

20 August 2018

ASX:JRV

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## **Jervois Mining confirms application for Kabanga nickel-cobalt deposit in Tanzania**

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### **SUMMARY**

- **In response to weekend media speculation, Jervois Mining confirms it has submitted an application for a Prospecting License (“PL”) over the Kabanga nickel-cobalt deposit in the Kagera region of Tanzania.**
- **Jervois believes Kabanga to be the highest quality undeveloped nickel-cobalt deposit in the world, with a Definitive Feasibility Study (“DFS”) envisaging annual production in excess of 50kt nickel with significant cobalt and copper co-products. Previous owners invested significantly in drilling and studies.**
- **If the Tanzanian Government grants its application, Jervois will update the Kabanga DFS and Social and Environmental Impact Assessment (“SEIA”) and obtain construction and operating permits to facilitate project financing.**
- **Jervois has assembled a team of highly experienced executives and advisers and has the financial and organizational resources to undertake financing, construction and a successful transition through development to operation.**
- **The Jervois team has studied the new laws and regulations in Tanzania’s mining sector and believes they form the basis for a highly successful project, the scope of which includes processing of concentrate in-country to take advantage of rising demand for raw materials in lithium ion battery cathodes.**

Jervois Mining Limited (ASX:JRV) (“Jervois” or “the Company”) confirms it has applied for a Prospecting License over the Kabanga nickel-cobalt deposit in the Kagera region of Tanzania.

Jervois believes the Kabanga sulphide deposit to be the highest quality undeveloped nickel-cobalt deposit in the world, unmatched in scale and grade. As currently delineated, the JORC Resource represents 57Mt of easily floatable sulphide ore at 2.62% nickel, 0.20% cobalt and 0.35% copper, with significant regional exploration potential. Approximately two-thirds of the current JORC Resource is in Measured and Indicated categories. The quality of the mineralization is exceptional, with low-risk sulphide metallurgy expected to produce a high-grade low impurity nickel-cobalt product. Prior owners invested significantly in drilling and studies that culminated in a DFS envisaging annual

production in excess of 50ktpa nickel with significant cobalt and copper co-products. Kabanga's scale of mineral resource, exploration upside and production potential place the province squarely among the great nickel-cobalt basins in the world, comparable to Thompson, Manitoba, Jinchuan and Voisey's Bay.

Until January 2018, Kabanga was subject to a retention license ("RL"), held jointly and equally by Glencore plc ("Glencore") and Barrick Gold ("Barrick"). On 10 January 2018, the Government of Tanzania published the Mining (Mineral Rights) Regulations, 2018. Section 21 of those Regulations cancelled all existing RLs and stipulated that rights over all areas which were the subject of such RLs reverted to the Government. In May 2018, Jervois applied to the Mining Commission for a PL covering the ground held under the previous RL.

In support of its PL application, Jervois has put together a team of highly experienced mining executives and advisers who understand the nickel-cobalt business, have an established track record in financing, constructing and operating sophisticated nickel-cobalt mining and processing operations, and have extensive experience in Tanzania's mining sector. The Jervois executives include:

- Peter Johnston: Non-Executive Chairman of Jervois, was Global Head of Glencore's Nickel Assets and had executive responsibility for the Kabanga project in Tanzania, when Glencore was operator of the joint venture.
- Bryce Crocker: Chief Executive Officer of Jervois, who was a member of the Kabanga Nickel Advisory Committee when he was a senior executive with Xstrata plc ("Xstrata").
- Brian Kennedy: Non-Executive Director of Jervois, who advised Xstrata on the Kabanga project and has extensive experience in constructing and commissioning mining projects in Africa.

The advisory team members include:

- Andrew McAlister: a career diplomat and Canadian High Commissioner to Tanzania in 2004 to 2007. After leaving the diplomatic service, Ambassador McAlister advised the Kabanga Nickel project from 2008 to 2015, when Xstrata and then Glencore operated the joint venture. He speaks Kiswahili and French and has extensive experience in Tanzania.
- Tony Devlin: has more than 35 years of executive, operational and project management experience in Africa and in Tanzania in particular. Mr. Devlin was Chairman of Kola Gold in Mali and the Republic of the Congo, CEO of Zimbabwe Alloys, Managing Director of Mantra Resources Limited ("Mantra") in Tanzania, Managing Director of Williamson Diamonds also in Tanzania, and Chief Operating Officer of Asanko Gold in Ghana. Mr. Devlin is a Tanzanian resident, speaks Kiswahili and has a record of highly successful management of mining operations in-country.

- Russell Bradford: a mining executive and qualified metallurgist with almost 30 years of international experience, primarily in Africa, and significant project and operational exposure to nickel and other base metals, including a decade at the BCL nickel operations in Botswana (GM Metals Production, Smelter Manager and Concentrator Manager), LionOre International (GM Operations and Metallurgy) and Norilsk Nickel (GM Operations and Metallurgy). In Tanzania, Mr. Bradford was the GM Project Development at Mantra and was responsible for the Mkuju River DFS. Mr. Bradford's most recent role was leading the DFS and FEED for Asanko Gold's mine expansion in Ghana.
- Stuart Bodey (Mining Plus): Kabanga's Project Director when Xstrata operated the joint venture, he supervised completion of the last DFS, with a focus on the mine and infrastructure. Mr. Bodey has 30 years' experience in surface and underground mining and is Project Manager for Jervois's Nico Young Pre-Feasibility Study ("PFS") in Australia.

Jervois believes it can significantly improve on the DFS prepared by the previous owners of Kabanga. It also has the organisational capacity and drive to construct the project in an accelerated timeframe. Due to their background and familiarity with the project, members of the Jervois team can immediately focus on updating the existing DFS and SEIA, with a view to early construction and generating enhanced economic returns from initial operations.

Jervois looks forward to working with the Government of Tanzania to establish a viable pathway to develop Kabanga. The Company will operate in full compliance with Tanzanian law, including the requirement to beneficiate concentrate from Kabanga in-country. The Company is aware of the importance of constructing and operating Kabanga in a manner that will maximise the returns to Tanzania, and believes there is excellent potential for a fruitful partnership between Jervois and Tanzanian authorities at all levels and with the local communities. Jervois sees Kabanga as a new kind of mining and processing operation in Tanzania, with significant Tanzanian participation in partnership with the company.

The Company cautions that there is no certainty it will be successful in securing tenure of the Kabanga deposit. However, Jervois believes that no other potential investor is as well-positioned to finance, construct, commission and operate the project successfully and as quickly.

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