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## Jervois Mining update on Idaho Cobalt development strategy

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### HIGHLIGHTS

- As previously announced, Jervois has completed its merger with eCobalt (the “Arrangement”) after receiving eCobalt shareholder and Supreme Court of British Columbia approvals.
- Following the successful completion of the Arrangement, all conditions precedent have been met and settlement of the A\$16.5 million equity placement in Jervois has occurred.
- The Idaho Cobalt Project has been renamed Idaho Cobalt Operations (“ICO”) to reflect its advanced stage of development and Jervois’s intention to transform the site into a mining operation. The site has had an estimated US\$100 million invested to date in plant and infrastructure. Together with completion of the environmental permitting process, this provides Jervois with a strong platform to complete construction.
- Jervois will update a Feasibility Study (“FS”) for the ICO. Appointments to the FS team are being undertaken, drill rigs have been secured and permits obtained. Mobilisation has commenced in support of the FS, with the summer drill programme to support final testwork and engineering for the permitted 1200stpd concentrator, and to enhance geological confidence on the mineral resource in early years of production.
- Jervois is inviting tenders for the FS from a select group of engineering groups capable of deploying in the United States to finish ICO site construction.
- In parallel, invitations are being sent for completion of a scoping study to produce refined cobalt and copper from ICO concentrate, within the state of Idaho. Jervois believes that the ICO resource potential and production scale will support downstream refining. A domestic United States refinery will improve project economics, increase investment and skilled job creation in Idaho, and also enhance the security of United States cobalt supply.
- FS (and refinery scoping study) are scheduled to be completed by end Q1 2020. Upon the close of project financing and opening of the ICO mine portals, Jervois expects a 12-month construction period with first commercial production of concentrate from in 2H 2021, ready for sale to Western customers.

Jervois Mining Limited (ASX:JRV) (TSX-V: JRV) (“Jervois”) (the “Company”) is pleased to report that it has completed its previously announced plan of arrangement with eCobalt. On Tuesday 23 July 2019, the Supreme Court of British Columbia approved the merger with eCobalt Solutions Inc. (TSX: ECS) (“eCobalt”) via the granting of the plan of arrangement with eCobalt under the Business Corporations Act (British Columbia).

Following the successful completion of the eCobalt merger, all equity placement conditions precedent have been met and the A\$16.5 million oversubscribed equity placement led by BW Equities will now close. Jervois is sufficiently well capitalized to advance both the ICO, its exploration activities in Uganda, and continuing negotiations with the governments of Uganda and Tanzania over the Kilembe cobalt-copper mine-Kasese Cobalt Refinery and the Kabanga nickel-cobalt-copper deposit respectively. Jervois is excited to have completed the mergers with both M2 Cobalt and eCobalt; ICO represents the best opportunity to transition Jervois from developer to producer status, and resources of the Company are being aggressively deployed to turn this into a reality.

The ICO is a high-grade cobalt-copper deposit and a partially completed mine site and mill located in Lemhi County outside the town of Salmon, Idaho. The mine and mill site are located on National Forest lands, and activities must adhere to United States Forestry Service (“USFS”) and Environmental Protection Authority (“EPA”) requirements – the site is environmentally permitted with an approved Plan of Operations. Jervois also envisages constructing a downstream cobalt refinery in southern Idaho, near Blackfoot. Although a site has been secured and prefabricated buildings purchased, the refinery requires further study and permitting.

Significant pre-works have been undertaken at site, with approximately US\$100 million invested thus far. Earthworks (construction of access and haul road, portal bench, mill and concentrator pads and water retention and tailings ponds) and milling equipment has been purchased (ball mill, flotation circuits, grizzlies, hoppers and conveyers). An advanced water treatment plant and control wells have been installed, main power substation and power lines have been extended to the portal bench and concentrator facilities, with access to competitive grid power connected in 2018. Major civil and earth works including concrete foundations for the concentrator were progressed in 2018. The ICO represents a partially constructed cobalt mine strategically positioned to take advantage of the forecast improvement in the cobalt market as demand for superalloys in the United States continues to grow and electrification of the global transportation industry accelerates.

To complete construction of the ICO, Jervois will finalise engineering for the permitted 1200stpd mine and concentrator in support securing final project financing. This study is anticipated to be complete by the end of Q1 2020. Historically eCobalt has completed a number of NI 43–101

compliant FS's; Jervois plans to build on previous studies to finalise the mine and mill design. Selective flotation optimisation and locked cycle testing will be applied to produce separate cobalt concentrate and a high-grade copper concentrate that will be sold in concentrate form initially, generating early cashflows from the operation and allowing accelerated commissioning and ramp up. Jervois has confidence that based on its background it can successfully place separated concentrate products on attractive commercial terms. Mineralogy will be better defined via QEMSCAN characterization, comminution characterization work will confirm the crushing and milling circuit configuration and an assessment of the suitability of ICO mineralization to ore sorting will be undertaken.

