

Jervois Mining Limited

ABN 52 007 626 575

Annual Report - 30 June 2015

Jervois Mining Limited
Corporate directory
30 June 2015

Directors	Duncan Pursell (Executive Chairman) Derek Foster (Executive Director) Roger Fairlam (Executive Director)
Company secretary	Roger Fairlam
Registered office	Suite 12, Level 2, 4-10 Jamieson Street, Cheltenham, Victoria, 3192
Principal place of business	Suite 12, Level 2, 4-10 Jamieson Street, Cheltenham, Victoria, 3192
Share register	Computershare Investor Services Pty Ltd, 452 Johnston Street Abbotsford, Victoria, 3067
Auditor	George Georgiou FCA Level 4, 100 Albert Road South Melbourne, Victoria, 3205
Bankers	ANZ Banking Group Limited Level 1 420 St Kilda Road, Melbourne, Victoria, 3004
Stock exchange listing	Jervois Mining Limited shares are listed on the Australian Securities Exchange (ASX code: JRV)
Website	www.jervoismining.com.au
Email	admin@jervoismining.com.au

Jervois Mining Limited
Directors' report
30 June 2015

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Jervois Mining Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2015.

Directors

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

Duncan Pursell
Derek Foster
Roger Fairlam

Principal activities

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

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$1,179,544 (30 June 2014: \$1,078,683).

Refer to the detailed review of operations that directly follows this directors' report.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

On the 6th August 2015 the Company announced non-renounceable pro rata rights issue to offer 1 new share for every 2 shares held on 12th August 2015 at price of \$0.05(5 cents) per share.

The offer closed on 26th August 2015 and raised a total \$440,179.60 for the issue of 8,803,592 shares.

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

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

Environmental regulation

The economic entity holds participating interests in a number of mining and exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2015.

Information on directors

Name:	Mr Duncan Pursell
Title:	Executive Chairman and Chief Executive Officer
Qualifications:	BSc, MAusIMM
Experience and expertise:	Mr Pursell is a mining engineer with more than fifty two years' experience. After graduating from Glasgow University he worked in West Africa before moving to Australia in the 1960's
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Executive chairman of the board of directors
Interests in shares:	9,297,530 Fully paid ordinary shares.
Interests in options:	Nil

Jervois Mining Limited
Directors' report
30 June 2015

Name: Mr Derek Foster
Title: Executive Director
Qualifications: B.Appl.Sc (Applied Geology), MAusIMM
Experience and expertise: Mr Foster is a geologist with vast experience as a "hands on" geologist in Victoria, Western Australia, Northern Territory and Queensland. He has worked in gold, uranium, nickel / cobalt sulphides, laterites, lithium and rare earths and mineral sands.
Other current directorships: Nil
Former directorships (last 3 years): Nil
Special responsibilities: Mr Foster is the consolidated entity's chief geologist and resident director for WA.
Interests in shares: 1,940,875 Fully paid ordinary shares
Interests in options: Nil

Name: Mr Roger Fairlam
Title: Executive Director and company secretary
Qualifications: Chartered accountant
Experience and expertise: Over forty years accounting experience. Previously a Director and Company Secretary of the Parent entity from 1995 to 2006 and Company secretary/ Chief Financial Officer 2009 to 2011.
Other current directorships: Nil
Former directorships (last 3 years): Nil
Special responsibilities: Chief financial officer
Interests in shares: Nil
Interests in options: 39,114 Fully Paid Ordinary Shares

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2015, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Mr Duncan Pursell	4	4
Mr Derek Foster	4	4
Mr Roger Fairlam	4	4

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

Remuneration report (audited)

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

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

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

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

Principles used to determine the nature and amount of remuneration

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

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

The consolidated entity's remuneration objective has been designed to align director and executive objectives with shareholder and business objectives by providing both a base or fixed component and possibly short or long-term incentives. The consolidated entity's remuneration objective is considered to be appropriate for its current size and financial position and effective in its ability to attract and retain talented executives and directors to run and manage the consolidated entity.

None of the remuneration paid by the consolidated entity to its key management personnel during the reporting period was dependent on the satisfaction of a performance condition, as no short or long term incentives were paid during this period.

The board as a whole acts as the remuneration committee and determines the following:

- the over-arching executive remuneration framework;
- operation of incentive plans which apply to the executive team, including key performance indicators and performance hurdle;
- remuneration levels of executive directors and other key personnel; and
- non-executive director fees.

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

Executive remuneration

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

The executive remuneration and reward framework has three components:

- Base pay and benefits, including superannuation
- Short-term incentives
- Long-term incentives through participation in the Parent entity's management option plan, which was approved by shareholders on 24 November 2011.

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

During the financial year, all of the consolidated entity's executive remuneration was comprised of base pay and benefits, including superannuation. None of the remuneration paid to executives during the financial year consisted of short or long term incentives, irrespective of whether or not such incentives are dependent on the satisfaction of a performance condition. The approval of the consolidated entity's management option plan may see the mix of remuneration components shift towards longer-term incentives in the future, although participation in the plan is at the discretion of the directors of the parent entity and is not dependent on the satisfaction of any performance conditions. There were no new options issued under this plan during the year.

Jervois Mining Limited
Directors' report
30 June 2015

Executives receive their base pay in cash and any non-financial fringe benefits in kind. Executives are offered base pay that comprises the fixed component of their pay and rewards. There are no guaranteed pay increases in any of the executive's employment contracts. Non-financial benefits include fringe benefits such as the private use of motor vehicles and expense payment benefits. None of this type of remuneration is dependent on the satisfaction of any performance conditions. Base pay and benefits were paid to the consolidated entity's executives during the financial year.

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

Short-term incentives would typically involve the payment of a cash bonus to an executive in those circumstances where either the chief executive officer or the board considered it to be warranted to reward an executive for their performance or contribution to the attainment of the consolidated entity's business objectives. The consolidated entity does not currently set any performance conditions or pre-defined targets which would need to be achieved before an executive became eligible for the payment of any short-term incentives, as the consolidated entity does not currently rely on this type of incentive to motivate or reward its executives. Also given the current size of the consolidated entity, performance conditions or targets are not considered necessary as each individual executive's relative performance and contribution to the consolidated entity would be taken into account by the board or the chief executive officer when deciding to pay any short-term incentives. In addition, the consolidated entity is only likely to pay short-term incentives in limited circumstances. No short-term incentives were paid during the financial year.

The consolidated entity's long-term incentives are provided under the parent entity's management option plan, which was approved by shareholders at the 2011 annual general meeting. The plan is designed to provide long-term incentives for all of the consolidated entity's staff, including its executives (with the exception of the chairman of the board of the parent entity). No specific performance conditions are attached to the vesting conditions for any options granted under the plan. The directors of the parent entity have discretion to determine all of the terms and conditions for any options granted under the plan, including such matters as who participates in the plan, the vesting conditions, exercise price and expiry date etc. There are no specific performance-related vesting conditions under the plan. Options are granted under the plan for no consideration and carry no dividend or voting rights. No individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The consolidated entity does not currently attach any performance conditions or pre-defined targets to the vesting conditions of any options granted under the management option plan, which would need to be achieved before the options vested. Given the current size of the consolidated entity, performance conditions or targets are not considered necessary as each individual executive's relative performance and contribution to the consolidated entity will be taken into account by the board when it determines the vesting conditions applicable to any options granted under the plan. No long-term incentives were paid by the consolidated entity during the financial year. Nor were any management options granted during the financial year.

