

# JERVOIS MINING LIMITED

A.B.N. 52 007 626 575



25<sup>th</sup> January 2010

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

Dear Sir,

Further to the announcement by Jervois Mining Limited on 11<sup>th</sup> January 2010 regarding the non-renounceable, pro rata rights issue (**Rights Issue**).

The Company confirms that an offer letter and application form have been dispatched to all eligible shareholders notifying them of their entitlements.

A sample copy of the letter and application form is attached to this announcement.

By Order of the Board

Yours faithfully,

A handwritten signature in cursive script, appearing to read 'D.C. Purcell'.

DUNCAN C. PURSELL  
MANAGING DIRECTOR

# JERVOIS MINING LIMITED

A.B.N. 52 007 626 575

22<sup>nd</sup> January 2010

Shareholder Name  
Shareholder Address 1  
Shareholder Address 2  
Shareholder Address 3

Dear Shareholder

## **Jervois Mining Limited Non-renounceable Rights Issue: Offer Letter**

Jervois Mining Limited ACN 007 626 575 (**Company**) confirms that it is making a non-renounceable, pro rata rights issue to current shareholders on a one (1) new ordinary share for every five (5) ordinary shares held and in accordance with the terms set out in this Offer Letter (**Rights Issue**).

The Rights Issue is undertaken without a prospectus in accordance with section 708AA of the *Corporations Act 2001 (Cth)* (**Act**). This Offer Letter is not a prospectus or any other form of disclosure document regulated by the Act and has not been lodged with ASIC. Accordingly, this Offer Letter may not contain all of the information necessary to enable investors to make an informed investment decision. Investors should therefore have regard to the other publicly available information in relation to the Company before deciding whether to take up these rights under the Rights Issue and subscribe for new shares in the Company.

### 1. Terms

#### 1.1 Size

As at the Record Date (being 19<sup>th</sup> January 2010), the Company has 3,074,360,480 ordinary shares on issue. The Company anticipates that 614,872,096 additional shares will be offered under the Rights Issue (**Rights Issue Shares**). Upon completion of the Rights Issue, the Company will have approximately 3,689,232,576 shares on issue, [**assuming that all rights are taken up or that all shortfall is placed**].

#### 1.2 Price

It is intended that the Rights Issue Shares be issued for an offer price of \$0.006.

#### 1.3 Eligibility and Entitlement

All registered shareholders whose registered addresses are within Australia or New Zealand will be eligible to participate in the Rights Issue (**Eligible Shareholders**).

**[The Company has decided that the Rights Issue will not be extended to shareholders with registered addresses outside Australia or New Zealand as the**

**Company has formed the view that it would be unreasonable to extend the offer in such a way having regard to:**

- (a) the number of shareholders outside Australia and New Zealand as a proportion of the total shares of the Company;**
- (b) the number and value of securities to be offered to shareholders outside of Australia and New Zealand; and**
- (c) the costs of complying with the legal requirements and requirements of regulatory authorities in overseas jurisdictions.**

The entitlement of Eligible Shareholders to participate in the Rights Issue was determined on the Record Date. Each individual shareholder's entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Letter.

#### 1.4 Ranking

Rights Issue Shares issued pursuant to the Rights Issue will rank equally with all existing ordinary shares on issue.

#### 1.5 Directors

Directors of the Company have confirmed that they will be taking up all of the Rights Issue Shares to which they are entitled.

#### 1.6 Underwriting

The Rights Issue will not be underwritten. In the event of a shortfall, the directors of the Company reserve the right to place the shortfall at their sole discretion.

#### 1.7 Rights Trading

The rights to Rights Issue Shares under the Rights Issue are non-renounceable. Accordingly, there will be no trading of rights on the ASX and shareholders may not dispose of their rights to subscribe for Rights Issue Shares under the Rights Issue to any other party. If shareholders do not take up their entitlement to Rights Issue Shares by the Closing Date, the offer will lapse.

### 2. Proceeds of the Rights Issue

The total number of Rights Issue Shares that may be issued under the Rights Issue is approximately 614,872,096. The intended price per share is \$0.006. Therefore the Rights Issue will raise approximately \$3,689,200 before costs [**assuming all rights are taken up or that all shortfall is placed**]. It is intended that these funds will be used to provide on-going funding for the Company's important projects, possible legal costs associated with the Victorian Supreme Court action by China Railway Resources against the Company and to provide working capital.

