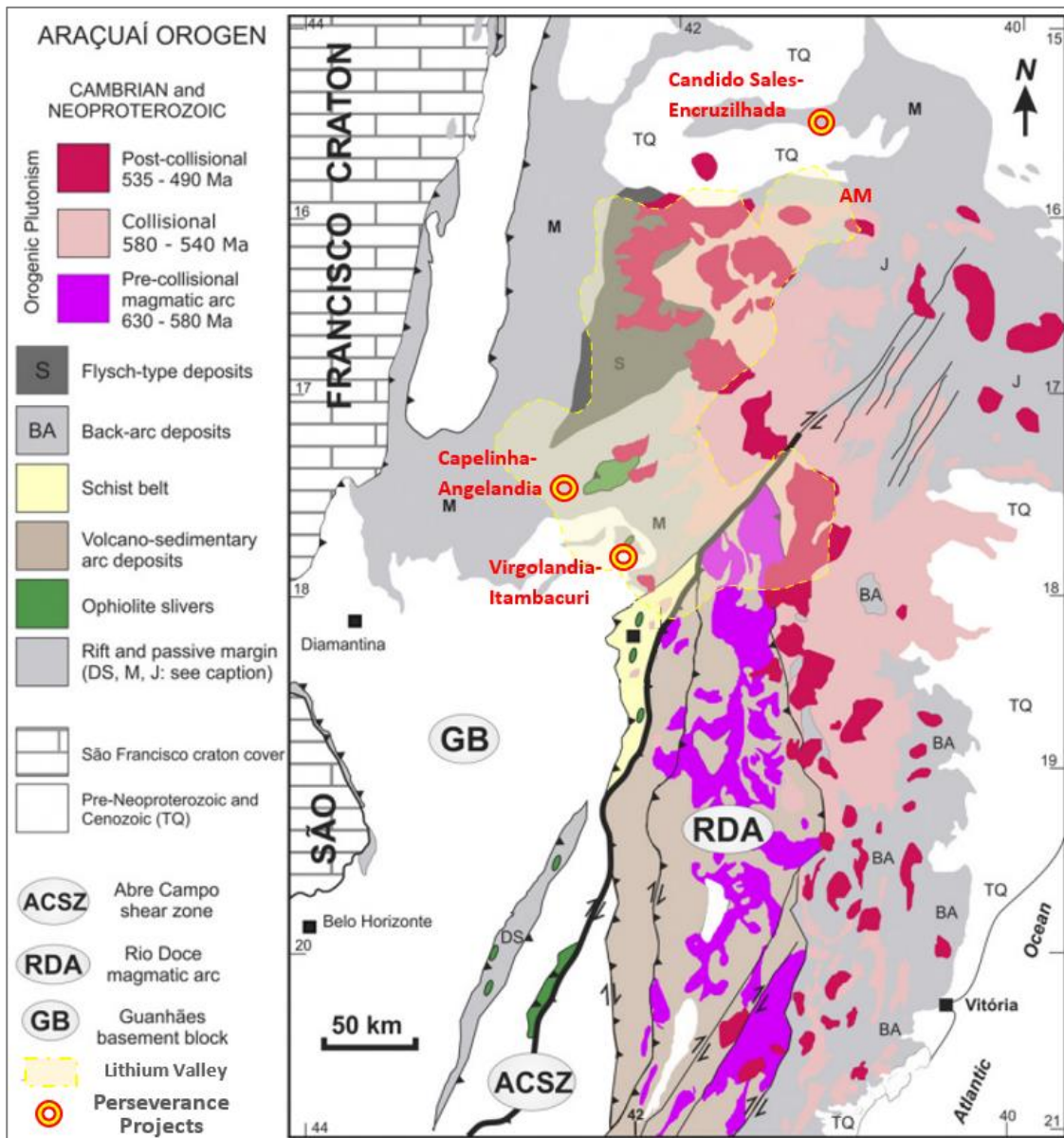


Figure 3 - Simplified geological map of the central part of the Araçuaí orogen (including Perseverance Project locations), the Rio Doce magmatic arc (RDA), the Abre Campo shear zone (ACSZ) and the associated schist belt. M, Macaúbas Group; DS, Dom Silvério Group; J, Jequitinhonha Complex; S, Salinas Formation. [Reference: Peixoto et al 2015].

PLACEMENT DETAILS

The tranche 1 Placement consists of the issue of 98,700,000 Placement Shares at \$0.004, together with 98,700,000 free attaching Placement Options, to raise A\$394,800 (before costs).

The tranche 1 Placement Shares and Placement Options will be issued utilising the Company's placement capacity under ASX Listing Rules ("LR") 7.1 and 7.1A. 72,380,500 Placement Shares and 98,700,000 Placement Options will be issued under the Company's LR 7.1 capacity and 26,319,500 Placement Shares will be issued under the Company's LR 7.1A capacity. The tranche 2 Placement Shares and Placement Options will be issued subject to shareholder approval at an EGM to be held as soon as practicable.

The Company is expected to settle the tranche 1 Placement on Friday 28 June 2024 with allotment and quotation of the Placement Shares and Placement Options expected to take place on Monday 1 July 2024. Pending the successful completion of the tranche 1 Placement, Ironbark will have 1,692,572,617 shares and 140,714,286 listed IGBO options on issue.

The tranche 2 Placement consists of 80,000,000 Placement Shares and 80,000,000 free attaching Placement Options to raise a further A\$320,000 (before costs), and is subject to shareholder approval.

The Placement Shares and Options issued will rank equally with Ironbark's existing shares and IGBO options quoted on the ASX.

Copeak Pty Ltd, trading as Peak Asset Management (Peak) acted as Lead Manager to the Placement. Under the terms of their mandate, Peak will receive a 6% capital raising fee on all funds introduced by Peak, a A\$30,000 success fee and be issued 10,000,000 Options on the same terms as the Placement Options. The Lead Manager Options will be subject to shareholder approval.

ACQUISITION OF PERSEVERANCE BRAZIL PROJECT

Ironbark has entered an agreement to acquire 100% of Perseverance Lithium Pty Ltd for A\$100,000 payable in cash which, in turn, owns the Perseverance Project. The vendors are Lone Wolf Investments Pty Ltd and Copeak Corporate Pty Ltd, each of whom are unrelated parties of the Company, however, for completeness, the Company notes that one of vendors (Copeak Pty Ltd) was Lead Manager to the Placement. The Company will use some of the funds raised under the Placement to fund the consideration.

Completion is expected to occur shortly with the Ironbark Board having already approved the transaction and no material conditions precedent outstanding. Completion will occur upon the cash consideration being paid to the Vendor.

TRADING HALT

This is the announcement referred to in the Trading Halt Request dated Monday 24 June 2024.

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.

References

Peixoto, E; Pedrosa-Soares AC; Alkmim FF; Dussin IA; 2015 "A suture-related accretionary wedge formed in the Neoproterozoic Araçuaí orogen (SE Brazil) during Western Gondwanaland assembly. Gondwana Research, Volume 27, Issue 2, February 2015, Pages 878-896"