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18 April 2017

ASX:JRV

Proposed Rights Issue

HIGHLIGHTS:

- **1:4 Non-Renounceable Rights Issue at 5c**
- **Free attaching Option exercisable at 5c for 12 months from date of issue**
- **Closing date anticipated in Mid-June 2017**

Directors of Jervois Mining Limited advise that the Company intends to offer all shareholders, by way of a non-renounceable Rights Issue, the opportunity to participate in the funding of the Company (the "Rights Issue"). Shareholders will be able to apply for additional shares over and above their entitlements.

The recently completed strategic review concluded that while Jervois has a number of promising assets, it has limited cash and no certainty as to when further funds would be forthcoming. Rather than sell assets at what would likely be heavily discounted values the board has decided to raise a small amount now to finance a more aggressive investment strategy.

In line with this, the board has resolved to appoint mining consultants to assist in valuing key assets such as the Bullabulling and Nyngan royalties. The board is also accelerating its review of the large nickel cobalt deposit in Young, NSW.

The Executive Chairman of Jervois, Mr Stephen van der Sluys, commented "The proposed rights issue will mean that Jervois is adequately funded to make things happen rather than wait on the consequences of actions by others. We note that while Australian Mines has so far outlaid \$1 million on option fees under its option agreement with Jervois covering the Flemington scandium nickel cobalt deposit, there is no certainty that it will continue to make further option payments or will have the financial capacity to complete the \$6 million purchase."

The Company expects the Rights Issue to be on the basis of 1 new share for each 4 shares held at the record date. The issue price will be 5 cents per new share with a free attaching warrant exercisable at 5 cents for a period of 12 months from the date of issue. The Rights Issue will raise approximately \$1.3 million. The Rights Issue documents, including a prospectus, are expected to be available in early May 2017 and the closing date of the Rights Issue is anticipated to be on or about 12 June 2017.

By order of the Board.

Stephen van der Sluys
Executive Chairman