



Interim
Financial Statements
forming part of the

Half Year Report

For the Half Year Ended
31 December 2014

This interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the financial year ended 30 June 2014 and any public announcements made by Jervois Mining Limited during the interim financial reporting period in accordance with the continuous disclosure requirements of the Australian Stock Exchange.

TABLE OF CONTENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Page
Corporate directory.....	3
Directors' report.....	4
Auditor's independence declaration.....	13
Consolidated statement of profit or loss and other comprehensive income.....	14
Consolidated statement of financial position.....	15
Consolidated statement of changes in equity.....	16
Consolidated statement of cash flows.....	17
Notes to the consolidated financial statements.....	18
Directors' declaration.....	23
Independent auditor's review report.....	24

**CORPORATE DIRECTORY
FOR THE HALF YEAR ENDED 31 DECEMBER 2014**

Directors

Duncan Pursell
Roger Fairlam
Derek Foster

Executive Chairman
Executive Director
Executive Director

Auditor

George Georgiou
38a St. Andrews Street
Brighton, Victoria, 3186
Australia

Company Secretary

Roger Fairlam

Bankers

ANZ Banking Group Limited,
Level 1,
420 St Kilda Road,
Melbourne, Victoria, 3004
Australia

Registered Office

Suite 12, Level 2,
4-10 Jamieson Street,
Cheltenham, Victoria, 3192
Australia

Telephone: +61 3 9583-0498
Facsimile: +61 3 9583-0698
Email: admin@jervoismining.com.au

Website Address

www.jervoismining.com.au

Securities Exchange Home Branch

Australian Securities Exchange Limited (ASX)
Level 4, North Tower, Rialto,
525 Collins Street,
Melbourne, Victoria, 3000
Australia

Share Registry

Computershare Investor Services Pty Ltd,
452 Johnston Street,
Abbotsford, Victoria, 3067
Australia

Telephone: +61 3 9415-4000 or
1300 850 505

ASX Securities Code

Fully paid ordinary shares JRV

Facsimile: +61 3 9473-2500

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements for the half-year ended 31 December 2014 and the independent review report thereon.

DIRECTORS

At the date of this report, the Directors in office, together with particulars of their qualifications and experience are:

Duncan Pursell, B.Sc.,M.Aus.I.M.M.

Mr. Pursell is a mining engineer with more than forty-seven years experience in the mining industry, both in Australia and overseas.
A Director since 1987.

Derek Foster, B.Appl.Sc(Applied Geology), MAusIMM.

Mr Foster is a geologist and has a vast background as a "hands on" geologist with experience in Victoria, Western Australia, Northern Territory and Queensland. He has worked in gold uranium and mineral sands. He is resident Director for WA.

Roger Fairlam

Is a Chartered Accountant with over forty years of accounting experience.

REVIEW OF OPERATIONS

A review of the operations of the economic entity is set out on pages 5 to 12.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration in relation to the review for the half-year is following this report.

Dated at Melbourne this 16th day of March, 2015.

Signed in accordance with a resolution of the Directors:



D.C.Pursell
Director

REVIEW OF OPERATIONS

During the December 2014 Quarter, the Company held its 50th Annual Meeting. Surely a significant event for the Company and its shareholders.

It is therefore an appropriate time to examine in detail, for shareholders, the mineral assets presently held by the Company. These are held predominantly in NSW and WA.

In NSW, the collective nickel/cobalt resources, if/when mined should yield in excess of one million tonnes of contained nickel and over 100,000 tonnes of contained cobalt metal. These resources are located near Young and also at Westlynn and Summervale near Nyngan, NSW. These resources require a technological breakthrough or a higher nickel price to justify development. Full details have been disclosed in previous announcements.

A very recent discovery by the Company, of the exotic metal Scandium, was made at Flemington, near Syerston. The Company's achievement in moving quickly from application for a new Exploration Licence to an Indicated Resource under the JORC Code, was pleasing. This was announced in mid-2014 at 1,617,000 tonnes at a weighted mean average of 439 gm/tonne Scandium. (710.5 tonnes of contained Scandium metal). The latter equates to 1089 tonnes of Scandia – the Oxide – Sc_2O_3 . Strongly mineralised scout holes immediately north of the JORC Resource suggest that the resource is understated at present. More drilling is required.

