Jervois Mining Limited

Management Discussion & Analysis ("MD&A")

For the Three months Ended March 31, 2021

INTRODUCTION

This discussion and analysis of financial position and results of operations ("MD&A") is prepared as at April 26, 2021 and should be read in conjunction with the unaudited consolidated financial statements for the 3 months ended March 31, 2021 of Jervois Mining Limited (the "Company" or "Jervois") with the related notes thereto. Those financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and in accordance with Australian Accounting Standards ("AASBs") (AASB 134 Interim Financial Reporting) adopted by the Australian Accounting Standards Board ("AASB"). All dollar amounts included therein and in the following MD&A are expressed in Australian dollars, except where noted.

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

FORWARD LOOKING STATEMENTS

This MD&A contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this MD&A. Any statement that involves discussion with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often, but not always using phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements relate, but are not limited, to: focus of the Company; estimation of mineral resources; magnitude or quality of mineral deposits; anticipated advancement of ICO, SMP Refinery, Nico Young Project, and Uganda; progress of financing discussions; future operations including restart plans; future exploration prospects; the completion and timing of future development studies; future growth potential of the Company's projects and future development plans; statements regarding planned exploration and development programs and expenditures, including anticipated commercial production on the Company's properties; proposed exploration plans and expected results of exploration from the Company's projects; Jervois' ability to obtain licenses, permits and regulatory approvals required to implement expected future business plans; changes in commodity prices and exchange rates; inflation and interest rate fluctuations; and impact of COVID-19 on the timing of exploration work and development studies.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, if untrue, could cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such statements. Forward-looking statements are based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the future price of cobalt and nickel, anticipated costs and the Company's ability to fund its programs, the Company's ability to carry on exploration and development activities, the timing and results of drilling programs, the discovery of additional mineral resources on the Company's mineral properties, the timely receipt of required approvals and permits, including those approvals and permits required for successful project permitting, construction and operation of projects and refinery assets, the costs of operating and exploration expenditures, the Company's ability to operate in a safe, efficient and effective manner, the Company's ability to obtain financing as and when required and on reasonable terms; and the impact of COVID-19 and the resumption of business.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Certain important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others: (i) access to additional capital; (ii) uncertainty and variations in the estimation of mineral resources; (iii) health, safety and environmental risks; (iv) success of exploration, development and operations activities; (v) delays in obtaining or failure to obtain governmental permits, or non-compliance with permits; (vi) delays in getting access from surface rights owners; (vii) the fluctuating price of cobalt and nickel; (viii) assessments by taxation authorities; (ix) uncertainties related to title to mineral properties; (x) the Company's ability to identify, complete and successfully integrate acquisitions; (xi) volatility in the market price of Company's securities; (xii) start-up risks; (xiii) general operating risks; (xiv) dependence on third parties; (xv) changes in government regulation; (xvi) the effects of competition; (xvii) dependence on senior management; (xviii) impact of US, Brazilian and Australian economic conditions; and (xix) fluctuations in currency exchange rates and interest rates.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Although the Company believes its expectations are based upon reasonable assumptions and have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. See the section entitled "RISKS AND UNCERTAINTIES" below for additional risk factors that could cause results to differ materially from forward-looking statements.

Investors are cautioned not to put undue reliance on forward-looking statements. The forward-looking statements contained herein are made as of the date of this MD&A and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. Investors are urged to read the Company's filings with Canadian securities regulatory agencies, which can be viewed online under the Company's profile on SEDAR at www.sedar.com, and the Company's releases lodged with the Australian Securities Exchange ("ASX"), which can be viewed online under the Company's profile at https://www.asx.com.au/.

DESCRIPTION OF BUSINESS

Jervois was incorporated under the laws of Australia on October 25, 1962.

Jervois is a battery materials company. Since 2017, Jervois has had a focus on the growing battery metals market. Cobalt and nickel form critical components of the cathodes in lithium-ion batteries, which are seeing increased demand as the market for electric vehicles ("EVs") continues to grow. Jervois has plans to construct and operate a portfolio of mines and processing facilities to take advantage of this market, aiming to supply high quality cobalt and nickel for use in EV batteries.

On July 24, 2019 Jervois acquired the Idaho Cobalt Operation ("ICO"). The ICO comprises the largest NI 43-101 compliant cobalt resource in the United States.

On September 29, 2020 Jervois announced the acquisition of the São Miguel Paulista ("SMP") nickel and cobalt refinery ("SMP Refinery") situated in the city of São Paulo, Brazil from Companhia Brasileira de Alumíno ("CBA"). The SMP Refinery has annual refined production capacity of 25,000 metric tonnes of nickel and 2,000 metric tonnes of cobalt and is currently on care and maintenance.

Jervois holds the Nico Young nickel and cobalt deposit located near Young, New South Wales, Australia. Nico Young comprises two distinct bodies of mineralization and are large, shallow, flat-lying structures.

Jervois controls Ugandan exploration assets, Kilembe area and Bujagali area. Jervois has initiated a partnering process for its Ugandan exploration portfolio. The Company remains engaged with the Government of Uganda regarding their 100% equity ownership of the Kilembe copper-cobalt mine and 25% holding in Kasese Cobalt Company Limited ("KCCL").

In February, Jervois announced the appointment of Hiroyuki Shinto as its Japan Marketing Adviser. Mr. Shinto will have exclusive responsibility for marketing the Company's product into Japan, including cobalt products from ICO and the Group's nickel and cobalt from SMP Refinery.

Prior to his appointment in the role, Mr. Shinto had been assisting Jervois with the marketing of its ICO offtake from the United States, which remains on schedule for initial concentrate production from mid-2022. With the announcement of Jervois' intention to acquire SMP Refinery, Mr. Shinto's scope broadened into refined nickel and cobalt products. Mr. Shinto's engagement to facilitate access to the Japanese market will support Jervois' restart of SMP Refinery, transforming the Company into a vertically integrated producer of refined cobalt and nickel.