Use of remuneration consultants

The consolidated entity did not engage any independent remuneration consultants during the financial year in relation to any aspects of the consolidated entity's remuneration, including that paid to its key management personnel. As a result no remuneration recommendations were made by any remuneration consultants, in relation to any of the Group's key management personnel during the financial year.

Voting and comments made at the company's 27 November 2014 Annual General Meeting ('AGM')

At the 27 November 2014 AGM, 94.40% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2014. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

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

Jervois Mining Limited
Directors' report
30 June 2015

	Short-term benefits		Post-employment benefits	
	Salary and directors fees	Consultancy fees	Super-annuation	Total
	\$	\$	\$	\$
2015				
<i>Executive Directors:</i>				
Mr D Pursell	160,000	87,998	-	247,998
Mr D Foster	50,000	140,000	-	190,000
Mr R Fairlam	50,000	-	-	50,000
<i>Other Key Management Personnel:</i>				
Dr S Van Huet	50,542	-	4,801	55,343
	<u>310,542</u>	<u>227,998</u>	<u>4,801</u>	<u>543,341</u>

	Short-term benefits		Post-employment benefits	
	Cash salary and fees	Consultancy fees	Super-annuation	Total
	\$	\$	\$	\$
2014				
<i>Executive Directors:</i>				
Mr D Pursell	160,000	-	14,800	174,800
Mr D Foster	50,000	110,816	-	160,816
Mr R Fairlam	50,000	140,000	-	190,000
<i>Other Key Management Personnel:</i>				
Dr S Van Huet	55,136	-	5,100	60,236
	<u>315,136</u>	<u>250,816</u>	<u>19,900</u>	<u>585,852</u>

Service agreements

Remuneration and other terms of employment for the chief financial officer and certain other key management personnel are formalised in a letter of offer. None of these letters of offer have an agreed term or stipulate any termination benefits. Each letter of offer sets out the components of each person's total remuneration package. Typically these components may include a base salary, salary sacrificed superannuation, provision of a motor vehicle or possible eligibility for long-term incentives consisting of options. None of these components depend on the satisfaction of any performance conditions. In addition, none of the letters of offer stipulate the mechanism or length of notice required in relation to the termination of executives.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2015.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2015.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2015.

Jervois Mining Limited
Directors' report
30 June 2015

Additional information

The earnings of the consolidated entity for the five years to 30 June 2015 are summarised below:

	2015 \$	2014 \$	2013 \$	2012 \$	2011 \$
Sales revenue	34,870	222,158	1,226,252	124,409	77,796
Profit / (loss) before income tax	(1,179,545)	(1,078,228)	(1,292,519)	(1,681,500)	350,922
Profit/(loss) after income tax	(1,179,545)	(1,078,228)	(1,292,519)	(1,681,500)	350,922

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

	2015	2014	2013	2012	2011
Share price at financial year end (\$)	0.05	0.03	0.02	0.30	0.01
Basic earnings per share (cents per share)	(1.79)	(1.64)	(2.71)	(1.30)	0.01

* there was 1:100 share consolidation on 10 December 2012. The EPS figures for the 2012, 2011 and 2010 years have been amended to reflect this.

Additional disclosures relating to key management personnel

Shareholding

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Mr D Pursell	4,059,711	-	2,119,445	-	6,179,156
Mr D Foster	1,243,916	-	50,000	-	1,293,916
Mr R Fairlam	26,706	-	-	-	26,706
Mr S Van Huet	27,441	-	-	-	27,441
	<u>5,357,774</u>	<u>-</u>	<u>2,169,445</u>	<u>-</u>	<u>7,527,219</u>

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of Jervois Mining Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of Jervois Mining Limited issued on the exercise of options during the year ended 30 June 2015 and up to the date of this report.

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

Jervois Mining Limited
Directors' report
30 June 2015

Proceedings on behalf of the company

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

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of George Georgiou FCA

There are no officers of the company who are former partners of George Georgiou FCA.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor

George Georgiou FCA continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors



Duncan Pursell

30 September 2015

HIGHLIGHTS

During the December 2014 Quarter, the Company held its 50th Annual Meeting.

Shareholders are reminded that Jervois owns a potentially valuable royalty over gold produced from the Bullabulling mineralized system, Western Australia. The Royalty stands at \$30.00 per oz. for the first 400,000 oz and \$20.00 per oz. thereafter, unlimited. Chines Zijin Mining Group Co. Ltd. has now acquired all of the issued securities in Norton Gold Field. This suggests early development for the Bullabulling mine.

The Company's Nyngan Scandium project (EL's 6009 (5 units) and 6096), purchase by Scandium EMC (a TSX listed company) was finalized in July 2014. Jervois retains a production royalty of 1.7% of the sales price for scandium for a period of 12 years from first production date.

Earlier this year Jervois relinquished 9 of the 17 units held on EL 6009. 5 of the retained units are part of the transfer to EMC and the 3 remaining units are part of the Westlynn Ni Co project, held 100% by Jervois.

The Company has continued to explore for resources, as and where it can, despite the severe financial constraints affecting the exploration industry.

Of particular interest was the completion of a Measured Resource at EL 7805; Flemington, near Syerston, NSW for Scandium; now the largest and highest grade in the Syerston region. The JORC Resource of Measured and Indicated combined, contains 2080 tonnes of Scandia, Sc₂ O₃.

Metallurgical test work has continued to refine a suitable process for extraction of the scandium for the ore. These test have involved both atmospheric and pressure acid leach processes; both of which proved successful.

On the Company's Young tenements (EL's 5571 and 5527) a 26 hole drilling program for a total of 1,466m was completed in January. The program was designed to the upgrade the 2012 resource calculation from an 'Inferred' to an 'Indicated' resource. This is still being prepared.

EL 7281 Summervale. An air core drilling program was completed on this Exploration License 7805, near Nyngan, NSW. 14 holes were drilled for a total of 611m.

The program was designed as infill drilling in order to proceed to a Resource Calculation for the mineralisation. This is anticipated to be completed early next year.

The Nalbarra Uranium Project (**Exploration Licence 59/1257 and Exploration Licence Application 59/2121**) is the only Western Australian Project currently held by Jervois Mining Ltd. During the previous quarter an Exploration Licence Application (ELA59/2121) was applied for by Jervois Mining Ltd to explore for gold and other minerals.

