

27 February 2013

Dear Shareholder,

---

## NON-RENOUNCEABLE RIGHTS ISSUE

---

Jervois Mining Limited (**Jervois**) announced to the Australian Securities Exchange on 22 February 2013 a non-renounceable pro rata rights issue to existing eligible shareholders to raise a maximum of approximately \$2,177,957 (before issue costs).

The rights issue (**Rights Issue**) is on the basis of offering one new fully paid Jervois share at an issue price of 7 cents per new share for every two Jervois shares held by shareholders with a registered address in Australia or New Zealand at 7.00 pm (AEDT) on 6 March 2013.

### Eligibility for the Rights Issue

Shareholders who are eligible to participate in the Rights Issue (**Eligible Shareholders**) are shareholders who:

- (a) were registered as Jervois shareholders at 7.00 pm (AEDT time) on 6 March 2013 (**Record Date**);
- (b) have a registered address in Australia or New Zealand; and
- (c) are eligible under all applicable securities laws to receive an offer under the Rights Issue and to whom it would not be unlawful to offer shares under the Rights Issue.

There are restrictions on eligibility because of:

- (d) the legal limitations in some countries;
- (e) the small number of Jervois shareholders outside Australia and New Zealand;
- (f) the small number of shares held by those Jervois shareholders outside Australia and New Zealand; and
- (g) the costs of complying with the laws and regulatory requirements in countries outside Australia and New Zealand.

The Company has determined, pursuant to section 9A(3) of the Australian *Corporations Act 2001* (**Act**) and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to Jervois shareholders in countries other than Australia and New Zealand in connection with the Rights Issue.

For personal use only

If you do not meet the criteria set out in paragraphs (a) to (c) above you are not eligible to participate in the Rights Issue. In those circumstances:

- (h) this letter is to inform you about the Rights Issue, the details of which are provided above;
- (i) this letter is not an offer to issue shares to you, nor an invitation to you to apply for shares, but rather it is to advise you that you will not be offered any entitlement under the Rights Issue offer or any new shares issued under that offer; and
- (j) you are not required to do anything in response to this letter.

### **Purpose of the Rights Issue**

Jervois intends to apply the funds raised from the Rights Issue (being a maximum of approximately \$2,177,957 (before expenses of the Offer), together with existing cash at bank as indicated below:

- (a) general exploration activities on all of the Company's existing tenements;
- (b) research and development;
- (c) new and on-going metallurgical test work on drill hole samples taken from any of the Company's existing tenements;
- (d) general overhead and operating costs; and
- (e) expenses associated with this Offer.

### **Offer Document and Rights Issue Detail**

The Rights Issue is being made in accordance with section 708AA of the Act, as modified by Australian Securities and Investments Commission Class Order 08/35.

Details of the Rights Issue including the rights attaching to the new shares, together with all other relevant information relating to the Rights Issue are set out in the offer document which was lodged with the Australian Securities Exchange on 26 February 2013. The offer document is currently available from the Company's website, [www.jervoismining.com.au](http://www.jervoismining.com.au), or the ASX website, [www.asx.com.au](http://www.asx.com.au), by searching company announcements under the Company's ASX code "JRV".

A copy of the offer document together with the entitlement and acceptance form will be sent to shareholders on or about 12 March 2013. The offer document will only be sent to Eligible Shareholders.

The Rights Issue is non-renounceable which means that the entitlements to participate in the Rights Issue are not transferable and cannot be traded on the ASX or any other exchange or privately transferred. So, Eligible Shareholders will not receive any value for their rights if they do not take up any of their Entitlements.

The new shares issued pursuant to the Rights Issue will rank equally in all respects with the Company's existing fully paid ordinary shares. Fractional entitlements will be rounded up to the nearest whole share.

## Key Dates

The key indicative dates for the Rights Issue are:

Event	Date
"Ex" date (date from which securities commence trading without the entitlement to participate in the Offer)	28 February 2013
Record Date	7.00 pm (AEDT) on 6 March 2013
Offer Opening Date and despatch of Offer Document	12 March 2013
Offer Closing Date	5.00 pm (AEDT) on 28 March 2013
Trading of New Shares on ASX on a deferred settlement basis commences	2 April 2013
Allotment and issue of New Shares and entry of New Shares into Shareholders' securities holdings.  Deferred settlement trading ends.	9 April 2013
Mailing of Issuer Holding Statements and CHESS notices	10 April 2013

The above dates are indicative only. Jervois reserves the right, subject to the ASX Listing Rules, to extend the closing date or to withdraw the Rights Issue without prior notice.

## Effect on Capital Structure

The capital structure of Jervois on completion of the Rights Issue (if fully subscribed) would be:

Share issue detail:	Number of Shares
Number of Shares issued at the date of this letter	62,227,349
Maximum number of New Shares to be issued under the Rights Issue (subject to rounding variations)	31,113,675
<b>Maximum number of Shares on issue on completion of the Rights Issue (subject to rounding variations)</b>	<b>93,341,024</b>

## Questions

If you have any questions in relation to the Rights Issue or this letter, please seek professional advice or contact the Company's share registrar, Computershare Investor Services Pty Limited, by telephone on 1300 386 659 (within Australia) or 61 3 9415 4376 (outside Australia).

Yours faithfully



**Duncan Pursell,  
Managing Director.**

For personal use only