SMP Refinery nickel and cobalt products, in addition to the United States and Europe, were sold extensively into Japan during its prior operating life, with customer acceptability well established. Japan is a strong ally of the United States and Australia and collective security as it pertains to the supply of critical minerals, including cobalt, has formed a key part of the recent Quadrilateral Security Dialogue between the country's leaders.

Mr. Shinto is an experienced metals marketing executive with 15 years' experience at Tomen Corporation, including being based in London, UK for four years and Tokyo, Japan for nine years marketing and sourcing non-ferrous metals, specifically nickel, cobalt and copper.

Mr. Shinto then joined Glencore, leading its Nickel and Ferro Alloys (including cobalt) department for Japan for more than 10 years as General Manager. At Glencore Japan, Mr. Shinto was responsible for the sales of nickel, cobalt and ferroalloys to the Japanese domestic steel, stainless and specialty mills, and to battery and chemical producers. After retiring from Glencore, Mr. Shinto established Starboard Corporation, a non-ferrous metals trading business with a focus on nickel for the steel industry in Japan.

Site Updates

Idaho Cobalt Operations ("ICO"), United States

The detailed design package of work has been progressing well with M3 Engineering. Equipment orders have been placed on long lead items including the primary crusher and feeder, SAG mill, variable speed drives, flotation cells and blowers. In addition to long lead items, other equipment such as electrical reticulation and MCC housing, cyclones, concentrate foundations, belt magnets and scales have also been ordered. Enquiries for thickeners and disc filters are currently in the market. Commitments are on schedule with no significant price difference between the pricing from the BFS and actual market pricing received to date. All orders are in line with the execution schedule which shows all equipment will be on site by November 2021 for construction execution.

The site early works package of work has progressed well and has started with mobilization of local contractors to assist in the final assembly of the water treatment plant on site. The M3 Engineering construction manager is now on site and supervises all site activity which will progressively increase as the schedule dictates in coming weeks and months. The early works focus is to finalise site establishment during summer so construction of the process plant and the mining of the portal and development can take place in the North American winter. Activities include the commissioning of the water treatment plant and pump back system, laying of concrete foundations, erection of the mill and flotation buildings, the laying of a HDPE liner for the dry stack tailings facility and the construction of an accommodation camp. All these activities which will be executed through summer and completed by the end of Q3 2021.

Jervois Partners with Idaho Conservation League

In March, Jervois announced it has partnered with the Idaho Conservation League ("ICL") to protect and restore fish, water quality, wildlife habitat, and biodiversity within the Upper Salmon River basin, where Jervois' ICO are located in Idaho, United States.

ICL is Idaho's leading voice for conservation – for the clean water, clean air, special places, and fish and wildlife that make Idaho's exceptional quality of life possible. ICL participate in collaborative projects and partnerships across the state to help develop and implement policies that help restore and sustain Idaho's clean air, clean water, public lands, fish and wildlife, and the communities that depend on them.

Known as the Upper Salmon Conservation Action Program ("Program"), this innovative and voluntary partnership will fund projects to protect and enhance this ecologically important region of Idaho.

Under the agreement with ICL, Jervois will contribute US$0.15 million per year into a dedicated fund for the Program through the operational life of the ICO mine. The Program is separate from and unrelated to the mitigation measures and other regulatory requirements applicable to the ICO. Further, the agreement does not place any conditions or limitations on either party aside from those pertaining directly to the Program.

Representatives from ICL and Jervois will solicit and select proposals from interested parties in the region. All funds, which will be held in a dedicated account by Jervois, will be put towards on-the-ground projects. The projects may involve activities such as removing barriers to fish passage, improving spawning habitat for salmon and steelhead, and restoring surrounding streamside habitat.

At ICO, Jervois will apply best-in-class environmental standards, systems, and techniques in the production of cobalt in Idaho as part of its overarching environmental, social and governance ("ESG") policies. With this agreement, Jervois is able to extend its positive environmental ethos to supporting improvements in the health of a vital watershed. Importantly, the agreement also calls for an ongoing dialogue with communities in the area, including the Shoshone-Bannock and Nez Perce Tribes, as well and local, state, and federal agencies, about investment priorities for the Program.

Debt Financing Update and United States Government Discussions

Jervois is continuing to work with potential lenders around structuring alternatives for its operations in the United States and Brazil as it progresses plans to become a vertically integrated speciality nickel and cobalt producer, with targeted financial close by mid-year.

The Company's discussions include security packages surrounding either its ICO mine and related processing facilities in the United States, where it expects to commence production in mid-2022, or ICO combined with SMP Refinery in São Paulo, Brazil.

As Jervois looks to finalise lender(s) appointment, it has remobilised RPM Global USA Inc ("RPM"), after initially appointing the firm as Independent Engineer ("IE") to review ICO in March 2020 but pausing work due to the COVID-19 pandemic.

RPM will now move to finalise its Independent Technical Report ("ITE") report for prospective lenders and has undertaken a successful site visit the week commencing Monday, April 5, 2021, where its technical team assessed the ICO site, drill core and site infrastructure. Due to significant progress in 1H 2020, RPM's final ITE report will be available to selected lender(s) in early May 2021.

The environment for debt financing of Jervois' operations has continued to improve, given strength in physical cobalt markets and pricing, Jervois' stronger balance sheet post the A$45.0 million equity raise in Q4 2020, and the Company's agreement to acquire the SMP Refinery in Brazil, which will refine cobalt concentrate from ICO. To support this process, Jervois has finalized and released an integrated financial model for lenders.

Discussion with lenders around due diligence requirements of SMP Refinery continue, to the extent this facility forms part of lender security package. Jervois continues to engage with the United States government, and customer and off-take negotiations are also progressing both for supply of nickel and cobalt intermediates into SMP and refined product sales.

