

29 January 2021

ASX/TSX-V: JRV

OTC: JRVMF

## Jervois Mining Quarterly Activities Report to 31 December 2020

<p><b>Jervois Mining Limited</b> ("Jervois" or the "Company") ACN: 007 626 575 ASX/TSXV: JRV OTCQB: JRVMF</p> <p><b>Corporate Information:</b> 802.1M Ordinary Shares 96.5M Options</p> <p><b>Non-Executive Chairman</b> Peter Johnston</p> <p><b>CEO and Executive Director</b> Bryce Crocker</p> <p><b>Non-Executive Directors</b> Brian Kennedy Michael Callahan</p> <p><b>Company Secretary</b> Alwyn Davey</p> <p><b>Contact Details</b> Suite 508, 737 Burwood Road Hawthorn East Victoria 3122 Australia</p> <p>P: +61 (3) 9583 0498 E: <a href="mailto:admin@jervoismining.com.au">admin@jervoismining.com.au</a> W: <a href="http://www.jervoismining.com.au">www.jervoismining.com.au</a></p>	<p><b>HIGHLIGHTS</b></p> <ul style="list-style-type: none"><li>• Jervois' A\$45.0 million equity placement completed</li><li>• Jervois is using proceeds for its Idaho Cobalt Operations ("ICO"), United States, long lead item orders, detailed engineering and ongoing site costs; and activities relating to its announced agreement to acquire Miguel Paulista ("SMP") nickel-cobalt refinery, São Paulo, Brazil</li><li>• Jervois paid the non-refundable deposit of R\$15 million (or A\$3.9 million) which applies on closing as the first tranche of the R\$125 million cash consideration for acquisition of SMP refinery</li><li>• Jervois appointed M3 Engineering for detailed design and early site works at ICO; Metso Outotec SAG mill ordered</li><li>• At SMP Refinery, decision taken to integrate Pressure Oxidation ("POX") leach circuit</li><li>• Jervois appointed additional key management as it drives development of ICO and SMP:<ul style="list-style-type: none"><li>○ Greg Young appointed Executive General Manager ("EGM") – Commercial</li><li>○ Wayde Yeoman and Klaus Wollhaf both appointed to Group Manager – Commercial, working with Greg Young</li><li>○ James May appointed Chief Financial Officer / EGM Finance</li><li>○ Craig Morrison appointed as Group Financial Controller</li><li>○ Valdecir Botassini appointed as SMP Project Director</li></ul></li><li>• Jervois became a founding member of the Zero Emission Transportation Association ("ZETA") in the US</li><li>• ZETA is advocating for 100% electric vehicle sales in the US by 2030, with cobalt an important component in EV batteries</li><li>• Jervois ends December 2020 quarter with A\$42.3 million cash</li></ul>
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## CORPORATE UPDATE

### Liquidity

Jervois ended the December 2020 quarter with A\$42.3 million in cash and at year end had a loan from the US government outstanding for A\$0.1 million relating to Covid-19 stimulus payroll protection, for which forgiveness requirements have already been met. Cash during the period increased significantly due to announcement of an A\$45.0 million equity raise on 20 October 2020 and completion during the quarter on receipt of required shareholder approvals.

During the quarter, Jervois paid the non-refundable deposit of R\$15 million (A\$3.9 million) which will apply as the first cash tranche on closing of the announced acquisition of the São Miguel Paulista refinery (“**SMP Refinery**”) in São Paulo, Brazil. R\$125 million in cash will be payable on closing and following to Companhia Brasileira de Alumínio (“**CBA**”), a 100%-owned subsidiary of Votorantim SA, in tranches based on satisfaction of certain condition precedents, expiration or waiver of termination rights held by Jervois, and achievement of production thresholds associated with a restart of the SMP Refinery, with an outside date of June 2023.

Expenditure on exploration and development for the quarter was A\$0.5 million in Uganda. Activities at Idaho Cobalt Operations (“**ICO**”) are now classified as Assets Under Construction and incurred expenditure of A\$1.0 million in the quarter.

### Placement

On 20 October, Jervois announced it had successfully closed a A\$45.0 million equity raising, prior to issuance costs (the “**Placement**”). 147,540,985 new ordinary shares were issued in the Placement at a price of A\$0.305 per share.

The Placement first tranche, totalling A\$39.2 million (less costs), was received by Jervois as announced on 28 October 2020.

Tranche 2 of the Placement, which was subject to shareholder approval, totalled a further A\$5.8 million (less costs). This issuance was approved by shareholders at the Company’s Annual General Meeting (“**AGM**”) and included Jervois Directors and Senior Management who subscribed for 5,737,705 new ordinary shares, investing A\$1.75 million alongside institutions. This figure was incremental to the A\$2.75 million cash invested by Company principals in July 2019, alongside institutional investors in that 2019 equity raise.

Jervois participants in the Placement included:

- Peter Johnston, Non-Executive Chairman (A\$0.2 million, 655,738 shares)
- Brian Kennedy, Non-Executive Director (A\$0.5 million, 1,639,344 shares)

- Ken Klassen, General Counsel / EGM – Legal (A\$0.3 million, 983,607 shares); and
- Greg Young, EGM – Commercial (A\$0.75 million, 2,459,016 shares).