MINERAL TENEMENT AND LAND TENURE STATUS

Tenement	Project Name and Area	Land Status
EL 5527	Young (Arndnaree) – Near Young, NSW	Privately owned farmland
EL 5571	Young (Thuddungra) - Near Young, NSW	Privately owned farmland
EL 6009	Westlynn - 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

BULLABULLING GOLD

ROYALTIES IN FAVOUR OF JERVOIS MINING LIMITED

Jervois Mining Limited (the Company) has a royalty over production from the reported 3.8 million oz gold resource located at Bullabulling, approximately 70 km southwest of Kalgoorlie in Western Australia. The project was owned by Bullabulling Gold Limited which then passed to Norton Gold Fields Limited and their parent company Parent Zijin Mining Group Co. Ltd. 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.

As advised to shareholders previously, Jervois owns a royalty overall production from these leases amounting to \$30.00 per oz for the first 400,000 oz and \$20 per oz for all subsequent gold production unlimited by time or quantity.

NYNGAN SCANDIUM – EMC **NYNGAN SCANDIUM PROJECT**

The Nyngan Scandium project was purchased by EMC Metals (a TSX listed company) from Jervois. This was finalised in July 2014.

Jervois retains a production royalty over the project of 1.7% of the sales price for scandium and any other products produced from the site. The production royalty extends for a period of 12 years from first production date
The minimum royalty payable is based on an assumption for 10 tonnes per annum of scandium oxide production.

SYERSTON SCANDIUM PROJECT **EL 7805, NEAR FIFIELD NSW (100% JERVOIS)**

On 6th August 2015, Jervois Mining Limited received an enlarged and updated calculated Mineral Resource for part of EL 7805 (Syerston), from Rangott Mineral Exploration Pty. Ltd. ("RME"). This new scandium-in-laterite resource replaces and supersedes the original estimate, dated 13th August, 2014.

Calculated Measured Resource: 2,675,000 tonnes @ 435 ppm Sc.

Calculated Indicated Resource: 468,000 tonnes @ 426ppm Sc.

Calculated Total Resource: 3,143,000 tonnes @ 434ppm Sc

Total Contained Scandium Metal: 1,363 tonnes (77% of the scandium metal is contained within the limonitic laterite).

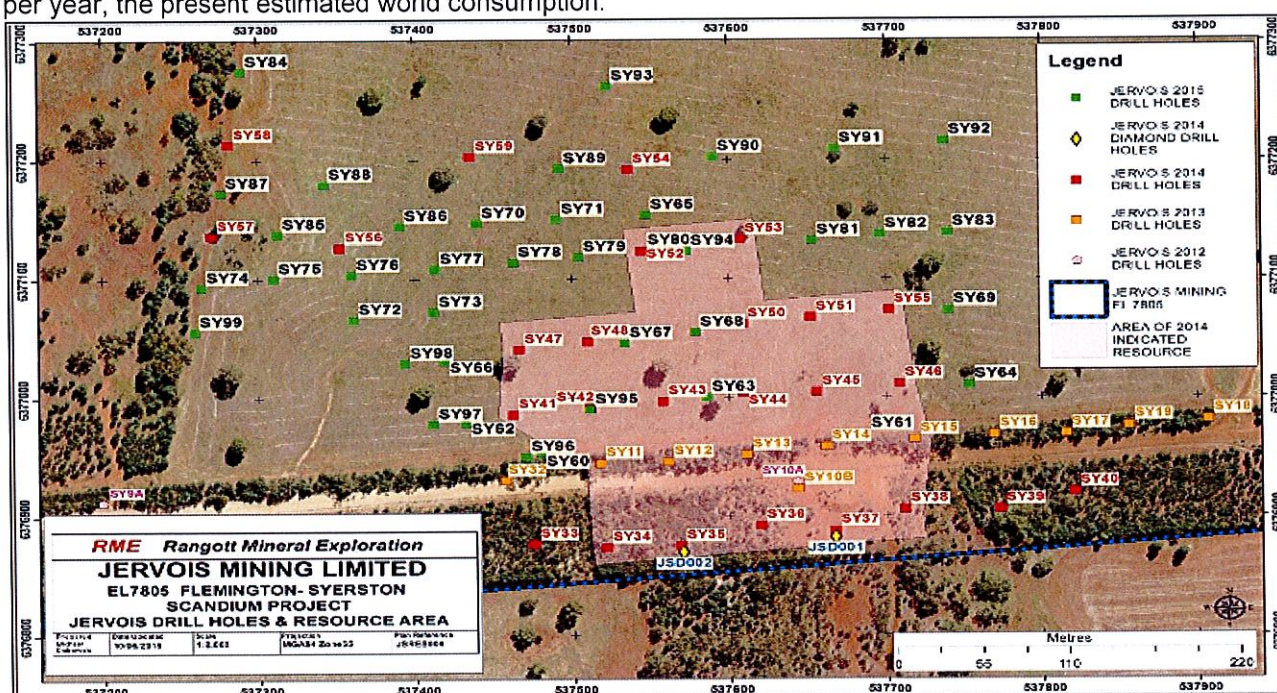
The resource calculations were based on data from a group of 65 vertical aircore holes, part of a larger group of exploration holes drilled during 2013, 2014 and 2015.

Chip samples were collected over 1 metre intervals. The 1m samples were analysed for scandium by ALS in Brisbane, using a fusion ICPAES method (technique Sc-ICP06). A lower cut-off grade of 200ppm Sc was used for the resource calculations based on limited economic modelling data.

The Company plans to initially 'pilot' the treatment of this resource at an expected rate of 5 tonnes per annum of 'scandia' i.e. Scandium Oxide (Sc_2O_3). The objective is to reach an end product of 99.99% Sc_2O_3 .

Shareholders have every reason to be pleased at this extraordinary discovery made by the Jervois team. It is particularly satisfying that the resource is 100% owned by Jervois. 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 Sc_2O_3 per year, the present estimated world consumption.



NI CO PROJECT – DRILLING RESULTS
EL'S 5527 AND 5571, YOUNG

In December last year 26 air core drill holes were completed for a total of 1,466m. Results from the drilling program are intended to upgrade the current inferred resource (see table below) over this tenement to an indicated resource.

Inferred 2012 Resource for the Young Ni Co Project			
TENEMENT/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

METALLURGY

The focus of the metallurgical work has been completed on JRV's Syerston Scandium Resource. The work included:

Mineralogical Determinations
 Metallurgical Process Assessments
 Initiation of Research Collaboration with Macquarie and Victoria Universities.

The work included:

Pressure leach tests
 Atmospheric leach tests

Current testing established that an autoclave Pressure Acid Leach performed only a little better than atmospheric leaching, with Scandium recovery reaching over 90%. Autoclave work is problematic as the resource is prone to 'scaling'. Scaling is a result of clay and iron content within the resource. In extreme cases the scale removal can require both physical and chemical removal. As a consequence the Company is also exploring new alternatives.