Engagement with President Biden's Administration continues to be positive. The Biden Administration is conducting a high-profile 100-day review of United States vulnerabilities in the area of critical minerals. Conversations with those running the process suggest that the Administration and Congress will work swiftly together to develop dedicated instruments to support critical minerals projects – structures the United States presently lacks. Both Republicans and Democrats recognize the need for the United States Government to step forward with policy and financial instruments for sound, economically viable projects that help to reduce America's dependence on China.

<u>São Miguel Paulista ("SMP") nickel and cobalt refinery, Brazil</u>

Jervois awarded the SMP Refinery integrity and restart audit to Promon Engenharia Ldta ("Promon") in Brazil. Promon will complete a detailed refinery integrity audit focused on civil, structural, electrical, and mechanical core disciplines as Jervois prepares to restart the refinery.

Promon is headquartered in São Paulo and is a leading Brazilian engineering firm, with a successful construction track record both domestically in Brazil and internationally, across the agribusiness, energy, mining, and fertilizer industries.

The integrity audit includes a review of the refinery historical maintenance and operating records, a review of consumable, critical and insurance spares, thorough inspections of plant and equipment including non-destructive testing ("NDT") of crystallisers, pressure vessels, leach reactors, tanks, piping and valving and a review of certified machinery inspection reports. High and low voltage power distribution, earthing and lightning protection systems, motor control centres ("MCC's") and other motors will be inspected to establish base line condition. Civil structural audits will include detailed inspections, NDT (where appropriate), crane and mobile equipment certification record and base line condition monitoring reports.

Promon will review key equipment with vendors, and in addition Jervois has hired technical experts for certain specialized equipment such as rectiformers, Larox filters, packaged boilers, instrumentation and control systems. The refinery integrity audit deliverables include a thorough assessment of the plant and equipment, capital estimates to refurbish plant and equipment and detailed schedule for restart of the refinery.

The audit is progressing well and will be completed during the current quarter.

After quarter end, Jervois announced it had retained Ausenco as lead engineering contractor for the SMP Bankable Feasibility Study ("BFS"). Jervois envisages a staged restart for SMP Refinery, with stages 1 and 2 of the restart BFS expected to be completed by Q3 2021 and the end of 2021, respectively.

In its staged restart plans, Jervois expects Stage 1 is initial production of 10,000mtpa of electrolytic nickel content in mixed hydroxide product ("MHP") or hydroxy carbonates and 2,500mtpa of electrolytic cobalt feeding the refinery with MHP and/or cobalt hydroxides. This part of the study should be completed in Q3 2021. No major refinery process modifications are anticipated in Stage 1.

Stage 2a is expected to include the integration of a Pressure Oxidation Autoclave ("POX") to support processing ICO concentrate, and Stage 2b is anticipated to add a further 5,000mtpa of nickel contained in sulphide concentrates. The POX autoclave circuit will independently leach sulphide concentrate that will be discharged into the existing, operating refinery.

Ausenco will closely assess existing equipment installed, identify process bottlenecks, and design a facility that is both an optimal capital investment capable of rapid investment decision and implementation and consistent with Brazilian permitting requirements to ensure regulatory compliance. Whilst the headline capacity of SMP remains significantly above Jervois' stage 2 restart scale, a measured approach is intended to balance initial capital requirements and risk, both operating and commercial. Stage 2 of the BFS is expected to be completed by the end of 2021.

The Ausenco BFS final report will set out the capital and operating costing with an estimated accuracy range of ±15% which aligns with an AACE International, Class 3 Estimate. Estimated final contingency will be between 10% and 15%. Ausenco's BFS team will be staffed by a combination of its international offices in Toronto and Perth, as well as its Brazilian office in Belo Horizonte, to ensure that an appropriate blend of nickel-cobalt refinery expertise is combined with Brazilian construction experience.

Following the appointment of Ausenco, Jervois has additionally engaged Metso Outotec to lead testwork and piloting to support engineering and equipment selection for the BFS. Jervois believes that the introduction of Metso Outotec as subcontractor for processing component of the BFS creates an exceptionally strong and capable team. Metso Outotec was the original designer and engineering lead during construction of the SMP refinery.

Jervois and CBA continue to work collaboratively towards closing Jervois' acquisition of SMP later in 2021.

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

The Company is continuing discussions which envisage partial off-take in exchange for funding to complete a BFS. At that time, Jervois will reassess its level of equity ownership and uncommitted offtake of Nico Young to determine a suitable ownership structure and marketing strategy to secure the required project financing to move into construction.

NON-CORE ASSETS

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

Ugandan Exploration Properties

Jervois has initiated a partnering process for its Ugandan exploration portfolio. The Company remains engaged with the Government of Uganda regarding their 100% equity ownership of the Kilembe copper-cobalt mine and 25% holding in KCCL.

OVERALL PERFORMANCE

Trading on TSXV:

On May 21, 2019, the Company's Shares were granted conditional approval to be admitted to official quotation on the TSXV under the Code "JRV". The Shares of the Company were admitted to official quotation on June 21, 2019.

The Group's operating segments are outlined below:

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

During the three months ended March 31, 2021 the following results were recorded:

Three months ended March 31, 2021	Australia A$'000	Brazil A$'000	USA A$'000	Other A$'000	Total A$'000
Other income	-	-	-	28	**28**
Segment expense	(42)	(149)	(43)	(2,760)	**(2,994)**
Depreciation and amortization	-	(274)	(58)	(4)	**(336)**
Interest income	-	-	-	-	**-**
Interest expense		(664)	-	-	**(664)**
Net foreign exchange gain / (loss)	-	-	108	(895)	**(787)**
Income tax expense	-	-	-	-	**-**
Segment result	(42)	(1,087)	7	(3,631)	**(4,753)**
Segment assets	8,172	28,606	78,705	41,928	**157,411**
Segment liabilities	-	(25,117)	(11,129)	(846)	**(37,092)**

The comparative results for the three months ended March 31, 2020 are set out below:

Three months ended March 31, 2020	Australia A$'000	Canada A$'000	Uganda A$'000	USA A$'000	Other A$'000	Total A$'000
Other income	-	-	-	18	20	**38**
Segment expense	(5)	-	-	5	(1,846)	**(1,846)**
Depreciation and amortization	-	-	-	(97)	(4)	**(101)**
Net finance costs	-	-	-	-	12	**12**
Net foreign exchange gain / (loss)	-	-	-	(11)	11	**-**
Income tax expense	-	-	-	-	-	**-**
Segment result	(5)	-	-	(85)	(1,807)	**(1,897)**
Segment assets	10,217	2,603	22,206	96,168	8,159	**139,353**
Segment liabilities	-	-	(66)	(14,739)	(483)	**(15,288)**

The key items impacting the overall performance of the Company are:

- During the three-month period to March 31, 2021, expenses incurred mainly relate to general operational costs and business development activities.