At the present time one block drilled to JORC standards, contains an Indicated, 981,373 tonnes at 513 gm/tonne Scandium. Part of this outcrops and is actually ready to mine when required.

Also in NSW, the Company has a royalty over the Nyngan Scandium resource, sold to Scandium International (formerly EMC). Details of this arrangement have already been released. The Company also has a Royalty in place over a block close to the Newcrest Cadia copper/ gold mine being 1.5 % Net Smelter Return.

In WA, the Company owns a potentially valuable gold Royalty over the 3.8 million oz gold resource at Bullabulling, now owned by the progressive Norton Gold Fields Ltd. The original Bullabulling gold discovery was very early, possibly even before Kalgoorlie, itself. Shareholders should realise that "resources" do not necessarily totally convert to a Mining Ore Reserve. The actual gold oz ultimately mined will be determined by many factors but the most obvious would be the gold price.

EXPLORATION NSW

EL's 5527 and 5571, Young Ni Co Project – Drilling Results

As announced on the 12th January: a Reverse Circulation (RC) drilling program was recently completed on the Company's Exploration License's 5527 and 5571, near Young, NSW. 26 holes were

drilled for a total of 1,466m. The program was designed to upgrade the 2012 resource calculation from an 'Inferred' to an 'Indicated' resource.

The 'indicated' resource calculation will be announced at a later date. The current Inferred Resource for the Young project is 82.1 million tonnes above a 0.6% nickel cut off.

Table 1: Inferred 2012 Resource for the Young Ni Co Project

AREA	TONNES (Mt)	Ni%	Co%
Ardnaree (EL 5527)	27.0	0.80	0.05
Thuddungra East (EL 5571)	34.6	0.77	0.08
Thuddungra West (EL 5571)	20.5	0.81	0.07
TOTAL	82.1	0.79	0.06

A complete table of all significant intervals from the recent drilling program is presented in Table 2.

Table 2. Significant Assay Results for 2014 Young NSW RC Drilling Program

Hole #	N	E	From/To (m)	Interval (m)	Co ppm	Ni %
Ya 413	6214875	597046	2-5	3	206	0.894
Including			3-4	1		1.37
Ya 414	6214914	596753	7-15	8	262	0.791
including			10-11	1		1.095
Ya 417	6215163	596689	9-36	27	244	0.6185
Ya 421	6215465	596728	2-5	3	138	1.2323
Including				1		2.03
Ya 425	6214789	596714	0-17	17	259	0.6114
Including				1		1.19
and				3		1.0873
Ya 426	6214767	596812	7-31	25	380	0.7504
Ya 430	6214688	597204	9-14	5	174	0.6632
Ya 431	6214668	597303	5-19	14	602	0.7621
Ya 432	6214666	596674	4-25	21	234	1.2802
including			5-20	15		1.5206
Ya 433	6214649	596765	11-13	2	159	0.8680
Ya 434	6214624	596864	1-13	12	252	0.5870
including			8-9	1		1.1400
Ya 437	6214574	597152	3-7	4	209	0.8070
Ya 438	6214557	597254	7-25	18	1409	1.0376

including			7-18	11	2082	
and			8-20	12		1.1942
Ya 416	6215121	596980	1-10	9	135	8085
Ya 418	6215203	596972	1-16	15	142	6584
Including			3-6	3	107	10793
Ya 419	6215290	597042	1-22	21	332	10145
Including			8-14	7	206	13747

The weighted average nickel and cobalt grades, for selected sections from the recent drilling on EL's 5527 AND 5571, are 0.83% Ni and 407ppm Co, as shown in Table 3. The average thickness for the selected sections is approximately 9.9 meters. Full JORC information was provided in announcement dated 21 January 2015.