Shareholders voted in favour at the AGM on 30 November. Tranche 2 funds were received on 2 December 2020.

Jervois is using proceeds from the Placement for ICO long lead item orders, detailed engineering and ongoing site costs; and activities relating to the recently announced agreement to acquire the SMP refinery, including the purchase deposit, lease payments from March 2021 and restart feasibility study costs.

### **Management Appointments**

During the quarter, Jervois made key executive appointments as it drives development and construction at ICO in the United States (“US”) and the restart of SMP nickel-cobalt refinery in São Paulo, Brazil.

As reported last quarter, in October, Jervois announced the appointment of one of the world’s foremost traders of nickel and cobalt products, Greg Young as EGM – Commercial.

Mr. Young has extensive knowledge of nickel and cobalt including their materials flow, market indices and pricing strategies. Mr. Young gained this experience during his 25-year tenure at Glencore, which culminated in his appointment as Co-Head of Glencore US, a position he held for over 10 years. Mr. Young ran Glencore’s Stamford office in Connecticut, which housed approximately 50 metals traders and other employees.

Strengthening the commercial function ahead of the planned restart at the SMP refinery, during the quarter Jervois appointed both Wayde Yeoman and Klaus Wollhaf as Group Manager(s) – Commercial, who report to Mr. Young.

Mr. Yeoman has more than 30 years of experience in the global cobalt industry, including Director of Cobalt Sourcing and Marketing at OM Group, Inc. (“OMG”), which at the time owned and operated the largest cobalt refinery in the world, Kokkola in Finland. Mr. Yeoman was a member of the OMG Cobalt Management team and was also a member of the LME Cobalt Committee and company representative at the Cobalt Institute. Mr. Yeoman also worked for global cobalt merchants Metal Resources Group and Darton Commodities, where he had responsibility for sales of cobalt metal to major consumers in the United States, and also worked in production, purchasing and sales roles at The Shepherd Chemical Company, one of the largest consumers of cobalt in the United States.

Klaus Wollhaf joins Jervois with more than 30 years of experience in the global mining industry. Mr. Wollhaf was President of Xstrata Nickel International S.A. responsible for all raw material acquisitions and sales for Xstrata Nickel (now part of Glencore plc) globally

encompassing nickel, cobalt, copper and PGM intermediates. He has extensive experience trading nickel and cobalt intermediate products globally including concentrates, mattes and mixed metal hydroxides and sulphides. Prior to his commercial roles with Xstrata, Mr. Wollhaf managed ferrochrome smelting operations for Anglovaal Minerals and Assmang in South Africa and smelting and refining operations of copper and zinc for Falconbridge (now part of Glencore) in Canada.

Mr. Wollhaf and Mr. Yeoman's appointments completed Jervois's expansion of its commercial team to optimise SMP's restart with third party volumes.

Jervois announced the appointment of James May as Chief Financial Officer / EGM – Finance in November. Mr. May joins Jervois from 1 March 2021 with more than 20 years of experience in the global resources industry, after beginning his career with Deloitte in London within its energy and resources division, before joining Rio Tinto in 2006.

Across his 15 years of leadership roles at Rio Tinto, Mr. May spent time in a variety of global positions of increasing seniority, culminating in the role of Interim Vice President – Sales and Marketing, for the Energy and Minerals sales portfolio, based in Singapore. Mr. May was also previously the CFO of Energy Resources of Australia Limited, an ASX listed uranium miner, majority owned by Rio Tinto.

Mr. May will be supported by new Group Controller, Craig Morrison, who was Group Financial Controller for an Australian agriculture business with revenues approaching A\$200 million, and Group Financial Reporting Manager for a NASDAQ-listed LNG midstream infrastructure company with a market capitalization of approximately US\$1 billion.

From 1 March 2021, Jess Birtcher will relinquish his position as Acting CFO and pass these responsibilities to Mr. May, which will allow Mr. Birtcher to focus on his ICO Finance Manager role ahead of a restart of construction activities on site in Salmon, Idaho, in Q2 2021.

To support the restart of the SMP Refinery, Valdecir Botassini has been appointed as Project Director to manage the feasibility study for the restart. Mr. Botassini joins with the experience of a 35-year career at Votorantim Group where he led both its nickel and zinc divisions; he also served as Chief Operating Officer of Votorantim's mines and smelters across Brazil and Peru. Mr. Botassini's experience spanned operational, technical and commercial roles, including 20 years at SMP Refinery finishing as General Operations Manager, the lead executive position at site.

## **Insider Compensation Reporting**

A\$0.04 million in the quarter were paid to Non-Executive Directors. A\$0.22 million was paid to the CEO (Executive Director) during the quarter, which included a payment relating to his 2020 short term incentive plan (“STIP”).