EL 7281 SUMMERVALE, NSW
NICKEL COBALT IN LATERITE PROJECT

An air core drilling program was completed on the Company's Exploration License 7805, Summervale, near Nyngan, NSW early this year. 14 holes were drilled for a total of 611m.

The program was designed as infill drilling in order to proceed to a Resource Calculation for the mineralisation.

Of the 14 holes from the recent drilling, one returned significant results for Nickel, in laterite, and another returned a small 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.

EL 6009 WESTLYNN NEAR NYNGAN NSW
NICKEL COBALT IN LATERITE PROJECT

EL 6009 is a combination of two project areas, the Nyngan Scandium project and the Westlynn Ni Co project. Nine of the 17 unit held by Jervois over this tenement were relinquished earlier this year. OF those units retained the southernmost 5 units are part of the transfer to EMC and the 3 remaining units that are in the Westlynn project area are held 100% by Jervois.

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

The Nalbarra Uranium Project is the only Western Australian Project currently held by Jervois Mining Ltd. The future work will cover the anomalous uranium anomaly, found after previous work by the exploration team at Jervois Mining Ltd.

During the quarter an Exploration Licence Application (ELA59/2121) was applied for by Jervois Mining Ltd to explore for gold and other minerals. The application followed the geostatistical reassessment of vacant ground adjacent to Exploration Licence 59/1257; previously part of a compulsory surrender by Jervois as a condition of the Department of Mines and Petroleum legislation.

Jervois Mining Limited
Review of operations
30 June 2015

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 Programme of Work by the Department of Mines and Petroleum.

The tenement also has some gold anomalies detected by the geostatistical reassessment which will be followed up with further work upon granting of the new Exploration Licence Application.

By order of the Board.



Duncan Pursell.
Managing Director.

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.



Level 13,
636 St Kilda Road,
Melbourne.
VIC 3004
Tel: +613 8508 7800
Web: www.connectaudit.com.au

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

As auditor of Jervois Mining Limited for the year ended 30 June 2015, 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.

A handwritten signature in black ink, appearing to read 'G. Georgiou', written over a horizontal line.

GEORGE GEORGIOU FCA
Registered Company Auditor
ASIC Registration: 10310

Dated: 30 September 2015

Jervois Mining Limited
Contents
30 June 2015

Contents

Statement of profit or loss and other comprehensive income	15
Statement of financial position	16
Statement of changes in equity	17
Statement of cash flows	18
Notes to the financial statements	19
Directors' declaration	36
Independent auditor's report to the members of Jervois Mining Limited	37
Shareholder information	39
Corporate governance statement	41

Jervois Mining Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

		Consolidated	
	Note	2015	2014
		\$	\$
Revenue	5	34,870	222,158
Other income	6	61,870	-
Expenses			
Administrative expense		(9,334)	(35,353)
Communication expenses		(24,187)	(24,842)
Employee benefits expense		(94,709)	(286,947)
Exploration expense		(36,119)	(70,464)
Depreciation and amortisation expense		(13,385)	(25,839)
Impairment of exploration assets	7	(528,883)	(363,283)
Insurance premiums		(91,695)	(79,000)
Professional fees		(330,203)	(209,146)
Securities quotation fees		(53,949)	(69,146)
Tenancy and property costs		(83,771)	(101,240)
Loss on revaluation of financial assets at fair value through the profit or loss		-	(2,749)
Other expenses		(10,049)	(32,793)
Finance costs		-	(39)
Loss before income tax expense		(1,179,544)	(1,078,683)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Jervois Mining Limited		(1,179,544)	(1,078,683)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Jervois Mining Limited		<u>(1,179,544)</u>	<u>(1,078,683)</u>
		Cents	Cents
Basic earnings per share	28	(1.79)	(1.64)
Diluted earnings per share	28	(1.79)	(1.64)

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

Jervois Mining Limited
Statement of financial position
As at 30 June 2015

	Note	Consolidated	
		2015	2014
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		375,978	1,631,083
Trade and other receivables	9	786,509	25,243
Financial assets at fair value through profit or loss		821	3,698
Other	10	54,659	3,136
Total current assets		<u>1,217,967</u>	<u>1,663,160</u>
Non-current assets			
Available-for-sale financial assets		-	986
Other financial assets	11	165,733	-
Property, plant and equipment	12	218,539	220,960
Exploration and evaluation	13	4,034,019	5,048,891
Other		30,000	30,000
Total non-current assets		<u>4,448,291</u>	<u>5,300,837</u>
Total assets		<u>5,666,258</u>	<u>6,963,997</u>
Liabilities			
Current liabilities			
Trade and other payables	14	112,229	151,502
Employee benefits		74,335	153,257
Total current liabilities		<u>186,564</u>	<u>304,759</u>
Total liabilities		<u>186,564</u>	<u>304,759</u>
Net assets		<u>5,479,694</u>	<u>6,659,238</u>
Equity			
Issued capital	15	49,968,345	49,968,345
Accumulated losses		<u>(44,488,651)</u>	<u>(43,309,107)</u>
Total equity		<u>5,479,694</u>	<u>6,659,238</u>

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

Jervois Mining Limited
Statement of changes in equity
For the year ended 30 June 2015

Consolidated	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2013	49,968,345	(42,230,424)	7,737,921
Loss after income tax expense for the year	-	(1,078,683)	(1,078,683)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,078,683)	(1,078,683)
Balance at 30 June 2014	<u>49,968,345</u>	<u>(43,309,107)</u>	<u>6,659,238</u>

Consolidated	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2014	49,968,345	(43,309,107)	6,659,238
Loss after income tax expense for the year	-	(1,179,544)	(1,179,544)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,179,544)	(1,179,544)
Balance at 30 June 2015	<u>49,968,345</u>	<u>(44,488,651)</u>	<u>5,479,694</u>

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

Jervois Mining Limited
Statement of cash flows
For the year ended 30 June 2015

	Note	Consolidated	
		2015	2014
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		8,458	5,744
Payments to suppliers and employees (inclusive of GST)		(914,714)	(1,094,918)
		(906,256)	(1,089,174)
Interest received		26,412	12,430
Interest and other finance costs paid		-	(39)
Net cash used in operating activities	27	(879,844)	(1,076,783)
Cash flows from investing activities			
Payments for investments		(103,863)	-
Payments for property, plant and equipment	12	(10,966)	-
Payments for exploration and evaluation	13	(771,558)	(517,771)
R&D tax offset received in relation to exploration assets		511,126	658,372
Proceeds from sale of Nyngan Scandium Project		-	1,480,533
Proceeds from refund of security deposits		-	10,000
Net cash from/(used in) investing activities		(375,261)	1,631,134
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(1,255,105)	554,351
Cash and cash equivalents at the beginning of the financial year		1,631,083	1,076,732
Cash and cash equivalents at the end of the financial year		<u>375,978</u>	<u>1,631,083</u>

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

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 1. General information

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

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2015. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

New, revised or amending Accounting Standards and Interpretations adopted

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

Going concern

The consolidated entity 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:

- As at 30 June 2015 the consolidated entity had cash and cash equivalents (including other current financial assets) of \$375,978 (30 June 2014 \$1,631,081)
- The consolidated entity 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 has received \$722,122 in relation to its 2015 R&D claim in September 2015 (2014: \$511,126).
- The consolidated entity'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 consolidated entity 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.
- The consolidated entity 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.
- 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. On the 6th August 2015 the Company announced a non-renounceable pro rata rights issue to offer 1 new share for every 2 shares held on 12th August 2015 at price of \$0.05(5 cents) per share. The offer closed on 26th August 2015 and raised a total \$440,179.60 for the issue of 8,803,592 shares.