Jervois plans to order long lead items in advance of completing the FS, specifically a SAG mill once the design basis and potential growth footprint is more clearly understood. Whilst Jervois has confidence in the technical and economic potential of a larger scale operation, the currently approved Plan of Operations allows for 1,200stpd ore processing. Jervois has had initial discussions with the USFS and will work with regulators to assess how the mine can be enlarged in an environmentally responsible manner. Higher concentrate production rates will significantly improve the scale and competitiveness of a downstream cobalt refinery. At completion of the FS Jervois plans to secure project financing to construct, commission and bring the ICO into commercial operation during 2021.

In parallel, Jervois will commission a refinery scoping study, building on work previously completed by eCobalt which has undertaken multiple FS's on a cobalt refinery. The study will consider commercially proven technology to process concentrates, including third party feed through to cobalt and copper metal. Whilst Jervois believes that commissioning the mine and mill to sell concentrate in an accelerated timeframe makes best sense for the Company and Idaho, Jervois is ultimately focused on building a United States domestic cobalt refinery. Idaho has access to competitive power costs produced by hydroelectric generators and competitive skilled labour costs, which are key determinants of refinery economics. Initial discussions with Idaho politicians and local stakeholders have been positive and highlight strong local support for this initiative, with Jervois already owning land at Blackfoot Idaho on which the Company plans to establish the facility.

A combined infill and exploration drilling programme will commence in August. Infill drilling will be undertaken to reduce the spacing in between existing drill hole intercepts, supply ore for future testwork (including the refinery) and explore the footwall at the RAM deposit to test a geological model recently defined by Jervois through detailed geological structural conceptual modelling. The drilling programme will reduce mine construction and operating risk, support the refinery preliminary design and also offers resource size and production scale upside.

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The mine and concentrator will create local construction jobs, transitioning to fulltime employment of approximately 180 long term skilled labour positions. The local community and state of Idaho are set to benefit from the significant investment, with the prospect of further capital expenditure and employment in the cobalt refinery at Blackfoot further impacting positively the State of Idaho.

Jervois' experienced team have a demonstrated history of designing, financing, constructing, commissioning and operating major mining sites. Mr. Russell Bradford has been appointed as FS Project Director, operating under the leadership of Jervois's EGM Technical Services, Mr Michael Rodriguez. Mr Bradford is a mining executive and qualified metallurgist with almost 30 years of international experience, with significant project and operational exposure to base metals including cobalt and copper. Mr Bradford spent a decade at the BCL nickel-copper operations in Botswana (GM Metals Production, Smelter Manager and Concentrator Manager), LionOre International (GM Operations and Metallurgy) and Norilsk Nickel (GM Operations and Metallurgy). Mr Bradford was GM Project Development at Mantra Resources and was responsible for the Mkuju River FS, in Tanzania. Mr Bradford's most recent role was Senior Vice President – Metallurgy, for Asanko Gold, leading the FS, FEED and execution for the Obotan mine expansion in Ghana.

The ICO FS team is being established and an invitation to tender to complete the FS has been sent to a select group of engineering groups capable of deploying in the United States to finish construction under an EPC framework to facilitate project financing. In parallel with Mr Bradford coordinating the mine and mill FS to concentrate, Mr Rodriguez will engage with technical advisers for completion of a scoping study on a domestic United States cobalt refinery. The FS (and refinery scoping study) are forecast to be complete by end Q1 2020. Jervois is already in discussions with potential lenders, and a dataroom is being prepared. Upon project financing close and opening of the ICO mine adits, Jervois expects a 12-month construction period with first saleable concentrate in 2H 2021.

Cobalt is a strategically important metal for the United States and its allies. Jervois is excited to lead construction of the only domestic cobalt mine supply in the United States, a significant and important development for the security and surety of future metal supply. Australia is an important and valuable ally of the United States. As an Australian company, Jervois believes the ICO should be advanced into production as quickly as possible, not only for economic reasons, but also for the benefit of both countries' collective national security. Jervois is looking forward to continuing to work with United States political leadership and regulators in Washington DC, the State of Idaho and local communities in the Salmon, Challis and Blackfoot areas to implement this vision.

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