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ASX:JRV

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## **Jervois Mining approves infill drilling and metallurgical testing to fast-track development at Nico Young Cobalt-Nickel Project**

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### **HIGHLIGHTS**

- **Thuddungra infill drilling and associated metallurgical testwork approved for A\$1.35 million. Infill drilling to begin in June**
- **Results will complement pre-feasibility study (“PFS”) workstreams underway, and provide greater certainty on an optimum development schedule moving into definitive feasibility study (“DFS”) in Q4 2018**
- **Forecast total Nico Young expenditure in 2018 rises to A\$5.0 million – reflecting Jervois’s confidence in fast-tracking development at the project**

Jervois Mining Limited (ASX:JRV) advises that its Board of Directors has approved an infill drill and metallurgical testing programme for the Thuddungra deposit at its 100%-owned Nico Young Cobalt-Nickel Project in New South Wales, Australia. The Nico Young resource sits over two distinct bodies of mineralization held under separate but adjacent exploration licenses 5527 (“Ardnaree”) and 5571 (“Thuddungra”).

Jervois completed a infill drill programme over the Ardnaree deposit in early 2018, the results of which are currently being aggregated into an updated Mineral Resource estimate by Snowden Mining Industry Consultants (“Snowden”). Whilst preliminary studies associated with the PFS over Nico Young confirm management’s view that initial mining activities will largely be focused on the shallower resource at Ardnaree, the Board has determined that further metallurgical testwork at Thuddungra is warranted. The rationale of this is simply to ensure that a mine at Nico Young is constructed and commenced from the economically optimal section of project mineralisation.

The infill drill programme at Thuddungra will commence in June 2018 and is expected to take two months. A total of 88 holes are planned, with 68 reverse circulation (“RC”) and 20 diamond (PQ or 85mm inside diameter, to facilitate metallurgical heap leach testwork) for 4,400 metres in total. Drill spacing is 100 metres by 50 metres and subject to other criteria being met has been designed to increase confidence in classification of the resource. The targeted mineralisation is expected to be contiguous at both 0.05% and 0.08% Co cut off. Whilst the scope primarily focuses on the Thuddungra area it also envisages a further 11 holes (1 diamond and 10 RC) on current Ardnaree mineralisation.

Similar to the earlier programme at Ardnaree, DDH1 Drilling will execute the drilling. Diamond cores will be quarter sampled for both assay and an assessment of specific gravity at ALS Global (“ALS”).

Core samples will be sent to both Nagrom Brisbane Laboratory (“Nagrom”) and SGS Australia Pty Ltd (“SGS”) for metallurgical testing. SGS will generate and prepare composites for detailed agglomeration testing which will be undertaken by HydroGeoSense in Tucson, Arizona USA. Snowden will update the Mineral Resource estimate.

Due to the end of Q3 2018 delivery date for the Nico Young PFS, the updated resource and metallurgical testwork on Thuddungra will not be incorporated into the study, but will be rolled directly into the DFS. Mineral Resource updates and metallurgical results, both from the earlier Ardnaree programme and these activities on Thuddungra, will be progressively released as workstreams are completed.

Negotiations with surface landholders have proceeded smoothly, with all landholders signing formal access agreements. New South Wales regulators have also approved the Thuddungra drilling programme.

The cost of Thuddungra infill drilling, assaying and metallurgical testwork (including rapid geometallurgical testing, agglomeration and stacking assessments and columns) is A\$1.35 million. This will take the total approved Nico Young budget for 2018 to A\$5.0 million, represented by the Ardnaree and Thuddungra drilling campaigns, and all associated metallurgical and PFS activities, including the purchase of the ore stacker, agglomerator and conveying system announced in April. The A\$5.0 million expenditure figure was already incorporated in the A\$22.0+ million year end cash and publicly traded securities forecast provided earlier this week when the sale of the Flemington and Nyngan royalties to Cobalt 27 was announced.

This level of accelerated expenditure, in combination with the advance purchase of key long lead equipment such as the ore stacker, agglomerator and conveyor infrastructure, illustrates the Board’s confidence that an accelerated and viable commercial pathway to market exists for Nico Young.

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*The information in this report that relates to Exploration Results is based on information compiled by S. van Huet (MAusIMM). S. van Huet has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. S. van Huet consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.*