Jervois
MINING LIMITED

A.B.N. 52 007 626 575

Date:19th August 2015 **ASX Code: JRV**

Re-issue of June 2015 Quarterly Report

Jervois Mining Limited wishes to advise that the quarterly report for the period ending 30th June 2015 has been amended and is now re-issued as per attached.

By order of the Board

Roger Fairlam
Company Secretary

Jervois
MINING LIMITED

A.B.N. 52 007 626 575

31st July 2015

The Manager
Company Announcements
Australian Stock Exchange
Level 10, 20 Bond Street
SYDNEY NSW 2000

QUARTERLY REPORT TO 30 JUNE 2015

HIGHLIGHTS

Shareholders should be aware that the Company has continued to explore for resources, as and where it can, despite the severe financial constraints affecting the exploration industry.

As announced during the Quarter, of particular interest was the successful attempt to establish at Flemington, near Syerston, NSW, a JORC 'Measured' Resource for the exotic metal, Scandium. Full and expanded details are released elsewhere in this report. As a consequence we are pleased to advise shareholders that the Company has now established a 'Measured Resource' for Scandium, the largest and highest grade in the Syerston region.

There is little doubt that in recent month's scandium is attracting increasing attention worldwide. Small quantities only are available. EL7805 Syerston, is an exciting new prospect.

As indicated by the drill hole plan provided with this report, the resource extends north-east and north-west of the original drilling area. This has been confirmed by, as yet, limited surface mapping. A particularly appealing feature of this resource is its compact nature and the fact that the resource outcrops over substantial areas, much of it from surface.

The most recent drilling program gave unusual problems; there were many instances of poor sample return from the drill. As a consequence, pending the completion of up to three diamond drill holes next summer, the Resource Calculation totals have been reduced by about 10%. In all probability, this underestimate was overly cautious. Drilling also resulted in several strong intercepts of Cobalt – which are also tabulated in this report. As it happens Jervois finds the Cobalt easy to recover and, at the resulting grades, well worth the effort. In contrast, the site also returned quite low nickel values which can be problematic to treat.

MINERAL TENEMENT AND LAND TENURE STATUS

Tenement	Project Name and Area	Land Status
EL 5527	Young (Ardnaree) – Near Young, NSW	Privately owned farmland
EL 5571	Young (Thuddungra) - Near Young, NSW	Privately owned farmland
EL 6009	Westlynn and Gilgai - Near Nyngan, NSW	Privately owned farmland
EL 7805	Syerston (Flemington) – near Fifield, NSW	Privately owned farmland
EL 7281	Summervale - near Nyngan, NSW	Privately owned farmland
EL E59/1257	Nalbarra, Western Australia	Crown Land

THE BULLABULLING GOLD ROYALTY

Following the takeover of Norton Gold by the giant Zijin Mining Company Group; the obligation to pay the Royalty to Jervois has now passed to the new owner. On balance, the change may be positive for the early development of the Bullabulling Gold Resource. Zijin is backed by PRC and with the current weakness in the Australian Dollar keeping the price of gold at a reasonable level, locally, we are optimistic for early development.

The Royalty remains at $30.00 per oz for the first 400,000 oz produced, then dropping to $20.00 per oz, thereafter, unlimited.

SYERSTON SCANDIUM PROJECT (near Fifield NSW)
EXPLORATION LICENCE 7805

MEASURED RESOURCE

A Measured Resource Calculation for the Syerston Scandium Project, EL 7805, has been completed. The calculation was carried out independently from Jervois Mining by geological consultant Rangott Mineral Exploration Pty. Ltd. in Orange, NSW.

In May this year a 40 hole air core infill drilling program for 766m was completed to provide sufficient data for the measured resource to be calculated. Results from drilling also increased the known resource area.

Measured Resource: (after rounding) 2,675,000 tonnes @ 435 ppm Scandium.

Indicated Resource: (after rounding) 468,000 tonnes @ 426 ppm Scandium.

The weighted mean for both categories is 3,143,000 tonnes @ 434 ppm Scandium.

This equals 1,363 tonnes of contained scandium.

