

# Jervois

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22 July 2022 (Australia)

ASX/TSX-V: JRV

OTCQX: JRVMF

## Jervois Quarterly Activities Report to 30 June 2022

<p><b>Jervois Global Limited</b> ACN: 007 626 575 ASX/TSXV: JRV OTCQX: JRVMF</p> <p><b>Corporate Information:</b> 1,519.7M Ordinary Shares 93.6M Options 3.8M Performance Rights</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 David Issroff</p> <p><b>Company Secretary</b> Alwyn Davey</p> <p><b>Contact Details</b> Suite 2.03, 1-11 Gordon Street Cremorne Victoria 3121 Australia</p> <p>P: +61 (3) 9583 0498 E: admin@jervoisglobal.com W: www.jervoisglobal.com</p>	<p><b>HIGHLIGHTS</b></p> <p><b>Jervois Finland:</b></p> <ul style="list-style-type: none"><li>• Q2 2022 revenue US\$91.2 million (1H 2022: US\$196.3 million)</li><li>• Q2 2022 EBITDA US\$11.9 million (1H 2022: US\$26.8 million)</li><li>• BFS commenced for expansion of Kokkola refinery</li></ul> <p><b>Idaho Cobalt Operations (“ICO”):</b></p> <ul style="list-style-type: none"><li>• On track for commissioning late Q3 2022; sustainable production at nameplate capacity expected in February 2023</li><li>• Additional US\$3.6 million committed (total US\$4.8 million in 2022) to infill and expansion drilling, with a total of 46,000 feet to be drilled in 2022</li></ul> <p><b>São Miguel Paulista (“SMP”) Nickel and Cobalt Refinery, Brazil:</b></p> <ul style="list-style-type: none"><li>• Acquisition of SMP closed on 15 July with a cash payment of R\$47.5 million; remaining R\$62.5 million cash payment of R\$125.0 million total purchase price due June 2023</li><li>• Detailed execution planning for expected restart underway</li></ul> <p><b>Corporate:</b></p> <ul style="list-style-type: none"><li>• Jervois ended June 2022 quarter with US\$57.6 million in unrestricted and unescrowed cash; US\$114.9 million including the remaining ICO Senior Bond escrow and debt service accounts (remaining proceeds released from escrow on 20 July 2022)</li><li>• Mercuria standby working capital facility limit increased from US\$75 million to US\$150.0 million in June, providing additional financial flexibility</li><li>• At end June total drawn debt was US\$150 million; as of this release date and full drawdown of ICO Senior Bond in July, current net debt of US\$90 million<sup>1</sup></li></ul>
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<sup>1</sup> Debt drawn down represents aggregate of amounts drawn under US\$150M working capital facility and amounts drawn down from Escrow Account under terms of US\$100M Senior Secured Bonds. Net debt is debt drawn down less unrestricted cash. For current net debt cash balance is based on the Company's most recent internal cash report prior to the date of release. Amounts represent the nominal loan amounts; balances recorded in the Company's financial statements under International Financial Reporting Standards will differ.

## Jervois Finland

### Q2 results:

- Quarterly revenue: US\$91.2 million (Q1 2022: US\$105.1 million)
- EBITDA margin: 13.0% (Q1 2022: 14.2%)
- Sales volume: 1,139 metric tonnes (Q1 2022: 1,446 metric tonnes)
- Production volume: 1,145 metric tonnes (Q1 2022: 1,275 metric tonnes)

### Sales and Marketing:

Jervois Finland achieved Q2 2022 revenue of US\$91.2 million, generated via quarterly cobalt sales volumes of 1,139 metric tonnes, down on the previous quarter. Volatility in both end-user demand and cobalt feed supply impacted cobalt prices and revenue. Cobalt prices (Metal Bulletin (“**MB**”) Fastmarkets Standard Grade (“**SG**”) Low) trended down from nearly US\$40.00/lb at the end of Q1 2022 to US\$26.95/lb as at 20 July 2022. The MB Fastmarkets SG Low cobalt hydroxide payable indicator also trended downwards, sitting at 63.0% at the same date.

