

Ironbark Zinc Ltd

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Ironbark Zinc major shareholder increases overall holding to 17.79%

Ironbark Zinc Limited (ASX:IBG) major shareholder Danny Segman has demonstrated continued faith in the company's base metals strategy by lifting his interest in the company to 17.79%.

This interest was lifted from 16.57% after two entities in which Segman has a beneficial interest, Toronga Pty Ltd and Dulyne Pty Ltd, obtained further shares on July 10.

Toronga acquired 9 million shares and now holds 78 million shares while Dulyne purchased 2.25 million shares and now holds 85.75 million.

Series of transactions

These are the latest in a series of transactions this year by the two entities associated with the former IBG non-executive director.

In May IBG, which is focused on the Citronen Zinc-Lead Project in Greenland, agreed to a range of initiatives with the Government of Greenland which strengthen the company's balance sheet during the COVID-19 crisis.

Redraw from escrow account

The company has secured a redraw of around A\$1.5 million from the \$3 million previously contributed to its Greenlandic escrow account which is available for use at the full discretion of the Ironbark board.

It is a nil interest arrangement and the company has 24 months from the date of the receipt of funds to reinstate the cash, with the option to repay earlier.

Deferral of fees

Ironbark typically budgets for approximately A\$100,000-150,000 per year to be paid in fees to the Government of Greenland to cover licensing charges for the project, with the fees for 2020 previously forecast to be paid in the June quarter.

The government also agreed to a deferral of these fees for 2020 and the first half of 2021, resulting in an immediate cash flow saving of A\$150,000 in the June quarter.

IBG believes that temporary relief provided to the Greenlandic resources industry during the COVID-19 crisis reflects the importance that the government places on facilitating future mining investment.

The two concessions will considerably strengthen IBG's balance sheet, enhancing the company's cash position by at least A\$1.65 million over the June quarter and ensures that work can continue to proceed on the development plan during 2020.

Price: 0.011

Market Cap: \$10.12 m

1 Year Share Price Graph



September 2019 March 2020 September 2020

Share Information

Code: IBG

Listing: ASX

52 week	High	Low
	0.02	0.004

Sector: General mining & base metals

Website: www.ironbark.gl

Company Synopsis:

Ironbark Zinc Ltd (ASX:IBG) is listed on the Australian Securities Exchange.

action@proactiveinvestors.com.au

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Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

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