



Jervois Global Limited

(ABN 52 007 626 575)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited – Expressed in Australian Dollars)

For the three and six months ended 30 June 2021

and 30 June 2020

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES

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JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Condensed Consolidated Statement of Financial Position
As at 30 June 2021 and 31 December 2020 (Unaudited)

	Note	30 June 2021 A\$'000	31 December 2020 A\$'000
Current assets			
Cash and cash equivalents	6	33,266	42,331
Other receivables	7	39	50
Prepayments		368	369
Term deposits		116	116
Inventories		19	78
Total current assets		33,808	42,944
Non-current assets			
Security deposits		158	158
Exploration and evaluation	8	7,195	7,171
Property, plant, and equipment	9	84,024	74,114
Intangible assets		363	418
Reclamation deposits	10	2,969	2,813
Right-of-use asset		32,442	31,847
Total non-current assets		127,151	116,521
Total assets		160,959	159,465
Current liabilities			
Trade and other payables	11	6,071	811
Employee benefits	12	295	255
Loans		-	104
Lease liability		13,279	13,195
Total current liabilities		19,645	14,365
Non-current liabilities			
Deferred tax liabilities		-	36
Employee benefits	12	20	19
Asset retirement obligation	13	10,291	9,808
Lease liability		15,403	13,720
Total non-current liabilities		25,714	23,583
Total liabilities		45,359	37,948
Net assets		115,600	121,517
Equity			
Share capital	14	211,732	208,937
Reserves		10,574	7,524
Accumulated losses		(106,706)	(94,944)
Total equity attributable to equity holders of the Company		115,600	121,517

The above statement of financial position should be read in conjunction with the accompanying notes

Approved on behalf of the Board on 16 August 2021:

(signed) "Peter Johnston"

Peter Johnston, Director

(signed) "Bryce Crocker"

Bryce Crocker, Director

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the three and six months ended 30 June 2021 and 30 June 2020 (Unaudited)

Note	Three months	Three months	Six months	Six months
	ended 30 June	ended 30 June	ended 30 June	ended 30 June
	2021	2020	2021	2020
	A\$'000	A\$'000	A\$'000	A\$'000
Other income	119	73	147	111
Administrative expenses	(40)	(26)	(145)	(1)
Communication expenses	(38)	(24)	(47)	(17)
Employee benefits expenses	(1,374)	(302)	(2,310)	(689)
Share-based payments	15 (762)	(696)	(1,883)	(1,444)
Insurance premiums	(15)	-	(15)	-
Professional fees	(504)	(495)	(729)	(836)
Business development costs	(2,807)	(25)	(3,147)	(234)
Securities quotation fees	(41)	(28)	(202)	(86)
Tenancy and property costs	(5)	(4)	(8)	(9)
Other expenses	(1,672)	(119)	(1,766)	(232)
Depreciation and amortisation	(332)	(39)	(668)	(140)
Impairment of exploration assets	(6)	(1,063)	(6)	(1,063)
Professional fees incurred with M2 Cobalt and eCobalt acquisitions	-	(7)	-	(20)
Fair value adjustment	-	95	-	93
(Loss)/gain on sale of fixed assets	(16)	99	(16)	97
Net foreign exchange gain	1,092	198	305	198
Interest income	-	-	-	12
Interest expense	(608)	(38)	(1,272)	(38)
Loss before income tax expense	(7,009)	(2,401)	(11,762)	(4,298)
Income tax expense	-	-	-	-
Loss for the period	(7,009)	(2,401)	(11,762)	(4,298)
Loss after income tax expense for the period attributable to the owners of Jervois Global Limited	(7,009)	(2,401)	(11,762)	(4,298)
Other comprehensive income:				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Exchange reserve arising on translation of foreign operations	1,528	(11,693)	1,252	2,735
Total other comprehensive income	1,528	(11,693)	1,252	2,735
Total comprehensive loss for the period attributable to the owners of Jervois Global Limited	(5,481)	(14,094)	(10,510)	(1,563)
Loss per share for the year attributable to the owners of Jervois Global Limited				
Basic loss per share (A\$ cents)	5 (0.87)	(0.37)	(1.47)	(0.67)
Diluted loss per share (A\$ cents)	5 (0.87)	(0.37)	(1.47)	(0.67)
<i>Weighted average ordinary shares outstanding:</i>				
Basic and diluted (number of shares)	802,291	642,073	801,229	641,852

