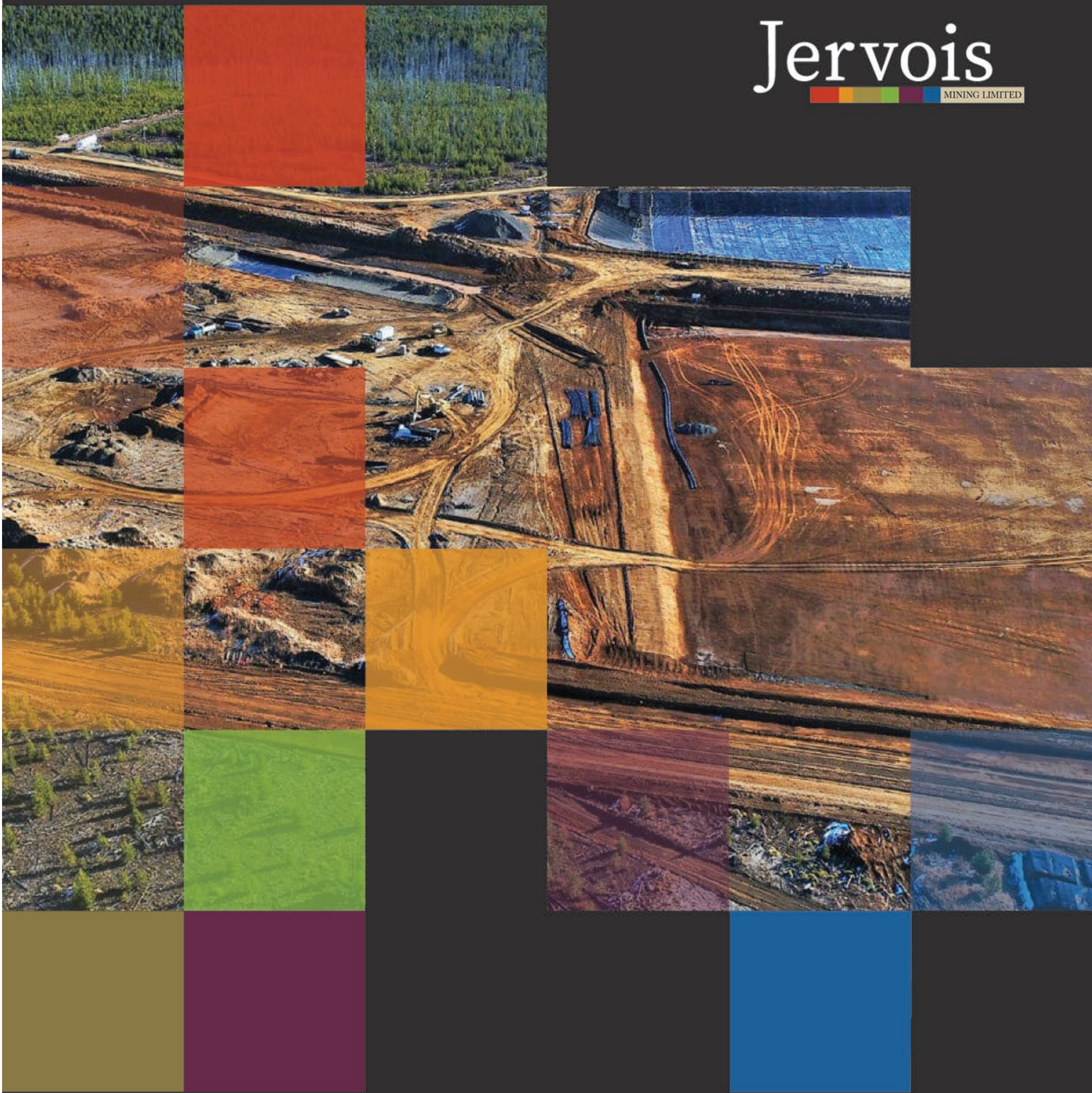
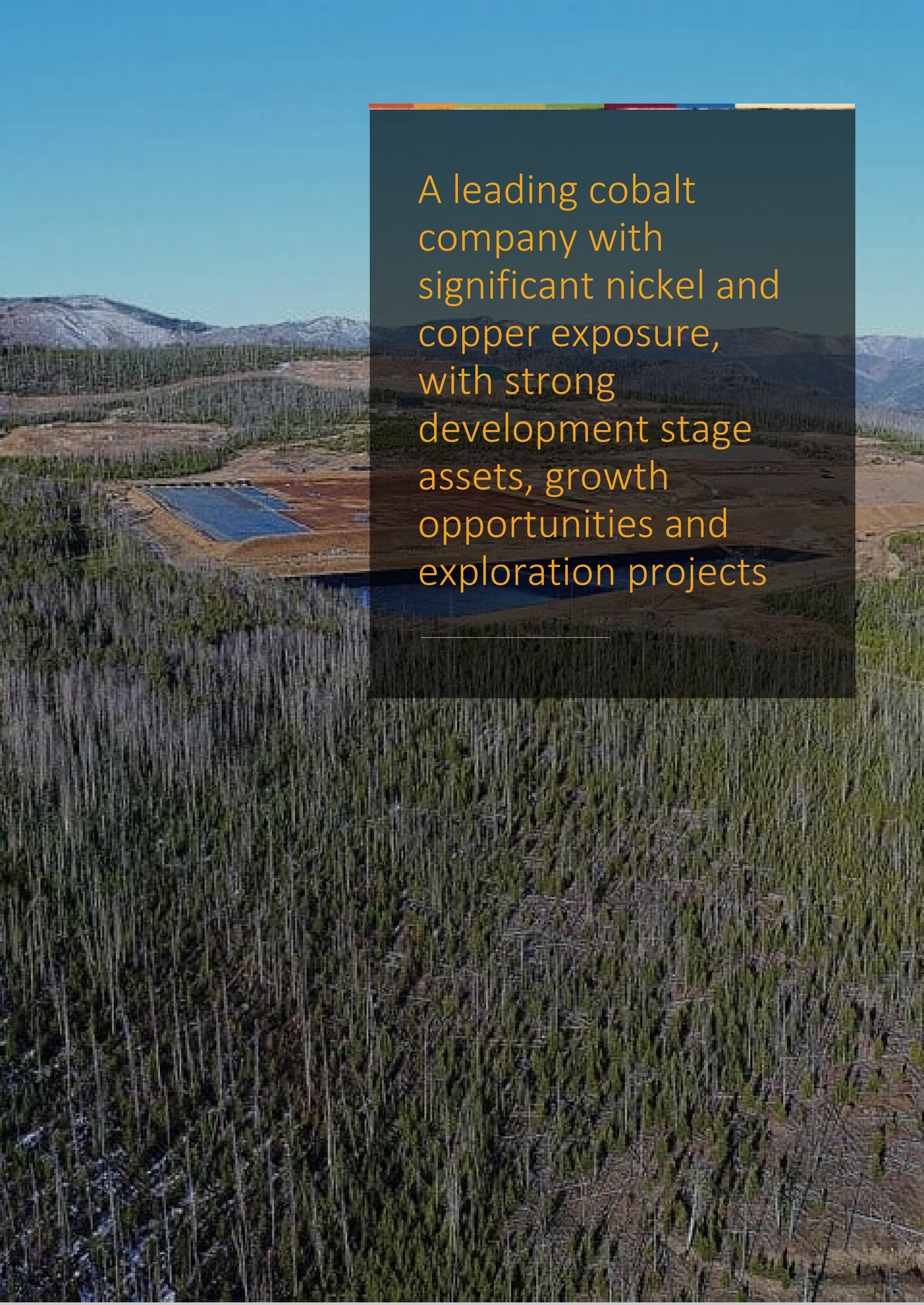
Jervois
MINING LIMITED



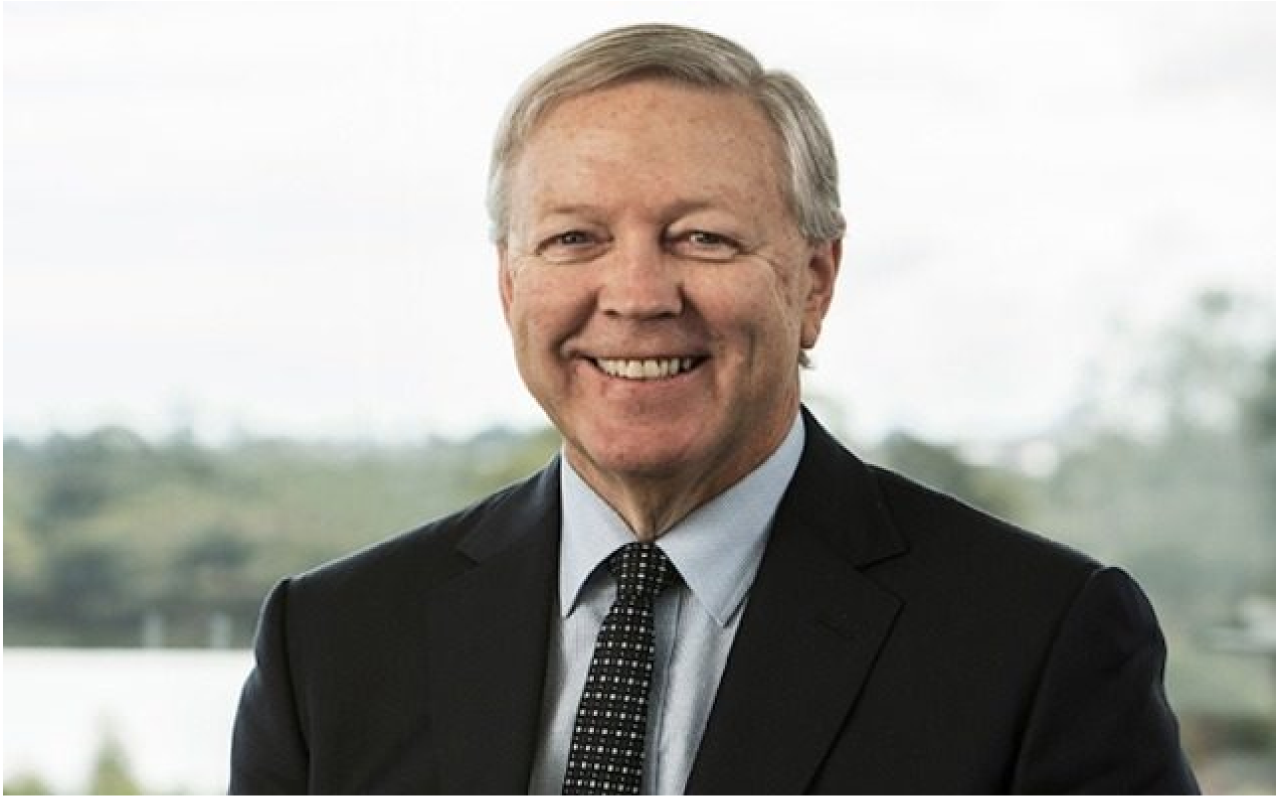
Annual Report

30 JUNE 2019

A.B.N. 52 007 626 575



A leading cobalt company with significant nickel and copper exposure, with strong development stage assets, growth opportunities and exploration projects



Chairman’s Letter

Dear Fellow Shareholder,

Welcome to the 2019 Annual Report for Jervois Mining Limited, as we reflect on a year that has seen the largest transformation of our Company in its 50 year history listed on the Australian Stock Exchange (“ASX”). The Board believes our strategy of consolidation at this period of depressed commodity prices and valuations for battery raw materials will bear significant fruit in years to come.

Over the past 12 months, in completing separate mergers with eCobalt Solutions Inc. (“eCobalt”) and M2 Cobalt Corp. (“M2 Cobalt”), we’ve created one of the largest listed cobalt companies globally, with significant exposure to nickel and copper. Jervois now has a geographically diverse portfolio ranging from exploration to late development, a strong capital markets position with key listings on the ASX and TSX-V, and robust institutional backing as evidenced by our recent over-subscribed financing.

We have a US, Australian and East African project pipeline that includes the Idaho Cobalt Operations (“ICO”), a development which boasts the highest combination of cobalt grade and scale in the US. ICO is the only deposit close to production in the US, making it a strategic asset in the context of domestic American cobalt supply.

Prior to Jervois ownership, ICO had approximately US$100 million in investment and is permitted for producing up to 1,200 stpd of ore, containing approximately 2,000 metric tonnes of cobalt per year. We are updating the Feasibility Study which will be complete by the end of Q1 2020, thereafter enabling the move into a final construction decision at the mine. We anticipate first commercial production during 2H 2021.

In addition to progressing ICO, we are exploring our Ugandan properties acquired through the M2 Cobalt merger. In particular, we are focused on opportunities close to the historic Kilembe mine and Kasese cobalt refinery. Uganda has similar geology as the neighbouring Democratic Republic of Congo (“DRC”), but it is vastly underexplored with greater political stability.

Our Nico Young cobalt nickel project in New South Wales has the potential to be one of Australia's largest nickel-cobalt operations. We completed a Technical Study during the year, and we are continuing negotiations with potential investment and off-take partners. The level of interest in Nico Young reflects the high level of ongoing strategic and customer interest in nickel and cobalt supply from stable jurisdictions, such as Australia.