As a consequence of grandfathering arrangements acquired during the M2 Cobalt merger, during the quarter A\$0.08 million was paid to related parties outside their salaried Jervois roles for Ugandan exploration management services (Ms Jennifer Hinton and Mr Thomas Lamb, Ugandan Country Head and Ugandan Operations Manager respectively). The scope of this support included local administration and in-country management, accounting, payroll and treasury services, logistical support and exploration staffing as set out in Item 6 of the Appendix 5B Quarterly Cashflow report.

## **United States (“US”) Government Discussions**

ICO will be the only cobalt mine in the US upon forecast commissioning in 2022, with cobalt identified by the government as a strategic mineral of critical importance. Cobalt is on a list of critical minerals developed by the Department of the Interior in coordination with other US executive branch agencies pursuant to Executive Order 13817, “A Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals” (82 FR 60835) with the final list being published in May 2018 (83 FR 23295).

During the quarter, Jervois CEO Bryce Crocker participated in an interview with leading US-based media outlet POLITICO as part of a Global Translation podcast series focused on cobalt, China’s strategy to secure raw materials and accelerating efforts within the US to secure critical mineral supply chains.

Mr. Crocker was invited to participate in the three-part podcast alongside US Senator Lisa Murkowski (R-AK), Canadian Ambassador to the United States Kirsten Hillman, Assistant Secretary Department of the Interior Timothy Petty and European Union Vice President Maroš Šefčovič, among others.

The podcast titled “Why Green Energy Means Mining: The Case of Cobalt” is available at: <https://jervoismining.com.au/investors/media/>

Jervois remains actively engaged with the US Government including President Biden’s Administration which has identified electrification of transportation, climate change and domestic ‘Made in America’ economic recovery as key policy platforms. The geopolitical and economic importance of constructing ICO as the US’ only cobalt mine, Jervois believes is significant to the US and, as evidenced by, the strong bipartisan support ICO attracts in both Idaho and Washington DC.

Following the recently announced agreement to acquire the SMP nickel-cobalt refinery in São Paulo, Mr. Crocker was based in Brazil for an extended period and is engaged with Brazilian political leadership, and US and Australian Government representatives, regarding the important role the SMP refinery will play in securing critical mineral supply chains.

### **Jervois joins ZETA**

In December, Jervois announced it had become a founding member of the Zero Emission Transportation Association (“ZETA”), in the US. ZETA is advocating for 100% electric vehicles (“EV”) sales in the US through all categories of vehicles by 2030. Other founding members include Tesla, Uber, Duke Energy, Rivian, ChargePoint, Lordstown Motor Company and Albemarle.

Jervois elected to participate given the important role of its 100%-owned ICO to support the transition of the US to EV’s. Cobalt is a key component in lithium-ion battery chemistries. Secure, ethical sources of supply are important characteristics for the procurement chains of battery manufacturers and their customers in the auto industry.

### **Project Financing Update**

Discussions with lenders continue, supported by increasingly robust sentiment pertaining to battery raw materials for EV’s, including a rising cobalt price. Discussions are centering around structuring alternatives for the lenders’ security package, which now may include the SMP Refinery. An integrated financial model is being updated for lenders following Elemental Engineering’s work on the SMP Refinery (refer to Project Update section below). Discussions with lenders also include their due diligence requirements of the SMP Refinery, should this form part of the lenders’ security package.

As noted above, US Government engagement continues with the new Administration led by President Biden and Vice President Harris.

Customer and supply arrangements also continue to be advanced by Jervois’ commercial team which was hired in Q4 2020.

### **Investor Relations**

Jervois is currently participating in the TD Securities Mining Conference, which is running from 27-29 January 2021. Jervois Chief Executive Officer Bryce Crocker will also present and meet institutional investors on a 1-1 basis at BMO’s 30<sup>th</sup> Annual Global Metals and Mining Conference, to be held from 1-5 March 2021. Both conferences are virtual.

## Change of Year End

Jervois' Board has resolved to change the Company's financial year end from 30 June to 31 December in order to align the Australian reporting dates with its overseas operations. This change in financial year was made in accordance with Section 323D(2A) of the Corporations Act 2001 (Cth). The Board confirms that:

- The Company's previous financial year ended on 30 June 2020;
- The Company will have a six-month transitional financial year, from 1 July 2020 to 31 December 2020; and
- Thereafter, the Company will revert to a 12-month financial year, from 1 January 2021 and ending on 31 December.

The change in financial year requires the Company to, in respect of the transitional financial year:

- Lodge a quarterly report (Appendix 5B) with ASX by 31 January 2021;
- Lodge audited financial statements with ASX by 31 March 2021;
- Lodge an annual report with ASX by 30 April 2021; and
- Hold an Annual General Meeting ("AGM") by 31 May 2021.

Jervois will advise the market in the ordinary course when the date of this upcoming AGM is determined.

## Results of the 2020 AGM

At its 2020 AGM held on 30 November, all resolutions put to the meeting passed by poll of shareholders present in-person and by proxy. The resolutions were as follows:

1. Adoption of the Remuneration Report
2. Re-election of a Director - Mr Brian Kennedy
3. Re-election of a Director - Mr Peter Johnston
4. Re-election of a Director - Mr Michael Callahan
5. Additional Placement Capacity (Special)
6. Approval of Stock Option Plan
7. Approval to issue Options to Brian Kennedy
8. Approval to issue Options to Michael Callahan
9. Approval to issue Options to Peter Johnston
10. Appointment of Auditor
11. Ratification of prior issue of shares
12. Approval of participation in the capital raising
13. Approval of the issue of capital raising share.