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2021 and 30 June 2020 (Unaudited)

	Issued capital A\$'000	Share capital reserve A\$'000	Share-based payment reserve A\$'000	Foreign currency translation reserve A\$'000	Retained earnings A\$'000	Total A\$'000
Balance as at 1 January 2021	208,937	2,245	13,981	(8,702)	(94,944)	121,517
Total comprehensive income						
Loss for the period	-	-	-	-	(11,762)	(11,762)
<i>Other comprehensive income</i>						
Foreign currency translation differences for foreign operations	-	-	-	1,252	-	1,252
Total comprehensive income for the period	-	-	-	1,252	(11,762)	(10,510)
Transactions with owners, recorded directly in equity						
Issue of ordinary shares	2,549	-	-	-	-	2,549
Costs of raising equity	-	-	-	-	-	-
Value of options issued	-	-	1,883	-	-	1,883
Share-based payment transactions	246	-	(85)	-	-	161
Balance as at 30 June 2021	211,732	2,245	15,779	(7,450)	(106,706)	115,600

The above statement of changes in equity should be read in conjunction with the accompanying notes

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2021 and 30 June 2020 (Unaudited)

	Issued capital A\$'000	Share capital reserve A\$'000	Share-based payment reserve A\$'000	Foreign currency translation reserve A\$'000	Retained earnings A\$'000	Total A\$'000
Balance as at 1 January 2020	164,397	2,245	11,307	(654)	(66,507)	110,788
Total comprehensive income						
Loss for the period	-	-	-	-	(4,298)	(4,298)
<i>Other comprehensive income</i>						
Foreign currency translation differences for foreign operations	-	-	-	2,735	-	2,735
Total comprehensive income for the period	-	-	-	2,735	(4,298)	(1,563)
Transactions with owners, recorded directly in equity						
Issue of ordinary shares	80	-	-	-	-	80
Costs of raising equity	(1)	-	-	-	-	(1)
Value of options issued	-	-	3,509	-	-	3,509
Share-based payment transactions	-	-	(2,065)	-	-	(2,065)
Balance as at 30 June 2020	164,476	2,245	12,751	2,081	(70,805)	110,748

The above statement of changes in equity should be read in conjunction with the accompanying notes

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES

Condensed Consolidated Statement of Cash Flows

For the three months and six months ended 30 June 2021 and 30 June 2020 (Unaudited)

		Three months ended 30 June 2021	Three months ended 30 June 2020	Six months ended 30 June 2021	Six months ended 30 June 2020
	Note	A\$'000	A\$'000	A\$'000	A\$'000
Cash flows from operating activities					
Sundry income		-	73	4	111
Payments to suppliers and employees		(2,081)	(956)	(3,495)	(1,871)
Business development costs		(1,813)	1,991	(2,108)	1,770
Interest		-	(39)	-	(39)
Net cash (outflow)/inflow from operating activities		(3,894)	1,069	(5,599)	(29)
Cash flows from investing activities					
Interest received		-	1	-	13
Payments for property, plant, and equipment		(2,911)	(95)	(4,800)	(227)
Payments for exploration and evaluation		(13)	(3,636)	(53)	(6,960)
Proceeds from sale of fixed assets		25	354	30	354
R&D tax offset received for exploration assets	8	62	-	62	-
Net cash outflow from investing activities		(2,837)	(3,376)	(4,761)	(6,820)
Cash flows from financing activities					
Proceeds from issue of shares		-	78	2,709	78
Share issue transaction costs		-	1	-	1
Repayment of lease liability		(1,143)	-	(1,489)	-
Net cash (outflow)/inflow from financing activities		(1,143)	79	1,220	79
Net decrease in cash and cash equivalents		(7,874)	(2,228)	(9,140)	(6,770)
Cash and cash equivalents at the beginning of the period		41,039	7,956	42,331	12,426
Effects of exchange rate changes on cash and cash equivalents		101	(65)	75	7
Cash and cash equivalents at the end of the period	6	33,266	5,663	33,266	5,663