We plan to complete a Feasibility Study for Nico Young once we establish a funding partnership. Nico Young represents an attractive future option for the Company and our potential partners, as adoption of electric vehicles gathers pace and with the anticipated resulting rise in commodity prices.

Jervois's application for a Prospecting Licence over the Kabanga nickel-cobalt deposit in Tanzania continues to be discussed with the Government of Tanzania. Jervois believes Kabanga to be the highest quality undeveloped nickel-cobalt deposit in the world, unmatched in scale and grade. Likewise, discussions with the Government of Uganda over its shareholdings in the Kilembe mine and Kasese cobalt refinery also continue. Jervois believes it is well placed on both opportunities, and that we represent a credible partner for governments to develop these deposits, if granted the opportunity to do so.

During the year, we continued to focus and rationalise our portfolio, with divesture of our non-core assets. After the mergers with eCobalt and M2 Cobalt this will continue. Jervois is well-funded for the year ahead after completing an oversubscribed A$16.5 million institutional capital raise in late June 2019. We thank our new and existing Shareholders for their participation and ongoing support of the Company. Advancing the ICO and exploration in Uganda will be our key priorities from this financing.

I would like to thank my Board members for their contributions and support throughout FY2019, and I thank our Management team, especially CEO Bryce Crocker, for leading us through the mergers over the past six months and helping create a new future for our Company. Our staff have been integral to our success in FY19. I thank them for their efforts and also welcome those executives that have joined us during the year from our transactional growth. This past year has been transformational for the Company, and I am looking forward to seeing what we can achieve as a team moving forward.

The year ahead is full of promise as we move ahead with transitioning Jervois toward the status of an operating company, and exploring our new asset base. I look forward to continuing to share the 'Jervois' journey with you.

P. B. Johnston.

Peter Johnston
Non-Executive Chairman

Corporate directory

Directors	Peter Johnston (Non-Executive Chairman) Bryce Crocker (Chief Executive Officer) Brian Kennedy (Non-Executive Director) Michael Callahan (Non-Executive Director) Scott Hean (Non-Executive Director)
Share register	Computershare Investor Services Pty Ltd, 452 Johnston Street Abbotsford, Victoria, 3067 Computershare Investor Services Inc 510 Burrard Street Vancouver, BC, V6C 3B9
Auditor	BDO East Coast Partnership Tower 4, Collins Square Level 18, 727 Collins Street Docklands, Victoria, 3008
Bankers	ANZ Banking Group Limited Level 1 420 St Kilda Road, Melbourne, Victoria, 3004
Stock exchange listing	Jervois Mining Limited shares are listed on the Australian Securities Exchange (ASX code: JRV), TSX Venture Exchange (TSXV code: JRV), OTCQB (OTCQB code: JRVMF) and the Frankfurt Stock Exchange (FRA code: IHS).
Website	www.jervoismining.com.au

Directors' report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Jervois Mining Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2019.

Directors

The following persons were directors of Jervois Mining Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Peter Johnston (Non-Executive Chairman) appointed 1 July 2018

Bryce Crocker (Chief Executive Officer)

Brian Kennedy (Non-Executive Director)

Michael Rodriguez (Non-Executive Director) resigned 17 April 2019

Stephen van der Sluys (Non-Executive Director) resigned 19 June 2019

Simon Clarke (Non-Executive Director) Appointed 19 June 2019, resigned 24 July 2019

Michael Callahan (Non-Executive Director) Appointed 24 July 2019

Scott Hean (Non-Executive Director) Appointed 24 July 2019

Principal activities

The principal activity of the consolidated entity during the year was mineral exploration and evaluation, including associated metallurgical test work and research and development activities.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The total loss of the consolidated entity attributable to the owners of the parent for the year ended 30 June 2019 was A$6,001,444 (2018: loss A$6,951,170). The loss for the current year included a non-cash item of A$5,103,584 on account of value of options issued to directors, employees and consultants. This large amount related to the portion that vested during the year from the options issued in the previous year.

Corporate

Merger with M2 Cobalt Corp

In January 2019, Jervois and M2 Cobalt Corp. (TSX-V: MC) ("M2 Cobalt") announced they had entered into a definitive agreement pursuant to which the companies would combine in an at-market transaction, pursuant to a Plan of Arrangement under the Business Corporations Act (British Columbia).

M2 Cobalt was an exploration stage company with 100% ownership of highly prospective exploration licenses in Uganda. The company had an established Ugandan operating presence with strong government and local stakeholder relationships. Its projects were at target drilling stage and exhibit strong anomalies.

The transaction was unanimously approved by the Board of Directors of both Jervois and M2 Cobalt.

M2 Cobalt Shareholders approved the merger by special resolution on 14 June 2019. This was followed by approval from the British Columbia (Canada) Supreme Court, as announced on 19 June 2019. With this approval, Jervois acquired all issued and outstanding common shares of M2 Cobalt in exchange for one ordinary share of Jervois for each issued M2 Cobalt share.

Merger with eCobalt

Following its investment in eCobalt Solutions Inc ("eCobalt") in mid-2018, which gave Jervois a 4.54% interest in the company, in April 2019, Jervois and eCobalt announced plans to merge by way of a Plan of Arrangement under the Business Corporations Act (British Columbia) (the "eCobalt Arrangement") whereby Jervois would acquire all of the issued and outstanding common shares of eCobalt that Jervois did not already own.

Prior to announcing the eCobalt merger, the transaction was unanimously approved by the Board of Directors of both Jervois and eCobalt.

On 22 July 2019, Jervois announced shareholders of both companies had approved the merger. The merger received approval from the British Columbia (Canada) Supreme Court and completed on 24 July 2019, with Jervois acquiring all issued and outstanding common shares of eCobalt it did not already own in exchange for 1.65 ordinary shares of Jervois for each issued eCobalt share.

Jervois' mergers with eCobalt and M2 Cobalt, when combined with its existing operations, builds a leading global cobalt company with significant nickel and copper exposure. The enlarged group has an enhanced United States, Australian and East African asset base and project pipeline that now includes the Idaho Cobalt Operations, a partially constructed mine and mill in Lemhi County, Idaho, in the United States.

Capital Raising

On 28 June 2019, Jervois announced it had raised A$16.5 million in an oversubscribed equity raising. Jervois launched an equity raise targeting gross proceeds of A$15.0 million at an ~8% premium to its underlying share price. With strong demand from existing and new institutional investors and the Company's management and Board of Directors, the Company decided to accept oversubscriptions by a maximum of 10%, thus raising total gross proceeds of A$16.5 million through the issue of 82.5 million fully paid, pari passu ranking, ordinary shares at a price of A$0.20 per share. These new shares were issued following completion of the merger with eCobalt (after year end).

Jervois was pleased with this strong demonstration of support from institutional investors.

Key members of Jervois' Board and Management invested A$2.76 million as part of the equity raise after receiving shareholders' approval at a general meeting of the Company on 18 July 2019. This included:

- *Peter Johnston - Non-Executive Chairman*

Subscription of 2,500,000 shares at A$0.20 for an investment of A$0.5 million.

- *Bryce Crocker - Chief Executive Officer*

Subscription of 1,500,000 shares at A$0.20 for an investment of A$0.3 million.

- *Brian Kennedy - Non-Executive Director*

Subscription of 7,100,000 shares at A$0.20 for an investment of A$1.42 million.

- *Kenneth Klassen - General Counsel / Executive General Manager – Legal*

Subscription of 2,725,000 shares at A$0.20 for an investment of A$0.545 million.

Exchange Listings

As well as trading on the ASX (ASX:JRV), following the approval of its listing application, Jervois commenced trading on the TSXV (TSXV:JRV) on 21 June 2019 following completion of its merger with M2 Cobalt.

In addition, Jervois has commenced trading on the OTCQB (OTCQB:JRVMF) in the United States.

Jervois also trades on Frankfurt Exchange (FR:IHS).

Board and Management Appointments

After completing the merger with eCobalt in July 2019, Jervois appointed eCobalt's former CEO Michael Callahan and Chairman Scott Hean as Non-Executive Directors on the Jervois Board.

Mr Callahan, an Idaho native, joined eCobalt in October 2018. Prior to this, whilst an executive at Hecla Mining, he established and led numerous sizeable operations in North America and internationally.

Mr Hean was appointed to the eCobalt Board in March 2014 and became Chairman in June 2017. He has more than 35 years of experience in mining capital markets, including as CFO of Quaterra Resources, and was previously a Senior Vice President and Managing Director with the Bank of Montreal in Canada and in other roles with JP Morgan in New York.

Following completion of the M2 Cobalt merger, Jervois announced the appointment of Simon Clarke, former CEO of M2 Cobalt, as a Non-Executive Director of Jervois. Following the completion of the merger with eCobalt, Mr Clarke transitioned into an executive role with Jervois as Executive General Manager – Corporate Affairs. He has approx. 25 years of experience in the resources and energy technology sectors in a number of management and board roles and will be responsible for government and regulatory affairs across East Africa and other jurisdictions in which the Company operates, as well as investor relations.

In association with the required Jervois Board restructure following the M2 Cobalt merger, Stephen van der Sluys stepped down as a Director of Jervois.

In addition, Jervois appointed Andy Edelmeier, M2 Cobalt's former CFO, as Jervois' interim CFO / Executive General Manager – Finance. Mr Edelmeier has extensive experience working in the finance and capital markets industries for more than 25 years prior to co-founding M2 Cobalt. He was formerly a Partner at Strata Partners, a London-based corporate finance firm, and also previously held senior investment banking roles at Credit Suisse First Boston and JP Morgan Chase (formerly Chase Manhattan). Mr. Edelmeier holds an MBA from London Business School and is a Chartered Professional Accountant (CPA, CMA).

In June 2019, Jervois appointed Kenneth Klassen as its General Counsel / Executive General Manager – Legal, joining the Company in-house in an executive capacity, having advised Jervois since the Board restructure in late 2017.

Prior to his appointment at Jervois, Mr Klassen was General Counsel of Glencore plc, based in Baar Switzerland, retiring in 2016. He was responsible for the global legal function including a team of in-house lawyers supporting Executive Management, business operations and the Board of one of the world's largest diversified natural resource companies, and a major producer and marketer of more than 90 commodities worldwide, with around 150 mining and metallurgical sites, oil production assets and agricultural facilities.

Prior to joining Glencore in 2013, Mr Klassen had a successful 20-year career as a Canadian M&A lawyer at leading Canadian law firms. Mr Klassen first began working with current members of the Jervois Board in 2005.

Following the completion of the merger with eCobalt, Jervois appointed Russell Bradford as Feasibility Study Project Director with a focus on the Idaho Cobalt Operations. 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.

Other senior appointments following the completion of the merger with M2 Cobalt included Dr Jennifer Hinton as Ugandan Country Head, and Mr Thomas Lamb as Ugandan Operations Manager. Dr Hinton has a Ph.D in Mining Engineering and has lived and worked in Uganda for 15 years. She is a former adviser to the United Nations and World Bank. Mr Lamb qualified as a securities lawyer in British Columbia and has an MSc from London Business School. He has extensive Ugandan operational experience and was also a co-founder of Goldgroup Mining Inc.

Projects

Idaho Cobalt Operations {"ICO")

The ICO comprises the largest NI 43-101 compliant cobalt resource in the United Sates with 3.87Mt Measured and Indicated resource @ 0.59% Co and 0.85% Cu and an additional 1.82Mt inferred resource at 0.46% Co and 0.81% Cu. The deposit is open along strike and at depth and Jervois believes that it has significant opportunity for additional expansion.

Following completion of the eCobalt merger, Jervois provided an initial update on its plans to finalise the feasibility study ("FS") for Idaho Cobalt Operations ("ICO", previously known as Idaho Cobalt Project), an advanced-stage project with approximately US$100 million invested to date in plant and infrastructure. The ICO is a high-grade cobalt-copper deposit with a partially completed mine site and mill located in Lemhi County outside the town of Salmon, Idaho, and is the only asset in the United States which has the potential for near-term cobalt production. It represents a signficant opportunity to take advantage of the anticipated improvement in the global cobalt market as electrification of the global transportation industry accelerates and the US demand for superalloys continues to grow. 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 permitted, and has an approved Plan of Operations, for production of up to 1,200 stpd of ore.

Significant pre-works have been undertaken at site, with earthworks completed (construction of access and haul road, portal bench, mill and concentrator pads and water retention and tailings ponds) and milling equipment 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, along with major civil and earth works progressed including concrete foundations for the concentrator.

To complete construction of the ICO, Jervois will finalise engineering for the permitted 1200 stpd mine and concentrator in support of securing final project financing. This study is anticipated to be complete by the end of Q1 2020.

Historically, eCobalt completed several NI 43–101 compliant Feasibility Studies for the project – 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 operations and allowing accelerated commissioning and ramp up. 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 1,200 stpd of 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 would also 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 currently plans to establish the facility.