Note 2. Significant accounting policies (continued)

Should the consolidated entity 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 consolidated entity not be able to continue as a going concern.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

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

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Jervois Mining Limited ('company' or 'parent entity') as at 30 June 2015 and the results of all subsidiaries for the year then ended. Jervois Mining Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

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

Income tax

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

Note 2. Significant accounting policies (continued)

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

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Cash and cash equivalents

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

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables.

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

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either: i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Fair value movements are recognised in profit or loss.

Note 2. Significant accounting policies (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

Property, plant and equipment

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

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

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

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

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

Exploration and evaluation assets

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

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

Trade and other payables

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

Note 2. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

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

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

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

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

Note 2. Significant accounting policies (continued)

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2015. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 3. Critical accounting judgements, estimates and assumptions

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

Exploration and evaluation costs

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

Note 4. Operating segments

Identification of reportable operating segments

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

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 5. Revenue

	Consolidated	
	2015	2014
	\$	\$
Interest	26,412	213,137
Rent	8,200	5,744
Other revenue	258	3,277
	<u>34,870</u>	<u>222,158</u>
Revenue	<u><u>34,870</u></u>	<u><u>222,158</u></u>

Note 6. Other income

	Consolidated	
	2015	2014
	\$	\$
Net fair value gain on other financial assets	<u>61,870</u>	<u>-</u>

Note 7. Expenses

	Consolidated	
	2015	2014
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Impairment</i>		
Exploration and evaluation	<u>547,428</u>	<u>363,283</u>
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	<u>71,822</u>	<u>84,495</u>

Note 8. Income tax expense

	Consolidated	
	2015	2014
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	<u>(1,179,544)</u>	<u>(1,078,683)</u>
Tax at the statutory tax rate of 30%	<u>(353,863)</u>	<u>(323,605)</u>
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non deductible items	<u>284,358</u>	<u>229,121</u>
	<u>(69,505)</u>	<u>(94,484)</u>
Current year tax losses not recognised	<u>69,505</u>	<u>94,484</u>
Income tax expense	<u><u>-</u></u>	<u><u>-</u></u>

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 8. Income tax expense (continued)

	Consolidated	
	2015	2014
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	33,672,224	33,440,541
Potential tax benefit @ 30%	10,101,667	10,032,162

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 9. Current assets - trade and other receivables

	Consolidated	
	2015	2014
	\$	\$
Trade receivables	-	350
R&D tax offset receivable	722,172	-
	<u>722,172</u>	<u>350</u>
Other receivables	20,000	-
BAS receivable	44,337	24,893
	<u>786,509</u>	<u>25,243</u>

The R&D tax offset has been recognised as a receivable in the current year because it has been lodged and was received in full on 22 September 2015. In prior years, a receivable has not been recognised because the directors believed that there was uncertainty surrounding its receipt.

Note 10. Current assets - other

	Consolidated	
	2015	2014
	\$	\$
Prepayments	<u>54,659</u>	<u>3,136</u>

Note 11. Non-current assets - other financial assets

	Consolidated	
	2015	2014
	\$	\$
Shares in Australian listed entities	<u>165,733</u>	<u>-</u>

Jervois Mining Limited
Notes to the financial statements
30 June 2015

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

	Consolidated	
	2015	2014
	\$	\$
Land and buildings - at cost	204,220	204,220
Less: Accumulated depreciation	(25,029)	(20,666)
	<u>179,191</u>	<u>183,554</u>
Plant and equipment - at cost	89,493	89,493
Less: Accumulated depreciation	(62,036)	(55,290)
	<u>27,457</u>	<u>34,203</u>
Motor vehicles - at cost	53,441	53,441
Less: Accumulated depreciation	(53,441)	(53,441)
	<u>-</u>	<u>-</u>
Office equipment - at cost	79,161	68,195
Less: Accumulated depreciation	(67,270)	(64,992)
	<u>11,891</u>	<u>3,203</u>
	<u><u>218,539</u></u>	<u><u>220,960</u></u>

Reconciliations

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

Consolidated	Land & buildings	Plant & equipment	Office equipment	Total
	\$	\$	\$	\$
Balance at 1 July 2013	189,866	52,234	4,699	246,799
Depreciation expense	(6,312)	(18,031)	(1,496)	(25,839)
Balance at 30 June 2014	183,554	34,203	3,203	220,960
Additions	-	-	10,966	10,966
Depreciation expense	(4,363)	(6,746)	(2,278)	(13,387)
Balance at 30 June 2015	<u>179,191</u>	<u>27,457</u>	<u>11,891</u>	<u>218,539</u>

Note 13. Non-current assets - exploration and evaluation

	Consolidated	
	2015	2014
	\$	\$
Exploration and evaluation - at cost	<u>4,034,019</u>	<u>5,048,891</u>

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 13. Non-current assets - exploration and evaluation (continued)

Reconciliations

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

Consolidated	Exploration & evaluation \$	Total \$
Balance at 1 July 2013	5,552,776	5,552,776
Additions	517,770	517,770
Impairment of assets	(363,283)	(363,283)
R&D tax offset recognised	(658,372)	(658,372)
Balance at 30 June 2014	5,048,891	5,048,891
Additions	747,131	747,131
Impairment of assets	(528,883)	(528,883)
R&D tax offset recognised	(1,233,120)	(1,233,120)
Balance at 30 June 2015	<u>4,034,019</u>	<u>4,034,019</u>

The R&D offset recognised included both the 2014 amount received and a receivable for the current year. The R&D tax offset has been recognised as a receivable in the current year because it has been lodged and was received in full on 22 September 2015. In prior years, a receivable has not been recognised because the directors believed that there was uncertainty surrounding its receipt.

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2015	2014
	\$	\$
Trade payables	80,760	92,811
Payroll related liabilities	6,469	33,941
Accrued expenses	25,000	24,750
	<u>112,229</u>	<u>151,502</u>

Refer to note 17 for further information on financial instruments.

Note 15. Equity - issued capital

	Consolidated			
	2015	2014	2015	2014
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>65,725,381</u>	<u>65,725,381</u>	<u>49,968,345</u>	<u>49,968,345</u>

Ordinary shares

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

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

Note 15. Equity - issued capital (continued)

Capital risk management

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

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

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

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2014 annual report.

