

JERVOIS MINING LIMITED

A.B.N. 52 007 626 575



6 January 2009

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

ANNOUNCEMENT: CAPITAL RAISING

Dear Sir,

The Company wishes to announce a capital raising. There will be a non-renounceable rights issue to shareholders of one (1) New Ordinary Share for every five (5) shares held. The Issue price will be \$0.004. This Issue, if fully subscribed, would raise from the Issue of 428.36 million New Ordinary Shares, approximately \$1.713 million before costs. Some partial underwriting for this Issue may be sought.

The funds raised by this Issue, together with revenue received from the Bullabulling Gold Operation (either production or sale of the operation) will be used to provide on-going funding for the Company's important projects, possible legal costs associated with the Letter of Demand from China Railway Resources and to provide working capital. Further details of the Issue will be issued shortly once the Company has issued ASX with the required 'cleansing notice'.

Shareholders should understand that all exploration companies are obliged to meet the minimum State expenditure commitments to hold exploration style tenements. Failure to do so will inevitably lead to the loss of the tenements. There is comment by some explorers to 'shut up shop, pay everyone off and do nothing'. The Jervois Board does not believe this is a viable option. The investing public buy speculative mining shares in the hope that a major mineral discovery will be made. Potential loss of tenements is clearly not the future for an explorer.

By Order of the Board

DUNCAN C. PURSELL
MANAGING DIRECTOR