Quarterly production was 1,145 metric tonnes, a decrease of ~11% on the previous quarter. This reduction was in part due to the planned annual maintenance shutdown in June, with also reduced reliability experienced in global supply chains that impacted cobalt feed availability early in the quarter.

Due to a catch up of raw materials supply late in the quarter, along with weakened global market demand for cobalt largely associated with Covid-19 lockdowns in China, total inventory volumes increased across the quarter. Jervois expects cobalt inventory levels to remain temporarily above levels typically targeted, to ensure profitability is optimised and risk is managed relative to ongoing supply chain challenges. Working capital is expected to normalise during the second half of 2022, with management focussed on balancing supply chain risk, commercial objectives, and liquidity management.

Jervois’ outlook for key market segments is summarised below.

### Batteries:

- Short-term battery demand has softened, driven by Covid shutdowns in China.
- In the current falling price environment there is very little spot demand for battery chemicals as customers wait for prices to stabilise.

- Despite short term volatility and supply chain destocking initiated by China, the medium- and longer-term trend of significant demand growth remains intact, with significant OEM (automaker) interest in expanding delivery commitments over time.

#### Chemicals, Catalysts and Ceramics:

- Catalysts: consumption at lower rates than previous, but stabilising. Jervois continues to see new opportunities, specifically in North America later this year.
- Chemicals: consumption in key applications such as copper electrowinning, rubber chemicals, animal feed, plating and specialty chemicals remains stable, although regional demand dynamics vary. Supply chain adjustments activity has resulted in delayed shipments. In Asian markets, specifically Japan and Korea, premiums are lower due to increased competition associated with the previously mentioned Covid lockdowns in China triggering mass destocking of Chinese industry and cobalt trade.
- Ceramics: demand for pigments production is slowing as producers mull the impact of significant energy cost increases and the falling cobalt price; pigment applications using cobalt are typically more elastic in nature, particularly relative to price inelasticity of other cobalt consuming industries. Cobalt usage in the smaller glass application segment remains stable.

#### Powder Metallurgy

- Outlook for 2022 remains stable, but more customers are expressing concern regarding the last four months of the year as inflation rates increase and the possibility of a recession grows
- All markets remain stable except automotive which is variable dependent upon customer and geography; the automotive sector is largely expected to remain this way until semiconductor and parts availability improves.
- Aerospace continues to incrementally improve, as outside of China the rest of the world and associated movement of persons and goods normalises post Covid.

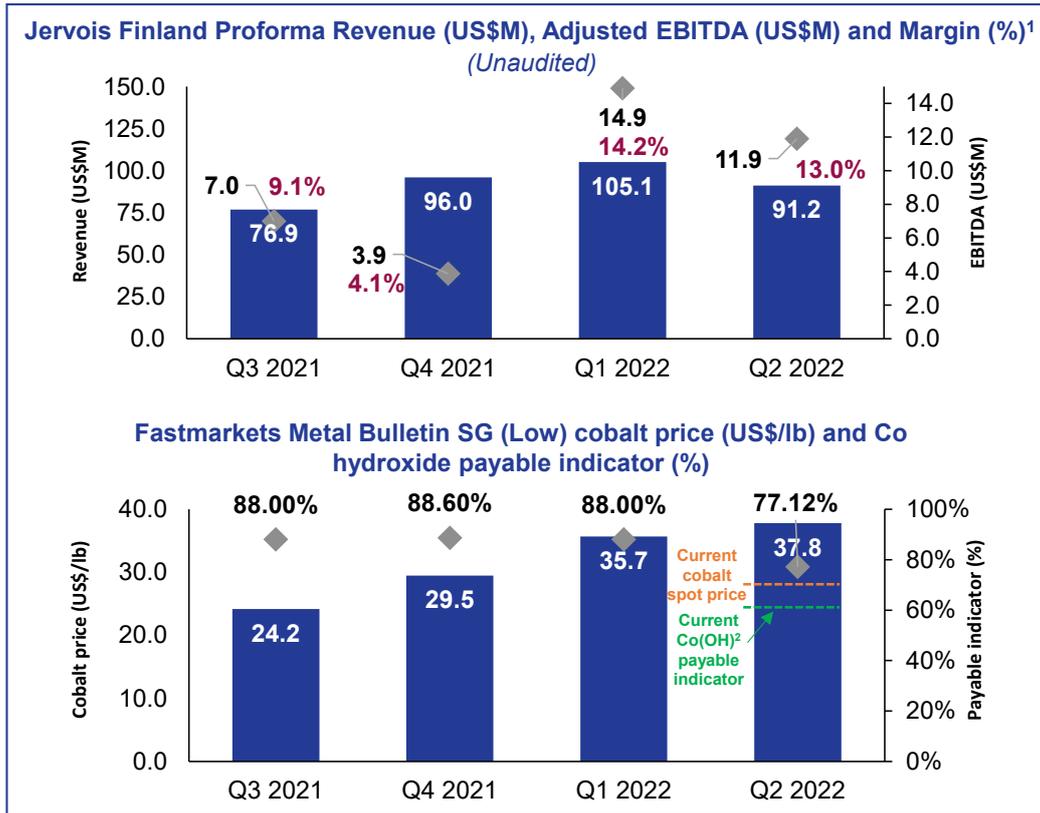
#### **Financial Performance<sup>2</sup>**