Note 16. Equity - dividends

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

Note 17. Financial instruments

Financial risk management objectives

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

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

Market risk

Foreign currency risk

Foreign currency risk involves the risk that the fair value or future cash flows of a financial instrument (asset or liability) will fluctuate because of changes in foreign exchange rates. The Group operates primarily within Australia, but does undertake international transactions from time to time, which does expose it to foreign exchange risk arising from various currency exposures, primary with respect to either the United States dollar (USD) or the Canadian dollar (CAD). The overall exposure to foreign currency risk is not material.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

The Group analyses its interest rate risk, by taking into consideration its existing positions and its alternative deposit strategies, using a combination of variable and short term fixed (no more than three months) interest rates.

Consolidated - 2015	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash at bank	100	<u>3,760</u>	<u>3,760</u>	100	<u>(3,760)</u>	<u>(3,760)</u>

Note 17. Financial instruments (continued)

Consolidated - 2014	Basis points change	Basis points increase	Effect on equity	Basis points change	Basis points decrease	Effect on equity
		Effect on profit before tax			Effect on profit before tax	
Cash at bank	100	<u>16,311</u>	<u>16,311</u>	100	<u>(16,311)</u>	<u>(16,311)</u>

Credit risk

The group has adopted a policy of only dealing with credit worthy counterparties and only transacts with financial institutions that are rated the equivalent of AA and above. The Company does not have any material credit risk exposure to any single debtor or company of debtors under financial instruments or collateral securities entered into by the Company.

Liquidity risk

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

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

Remaining contractual maturities

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

Consolidated - 2015	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-%	112,229	-	-	-	112,229
Employee benefits	-%	74,335	-	-	-	74,335
Total non-derivatives		<u>186,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,564</u>

Consolidated - 2014	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-%	151,502	-	-	-	151,502
Employee benefits	-%	153,257	-	-	-	153,257
Total non-derivatives		<u>304,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>304,759</u>

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

Fair value of financial instruments

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

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 18. Key management personnel disclosures

Compensation

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

	Consolidated	
	2015	2014
	\$	\$
Short-term employee benefits	538,540	565,952
Post-employment benefits	4,801	19,900
	<u>543,341</u>	<u>585,852</u>

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by George Georgiou FCA, the auditor of the company:

	Consolidated	
	2015	2014
	\$	\$
<i>Audit services - George Georgiou FCA</i>		
Audit or review of the financial statements	<u>29,000</u>	<u>27,500</u>

Note 20. Contingent assets

(i) EMC Metal scandium production royalty

In February 2013 a settlement deed was signed to cover the sale of the Nyngan scandium deposit. As part of this settlement Jervois Mining Limited is entitled to a royalty on all mineral products produced from the site. The mine site is yet to go into production.

The royalty is the average price per kilogram of product sold on commercial and arm's length terms in a quarter multiplied by the number of kilograms sold or disposed of in that quarter and multiplied by 1.7%. In each twelve month period a minimum royalty is payable on the basis of sales in that 12 month period of 10 tonnes of scandium oxide at the average price per kilogram of scandium oxide sold during that 12 month period.

The royalty terminates after 12 years.

(ii) Bullabulling gold production royalty

In April 2010, a sale and purchase agreement was executed by Jervois Mining Limited ("Jervois"), Goldpride Pty Ltd ("Goldpride"), Auzex Resources Limited ("Auzex") and Central China Goldfields Plc ("Goldfields"). As part of this agreement, Jervois received a gold production royalty, calculated on the basis of \$30 per ounce for the first 400,000 ounces of gold produced and sold from the tenements Jervois and Goldpride sold to Auzex and Goldfields. Thereafter, the royalty will be \$20 per ounce. Any royalty received by Jervois and Goldpride is therefore contingent upon Auzex and Goldfield producing and selling any gold from those tenements Jervois and Goldpride sold to Auzex and Goldfields. It is not possible at this stage to estimate how much, if anything, Jervois and Goldpride are likely to receive from this royalty. Following the merger of Auzex and Goldfields, whereby each entity became a wholly owned subsidiary of Bullabulling Gold Limited (ASX code: BAB), BAB has now assumed responsibility for the gold production royalty that is potentially payable to Jervois and Goldpride. No receivable has therefore been recognised in these financial statements, given the uncertain outcome of this royalty.

Note 21. Contingent liabilities

	Consolidated	
	2015	2014
	\$	\$
Bank guarantees	<u>37,000</u>	<u>37,000</u>

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

Note 22. Commitments

	Consolidated	
	2015	2014
	\$	\$
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	62,400	55,794
One to five years	178,600	74,091
	<u>241,000</u>	<u>129,885</u>
<i>Investment in associates - exploration partnerships</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	34,500
	<u>-</u>	<u>34,500</u>
<i>Exploration commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	178,600	356,000
	<u>178,600</u>	<u>356,000</u>

The consolidated entity leases various offices and storage facilities in Melbourne and Young, NSW under non-cancellable operating leases expiring within two years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of each lease is renegotiated. The consolidated entity has not sub-let any of its leased premises.

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

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

Note 23. Related party transactions

Parent entity

Jervois Mining Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 25.

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 23. Related party transactions (continued)

Key management personnel

Disclosures relating to key management personnel are set out in note 18 and the remuneration report in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2015	2014
	\$	\$
Payment for goods and services:		
Purchases of mining and geological consulting services from Derek Foster & Associates Pty Ltd (Director related party of Derek Foster). These amounts in addition to the director's fees and expense reimbursements received.	87,998	110,816
Purchase of accounting and company secretarial services from Arbitrans Pty Ltd (Director related party to Roger Fairlam). These amounts in addition to the director's fees and expense reimbursements received.	140,000	140,000

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2015	2014
	\$	\$
Current payables:		
Derek Foster & Associates Pty Ltd (Director related party of Derek Foster)	20,176	38,748
Arbitrans Pty Ltd (Director related party to Roger Fairlam).	5,076	-

Loans to/from related parties

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

Terms and conditions

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

Note 24. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2015	2014
	\$	\$
Loss after income tax	(658,131)	(1,153,460)
Total comprehensive income	(658,131)	(1,153,460)

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 24. Parent entity information (continued)

Statement of financial position

	Parent	
	2015	2014
	\$	\$
Total current assets	1,172,618	1,618,345
Total assets	6,715,233	7,779,807
Total current liabilities	186,564	264,140
Total liabilities	186,564	1,828,321
Equity		
Issued capital	49,968,345	49,968,345
Accumulated losses	(43,439,676)	(44,016,859)
Total equity	6,528,669	5,951,486

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

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2015 and 30 June 2014

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2015 and 30 June 2014.

Commitments

	Parent	
	2015	2014
	\$	\$
Committed at the reporting date but not recognised as liabilities, payable:		
Lease commitments	241,000	129,885

Significant accounting policies

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

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

Note 25. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		2015	2014
		%	%
Hardrock Exploration Pty Ltd	Australia	100.00%	100.00%
Goldpride Pty Ltd	Australia	100.00%	100.00%
Nico Young Pty Ltd	Australia	100.00%	100.00%

Jervois Mining Limited
Notes to the financial statements
30 June 2015

Note 26. Events after the reporting period

On the 6th August 2015 the Company announced non-renounceable pro rata rights issue to offer 1 new share for every 2 shares held on 12th August 2015 at price of \$0.05(5 cents) per share.