DISCUSSION OF OPERATIONS

During the quarter, the Company continued with its development plans at ICO, with detailed engineering and ordering of long lead items ongoing, to meet a production start date in mid-2022. At SMP Refinery, the Company has commenced study work to establish the optimal restart plan. As previously indicated, the Company has suspended its exploration program on its Uganda properties. In connection with these activities, the Company has incurred fees related to study management, development and professional services to date. As a development stage company, the Company has not generated revenues to date from its properties. The Company anticipates that it will require debt and potentially further equity financing to fund operations until such time as its properties are put into commercial production on a profitable basis. Please see "Description of Business" for management's plans for the Company. The following highlights the key operating expenditures during the current three months ended March 31, 2021.

Three-month period ended March 31, 2021 and 2020

During the three months ended March 31, 2021, the Company incurred a net loss of A$4,752,817 (three months ended March 31, 2020: net loss of A$1,896,906). The losses are comprised of the following major items:

- Share-based compensation of A$1,121,366 (three months ended March 31, 2020: A$748,098) during the current and prior quarter was the fair value of the stock options granted in the current and prior period amortized over their vesting period and applied to the quarter.

- Employee costs of A$935,687 (three months ended March 31, 2020: A$386,867) includes amounts paid to the Directors, the CEO, Senior Executives, and other employees. The increase on the prior period reflects the increase in the number of staff within the Company.

- Business development costs of A$340,347 (three months ended March 31, 2020: A$219,111) includes ongoing professional and study fees in relation to the acquisition of SMP Refinery.

- Security quotations and filing fees of A$161,261 (three months ended March 31, 2020: A$58,062) relates to annual sustaining fees on the ASX and TSXV.

The Company completed development activities on its ICO project in the quarter, with A$2,663,368 of expenditure incurred.

QUARTERLY FINANCIAL DATA

The Company became a "reporting issuer" in Canada on 21 June 2019 when its securities were listed on the TSXV. From that date until the end of the 2nd quarter (fiscal period) ending December 31, 2019, the Company was a "designated foreign issuer" within the meaning of Canadian National Instrument 71-102 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers. Accordingly, prior to June 21, 2019, the Company was not subject to Canadian continuous disclosure requirements and, until December 31, 2019, the Company was entitled to comply with Canadian continuous disclosure requirements by filing the materials it was required to file in Australia.

Under applicable Australian law and the requirements of the ASX, the Company is not required to and has not historically produced financial statements for the first and third quarters of each fiscal year. Full financial statements are only produced half-yearly and annually. On a quarterly basis, certain cash flow information is publicly reported by the Company to the ASX.

For the foregoing reasons, the Company does not have historical financial statements that would allow it to provide quarterly financial disclosure derived from the Company's financial statements as called for by Canadian Form 51-102F1 – Management's Discussion & Analysis for the comparative three-month period ended June 30, 2019.

SUMMARY OF QUARTERLY RESULTS

	Three-month period ended March 31, 2021 A$'000	Three-month period ended December 31, 2020 A$'000	Three-month period ended September 30, 2020 A$'000	Three-month period ended June 30, 2020 A$'000
Total revenue	Nil	Nil	Nil	Nil
Shareholders' equity	$120,319	$121,517	$106,280	$110,748
Net (loss) from continuing operations	($4,753)	($22,480)	($1,659)	($2,403)
Comprehensive (loss) for the period attributable to shareholders	($5,029)	($27,973)	($6,949)	($11,692)
Loss per share for the period attributable to shareholders	(0.594) cents	(2.951) cents	(0.258) cents	(0.390) cents

	Three-month period ended March 31, 2020 A$'000	Three-month period ended December 31, 2019 A$'000	Three-month period ended September 30, 2019 A$,000	
Total revenue	Nil	$3,100	Nil	
Shareholders' equity	$124,065	$110,788	$156,708	
Net (loss) from continuing operations	($1,897)	($1,209)	($3,391)	
Comprehensive income (loss) for the period attributable to shareholders	$12,531	($1,209)	$1,527	
Loss per share for the period attributable to shareholders	(0.311) cents	(0.195) cents	(0.571) cents	

The activities of the Company over the above periods following the announcement of the acquisition of M2 Cobalt in January 2019 consist exploration activities in Uganda (prior to the transaction closing, Jervois extended a loan to fund continued exploration). The Company also undertook a drilling program at ICO during the second half of calendar 2019 in order to support the completion of the updated BFS which commenced following the completion of the acquisition of eCobalt in July 2019. The Company completed a private placement to raise A$16,500,000 (before expenses) in June 2019 with funds being used to execute ICO BFS study work and associated resource drilling, together with Ugandan exploration activities. In the December 2020 quarter, the Company announced the acquisition of the SMP Refinery and completed a private placement to raise A$45,000,000 (before expenses), with the funds being used to commence early works at ICO and studies related to the restart of the SMP Refinery. Due to the results of the exploration activities in Uganda, along with the political situation in Uganda, the Company impaired its Uganda assets contributing the majority of the loss in the December 31, 2020 quarter. In the March 2021 quarter, the majority of the loss was driven by general operational costs and business development activities.