Table 3. Selected sections and their nickel and cobalt grades

Hole #	N *	E *	Interval (m)	Co ppm	Ni %	Ni Weighted	Co Weighted
Ya 413	6214875	597046	3	206	0.894	2.682	618
Ya 414	6214914	596753	8	262	0.791	6.328	2096
Ya 417	6215163	596689	27	244	0.6185	16.6995	6588
Ya 421	6215465	596728	3	138	1.2323	3.6969	414
Ya 425	6214786	596714	1		1.19	1.19	0
Ya 425	6214789	596714	3		1.0873	3.2619	0
Ya 426	6214767	596812	25	380	0.7504	18.76	9500
Ya 430	6214688	597204	5	174	0.6632	3.316	870
Ya 431	6214668	597303	14	602	0.7621	10.6694	8428
Ya 432	6214666	596674	21	234	1.2802	26.8842	4914
Ya 433	6214649	596765	2	159	0.868	1.736	318
Ya 434	6214624	596864	1		1.14	1.14	0
Ya 437	6214574	597152	4	209	0.807	3.228	836
Ya 438	6214557	597254	18	1409	1.0376	18.6768	25362
Ya 416	6215121	596980	9	135	0.8085	7.2765	1215
Ya 418	6215203	596972	3	107	1.0793	3.2379	321
Ya 419	6215290	597042	21	332	1.0145	21.3045	6972
		SUM	168	4591	16.0239	150.0876	68452
		Average =	9.9 m		0.94%	Weighted Grade = 0.893% Ni	Weighted Grade = 407 ppm Co
						for average thickness of 9.9 m	

EL 7805 Syerston (Flemington)

Scandium Resource

Jervois Mining Limited announced on 3rd September 2014 an Indicated Resource for the mineralisation of the metal scandium at EL 7805. This Indicated Resource is located near 'Syerston' on the edge of, and contiguous with, the old Black Range Minerals nickel/cobalt laterite deposit.

The overall resource comprises 1,617,000 tonnes at a weighted mean grade of 439 ppm Sc, containing approximately 710.5 tonnes of Scandium metal, which equates to 1089 tonnes of scandium oxide (Sc₂O₃). Full JORC information was provided in announcement dated 3 September 2014.

The scandium grades encountered are very high for this type of resource and almost 30% higher than anything else reported from other laterites in NSW.

The resource can sustain a mining operation that would last +40 years, assuming a production rate of 20 tonnes of Sc₂O₃ per year, the present estimated world consumption.

The present market value of scandium oxide varies from US\$2 million/tonne to US\$4+ million/tonne AUD depending on the purity.

The Company will look to a pilot plant operation as soon as possible, targeting production of up to 5 tonnes per annum of scandium oxide. There are currently no prospective buyers for quantity and willing to commit to a 'take or buy' contract.

Future Exploration on EL 7805

Further exploration drilling to the immediate northwest, north and northeast of the known resource boundary will be undertaken this year. There are strong indications from soil sampling and 2013 scout drilling in this area that well mineralized laterite exists beneath the soil cover. Follow up drilling could result in a substantial increase in the size of the total resource.

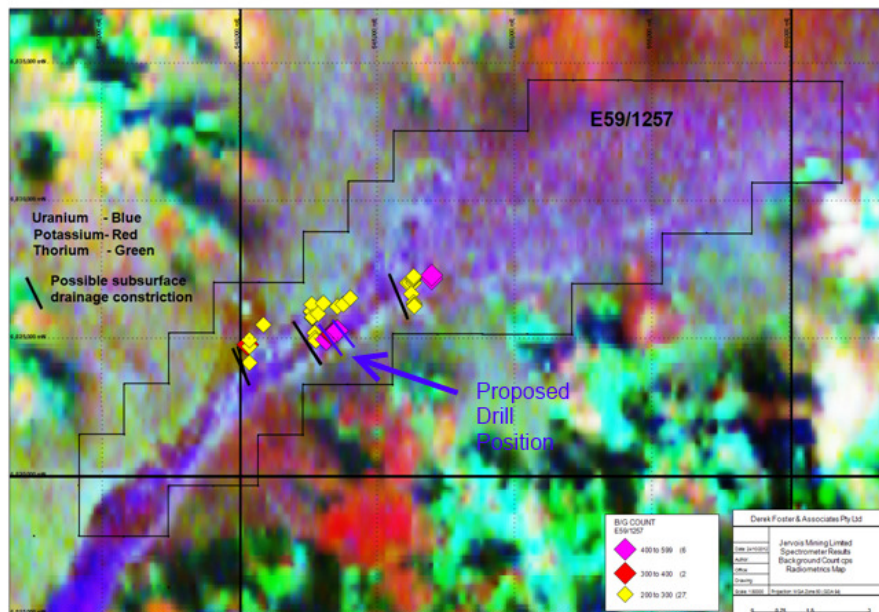
EXPLORATION WESTERN AUSTRALIA

During the December Quarter the company has been actively pursuing advanced gold projects. These projects have become available for joint venture or sale in the goldfields of Western Australia due to the lack of funding in the gold mining industry. This is an ongoing process with numerous tenements being assessed.