## PROJECT UPDATES

### Idaho Cobalt Operations or ICO, United States

In November, Jervois announced it had appointed M3 Engineering (“M3”) as lead engineer for the detailed design and site early works for ICO.

M3 is headquartered in Tucson, Arizona and was selected as the preferred engineering contractor due to its recent completion of the Australian JORC Code 2012 Edition (“JORC”) BFS and Canadian National Instrument 43-101 (“NI 43-101”) Feasibility Study (“FS”) on ICO, announced on 29 September 2020. M3 also has extensive construction experience and project delivery in the US, specifically relating to local conditions in Idaho and regional contractor capabilities.

The detailed design will cover all packages of work to allow orders to be placed on long lead items so construction can restart and site early works in May 2021 can commence, after snow melts allowing safe site access for construction. All long lead items are currently being packaged for market enquiry, with contractors currently at site assessing early work package execution plans. After careful review and discussions with third party suppliers of nickel and cobalt products into the SMP Refinery in Brazil, Jervois has decided to revert to split concentrate at ICO to maximise an ability to leverage refinery restart economics and envisaged copper removal capacity. This will lead to a US\$4.9 million rise in overall project capital at site in Idaho, but with a reduction of capital in Brazil for copper removal otherwise required for ICO concentrate. ICO remains scheduled to be commissioned in July 2022.

In January 2021 Jervois appointed Metso Outotec to undertake engineering and fabrication of a SAG mill for ICO. The contract is for the design, fabrication and delivery of a 4.7-metre diameter and 2.5m-long 750kW SAG (semi-autogenous grinding) mill. The mill design will comfortably accommodate the nameplate 1,200 short tons of ore per day (“stpd”) Jervois applied in its recent ICO FS. (refer to Jervois’ ASX announcement on 29 September 2020).

### São Miguel Paulista Nickel and Cobalt Refinery, São Paulo, Brazil

In December, Jervois paid the non-refundable deposit of R\$15 million (A\$3.9 million) which on Closing (as defined below) will apply as the first tranche of the purchase price payable for the SMP Refinery in São Paulo, Brazil.

Following this payment Jervois and CBA have entered into an initial lease arrangement (“Refinery Lease”) providing Jervois access to undertake a FS for the restart. Subject to Jervois’ Early Termination Right up to September 2021, the term of the lease will continue until closing of Jervois’ acquisition of SMP Refinery (“Closing”) which is subject to the satisfaction of usual condition precedents and is expected to occur by December 2021.



As part of the purchase arrangements and as contained in the Refinery Lease, Jervois will pay for the SMP Refinery care and maintenance (including environmental remediation) of the site from March 2021, via the cash payment of a monthly lease cost of R\$1.5 million. Up until Closing, CBA will continue to manage the site. After Closing, 100% ownership and operating control will transfer to Jervois as it moves forward to restart the facility.

On Closing, the deposit paid in December 2020 will be applied as the first tranche of R\$15 million to the R\$125 million cash purchase price for the SMP Refinery. The timing for the payment of the balance of the purchase price is conditional upon permitting, restart FS outcomes and future production thresholds, with an outside date of June 2023.

In parallel with engineering work underway on ICO, Jervois announced the appointment of Australian-based consultancy Elemental to complete modelling of feed integration of hydroxides, carbonates, oxides and sulphide concentrates for the SMP Refinery in Brazil.

Scope included detailed mass and energy balance calculations, reagent consumption, steam and water balances, sysCAD models and flowsheets including impurity removal and recirculating load assessment, together with impact on utility demands including electricity, steam and water. The work was finalized in January, with FS scope in final stages of review prior to award.

Elemental was awarded the scope of work after strong bids from international engineering firms with expertise in nickel and cobalt refining. Elemental completed similar work for Glencore's Murrin Murrin facility in Western Australia and undertook Nico Young flowsheet modelling for Jervois in New South Wales, Australia, prior to public release of the NI 43-101 Preliminary Economic Assessment in May 2019.

As a result of Elemental's work, Jervois has determined it shall integrate a POX leach circuit at the SMP Refinery. The inclusion of the POX autoclave offers a number of advantages compared to roasting concentrates, namely high metal recovery, low overall operating costs, enhanced ESG metrics due to lower emissions and energy usage, improved refined product purity and compact installation footprint on site. Preliminary POX sighter test work at SGS Perth Western Australia in conjunction with Elemental's work returned satisfactory results.

As noted earlier, Jervois will now revert to delivering a cobalt concentrate (containing gold) to the SMP Refinery. The removal of copper from the concentrate in the US will allow Jervois' commercial team to maximise refinery copper capacity in Brazil from third party suppliers. Gold, copper and impurity removal bottlenecks are being assessed by Elemental and will form part of the FS scope. Introducing the POX circuit at the SMP Refinery will replace the roaster at Blackfoot, Idaho, as no concentrate calcination will be necessary for feeding into an autoclave.