The offer closed on 26th August 2015 and raised a total \$440,179.60 for the issue of 8,803,592 shares.

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 27. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2015	2014
	\$	\$
Loss after income tax expense for the year	(1,179,544)	(1,078,683)
Adjustments for:		
Depreciation and amortisation	13,385	25,839
Impairment of exploration assets	528,883	363,283
Net fair value (gain) / loss on financial assets	(61,870)	2,749
Change in operating assets and liabilities:		
Increase in trade and other receivables	(39,094)	(1,802)
Decrease/(increase) in prepayments	(51,523)	1,390
Decrease in trade and other payables	(11,159)	(444,008)
Increase/(decrease) in employee benefits	(78,922)	54,449
Net cash used in operating activities	<u>(879,844)</u>	<u>(1,076,783)</u>

Note 28. Earnings per share

	Consolidated	
	2015	2014
	\$	\$
Loss after income tax attributable to the owners of Jervois Mining Limited	<u>(1,179,544)</u>	<u>(1,078,683)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>65,725,381</u>	<u>65,725,381</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>65,725,381</u>	<u>65,725,381</u>
	Cents	Cents
Basic earnings per share	(1.79)	(1.64)
Diluted earnings per share	(1.79)	(1.64)

Jervois Mining Limited
Directors' declaration
30 June 2015

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the directors



Duncan Pursell

30 September 2015



Level 13,
636 St Kilda Road,
Melbourne.
VIC 3004
Tel: +613 8508 7800
Web: www.connectaudit.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF JERVOIS MINING LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of Jervois Mining Limited, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of 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 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit 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 audit 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. An audit 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independence

In conducting our audit, 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, would be in the same terms if provided to the directors as at the date of this auditor's report.

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 and consolidated entity's financial positions as at 30 June 2015 and of their performance for the year ended on that date; and
- (b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

The consolidated financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 3-7 of the director's report for the period ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion of the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Jervois Mining Limited for the period ended 30 June 2015 complies with section 300A of the Corporation Act 2001.

Emphasis of Matter

Without modifying our opinion, we draw attention to note 2 in the financial report, which indicates the existence of material uncertainty which may cast a significant doubt on the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise their assets and discharge its liabilities in the normal course of business and at the amounts stated on the financial report.

A handwritten signature in black ink, appearing to read 'G. Georgiou', written over a light blue background.

GEORGE GEORGIU FCA
Registered Company Auditor
ASIC Registration: 10310
Dated 30 September 2015

Jervois Mining Limited
Shareholder information
30 June 2015

The shareholder information set out below was applicable as at 16 September 2015.

Distribution of equitable securities

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

	Number of holders of ordinary shares
1 to 1,000	1,886
1,001 to 5,000	1,827
5,001 to 10,000	532
10,001 to 100,000	744
100,001 and over	96
	<u>5,085</u>
Holding less than a marketable parcel	<u>4206</u>

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares % of total shares issued
Number held	
Wilmaka Pty Limited	3,736,029 5.68
Mr Robert Henry Masterman	3,312,000 5.04
Permagold Pty Ltd (Seckold Family S/F)	2,754,000 4.19
Mr Duncan Campbell Pursell	2,472,459 3.76
Mrs Helen Ballantine Pursell	2,410,194 3.67
HSBC Custody Nominees (Australia) Ltd - GSCO ECA	2,205,000 3.35
327th P & C Nominees Pty Ltd (Masterman Super Fund a/c)	2,130,000 3.24
Mr Shane Christopher Fitch	1,875,000 2.85
Mrs Sonja Foster	1,813,373 2.76
National Nominees Limited	1,255,507 1.91
Pershing Australia Nominees Pty Ltd (GMP Account)	1,146,525 1.74
HSBC Custody Nominees Australia Ltd A/C 2	1,048,149 1.59
Ms Lois Beverley Dolphin & Mr Peter Graham Dolphin (Warringa Mg Ser Staff SF a/c)	750,000 1.14
Peninsula Goldfields	687,688 1.05
Altinova Nominees Pty Ltd	675,000 1.03
Rookharp Investments Pty Ltd	620,173 0.94
Mr Joseph Zanca & Mrs Szerenk Zanca (Zancacorp Super Fund)	530,000 0.81
Mr Clyde Stewart Mayberry	525,000 0.80
Ruckover Inc	525,000 0.80
Mr Nigel Henry Parker	500,000 0.76
	<u>30,971,097 47.11</u>

Unquoted equity securities

There are no unquoted equity securities.

Jervois Mining Limited
Shareholder information
30 June 2015

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares % of total shares issued
Number held	
D C Pursell	9,297,530 14.15
R H Masterman	5,441,000 8.28
Wilmaka Pty Ltd	3,736,209 5.68

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities.

Tenements

Description	Tenement number	Interest owned %
Grenfell (Young NSW)	EL 5152	100.00
Young (Young NSW)	EL 5527	100.00
Thuddungra (Young NSW)	EL 5571	100.00
Westlynn (Nyngan NSW)	EL 6009	100.00
Summervale (Nyngan NSW)	EL 7281	100.00
Syerston (Nyngan NSW)	EL 7805	100.00
Nalbarra (Nalbarra WA)	E59 / 1257	100.00

Jervois Mining Limited
Corporate governance statement
30 June 2015

is Corporate Governance Statement is current as at 23 September 2015 and has been approved by the Board of the Company on that date.

is Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2015, followed the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what alternative governance practices were adopted in lieu of the recommendation during that period.

The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company's corporate governance duties.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the Board under the written terms of reference for those committees.

The Company's Corporate Governance Plan is available on the Company's website at <http://jervoismining.com.au>.

Principles and Recommendations	Current Practice and Compliance	Reason for Non-compliance
Principle 1 – Lay solid foundations for management and oversight		
Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	The Board has adopted a Corporate Governance Charter which sets out the responsibilities of the Board. Any functions not reserved for the Board and not expressly reserved for members by the Corporations Act and ASX Listing Rules are reserved for senior executives.	Not applicable.
A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and provide security holders with all material information relevant to (b) decision on whether or not to elect or re-elect a Director.	(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. (b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director	Not applicable.
A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is a party to a written agreement	Not applicable

Jervois Mining Limited
Corporate governance statement
30 June 2015

with the Company which sets out the terms of that Director's or senior executive's appointment.

The Company has had written agreements with each of its Directors and senior executives for the past financial year.

The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Not applicable.

A listed entity should:

- (a) have a diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;
- (b) disclose that policy or a summary of it; and
- (c) disclose as at the end of each reporting period:
 - (i) the measurable objectives for achieving gender diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and

(ii) either:

(A) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or

(B) if the entity is a "relevant employer" under the workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.