The above statement of cash flows should be read in conjunction with the accompanying notes

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended 30 June 2021 and 30 June 2020

1. Corporate information

The financial statements cover Jervois Global Limited as a consolidated entity consisting of Jervois Global Limited (“Jervois” or the “Company”) and the entities it controlled (together referred to as the “Group”) at the end of, or during, the three and six months ended 30 June 2021 (the “period”). The financial statements are presented in Australian dollars, which is Company’s functional and presentation currency.

Jervois is a listed public company limited by shares, incorporated in Australia, with a registered office at:

Suite 508,
737 Burwood Road
Hawthorn East, Victoria, 3123, Australia

2. Principal activities

The principal activities of the Group during the period were mineral exploration and evaluation and mine construction.

3. Basis of preparation

a. Statement of compliance

The interim consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (“AASBs”) (AASB 134 Interim Financial Reporting) adopted by the Australian Accounting Standards Board (“AASB”) and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and other authoritative pronouncements of the AASB, and the Corporations Act 2001. These statements have been rounded to the nearest thousands in accordance with ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191.

The interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2020. The Group is a for-profit entity for financial reporting purposes under AASBs. The annual consolidated financial statements comply with IFRS, as issued by the IASB.

The same accounting policies, presentation and methods of computation have been followed in these interim consolidated financial statements as were applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020.

b. New or amended accounting standards

The consolidated entity has adopted all the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended 30 June 2021 and 30 June 2020

4. Segment reporting

The Group is organised into the following reportable segments: mineral exploration and evaluation in Australia, mine development in the United States of America and mineral processing in Brazil. These segments are based on the internal reports that are reviewed and used by the Company's Chief Executive Officer (the Chief Operating Decision Maker) in assessing performance and in determining the allocation of resources.

The accounting policies used by the Company in reporting segments internally are the same as those used in the 31 December 2020 annual financial report. The Group's operating segments are outlined below:

Australia	Includes Nico Young and other Australian tenement licenses held.
Brazil	Includes the São Miguel Paulista refinery currently under lease in São Paulo, Brazil.
United States of America	Includes the Idaho Cobalt Operation ("ICO") cobalt-copper-gold mine under construction in Lemhi County outside of the town of Salmon, Idaho.
Other	Consists of non-core exploration not related to Australia and the United States, corporate costs, including acquisition costs and financing costs. This is not a reportable segment.

Management monitors the expenditure outlays of each segment for the purpose of cost control and making decisions about resource allocation. The Company's administration and financing functions are managed on a group basis and are included in "Other". Information regarding these segments is presented below:

Three months ended 30 June 2021	Australia A\$'000	Brazil A\$'000	USA A\$'000	Other A\$'000	Total A\$'000
Other income	-	-	104	15	119
Segment expense	(56)	(1,395)	(753)	(5,076)	(7,280)
Depreciation and amortisation	-	(258)	(69)	(5)	(332)
Interest expense	-	(608)	-	-	(608)
Net foreign exchange (loss)/gain	-	-	(103)	1,195	1,092
Segment result	(56)	(2,261)	(821)	(3,871)	(7,009)
Segment assets	8,109	32,682	86,562	33,606	160,959
Segment liabilities	-	(28,746)	(14,183)	(2,430)	(45,359)

Six months ended 30 June 2021	Australia A\$'000	Brazil A\$'000	USA A\$'000	Other A\$'000	Total A\$'000
Other income	-	-	104	43	147
Segment expense	(98)	(1,544)	(796)	(7,836)	(10,274)
Depreciation and amortisation	-	(532)	(127)	(9)	(668)
Interest expense	-	(1,272)	-	-	(1,272)
Net foreign exchange gain	-	-	5	300	305
Segment result	(98)	(3,348)	(814)	(7,502)	(11,762)
Segment assets	8,109	32,682	86,562	33,606	160,959
Segment liabilities	-	(28,746)	(14,183)	(2,430)	(45,359)