Jervois commenced a combined infill and exploration drilling programme in August, 2019. Infill drilling is reducing the spacing in between existing drill hole intercepts, supplying ore for future testwork (including the refinery) and exploring the footwall at the RAM deposit to test a geological model recently defined by Jervois through detailed structural conceptual modelling. The drilling programme will reduce mine construction and operating risk, support the refinery preliminary design and offers resource size and production scale upside.

Jervois' experienced team have a demonstrated history of designing, financing, constructing, commissioning and operating major mining sites.

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 data room 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.

Ugandan Properties

Following completion of its merger with M2 Cobalt, Jervois holds 2,400km^2 of exploration licences ("EL's") across two key areas of focus: the Kilembe area in Western Uganda and Bujagali in the South-Central region of the country. Prior to the merger, M2 Cobalt mobilised its 2019 exploration program in Uganda in March as a continuation and expansion of its initial exploration and drill program launched in 2018. This work was funded via a US$3.0 million secured, convertible loan, provided by Jervois.

Kilembe-Area Properties

The Kilembe-Area Properties comprise five ELs totaling 708km^2. Four ELs are adjacent to and immediately north and south of the historic Kilembe copper and cobalt mine, previously operated by the Canadian base metals company, Falconbridge. The target mineralisation is volcanogenic massive sulphide ("VMS") type copper and cobalt as exists at the historic Kilembe mine. The fifth EL is located to the east of the Kilembe mine area across the Great Rift Valley. This area is interpreted as a split off the main Kilembe complex and has historic mineral showings.

Exploration to date on the Kilembe-Area Properties includes helicopter borne VTEM™ BField and horizontal magnetic gradiometer geophysical surveys, mapping, grid soil sampling, rock chip sampling and exploration drilling. Exploration has identified a number of anomalies and as announced on 24 June 2019, recent rock-chip and soil sampling has confirmed outcropping copper and gold mineralisation at two local scale prospects: Senator and Eagle. Jervois is undertaking grid soil sampling at these prospects to determine extent and continuity of these coincident high-grade copper and gold anomalies with a view to establishing the framework for a possible future drill programme.

Bujagali

The Bujagali Property comprises six ELs, covering 1705.8km^2, in south-central Uganda. The properties are within a regionally prospective package of Proterozoic volcanic, intrusive and sedimentary rock sequences with analogies to the Katanga belt (Democratic Republic of Congo). The properties have identified anomalies named: Bombo; Bombo NW; Bombo Central; Nile; Club; Ridge; Bell; and, Waragi.

Several phases of exploration have been completed and are ongoing at Bujagali. Regional prospect scale anomalies have been identified with two styles of mineralisation: sediment-hosted cobalt / copper with significant similarities to Katanga mineralization in the Democratic Republic of Congo; and nickel, copper, cobalt in ultramafics.

A drill programme was completed in August 2019, with results anticipated in October 2019. The scope of this recent programme included diamond drilling on the encouraging high-grade copper and cobalt rock chips anomaly discovered within EL 1827.

Kilembe Mine & Kasese Cobalt Refinery

Jervois continues to progress its discussions with the Uganda government in relation to opportunities surrounding the potential restart of the historic Kilembe Copper-Cobalt mine and the Kasese Cobalt Refinery.

Nico Young nickel-cobalt project, New South Wales

In April, Jervois finalised its Nico Young Technical Study on a heap leach facility. The study confirmed an attractive long-life nickel-cobalt project on a JORC compliant indicated and inferred Mineral Resource of 93.3Mt @ 0.63% Ni and 0.05% Co (0.5% Ni cut-off). After construction, the facility will be one of Australia's largest cobalt-nickel operations, and heap leach represents a flowsheet with lower technical risk at reduced capital intensity compared with alternatives pursued by Jervois' ASX-listed peers.

Jervois is continuing its negotiations with investment and off-take partners for Nico Young. Interest remains strong and Jervois remains optimistic with the level of strategic and customer interest and is confident that an attractive partner and customer for the project will be secured.

Jervois' initial intention is to commit only off-take required to facilitate the introduction of partner funding to complete the Nico Young FS. Upon completion of the FS, Jervois will again reassess its level of equity share of Nico Young, and uncommitted off-take, and determine a suitable ownership structure and marketing strategy to facilitate obtaining project financing to move into construction.

Kabanga application

In August 2018, Jervois confirmed it had applied for a PL over the Kabanga nickel-cobalt deposit in the Kagera region of Tanzania.

Jervois believes the Kabanga sulphide deposit to be the highest quality undeveloped nickel-cobalt deposit in the world, unmatched in scale and grade. Since discovery, the resource has had approximately US$250 million of expenditure and a definitive feasibility study ("DFS") completed.

Kabanga was previously subject to a Retention License ("RL") held by Glencore plc and Barrick Gold, however in January 2018, the Tanzanian government published the Mining (Mineral Rights) Regulations, 2018, which cancelled all existing RLs and stipulated that rights over all areas which were the subject of such RLs reverted to the Government. In May 2018, Jervois applied to the Mining Commission for a PL covering the ground held under the previous RL.

Jervois continues to advance discussions with the government of Tanzania in relation to this deposit and, while there is no certainty that Jervois will secure tenure, it believes that, with its technical knowledge of the asset and its relationships, it is well positioned in relation to this process.

Non-core Assets

Flemington Project/Cobalt 27

In 2016, Jervois granted an option over its Flemington project (EL 7805 and EL 8546) to a wholly-owned subsidiary of Australian Mines Limited (ASX:AUZ) – Flemington Mining Operations Pty Ltd. In September 2018, Australian Mines elected to exercise its A$6.0 million purchase option.

The option exercise by Australian Mines created a 1.5% gross royalty to Jervois on all mineral products, which was part of the royalty package sold to Cobalt 27 Capital Corp (TSX-V: KBLT) ("Cobalt 27") in late June 2018 for US$1.5 million in cash and 422,856 ordinary shares of Cobalt27.

Jervois completed a full exit of the Flemington deposit and received the final A$3.4 million cash payment from Australian Mines in December 2018.

In the June quarter, Jervois sold its shareholding of Cobalt 27, acquired via the sale of royalties over the Flemington and Nyngan properties, for A$1.872 million in cash. A decision was made to exit following Pala Investments announcement to acquire Cobalt 27 on 18 June.

Other royalties

On April 1, 2019, Jervois announced that it had entered into a sale agreement with Franco Nevada over its remaining royalty portfolio, including the Bullabulling royalty, for A$3.6 million in cash. This sale did not close due to Zijin Mining Limited, the owner of the Bullabulling project, declining to provide their consent to the sale.

Khartoum Tin Project, Herberton, Queensland, Australia

The Khartoum Tin Project comprises five tenements in the Mt Garnet / Herberton area of the Atherton Table Lands, North Queensland, Australia. The area was historically mined for tin and dominated by highly deformed greisen / skarn.

Although the properties are promising, Jervois has determined they are no longer core to its revised strategy to focus on battery raw materials. Jervois established a data room, which interested parties have accessed. At year end, Jervois was considering preliminary offers.

Arunta West JV, Western Australia (Jervois 49%)

Norwest Minerals Ltd (ASX: NWM), operator of the Arunta West JV in Western Australia, commenced an initial four-hole diamond drill programme in May 2019 on the North Dover coincident gravity and magnetics anomaly. The target is IOCG mineralisation and is located between recent copper and gold discoveries to the west and east. NWM also commenced a soil sampling programme.

NWM released results of the programme in June 2019. Jervois continues to monitor the progress of this JV, which is non-contributing during the stage 2 earn-in by NWM.

Virgin River JV (Uranium, Jervois 2%)

Jervois acquired a minor contributing interest in the Virgin River uranium project via its merger with eCobalt. The project is a large unconformity type uranium target in the Athabasca Basin in Canada. Cameco is the JV manager (with Areva as its partner) and has ongoing exploration programs, including deep (+1,000m) drilling at the site.

Cash Balance

Jervois ended June 2019 with A$4.2 million in cash, A$1.7 million in public securities and no debt. Following receipt of the proceeds from the capital raising announced as conditionally completed on 28 June 2019, and after payment of transaction costs for the eCobalt and M2 Cobalt mergers, the group had cash of A$19.5m and no debt at the end of July 2019.

Significant changes in the state of affairs

63,819,995 fully paid ordinary shares were issued on 19 June 2019, to M2 Cobalt shareholders to complete the acquisition of M2 Cobalt Corp.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 24 July 2019, the company further announced that A$16.5m capital raising was completed.

On 24 July 2019, the company announced that eCobalt Solutions Inc ("eCobalt") shareholders approved the merger with Jervois Mining Limited and on 24 July 2019, the company announced that the merger was completed with the approval from the British Columbia Supreme Court.

The acquisition of eCobalt included the following:

1) The company acquired 100% of eCobalt;
2) The company issued 262,630,541 fully paid ordinary shares at 23 cents per shares; and
3) The company issued 15,759,975 unlisted eCobalt options and 29,287,500 unlisted eCobalt warrants.

Apart from the above no other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The consolidated entity will continue to seek to commercialise existing assets and pursue further exploration opportunities. There are no significant changes in the nature or size of operations expected.

Environmental regulation

The consolidated entity holds participating interests in several mining and exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies, during the year ended 30 June 2019.

Information on directors

Name:	Peter Johnston
Title:	Non-Executive Chairman
Qualifications:	BA, FAICD, FAusIMM
Experience and expertise:	Peter Johnston is recognised as one of Australia's leading mining executives and Board Directors, with more than 35 years' of operational and project development experience. Prior to joining Jervois, Mr Johnston was Interim Chief Executive Officer ("CEO") of Tronox Limited ("Tronox"), a NYSE-listed titanium dioxide feedstock and processing business; he remains a Non-Executive Director of the company. Mr Johnston was Head of Global Nickel Assets for Glencore International AG ("Glencore") from 2013 to 2015. During this period, he was responsible for all of Glencore's nickel-cobalt mine and processing facilities operations across Australia, Canada, the Dominican Republic, New Caledonia and Norway, as well as the Kabanga nickel-cobalt project in Tanzania. He was a member of the Glencore Executive Management Committee. From 2001 to 2013, Mr Johnston was Managing Director and CEO of Minara Resources Limited ("Minara"), listed on the ASX and a subsidiary of Glencore from 2005 until late 2011 when Glencore delisted it.
Other current directorships:	NRW Holdings Ltd and Tronox Limited
Former directorships (last 3 years):	Nil

Name:	Bryce Crocker
Title:	Chief Executive Officer
Qualifications:	Bsc, LLB (Hons), GradDip Applied Finance and Investment
Experience and expertise:	Bryce Crocker (CEO) is a seasoned mining and natural resources executive with significant experience in base metals including cobalt. Mr Crocker joined Xstrata plc shortly after its IPO in mid-2002, was based in London in business development roles until 2006, when he transitioned to Canada following the acquisition of Falconbridge and establishment of Xstrata Nickel headquarters in Toronto. His past nickel/cobalt roles at Xstrata plc's nickel division include VP and Head Strategy, Marketing and Research, and GM and Head Business Development. Mr Crocker was a Director on the Xstrata Nickel Board, an Xstrata nominee Director to the Nickel Institute Board (global body representing the industry) and an Xstrata nominee to the Kabanga Shareholder Advisory Committee. Following the sale of Xstrata to Glencore in 2013, Mr Crocker was based in Latin America focused on natural resource investments in the region. Mr Crocker holds an LLB (Honours) and BSc from the University of Melbourne and a Post Graduate Diploma in Applied Finance and Investment from the Australian Securities Institute.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil

Name:	Brian Kennedy
Title:	Non-Executive Director
Qualifications:	Cert Gen Eng
Experience and expertise:	Brian Kennedy has more than 35 years' experience in construction and mining sectors with clients across coal, iron ore, nickel, cobalt, gold and fertilisers, both in Australia and overseas. During his career Mr Kennedy has managed large scale mining operations such as Kambalda and Mt Keith on behalf of WMC Resources, and Murrin Murrin for Glencore. Mr Kennedy has extensive experience in nickel/cobalt/base metal project start-ups in both construction and transition to operations. Specific roles include Project Manager for Albidon at Munali nickel mine in Zambia, GM Dikulushi copper mine for Anvil Mining Ltd in DRC, Project Technical Manager for Vale Inco at Goro New Caledonia, Senior VP AngloGold Ashanti DRC, Director Kabali Gold Mines and Director Kabali SPRL DRC. Mr Kennedy was a founding shareholder and Director of Reliance Mining, before its takeover by Consolidated Minerals, and a founding shareholder and non-executive Director of Silver Lake Resources.
Other current directorships:	Nil
Former directorships (last 3 years):	Silver Lake Resources Ltd

Name:	Michael Rodriguez
Title:	Non-Executive Director (resigned 17 April 2019)
Qualifications:	BMet, MAICD
Experience and expertise:	Michael Rodriguez is currently Chief Operating Officer of Poseidon Nickel; previous employers include GoldCorp, WMC Resources (Olympic Dam and Kwinana Nickel Refinery), Glencore (Murrin Murrin), Gordes Nickel, Black Swan and Lake Johnston. Mr Rodriguez has more than 30 years' of experience in the design, construction, commissioning, operation and management of hydrometallurgical and pyro-metallurgical plants across Australia, Turkey, Europe and the Americas. Mr Rodriguez has a strong background in project construction, mechanical completion and site handover to operations. At Murrin Murrin, Mr Rodriguez held the positions of Operations, Project, Technical Services and Corporate Strategic Development Manager. He managed more than 300 staff and contractors with an annual budget over A$150 million. His team had responsibility for the design and commissioning of the High-Pressure Acid Leach (HPAL) circuit, including the Pressure Oxidative (POX) leach autoclave, sulphuric acid and hydrogen sulphide plants, solvent extraction (SX) and hydrogen reduction.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil