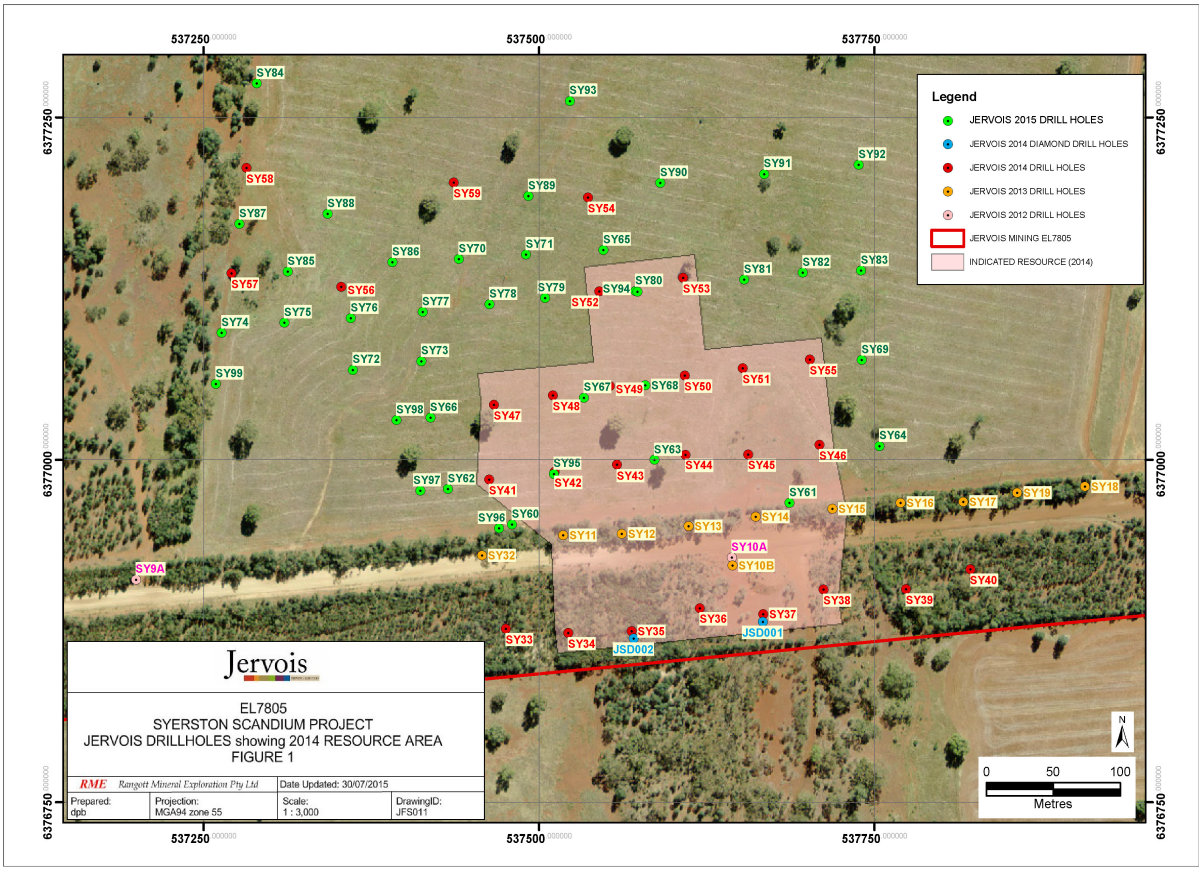
Shareholders should note that the Jervois Scandium Resource is the largest and highest grade Measured scandium resource in NSW and possibly the world. The project area is located approximately 9 km north-west of Fifield, in NSW. The tenement is 100% held by Jervois Mining Limited.

The measured calculation is an upgrade of the inferred calculation from 2014, which produced a scandium-only indicated resource of 1,617,000 tonnes, at a weighted mean average of 439 gm/tonne scandium (cutoff 200ppm). The extent of the 2014 resource is delineated on Map 1 in pink. 38 of the 40 holes drilled in the May program returned significant mineralization, many from surface (shown in Map 2, delineated in green). Table 1 shows the significant intervals for Scandium from the 2015 drilling program.

Table 1. Scandium Assay Results from the May 2015 Drilling Program
Cut off 200ppm scandium.