On a quarter-by-quarter basis the loss can fluctuate significantly due to a number of factors including exploration and development activities during the period, impairment of assets, the timing of stock option grants, and changes in the nature of the business.

An analysis of the three-monthly results over the periods shows a significant change in financial performance primarily due to the sale of non-core assets and royalties in the period ended December 31, 2019 offsetting an increase in exploration and expenses related to completion of the BFS at ICO in the United States as well as exploration in Uganda. In addition, the change in fair value of equity instrument (a 4.4% shareholding in eCobalt held prior to the acquisition of all remaining shares) impacted the comparative periods.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to-date through the issuance of common shares and the sale of non-core assets. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

	March 31, 2021 A$'000	December 31, 2020 A$'000
Working capital	$27,377	$28,579

Net cash used in operating activities for the current quarter was A$1,705,691 (March 31, 2020: A$1,072,984). The net cash used in operating activities for the current and prior periods consists primarily of staff and administration costs.

Net cash used in investing activities for the current quarter was A$1,924,261 (March 31, 2020: A$3,677,512). Net cash used in investing activities for the current period consists primarily of ICO development expenditure. In the prior period, this consisted primarily of exploration and development expenditure on ICO and Uganda.

Net cash inflow from financing activities during the current quarter was A$2,363,347 (March 31, 2020: A$nil) and was received as a result of the exercise of options.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that terms of such financing will be favourable. If adequate financing is not available when required, the Company may be unable to continue operating on its current plan. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company has sufficient funds to meet the minimum expected development, exploration and administration expenses through the ensuing fiscal year.

Equity Issuance during the 3 months to March 31, 2021

Aside from the conversion of options, the Company did not issue any equity in the three months to March 31, 2021.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company acquired a related party relationship between prior M2 Cobalt management personnel, Dr. Jennifer Hinton and Mr. Tom Lamb and an external services company Great Rift Geosciences ("Great Rift") via the M2 Cobalt merger. Acquired in June 2019, Jervois used Great Rift to provide Ugandan exploration management services including local administration and in-country management, accounting, payroll and treasury services, offices including a core shed and sample preparation area, employee accommodation, and exploration staffing. Dr. Jennifer Hinton and Mr. Tom Lamb are also principals and co-owners of Great Rift. The commercial arrangements with Great Rift were conducted on arms-length terms. Upon suspension of all exploration activities in Uganda, the relationship with Great Rift was terminated in

February 2021. Amounts below represent payments to Great Rift (Canada) and Great Rift (Uganda) at which Dr. Hinton and Mr. Lamb are Directors. Payments made to Great Rift were solely for the in-country services outlined above. No loans have been made to key management personnel as of March 31, 2021.

	March 31, 2021 A$'000	March 31, 2020 A$'000
Management services – Great Rift	$43	$137

PROPOSED TRANSACTIONS

There are no proposed transactions.

SUBSEQUENT EVENTS

The Directors of the Company have identified no other subsequent events in the interval between the end of the financial period and the date of this report, which would be material or unusual in nature, and likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

SIGNIFICANT ACCOUNTING POLICIES, CRITICAL JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors considered relevant under the circumstances. Revisions to estimates on the resulting effects of carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Notes 2 and 3 of its audited consolidated financial statements for the period ended December 31, 2020.

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.

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Management's Responsibility for Financial Statements

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

The Company's financial liabilities, accounts payable and accrued liabilities, and other payables, are measured at amortized cost. Its financial assets, cash and interest receivables, are also measured at cost. The Company's carrying values of these items approximate their fair value due to the relatively short periods to maturity of the instruments.

The Company considers its capital to be the components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its business and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the quarter. The Company is not subject to externally imposed capital requirements. The Company has sufficient working capital to meet its projected minimum financial obligations for the next 12 months.

OUTSTANDING SHARE DATA

The following table summarizes the Company's outstanding share data as of the date of this MD&A:

	Number of shares issued or issuable
Common shares	802,291,030
Stock options	91,850,250 (1,2)
Performance Rights	415,082

Notes:

1) On March 1, 2021, 1,000,000 share options were granted to employees with an exercise price of A$0.50, vesting on March 1, 2024 (subject to continued employment) and expiring on February 28, 2029; On March 24, 2021, 415,082 Performance Rights were granted to employees, vesting on April 1, 2024, subject to continued employment and total shareholder return performance relative to a peer group.
2) Details of all Options and Performance Rights on issue are set out below. The Option exercise prices referenced below reflect the price each holder would have to pay to acquire one ordinary share of Jervois:

Description	Number
Options @ A$0.15 exercisable until 30 November 2022	15,000,000
Options @ A$0.345 exercisable until 30 May 2024	400,000
Options @ A$0.305 exercisable until 18 June 2024	2,500,000
Options @ A$0.29 exercisable until 30 September 2023	5,000,000
Options @ A$0.295 exercisable until 1 July 2023	7,500,000
Options @ A$0.24 exercisable until 1 June 2024	2,500,000
Options @ A$0.20 exercisable until 14 August 2027	750,000
Options @A$0.20 exercisable until 29 September 2025	250,000
Options @ A$0.20 exercisable until 15 August 2027	11,200,000
Options @ A$0.24 exercisable until 15 August 2024	2,500,000
Options @ A$0.24 exercisable until 30 September 2024	5,000,000
Options @ A$0.31 exercisable until 30 September 2025	5,000,000
Options @ A$0.325 exercisable until 18 October 2028	7,500,000
Options @ A$0.29 exercisable until 3 January 2029	6,000,000
Options @ A$0.29 exercisable until 28 February 2029	3,250,000
Options @ A$0.50 exercisable until 28 February 2029	1,000,000
Options @ A$0.15 exercisable until 31 March 2028	10,822,500
eCobalt Options exercisable until 6 September 2021 at C$0.36 each	998,250
eCobalt Options exercisable until 28 June 2022 at C$0.71 each	1,344,750
eCobalt Options exercisable until 28 June 2023 at C$0.61 each	1,179,750
eCobalt Options exercisable until 1 October 2023 at C$0.53 each	1,980,000
Performance Rights vesting on 1 April 2024	415,082

RISK FACTORS

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's exploration activities expose it to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below.