Name:	Stephen van der Sluys
Title:	Non-Executive Director (resigned 19 June 2019)
Qualifications:	BBuild, FAICD, FAusIMM
Experience and expertise:	Stephen van der Sluys is both Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Company Directors. His career spans over 40 years as banker to, and as a director of, mining and metals businesses. Mr van der Sluys commenced his career after completing studies in geology and a Degree in Building from University Blue from UNSW. Specific to our Company's current interests, Mr van der Sluys was previously an Executive Director of Queensland Nickel Limited leading to its A$375 million IPO in the early 1990s, subsequently brokered the sale of the Ravensthorpe Project to BHP Billiton and was also principal financial advisor to Anaconda Nickel Limited in its A$1.4 billion Murrin Murrin Nickel/Cobalt Project Financing. His background in banking commenced with roles at Citibank and JP Morgan Chase (then Chase Manhattan Bank) in Sydney and New York. His career evolved to include roles in the reconstruction and sale of the Bank of New Zealand and as Managing Director of CIBC Wood Gundy Australia. His extensive finance industry experience encompasses a wide variety of roles including in project and infrastructure financing, commodity finance and challenging workouts.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil

Name:	Michael Callahan
Title:	Non Executive Director (appointed 24 July 2019)
Qualifications:	
Experience and expertise:	Mr Michael Callahan was appointed on 1 October 2018 as President and CEO of eCobalt. Previously he was VP of Corporate Development and President of Hecla Mining's Venezuelan mining operations, President of Silvermex Resources Inc. and President and CEO of Western Pacific Resources Corp. Mr. Callahan is a strong and experienced executive with extensive operational and public-company management experience having held senior management roles at numerous development and production stage mining companies. Mr Callahan has established and led numerous sizeable operations in North America and internationally and has been responsible for the evaluation and execution of several growth-oriented transaction throughout his career.
Other current directorships:	Nil
Former directorships (last 3 years):	eCobalt Solutions Inc.

Name: Scott Hean

Title: Non-Executive Director (appointed on 24 July 2019)

Qualifications:

Experience and expertise: Mr Scott Hean is a retired director of a number of junior mining exploration companies traded in Canada and the US including Sabina Gold & Silver Corp., a TSX listed company, where he was Chair of the Compensation Committee and a member of the Audit Committee. He was also Chief Financial Officer of Quaterra Resources Inc. a junior mining exploration company traded in Canada and the United States. Mr. Hean graduated from Simon Fraser University in 1973, from the Ivey School of Business in London, Ontario. in 1975 and from the Institute of Corporate Directors, Directors Education Program, Rotman School of Business in 2006.

Mr Hean has over 40 years' of experience in banking and finance. He served as Senior Vice President and Managing Director with the Bank of Montreal, responsible for natural resources sector financing in North America and J.P. Morgan of New York, primarily financing junior oil and gas companies. He has served on numerous not-for-profit Boards including Outward Bound Canada, BC Children's Hospital and the Bill Reid Foundation and Gallery

Other current directorships: Nil

Former directorships (last 3 years): eCobalt Solutions Inc;

Name: Simon Clarke

Title: Non-Executive Director (appointed 19 June 2019, resigned 24 July 2019)

Qualifications: LLB, Dip.LP

Experience and expertise: Mr Simon Clarke has 25 years' in senior roles focused on resources, energy and energy technologies. He was a Co-Founder, Director and former VP of OSUM Oil Sands from inception in 2005 and helped grow the company to a valuation of more than US$1 billion and remains a Board Observer and Advisor. Mr Clarke was a former EVP at RailPower Technologies, which developed hybrid technologies for railroad and other applications, and helped grow the company from C$15 million market cap to over C$350 million in three years while raising more than C$125 million during that time. Mr Clarke qualified as a securities lawyer and then worked in investment banking and corporate broking and has been a director and advisor to a number of resources and energy technology companies.

Other current directorships: Global Vandium Corp; M3 Metals Corp

Former directorships (last 3 years): M2 Cobalt Corp

Company secretary

Mr Alwyn Davey was appointed to the position of Company Secretary on 12 April 2017. Mr Davey has more than 18 years' experience as Company Secretary in relation to corporate governance, new stock market listings, secondary fundraising, and cross border mergers, acquisitions and investments. Mr Davey was formerly a member of the executive committee of Cambrian Mining Plc, a diversified mining group listed in London. He was a Non-Executive Director of Energybuild Group Plc, a UK listed coal company.

Mr Davey's primary responsibility is to support the Board in its corporate governance and administrative compliance of the Company with ASIC and the ASX Listing Rules, a role he has undertaken for several other ASX-listed entities as well as compliance with the TSXV Exchange Policies. Mr Davey holds an LLB degree from Waikato University, NZ.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2019 was 16 and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	**Held**	**Attended**	**Held**
Bryce Crocker	16	16	-	-
Peter Johnston (appointed 1 July 2018)	16	16	-	-
Brian Kennedy	16	16	-	-
Michael Rodriguez (resigned 17 April 2019)	10	10	1	1
Steven van der Sluys (resigned 19 June 2019)	15	15	1	1
Scott Hean (appointed 24 July 2019)	-	-	-	-
Michael Callahan (appointed 24 July 2019)	-	-	-	-
Simon Clarke (appointed 19 June 2019, resigned 24 July 2019)	1	1	-	-

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

Directors and senior management personnel

The following persons acted as directors of the Company during or since the end of the financial year
Executive Directors:

B Crocker

Non-executive Directors:

P Johnston (appointed 1 July 2018)

B Kennedy

M Rodriguez (resigned 17 April 2019)

S van der Sluys (resigned 19 June 2019)

Scott Hean (appointed 24 July 2019)

Michael Callahan (appointed 24 July 2019)

Simon Clarke (appointed 19 June 2019, resigned 24 July 2019)

The term “senior management” is used in this remuneration report to refer to the following key management personnel. Except as noted, the named key management personnel held their current position during or since the end of the financial year.

B Crocker (Chief Executive Officer) (appointed: 1 October 2017)

M Rodriguez (Executive General Manager – Technical Services) (appointed 18 March 2019)

A Edelmeier (Interim Chief Financial Officer / Executive General Manager - Finance) (appointed 19 June 2019)

K Klassen (General Counsel / Executive General Manager – Legal) (appointed 1 June 2019)

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

After taking into account the consolidated entity's financial position and ability to pay market rates, both the full Board or the Chief Executive Officer acting with delegated responsibilities, aims to remunerate all its staff, including its key management personnel, fairly and reasonably to attract and retain appropriately qualified and experienced individuals capable of achieving the consolidated entity's business objectives for the benefit of shareholders.

To achieve this remuneration objective, the consolidated entity may offer its staff, including its key management personnel, total remuneration packages which include the various components detailed elsewhere in this remuneration report. If necessary, the consolidated entity will obtain independent professional advice from remuneration consultants to help it achieve its remuneration objective.

The consolidated entity's remuneration objective has been designed to align director and executive objectives with shareholder and business objectives by providing both a base or fixed component and possibly short or long-term incentives. The consolidated entity's remuneration objective is considered to be appropriate for its current size and financial position and effective in its ability to attract and retain talented executives and directors to run and manage the consolidated entity. None of the remuneration paid by the consolidated entity to its key management personnel during the reporting period was dependent on the satisfaction of a performance condition, as no short or long-term incentives were paid during this period.

The Board as a whole acts as the remuneration committee and determines the following:
- the over-arching executive remuneration framework;
- operation of incentive plans which apply to the executive team, including key performance indicators and performance hurdles;
- remuneration levels of executive directors and other key personnel; and
- non-executive director fees.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the company. They may enlist the help of outside consultants to achieve this objective.

Executive remuneration

In determining executive remuneration (including executive directors), the board or chief executive officer applies the remuneration objective articulated above, by aiming to ensure that the consolidated entity's executive remuneration is competitive and reasonable, aligned with the consolidated entity's business objectives and acceptable to shareholders.

The executive remuneration and reward framework has three components:
- Base pay and benefits, including superannuation
- Short-term incentives (entirely discretionary), which if required are approved by shareholders
- Long-term incentives (entirely discretionary), which if required are approved by shareholders

The above framework provides for a mixture of different types of remuneration to provide flexibility in aligning executive reward with the consolidated entity's business objectives and the creation of shareholder value.

During the financial year, all the consolidated entity's executive remuneration was comprised of base pay and benefits, including superannuation, short and long-term incentives comprising the issue of shares and granting of options.

Executives receive their base pay in cash and any non-financial fringe benefits in kind. Executives are offered base pay that comprises the fixed component of their pay and rewards. There are no guaranteed pay increases in any of the executive's employment contracts. Non-financial benefits include expense payments benefits. None of this type of remuneration is dependent on the satisfaction of any performance conditions.

The consolidated entity makes superannuation contributions on each component of an executive's total remuneration package that is subject to Australian superannuation guarantee legislation. The consolidated entity also contributes on behalf of each executive any salary sacrificed superannuation contributions, should they elect to do so. All superannuation contributions are made to the superannuation fund elected by each executive. Superannuation contributions were paid to the superannuation funds elected by the consolidated entity's executives during the financial year.

The consolidated entity's long-term incentives are provided as approved by shareholders at the 2017 and 2018 annual general meeting. At the 2018 annual general meeting 97.1% approved the remuneration report for 2018. The company did not receive any specific feedback at the annual general meeting regarding its remuneration practices. The long-term incentives are designed to provide long-term incentives for all the consolidated entity's staff, including its executives. No specific performance conditions are attached to the vesting conditions for any options granted other than continued employment. The directors of the parent entity have discretion to determine all the terms and conditions for any options granted, including such matters as who participates, the vesting conditions, exercise price and expiry date etc. Options are granted for no consideration and carry no dividend or voting rights. (Bryce Crocker has a contractual right to be granted further options until 2020 pursuant to shareholder approval at the 2017 annual general meeting).

The consolidated entity does not currently attach any performance conditions or pre-defined targets to the vesting conditions of any options granted plan, which would need to be achieved before the options vested other than continued employment. Given the current size of the consolidated entity, performance conditions or targets are not considered necessary as each individual executive's relative performance and contribution to the consolidated entity will be taken into account by the board when it's determines the vesting conditions applicable to any options granted. Long-term incentives were paid by the consolidated entity during the financial year to directors. There were management options granted during the financial year.

Use of remuneration consultants

The consolidated entity did not engage any independent remuneration consultants during the financial year in relation to any aspects of the consolidated entity's remuneration, including that paid to its key management personnel.

Details of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits		Post-employment benefits	Share based payments	Value of options as proportion of	
2019	Salary and directors' fees	Consultancy fees	Super-annuation	Equity	total remuneration	Total
	A$	A$	A$	A$	%	A$
Non-Executive Directors:						
P Johnston (appointed 1 July 2018)	75,000	-	-	304,334	80.2	379,334
B Kennedy	24,000	-	-	442,072	94.9	466,072
M Rodriguez (resigned 17 April 2019)*	18,000	34,800	-	442,072	89.3	494,872
S van der Sluys (resigned 19 June 2019)	23,249	-	2,209	-	-	25,458
S Hean (appointed 24 July 2019)	-	-	-	-	-	-
M Callahan (appointed 24 July 2019)	-	-	-	-	-	-
S Clarke (appointed 19 June 2019, resigned 24 July 2019)	9,819	-	-	-	-	9,819
Executive Directors:						
B Crocker	273,972	-	26,027	3,553,934	92.2	3,853,933
Other Key Management Personnel:						
M Rodriguez (appointed 18 March 2019)	72,418	-	6,880	-	-	79,298
A Edelmeier (appointed 19 June 2019	8,183	-	-	-	-	8,183
K Klassen (appointed 1 June 2019)	-	22,693	-	11,089	32.8	33,782
	504,641	57,493	35,116	4,753,501	88.8	5,350,751

'* M Rodriguez resigned as director on 17 April 2019 after he was appointed Executive General Manage – Technical Services on 18 March 2019

Share based payments represent non-cash value of options issued during the year to directors and officers. Valuation of these options is based on the Black Scholes method and calculated on the date of issue following shareholder approval at the 2017 and 2018 Annual General Meetings.