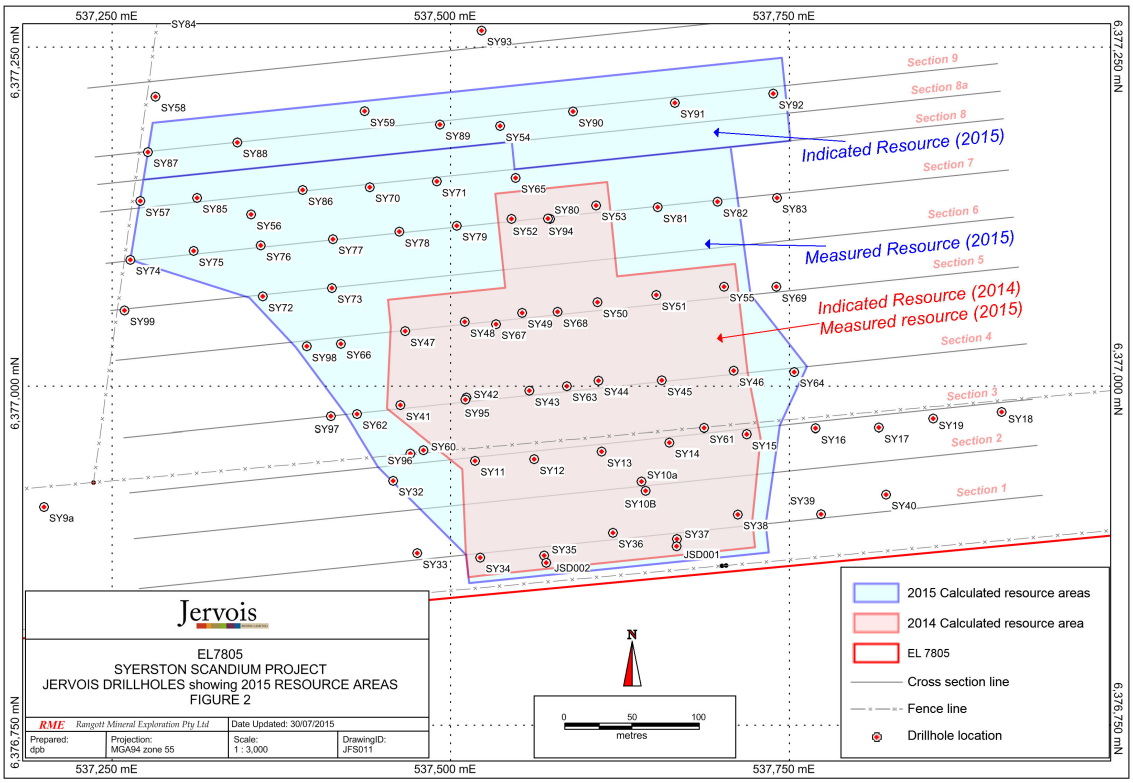
Hole number	MGA 94 East	MGA 94 North	From-To (m)	Interval (m)	Scandium ppm
Sy 60	537479.77	6376953	1-15	14	497
Sy 61	537687	6376969	0-8	8	413
Sy 62	537430.9	6376979	1-9	8	371
Sy 63	537585.9	6377000	8-22	14	275
Sy 64	537753.7	6377010	5-12	7	243
Sy 65	537547.9	6377154	6-25	19	452
Sy 66	537419	6377031	1-9	8	414
Sy 67	537533.4	6377046	6-22	16	379
Sy 68	537579	6377055	9-24	15	334
Sy 70	537440.2	6377147	6-33	27	347
Sy 72	537361.2	6377066	1-8	7	319
Sy 73	537412.3	6377072	1-16	15	430
Sy 74	537263.5	6377093	0-4	4	433
Sy 75	537310.1	6377100	0-8	8	358
Sy 76	537359.7	6377104	0-19	19	434
Sy 77	537413.2	6377108	2-22	20	464
Sy 78	537462	6377114	2-28	26	383
Sy 79	537504.4	6377118	17-29	12	275
Sy 80	537573.4	6377123	5-19	14	569
Sy 81	537652.9	6377132	0-15	15	553
Sy 82	537697	6377136	0-11	11	579
Sy 84	537740.8	6377139	11-21	10	336
Sy 85	537289.7	6377275	0-13	13	483
Sy 86	537312.9	6377139	1-19	18	404
Sy 87	537390.7	6377145	0-17	17	516
including			13-14	1	**1010**
Sy 88	537276.6	6377173	1-16	15	346
Sy 89	537342.5	6377180	15-24	9	490
Sy 90	537492	6377193	0-16	16	418
Sy 91	537590.4	6377202	0-14	14	596
Sy 92	537665.5	6377209	1-6	5	407
Sy 93	537738.2	6377216	1-15	14	278
Sy 94	537522.9	6377262	0-2	2	356
and			6-19	13	557
Sy 95	537511	6376990	0-16	16	572
Sy 96	537470.3	6376950	0-22	22	464
Sy 98	537393.7	6377029	1-12	11	428