The following are identified as the main risk factors affecting the Company.

Idaho Cobalt Operations

Risks associated with mining, geology and process has been largely mitigated through the Idaho Cobalt Operations Feasibility Study and the 2019 drilling and testwork programs. Geological risk will always remain on grade, which is planned by the company to be further mitigated by infill drilling once underground access has been opened.
Key risks moving forward at ICO identified in the Idaho Cobalt Operations Feasibility Study are:

- Construction of environmental systems – environmental systems and early works includes completion of the portal bench, miners dry and mining infrastructure, commissioning of the water treatment plant and pump back systems. This work has to be completed before mining development can commence in October 2021 and is subject to seasonal construction and can only start in June 2021.
- Long lead procurement Schedule Risk – procurement of the SAG mill in Q1 -2021 is on the Process Plant critical path and was achieved within the required time frame. In order to complete SMPP and EC&I construction during winter 2021 the installation of the mill and flotation buildings has to be completed by October 2021.
- Detail Design Schedule Risk – detail design is important in terms of the construction schedule for both environmental systems/infrastructure and Process Plant Construction.

- Site Access and road usage – limiting road traffic and access to site is an environmental and safety risk which will be mitigated during construction by completing construction of the camp which will accommodate the bulk of construction and mining development resources/labour. Material and equipment deliveries will be managed/controlled through the Salmon warehouse to ensure deliveries to site are coordinated.

We cannot determine at this time whether a mine will ultimately be developed at ICO.

Coronavirus (COVID-19) and Global Health Crisis

The COVID-19 global pandemic and efforts to contain it may have an impact on the Company's business. These may extend to local impacts at the operational level, international travel restrictions, together with the broader global economic fallout. The Company continues to monitor the situation and the impact COVID-19 may have on the Company's mineral properties and refinery assets. Should the virus spread, travel bans remain in place or should one or more of the Company's executives become seriously ill, the Company's ability to advance its mineral properties or refinery assets may be impacted. Similarly, the Company's ability to obtain financing and the ability of the Company's vendors, suppliers, consultants and partners to meet obligations may be impacted as a result of COVID-19 and efforts to contain the virus.

Global Operating Footprint

The Company has investments across the United States, Brazil and Australia. The integration and ongoing management of this portfolio imposes heightened risks related to the ongoing business prospects of Jervois, particularly in the context of COVID-19 travel restrictions.

Commodity Prices

The Company is not currently a producing entity so is not directly exposed to fluctuations in commodity prices although these will affect equity market sentiment, the value of its securities and its ability to raise further capital on desired terms. As the Company transitions to become a producer this risk will become the most material factor affecting its financial results.

The development of the Company's properties is dependent on the future prices of cobalt and nickel. Once the Company's properties enter commercial production, the Company's profitability will be significantly affected by changes in the market prices of cobalt and nickel. Metal prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Company's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of metal production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of metals are generally quoted) and political developments. The effect of these factors on the prices of precious metals, and therefore the economic viability of the Company's mineral properties, cannot be accurately determined. The prices of cobalt and nickel have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Company's mineral properties to be impracticable or uneconomic. As such, the Company may determine that it is not economically feasible to commence commercial production, which could have a material adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Currency Fluctuations

The Company's operations in the U.S., Brazil and Australia make it subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position, operational results and cashflows. The Company typically raises equity in Australian dollars, reports its financial results in Australian dollars, however the majority of transactions are denominated in U.S. dollars. The Company does not currently use an active hedging strategy to reduce the risk associated with currency fluctuations.

Credit Risk

Credit risk is the risk of loss if a counterparty fails to meet their contractual obligations. Potential non-performance by Company suppliers, customers or financial counterparties is carefully assessed and managed. In relation to its cash balances and (when applicable) marketable securities, the Company manages credit risk by banking with leading global financial institutions.

Reliance on Management

The success of the Company depends to a large extent upon its abilities to retain the services of its senior management and key personnel. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its Directors, officers or other qualified personnel required to operate its business, however, it does have a short-term incentive plan and long-term incentive plan in place to assist in the retention of its senior management.

Exploration and Development

Resource exploration and development is a speculative business and involves a high degree of risk. There is no certainty that the expenditures to be made by Jervois in the exploration of its mineral properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by Jervois will be affected by numerous factors beyond the control of Jervois. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Jervois not receiving an adequate return on invested capital.

Financing Risks

The Company will require financing in the future to continue to develop its business and there can be no assurance that such financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares, control of the Company may change, and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

No History of Earnings

Jervois has no history of earnings, and there is no assurance that the Company's mineral properties, refinery or any other property or business that Jervois may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. Jervois has no capacity to pay dividends at this time and has no plans to pay dividends for the foreseeable future.

Negative Operating Cash Flow / Liquidity Risk

The Company is an exploration and development company with opportunities to progress to an operating stage, however Jervois has not yet generated positive cash flow from operations. As a pre-revenue company Jervois is subject to liquidity risk. Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is devoting significant resources to the development of its properties, however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it achieves commercial production at a particular project. Due to the lack of positive operating cashflow, Jervois manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring actual and forecast cash flows, and matching the maturity profiles of financial assets and liabilities.

Environmental Risks and Other Regulatory Requirements

The activities of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining or refining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations, including any proposed development of the Company's mineral properties and restart of the SMP Refinery may require the submission and approval of environmental impact assessments. Environmental legislation is evolving to stricter standards, and enforcement, fines and penalties for noncompliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has potential to reduce the profitability of operations.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current environmental laws, regulations and permits governing operations and activities of mining companies and mine reclamation and remediation activities, or more stringent implementation thereof, could have a material adverse impact on Jervois and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or refinery operations, or require abandonment or delays in the development of new mining properties.