2018	Short-term benefits Cash salary and fees	 Consultancy fees	Post-employment benefits Super-annuation	Share based payments Equity	Value of options as proportion of total remuneration	Total
	A$	A$	A$	A$	%	A$
Non-Executive Directors:						
P Johnston *(appointed 1 July 2018)*	-	-	-	-	-	-
J Byrne *(resigned 31 March 2018)*	18,000	4,500	-	260,636	92	283,136
J Newton *(resigned 22 January 2018)*	13,500	11,800	-	260,636	91	285,936
S van der Sluys	84,000	-	7,980	260,636	74	352,616
B Kennedy *(appointed 1 October 2017)*	18,000	-	-	961,025	98	979,025
M Rodriguez	18,000	16,800	-	961,025	97	995,825
Executive Directors:						
B Crocker *(appointed 1 October 2017)*	197,695	-	19,517	2,353,490	92	2,570,702
Other Key Management Personnel:						
D Selfe *(appointed 13 June 2018)*	8,058	-	765	9,843	53	18,666
S Van Huet (ceased being classified as a KMP on 1 July 2017)	-	-	-	-	-	-
	357,253	33,100	28,262	5,067,291	94	5,485,906

Share-based compensation

Issue of shares and options

- During the 2019 financial year 15,000,000 options were issued to directors and key management personnel.
- Further there were 1,731,250 options on issue, at the time of the M2 merger, to directors and officers who were former directors of M2 Cobalt Corp and are reflected as being held at the time of appointment. Under the terms of the merger, these options will be exercised into shares of the Company.

None of the key management personnel remuneration in the current year or in the previous year was linked to performance. No key management personnel were provided with any loans during the year.

Options

There were 31,731,250 options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2019.

Remuneration report – audited (cont'd)

Additional information

The earnings of the consolidated entity for the five years to 30 June 2019 are summarised below:

	2019	2018	2017	2016	2015
	A$	A$	A$	A$	A$
Sales revenue	4,137,860	446,333	5,376,129	20,580	34,870
Profit / (loss) before income tax	(5,377,363)	(6,951,170)	3,944,192	(941,508)	(1,179,545)
Profit/(loss) after income tax	(6,001,444)	(6,951,170)	3,944,192	(941,508)	(1,179,545)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2019	2018	2017	2016	2015
Share price at financial year end ($)	0.22	0.41	0.06	0.05	0.05
Basic (loss) / profit per share (cents per share)	(2.67)	(3.84)	3.64	(1.12)	(1.79)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Held at time of appointment	Additions	Disposals / held at time of resignation	Balance at the end of the year
Ordinary shares					
P Johnston	-	-	250,000	-	250,000
B Crocker	1,000,000	-	275,000	-	1,275,000
M Rodriguez	-	-	-	-	-
B Kennedy	46,000	-	100,000	-	146,000
S van der Sluys (resigned 19 June 2019)	2,149,626	-	2,500,000	(4,649,626)	-
S Clarke (Appointed 19 June 19)		1,559,000	-	-	1,559,000
S Hean (Appointed 24 July 2019)	-	-	-	-	-
M Callahan (Appointed 24 July 2019)	-	-	-	-	-
A Edelmeier	-	3,428,486	-	-	3,428,486
K Klassen	-	-	-	-	-
	3,195,626	4,987,486	3,125,000	(4,649,626)	6,658,486

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Held at time of appointment	Granted as remuneration	Exercised	Disposals / held at time of resignation	Balance at the end of the year
Options over ordinary shares						
P Johnston	-	-	7,500,000	-	-	7,500,000
B Crocker	10,000,000	-	5,000,000	-	-	15,000,000
M Rodriguez(1)	2,500,000	-	-	-	-	2,500,000
B Kennedy	2,500,000	-	-	-	-	2,500,000
S van der Sluys	2,500,000	-	-	(2,500,000)	-	-
S Clarke (2)	-	935,000	-	-	-	935,000
Scott Hean	-	-	-	-	-	-
Michael Callahan	-	-	-	-	-	-
A Edelmeier (Appointed 19 June 19)	-	796,250	-	-	-	796,250
K Klassen	-	-	2,500,000	-	-	2,500,000
	17,500,000	1,731,250	15,000,000	(2,500,000)	-	31,731,250

(1) M Rodriguez resigned as a director on 17 April 2019 but remains a member of the key management personnel

(2) S Clarke was appointed as a director on 19 June 2019 and resigned on 24 July 2019 but remains a member of the key management personnel.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Jervois Mining Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
13 December 2017	30 November 2022	$0.15	15,000,000
30 May 2018	30 May 2024	$0.345	500,000
16 June 2018	16 June 2024	$0.305	2,500,000
1 October 2018	30 September 2023	$0.29	5,000,000
2 November 2018	1 July 2023	$0.295	7,500,000
1 June 2019	1 June 2024	$0.24	2,500,000
19 June 2019	4 October 2019	$0.436	3,955,000
19 June 2019	18 January 2020	$0.872	9,367,012
19 June 2019	5 September 2020	$0.218	2,507,500
19 June 2019	23 January 2021	$0.545	3,150,000
19 June 2019	22 March 2021	$0.687	200,000
19 June 2019	29 June 2021	$0.371	375,000

No person entitled to exercise the options had, or has any right by virtue of the option, to participate in any share issue of the company or of any other body corporate.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit service and review

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important. Details of the amounts paid or payable to BDO, the Group's auditor for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit, Risk and Compliance Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants'.

Details of the amounts paid to the auditor, BDO, and its related practices for audit and non-audit services provided during the year are set out below. The auditors provided services in relation to inclusion of pro-forma consolidated financial statements of the combined group that was included in the information circular to the shareholders of M2 Cobalt and eCobalt

	Consolidated	
	2019	2018
	A$	A$
Audit service	60,034	39,000
Non audit service		
Review of pro forma accounts in relation to M2 Cobalt Corp merger	*25,000*	-
Review of pro forma accounts in relation to eCobalt Solutions Inc merger	*25,000*	-
Subtotal – non-audit service	50,000	-
Total	110,034	39,000

There are no officers of the company who are former partners of BDO East Coast Partnership.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

Auditor

BDO East Coast Partnership was appointed as auditors of the company on 28 November 2017.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001.*

On behalf of the directors

P. B. Johnston

Peter Johnston

16 September 2019

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DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF JERVOIS MINING LIMITED

As lead auditor of Jervois Mining Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Jervois Mining Limited and the entities it controlled during the period.

James Mooney
Partner

BDO East Coast Partnership

Melbourne, 16 September 2019

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Consolidated statement of profit or loss and other comprehensive income For the year ended 30 June 2019

	Note	Consolidated 2019	2018
		A$	A$
Revenue	5	4,086,463	177,162
Other income	6	126,386	269,171
Expenses			
Administrative expense		(88,287)	(67,889)
Communication expenses		(18,105)	(19,042)
Employee benefits expense	7	(5,925,172)	(5,775,823)
Exploration expense	7	(10,523)	(681)
Depreciation and amortisation expense	7	(16,540)	(15,280)
Loss from sale of investments		(3,380)	(101,524)
Professional fees incurred with M2Cobalt and eCobalt acquisitions		(1,908,143)	-
Impairment of exploration assets	7	(52,819)	(55,089)
Fair value adjustment for investments held for trading		-	(260,616)
Insurance premiums		(68,250)	(44,600)
Professional fees		(981,846)	(625,297)
Securities quotation fees		(213,029)	(122,583)
Tenancy and property costs		(24,260)	(16,173)
Finance costs	7	(44)	-
Other expenses		(279,814)	(292,906)
Loss before income tax expense		(5,377,363)	(6,951,170)
Income tax expense	8	(624,081)	-
Loss after income tax expense for the year attributable to the owners of Jervois Mining Limited		(6,001,444)	(6,951,170)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange reserve arising on translation of foreign operations		(62,874)	-
Items that may not be reclassified subsequently to profit or loss			
Change in fair value of equity instrument at FVOCI		(6,170,147)	(2,313,566)
Total comprehensive income for the year attributable to the owners of Jervois Mining Limited		(12,234,465)	(9,264,736)

		A$ Cents	A$ Cents
loss per share for the year attributable to the owners of Jervois Mining Limited			
Basic loss per share	33	(2.67)	(3.84)
Diluted loss per share	33	(2.67)	(3.84)

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

Consolidated statement of financial position
As at 30 June 2019

	Note	Consolidated 2019 A$	Consolidated 2018 A$
Assets			
Current assets			
Cash and cash equivalents	32	4,186,702	4,715,432
Trade and other receivables	9	394,790	4,416,860
Financial assets at fair value through profit or loss	10	-	501,233
Total current assets		4,581,492	9,633,525
Non-current assets			
Financial assets at fair value through other comprehensive income	11	1,737,347	7,907,496
Property, plant and equipment	12	935,255	609,745
Exploration and evaluation	13	27,396,513	5,922,780
Security deposits	14	177,500	177,500
Total non-current assets		30,246,615	14,617,521
Total assets		34,828,107	24,251,046
Liabilities			
Current liabilities			
Trade and other payables	15	2,581,740	584,668
Employee benefits	16	41,741	18,141
Total current liabilities		2,623,481	602,809
Non-current liabilities			
Employee benefits	16	15,296	12,856
Total non-current liabilities		15,296	12,856
Total liabilities		2,638,777	615,665
Net assets		32,189,330	23,635,381
Equity			
Issued capital	17	85,932,334	70,473,999
Reserves	18	695,577	1,598,519
Accumulated losses	19	(54,438,581)	(48,437,137)
Total equity		32,189,330	23,635,381

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

Statement of changes in equity
For the year ended 30 June 2019

Consolidated	Issued capital	Financial assets reserve	Share based payments reserve	Accumulated losses	Total equity
	A$	A$	A$	A$	A$
Balance at 1 July 2017	53,410,897	-	-	(41,485,967)	11,924,930
Loss after income tax expense for the year (note 19)	-	-	-	(6,951,170)	(6,951,170)
Change in fair value of equity instrument at FVOCI (note 18.1)	-	(2,313,566)	-	-	(2,313,566)
Total comprehensive income for the year	-	(2,313,566)	-	(6,951,170)	(9,264,736)
Transactions with owners in their capacity as owners					
Issue of new shares	14,361,628	-	-	-	14,361,628
Options exercised	2,584,386	-	-	-	2,584,386
Value of options issued	-	-	5,477,145	-	5,477,145
Value of options exercised (note 18.3)	1,565,060	-	(1,565,060)	-	-
Share issue costs (note 17)	(1,447,972)	-	-	-	(1,447,972)
Balance at 30 June 2018	70,473,999	(2,313,566)	3,912,085	(48,437,137)	23,635,381

Consolidated	Issued capital	Foreign currency translation reserve	Financial assets reserve	Share based payments reserve	Accumulated losses	Total equity
	A$	A$	A$	A$	A$	A$
Balance at 1 July 2018	70,473,999	-	(2,313,566)	3,912,085	(48,437,137)	23,635,381
Loss after income tax expense for the year (note 19)	-	-	-	-	(6,001,444)	(6,001,444)
Movement in foreign exchange values (note 18.2)	-	(62,874)	-	-	-	(62,874)
Change in fair value of equity instrument at FVOCI (note 18.1)	-	-	(6,170,147)	-	-	(6,170,147)
Total comprehensive income for the year	-	(62,874)	(6,170,147)	-	(6,001,444)	(12,234,465)
Transactions with owners in their capacity as owners						
Issue of new shares (note 17)	14,997,699	-	-	-	-	14,997,699
Options exercised	200,000	-	-	-	-	200,000
Value of options issued (note 18.3)	-	-	-	5,590,715	-	5,590,715
Value of options exercised	260,636	-	-	(260,636)	-	-
Balance at 30 June 2019	85,932,334	(62,874)	(8,483,713)	9,242,164	(54,438,581)	32,189,330

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

Statement of cash flows

For the year ended 30 June 2019

	Note	Consolidated 2019 A$	2018 A$
Cash flows from operating activities			
Receipts from customers		6,033,777	1,000,000
Payments to suppliers and employees		(1,845,411)	(1,795,899)
Merger expenses		(763,791)	-
Company tax		(624,081)	-
Interest		(44)	-
Sundry income		1,636	29,675
Net cash from/(used in) operating activities	32(i)	2,802,086	(766,224)
Cash flows from investing activities			
Interest received		62,784	103,555
Payments for investments		-	(10,491,061)
Payments for property, plant and equipment		(342,048)	(558,868)
Payments for exploration and evaluation		(4,566,961)	(1,845,715)
R&D tax offset received in relation to exploration assets		800,453	143,707
Proceeds from sale of investments		2,469,488	1,148,476
Funds from subsidiary acquired		594,783	-
Payments/refunds - security deposits and advances		1,701	(66,555)
Net cash used in investing activities		(979,800)	(11,566,461)
Cash flows from financing activities			
Proceeds from issue of shares		200,000	16,271,014
Loan to other entities		(2,551,016)	-
Payment of unclaimed funds to State Revenue Office		-	(29,494)
Share issue transaction costs		-	(579,185)
Net cash (used in)/ from financing activities		(2,351,016)	15,662,335
Net (decrease)/increase in cash and cash equivalents		(528,730)	3,329,650
Cash and cash equivalents at the beginning of the financial year		4,715,432	1,385,782
Cash and cash equivalents at the end of the financial year	32	4,186,702	4,715,432

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

Notes to the financial statements
30 June 2019

Note 1. General information

The financial statements cover Jervois Mining Limited as a consolidated entity consisting of Jervois Mining Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Jervois Mining Limited's functional and presentation currency.