Please refer to Jervois Mining Limited ASX announcement of the 17/6/2015 for JORC Exploration and Reporting details for the May 2015 drilling program.



Map 1. Drilling locations – 2014 Resource Area, Syerston Scandium Project

Area shown in pink indicates 2014 indicated resource area.



Map 2. Plan View –Showing 2014-15 Resource Areas, EL 7805, Syerston Scandium Project

SCANDIUM RESOURCE TREATMENT AND RECOVERY

The Company has experimented with various recovery methods and, using its own variation of High Pressure Acid Leach, (HPAL), successfully produced a small concentrate sample of Scandium Oxide grading 99.74 %. However the Company remain uncertain of the applicability of HPAL to Syerston laterites and perhaps to all laterites. As a consequence, an entirely new treatment option has been devised by our metallurgist Dr Aral. This new option should be effective for all laterites, not just Flemington (Syerston).

METALLURGY

Metallurgical tests to extract scandium oxide from Syerston ores were successful and demonstrated that 99.74% purity Sc_2O_3 can be made (Figure 1).
Jervois Mining's process development with a leading research organization has successfully produced its first high purity scandium oxide shown in Figure 1, below.

Figure 1: First high purity scandium oxide made from Syerston ores of Jervois Mining. Ltd.

The breakthrough in metallurgical processing came when the caking problem on the pressure leach vessel walls were solved by devising a novel approach (see Figure 2a and b).

Figure 2a: Inside of the vessel to show caking at the bottom and walls after pressure leaching.

Figure 2b: The same vessel after the caking problem was solved.

Jervois Mining is negotiating a further test program with an Australian research organisation to undertake fine-tuning of the metallurgical process.

EL 7281 SUMMERVALE, AND EL 6009 WESTLYNN, NEAR NYNGAN, NSW
NI/CO PROJECT

In April this year an air core drilling program was undertaken on the Company's Exploration Licence 7805, Summervale, near Nyngan, NSW. 14 holes were drilled for a total of 611m. A day of field mapping over EL 6009 Westlynn was also undertaken.

The program was designed as infill drilling to proceed to a Resource Calculation for the mineralisation.
Of the 14 holes from this program, one returned significant results for Nickel, in laterite, and another returned a narrow but significant interval of iron.

It should be noted that while significant Ni and Fe results were not as extensive as those from previous programs, this program was designed to confirm the extent of the mineralisation and has reinforced previous assay results of greater than 1% Ni values in the mineralized body. The other significant consideration is that the potential ores from this tenement have proven, in bench scale testing, to be highly amenable to concentration through the mechanical processes of magnetic separation, and colour sorting.

Table 3. Significant Assay Results for 2015 EL 7281 Summervale Drilling Program

Hole #	East	North	From/To (m)	Interval (m)	Co ppm	Ni %
SV 67	500902.42	6523489.01	41-48	7	392	1.22
Including			43-47	4	444	1.42
SV69	501103.35	6523490.68 6523490.684	42-47	5	492	0.67
SV72	501401.95	6523690.36	39-42	3	522	0.61
SV73	501301.91	6523687.37	39-45	6	646	0.74
SV74	501200.54	6523687.71	34-38	4	380	0.62
SV75	501101.37	6523687.89	38-43	5	332	0.57
SV78	500900.31	6523790.37	34-42	8	249	0.60

Please refer to Jervois Mining Limited ASX announcement of the 9/4/2015 for JORC Exploration and Reporting details for the April 2015 drilling program.