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
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For the three and six months ended 30 June 2021 and 30 June 2020

Three months ended 30 June 2020	Australia A\$'000	Uganda A\$'000	USA A\$'000	Other A\$'000	Total A\$'000
Other income	-	-	22	51	73
Segment expense	(396)	(667)	41	(1,573)	(2,595)
Depreciation and amortisation	-	-	(34)	(5)	(39)
Interest expense	-	-	(38)	-	(38)
Net foreign exchange gain	-	-	178	20	198
Segment result	(396)	(667)	169	(1,507)	(2,401)
Segment assets	9,858	20,703	84,346	7,773	122,680
Segment liabilities	-	(27)	(11,390)	(515)	(11,932)

Six months ended 30 June 2020	Australia A\$'000	Uganda A\$'000	USA A\$'000	Other A\$'000	Total A\$'000
Other income	-	-	40	71	111
Segment expense	(401)	(667)	46	(3,419)	(4,441)
Depreciation and amortisation	-	-	(131)	(9)	(140)
Interest income	-	-	-	12	12
Interest expense	-	-	(38)	-	(38)
Net foreign exchange gain	-	-	167	31	198
Segment result	(401)	(667)	84	(3,313)	(4,298)
Segment assets	9,858	20,703	84,346	7,773	122,680
Segment liabilities	-	(27)	(11,390)	(515)	(11,932)

Geographical information

The Group currently operates in these principal geographical areas: Australia, Brazil, and the United States of America.

	Three months ended 30 June 2021 Income A\$'000	Six months ended 30 June 2021 Income A\$'000	30 June 2021 Non-current assets A\$'000	Three months ended 30 June 2020 Income A\$'000	Six months ended 30 June 2020 Income A\$'000	30 June 2020 Non-currents assets A\$'000
Australia	-	-	8,223	-	-	9,998
Brazil	-	-	32,442	-	-	-
Uganda	-	-	-	-	-	20,667
United States of America	104	104	84,695	22	40	83,887
Other	15	43	1,791	51	71	1,775
Total	119	147	127,151	73	111	116,327

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended 30 June 2021 and 30 June 2020

5. Loss per share

	Three months ended 30 June 2021 A\$ (cents)	Six months ended 30 June 2021 A\$ (cents)	Three months ended 30 June 2020 A\$ (cents)	Six months ended 30 June 2020 A\$ (cents)
Loss per share				
Basic loss per share - cents	(0.87)	(1.47)	(0.37)	(0.67)
Diluted loss per share - cents	(0.87)	(1.47)	(0.37)	(0.67)

Basic loss and diluted loss per share

The calculation of basic loss per share and diluted loss per share for the three months ended 30 June 2021 was based on the loss attributable to ordinary equity holders of the Company of A\$7.009 million (three months ended 30 June 2020: loss of A\$2.401 million) and a weighted average number of ordinary shares outstanding during the three months ended 30 June 2021 of 802,291,030 (three months ended 30 June 2020: 642,073,466).

The calculation of basic loss per share and diluted loss per share for the six months ended 30 June 2021 was based on the loss attributable to ordinary equity holders of the Company of A\$11.762 million (six months ended 30 June 2020: loss of A\$4.298 million) and a weighted average number of ordinary shares outstanding during the six months ended 30 June 2021 of 801,229,016 (six months ended 30 June 2020: 641,851,844).

6. Cash and cash equivalents

	30 June 2021 A\$'000	31 December 2020 A\$'000
Bank balances	33,266	42,331
Total cash and cash equivalents	33,266	42,331

7. Other receivables

	30 June 2021 A\$'000	31 December 2020 A\$'000
Other receivables	33	44
GST receivable	6	6
Total other receivables	39	50

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
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8. Exploration and evaluation

	30 June 2021	31 December 2020
	A\$'000	A\$'000
Opening balance	7,171	53,590
Expenditure incurred and capitalised	86	2,266
Foreign currency translation	-	(4,334)
Impairment	-	(20,789)
Transfer to assets under construction	-	(22,018)
R&D tax offset recognised	(62)	(1,544)
Total exploration and evaluation	7,195	7,171

The Group's accounting policy is to capitalise expenditure on exploration and evaluation on an area of interest basis. The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest.