Jervois Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

585 Burwood Road
Hawthorn, Victoria, 3122

The financial statements were authorised for issue, in accordance with a resolution of directors, on 16 September 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

Going concern
The consolidated entity's operating loss for the year ended 30 June 2019 amounted to $6,001,444 (30 June 2018: loss of $6,951,170.

The consolidated entity had net current assets at 30 June 2019 of $1,958,001 (30 June 2018: $9,030,716). In July 2019 the consolidated entity raised $16,500,000 (note 31). The directors have considered the above factors and are of the opinion that the consolidated entity will be able to continue as a going concern and will be able to pay its debts as and when they fall due.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for financial assets and liabilities at fair value through profit or loss and financial assets and liabilities at fair value through other comprehensive income.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Jervois Mining Limited ('company' or 'parent entity') as at 30 June 2019 and the results of all subsidiaries for the year then ended. Jervois Mining Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered, or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Accounting policy for financial assets at fair value through other comprehensive income

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 20 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition receivables.

Property, plant and equipment

All classes of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	5-30 years
Motor vehicles	5 years
Office equipment	4-20 years
Plant and equipment	4-20 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

The carrying value relating to an area of interest is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

The value of research and development tax incentives received in relation to exploration assets is recognised by deducting the grant when arriving at the carrying value of the asset.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings / (Loss) per share

Basic earnings / (loss) per share

Basic earnings / (loss) per share is calculated by dividing the loss attributable to the owners of Jervois Mining Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings / (loss) per share

Diluted earnings / (loss) per share adjusts the figures used in the determination of basic loss per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Changes in accounting standards

New Accounting Standards and Interpretations

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard requires: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. Impact on 2019 accounts was not material.

New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 but does not believe will have any impact due to nil lease agreements.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. All exploration assets are reviewed for impairment at each reporting period.

Share based payments

Share options issued by the Company have been valued using a Black-Scholes pricing model (Note 27).

Taxation

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the Consolidate Statement of Financial Position. Deferred tax assets, including those arising from un-recouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, operating costs, restoration costs, capital expenditure, and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Consolidated Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to Profit or Loss.

Note 4. Segment information

Identification of reportable operating segments

The consolidated entity is organised into the following reportable operating segment: mineral exploration and evaluation in Australia, Canada and Uganda. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's Chairman for the purposes of resource allocation and assessment of performance is focused on key business segments. The Group's reportable segments under AASB 8 are therefore as follows:

- Mineral exploration and evaluation

The mineral exploration business segment located in Australia, Canada and Uganda manages the mineral exploration business of the group.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

(i) The following is an analysis of the Group's revenue and results by reportable operating segments:

	Segment profit/(loss)	
	2019 A$	2018 A$
Continuing operations		
Australia	(5,368,166)	(6,951,170)
Canada	-	-
Uganda	(9,197)	-
Total of all Segments	**(5,377,363)**	**(6,951,170)**
Unallocated items		
Share of loss of associate		
Total loss before tax	**(5,377,363)**	**(6,951,170)**
Exchange reserve arising on translation of foreign operations	(62,874)	-
Change in fair value of equity instrument	(6,170,147)	(2,313,566)
Company tax	(624,081)	-
Total comprehensive income for the period	**(12,234,465)**	**(9,264,736)**

The segment revenue reported above represents the revenue generated from external customers. There were no intersegment sales in the current year (2018: nil).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. Segment loss represents the loss incurred by each segment without the allocation of share of losses of associate. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Note 4. Operating segments (Continued)

(ii) Segment assets

	2019 A$	2018 A$
Australia	16,106,245	24,254,046
Canada	583,848	-
Uganda	18,138,014	-
Total segment assets	34,828,107	24,251,046
Unallocated assets	-	-
Total assets	**34,828,107**	**24,251,046**

(iii) Segment liabilities

Australia	1,879,270	615,665
Canada	-	-
Uganda	759,507	-
Total liabilities	**2,638,777**	**615,665**

(iv) Geographical information

The group operates in these principal geographical areas. Australia, Canada and Uganda.

	Revenue from external customers		Non-current assets	
	2019 A$	2018 A$	2019 A$	2018 A$
Australia	4,086,463	177,162	11,939,130	14,617,521
Canada	-	-	583,848	-
Uganda	-	-	17,723,637	-
	4,086,463	**177,162**	**30,246,615**	**14,617,521**

(v) Other segment information

	Property plant and equipment		Depreciation and amortisation	
	2019 A$	2018 A$	2019 A$	2018 A$
Australia	935,255	609,745	16,540	15,280
Canada	-	-	-	-
Uganda	-	-	-	-
	935,255	**609,745**	**16,540**	**15,280**

Exploration: Impairment losses recognised for the year

	2019 A$	2018 A$
Australia	52,819	55,089
Canada	-	-
Uganda	-	-
	52,819	**55,089**

Note 5. Revenue

	Consolidated 2019 A$	Consolidated 2018 A$
Sale of royalty (i)	3,959,465	-
Interest received	126,998	106,805
Other	-	70,357
Revenue	**4,086,463**	**177,162**

(i) The company sold its Nyngan and Flemington future royalties to Cobalt 27

Note 6. Other income

	Consolidated 2019 A$	Consolidated 2018 A$
Insurance claim-net	-	177,028
R&D tax offset income (i)	49,761	76,969
Foreign exchange gain	74,989	-
Others	1,636	15,174
Other income	**126,386**	**269,171**

(i) Additional funds of $750,692 received during the year (2018: $66,738) as part of the R&D tax offset has been applied against exploration and evaluation asset disclosed in note 13.

Note 7. Expenses

	Consolidated 2019 A$	Consolidated 2018 A$
Profit/(loss) before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	16,540	15,280
Impairment		
Exploration and evaluation	52,819	55,089
Exploration expenses		
Exploration expense	10,523	681
Finance costs		
Interest expenses	44	-
Rental expense relating to operating leases		
Minimum lease payments	9,463	10,347
Research and development expense	1,840,122	330,360
Employee benefits expense		
Salaries and wages	821,588	616,604
Share based payment expenses	5,103,584	5,159,219
	5,925,172	**5,775,823**

Note 8. Income tax expense

	Consolidated 2019 A$	Consolidated 2018 A$
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(loss) before income tax expense	(6,001,444)	(6,951,170)
Tax at the statutory tax rate of 27.5% (2018: 27.5%)	(1,650,397)	(1,911,572)
Effect of expenses that are not deductible in determining taxable income	673,970	994,597
Effect of temporary differences	17,965	44,968
Effect of deferred tax losses not brought to accounts	334,381	872,007
Utilisation of tax losses	-	-
Income tax expense recognised in profit or loss	**624,081**	-

	Consolidated 2019 A$	Consolidated 2018 A$
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	40,644,713	31,201,065
Potential tax benefit @ 27.5% (2018: 27.5%)	**11,134,845**	**8,580,293**

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed. There was nil (2018: nil) franking credit at year end.

Note 9. Current assets - trade and other receivables

	Consolidated 2019 A$	Consolidated 2018 A$
Prepayments	70,496	1,188
Other receivables	1,188	49,907
Consideration accrued in relation to disposal of tenements	-	3,976,548
Insurance claim receivable	201,418	201,418
GST receivable	121,688	187,799
	394,790	**4,416,860**

Note 10. Financial assets at fair value through profit or loss

	Consolidated 2019 A$	Consolidated 2018 A$
Shares in Australian listed entities	-	501,233
Disclosed in the financial statements as:		
Current	-	501,233
Non-Current	-	-
	-	**501,233**

Note 11. Non-current assets - financial assets at fair value through other comprehensive income

	Consolidated 2019 A$	Consolidated 2018 A$
Shares in Canadian listed entities	10,231,062	10,231,062
Revaluation of investments at fair value	(8,493,715)	(2,323,566)
	1,737,347	**7,907,496**

Note 12. Non-current assets - property, plant and equipment

	Consolidated 2019 A$	Consolidated 2018 A$
Land and buildings - at valuation	45,000	45,000
Less: Accumulated depreciation	-	-
	45,000	45,000
Plant and equipment - at cost	907,160	570,900
Less: Accumulated depreciation	(24,740)	(12,959)
	882,420	557,941
Motor vehicles - at cost	53,441	53,441
Less: Accumulated depreciation	(53,441)	(53,441)
	-	-
Office equipment - at cost	32,797	27,009
Less: Accumulated depreciation	(24,962)	(20,205)
	7,835	6,804
	935,255	**609,745**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land & buildings A$	Plant & equipment A$	Office equipment A$	Total A$
Balance at 30 June 2017	83,890	13,123	12,263	109,276
Additions	-	557,868	2,754	560,622
Adjustment for revaluation of land	(38,890)	-	-	(38,890)
Write off	-	(1,366)	(4,617)	(5,983)
Depreciation expense	-	(11,684)	(3,596)	(15,280)
Balance at 30 June 2018	45,000	557,941	6,804	609,745
Additions	-	336,262	5,788	342,050
Depreciation expense	-	(11,783)	(4,757)	(16,540)
Balance at 30 June 2019	**45,000**	**882,420**	**7,835**	**935,255**

Note 13. Non-current assets - exploration and evaluation

	Consolidated 2019 A$	Consolidated 2018 A$
Exploration and evaluation - at cost	**27,396,513**	**5,922,780**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & evaluation A$
Balance at 1 July 2017	3,841,726
Additions	2,202,881
Impairment of assets	(55,089)
R&D tax offset recognised	(66,738)
Balance at 30 June 2018	5,922,780
Additions	3,969,759
Additions from acquisition of M2 Cobalt Corp	18,307,485
Impairment of assets	(52,819)
R&D tax offset recognised	(750,692)
Balance at 30 June 2019	**27,396,513**

During the year the Board reviewed the carrying value of the exploration expenditure and impairment expense has been recognised to the extent that capitalised costs are determined not to be recoverable in the future

Note 14. Non-current assets - other

	Consolidated 2019 A$	Consolidated 2018 A$
Security deposits	**177,500**	**177,500**

Note 15. Current liabilities - trade and other payables

	Consolidated 2019 A$	Consolidated 2018 A$
Trade payables	2,382,975	501,875
Payroll related liabilities	141,477	49,102
Accrued expenses	54,597	31,000
Unclaimed money	2,691	2,691
	2,581,740	**584,668**

Refer to note 20 for further information on financial instruments.

Note 16. Employee benefits

	Consolidated	
	2019	2018
	A$	A$
Annual leave provision	41,741	18,141
Long service leave provision	15,296	12,856
	57,037	**30,997**
Disclosed as current	41,741	18,141
Disclosed as non-current	15,296	12,856

Note 17. Equity - issued capital

	Consolidated			
	2019	2018	2019	2018
	Shares	Shares	$	$
Ordinary shares - fully paid	287,082,989	220,762,994	85,932,334	70,473,999

Note 17. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	A$
Balance	30 June 2017	136,953,972	53,410,897
New Issue	12 July 2017	9,283,095	556,986
Options exercised	15 August 2017	179,897	8,995
Options exercised	14 September 2017	211,325	10,566
New Issue	14 September 2017	7,383,572	443,014
New Issue	14 September 2017	400,000	30,000
Options Exercised	10 October 2017	2,128,026	106,401
Options Exercised	18 October 2017	2,190,439	109,522
Options Exercised	8 November 2017	1,087,853	54,393
Options Exercised	16 November 2017	8,333,333	1,535,454
Options Exercised	27 November 2017	2,493,095	124,655
New Issue	12 December 2017	22,654,692	12,686,628
Options Exercised	13 December 2017	104,399	5,220
Options Exercised	13 December 2017	375,000	95,625
New Issue	13 December 2017	1,000,000	645,000
Options Exercised	5 January 2018	1,124,389	56,219
Options Exercised	22 January 2018	525,438	26,272
Options Exercised	22 January 2018	125,000	31,875
Options Exercised	3 March 2018	2,500,000	460,636
Options Exercised	29 March 2018	9,618,229	480,912
Options Exercised	15 May 2018	1,074,813	53,741
Options Exercised	15 May 2018	500,000	127,500
Options Exercised	31 May 2018	2,711,627	135,581
Options Exercised	26 June 2018	5,304,800	265,243
Options Exercised	26 June 2018	2,500,000	460,636
Capital raising costs		-	(1,447,972)
Balance	30 June 2018	220,762,994	70,473,999
Balance	30 June 2018	220,762,994	70,473,999
Conversion of options	29 August 2018	2,500,000	460,636
Shares issued for acquisition of M2 Cobalt Corp	19 June 2019	63,819,995	14,997,699
Balance	30 June 2019	**287,082,989**	**85,932,334**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 17. Equity - issued capital (continued)

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2018 annual report.