### 3. Timetable

The proposed timetable for the Rights Issue is as follows:

Initial announcement of Rights Issue, lodgement of Appendix 3B and s708AA notice	11 <sup>th</sup> January 2010
Dispatch of letter to shareholders	12 <sup>th</sup> January 2010
"Ex" Date (ie. date from which securities commence trading without the entitlement to participate in the Rights Issue)	13 <sup>th</sup> January 2010
Record Date (ie. date for determining entitlement to participate in the Rights Issue)	19 <sup>th</sup> January 2010
Dispatch of Rights Issue offer document and personalised Entitlement and Acceptance Form	22 <sup>nd</sup> January 2010
Closing Date	8 <sup>th</sup> February 2010
Company notifies ASX of under subscriptions	11 <sup>th</sup> February 2010
Allotment of Rights Issue Shares and dispatch of holding statements	12 <sup>th</sup> February 2010
Trading of Rights Issue Shares expected to commence on ASX	15 <sup>th</sup> February 2010

\*Note: this timetable is indicative only and may be subject to change, subject to the ASX Listing Rules.

#### 4. **Acceptance**

A personalised Entitlement and Acceptance Form and a reply-paid envelope is enclosed with this letter. The Entitlement and Acceptance Form shows the number of Rights Issue Shares to which the shareholder is entitled. Fractional entitlements have been rounded down.

If shareholders wish to take up all or part of their entitlement under the Rights Issue, the Entitlement and Acceptance Form should be completed in accordance with the instructions in the form and sent to:

Computershare Investor Services Pty. Ltd.  
GPO Box 505 Melbourne  
Victoria 8060

Applications must be received no later than 5.00pm on the Closing Date of 8<sup>th</sup> February 2010.

Payment for the Rights Issue Shares should accompany the Entitlement and Acceptance Form. Payment must be made in full either by BPay® or in the form of a cheque, bank draft or money order in Australian currency, drawn on an Australian bank, marked "Not Negotiable" and made payable to

Jervois Mining Limited

Shareholders should note that any application received will be treated as an offer from the shareholder to acquire Rights Issue Shares on the terms set out in this Offer Letter. The directors of the Company reserve the right to reject any applications for Rights Issue Shares in whole or in part.

If Shareholders do not wish to take up any part of your entitlement under the Rights Issue, no action is required. Shareholders should note that in not taking up their

entitlement under the Rights Issue, their percentage holding in the Company will be diluted.

## 5. Risk

Shareholders should be aware that investment in the Company involves risks which may be higher than the risks associated with an investment in other companies.

Shareholders intending to participate in the Rights Issue should note that investment in the Company involves risk and shareholders should refer to announcements made by the Company to the ASX to ensure they understand the operations of the Company and appreciate the risks involved with investing in the Company.

Shareholders intending to participate in the Rights Issue should note that shares issued pursuant to this Offer Letter carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the shares. Shareholders should consult their stockbroker, solicitor, accountant or other financial adviser if they are in any doubt as to the value of the Rights Issue and in particular in relation to taxation implications.

If you require any further information in relation to the Rights Issue, please contact the Offer Information Line on 1300 748 150 (within Australia) +61 3 9415 4365 (outside Australia).

Yours faithfully



Duncan Pursell  
Managing Director

# JERVOIS MINING LIMITED

A.B.N. 52 007 626 575



**Computershare**

Please return completed form to:  
 Computershare Investor Services Pty Limited  
 GPO Box 505 Melbourne  
 Victoria 8060 Australia  
 Enquiries (within Australia) 1300 740 150  
 (outside Australia) 61 3 9415 4365  
 web.enquiries@computershare.com.au  
 www.computershare.com



000001  
 000  
 SAM  
 MR JOHN SMITH 1  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



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Use a black pen.  
 Print in CAPITAL letters  
 inside the grey areas.

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## Entitlement and Acceptance Form

This personalised form can only be used in relation to the securityholding represented by the SRN or HIN printed above. This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, please consult your financial or other professional adviser.

### Non-Renounceable Entitlement Issue closing 5.00pm AEDT on 8 February 2010

Non-Renounceable Entitlement Issue of 1 New Share for every 5 Shares registered and entitled to participate at the record date at an issue price of A\$0.006 per New Share.

Receipt of the slip below by 5.00pm AEDT on 8 February 2010 with your payment, utilising the payment options detailed overleaf, will constitute acceptance in accordance with the terms of the Offer Letter dated 22 January 2010.