9. Property, plant, and equipment

	Property, plant & equipment	Office equipment, furniture & fittings	Motor vehicles	Assets under construction	Total
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2021					
<i>Cost</i>					
As at 1 January 2021	1,880	138	240	72,086	74,344
Additions for the period	-	3	135	8,912	9,050
Disposals for the period	(45)	-	(53)	-	(98)
Asset write-down	(13)	-	-	-	(13)
Foreign currency translation differences	23	1	6	951	981
As at 30 June 2021	1,845	142	328	81,949	84,264
<i>Depreciation and impairment</i>					
As at 1 January 2021	(85)	(26)	(119)	-	(230)
Depreciation charge for the period	(28)	(17)	(26)	-	(71)
Disposals for the period	-	-	53	-	53
Asset write-down	8	-	-	-	8
As at 30 June 2021	(105)	(43)	(92)	-	(240)
Net book value:					
As at 30 June 2021	1,740	99	236	81,949	84,024

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
Notes to the Condensed Consolidated Interim Financial Statements
For the three and six months ended 30 June 2021 and 30 June 2020

	Property, plant & equipment	Office equipment, furniture & fittings	Motor vehicles	Assets under construction	Total
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
31 December 2020					
<i>Cost</i>					
As at 1 July 2020	1,986	148	254	56,991	59,379
Additions for the period	-	5	-	233	238
Transfer from exploration and evaluation	-	-	-	22,018	22,018
Disposals for the period	-	-	-	-	-
Asset write-down	-	(7)	-	-	(7)
Foreign currency translation differences	(106)	(8)	(14)	(7,156)	(7,284)
As at 31 December 2020	1,880	138	240	72,086	74,344
<i>Depreciation and impairment</i>					
As at 1 July 2020	(55)	(11)	(100)	-	(166)
Depreciation charge for the period	(30)	(17)	(19)	-	(66)
Disposals for the period	-	-	-	-	-
Asset write-down	-	2	-	-	2
As at 31 December 2020	(85)	(26)	(119)	-	(230)
Net book value:					
As at 31 December 2020	1,795	112	121	72,086	74,114

10. Reclamation deposits

	30 June 2021 A\$'000	31 December 2020 A\$'000
Reclamation Performance Bond requirement	9,598	9,346
Insured	9,598	9,346
In Trust:		
US Treasury Securities including impact of foreign currency translation	2,969	2,813
Total reclamation deposits	2,969	2,813

The U.S. Forest Service ("USFS") required eCobalt to place a Reclamation Performance Bond, which functions as a financial guarantee, in the amount of US\$7.206 million in relation to surface disturbances from pre-construction activities. The underlying asset securing this bond is the A\$2.969 million reclamation deposit on the statement of financial position. The Reclamation Performance Bond will be released upon meeting the reclamation requirement of the USFS at the end of construction of the mine upon which a water treatment bond will be required for surety against reclamation and end of mine life.

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
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11. Trade and other payables

	30 June 2021	31 December 2020
	A\$'000	A\$'000
Trade payables	2,672	150
Other payables	-	3
Accruals	3,438	662
Deferred revenue	-	3
Tax payable (VAT/GST/Fuel Tax)	(39)	(7)
Total trade and other payables	6,071	811

12. Employee benefits

	30 June 2021	31 December 2020
	A\$'000	A\$'000
Annual leave provision	210	134
Long service leave provision	20	19
Other employee entitlements	85	121
Total employee benefits	315	274
Current	295	255
Non-current	20	19
Total employee benefits	315	274

13. Asset retirement obligation

	30 June 2021	31 December 2020
	A\$'000	A\$'000
Opening reclamation and closure cost balance	9,808	10,861
Foreign currency translation	269	(1,179)
Movements in economic assumptions and timing of cash flows	214	126
Closing reclamation and closure cost balance	10,291	9,808

