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## **Jervois Mining finalises agreement for US\$4.5 million royalty sale to Cobalt 27**

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### **HIGHLIGHTS**

- **Jervois has executed a definitive agreement to sell the Nyngan and Flemington royalties to Cobalt 27 Capital Corp. for US\$4.5 million; US\$1.5 million in cash and US\$3.0 million in Cobalt 27 common shares.**
- **The Flemington royalty offer excludes the A\$4.0 million option payment due to Jervois in Q4 2018.**

Jervois Mining Limited (ASX: JRV) advises it has executed a definitive agreement for the sale of its Nyngan 1.7% gross revenue scandium royalty and the Flemington 1.5% gross revenue cobalt-scandium-nickel royalty to Cobalt 27 Capital Corp. ("Cobalt 27") (TSX-V:KBLT) for US\$4.5 million, comprised of US\$1.5 million in cash and US\$3.0 million in common shares of Cobalt 27, with such shares being subject to a four-month hold period.

In addition to the cash proceeds Jervois will receive 422,856 Cobalt 27 common shares, representing the equivalent of US\$3.0 million as determined by the 5-day VWAP preceding execution of the definitive agreement. Closing is anticipated to occur by the end of Q4 2018 once the Flemington Option is exercised by Australian Mines Limited ("Australian Mines") (ASX: AUZ) and Jervois' royalty is created.

Jervois has retained its right to receive the final A\$4.0 million option payment from Australian Mines on the Flemington Project, which is to be paid to Jervois as part of the Flemington Option exercise.

Jervois is pleased to have concluded this sale with Cobalt 27 and established a commercial relationship. The companies' respective business models are viewed as complementary. Cobalt 27 focuses on cobalt physical inventories, royalties and streams while Jervois aims to provide investors with a greater breadth of viable investment alternatives for Li-ion battery cathode raw materials.

Jervois was advised by Klassen Legal, Baker McKenzie and Mineral Royalties Online.

Cobalt27's financial adviser was TD Securities with Stikeman Elliott LLP acting as legal advisor.

As announced on 7 May 2018, Jervois will retain its remaining royalties (Bullabulling, Forest Reefs and Mt Moss) with a view to working with project operators to improve visibility over future development plans.

### **Overview of Cobalt 27**

Cobalt 27 is a minerals company that offers direct exposure to cobalt, an integral element in key technologies of the electric vehicle and battery storage markets. The company owns around 3,000 metric tonnes of physical cobalt, manages a portfolio of cobalt royalties, and has recently announced a US\$113 million cobalt stream over the Ramu nickel-cobalt mine in Papua New Guinea, and a US\$300 million cobalt stream over Vale's Voisey's Bay mine in Canada. Including its initial IPO on the TSX-V it has raised over C\$800 million to fund the acquisition of over C\$350 million of physical cobalt together with its cobalt streaming and royalty portfolio. At the end of Q1 2018, Cobalt 27 had a cash balance of C\$195 million and currently has a market capitalization of approximately C\$800 million.

For further information, please contact:

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