Note 17.1. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 18. Reserves

	Consolidated	
	2019	2018
	A$	A$
Fair value equity reserve	(8,483,713)	(2,313,566)
Foreign currency translation reserve	(62,874)	-
Share based payment reserve	9,242,164	3,912,085
	695,577	**1,598,519**

Note 18.1 Fair value equity reserves

	Consolidated	
	2019	2018
	A$	A$
Balance at the beginning of the year	(2,313,566)	-
Fair value adjustment during the year	(6,170,147)	(2,313,566)
Balance at the end of the year	**(8,483,713)**	**(2,313,566)**

Note 18.2 Foreign currency translation reserve

	Consolidated	
	2019	2018
	A$	A$
Balance at the beginning of the year	-	-
Exchange differences arising on translating the net assets of foreign operations (i)	(62,874)	-
Balance at the end of the year	**(62,874)**	-

(1) Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

Note 18.3 Share based payments reserve

	Consolidated	
	2019	2018
	A$	A$
Balance at the beginning of the year	3,912,085	-
Value of options issued (1)	5,590,715	5,477,145
Value of options exercised	(260,636)	(1,565,060)
Balance at the end of the year	**9,242,164**	**3,912,085**

(1) The options are valued using Black-Scholes method

The share based payments reserve arises on the grant of options to directors and employees under the share plan. Amounts are recognised in accordance with note 27. Amounts are transferred out of the reserve and into issued capital when the options are exercised. Further information about share based payment to employees is made in note 27 to the financial statements.

Note 19. Accumulated losses

	Consolidated	
	2019	2018
	A$	A$
Balance at the beginning of the year	(48,437,137)	(41,485,967)
Net profit/(loss) attributable to members of the parent entity	(6,001,444)	(6,951,170)
Balance at the end of the year	**(54,438,581)**	**(48,437,137)**

Note 20. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

a) Market risk

Foreign currency risk

The consolidated entity is exposed to foreign currency risk on its investments overseas. At year end A$1,737,347 (2018: A$7,907,496) was invested in Canadian listed securities. A sensitivity of 10% has been selected as this is considered reasonable given the current market conditions. An increase in value of A$ by 10% will result in decrease in value of investment by A$173,735 (2018: A$790,749) and a decrease in value of A$ by 10% will result in increase in value by A$173,735 (2018: A$790,749).

Price risk

The consolidated entity is exposed to price risk on its investments in other listed entities. The potential impact of which is summarised below: -

Consolidated - 2019	Average price increase % change	Effect on profit before tax (A$)	Effect on equity (A$)	Average price decrease % change	Effect on profit before tax (A$)	Effect on equity (A$)
Share in TSX listed entities	10%	-	173,735	10%	-	(173,735)

Consolidated - 2018	Average price increase % change	Effect on profit before tax (A$)	Effect on equity (A$)	Average price decrease % change	Effect on profit before tax (A$)	Effect on equity (A$)
Shares in ASX listed entities	10%	50,123	-	10%	(50,123)	-
Share in TSX listed entities	10%	-	790,749	10%	-	(790,749)

During the year to $nil was debited to profit or loss (2018 credit: A$260,616) and A$6,170,147 was debited to reserve (2018: A$2,313,566) on account of change in share price.

b) Interest rate risk

The consolidated entity is exposed to immaterial interest rate risk.

c) Credit risk

The consolidated entity's receivables are made up of GST and settled insurance claim receivable of A$201,418 and for this reason the consolidated entity is not exposed to any significant credit risk.

d) Liquidity risk

The group manages liquidity risk by maintaining adequate reserves and banking facilities by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2019	Weighted average interest rate %	1 year or less A$	Between 1 and 2 years A$	Between 2 and 5 years A$	Over 5 years A$	Total A$
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	2,529,028	52,712	-	-	2,581,740
Total non-derivatives		**2,529,028**	**52,712**	**-**	**-**	**2,581,740**

Consolidated - 2018	Weighted average interest rate %	1 year or less A$	Between 1 and 2 years A$	Between 2 and 5 years A$	Over 5 years A$	Total A$
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	584,668	-	-	-	584,668
Total non-derivatives	-	**584,668**	**-**	**-**	**-**	**584,668**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Interest rate sensitivity analysis

Financial assets

As at 30 June 2019, the Group held A$4,186,702 (2018: A$4,715,432) in cash and cash equivalents with interest revenue of A$126,998 (2018: A$106,805) for the year then ended. A sensitivity of 1% (2018: 1.0%) has been selected as this is considered reasonable given the current interest rate and prior year movements of interest rate in the market. A 1% (2018: 1.0%) increase in the cash rate would have resulted in a A$44,511 (2018: A$30,506) increase in interest revenue and equity. A 1% (2018: 1.0%) decrease in the cash rate would have resulted in a A$44,511 (2018: A$30,506) decrease in interest revenue and equity.

Foreign currency risk management

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The consolidated entity manages foreign currency risk by minimizing the amounts of foreign currency required and buying foreign currency only at the time it is required. Trade payables and trade receivables, secured borrowings and loans to subsidiary listed below are denominated in Canadian Dollars (CAD). Average rate applied during the year $0.9166 (2018: Nil) and reporting date spot rate $0.9180 (2018: nil) for CAD.

Amounts of foreign currency in creditors

	Consolidated	
	2019 A$	2018 A$
Trade payables (CAD)	(759,506)	-
Trade receivables (CAD)	132,344	-
	(627,162)	**-**

Movement in CAD against AUD

	-20% 2019 A$	-20% 2018 A$	+20% 2019 A$	+20% 2018 A$
Change in gain/(loss) – CAD	(156,791)	nil	104,527	-

The sensitivity of 20% has been selected as this considered reasonable given the current level of both short term and long term exchange movement for these currencies and the above analysis assumes all other variables remain constant.

Note 21. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
Consolidated - 2019	A$	A$	A$	A$
Assets				
Shares in Canadian listed entities	1,737,347	-	-	1,737,347
Total assets	1,737,347	-	-	1,737,347

	Level 1	Level 2	Level 3	Total
Consolidated - 2018	A$	A$	A$	A$
Assets				
Shares in Australian listed entities	501,233			501,233
Shares in Canadian listed entities	7,907,496	-	-	7,907,496
Total assets	**8,408,729**	**-**	**-**	**8,408,729**

There were no transfers between levels during the financial year.

Note 22. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2019	2018
	A$	A$
Short-term employee benefits	562,134	390,353
Share based payment benefits	4,753,501	5,067,291
Post-employment benefits	35,116	28,262
	5,350,751	**5,485,906**

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO East Coast Partnership, the auditor of the company:

	Consolidated	
	2019	2018
	A$	A$
Audit services – BDO East Coast Partnership		
Audit and review of the financial statements	60,034	39,000
Non-audit services		
Review of pro forma accounts in relation to M2 Cobalt Corp merger	25,000	-
Review of pro forma accounts in relation to eCobalt Solutions Inc merger	25,000	-
Sub-total – non audit services	50,000	-
Total	**110,034**	

Note 24. Acquisition of M2 Cobalt Corp

On 19 June 2019, The Company received British Columbia Supreme Court approval to acquire all of M2 Cobalt shares on issue and the transaction is detailed below

a) The Company issued 63,819,995 paid ordinary shares to existing M2 Cobalt shareholders to acquire all the existing shares on issue for a total consideration of A$14,997,699.

b) The company also issued 6,232,500 options to existing M2Cobalt option holders in accordance with the same terms and conditions. The total value of these options amounted to A$380,214.

c) The Company further issued 13,322,012 options to existing M2 Cobalt warrant holders in accordance with the same terms and conditions of the existing warrants. The total value of these options amounted to A$35,385.

d) Total consideration for acquiring 100% interest in M2 Cobalt, by the Company amounted to A$15,413,298.

The acquisition is accounted for as a business as defined under IFRS 3 Business Combination. The assets and liabilities of M2 Cobalt acquired as per M2 Cobalt's audited financial statements as at 19 June 2019 are as follows:

	Pre-acquisition carrying amounts (a) A$	Fair value of adjustments (b) A$	Values recognised on acquisition A$
Cash and receivables	800,867	-	800,867
Exploration and evaluation	20,228,853	(2,190,995)	18,037,858
Trade and other payables and provisions	(831,587)	-	(831,587)
Borrowings	(2,593,840)	-	(2,593,840)
	17,604,293	**(2,190,995)**	**15,413,298**

Recognition of Controlling Interest in M2 Cobalt

Net assets per book value	17,604,293
Less bargain purchase price offset against exploration and evaluation	(2,190,995)
Fair value acquired	15,413,298
Total consideration given	**15,413,298**

(a) Represents book values calculated in accordance with the accounting policies of M2 Cobalt prior to acquisition by the company

Note 25. Contingent liabilities

	Consolidated 2019 A$	Consolidated 2018 A$
Bank guarantees	67,000	67,000

These guarantees form part of the terms and conditions of certain of the consolidated entity's exploration tenements and leased office premises. Provided the consolidated entity continues to comply with the relevant terms and conditions of its respective licenses and agreements, it is not envisaged that any of the parties who have been granted bank guarantees will seek to redeem them. All the consolidated entity's bank guarantees are for indefinite terms, with no fixed expiry dates. No payable in relation to these bank guarantees has therefore, been recognised in these financial statements, due to the unlikely event of a claim.

Note 26. Commitments

	Consolidated 2019 A$	Consolidated 2018 A$
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	-
Exploration commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	310,500	380,200
One to five years	-	-
	310,500	**380,200**

The above commitments represent the consolidated entity's annual licence expenditure requirements which will continue each year for the term of each licence. The annual commitments associated with any particular licence will continue until such time as the consolidated entity makes a decision to farm-out, relinquish or sell all or part of a licence. The above amounts do not take into account any expenditure by the consolidated entity on its tenements since the end of each reporting period.

If needed, the consolidated entity's exploration and evaluation expenditure may be subject to renegotiation with the respective State mines departments, or with their approval may otherwise be avoided by either the sale, farm out or relinquishment of the consolidated entity's exploration tenements.

There were no commitments attached to M2 Cobalt acquisition.

Note 27. Share based payments

Grant date	Expiry date	Exercise price (A$)	Balance at start of the year	Granted	Exercised	Expired/ Forfeited/ other	Balance at 30 June 19
21/09/2017	21/09/2020	8 cents	2,500,000	-	2,500,000	Nil	-
13/12/2017	20/09/2022	15 cents	Nil	15,000,000	Nil	Nil	15,000,000
31/05/2018	30/05/2024	34.5 cents	Nil	500,000	Nil	Nil	500,000
19/06/2018	18/06/2024	30.5 cents	Nil	2,500,000	Nil	Nil	2,500,000
1/10/2018	30/09/1923	29.0 cents	Nil	5,000,000	Nil	Nil	5,000,000
2/11/2018	1/07/2023	29.5 cents	Nil	7,500,000	Nil	Nil	7,500,000
1/06/2019	1/06/2024	24 cents	Nil	2,500,000	Nil	Nil	2,500,000

The fair value of the options is estimated at the date of grant using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date (A$)	Exercise price (A$)	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date A$
13/12/2017	20/9/2022	64.5 cents	15 cents	88.77%	Nil	2.62%	8,418,582
31/05/2018	30/05/3024	34.5 cents	34.5 cents	91.84%	Nil	2.06%	130,285
19/06/2018	18/06/2024	31.5 cents	30.5 cents	92.06%	Nil	2.41%	598,789
1/10/2018	30/09/2023	28.5 cents	29 cents	117.2%	Nil	2.28%	1,167,301
2/11/2018	1/07/2023	20 cents	29.50 cents	74.42%	Nil	2.32%	777,299
1/06/2019	1/06/2024	24.5 cents	24 cents	83.28%	Nil	1.07%	405,110

Accounting policy for share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 27. Share based payments (continued)

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met provided all other conditions are satisfied.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 28. Related party transactions

Parent entity
Jervois Mining Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 30.

Key management personnel
Disclosures relating to key management personnel are set out in note 22 and the remuneration report included in the directors' report.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 29. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2019 A$	Parent 2018 A$
(Loss)/Profit after income tax	(7,120,051)	(7,998,046)
Total comprehensive income	**(7,120,051)**	**(7,998,046)**

Statement of financial position

	Parent 2019 A$	Parent 2018 A$
Total current assets	4,117,031	9,532,131
Total assets	34,068,600	24,251,046
Total current liabilities	1,879,270	602,809
Net assets	32,189,330	615,665
Equity		
Issued capital	85,932,334	70,473,999
Reserves	758,451	1,598,519
Accumulated losses	(54,501,455)	(48,437,137)
Total equity	**32,189,330**	**23,635,381**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019 and 30 June 2018.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2019 and 30 June 2018.

Commitments	Parent 2019 A$	Parent 2018 A$
Committed at the reporting date but not recognised as liabilities, payable:		
Lease commitments	-	-
Exploration	310,500	380,200

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2019 %	Ownership interest 2018 %
Hardrock Exploration Pty Ltd	Australia	100.00%	100.00%
Goldpride Pty Ltd	Australia	100.00%	100.00%
Nico Young Pty Ltd	Australia	100.00%	100.00%
TZ Nico (1) Pty Ltd	Australia	100.00%	100.00%
TZ Nico (2) Pty Ltd	Australia	100.00%	100.00%
And the wholly owned subsidiary of TZ Nico (1) Pty Ltd and TZ Nico (2) Pty Ltd being:			
Tanzania Nickel Cobalt Ltd	Tanzania	100.00%	100.00%
M2 Cobalt Corp	Canada	100.00%	-
And the wholly owned subsidiaries of M2 Cobalt Corp being:			
Millennial Holding Corp	Canada	` 100.00%	-
1126302 B.C. Limited	Canada	100.00%	-
And the wholly owned subsidiary of 1126302 B.C. Limited being:			
Eurasian Capital Limited	Uganda	100.00%	-

Note 31. Events after the reporting period

On 24 July 2019, the company further announced that A$16.5m capital raising was completed.

