

## Appendix 4E

### Preliminary Final Report

<b>JERVOIS MINING LIMITED</b>
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ABN or equivalent company reference	Year ended ('current period')	Previous Year Ended (previous corresponding period)
52 007 626 575	30 June 2013	30 June 2012

#### Results for announcement to the market

Revenues from ordinary activities	Up	878.7%	to	\$1,217,564
Loss from ordinary activities after tax attributable to members	Down	46.8%	to	\$794,343
Loss for the period attributable to members	Down	46.8%	to	\$794,343
<b>Dividends (distributions)</b>	<b>Amount per security</b>		<b>Franked amount per security</b>	
Final dividend	0¢		0¢	
Interim dividend	0¢		0¢	
Previous corresponding period	0¢		0¢	
<p>†Record date for determining entitlements to the dividend (in the case of a trust, distribution)</p> <div style="border: 1px solid black; padding: 5px; display: inline-block; margin-left: 20px;">                     The Company does not intend to pay any dividends applicable to the reporting period.                 </div>				
<p><b>Explanation of Figures Detailed Above</b></p> <p>The increase in revenues can mainly be attributed to the sale of the Nyngan project as a result of the court settlement with EMC Metals Corporation (EMC) on 4<sup>th</sup> February 2013 as already reported.</p> <p>The decrease in the loss for the period can be attributed to the settlement with EMC but is offset by an Increase in legal expenses and writing off exploration assets that have been surrendered.</p>				

#### COMMENTARY

As previously detailed the Group has completed the sale of the Nyngan scandium project to EMC Metals Corporation for a cash settlement of \$2,600,000 payable in two tranches. The first of these (\$1,200,000) was received by the Group in June 2013 and the balance of \$1,400,000 is payable on or before 30 June 2014.

The Group continues to undertake research and development activities associated with its metallurgical and exploration and evaluation activities, and provided that these activities continue to comply with the relevant income tax legislation, the Group will continue to receive cash refundable R&D tax offsets. These receipts will also assist with funding the Group's operations. The Group's final estimate of its R&D cash refund for the year is \$653,926 (2012: \$543,138). The amount and timing of the receipt of the 2013 cash refund for the financial year ended 30 June 2013 is uncertain.

The Group's indicative cash flow forecast for the next twelve months includes significant cash out flows in relation to exploration and evaluation expenditure, which if need be, can be deferred or eliminated by the relinquishment of exploration tenements. The Group has some discretion over the quantum and timing of this type of expenditure. Any such relinquishments may have a material impact on the Group's future R&D activities and its associated cash refunds

The Group currently holds three production royalties in relation to exploration licenses which it either owned or still owns but is in the process of selling. In particular, they relate to the Bullabulling gold project in WA and the Forest Reefs gold and copper and Nyngan scandium projects in NSW. The basis of calculating each royalty is different and the quantum and timing of any cash receipts (if any) from either the royalty payments themselves or the outright sale of the royalty entitlements remain uncertain and cannot be predicted reliably. However, to the extent that any of them are realised, then they may involve significant cash inflows for the Group. The royalties cover all mineral products, but primarily gold, copper and scandium oxide.

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**DIVIDENDS PROVIDED FOR AND PAID**

Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution. None.

**DIVIDEND RE-INVESTMENT PLANS**

Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan. None.

**NET TANGIBLE ASSETS PER SHARE**

Net tangible assets per security with the comparative figure for the previous corresponding period.

**As at  
 30-Jun-2013  
 \$**

**As at  
 30-Jun-2012  
 \$**

Net tangible assets per ordinary share

3.3 cents

4.1 cents

There was 1:100 share consolidation on the 10<sup>th</sup> December 2012. The comparative figure as at 30<sup>th</sup> June 2012 for the number of shares on issue has been adjusted to reflect this and provide a more meaningful comparison.

**CHANGE IN CONTROL OVER GROUP ENTITIES**

Details of entities over which control has been gained or lost during the period, including the following.

There has been no change in control over Group entities during the year ended 30 June 2013.

**ASSOCIATE AND JOINT VENTURE ENTITIES**

Details of associates and joint venture entities including the following

Name of the associate or joint venture entity.

Badja partnership  
 Lake Austin partnership

Details of the reporting entity's percentage holding in each of these entities.