Influence of Third-Party Stakeholders

The mineral properties in which Jervois holds an interest, or the exploration equipment and road or other means of access which Jervois intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Jervois' work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Jervois.

Insurance

Exploration, development and production operations on mineral properties and in refineries involve numerous risks, including unexpected or unusual geological operating conditions, ground or slope failures, fires, environmental occurrences and natural phenomena such as prolonged periods of inclement weather conditions, floods and earthquakes. It is not always possible to obtain insurance against all such risks and Jervois may decide not to insure against certain risks because of high premiums or other reasons. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to Jervois' properties or the properties of others, delays in exploration, development or mining operations, monetary losses and possible legal liability. Jervois expects to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. Jervois expects to carry liability insurance with respect to its mineral property operations and refining operations, but is not expected to cover any form of political risk insurance or certain forms of environmental liability insurance, since insurance against political risks and environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of Jervois. If Jervois is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter costly interim compliance measures pending completion of a permanent remedy. The lack of, or insufficiency of, insurance coverage could adversely affect Jervois' future cash flow and overall profitability.

Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available.

Jervois expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Jervois, Jervois may be unable to acquire additional attractive mineral properties on terms it considers acceptable. In addition, Jervois' ability to consummate and to effectively integrate any future acquisitions on terms that are favourable to Jervois may be limited by the number of attractive acquisition targets, internal demands on resources, competition from other mining companies and, to the extent necessary, Jervois' ability to obtain financing on satisfactory terms, if at all.

Community and Stakeholder Relations

The Company's relationships with the community in which it operates are critical to ensure the future success of its existing operations and the construction and development of its project. The future success of Jervois is reliant on a healthy relationship with local communities in which the Company operates. While the Company is committed to operating in a socially responsible manner, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Climate Change Risks

Jervois recognizes that climate change risks cannot be decoupled from business risks, financial and otherwise. Main climate change risks include, but are not limited to changes in the frequency, intensity and duration of acute or prolonged precipitation events or droughts that may affect operations (e.g. water balance, geotechnical stability, forest fires, safe working conditions and employee access) and supply chains (e.g. access to inputs, shipping of products). While global concerns regarding climate change may provide opportunities vis-à-vis EV batteries and other clean technologies, economic implications of climate change may pose additional risks through reduced global demand for products and costs of inputs, among others. Although, through its expanding ESG regime, Jervois is taking steps to mitigate its carbon emissions and assess climate change risks within its business and management processes, the nature and intensity of potential adverse impacts of climate change cannot be precisely ascertained.

Share Price Fluctuations

In recent years, capital markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration, development or construction-stage companies such as the Company, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

Jervois' Operations are Subject to Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Jervois' interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Jervois. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Jervois might undertake and legal claims for errors or mistakes by Jervois personnel.

Conflicts of Interest

Certain Directors and officers of Jervois are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Jervois. Situations may arise in connection with potential acquisitions in investments where the other interests of these Directors and officers may conflict with the interests of Jervois. Directors and officers of Jervois with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Geopolitical Risk

The Company's projects are in United States, Australia and Brazil. Operating in these jurisdictions may expose the Company to a range of significant country specific risks including general economic, regulatory, legal, social and political conditions. Investing in emerging markets involves greater risk than investing in more developed markets. These and other country specific risks may affect Company's ability wholly or in part to operate its businesses.

Jervois is negotiating to acquire a project in Uganda, a developing country which has historically experienced periods of civil unrest and political and economic instability. As such the operations of Jervois may be exposed various level of political, economic and other risks and uncertainties. Although the political and economic climate in Uganda is relatively stable, any negative changes in laws, government, regulations, economic conditions or political attitudes in Uganda are beyond the control of Jervois and may adversely affect its business. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, military repression, crime, political instability, currency controls, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, illegal mining, changes in taxation and mining laws, regulations and policies, restrictions on foreign exchange and repatriation, and changing political conditions and governmental regulations relating to foreign investment and the mining business.

In Uganda, land titles systems are not developed to the extent found in many developed nations. Jervois believes that it has good title to its mineral properties in Uganda. Whilst rights to explore mineral properties are currently held validly, no assurance can be given that the Ugandan government will not revoke or significantly alter the conditions of the applicable licenses and that such licenses will not be challenged or impugned by third parties. There is no certainty that such rights or additional rights applied for will be granted or renewed on terms satisfactory to Jervois. There can be no assurance that claims by third parties against Jervois' properties will not be asserted at a future date.

Calculation of Mineral Resources and Mineral Reserves

There is a degree of uncertainty attributable to the calculation of Mineral Reserves, Mineral Resources and corresponding grades being mined or dedicated to future production. Until Mineral Reserves or Mineral Resources are actually mined and processed, the quantity of Mineral Reserves or Mineral Resources and grades must be considered as estimates only. In addition, the quantity of Mineral Reserves or Mineral Resources may vary depending on mineral prices. Any material change in the quantity of Mineral Reserves, Mineral Resources, grade or stripping ratio may affect the economic viability of Jervois' properties. In addition, there can be no assurance that mineral recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Limitations on the Mineral Resource Estimates

Estimating the quantity and quality of Mineral Resources is an inherently uncertain process and the Mineral Resources stated and any Mineral Resources or Reserves the Company states in the future are and will be estimates and may not prove to be an accurate indication of the quantity of mineral that the Company has identified or that it will be able to extract.

The Mineral Resource estimates on the ICO and Nico Young are estimates only. No assurance can be given that any particular level of recovery of minerals will in fact be realized or that identified Mineral Resources will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, the grade of mineralization which may ultimately be mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. The estimated Mineral Resources on the ICO and Nico Young should not be interpreted as assurances of commercial viability or of the profitability of any future operations. Moreover, certain of the Mineral Resources are reported at an "Inferred" level. Inferred Mineral Resources have a substantial degree of uncertainty as to their existence, and economic and legal feasibility. Accordingly, there is no assurance that Inferred Mineral Resources reported herein will ever be upgraded to a higher category. Investors are cautioned not to assume that part or all of an Inferred Mineral Resource exists or is economically or legally mineable.