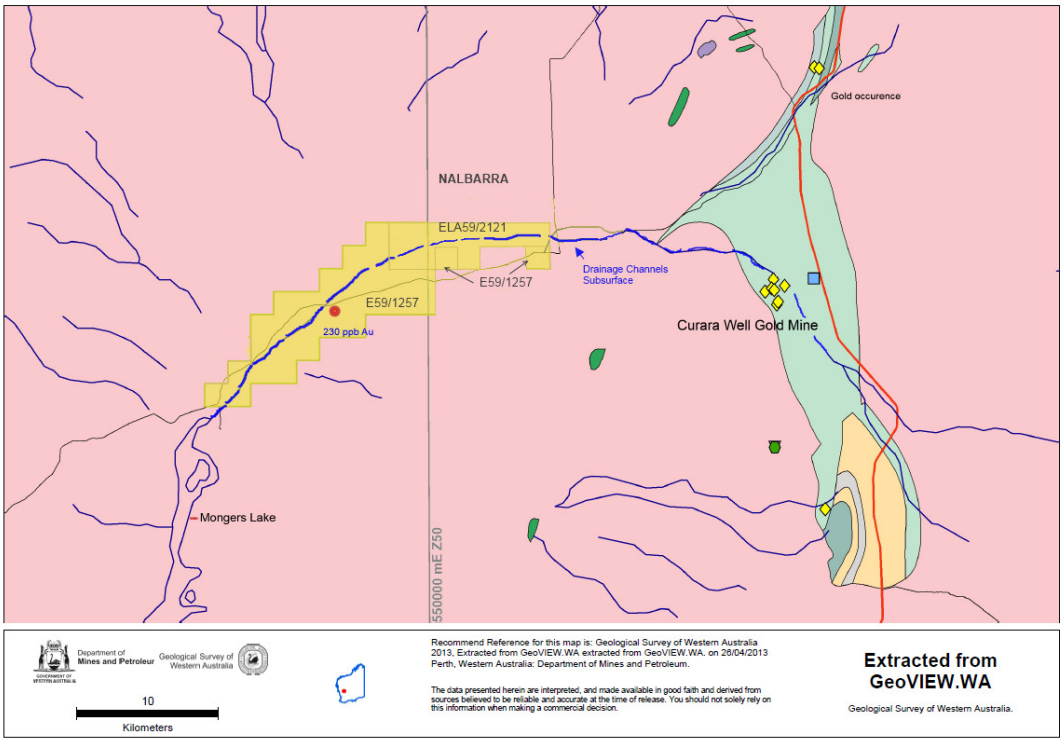
WESTERN AUSTRALIA

During the June Quarter the Company has been actively pursuing more advanced gold projects that have become available for joint venture or sale in the goldfields of Western Australia. This is due to the lack of funding in the gold mining industry. A number of tenements are being assessed.

NALBARRA PROJECT
EXPLORATION LICENCE 59/1257 and EXPLORATION LICENCE APPLICATION 59/2121
100% JERVOIS MINING LIMITED

The Nalbarra Uranium and Gold Project is the only Western Australian Project currently held by Jervois Mining Ltd. Future work will cover a uranium anomaly located in the Nalbarra area after previous work by Jervois Mining.

During the March quarter an exploration licence application (ELA59/2121) was applied for, by Jervois Mining, to explore for gold and other minerals at Nalbarra. The application followed the geostatistical reassessment of vacant ground that was a compulsory surrender by Jervois Mining Limited, as a condition of the Department of Mines and Petroleum legislation. The application is pending.