Nalbarra Project Exploration Licence 59/1257

The Nalbarra Uranium Project is the only Western Australian Project currently held by Jervois Mining Ltd. Work on this tenement in 2015 will cover the anomalous uranium anomaly located through previous work by Jervois Mining.



An Occupational Health and Safety Consultant has been engaged to update the Jervois Mining Ltd Radioactive Management Plan and Safety Manual prior to seeking a Program of Work to allow the drilling to commence.

This has been slower than anticipated, and the Program of Work for the drilling program is expected to be approved by the end of March Quarter. The drilling program will commence shortly after the permit is received and funding is available.

METALLURGY

The focus of the metallurgical work was the Syerston Scandium Resource. The work included:

- Metallurgical Test Work at CSIRO
 - Pressure leach tests
 - Atmospheric leach tests
- PhD Student Study on Mineralogy of Syerston
- Research Collaboration with Victoria University
- Research Collaboration with Melbourne University

Atmospheric Leach Tests

Atmospheric leach testing performed well and small pilot scale tests showed 85% of the scandium can be extracted within a reasonably short time frame using atmospheric (or tank) leach. (Figures 1 and 2).

A 200L leach solution was prepared and sent for further test work.



Figure 2.
Dark green PLS coming out of filtering unit



Figure 3.
200L filtrate ready to be shipped for further testing

Pressure Leach Tests

Autoclave leaching performed better than atmospheric leaching and extracted over 90% scandium, whilst consuming less acid. However autoclave leaching presents one problem: during the discharge of the slurry at the end of the treatment material (possibly iron-stained clay) caked and adhered to walls of the autoclave. (Figure 3). Removal required manual scraping. The complete removal of the cake required heating under ambient pressure with strong hydrochloric acid. This raises the question of practical viability of pressure leaching as a method to extract scandium.



Figure 3. Caking and crust formation on the walls of autoclave

Research Collaboration with Macquarie University Supporting a PhD Study on Mineralogy of Syerston

The PhD thesis study: *“Mineralogical residence of Scandium and associated elements in lateritic ores on ultramafic/mafic rocks”* is in progress. Samples have been sent to the PhD student and his laboratory work started. The student will visit Australia in 2015 to collect more samples from Jervois Mining’s latest drill cores. This study aims at understanding the distribution and mineralogical residence of Scandium and associated elements during the development of lateritic ores on ultramafic to mafic rocks. A successful outcome to this project will provide Jervois Mining Ltd. with unique information relevant to the development of its Scandium resource at Syerston, and other potential deposits.

Research Collaboration with Victoria University

The application, made last quarter to Victoria University’s Central Research Grant Scheme, to undertake collaborative research, was accepted and the project will start when both parties iron out the confidentiality clauses. The JRV-Victoria University project aims to investigate the commercial viability of membrane technology for the recovery of valuable acids and rare metals from Syerston process liquors. The key outcome of the project will be the scientific and practical basis for low cost and low energy acid recovery using conventional membrane technologies.

Research Collaboration with Melbourne University

The work to identify a native-plant that hyperaccumulates scandium has ended without success. It was hypothesized that plants (e.g., *Melastoma*) that accumulate aluminium might co-accumulate scandium too. Several Australian native plants from a nursery in Cairns were tested. However, none of the plants studied accumulated any significant amount of scandium. The pictures of *Melastoma* flowers are shown below.



Bullabulling, W.A.

Gold Royalty

Norton Goldfields (Parent Zijin Mining Group Co. Ltd.)