Project Assessment and Development Risk

The Company completed the ICO BFS in September 2020, the study has determined that the project is economically and technically viable. The project is environmentally permitted, and the company is in the process of securing finance for the construction and commissioning of the project.

Capital Management

With the completion of the ICO BFS providing an encouraging outcome, the Company will be looking to advance the development of this project with the aim of first production in 2022. In addition, the Company has agreed to acquire the SMP Refinery in Brazil. To fully complete its long-term strategic business plans and objectives, which includes its stated development schedule for the construction at ICO, Jervois may require additional funding. Jervois continues to evaluate multiple financing options including, but not limited to, debt financing for the development of ICO, which supports these objectives while preserving Jervois' liquidity and balance sheet strength.

If the Company is not successful in securing additional sources of funding, it still has the ability to fund the planned activities approved by the Board up to the date of signing the March 31, 2022 annual financial statements, including minimum expenditure requirements to maintain tenure on all projects within its global footprint, continued early works at ICO, lease payments at SMP Refinery and corporate and working capital requirements.

There can be no assurance that the Company will be able to obtain or access additional funding when required, or that the terms associated with the funding will be acceptable to the Directors. If the Company is unable to obtain such additional funding, it may be required to reduce the scope of its operations, which could adversely affect its business, financial condition and operating results.

Pre-existing Environmental Liabilities

Pre-existing environmental liabilities may exist on the properties in which Jervois currently holds an interest or on properties that may be subsequently acquired by Jervois which are unknown to Jervois and which have been caused by previous or existing owners or operators of the properties. In such event, Jervois may be required to remediate these properties and the costs of remediation could be substantial. Further, in such circumstances, Jervois may not be able to claim indemnification or contribution from other parties. In the event Jervois was required to undertake and fund significant remediation work, such event could have a material adverse effect upon Jervois and the value of its securities.

Infrastructure and Logistics

Jervois' business depends on adequate infrastructure, including reliable power sources, water supply, roads and other infrastructure. Water shortages, power outages, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect Jervois' business, financial condition and results of operations.

Project Delay

Jervois has a significant investment planned to complete construction in Idaho, US and to restart the SMP Refinery in Brazil. There are a number of risks inside and outside its control, such as availability of suitable financing, technical risk, infrastructure and logistics constraints, construction delays, cost overruns, insufficient labour skills or resources, delays in confirmatory permitting to move into construction then the commissioning and operating phases, or any other regulatory matters. Once complete given the risks outlined previously, there is no guarantee the results of ICO or SMP Refinery will be sufficient to offset such capital expenditures and generate adequate investor return.

Licenses, Permits and Titles

The Company holds multiple tenements, represented by licenses and/or titles to land that contain mineral resources or are prospective for minerals. At ICO, the Company holds permits for the operation of the project. Each of these tenements, licences and permits have certain requirements and obligations attached to them, which if not met, will result in the Company losing the rights to operate on these land areas and the resulting negative impact to the future prospects of the Company.

Permitting

Jervois' mineral property interests and SMP Refinery are subject to receiving and maintaining permits from appropriate governmental authorities. In particular, prior to any development of any of the Company's mineral properties, Jervois will need to receive numerous permits from appropriate governmental authorities including those relating to mining and metallurgical processing operations, occupational health, toxic substances, waste disposal, safety, environmental protection, land use and others. There is no assurance that the Company will be able to obtain all necessary renewals of existing permits, additional permits for any possible future developments or changes to operations or additional permits associated with new legislation. Further, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions.

Land Title

No assurances can be given that there are no title defects affecting the properties in which Jervois has an interest. The Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. Other parties may dispute title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by Indigenous people. Title may also be affected by undetected encumbrances or defects or governmental actions. Jervois has not conducted surveys of the Company's mineral properties and the precise area and location of claims and other mineral rights may be challenged. Jervois may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict Jervois' ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by Jervois invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although Jervois believes it has taken reasonable measures to ensure proper title to its mineral properties, there is no guarantee that such title will not be challenged or impaired.

Nico Young NI 43-101 PEA

The Nico Young PEA is based on Inferred Mineral Resources that are not of sufficient certainty to constitute a pre-feasibility study or a feasibility study. Jervois has not declared Proven or Probable Mineral Reserves at Nico Young, and no assurance can be given that we will ever be in a position to declare a Proven or Probable Mineral Reserve. For the Nico Young PEA to advance into feasibility study level, delineation of Proven or Probable Mineral Reserves will be required, which depends on a number of factors, including:

- the particular attributes of the deposit (including its size, grade, geological formation and proximity to infrastructure);
- metal prices, which are highly cyclical;
- government regulations (including regulations relating to taxes, royalties, land tenure, land use and permitting); and
- environmental protection considerations.

We cannot determine at this time whether any of our estimates will ultimately be correct.

ADDITIONAL INFORMATION

Additional information about the Company is available on the Company's website, www.jervoismining.com.au and on SEDAR at http://www.sedar.com.

BOARD APPROVAL

The Board of Directors of the Company has approved this MD&A.

COMPETENT PERSON'S STATEMENT

The information in this release that relates to Mineral Exploration is based on information compiled by David Selfe who is a full time employee of the company and a Fellow of the Australasian Institute of Mining and Metallurgy. The information in this release that relates to Mineral Resource Estimates is based on information compiled by David Selfe. David Selfe has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. David Selfe consents to the inclusion in the release of the matters based on their information in the form and context in which it appears.

QUALIFIED PERSON'S STATEMENT

The scientific and technical disclosure included in this MD&A has been reviewed and approved by David Selfe who is a full-time employee of the company and a Fellow of the Australasian Institute of Mining and Metallurgy and who is a Qualified Person as defined by NI 43-101.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.