On 24 July 2019, the company announced that eCobalt Solutions Inc shareholders approved the merger with Jervois Mining Limited and on 24 July 2019, the company announced that the merger was completed with the approval from the British Columbia Supreme Court.

The acquisition of eCobalt included the following:
The company acquired 100% of eCobalt.
The company issued 262,630,541 fully paid ordinary shares at 23 cents per shares.
The company issued 15,759,975 unlisted eCobalt options and 29,287,500 unlisted eCobalt warrants.

Due the proximity of the acquisition to the release of the financial statements, it is impractical at this stage to include other disclosures in relation to the business combination such as purchase price accounting including fair value of net assets acquired, the goodwill or bargain purchase price and intangibles.

Note 32. Cash and cash equivalents

	Consolidated 2019 A$	Consolidated 2018 A$
Cash and bank balance	4,186,702	4,715,432

(i). Reconciliation of profit/(loss) after income tax to net cash used in operating activities

	Consolidated 2019 A$	Consolidated 2018 A$
(Loss)/Profit after income tax expense for the year	(6,001,444)	(6,951,170)
Adjustments for:		
Gain on sale of investments	3,380	101,524
R&D tax offset received	(49,761)	(76,969)
Depreciation and amortisation	16,540	15,280
Value of shares received from sale of royalty	(1,971,635)	-
Write-off of property, plant and equipment	-	5,983
Share-based payments	5,175,116	5,283,358
Exchange variation	-	(104)
Impairment of exploration assets	63,342	55,770
Net fair value (gain) / loss on financial assets	-	260,616
Interest income received and receivable	(137,844)	(177,162)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	4,153,364	660,328
Decrease in prepayments	1,188	13,303
Increase in trade and other payables	1,523,800	39,402
Increase/(decrease) in employee benefits	26,040	3,617
Net cash used in/(from) operating activities	**2,802,086**	**(766,224)**

Note 33. Earnings per share

	Consolidated 2019 A$	Consolidated 2018 A$
Profit/(loss) after income tax attributable to the owners of Jervois Mining Limited	(6,001,444)	(6,951,170)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	224,957,076	180,856,572
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	224,957,076	180,856,572
	A$ Cents	A$ Cents
Basic (loss)/earnings per share	(2.67)	(3.84)
Diluted (loss)/earnings per share	(2.67)	(3.84)

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

P. B. Johnston.

____
Peter Johnston

16 September 2019

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Jervois Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Jervois Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of exploration and evaluation assets

Key audit matter	*How the matter was addressed in our audit*
The company has incurred significant exploration and evaluation expenditures which have been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the company, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. AASB 6 *Exploration for and Evaluation of Mineral Resources* contains detailed requirements with respect to both the initial recognition of such assets and ongoing requirements to continue to carry forward the assets. Note 2 to the financial statements contains the accounting policy and note 13 disclosures in relation to exploration and evaluation expenditures.	Our audit procedures included: • Obtaining independent searches that the company has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure; • Confirming whether the rights to tenure of the areas of interest remained current at the reporting date as well as confirming that rights to tenure are expected to be renewed; • Reviewing the directors' assessment of the carrying value of the exploration and evaluation costs, ensuring that management have considered the effect of impairment indicators, commodity prices and the stage of the Group's project; • Confirming that exploration and evaluation meet the requirements of AASB 6; and • Reviewing ASX announcements and minutes of directors' meetings to ensure that the company had not decided to discontinue activities in any of its areas of interest.

Acquisition accounting of M2 Cobalt Corp

Key audit matter	*How the matter was addressed in our audit*
As disclosed in note 24 of the financial report, the company acquired M2 Cobalt Corp (an entity incorporated in Canada) for a consideration of; • 63,819,995 shares; • 6,232,500 options to existing M2 Cobalt option holders; and • 13,322,012 options to existing M2 Cobalt warrant holders. Total consideration for acquiring 100% interest in M2 Cobalt by the Company amounted to A$15,413,298 The audit of the accounting for this acquisition is a key audit matter due to the:	Our procedures included, but were not limited to: • Reviewing the purchase and sale agreements to understand the terms and conditions of the acquisitions and evaluating Management's application of the relevant Accounting Standards; • Obtaining an understanding of the transaction including an assessment of whether the transaction constituted a business or an asset acquisition; • Checking the calculation of the share-based payment, the value of the assets

• Complexity involved in assessing the determination of the accounting treatment of the acquisition; and • The financial significance of the balance to the statement of financial position.	and liabilities acquired and the related acquisition costs; and • Assessing the appropriateness of the Group's disclosures in respect of the acquisition in note 24.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 25 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Jervois Mining Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO East Coast Partnership

James Mooney
Partner

Melbourne, 16 September 2019

Shareholder Information

The shareholder information set out below was applicable as at 6 September 2019.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders Of unlisted Options
1 to 1,000	207	0
1,001 to 5,000	379	7
5,001 to 10,000	251	7
10,001 to 100,000	912	115
100,001 and over	289	82
	2,038	211
Holding less than a marketable parcel	327	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
J P Morgan Nominees Australia Pty Limited	52,560,054	8.31
Citicorp Nominees Pty Limited	22,851,842	3.61
Mr John Allan Newton + Mrs Wanda Gaye Newton <Drawone Super Fund A/C>	14,051,900	2.22
327th P & C Nominees Pty Ltd <Masterman Super Fund A/C>	14,000,000	2.21
TR Nominees Pty Ltd	11,400,000	1.80
National Nominees Limited	7,443,559	1.18
Briken Nominees Pty Ltd <Briken A/C>	7,246,000	1.15
HSBC Custody Nominees (Australia) Limited	5,648,028	0.89
BNP Paribas Nominees Pty Ltd <Ib Au Noms Retailclient Drp>	5,206,238	0.82
Century Development Limited	5,000,000	0.79
Drawone Pty Ltd <The Newton Investment A/C>	4,963,440	0.79
Mr Stephen Van Der Sluys + Mrs Susan Van Der Sluys <Ssvds S/F A/C>	4,649,626	0.74
Drawone Pty Ltd <The Newton Investment A/C>	4,641,896	0.73
Netwealth Investments Limited <Super Services A/C>	4,542,794	0.72
Mr William Morrison <Trading A/C>	4,050,000	0.64
Chiodo Trading Pty Ltd	3,485,894	0.55
Netwealth Investments Limited <Wrap Services A/C>	3,472,560	0.55
Brispot Nominees Pty Ltd <House Head Nominee A/C>	3,447,303	0.55
Sisu International Pty Ltd	3,419,279	0.54
Helen Klassen	2,725,000	0.43
	184,805,413	29.23

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
AustralianSuper Pty Limited	37,500,000	5.93

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Unquoted Options

There is no voting or participation rights attached to Options.

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
Area 1 (NSW)	EL 8474	100.0
West Arunta (WA)	E80 4820	49.0
West Arunta (WA)	E80 4986	49.0
West Arunta (WA)	E80 4987	49.0
Old Khartoum (QLD)	EPM 14797	100.0
Khartoum (QLD)	EPM 19112	100.0
Three Mile Creek (QLD)	EPM 19113	100.0
Carbonate Creek (QLD)	EPM 19114	100.0
Mt Fairyland (QLD)	EPM 19203	100.0

Uganda Tenements

Description	Tenement number	Interest owned %
Bujagali	EL1666	100.0
Bujagali	EL1682	100.0
Bujagali	EL1683	100.0
Bujagali	EL1686	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

Mexico Tenement

El Milagro	207634	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
RAM 2	228502	176758
RAM 3	228503	176759
RAM 4	228504	176760

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
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
HZ 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
HZ 27	224199	174665
HZ 28	224200	174666
HZ 29	224201	174667
HZ 30	224202	174668
HZ 31	224203	174669

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
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
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

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
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
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

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
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
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

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
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
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

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
NFX 18	307231	218686
NFX 19	307232	218687
NFX 20	307233	218688
NFX 21	307234	218689
NFX 22	307235	218690
NFX 23	307236	218691
NFX 24	307237	218692
NFX 25	307238	218693
NFX 30	307243	218698
NFX 31	307244	218699
NFX 32	307245	218700
NFX 33	307246	218701
NFX 34	307247	218702
NFX 35	307248	218703
NFX 36	307249	218704
NFX 37	307250	218705
NFX 38	307251	218706
NFX 42	307255	218710
NFX 43	307256	218711
NFX 44	307257	218712
NFX 45	307258	218713
NFX 46	307259	218714
NFX 47	307260	218715
NFX 48	307261	218716
NFX 49	307262	218717
NFX 50	307263	218718
NFX 56	307269	218724
NFX 57	307270	218725
NFX 58	307271	218726
NFX 59	307272	218727
NFX 60 Amended	307558	218728
NFX 61	307274	218729
NFX 62	307275	218730
NFX 63	307276	218731
NFX 64	307277	218732
OMN-1 revised	315879	228322

Black Pine – 100% Interest Owned					
Claim Name	Book & Page County #	IMC #	Claim Name	Book & Page County #	IMC #
RAVEN NO. 3	Bk 6/Pg 571	33810	NOAH #1	304761	217757
RAVEN NO. 4	Bk 6/Pg 572	33811	NOAH #2	304762	217758
RAVEN NO. 2	Bk 6/Pg 571	33812	NOAH #3	304763	217759
COBALT NO. 1*	Bk 4/Pg 230	33813	NOAH #4	304764	217760
COBALT NO. 2*	Bk 4/Pg 231	33814	NOAH #5	304765	217761
COBALT NO. 3*	Bk 4/Pg 232	33815	NOAH #6	304766	217762
COBALT NO. 4*	Bk 4/Pg 233	33816	NOAH #7	304767	217763
COBALT NO. 5*	Bk 4/Pg 234	33817	NOAH #8	304768	217764
COBALT NO. 6*	Bk 4/Pg 235	33818	NOAH #9	304769	217765
COBALT NO. 7*	Bk 4/Pg 236	33819	NOAH #10	304770	217766
COBALT NO. 8*	Bk 4/Pg 237	33820	NOAH #11 Amended	305804	218081
COBALT NO. 9*	Bk 4/Pg 238	33821	NOAH #12	305803	218082
COBALT NO. 10	Bk 4/Pg 174	33822	NOAH #13 FRAC	305802	218083
COBALT NO. 11	Bk 4/Pg 175	33823	NOAH #14	305805	218084
COBALT NO. 12	Bk 4/Pg 176	33824	NOAH #15	305806	218085
COBALT NO. 13	Bk 4/Pg 177	33825	NOAH #16	305807	218086
COBALT NO. 14	Bk 4/Pg 178	33826	NOAH #17	305808	218087
COBALT NO. 15	Bk 4/Pg 179	33827	NOAH #18	305809	218088
COBALT NO. 16	Bk 4/Pg 180	33828	NOAH #19	305810	218089
COBALT NO. 17	Bk 4/Pg 181	33829	NOAH #20	305811	218090
COBALT NO. 18	Bk 4/Pg 182	33830	NOAH #21	305812	218091
COBALT NO. 19	Bk 4/Pg 183	33831	NOAH #22	305813	218092
COBALT NO. 20	Bk 4/Pg 184	33832	NOAH #23	305814	218093
COBALT NO. 21	Bk 4/Pg 185	33833			
COBALT "A"	Bk 4/Pg 256	33834			
COBALT "B"	Bk 4/Pg 257	33835			
COBALT "C"	Bk 4/Pg 258	33836			
COBALT "D"	Bk 4/Pg 259	33837			
COBALT "E"	Bk 4/Pg 260	33838			
COBALT "F"	Bk 4/Pg 261	33839			
COBALT "G"	Bk 4/Pg 262	33840			
COBALT "H"	Bk 4/Pg 263	33841			
COBALT "I"	Bk 4/Pg 264	33842			
COBALT "J"	Bk 4/Pg 265	33843			
COBALT "K"	Bk 4/Pg 266	33844			
COBALT "L"	Bk 4/Pg 267	33845			

Morning Glory – 100% Interest Owned		
Claim Name	Bk and Pg - County #	IMC #
KING SOLOMON NO. 1	193520	138110
KING SOLOMON NO. 2	193521	138111
KING SOLOMON NO. 3	193522	138112
KING SOLOMON NO. 4	193523	138113

Queen of the Hills – 100% Interest Owned		
Claim Name	County #	IMC #
QUEEN OF THE HILLS	117133	24975
QUEEN OF THE HILLS 2	117134	24976
QUEEN OF THE HILLS 3	117135	24977
QUEEN OF THE HILLS 4	117136	24978
QUEEN OF THE HILLS 5	117137	24979
QUEEN OF THE HILLS 6	117138	24980
QUEEN OF THE HILLS 7	159579	66883