Badja partnership 50%  
 Lake Austin partnership 50%

Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

Not material

**PROGRESS OF AUDIT**

This Preliminary Final Report is based upon financial statements **that are in the process of being audited.**

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
<b>REVENUE FROM CONTINUING OPERATIONS</b>		
Gain on sale of Nyngan Scandium Project	1,201,488	-
Rendering of services	-	1,600
Other revenue	16,076	122,809
<b>Total revenue from continuing operations</b>	<b>1,217,564</b>	<b>124,409</b>
Other income	13,673	521
<b>Total income / (loss) from continuing operations</b>	<b>1,231,237</b>	<b>124,930</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>		
Administrative costs	21,142	19,794
Communication costs	37,497	41,747
Exploration expenses – no legal rights	16,592	7,601
Foreign currency (gains)/ losses	(7,698)	112
Impairment losses	795,478	538,955
Insurance premiums	91,227	77,743
Losses on revaluation of financial assets at fair value through profit or loss	13,181	216,094
Loss on sale of listed investments	45,453	-
Motor vehicle expenses	931	8,562
Payroll costs	645,379	566,244
Professional fees	692,055	305,993
Repairs and maintenance	6,730	5,776
Securities quotation fees	104,851	71,857
Tenancy and property costs	83,474	83,026
Travel costs	5,327	10,065
Interest paid	5,394	(4,196)
Depreciation	11,705	(15,505)
<b>Total expenses from continuing operations</b>	<b>2,568,718</b>	<b>1,973,270</b>
<b>PROFIT / (LOSS) BEFORE INCOME TAX FROM CONTINUING OPERATIONS</b>	<b>(1,337,481)</b>	<b>(1,848,340)</b>
Income tax (expense) / income	543,138	166,840
<b>NET PROFIT / (LOSS) AFTER INCOME TAX FROM CONTINUING OPERATIONS AND FOR THE YEAR</b>	<b>(794,343)</b>	<b>(1,681,500)</b>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR</b>	<b>(794,343)</b>	<b>(1,681,500)</b>

The net profit / (loss) after income tax from continuing operations and for the year, together with the total comprehensive income / (loss) for the year is fully attributable to the owners of Jervois Mining Limited.

**EARNINGS/(LOSS) PER SHARE**

	2013 Cents	2012 Cents
Basic and diluted loss per share	(1.3)	(4.9)
Weighted average number of ordinary shares outstanding used in the calculation of basic loss per share	(1.3)	(4.9)

There was 1:100 share consolidation on the 10<sup>th</sup> December 2012. The comparative figure as at 30<sup>th</sup> June 2012 for the number of shares on issue has been adjusted to reflect this and provide a more meaningful comparison.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		1,019,731	278,012
Trade and other receivables		1,407,365	231,839
Financial assets at fair value through profit or loss		6,447	381,519
Other financial assets		57,000	99,236
<b>Total current assets</b>		<b>2,490,543</b>	<b>990,606</b>
<b>Non-current assets</b>			
Available for sale financial assets		986	986
Other financial assets		40,000	40,000
Investments accounted for using the equity method	2	-	252,809
Property, plant and equipment		246,799	639,914
Exploration and evaluation assets	3	6,050,496	7,030,092
<b>Total non-current assets</b>		<b>6,338,281</b>	<b>7,963,801</b>
<b>TOTAL ASSETS</b>		<b>8,828,824</b>	<b>8,954,407</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		494,375	310,320
Provisions		92,739	120,974
<b>Total current liabilities</b>		<b>587,114</b>	<b>431,294</b>
<b>Non-current liabilities</b>			
Provisions		6,066	6,972
<b>Total non-current liabilities</b>		<b>6,066</b>	<b>6,972</b>
<b>TOTAL LIABILITIES</b>		<b>593,180</b>	<b>438,266</b>
<b>NET ASSETS</b>		<b>8,235,644</b>	<b>8,516,141</b>
<b>EQUITY</b>			
Contributed equity		49,968,345	49,454,502
Reserves		-	1,030,444
Accumulated losses		(41,732,701)	(41,968,805)
<b>TOTAL EQUITY</b>		<b>8,235,644</b>	<b>8,516,141</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2013

Transaction details:	Fully Paid Ordinary Shares \$	General Reserve \$	Capital Profits Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balances at 01 July 2012</b>	<b>49,454,502</b>	<b>120,537</b>	<b>909,907</b>	<b>(41,968,805)</b>	<b>8,516,141</b>
<b>Comprehensive income transactions:</b>					
Profit / (loss) after income tax for the period				(794,343)	(794,343)
Other comprehensive income after income tax for the period					
<b>Total comprehensive income</b>				<b>(794,343)</b>	<b>(794,343)</b>
<b>Transactions with owners in their capacity as owners:</b>					
<b>(a) Contributions by owners</b>					
Issue of fully paid ordinary shares	798,669				798,669
Issue costs associated with share issues	(284,826)				(284,826)
Transfer of reserves to accumulated losses		(120,537)	(909,907)	1,030,444	-
<b>Total transactions with owners in their capacity as owners</b>	<b>513,843</b>	<b>(120,537)</b>	<b>(909,907)</b>	<b>1,030,444</b>	<b>513,843</b>
<b>Balances at 30 June 2013</b>	<b>49,968,345</b>	<b>-</b>	<b>-</b>	<b>(41,732,701)</b>	<b>8,235,641</b>