The Group's provision for site reclamation and closure relates to ICO and is for disturbance due to construction activity to date. Upon initiation of mining activity, a provision for legal obligations for environmental remediation, reclamation, and decommissioning at the end of the mine life will be established. The undiscounted cash flows of the disturbance due to construction as at 30 June 2021 were US\$7.727 million or A\$10.291 million. The discount used to determine the present value of the obligation was nil, based on a US Treasury Bond rate of 1.18% and a prima facie inflation rate which exceeded the US Treasury Bond, and as such the inflation rate was adjusted to that which is inherently priced into the long-term government bond. Reclamation activities will primarily be initiated at cessation of construction activities; however, some reclamation will happen concurrently where possible on areas no longer required for the mining operation.

JERVOIS GLOBAL LIMITED AND CONTROLLED ENTITIES
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14. Share capital

	30 June 2021	31 December 2020
	A\$'000	A\$'000
Share capital	214,495	211,700
Costs of raising equity	(2,763)	(2,763)
Total share capital	211,732	208,937

(i) Movements in fully paid ordinary shares on issue:

	No of shares '000	A\$'000
Opening balance at 1 July 2020	642,252	164,476
Movements in 2020		
Issue of ordinary shares – exercise of options	1,510	451
Issue of ordinary shares – placement	147,541	45,000
Less costs of raising equity		(990)
Closing share capital balance at 31 December 2020	791,303	208,937
Movements in 2021		
Issue of ordinary shares – exercise of options	10,988	2,795
Issue of ordinary shares – placement	-	-
Less costs of raising equity		-
Closing share capital balance at 30 June 2021	802,291	211,732

(ii) Movements in costs of raising equity:

	Six months to 30 June 2021	Six months to 31 December 2020
	A\$'000	A\$'000
Opening balance	(2,763)	(1,773)
Costs incurred	-	(990)
Closing balance	(2,763)	(2,763)

(iii) Movements in share-based options on issue:

	Six months to 30 June 2021	Six months to 31 December 2020
	Number of options	Number of options
Balance at the beginning of the period	85,122,500	69,973,200
Granted	1,000,000	21,750,000
Forfeited	(1,750,000)	(5,800,700)
Exercised	(500,000)	(800,000)
Balance at the end of the period	83,872,500	85,122,500
Vested and exercisable at period end	30,350,000	30,100,000

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Employee options granted

The principal focus of the Company option plan is to provide incentivised compensation aligned with creating shareholder value. The Company option plan offers individuals the opportunity to acquire options over fully paid ordinary shares in the Company. Share options granted under the plan carry no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares, when issued, rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

During the period, an additional 1,000,000 options were issued to employees as part of the Company option plan, with 1,750,000 options forfeited and 500,000 exercised at an exercise price of A\$0.20/share, thus bringing the options issued over ordinary shares in the Company to 83,872,500 as at 30 June 2021.

During the period, 250,000 options at an exercise price of A\$0.20/share vested pursuant to the Company's option terms.

Unissued shares under options to Directors and employees

As at 30 June 2021 unissued shares of the Company under option are:

Expiry date	Exercise price (A\$)	Number of shares
30-Nov-22	\$0.150	15,000,000
30-May-24	\$0.345	100,000
18-Jun-24	\$0.305	2,500,000
30-Sep-23	\$0.290	5,000,000
01-Jul-23	\$0.295	7,500,000
01-Jun-24	\$0.240	2,500,000
14-Aug-27	\$0.200	750,000
15-Aug-27	\$0.200	11,200,000
15-Aug-24	\$0.240	2,500,000
30-Sep-24	\$0.240	5,000,000
31-Mar-28	\$0.150	7,137,500
31-Mar-28	\$0.150	2,435,000
18-Oct-28	\$0.325	7,500,000
28-Feb-29	\$0.290	3,250,000
03-Jan-29	\$0.290	6,000,000
30-Sep-25	\$0.310	5,000,000
28-Feb-29	\$0.500	500,000
Total		83,872,500

Once exercised, the option holder will be issued ordinary shares in the Company. Details of the terms and conditions of options granted under the Staff Option Plan as part of the Group's Long-Term Incentive Plan are outlined in the Remuneration Report of the Group's annual report as at 31 December 2020. The options do not entitle the holder to participate in any share issue of the Company.