A steadily rising gold price, the proliferation of paper money and the Euro crisis collectively look encouraging for the development of the 3.8 million oz. gold resource at Bullabulling. Shareholders are reminded that Jervois owns a potentially valuable royalty over gold produced from the Bullabulling mineralized system. The Royalty stands at \$30.00 per oz. for the first 400,000 oz and \$20.00 per oz. thereafter, unlimited. The NPV of the above would be many multiples of the JRV market cap. Shareholders attention is also drawn to the recently announced conditional proposal from the Chines Zijin Mining Group Co. Ltd. to acquire all of the issued securities in Norton Gold Fields that Zijin does not already own. This suggests early development for the Bullabulling mine.



Linuxcorp Australia Pty Ltd ABN 21 101 610 623
38A St Andrews Street, Brighton, Victoria 3186, Australia
Phone: +61 3 96997222 Fax: +61 3 90779233
Mobile: 0418 362 058

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the review of Jervois Mining Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Jervois Mining Limited.

GEORGE GEORGIOU
Registered Company Auditor
Registration: 10310

Dated: 16 March 2015

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31ST DECEMBER 2014**

	6 months ended 31 December 2014 \$	6 months ended 31 December 2013 \$
Revenue		
R & D Tax offset received	511,127	658,372
Other income	24,062	109,415
Total Income	535,189	767,787
Expenses		
Employment costs	(68,489)	(147,803)
Occupancy costs	(38,326)	(46,100)
Depreciation	(6,664)	(13,757)
Exploration expenses written off	(709,228)	(54,562)
Other Expenses	(346,710)	(274,272)
Total Expenses	(1,169,417)	(536,494)
Other Comprehensive Income	-	-
Total Comprehensive Income / (Loss)	(634,228)	231,293
Profit/(Loss) per Share	Cents per share	Cents per share
Profit/(Loss) per share	(0.96)	0.35
Diluted Profit/(Loss) per share	(0.96)	0.35

The accompanying notes form part of these financial statements

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

CONSOLIDATED ENTITY			
	Note	31 December 2014 \$	30 June 2014 \$
Current Assets			
Cash and cash equivalents		624,294	1,631,081
Trade and other receivables		644,208	27,967
Financial Assets		53,698	3,698
Total Current Assets		<u>1,322,200</u>	<u>1,662,746</u>
Non-Current Assets			
Property, plant and equipment		216,688	220,960
Exploration and evaluation assets		5,329,923	5,767,123
Other non-current assets		32,446	30,986
Total Non-Current Assets		<u>5,579,057</u>	<u>6,019,069</u>
Total Assets		<u>6,901,257</u>	<u>7,681,815</u>
Current Liabilities			
Trade and other payables		87,368	151,090
Provisions		70,649	153,257
Total Current Liabilities		<u>158,017</u>	<u>304,347</u>
Non-Current Liabilities			
Deferred tax		510,785	510,785
Total Liabilities		<u>668,802</u>	<u>815,132</u>
Net Assets		<u>6,232,455</u>	<u>6,866,683</u>
Equity			
Issued Capital		49,968,345	49,968,345
Accumulated losses		(43,735,890)	(43,101,662)
Total Equity		<u>6,232,455</u>	<u>6,866,683</u>

The accompanying notes form part of these financial statements

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

CONSOLIDATED	<i>Issued Capital</i>	<i>Retained Earnings</i>	<i>Total</i>
At 1 July 2013	49,968,345	(42,243,489)	7,724,856
Profit for the period	-	52,235	52,235
At 31 December 2013	49,968,345	(42,191,254)	7,777,091
CONSOLIDATED	<i>Issued Capital</i>	<i>Retained Earnings</i>	<i>Total</i>
At 1 July 2014	49,968,345	(43,101,662)	6,866,683
Loss for the period	-	(634,228)	(634,228)
At 31 December 2014	49,968,345	(43,735,890)	6,325,455

CONSOLIDATED ENTITYPage 17

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial year.

The half-year financial report should be read in conjunction with the Annual Financial Report of Jervois Mining Limited as at 30 June 2014.

It is also recommended that the half-year financial report be considered together with any public announcements made by Jervois Mining Limited and its controlled entities during the half-year ended 31 December 2014 in accordance with continuous disclosure obligations arising under the Australian Stock Exchange regulations

(a) Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'.

(b) Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2014 annual financial report for the financial year ended 30 June 2014, other than as stated below.