Commercially, negotiations with cobalt hydroxide, MHP and sulphide concentrate suppliers continue, as do talks with end customers of refined product. In addition to the established “Tocantins” metal brands of SMP, Jervois will also be carefully assessing the ability of the facility to produce refined chemical sulphates, both nickel and cobalt.

### **Nico Young Nickel-Cobalt Project, New South Wales, Australia**

The Company completed the Nico Young NI 43-101 Preliminary Economic Assessment (“PEA”) in May 2019 which envisaged heap leaching and refining through an integrated processing facility to produce battery grade nickel sulphate and cobalt in refined sulphide. Assessments on producing a mixed hydroxide product (“MHP”) (a feedstock suitable for the SMP Refinery) were also assessed and costed to the equivalent level of engineering.

Jervois’ announced agreement to acquire the SMP Refinery enables a revised development plan at Nico Young to MHP, suitable for processing based on the existing SMP flowsheet. This is estimated to result in capital savings of approximately A\$200 million from the prior Nico Young NI 43-101 PEA investment requirements.

The Company is continuing discussions which envisage partial off-take in exchange for funding to complete a BFS. At that time, Jervois will reassess its level of equity ownership and uncommitted offtake of Nico Young to determine a suitable ownership structure and marketing strategy to secure the required project financing to move into construction.

### **Ugandan Exploration Properties**

Jervois completed its planned drill programme at its Kilembe area properties in central and western Uganda, and following receipt of assays from Q4 2020 exploration, announced the results on 27 January 2021.

Drilling at the Kilembe Area Properties targeted surficial Au-Cu mineralization detected through earlier geochemical programmes. In total, 1,905 metres of diamond drilling was completed in 17 holes drilled at the Kilembe Area Properties in 2019 and 10 holes in 2020, totaling 1,409m.

Result highlights included:

- Hole 20DDHS006
  - **2.0m @ 6.0 grams per tonne gold (“g/t Au”)** from 147.4m
- Hole 20DDHS007
  - **24.8m @ 0.9 g/t Au** from 53.7m  
Including **1.05m @ 6.4 g/t Au;** from 77.45m
- Hole 20DDHS008
  - **10.4m @ 0.6 g/t Au** from 14.0m

- 1.65m @ 1.6 g/t Au from 69.15m
- Hole 20DDHS009
  - 10.0m @ 0.5 g/t Au from 38.0m  
Including 1.0m @ 2.9 g/t Au; from 41.0m
  - 1.0m @ 5.0 g/t Au; from 95.0m

All exploration activities in Uganda have been suspended due to a combination of ongoing Covid-19 risks, political and regulatory developments in-country and results to date outside the above Kilembe Area Properties which do not meet mineralization model expectations for copper-cobalt ore deposits. Jervois is initiating a partnering process for its Ugandan exploration portfolio and the current book value (A\$20.5 million) will be subject to careful impairment review as part of the December 2020 annual account preparation.

### **Kabanga Nickel-Cobalt Deposit Application, Tanzania**

Jervois has been unsuccessful in obtaining tenure for the Kabanga Nickel-Cobalt deposit.

### **Non Core Assets**

Jervois' non-core assets are summarized on the Company's website. Sale negotiations to rationalize the Company's portfolio continues.

### **ASX WAIVER INFORMATION**

On 6 June 2019, the ASX granted a waiver to Jervois in respect of extending the period to 8 November 2023 in which it may issue new Jervois shares to the eCobalt option holders as part of the eCobalt transaction.

As at 31 December 2020, the following Jervois shares were issued in the quarter on exercise of eCobalt options and the following eCobalt options remain outstanding:

Jervois shares issued in the quarter on exercise of eCobalt options: Nil

eCobalt options remaining outstanding:

2,714,250*	eCobalt options exercisable until 6 September 2021 at C\$0.36* each
3,654,750*	eCobalt options exercisable until 28 June 2022 at C\$0.71* each
288,750*	eCobalt options exercisable until 5 October 2022 at C\$0.70* each
231,000*	eCobalt options exercisable until 11 January 2023 at C\$1.16* each
165,000*	eCobalt options exercisable until 12 March 2023 at C\$0.85* each
206,250*	eCobalt options exercisable until 6 April 2023 at C\$0.84* each

4,191,000*	eCobalt options exercisable until 28 June 2023 at C\$0.61* each
123,750*	eCobalt options exercisable until 24 September 2023 at C\$0.50* each
<u>1,980,000*</u>	eCobalt options exercisable until 1 October 2023 at C\$0.53* each
<u>13,554,750*</u>	

- \* The number of options represent the number of Jervois shares that will be issued on exercise. The exercise price represents the price to be paid for the Jervois shares when issued.