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(iv) Movements in options for services:

	Six months to 30 June 2021 Number of options	Six months to 31 December 2020 Number of options
Balance at the beginning of the period	550,000	550,000
Granted	-	-
Forfeited	-	-
Exercised	-	-
Balance at the end of the period	550,000	550,000
Vested and exercisable at period end	550,000	550,000

Options granted for services provided to the Company

The options issued to advisers provides the holder an opportunity to acquire fully paid ordinary shares in the Company. Share options granted under the arrangement have no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares, when issued, rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

During the period, no options were issued to advisers to the Company in exchange for services rendered. Nil options forfeited and nil exercised, thus the options issued to service providers over ordinary shares in the Company is 550,000 as at 30 June 2021.

Unissued shares under options for services provided

As at 30 June 2021 unissued shares of the Company under option are:

Expiry date	Exercise price (A\$)	Number of shares
30-May-24	\$0.345	300,000
31-Mar-25	\$0.225	250,000
Total		550,000

Once exercised, the option holder will be issued ordinary shares in the Company. The options do not entitle the holder to participate in any share issue of the Company. No shares have been issued by the Company during the period as a result of the exercise of options.

(v) Movements in options granted as part of acquisitions:

	Six months to 30 June 2021 Number of options	Six months to 31 December 2020 Number of options
Balance at the beginning of the period	18,015,250	30,099,750
Granted	-	-
Forfeited	-	-
Exercised	(10,487,500)	(710,000)
Expired	(2,025,000)	(11,374,500)
Balance at the end of the period	5,502,750	18,015,250
Vested and exercisable at period end	5,502,750	18,015,250

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Options granted as part of acquisitions

During the period, no new options were issued as part of any acquisitions. Nil options were forfeited, 10,487,500 were exercised and 2,025,000 expired, thus bringing the options issued for acquisitions over ordinary shares in the Company to 5,502,750 as at 30 June 2021.

Unissued shares under options as part of the acquisitions

As at 30 June 2021 unissued shares of the Company under option are:

Expiry date	Exercise price (C\$)	Number of shares
06-Sep-21	\$0.36	998,250
28-Jun-22	\$0.71	1,344,750
28-Jun-23	\$0.61	1,179,750
01-Oct-23	\$0.53	1,980,000
Total		5,502,750

The share options granted under acquisitions have no dividend or voting rights. When exercised, each option is convertible into one ordinary share. The shares, when issued, rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise. Once exercised, the option holder will be issued ordinary shares in the Company.

(vi) Movements in performance rights:

	Six months to 30 June 2021 Number of rights	Six months to 31 December 2020 Number of rights
Balance at the beginning of the period	-	-
Granted	415,082	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
Balance at the end of the period	415,082	-
Vested at period end	-	-

Performance rights granted:

The principal focus of the Company's performance rights plan is to align the economic interests of the Company's officers, Directors, employees, and consultants with that of the Group by providing them an opportunity, through the performance rights, to acquire an increased proprietary interest in the Company.

The performance rights are subject to the satisfaction of certain vesting conditions relating to the Company's relative total shareholder return and the employee's continued employment with the Company, subject to certain provisions. Total shareholder return measures the growth in the price of the Company's shares as a percentage, factoring in dividends notionally being reinvested in the shares. Relative shareholder return measures the Company's total shareholder return ranking against entities in a particular comparator group at the end of the relevant performance period.

During the period, 415,082 performance rights were issued to employees. Nil performance rights were forfeited and nil expired, thus bringing the performance rights over ordinary shares in the Company to 415,082 as at 30 June 2021.