Jervois Finland achieved Q2 2022 revenue of US\$91.2 million. The Q2 2022 adjusted EBITDA of US\$11.9 million compared to US\$14.9 million in the prior quarter.

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<sup>2</sup> Information on the basis of preparation for the financial information included in this Quarterly Activities report is set out on page 13 below.

Figure 1: Jervois Finland Financial Metrics and Market Price Indicators



### Earnings Guidance

As a result of lower cobalt prices and sales volumes, Jervois has revised EBITDA full year 2022 guidance to US\$35.0 million to US\$40.0 million based on a US\$27.50/lb forecast cobalt price assumption for the remainder of the year, from US\$50 million to US\$55 million which was based on a US\$39.75/lb forecast cobalt price assumption at the end of Q1 2022.

Table 1: Updated 2022 EBITDA guidance for Jervois Finland.

	CY 2022 guidance update	Previous guidance
2H 2022 Cobalt price (Metal Bulletin Fastmarkets Standard Grade) – US\$/lb	27.50	39.75
CY2022 sales volumes guidance – tonnes	5,500 to 5,750	5,750 to 6,000
CY2022 EBITDA guidance – US\$M	35 to 40	50 to 55

Key factors that underpin the guidance update are as follows:

- Guidance is based on actual cobalt price (MB Fastmarkets SG Low) of US\$36.70/lb for 1H 2022, and a forecast price of US\$27.50/lb price the second half of the year. The spot MB Fastmarkets SG Low price on 20 July 2022 was US\$26.95/lb.
- Lower sales guidance (previously 5,750 to 6,000 tonnes) principally due to weaker end use demand in key end use segments due to the factors detailed previously within the Jervois Finland cobalt market update.
- Expected inventory profile for 2022 drives higher than average feed cost realisation in the profit and loss account in second half (lower than average in first half).
- Recent declines in market cobalt hydroxide expected to take time to translate into cost and EBITDA benefits (new purchases recorded in inventory).
- Guidance assumes constant prices for 2H 2022 – price volatility in the period will impact actual EBITDA outcome.

### **Jervois Finland Expansion Plans**

In May, Jervois announced the commencement of a Bankable Feasibility Study (“BFS”) to assess the expansion of its production of refined cobalt to at least 6,000 metric tonnes of additional annual cobalt refining capacity at Kokkola Industrial Park, Finland. Current finished product capacity is 11,000 metric tonnes per annum of contained cobalt, significantly higher than the refining tolling capacity available to Jervois at Umicore’s refinery.

An expansion of refining capacity is expected to be available in conjunction with forecast increased cobalt demand in the second half of this decade, largely associated with rising electric vehicle penetration.