By Order of the Board  
 Bryce Crocker  
 Chief Executive Officer

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**Competent Person's Statement**

The information in this release that relates to Mineral Exploration is based on information compiled by David Selfe who is a full time employee of the company and a Fellow of the Australasian Institute of Mining and Metallurgy and Dean Besserer, P.Geol. who is the GM Exploration for the Company and a member of The Association of Professional Engineers and Geoscientists of Alberta. Both David Selfe and Dean Besserer have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. David Selfe and Dean Besserer consent to the inclusion in the release of the matters based on their information in the form and context in which it appears.

## **Qualified Person's Statement**

The technical content of this news release has been reviewed and approved by Dean Besserer, P.Geol., who is the GM Exploration for the Company and a Qualified Person as defined by National Instrument 43-101.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

## **Forward Looking Statements**

This news release may contain certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule" and other similar words or expressions identify forward-looking statements or information. These forward-looking statements or information may relate to the partnering process in Uganda, preparation of detailed engineering at ICO, the commencement of construction and operations at ICO, the preparation of studies at SMP Refinery, the reliability of third party information, and certain other factors or information. Such statements represent the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules and regulations.

## Tenements

### Australian Tenements

Description	Tenement number	Interest owned %
Ardnaree (NSW)	EL 5527	100.0
Thuddungra (NSW)	EL 5571	100.0
Nico Young (NSW)	EL 8698	100.0
Ardnaree Magnesite (NSW)	EL 8763	100.0
Area 1 (NSW)	EL 8474	100.0
West Arunta (WA)	E80 4820	20.0
West Arunta (WA)	E80 4986	20.0
West Arunta (WA)	E80 4987	20.0
Old Khartoum (QLD)	EPM 14797	100.0
Khartoum (QLD)	EPM 19112	100.0
Three Mile Creek (QLD)	EPM 19113	100.0
Carbonate Creek (QLD)	EPM 19114	100.0
Mt Fairyland (QLD)	EPM 19203	100.0

### Uganda Exploration Licences

Description	Exploration Licence number	Interest owned %
Bujagali	EL1666	100.0
Bujagali	EL1682	100.0
Bujagali	EL1683	100.0
Bujagali	EL1665	100.0
Bujagali	EL1827	100.0
Kilembe Area	EL1674	100.0
Kilembe Area	EL1735	100.0
Kilembe Area	EL1736	100.0
Kilembe Area	EL1737	100.0
Kilembe Area	EL0012	100.0

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
SUN 1	222991	174156
SUN 2	222992	174157
SUN 3 Amended	245690	174158
SUN 4	222994	174159
SUN 5	222995	174160
SUN 6	222996	174161
SUN 7	224162	174628
SUN 8	224163	174629
SUN 9	224164	174630
SUN 16 Amended	245691	177247
SUN 18 Amended	245692	177249
Sun 19	277457	196394
SUN FRAC 1	228059	176755
SUN FRAC 2	228060	176756
TOGO 1	228049	176769
TOGO 2	228050	176770
TOGO 3	228051	176771
DEWEY FRAC Amended	248739	177253
Powder 1	269506	190491
Powder 2	269505	190492
LDC-1	224140	174579
LDC-2	224141	174580
LDC-3	224142	174581
LDC-5	224144	174583
LDC-6	224145	174584
LDC-7	224146	174585
LDC-8	224147	174586
LDC-9	224148	174587
LDC-10	224149	174588
LDC-11	224150	174589
LDC-12	224151	174590
LDC-13 Amended	248718	174591
LDC-14 Amended	248719	174592
LDC-16	224155	174594
LDC-18	224157	174596
LDC-20	224159	174598
LDC-22	224161	174600
LDC FRAC 1 Amended	248720	175880
LDC FRAC 2 Amended	248721	175881
LDC FRAC 3 Amended	248722	175882
LDC FRAC 4 Amended	248723	175883
LDC FRAC 5 Amended	248724	175884
RAM 1	228501	176757

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
RAM 2	228502	176758
RAM 3	228503	176759
RAM 4	228504	176760
RAM 5	228505	176761
RAM 6	228506	176762
RAM 7	228507	176763
RAM 8	228508	176764
RAM 9	228509	176765
RAM 10	228510	176766
RAM 11	228511	176767
RAM 12	228512	176768
RAM 13 Amended	245700	181276
RAM 14 Amended	245699	181277
RAM 15 Amended	245698	181278
RAM 16 Amended	245697	181279
Ram Frac 1 Amended	245696	178081
Ram Frac 2 Amended	245695	178082
Ram Frac 3 Amended	245694	178083
Ram Frac 4 Amended	245693	178084
HZ 1	224173	174639
HZ 2	224174	174640
HZ 3	224175	174641
HZ 4	224176	174642
HZ 5	224413	174643
HZ 6	224414	174644
HZ 7	224415	174645
HZ 8	224416	174646
HZ 9	224417	174647
HZ 10	224418	174648
HZ 11	224419	174649
HZ 12	224420	174650
HZ 13	224421	174651
HZ 14	224422	174652
HZ 15	231338	178085
HZ 16	231339	178086
HZ 18	231340	178087
HZ 19	224427	174657
Z 20	224428	174658
HZ 21	224193	174659
HZ 22	224194	174660
HZ 23	224195	174661
HZ 24	224196	174662
HZ 25	224197	174663
HZ 26	224198	174664