I/We enclose my/our payment for the amount shown below being payment of A\$0.006 per New Share. I/We hereby authorise you to register me/us as the holder(s) of the Shares allotted to me/us, and I/we agree to be bound by the Constitution of the Company.

A Securityholder Entitlement details	
Subregister	Issuer
Existing Shares entitled to participate at Record Date on 19 January 2010	XXX,XXX,XXX
Entitlement to New Shares on a 1 for 5 basis	XXX,XXX,XXX
Amount payable on full acceptance at A\$0.006 per New Share	X,XXX,XXX.XX
Entitlement Number	123456789012

See back of form for completion guidelines

J R V

N R R B

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▼ PLEASE DETACH HERE ▼

Paperclip  
 cheque(s)  
 here.  
 Do not  
 staple.

JERVOIS MINING LIMITED Please see overleaf for Payment Options  
A.B.N. 52 007 626 575



Billor Code: 123456  
 Ref No: 123412341234123412

**B** Number of New Shares applied for

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**C** Amount enclosed at A\$0.006 per New Share

A\$																			
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**D** Payment Details – Please note that funds are unable to be directly debited from your bank account

Drawer	Cheque Number	BSB Number	Account Number	Cheque amount
				A\$

Make your cheque or bank draft payable to "Jervois Mining Limited"

**E** Contact Details  
 Please provide your contact details in case we need to speak to you about this slip

Name of contact person

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Contact person's daytime telephone number

(			)																
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1234567890123456+1234567890-1234+12

# How to complete the Entitlement and Acceptance Form

Note that photocopies will not be accepted. These instructions are cross-referenced to each section of the Entitlement and Acceptance Form.

<p><b>A</b> Details of your Entitlement based on your Securityholding at 5.00pm AEDT on 19 January 2010 are shown in box A on the front of this Entitlement Form.</p>	<p><b>D Payment Details</b>                  You can apply for shares utilising the payment options detailed below. <b>Please note that funds are unable to be directly debited from your bank account.</b>                  By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you:  <ul style="list-style-type: none"> <li>agree to all of the terms and conditions as detailed in the Offer Letter dated 22 January 2010</li> </ul>                 Your cheque, money order or bank draft must be made in Australian currency and drawn on an Australian branch of a financial institution. Such payment must be made payable to "Jervois Mining Limited" and crossed "Not Negotiable". Payments not properly drawn may be rejected.                  Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Acceptance form being rejected. Paperclip (do not staple) your cheque(s) to the form where indicated. Cash will not be accepted. Receipt of payment will not be forwarded.</p>
<p><b>B New Securities Accepted</b>                  You can apply to accept either all or part of your Entitlement. Enter in box B the number of New Shares you wish to accept from your Entitlement.  <b>Please ensure you complete Section B on the bottom of the form.</b></p>	<p><b>E Contact Details</b>                  Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding the slip below.</p>
<p><b>C Acceptance Monies</b>                  Enter the amount of Acceptance Monies. To calculate the amount payable, multiply the number of New Shares applied for by A\$0.006.  <b>Please ensure you complete Section C on the bottom of the form.</b></p>	

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The directors reserve the right to make amendments to this form where appropriate.

## Lodgement of Acceptance

If you are applying for shares and your payment is being made by BPAY®, you do not need to return the slip below. Your payment must be received by no later than 5.00pm AEDT on 8 February 2010. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the slip below must be received by Computershare Investor Services Pty Limited (CIS) Melbourne by no later than 5.00pm AEDT on 8 February 2010. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for security holders in Australia. New Zealand holders will need to affix the appropriate postage. Return the slip below with cheque attached.

Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.

## Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

JRV

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 748 150.

This form may not be used to notify your change of address. For information please contact CIS on 1300 748 150 or visit the share registry at [www.computershare.com](http://www.computershare.com) (Certificated/Issuer Sponsored Holders only).

**CHESS holders must contact their Controlling Participant to notify a change of address.**

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## Payment Options:



**Billers Code:** 123456  
**Ref No:** 123412341234123412

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: [www.bpay.com.au](http://www.bpay.com.au)



**Jervois Mining Limited**  
**Computershare Investor Services Pty Limited**  
**GPO Box 505**  
**Melbourne, Victoria 8060**  
**AUSTRALIA**



Entitlement Number: <xxxxxxxxxx>

SAMPLE CUSTOMER  
 SAMPLE STREET  
 SAMPLE STREET  
 SAMPLE STREET  
 SAMPLE STREET  
 SAMPLETOWN TAS 7000