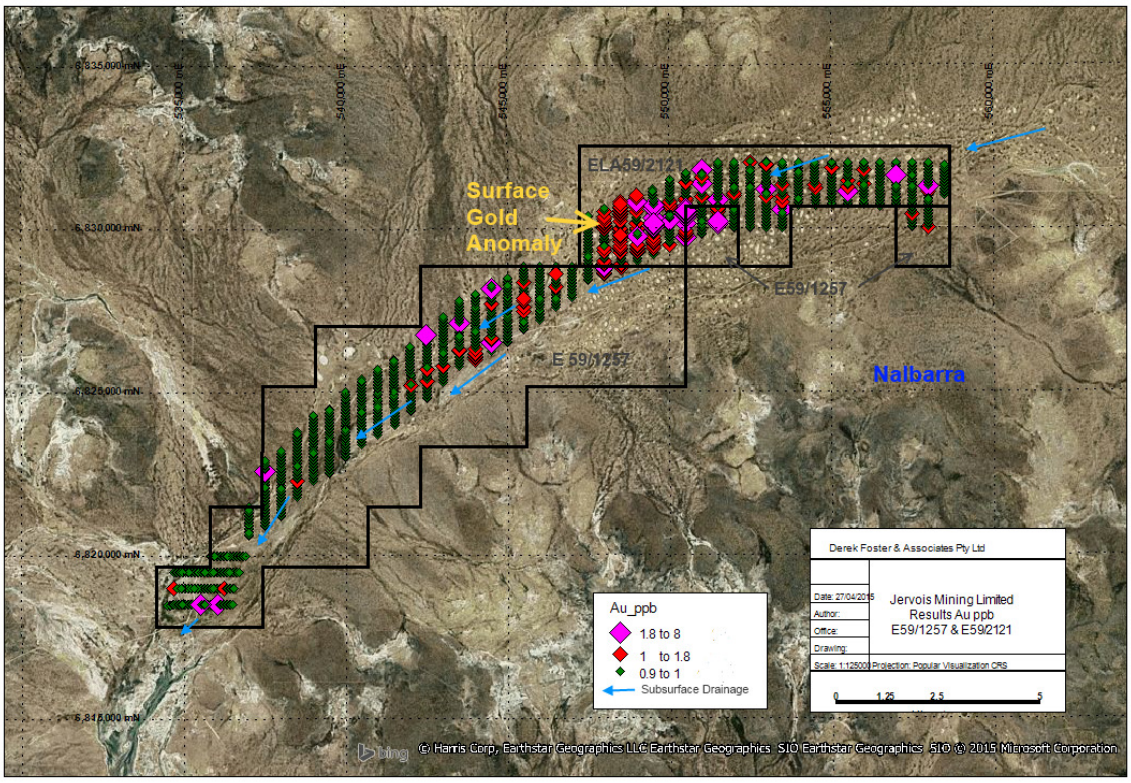
Modified for Jervois Mining Limited.

Map 3. Location of the Nalbarra Uranium Project and Nalbarra Gold Project (application pending), Western Australia.

Map 3 shows the position of the Nalbarra tenements. Gold was detected in the soil of the westward flowing subsurface drainage system which flows over the gold mineralised greenstone belt to the east of Nalbarra and past the Curara Well Gold Mine. Although the drainage system is sub-surface, it was previously thought to be a trunk valley drainage system. As such, it may have potential to host alluvial gold mineralisation.

The geostatistical reassessment provided a higher level of significance for the lower levels of gold, which had been detected during previous soil sampling programs. The reassessment resulted in the plan shown in Map 4

(below) which indicates a consistent anomalous gold zone (highlighted in red) with a higher level of anomalous gold (shown in magenta). Lower levels of gold are shown in green. The surface gold anomaly, as indicated, is 2.5 kilometers long.



Map 4. showing the incidence of anomalous gold on E59/1257 and E59/2121

Exploration Licence 59/1257 hosts known uranium mineralisation and a drilling program has been proposed on the tenement, subject to the approval of a new Safety Manual & Radioactive Management Plan and Program of Work by the Department of Mines and Petroleum, WA.

A field assessment of the gold anomalies will be followed up once the exploration licence is granted.

EXPENDITURE FOR QUARTER ENDED 31 June 2015

Expenditure on Exploration for the Quarter was $132,080

By order of the Board.

Duncan Pursell.
Managing Director.

JORC COMPLIANCE TABLE

SUMMERVALE EL 7281

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Air Core vertical drilling with core diameter 3" standard tube
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• 12.5/87.5 splitter (cyclone meter intervals), plastic sample bags for up to 20kg , chip tray reference, sample recovery weight recorded every meter • Negligible sample bias expected
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Core and chip samples have been geologically and geotechnically logged to a level of detail for a future Mineral Resource estimation. • Logging is qualitative in nature • 100% of intersections logged – 611m meters
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• 12.5/87.5 splitter (cyclone meter intervals) to ensure representative sample taken • All samples submitted to ALS Laboratory, Brisbane • Sample preparation of all samples has been completed by an independent commercial laboratory to accepted industry standards. • All subsampling conducted by the independent commercial laboratory to acceptable industry standards. • Sample sizes are considered suitable for surface geochemical studies.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg*	• Analysis for Ni/Co/Sc suite 4 acid digest ME ICP-61. And samples over 10,000ppm Ni = Ni-OG62 • Standards and blanks routinely inserted during laboratory

	standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	procedures and also during drilling prior to sending to laboratory.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Exploration results verified by competent person – Duncan Pursell along with acceptable standards with appropriate QA QC control measures. • Data collected in the field and data entry completed in the office by experienced personnel. • No adjustments made.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill collar positions determined by hand held Trimble 600 with accuracy of 100mm horizontal and 200mm vertical • Coordinated determined in GDA94 Zone 55. • Quality adequate for relevant data acquisition.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• 14 aircore holes drilled in sample lines (augmenting a present drilling line) • Spacing considered acceptable to establish a degree of grade and consider a future inferred Mineral Resource estimation • No composite sampling applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Sample lines oriented approximately normal to interpreted geological features. • Not applicable.
Sample security	• *The measures taken to ensure sample security.*	• Not applicable as samples delivered directly to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews conducted.

JORC COMPLIANCE TABLE

SYERSTON (FLEMINGTON) EL 7805

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Vertical aircore holes were drilled, and sampled over successive 1m intervals via an on-board cyclone. The bulk samples from both drilling program were passed through a 3-tier riffle splitter, giving (1/8) 0.75-1.5kg samples for analysis, and (7/8) bulk samples for storage. The sample splits from the 2013 program were initially analysed by technique ME-ICP61 and the sample pulps were subsequently retrieved and split in a small riffle splitter, and one half of each analysed by a fusion technique (Sc-ICP06). The split samples from the 2014 and 2015 program were analysed by both the fusion technique and by technique ME-ICP41.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	The holes relevant to this statement were drilled by the aircore technique, using a Hydco aircore rig fitted with a 200psi/400cfm compressor (2013 and 2014 program), and a Hydrapower Scout fitted with a 200psi/600cfm compressor (2015 program). The nominal bit diameter used on the rig in 2013 and 2014 was 89mm, but subsequent measurement of the bit showed that wear had reduced it to 80mm diameter, and this figure was used in recovery calculations. The bit diameter used in the 2015 program was 102mm (measured).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	The bulk and assay samples were weighed, and using bulk density values for different lithotypes, theoretical sample weights were calculated and compared with the actual weights to give recoveries for a limited number of drill holes. Sample recoveries varied from 50% to 97%, with an average of 85% for the key limonitic laterite in 2013 and 2014, and from 6% (in surface rubble) to 83% in the 2015 program, with the limonitic material recoveries lying higher in the range. Cuttings were flushed from the hole at the end of each 1 metre interval drilled.

Section 3 Estimation and Reporting of Mineral Resources
(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data was entered by the project geologist and checked at various stages during plotting of drill sections
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person has visited the prospect on several occasions, but not during the drilling programs.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Some uncertainty exists over the precise location of lithotype boundaries based on colour changes. • Data was visual, based on colour, texture and integrity, and backed up by analytical data. • No alternative interpretations can be considered with the present drill traverse spacing. It is considered that drilling of additional holes on intermediate traverses would be unlikely to materially alter the interpreted three-dimensional structure • Five different Mineral Resources were calculated for the five interpreted lithotypes, and then combined. • Possible block faulting may affect continuity but based on current knowledge, this may only have been significant along the eastern and western margins of the deposit. An interpreted palaeochannel passes from the south-southeast to the north-northwest areas the centre of the deposit. The channel fill material is also mineralised but commonly at grades lower than the 200ppm Sc lower cutoff. The precise boundaries of this channel are not clearly defined, and the outline of the channel on sections may change with infill drilling
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Resource is defined over a north-south length of 360m and a width varying from 220 to 475m, covering an area of 12.9Ha. It is continuously mineralized