(c) Adoption of new and revised Accounting Standards

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the annual reporting periods on or after 1 July 2014.

**NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

2. SEGMENT INFORMATION

The company operates in mining and exploration within Australia

Operating segment information.

	Exploration and Evaluation \$	Investments \$	Unallocated Corporate Overhead \$	Total All Operations \$
2014 Half Year				
Segment Revenue for half year				
External Revenue				
Rent Received	3,376			3,376
Interest Received			17,282	17,282
R & D Tax Offset received	511,127			511,127
Realised Gains		3,184		3,184
Unrealised Gains		220		220
Total segment Revenue	514,503	3,404	17,282	535,189
Segment Profit/(Loss) for the half year prior to the following material items	-1,012,577		-116,722	-1,129,299
Salaries and Super allocated to areas of interest	-9,392			-9,392
Depreciation			-6,664	-6,664
R & D Tax Offset received	511,127			511,127
Net Loss after tax for the half year	-510,842	-	-123,386	-634,228
Segment net assets as at 31st December 2014				
Total segment assets	6,606,426	54,683	240,148	6,901,257
Total segment liabilities	-85,439	-	-583,363	-668,802
Net Assets	6,520,987	54,683	-343,215	6,232,455
2013 Half Year				
Segment Revenue for half year				
External Revenue				
Rent Received	4,220			4,220
Interest Received			3,287	3,287
R & D Tax Offset received	658,372			658,372
Gain re sale of Nyngan		101,908		101,908
Total segment Revenue	662,592	101,908	3,287	767,787

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

2. SEGMENT INFORMATION (cont'd)

2013 Half Year (cont'd)

	Exploration and Evaluation	Investments	Unallocated Corporate Overhead	Total All Operations
Segment Profit/(Loss) for the half year prior to the following material items				
Salaries and Super allocated to areas of interest	-327,216	-5,841	-138,359	-471,416
Depreciation	-43,814			-43,814
			-13,757	-13,757
R & D Tax Offset received	658,372			658,372
Gain re sale of Nyngan		101,908		101,908
Net Profit/(Loss) after tax for the half year	287,342	96,607	-152,116	231,293
Segment net assets as at 31st December 2013				
Total segment assets	6,392,645	1,591	2,739,027	9,133,263
Total segment liabilities	-85,439	-	-1,444,025	-1,529,464
Net Assets	6,307,206	1,591	1,295,002	7,603,799

3. GOING CONCERN

The Group at present does not have a regular income from mining operations or production royalties. The Directors are aware of this situation and have determined that these financial statements should be prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business at the amounts stated in these financial statements, for the following reasons:

(i) The Group continues to undertake research and development activities associated with its metallurgical and exploration and evaluation activities, and provided that these activities continue to comply with the relevant income tax legislation, the Group will continue to receive cash refundable R&D tax offsets. These receipts will also assist with funding the Group's operations. The Group's final estimate of its R&D cash refund for the year is \$511,127 (2013: \$658,372). This amount was received in January 2015.

(ii) The Group's indicative cash flow forecast for the next twelve months includes significant cash out flows in relation to exploration and evaluation expenditure, which if need be, can be deferred or eliminated by the relinquishment of exploration tenements. The Group has some discretion over the quantum and timing of this type of expenditure. Any such relinquishments may have a material impact on the Group's future R&D activities and its associated cash refunds.

(iii) The Group currently holds three production royalties in relation to exploration licenses which it either owned or still owns but is in the process of selling. In particular, they relate to the Bullabulling gold project in WA and the Forest Reefs gold and copper and Nyngan scandium projects in NSW. The basis of calculating each royalty is different and the quantum and timing of any cash receipts (if any) from either the royalty payments themselves or the outright sale of the royalty entitlements remain uncertain and cannot be predicted reliably. However, to the extent that any of them are realised, then they may involve significant cash inflows for the Group. The royalties cover all mineral products, but primarily gold, copper and scandium oxide.

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Note 3 Continued

GOING CONCERN

(iv) The Board is of the opinion that, subject to satisfactory market conditions, the Parent entity will be able to access equity capital markets to raise sufficient funds for its on-going operations, as and when required.