(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives (if any have been set) and the Company's progress in achieving them.

(b) The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.

The Board did not set measurable gender diversity objectives for the past financial year, because:

- (i) the Board did not anticipate there would be a need to appoint any new Directors or senior executives due to limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; and
- (ii) if it became necessary to appoint any new Directors or senior executives, the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit; and (A) the Company did not have any women on the Board, in senior executive positions or across the whole organisation for the past financial year.

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual directors; and
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Company's Nomination Committee (or, in its absence, the Board) for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so

with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website.

Due to the Company's size it is difficult to meet this requirement.

Jervois Mining Limited
Corporate governance statement
30 June 2015

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

A performance evaluation of senior executives has not been completed during the reporting period.

Due to the Company's size the board did not consider it necessary to formally review the performance of its senior executives.

Principle 2 - Structure the Board to add value

The Board of a listed entity should:

- (a) have a nomination committee which:

- (i) has at least three members, a majority of whom are independent Directors; and
- (ii) is chaired by an independent Director,

and disclose:

- (iii) the charter of the committee;
- (iv) the members of the committee; and

- (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are Independent Directors, and which must be chaired by an independent Director.

The Company did not have a Nomination Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:

- (i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and
- (ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.

A listed entity should have and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

The Company has a Board skill matrix setting out the mix of skills and diversity that the Board currently in its membership. The Board Charter requires the disclosure of each Board member's Qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report.

Not applicable.

A listed entity should disclose:

- (a) the names of the Directors considered by the Board to be independent Directors;
- (b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance

- (a) The Board Charter requires the disclosure of the names of Directors Considered by the Board to be independent. The Company has no independent Directors.
- (b) There are no independent Directors who fall into this category.
- (c) The Company's Annual Report discloses

There are no independent Directors due to the size of the Company.

Jervois Mining Limited
Corporate governance statement
30 June 2015

Principles and Recommendation (3rd Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and (c) the length of service of each Director

the length of service of each Director, as at the end of each financial year.

A majority of the Board of a listed entity should be independent Directors.

The Company's Board Charter requires that, where practical, the majority of the Board should be independent.

There was not an independent majority of the Board for all of the past financial year. The Board currently comprises a total of three directors, of whom one is considered to be independent. As such, independent directors currently do not comprise the majority of the Board.

The Board did not consider an independent majority of the Board was appropriate for the past financial year given:

(a) the Board believes the current membership reflects an appropriate mix of experience and ability to represent all shareholders at present;

(b) the speculative nature of the Company's business, and its limited scale of activities, means the Company only needs, and can only commercially sustain, a small Board of three (3) Directors and no senior executives;

It is noted the composition of the Board will be reassessed in future in line with changes in the Company's operations and level of activity and will be adjusted as deemed appropriate. The Board will consider the ASX Recommendations in assessing any future changes in Board composition.

The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.

The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.

Due to the size of the Company it is not practical to have an independent Director as Chair of the Board.

A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.

In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.

Not applicable.

Jervois Mining Limited
Corporate governance statement
30 June 2015

Principal 3 – Promote ethical and responsible decision-making

A listed entity should:	(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.	Not applicable.
(a) have a code of conduct for its Directors, senior executives and employees; and	(b) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.	
(b) disclose that code or a summary of it.		

Principal 4 - Safeguard integrity in financial reporting

The Board of a listed entity should:	The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chair.	The Company did not have an Audit and Risk Committee for the past financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:
(a) have an audit committee which:		(i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and
(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors;		(ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
and		
(ii) is chaired by an independent Director, who is not the Chair of the Board,		
and disclose:		
(i) the charter of the committee;		
(ii) the relevant qualifications and experience of the members of the committee; and		
(iii) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or		
(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		
The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the	The Company has obtained a sign off on these terms for each of its financial statements in the past financial year.	Not applicable.

Jervois Mining Limited
Corporate governance statement
30 June 2015

basis of a sound system of risk management and internal control which is operating effectively.

A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

The Company's external auditor attended the Company's last AGM during the past financial year.

Not applicable.

Principle 5 – Make timely and balanced disclosure

A listed entity should:

- (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and
- (b) disclose that policy or a summary of it.

(a) The Board Charter provides details of the Company's disclosure policy. In addition, the Corporate Governance Plan details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. The Corporate Governance Plan, which incorporates the Board Charter, is available on the Company website.

Not applicable.

Principle 6 – Respect the rights of security holders

A listed entity should provide information about itself and its governance to investors via its website.

Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.

Not applicable

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.

Not applicable.

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.

Not applicable.

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Shareholders queries should be referred to the Company Secretary at first instance.

Not applicable.

Jervois Mining Limited
Corporate governance statement
30 June 2015

Principal 7 – Recognise and manage risk

The Board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

(i) has at least three members, a majority of whom are independent Directors; and

(ii) is chaired by an independent Director, and disclose:

(iii) the charter of the committee;

(iv) the members of the committee; and

(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.

The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director.

A copy of the Corporate Governance Plan is available on the Company's website.

The Company did not have an Audit and Risk Committee for the past financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the Board devoting time at all Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.

The Board or a committee of the Board should:

(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound; and

(b) disclose in relation to each reporting period, whether such a review has taken place.

(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that The Company's risk management framework continues to be sound.

(b) The Company's Board has completed a review of the Company's risk management framework in the past financial year.

Not applicable.

A listed entity should disclose:

(a) if it has an internal audit function, how the function is structured and what role it performs; or

(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control

(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function.

(b) The Company did not have an internal audit function for the past financial year. The Company employed the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:

Not applicable.

(i) the Board monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations;

(ii) the Board periodically undertakes an internal review of financial systems and processes where systems are considered to require improvement these systems are developed; and

(iii) The Board reviews risk management and internal compliance procedures at each Board meeting and monitors the quality of the accounting function.

Jervois Mining Limited
Corporate governance statement
30 June 2015

A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.

The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company's Corporate Governance Plan requires the Company to disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company discloses this information in its Annual Report as part of its continuous disclosure obligations.

Not applicable.

Principal 8 – Remunerate fairly and responsibly

The Board of a listed entity should:

- (a) have a remuneration committee which:
 - (i) has at least three members, a majority of whom are independent Directors; and
 - (ii) is chaired by an independent Director,
 and disclose:
 - (iii) the charter of the committee;
 - (iv) the members of the committee; and
 - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Company's Corporate Governance Plan contains a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director.

The Company did not have a Remuneration Committee for the past financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter. The Board devotes time at least annually at a Board meeting to assess the level and composition of remuneration for Directors to ensure remuneration is appropriate and not excessive.

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their

The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in its Annual Report.

Not applicable.

Jervois Mining Limited
Corporate governance statement
30 June 2015

remuneration.

A listed entity which has an equity-based remuneration scheme should:

(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and

(b) disclose that policy or a summary of it.

Not applicable

Not applicable.