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## Jervois Mining provides progress update on Nico Young PFS

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### HIGHLIGHTS

- **Snowden Mining Industry Consultants Pty Ltd (“Snowden”) is preparing a geological interpretation and Mineral Resource Estimate for the Nico Young Pre-Feasibility Study (“PFS”) following receipt of an updated database from Geostat Services Pty Ltd (“Geostat”). The Mineral Resource Estimate is expected to be complete in July.**
- **Metallurgical testwork underway at Nagrom Brisbane Laboratories (“Nagrom”) is on track. Columns agglomerated and stacked at SGS Australia Pty Ltd (“SGS”), with irrigation to commence this week. Composites are en-route to HydroGeoSense in the USA for agglomeration and stacking testing.**
- **Lycopodium Minerals Pty Ltd (“Lycopodium”) continuing work as engineering process lead, focusing on mechanical equipment selection and optimisation for Nico Young.**
- **Nico Young PFS expected to be complete by the end of Q3 2018.**

Jervois Mining Limited’s (“Jervois” or “the Company”) (JRV:ASX) is pleased to provide an interim update on a Pre-Feasibility Study (PFS) for its 100%-owned Nico Young nickel-cobalt project in New South Wales, Australia (“Nico Young” or “the Project”).

The Nico Young deposit sits over two distinct bodies of mineralisation held under separate but adjacent exploration licenses, EL 5527 (“Ardnaree”) and EL 5571 (“Thuddungra”).

Following a successful Q1 2018 drill program at Ardnaree, ALS Global (“ALS”) provided assay results to Geostat to allow updating of the Nico Young drill hole database. Snowden received the updated database at the start of June, with Snowden responsible for the Mineral Resource Estimate and mining workstreams of the PFS. Snowden is updating the geological model, and the Mineral Resource Estimate will be reported once complete, anticipated in July. Snowden’s work on optimising the preliminary mine plans determined earlier in the year will recommence once the updated resource model is available.

Jervois remains confident that low strip ratio Whittle optimisations undertaken thus far will be reconfirmed by Snowden, and that pit shell economics will be attractive at conservative commodity prices. Once available, the updated mine schedule will be provided to mining contractors for their review and costing.

ALS prepared splits from the drilled bulk RC intervals for rapid metallurgical testwork at Nagrom. Nagrom is approximately halfway through the program, with encouraging results received to date for both nickel and cobalt solubility and acid consumption. Test information available to date has been applied to ensure column test parameters are optimised. Results from this are also expected in July.

In order to test lithologies across envisaged life of mine mineralisation types, Jervois established composite samples for the column and agglomeration testing to represent the saprolite, limonitic clays and weathered serpentinite materials. These metallurgical composites were crushed to -25mm top size – the nominal crush size expected for commercial heap leach operations.

Composites have been sub-sampled and shipped to the HydroGeoSense in Tucson, Arizona USA for agglomeration, stacking and hydrodynamic characterisation testing. Columns have been prepared at SGS Australia Pty Ltd (“SGS”) in Perth, Western Australia, with Jervois initially establishing four x 2 metre columns, and four x 4 metre columns of 150mm diameter.

Targeted irrigation rates are 10mL per hour per m<sup>2</sup>, at varying levels of acid concentration in order to assess extraction recoverability and residence times. Jervois expects the 2 metre columns to run for up to 100 days, the 4 metre columns approximately 150 days. No polymers or other bonding agents are being used for the agglomeration process, with sulphuric acid considered adequate. Various rates of sulphuric acid are being applied to the ore during agglomeration to better understand impacts on future operational pad residence times.

Land & Marine Geological Services Pty Ltd (“L&MG SPL”) has completed civils and geotechnical plans for heap leach facility design, residue storage facility and an evaporation pond. The heap leach facility will contain seven leach pads or cells, together with drainage systems and ponds. All of the envisaged infrastructure for the initial development scope of the PFS resides on Jervois’s exploration licenses, Ardnaree and Thuddungra.

RW Corkery & Co (“RW Corkery”) is coordinating environmental workstreams with soil, heritage, biodiversity, noise and air quality workstreams all in progress. Water consultant AQ2 has completed an initial assessment on water availability with a number of potential alternatives identified. AQ2 is now moving into detailed PFS investigations and trade-offs. Jervois will soon commence commercial discussions with third parties to secure adequate water supply for an operation.

Lycopodium Minerals Pty Ltd (“Lycopodium”) is continuing its work as engineering lead for Process Plant and Site Design, with mass balances and heap leach flow diagrams complete.

Lycopodium is focusing on project water balances, mechanical equipment (in particular optimising the heap leach stacker, agglomerator and conveying systems purchased from Fox Resources earlier in the year), acid plant selection, and site layout designs including process plant and associated plant and surface infrastructure. Overall process engineering remains on target for completion in August.

Finally, contract drillers Underdale Drillers (“Underdale”) will commence the Thuddungra drill programme in early July, which is expected to take two months. Approximately 90 holes, or 4,400 metres with a combination of aircore and diamond (PQ or 85mm inside diameter, to facilitate metallurgical testwork) is planned. Approximately 10 holes will be at the Ardnaree deposit.

Jervois remains on target to finalise the PFS by the end of Q3 2018.

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Figure 1: Jervois' 4m column samples from Nico Young being tested at SGS' laboratory in Perth.