The expansion advances the Company’s strategy to become a globally significant supplier of speciality chemicals and advanced manufactured cobalt products into battery and other industries.

Initial commercial discussions with both final product customers and refinery feed suppliers (including recyclers) are underway.

Expansion timing will be determined in conjunction with key customers and will not require any near-term material financial investment for Jervois. Technical partner selection processes in Finland are underway, covering key workstreams such as flowsheet piloting, process engineering and environmental and other permitting.

## Idaho Cobalt Operations (“ICO”), United States

In June, Jervois announced it expected to commence commissioning the plant at ICO in September 2022 with first ore through the mill in October 2022 and sustainable, full rate ore processing forecast by February 2023.

With detailed engineering, procurement, and commitments all more than 90% complete, Jervois revised final forecast capital expenditure to bring ICO into production to US\$107.5 million (from US\$99.1 million), an increase of ~7.5%. Project construction experienced cost pressures due to the significant United States inflationary environment, compounded in recent months due to contractor shortages and poor weather conditions across May and June. Weather-related delays have affected site installation for the accommodation camp, which is now expected to be operable in August.

In July, ICO completed the second and final draw down of the US\$100.0 million Senior Secured Bonds (“**Bonds**”). The second draw down, of US\$51 million, follows the July 2022 visit to site by RPM Global, engaged in its capacity as Independent Engineer on behalf of the Bondholders. RPM Global submitted an affirmed Cost to Complete test to the Bonds trustee, confirming ICO is fully funded to completion.

### ICO Construction and Mine Development Progress

As of June, mine development continued at ~27 feet per day. Planned increases to underground working faces, improved water management and road conditions, as well as additional personnel and greater utilisation of existing and future mining equipment on site are expected to continue to improve mine development productivity. Jervois and its mining contractor, Small Mine Development, remain confident in the revised mining production targets that underpin the capital cost update.

The SAG mill, ball mill and crusher are each in place, and work continues with facilities construction and equipment placement.

An official opening ceremony is scheduled at site for 7 October 2022 with expected participation of United States political leadership and Australian government delegates.

At end June, Jervois had spent US\$66.9 million of the total capital expenditure budget. Capital expenditure in Q2 2022 was US\$25.6 million.

### Drilling at ICO

The previously announced initial US\$1.2 million infill programme, commenced in Q1 2022, is set to be complete in August this year. Infill drilling rates over 200 feet per day are being

achieved as part of a 19,000 feet underground campaign to decrease hole space aiming to enhance ore body knowledge and de-risk early mining.

In June, Jervois approved an additional US\$3.6 million for drilling to complete additional infill and first expansion drilling from both surface and underground platforms to further define and expand its RAM deposit within ICO. This will take total planned drilling footage in 2022 to 46,000 feet.

Both drilling campaigns will improve ICO's resource model and will be used to develop a production block model for both short- and medium-term mining operations and will target expansion down dip of the currently defined and known deposit. The RAM deposit remains open at depth and along strike, and Jervois has confidence that there exists a strong potential of both resource and reserve expansion. Consistent with this expectation, planning is underway in relation to Jervois' neighbouring Sunshine deposit and historical mineral resource, with preparations for a 2023 summer drill programme well underway. The historical Sunshine cobalt resource is located a short traverse to the ICO mill and concentrator currently under construction.

ICO is a key asset in delivering Jervois' strategy to become a leading independent cobalt and nickel company providing metals and minerals for the world's energy transition through a western supply chain. When commissioned in Q3 2022, ICO will be the United States' only domestic mine supply of cobalt, a critical mineral used in applications across industry, defence, energy, and electric vehicles.

### **São Miguel Paulista ("SMP") Nickel and Cobalt Refinery, Brazil**

In July, Jervois completed the acquisition from Companhia Brasileira de Alumínio ("CBA") of 100% of the São Miguel Paulista nickel cobalt refinery ("SMP") in São Paulo, Brazil. SMP is Latin America's only electrolytic class 1 nickel and cobalt refinery, and operated successfully for over 30 years prior to being placed on care and maintenance by CBA when its vertically integrated mine was also closed due to low metal prices.