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
HZ 27	224199	174665
HZ 28	224200	174666
HZ 29	224201	174667
HZ 30	224202	174668
HZ 31	224203	174669
HZ 32	224204	174670
HZ FRAC	228967	177254
JC 1	224165	174631
JC 2	224166	174632
JC 3	224167	174633
JC 4	224168	174634
JC 5 Amended	245689	174635
JC 6	224170	174636
JC FR 7	224171	174637
JC FR 8	224172	174638
JC 9	228054	176750
JC 10	228055	176751
JC 11	228056	176752
JC-12	228057	176753
JC-13	228058	176754
JC 14	228971	177250
JC 15	228970	177251
JC 16	228969	177252
JC 17	259006	187091
JC 18	259007	187092
JC 19	259008	187093
JC 20	259009	187094
JC 21	259010	187095
JC 22	259011	187096
CHELAN NO. 1 Amended	248345	175861
GOOSE 2 Amended	259554	175863
GOOSE 3	227285	175864
GOOSE 4 Amended	259553	175865
GOOSE 6	227282	175867
GOOSE 7 Amended	259552	175868
GOOSE 8 Amended	259551	175869
GOOSE 10 Amended	259550	175871
GOOSE 11 Amended	259549	175872
GOOSE 12 Amended	259548	175873
GOOSE 13	228028	176729
GOOSE 14 Amended	259547	176730
GOOSE 15	228030	176731
GOOSE 16	228031	176732
GOOSE 17	228032	176733

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
GOOSE 18 Amended	259546	176734
GOOSE 19 Amended	259545	176735
GOOSE 20	228035	176736
GOOSE 21	228036	176737
GOOSE 22	228037	176738
GOOSE 23	228038	176739
GOOSE 24	228039	176740
GOOSE 25	228040	176741
SOUTH ID 1 Amended	248725	175874
SOUTH ID 2 Amended	248726	175875
SOUTH ID 3 Amended	248727	175876
SOUTH ID 4 Amended	248717	175877
SOUTH ID 5 Amended	248715	176743
SOUTH ID 6 Amended	248716	176744
South ID 7	306433	218216
South ID 8	306434	218217
South ID 9	306435	218218
South ID 10	306436	218219
South ID 11	306437	218220
South ID 12	306438	218221
South ID 13	306439	218222
South ID 14	306440	218223
OMS-1	307477	218904
Chip 1	248956	184883
Chip 2	248957	184884
Chip 3 Amended	277465	196402
Chip 4 Amended	277466	196403
Chip 5 Amended	277467	196404
Chip 6 Amended	277468	196405
Chip 7 Amended	277469	196406
Chip 8 Amended	277470	196407
Chip 9 Amended	277471	196408
Chip 10 Amended	277472	196409
Chip 11 Amended	277473	196410
Chip 12 Amended	277474	196411
Chip 13 Amended	277475	196412
Chip 14 Amended	277476	196413
Chip 15 Amended	277477	196414
Chip 16 Amended	277478	196415
Chip 17 Amended	277479	196416
Chip 18 Amended	277480	196417
Sun 20	306042	218133
Sun 21	306043	218134
Sun 22	306044	218135
Sun 23	306045	218136



Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
Sun 24	306046	218137
Sun 25	306047	218138
Sun 26	306048	218139
Sun 27	306049	218140
Sun 28	306050	218141
Sun 29	306051	218142
Sun 30	306052	218143
Sun 31	306053	218144
Sun 32	306054	218145
Sun 33	306055	218146
Sun 34	306056	218147
Sun 35	306057	218148
Sun 36	306058	218149
Chip 21 Fraction	306059	218113
Chip 22 Fraction	306060	218114
Chip 23	306025	218115
Chip 24	306026	218116
Chip 25	306027	218117
Chip 26	306028	218118
Chip 27	306029	218119
Chip 28	306030	218120
Chip 29	306031	218121
Chip 30	306032	218122
Chip 31	306033	218123
Chip 32	306034	218124
Chip 33	306035	218125
Chip 34	306036	218126
Chip 35	306037	218127
Chip 36	306038	218128
Chip 37	306039	218129
Chip 38	306040	218130
Chip 39	306041	218131
Chip 40	307491	218895
DRC NW 1	307492	218847
DRC NW 2	307493	218848
DRC NW 3	307494	218849
DRC NW 4	307495	218850
DRC NW 5	307496	218851
DRC NW 6	307497	218852
DRC NW 7	307498	218853
DRC NW 8	307499	218854
DRC NW 9	307500	218855
DRC NW 10	307501	218856
DRC NW 11	307502	218857
DRC NW 12	307503	218858