The Board remains optimistic that some, if not all, of the abovementioned potential sources of replacement financing will eventuate and that therefore, the going concern basis remains appropriate for the preparation and presentation of these financial statements.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in this financial report. In such circumstances, a fundamental change in the basis of accounting would be required compared to the basis upon which these financial statements have been prepared. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the Group not be able to continue as a going concern.

4 PRIOR YEAR ADJUSTMENT

After a review of the calculation of the Deferred Tax Liability it has been found necessary to make the following adjustment to the brought forward balances as at 30th June 2014.

	Unadjusted Figures	Adjustments	Adjusted Figures
Deferred Tax Liability	-1,523,562	1,012,777	-510,785
Accumulated Losses	44,114,439	-1,012,777	43,101,662

The effect of the above adjustments is shown in the comparative Balance Sheets below.

	30 th June 2014	
	\$ After adjustment	\$ Before adjustment
Current Assets		
Cash and cash equivalents	1,631,081	1,631,081
Trade and other receivables	27,967	27,967
Financial Assets	3,698	3,698
Total Current Assets	<u>1,662,746</u>	<u>1,662,746</u>
Non-Current Assets		
Property, plant and equipment	220,960	220,960
Exploration and evaluation assets	5,767,123	5,767,123
Other non-current assets	30,986	30,986
Total Non-Current Assets	<u>6,019,069</u>	<u>6,019,069</u>
Total Assets	<u>7,681,815</u>	<u>7,681,815</u>

**NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

Note 4 Continued

PRIOR YEAR ADJUSTMENT

	\$ After adjustment	\$ Before adjustment
Current Liabilities		
Trade and other payables	151,090	151,090
Provisions	153,257	153,257
Total Current Liabilities	<u>304,347</u>	<u>304,347</u>
Non-Current Liabilities		
Deferred tax	510,785	1,523,562
Total Liabilities	<u>815,132</u>	<u>1,827,909</u>
Net Assets	<u>6,866,683</u>	<u>5,853,906</u>
Equity		
Issued Capital	49,968,345	49,968,345
Accumulated losses	(43,101,662)	(44,114,439)
Total Equity	<u>6,866,683</u>	<u>5,853,906</u>

5 EVENTS AFTER THE 31ST DECEMBER 2014

None

Sign here:  Date: 17th March, 2015
(Director)

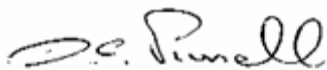
Print name: Duncan Pursell

**DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

The Directors of Jervois Mining Limited (Company) declare that in their opinion:

- (a) the financial statements and notes set out on pages 14 to 22 are in accordance with the Corporations Act 2001 Cth, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Company's and Consolidated Entity's financial position as at 31 December 2014 and performance for the half-year ended on that date, and
- (b) the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board, and
- (c) there are reasonable grounds to believe that Jervois Mining Limited will be able to pay its debts as and when they become due and payable for the reasons documented in Note 1(d) to the financial statements.

This declaration is made in accordance with a resolution of the directors.



Mr Duncan Pursell
Managing Director

17th March 2015
Melbourne



Linxcorp Australia Pty Ltd ABN 21 101 610 623
38A St Andrews Street, Brighton, Victoria 3186, Australia
Phone: +61 3 96927222 Fax: +61 3 90779233
Mobile: 0418 362 058

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF JERVOIS MINING LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying financial report of Jervois Mining Limited, which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the half-year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Jervois Mining Limited are responsible for the preparation of the financial report that give a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our review. We conducted our review in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to review engagements and plan and perform the review to obtain reasonable assurance whether the financial report is free from material misstatement.

A review involves performing procedures to obtain review evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design review procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. A review also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Jervois Mining Limited on 18 March 2015, would be in the same terms if provided to the directors as at the date of this auditor's report.



Linxcorp Australia Pty Ltd ABN 21 101 610 623
Level 4 ,100 Albert Road , South Melbourne , Victoria 3205, Australia
Phone: +61 3 96997222 Fax: + 61 3 90779233
Mobile: 0418 362 058

Auditor's Opinion

In our opinion the financial report of Jervois Mining Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

A handwritten signature in black ink, appearing to read "G. Georgiou".

GEORGE GEORGIU
Registered Company Auditor
Registration: 10310

Dated: 16 March 2015