Total consideration to be paid for the acquisition is R\$125.0 million in cash. Jervois paid the initial R\$15.0 million payment in late 2020 when the acquisition was publicly announced and a further R\$47.5 million on closing in accordance with the previously announced terms of the purchase agreement. The remaining R\$62.5 million is to be paid on the earlier to occur of commencement of commercial production at SMP and June 2023, per the purchase agreement (which Jervois expects to be June 2023 based on SMP's current restart schedule).

A Jervois technical and commercial team is currently working onsite at SMP undertaking detailed planning for the expected restart.

In April, Jervois released a BFS for Stage 1 of the SMP restart to process mixed nickel hydroxide (“MHP”) and cobalt hydroxide through to metal.

Jervois forecasts to produce 10,000 metric tonnes per annum (“mtpa”) and 2,000 mtpa of refined nickel and cobalt metal cathode respectively in Stage 1, with Net Present Value (“NPV”) of US\$228 million and US\$141 million at an 8% (real) discount rate on a pre-tax and post-tax basis respectively; nominal Internal Rate of Return (“IRR”) of 47% (pre-tax) and 35% (post-tax).<sup>3</sup>

The supplemental Stage 1 BFS, including POX for sulphide concentrates, is due at the end Q3 2022. Engineering is currently focused on debottlenecking, accelerating the restart and enhancing nickel through-put capacity associated with Stage 1. Jervois is targeting a return to the full 25,000mtpa refined nickel production, but not at the expense of accelerated restart timing, risk optimisation and a staged, capital efficient approach.

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

Jervois’s 100%-owned Nico Young nickel and cobalt project envisages heap leaching nickel and cobalt laterite ore to produce either an intermediate MHP or refining through to battery grade nickel sulphate and cobalt in refined sulphide.

Planning for Jervois’s drilling campaign at Nico Young is well underway, with an initial focus on converting inferred resources into the indicated category.

### **Corporate Activities**

#### Liquidity

Jervois ended the June 2022 quarter with US\$57.6 million in cash (excluding restricted cash associated with the US\$100 million ICO Senior Secured Bond). The US\$51 million in the Escrow Account (restricted cash) was subsequently released on 20 July 2022 once requisite conditions were met.

In June, Jervois announced its subsidiaries, Jervois Suomi (Holding) Oy and Jervois Finland Oy, increased the secured loan facility (the “Facility”) with Mercuria Energy Trading SA, a wholly-owned subsidiary of Mercuria Energy Group Limited, by US\$75 million to US\$150 million.

Key terms of the Facility remain consistent with Jervois’ announcement to the market on 29 October 2021.

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<sup>3</sup> See ASX Announcement “BFS for Sao Miguel Paulista refinery restart” dated 29 April 2022

Jervois elected to draw US\$25.0 million of this additional facility in June, taking the total balance out to US\$100.0 million. Up to US\$50.0 million is permitted to be transferred out of the Jervois Finland group of companies for other general purposes in the Jervois group including, for example, funding of the Group's development activities in the United States and Brazil.

At June period end total debt was US\$150 million; as of this release date, it has increased to US\$200 million associated with full drawdown of the ICO Senior Secured Bond. Cash (all unrestricted) on hand had also increased to US\$110 million associated with the final drawdown of the ICO Senior Secured Bond, leading to net debt of US\$90 million.

### Jervois Annual General Meeting

At its Annual General Meeting held on 6 May 2022, all resolutions passed via poll.

### Investor Relations

Management hosted investor and equity analyst visits at its ICO and Jervois Finland sites during the quarter as well as participating in Canaccord Genuity's virtual Cobalt Conference and Morgan Stanley Australia's Battery Materials & Clean Tech Investor Day, both held in June.

In August, Jervois' Chief Executive Officer, Mr. Bryce Crocker, will present at the Diggers & Dealers Mining Forum in Kalgoorlie, Australia.