Transaction details:	Fully Paid Ordinary Shares \$	General Reserve \$	Capital Profits Reserve \$	Accum. Losses \$	Total Equity \$
<b>Balances at 01 July 2011</b>	<b>49,454,502</b>	<b>120,537</b>	<b>909,907</b>	<b>(41,968,805)</b>	<b>8,516,141</b>
<b>Comprehensive income transactions:</b>					
Profit / (loss) after income tax for the period	-	-		(1,681,500)	(1,681,500)
Other comprehensive income after income tax for the period	-	-	-	-	-
<b>Total comprehensive income</b>				<b>(1,681,500)</b>	<b>(1,681,500)</b>
<b>Transactions with owners in their capacity as owners:</b>					
<b>(a) Contributions by owners</b>					
Issue of fully paid ordinary shares	288,872				288,872
Issue costs associated with share issues	(83,443)				(83,443)
<b>Total transactions with owners in their capacity as owners</b>	<b>205,429</b>				<b>205,429</b>
<b>Balances at 30 June 2012</b>	<b>49,454,502</b>	<b>120,537</b>	<b>909,907</b>	<b>(41,968,805)</b>	<b>8,516,141</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers (including GST)	1,143	-
Payments to suppliers and employees (inclusive of GST)	(2,151,921)	(1,390,422)
<b>Net payments to suppliers and employees</b>	<b>(2,150,778)</b>	<b>(1,390,422)</b>
Payments for financial assets at fair value through profit or loss		(1,845)
Proceeds from disposal of financial assets at fair value through profit or loss	316,800	136,213
Insurance recoveries	-	88,729
Interest received	14,081	35,214
Interest paid	(5,394)	(2,648)
Income taxes (paid) / refunded	712,948	(990)
<b>Net cash outflow from operating activities</b>	<b>(1,112,343)</b>	<b>(1,135,749)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation assets	(266,146)	(403,969)
Payments for investments in joint venture exploration partnership entities	(4,996)	(40,189)
Payments for loans to non-Group entities	-	(1,059)
Payments for property, plant and equipment	(875)	(90,875)
Proceeds from property, plant and equipment sales	-	4,545
Proceeds from sale of Nygan Scandium Project	1,620,000	-
<b>Net cash inflows/ (outflows) from investing activities</b>	<b>1,347,983</b>	<b>(531,547)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issues of shares and other equity securities	668,670	288,872
Payments for share issue transaction costs	(204,826)	(29,900)
<b>Net cash inflow from financing activities</b>	<b>463,844</b>	<b>258,972</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>699,484</b>	<b>(1,408,324)</b>
Cash and cash equivalents at the beginning of the financial year	377,248	1,785,572
Effects of exchange rates on cash and cash equivalents		-
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>1,076,732</b>	<b>377,248</b>

**NOTES TO PRELIMINARY FINANCIAL REPORT:**

**Note 1 GOING CONCERN**

For the financial year ended 30 June 2013, the Group incurred a loss after tax attributable to the owners of the Parent entity of \$794,343 (2012 Loss: \$1,681,500), which, was inclusive of impairment charges of \$795,478 (2012: \$538,955). The Group also had net cash outflow from operating activities of \$1,112,343 (2012 Outflow: \$1,135,749) These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The Group at present does not have a regular income from mining operations or production royalties. The Directors are aware of this situation and have determined that these financial statements should be prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business at the amounts stated in these financial statements, for the following reasons:

- (i) As at 30 June 2013 the Group had cash and cash equivalents (including other current financial assets) of \$1,076,731 (30 June 2012 \$377,248)
- (ii) As previously detailed the Group has completed the sale of the Nyngan scandium project to EMC Metals Corporation for a cash settlement of \$2,600,000 payable in two tranches. The first of these (\$1,200,000) was received by the Group in June 2013 and the balance of \$1,400,000 is payable on or before 30 June 2014.
- (iii) The Group continues to undertake research and development activities associated with its metallurgical and exploration and evaluation activities, and provided that these activities continue to comply with the relevant income tax legislation, the Group will continue to receive cash refundable R&D tax offsets. These receipts will also assist with funding the Group's operations. The Group's final estimate of its R&D cash refund for the year is \$653,926 (2012: \$543,138). The amount and timing of the receipt of the 2013 cash refund for the financial year ended 30 June 2013 is uncertain.
- (iv) The Group's indicative cash flow forecast for the next twelve months includes significant cash out flows in relation to exploration and evaluation expenditure, which if need be, can be deferred or eliminated by the relinquishment of exploration tenements. The Group has some discretion over the quantum and timing of this type of expenditure. Any such relinquishments may have a material impact on the Group's future R&D activities and its associated cash refunds.
- (v) The Group currently holds three production royalties in relation to exploration licenses which it either owned or still owns but is in the process of selling. In particular, they relate to the Bullabulling gold project in WA and the Forest Reefs gold and copper and Nyngan scandium projects in NSW. The basis of calculating each royalty is different and the quantum and timing of any cash receipts (if any) from either the royalty payments themselves or the outright sale of the royalty entitlements remain uncertain and cannot be predicted reliably. However, to the extent that any of them are realised, then they may involve significant cash inflows for the Group. The royalties cover all mineral products, but primarily gold, copper and scandium oxide.
- (vi) The Board is of the opinion that, subject to satisfactory market conditions, the Parent entity will be able to access equity capital markets to raise sufficient funds for its on-going operations, as and when required.