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
DRC NW 13	307504	218859
DRC NW 14	307505	218860
DRC NW 15	307506	218861
DRC NW 16	307507	218862
DRC NW 17	307508	218863
DRC NW 18	307509	218864
DRC NW 19	307510	218865
DRC NW 20	307511	218866
DRC NW 21	307512	218867
DRC NW 22	307513	218868
DRC NW 23	307514	218869
DRC NW 24	307515	218870
DRC NW 25	307516	218871
DRC NW 26	307517	218872
DRC NW 27	307518	218873
DRC NW 28	307519	218874
DRC NW 29	307520	218875
DRC NW 30	307521	218876
DRC NW 31	307522	218877
DRC NW 32	307523	218878
DRC NW 33	307524	218879
DRC NW 34	307525	218880
DRC NW 35	307526	218881
DRC NW 36	307527	218882
DRC NW 37	307528	218883
DRC NW 38	307529	218884
DRC NW 39	307530	218885
DRC NW 40	307531	218886
DRC NW 41	307532	218887
DRC NW 42	307533	218888
DRC NW 43	307534	218889
DRC NW 44	307535	218890
DRC NW 45	307536	218891
DRC NW 46	307537	218892
DRC NW 47	307538	218893
DRC NW 48	307539	218894
EBatt 1	307483	218896
EBatt 2	307484	218897
EBatt 3	307485	218898
EBatt 4	307486	218899
EBatt 5	307487	218900
EBatt 6	307488	218901
EBatt 7	307489	218902
EBatt 8	307490	218903
OMM-1	307478	218905

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
OMM-2	307479	218906
OMN-2	307481	218908
OMN-3	307482	218909
BTG-1	307471	218910
BTG-2	307472	218911
BTG-3	307473	218912
BTG-4	307474	218913
BTG-5	307475	218914
BTG-6	307476	218915
NFX 17	307230	218685
NFX 18	307231	218686
NFX 19	307232	218687
NFX 20	307233	218688
NFX 21	307234	218689
NFX 22	307235	218690
NFX 23	307236	218691
NFX 24	307237	218692
NFX 25	307238	218693
NFX 30	307243	218698
NFX 31	307244	218699
NFX 32	307245	218700
NFX 33	307246	218701
NFX 34	307247	218702
NFX 35	307248	218703
NFX 36	307249	218704
NFX 37	307250	218705
NFX 38	307251	218706
NFX 42	307255	218710
NFX 43	307256	218711
NFX 44	307257	218712
NFX 45	307258	218713
NFX 46	307259	218714
NFX 47	307260	218715
NFX 48	307261	218716
NFX 49	307262	218717
NFX 50	307263	218718
NFX 56	307269	218724
NFX 57	307270	218725
NFX 58	307271	218726
NFX 59	307272	218727
NFX 60 Amended	307558	218728
NFX 61	307274	218729
NFX 62	307275	218730
NFX 63	307276	218731
NFX 64	307277	218732

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
OMN-1 revised	315879	228322

Black Pine – 100% Interest Owned		
Claim Name	Book & Page County #	IMC #
NOAH #1	304761	217757
NOAH #2	304762	217758
NOAH #3	304763	217759
NOAH #4	304764	217760
NOAH #5	304765	217761
NOAH #6	304766	217762
NOAH #7	304767	217763
NOAH #8	304768	217764
NOAH #9	304769	217765
NOAH #10	304770	217766
NOAH #11 Amended	305804	218081
NOAH #12	305803	218082
NOAH #13 FRAC	305802	218083
NOAH #14	305805	218084
NOAH #15	305806	218085
NOAH #16	305807	218086
NOAH #17	305808	218087
NOAH #18	305809	218088
NOAH #19	305810	218089
NOAH #20	305811	218090
NOAH #21	305812	218091
NOAH #22	305813	218092
NOAH #23	305814	218093

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Jervois Mining Limited

ABN

52 007 626 575

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(429)	(686)
(e) administration and corporate costs	(1,158)	(2,046)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	25	1,587
1.8 Other	43	68
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,519)</b>	<b>(1,077)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment – incl. assets under construction	(1,006)	(1,007)
	(d) exploration & evaluation	(505)	(1,592)
	(e) investments	-	-
	(f) other non-current assets	(162)	(162)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	173
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – SMP Refinery Purchase Tranche 1	(3,910)	(3,910)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(5,583)</b>	<b>(6,498)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	45,000	45,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	70	309
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(990)	(990)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>44,080</b>	<b>44,319</b>

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,407	5,663
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,519)	(1,077)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,583)	(6,498)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	44,080	44,319
4.5	Effect of movement in exchange rates on cash held	(54)	(76)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>42,331</b>	<b>42,331</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	42,331	5,407
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>42,331</b>	<b>5,407</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	262
6.2	Aggregate amount of payments to related parties and their associates included in item 2	83

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	104	104
<b>7.4 Total financing facilities</b>	<b>104</b>	<b>104</b>
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Other - US government loan outstanding relating to Covid-19 stimulus payroll protection, for which forgiveness requirements have already been met.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,519)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(505)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,024)
8.4 Cash and cash equivalents at quarter end (item 4.6)	42,331
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	42,331
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>20.91</b>
<i>Note: if the entity has reported positive relevant outgoings (i.e., a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 January 2021

Authorised by: Alwyn Davey, Company Secretary  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g., Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.