### Environmental, Social, Governance and Compliance

#### *Jervois-Idaho Conservation League Partnership*

In May, Jervois announced it had awarded US\$0.15 million to three restoration projects as part of the Upper Salmon Conservation Action Program ("USCAP"), created in partnership with the Idaho Conservation League ("ICL"). Recipients were:

- The Idaho Department of Fish and Game in collaboration with Salmon-Challis National Forest, US\$0.08 million, to remove two problematic culverts blocking fish access to an important tributary of the Salmon River, which will allow endangered fish species back into a 10-mile section of prime river habitat.
- White Clouds Preserve, US\$0.06 million, to expand ongoing riparian restoration work along the East Fork of the Salmon River, an important habitat for ESA-listed Chinook salmon, steelhead and bull trout.
- Western Rivers Conservancy, US\$0.02 million, to assist with the acquisition of a key parcel of land along Panther Creek, a major tributary of the Salmon River.

The USCAP supports protection and restoration of fish and wildlife habitats, including water quality and biodiversity within the Upper Salmon River basin. Jervois will contribute US\$0.15 million annually to USCAP throughout the operational life of ICO.

#### *Jervois-HALO Trust Partnership*

Following Russia's invasion of Ukraine, Jervois commenced a dollar-for-dollar matching funds programme with its employees to support United Kingdom charity The HALO Trust ("**HALO**"; [www.halotrust.org](http://www.halotrust.org)). HALO is internationally respected and renowned as the oldest and largest humanitarian landmine clearance organisation in the world, and has been entrenched in Eastern Ukraine since 2016. HALO's 400+ personnel based in Ukraine are trained paramedics, many of whom have been providing medical treatment, supporting evacuations, and providing emergency assistance under dangerous conditions. HALO has a central role in enabling safe delivery of humanitarian aid and passage of aid workers, evacuees and returnees by assessing explosives risks and clearing munitions along transport corridors and among affected communities.

Jervois and its matched employees' donations are ringfenced to Ukraine, with US\$0.1 million made during the quarter.

#### *Diversity and Inclusion*

During the quarter, Jervois established a Diversity and Inclusion Working Group which will develop a roadmap of strategies and actions to support an inclusive culture and diverse workplace. This in line with Jervois' core values and principles and aims to bring out the best within our workforce, create a pipeline for promotion from within and conditions to attract talent from outside while more broadly yielding enhanced productivity, innovation, decision-making and motivation.

#### *Industry Engagement*

During the quarter, Jervois participated in the Cobalt Institute Annual Cobalt Conference in Zurich, Switzerland. Key outcomes included training to enhance the company's capacity to meet the requirements of EU legislation concerning human rights and environmental justice expectations of companies working within or with supply chain links to EU-based companies.

Also during the quarter, Jervois joined the United States' Critical Materials Initiative and the National Mining Association.

In June, Jervois took part in a panel discussion at the prestigious SelectUSA Investment Summit in Washington, DC., with over 3,600 participants from more than 70 countries. Dr.

Jennifer Hinton, Jervois' Group Manager – ESG, shared insights into Jervois' experience operating in Salmon, Idaho, in a panel moderated by Ms. Alejandra Castillo, Assistant Secretary of Commerce for Economic Development.

### **Management Updates**

In June, Ms. Alicia Brown joined as Jervois' Group Manager – External Affairs at the Company's corporate office in Melbourne, Australia.

Ms. Brown has more than 25 years of experience, including three years with the Australian Government Department of Defence in Canberra, and 12 years in leadership roles at global mining company MMG Ltd (“**MMG**”), where she was responsible for leading acquisition and divestment transactions, including management of all key stakeholder relationships and associated regulatory approvals. Prior to her role leading mergers and acquisitions projects, Ms. Brown spearheaded strategy and country and political analysis for MMG and its predecessor companies in Australia.

In her role as Group Manager – External Affairs, Ms. Brown will lead global co-ordination of government relations for Jervois, maximising effectiveness and alignment of activities to group strategy and management of key relationships. The role also provides Jervois with additional leadership support for the evaluation of future acquisition opportunities or other corporate transactions as circumstances require.