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Unissued shares under performance rights to Directors and employees

As at 30 June 2021 unissued shares of the Company under option are:

Expiry date	Exercise price (A\$)	Number of rights
03-Apr-24	N/A	415,082
Total		415,082

15. Share-based payments

Recognised share-based payment expense

	Six months to 30 June 2021 A\$'000	Six months to 30 June 2020 A\$'000
Expense arising from equity settled share-based payment transactions	(1,883)	(1,444)

16. Related party transactions

Related party disclosure

The Company acquired a related party relationship between prior M2 Cobalt management personnel, Dr. Jennifer Hinton and Mr. Tom Lamb and an external services company Great Rift Geosciences ("Great Rift") via the M2 Cobalt merger. Acquired in June 2019, Jervois used Great Rift to provide Ugandan exploration management services including local administration and in-country management, accounting, payroll and treasury services, offices including a core shed and sample preparation area, employee accommodation, and exploration staffing. Dr. Jennifer Hinton and Mr. Tom Lamb are also principals and co-owners of Great Rift. The commercial arrangements with Great Rift were conducted on arms-length terms. Upon suspension of all exploration activities in Uganda, the relationship with Great Rift was terminated in February 2021. Amounts below represent payments to Great Rift (Canada) and Great Rift (Uganda) at which Dr. Hinton and Mr. Lamb are Directors. Payments made to Great Rift were solely for the in-country services outlined above. No loans have been made to key management personnel as of March 31, 2021.

	Six months to 30 June 2021 A\$'000	Six months to 30 June 2020 A\$'000
Management services – Great Rift	43	115

17. Events after reporting period

On 5 July 2021, the Company announced that it had priced and closed the books on its subsidiary's offering (the "Bond Offering") of senior secured bonds in the aggregate principal amount of US\$100 million, guaranteed by Jervois. Proceeds from the bond issue will be used to fund construction of ICO in the United States. Net proceeds from the Bond Offering will, upon disbursement to the issuer from the escrow account, be used for the payment of capital expenditures, operating costs and other costs associated with the construction of ICO and bringing it into production.

On 27 July 2021, the Company announced that it had agreed to acquire 100% of Freeport Cobalt by purchasing all the shares of Freeport Cobalt Oy and four affiliated entities from Koblotti Chemicals Holdings Limited (the "Acquisition").

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Freeport Cobalt is the Kokkola, Finland-based cobalt refining and specialty products business retained by Freeport-McMoRan and co-owners following the sale of certain refining and battery materials activities to Umicore in 2019.

The Freeport Cobalt business consists of:

- a long-term refining capacity agreement with Umicore for the 15,000 mtpa cobalt refinery in Kokkola, Finland (which is operated by Umicore) under which Freeport Cobalt has contractual rights to toll refine cobalt until 2093;
- long-term contracts with leading global suppliers of cobalt hydroxide, consistent with commitment to best practice responsible sourcing framework; and
- a downstream cobalt products manufacturing facility with an established marketing platform and long-term global customer base servicing clients primarily across Europe, the United States and Japan.

The purchase price for Freeport Cobalt is as follows:

- base consideration of US\$160 million (including US\$75 million of net working capital), subject to customary adjustments, to be paid in cash at closing of the Acquisition; and
- an additional cash payment of the working capital in Freeport Cobalt above US\$75 million at the closing of the Acquisition; and
- contingent consideration of up to US\$40 million, payable in cash up to US\$10 million per year based on Freeport Cobalt's financial performance from 2022 through to 2026, and through a "catch-up" amount based on Freeport Cobalt's aggregate financial performance during that period.

The Acquisition is expected to close at the end of August 2021.

To fund the Acquisition and ICO development, Jervois has entered an underwriting agreement providing a fully underwritten A\$313 million equity raising by issuance of new Jervois ordinary shares (the "Offer") consisting of a ~A\$87m institutional placement (the "Placement") and a ~A\$226 million 1 for 1.56 accelerated pro-rata non-renounceable institutional and retail entitlement offer (the "Entitlement Offer").

Approximately A\$136 million was raised across the Placement and institutional Entitlement Offer at an offer price of A\$0.44 per share and was funded to the Company on 4 August 2021. The retail Entitlement Offer is fully underwritten and is expected to raise an additional A\$177 million and close on 1 September 2021. Together, the combined proceeds of the equity raising are expected to total A\$313 million.

The Directors of the Company have not identified any other subsequent events in the interval between the end of the financial period and the date of this report, which would be material or unusual in nature, and likely to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.