Criteria	JORC Code explanation	Commentary
		throughout, is closed off to the east by outcrops of bedrock, and by cadastral constraints to the south and west. Sc grade varies considerably both vertically and laterally within the three lithotypes, however the weighted mean grade of each lithotype is usually quite consistent from section to section, given the style of mineralisation.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Given the nature of the host rock (laterite), its known areal distribution and sheet-like layered geometry, a sectional method of estimation was considered the most appropriate, and facilitated correlation of the lithotypes between holes, and interpretation of internal structure. The estimation was carried out manually. Extrapolation distances on the east-west oriented sections varied from 10 to 95m between drill holes and from 10m to 20m beyond the last significantly mineralized holes on each section. Extrapolation distances between the sections varied from 34 to 72 metres, and beyond the southernmost and northernmost sections, 20m. High Scandium values (>800ppm) are supported by nearby values so it was not considered necessary to cut them. • None available. • No by-products were considered. • No other elements considered at this stage. There are locally elevated concentrations of As, Cu, Ni, Co, Cr and V but these are not likely to be deleterious. The possible economic significance of Ni and Co will be considered in later studies. • Not applicable. • Not applicable. • Not considered. • The geological logging data was used to determine the interpreted lithotype boundaries. • There is a broad spread of Sc values from 200ppm to 1,010ppm. • Not carried out at this stage.
Moisture	• *Whether the tonnages are estimated on a dry basis or*	• The tonnages were estimated on a

Criteria	JORC Code explanation	Commentary
	with natural moisture, and the method of determination of the moisture content.	dry weight basis, in line with the analytical data. To determine bulk densities short lengths of whole PQ core were weighed shortly after drilling, then dried in a gas-fired drying cabinet at approximately 70°C for a minimum of 48 hours, then weighed again. From these data, moisture contents were calculated on a wet weight basis (weight loss / wet weight x 100)
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• As very little is known about the economics of mining and extracting Sc from laterites, a 200ppm cut off was chosen to give a robust resource.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The resource could be cheaply mined by a small open cut with low flitches, on a contract campaign basis. It is unlikely that drilling and blasting would be necessary.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Limited bench testing of small samples for acid leaching potential has been undertaken, and has shown some promise, with good Sc, Ni, Co recoveries achieved over a 24 hour leach period. At this stage, it is not possible to make assumptions about a future metallurgical process.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• Due to the near-surface, high grade nature of the deposit, there is likely to be only minimal waste material produced by a mining operation, and any waste material would be similar to currently subcropping laterite. It is assumed that treated ore residues would be neutralised with locally-sourced limestone, and the (drained) residues stored in parts of the developing open cut, or in old magnesite mines nearby.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been*	• Two vertical PQ core holes, JSD-001 and JSD-002, were drilled 5m away from the collars of aircore holes SY-37 and SY-35 respectively, down to several metres in to saprolitic bedrock. A piece of coherent core

Criteria	JORC Code explanation	Commentary
	measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	from each 1m interval was weighed then dried and weighed again, then coated and immersed in water and immediately weighed. The three data sets obtained were used to calculate in-situ and dry-weight densities, with the dry weight densities applied in the resource tonnage calculations. The densities ranged from 1.37g/cc to 2.56g/cc, with mean densities of 2.04g/cc for the haematitic laterite, 1.77g/cc for the limonitic laterite, and 1.82g/cc for the transitional laterite. As the densities were determined on the most competent pieces of core, there is some risk that they are not representative of more porous sections of the core. Densities of 90% of the determined values were therefore used (1.83g/cc for transported and haematitic laterite, 1.59g/cc for limonitic laterite, and 1.63g/cc for transitional laterite) to give more conservative tonneages.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Competent Person has a high level of confidence in the sample integrity, and assay data, and in the resource calculation technique (which he undertook). However, he considers that there is some risk to the apparent high degree of geological and grade continuity between holes due to : - the spacing of the drillholes along the sections in the Indicated Resource area - the poorly-defined boundary of the palaeochannel - suspected infaulting of various protoliths (suggested in drill chips from one hole) which may have resulted in rapid grade variations - the discrepancies between analytical data from twinned holes.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• No audits or reviews have been carried out.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence*	• No statistical work has been carried out. However it is considered that the tonnage estimates are accurate to within ±5%, for each lithotype, and the grade estimates to within

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	limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	10%. • The estimates were local and detailed, calculated for each lithotype present, for each section and for individual panels within each section. • Not applicable.

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Max Rangott (MAusIMM), D.C. Pursell (MAusIMM) and Mr D. Foster, (MAusIMM). M. Rangott, D.C. Pursell and D. Foster have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. M. Rangott, D.C. Pursell and D. Foster consent to the inclusion.