### **Exploration and Development Expenditure**

No material cash expenditure on exploration and development was incurred during the quarter. Activities at ICO are now classified as Assets Under Construction and incurred cash expenditure of US\$25.6 million in the quarter.

### **Insider Compensation Reporting**

During the quarter, US\$nil was paid to Non-Executive Directors and US\$0.1 million was paid to the CEO (Executive Director).

### **NON-CORE ASSETS**

Jervois' non-core assets are summarised on the Company's website.

## 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 30 June 2022, 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 expired in the quarter:	1,344,750

eCobalt options remaining\*

1,179,750	eCobalt options exercisable until 28 June 2023 at C\$0.61 each
1,980,000	eCobalt options exercisable until 1 October 2023 at C\$0.53 each
<u>3,159,750</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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## **BASIS OF PREPARATION OF FINANCIAL INFORMATION**

Historical financial information for Jervois Finland prior to acquisition by Jervois Global Limited on 1 September 2022 is based on unaudited financial statements that have been prepared in accordance with US GAAP and accounting principles applied under its ownership by Freeport McMoRan Inc. Financial information presented for the period prior to acquisition by Jervois Global on 1 September 2021 is presented on a proforma basis for illustrative purposes only.

Financial information presented for periods after acquisition on 1 September 2021 is prepared under Jervois group accounting policies, which conform with Australian Accounting Standards (“AASBs”) and International Financial Reporting Standards (“IFRS”). The Jervois Finland financial results for the period post-acquisition are consolidated into the Jervois Global consolidated financial statements. Information presented is unaudited. EBITDA for historical periods is presented as net income after adding back tax, interest, depreciation and extraordinary items and is a non-IFRS/non-GAAP measure.

The Jervois Finland 2022 guidance consists of actual results for January to June and forecast results for July to December. The forecast period includes an assumption of a forecast quoted cobalt price of US\$27.50/lb. Other forecast assumptions, including production, sales plans, costs and exchange rates are based on Jervois’ internal estimates.

Adjusted EBITDA represents EBITDA attributable to Jervois, adjusted to exclude items which do not reflect the underlying performance of the company’s operations. Exclusions from adjusted EBITDA are items that require exclusion in order to maximise insight and consistency on the financial performance of the company’s operations. Exclusions include gains/losses on disposals, impairment charges (or reversals), certain derivative items, and one-off costs related post-acquisition integration. A reconciliation of EBITDA to Adjusted EBITDA for Jervois Finland is included in the Investor Presentation dated 22 July 2022.

### ***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 future EBITDA for the group, operations at Jervois Finland, construction work to be undertaken at ICO, timing of production at ICO, preparation of studies on the SMP refinery, timing of restart of SMP refinery, utilisation of the working capital facility and 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.*

*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.*

## 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
West Arunta (WA)	E80 4820	17.9
West Arunta (WA)	E80 4986	17.9
West Arunta (WA)	E80 4987	17.9

### 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	EL1673	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

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

## Appendix 5B

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

Name of entity

Jervois Global Limited

ABN

52 007 626 575

Quarter ended ("current quarter")

30 June 2022

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$US'000</b>	<b>Year to date (6 months) \$US'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	98,274	194,107
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(120,628)	(213,999)
	(d) staff costs	(1,295)	(3,319)
	(e) administration and corporate costs	(1,310)	(2,809)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	7
1.5	Interest and other costs of finance paid	(1,547)	(8,847)
1.6	Income taxes paid	(539)	(4,125)
1.7	Government grants and tax incentives	-	-
1.8	Other – incl. business development costs and SMP BFS costs	(1,312)	(2,568)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(28,351)</b>	<b>(41,553)</b>