The Board remains optimistic that some, if not all, of the abovementioned potential sources of replacement financing will eventuate and that therefore, the going concern basis remains appropriate for the preparation and presentation of these financial statements.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in this financial report. In such circumstances, a fundamental change in the basis of accounting would be required compared to the basis upon which these financial statements have been prepared. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the Group not be able to continue as a going concern.

	2013 \$	2012 \$
Investments in associates – unlisted unincorporated exploration partnerships	-	252,809
<b>Total investments accounted for using the equity method</b>	<b>-</b>	<b>252,809</b>
<b>Movements in carrying amounts</b>		
Carrying amount at the beginning of the financial year	252,809	241,846
Additional investments	24,814	35,515
Impairment loss writedown recognised		(24,552)
Share of profits after income tax	(77,623)	-
Written down value of project sold	(200,000)	-
Share of changes recognised in other comprehensive income	-	-
<b>Carrying amount at the end of the financial year</b>	<b>-</b>	<b>252,809</b>

**Note 3 EXPLORATION AND EVALUATION ASSETS**

(a) Movements in carrying amounts

**Balances at 30 June**

Costs carried forward- sole risk assets	7,030,092	7,030
Cost carried forward –jointly controlled assets	-	435,622
Provisions for impairment write downs	-	(80,317)
<b>Total exploration and evaluation assets</b>	<b>7,030,092</b>	<b>6,885,620</b>

**Movements in carrying amounts during the period**

Carrying amount at the beginning of the period	7,030,092	7,030,092
Expenditure allocated to areas of interest		
Goods and services acquired	215,175	369,328
Salaries and super	41,235	268,201
Depreciation charge - buildings, plant and equipment	10,760	17,119
Impairment loss write downs recognised in profit / loss	(416,091)	(510,176)
Sale to EMC Metals	(830,676)	-
<b>Closing net carrying amount</b>	<b>6,050,495</b>	<b>7,030,092</b>

**Balances at 30 June**

Cost amount	6,465,540	7,030,092
Accumulated impairment write down	(415,045)	(80,137)
<b>Net carrying amount</b>	<b>6,050,495</b>	<b>6,885,620</b>

**(b) Exploration and evaluation asset impairment losses**

During the financial year, impairment losses were recognised against the following exploration and evaluation areas of interest.

**(a) Sole risk areas of interest**

EL 6095 Honeybugle 1 (NSW) – JRV 100%		(38,276)
EL 7404 Honeybugle 2 (NSW) – JRV 100%	(1,046)	(12,249)
E59/1264 Nalbarra South (WA) – JRV 100%		(23,179)
E59/1391 Bunnawarra (WA) – JRV 50% of 30%		(436,472)
E29/0652 Barlee East (WA) – GPD 100%	(183,261)	
E77/1398 Lake Barlee (WA) – GPD 100%	(81,478)	
E77/1460 Lake Barlee (WA) – GPD 100%	(70,472)	
E77/1461 Lake Barlee (WA) – GPD 100%	(79,834)	
<b>Total exploration and evaluation impairment losses</b>	<b>(416,091)</b>	<b>(486,747)</b>



**NOTE 4 OPERATING SEGMENTS**

<b>Segments</b>	<b>Segment Revenues</b>		<b>Segment Profit / (Loss)</b>	
	<b>30 June 2013</b>	<b>30 June 2012</b>	<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Exploration and evaluation	1,201,488	1,600	887,192	(268,960)
Investments	-	-	(104,087)	(216,094)
Unallocated corporate overhead	16,076	122,809	(1,577,448)	(1,196,446)
<b>Total revenue and net profit / (loss) after tax from continuing operations and for the year</b>	<b>1,217,564</b>	<b>124,409</b>	<b>(794,343)</b>	<b>(1,681,500)</b>

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