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

<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	(28,111)	(49,056)
	(d) exploration & evaluation	(42)	(50)
	(e) acquisition of subsidiaries	-	-
	(f) transfer tax on acquisition	-	-
	(g) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	1,230	1,230
	(d) investments	-	-
	(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: lease payment	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(26,923)</b>	<b>(47,876)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	221
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(847)
3.5	Proceeds from borrowings	25,000	98,750
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>25,000</b>	<b>98,124</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	88,225	49,181
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(28,351)	(41,553)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(26,923)	(47,876)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	25,000	98,124
4.5	Effect of movement in exchange rates on cash held	(391)	(316)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>57,560</b>	<b>57,560</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 \$US'000</b>	<b>Previous quarter \$US'000</b>
5.1	Bank balances	57,560	88,225
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>57,560</b>	<b>88,225</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$US'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	104
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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

7. <b>Financing facilities</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>	<b>Total facility amount at quarter end \$US'000</b>	<b>Amount drawn at quarter end \$US'000</b>
7.1 Bond Facility <sup>1</sup>	100,000	50,000
7.2 Secured Revolving Credit Facility <sup>2</sup>	150,000	100,000
7.3 Other	-	-
<b>7.4 Total financing facilities</b>	<b>250,000</b>	<b>150,000</b>
<b>7.5 Unused financing facilities available at quarter end (\$US'000)</b>		<b>100,000</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.		
<p>1. Bond Facility – US\$100.0 million:</p> <p>On 20 July 2021 the Company completed settlement of a US\$100.0 million senior secured bond facility. The bonds were issued by the Company's wholly owned subsidiary, Jervois Mining USA Limited, and are administered by the bond trustee, Nordic Trustee AS. During the previous quarter, Jervois Mining USA Limited completed the first US\$50.0 million drawdown on the bonds.</p> <p>Key terms:</p> <ul style="list-style-type: none"> <li>• Issuer: Jervois Mining USA Limited (wholly owned subsidiary of the Company).</li> <li>• Maturity: 5-year tenor with a maturity date of 20 July 2026.</li> <li>• Original issue discount of 2%.</li> <li>• Coupon rate: 12.5% per annum with interest payable bi-annually.</li> <li>• No amortisation – bullet payment on maturity.</li> <li>• Non-callable for 3 years, after which callable at par plus 62.5% of coupon, declining rateably to par in year 5.</li> <li>• Transaction security: First priority security over all material assets of the Issuer, pledge of all the shares of the Issuer, intercompany loans.</li> </ul> <p>2. Secured Revolving Credit Facility – US\$150.0 million:</p> <p>On 28 October 2021 the Company's wholly owned subsidiaries, Jervois Suomi Holding Oy and Jervois Finland Oy (together, "the Borrowers"), entered into a secured loan facility with Mercuria Energy Trading SA, a wholly owned subsidiary of Mercuria Energy Group Limited, to borrow up to US\$75 million. The facility was fully drawn as of 31 March 2022. On 3 June 2022, the Borrowers increased the facility to US\$150 million through the execution of the Accordion Increase (as contemplated in the facility agreement entered into on 28 October 2021).</p> <p>Key terms:</p> <ul style="list-style-type: none"> <li>• Borrowers: Jervois Suomi Holding Oy and Jervois Finland Oy (wholly owned subsidiaries of the Company).</li> <li>• Maturity: rolling facility to 31 December 2024.</li> <li>• Interest rate: LIBOR + 5.0% per annum.</li> <li>• Transaction security: First priority security over all material assets of Jervois Finland, including inventory, receivables, collection account, and shares in Jervois Finland.</li> </ul>		

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

<b>8. Estimated cash available for future operating activities</b>	<b>\$US'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(28,351)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(42)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(28,393)
8.4 Cash and cash equivalents at quarter end (item 4.6)	57,560
8.5 Unused finance facilities available at quarter end (item 7.5)	100,000
8.6 Total available funding (item 8.4 + item 8.5)	157,560
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	5.55
<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: N/A	
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: N/A	
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: N/A	
<i>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.</i>	

**Compliance statement**

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

Date: 22 July 2022

Authorised by: Disclosure Committee  
(Name of body or officer authorising release – see note 4)

**Notes**

- 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

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

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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.