

30 July, 2012

QUARTERLY REPORT TO 30 JUNE 2012

Bullabulling Royalty

On 6th June 2012, Bullabulling Gold Limited (previously GGG and Auzex Resources) reported in London “that 3D data and geological modelling of the Bullabulling resource, provided ‘clear evidence’ that the 3.4 million oz JORC compliant gold resource at the Bullabulling gold project, could be significantly expanded”.

This pleasing outcome is significant for Jervois and its shareholders, as the Company retains an ongoing Royalty provision of \$30.00 per oz for the first 400,000 oz produced and then \$20.00 per oz for all gold production, thereafter. Obviously, the value of the Royalty is directly related to the timing of mine development and subsequent gold production.

Exploration in Western Australia – June Quarter 2012



Exploration Licences 59/1576, Badja Project, WA (50% Jervois Mining Limited*) and Exploration Licence 59/1257 Nalbarra Project, WA (100% Jervois Mining Limited)

* = The 50% interest in this tenement not owned by JRV is in the process of being transferred to JRV

Exploration in Western Australia consisted of a reconnaissance survey of Exploration Licence 59/1576 at Badja Station and Exploration Licence 59/1257 at Nalbarra Station in the states midwest. Exploration Licence 59/1576 exploration is targeting rare earth elements and uranium; as is nearby Exploration Licence 59/1257 where anomalous high background counts and eU ppm have been encountered.

A drilling program has been planned on Exploration Licence 59/1257; an updated Radiation Management Plan is being prepared prior to approval for this drilling program.

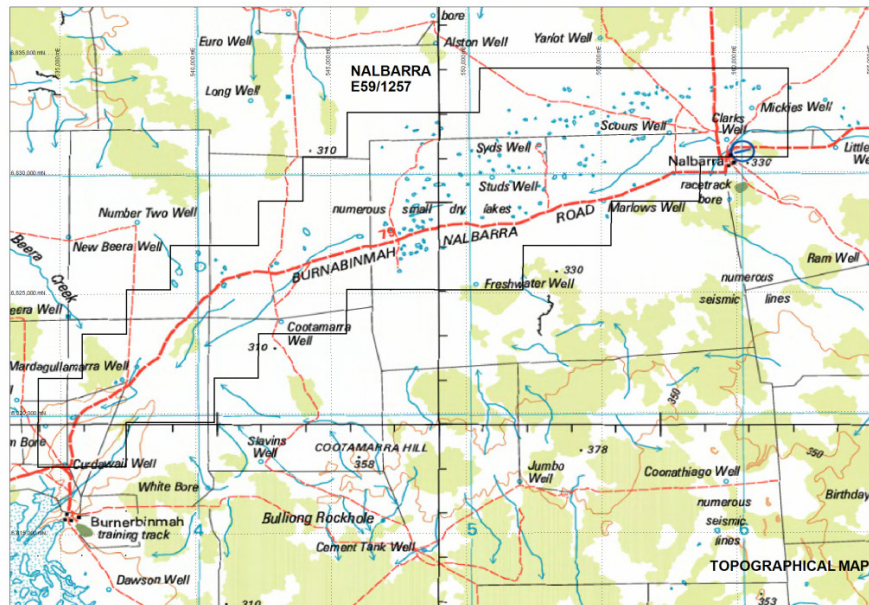


Figure 1: Nalbarra Project E59/1257

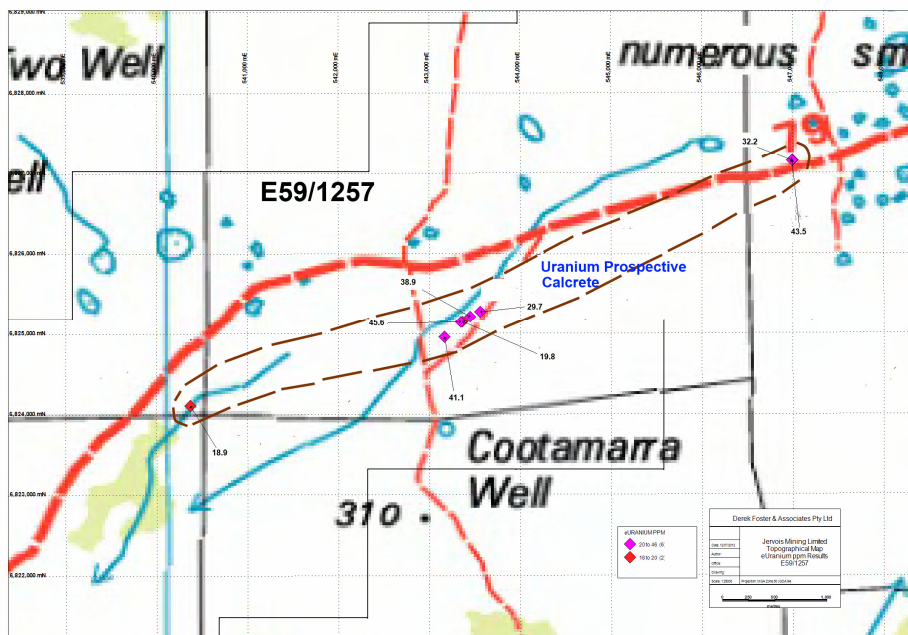


Figure 2: Nalbarra Project – Prospective Uranium Calcrete with anomalous eU ppm plus laboratory confirmation of spectrometer (eUppm) plus 234 ppb Au in the palaeochannel.

This is highly significant as the palaeochannel drainage flows over a small greenstone belt on the edge of the Nalbarra Project known to contain a gold mineralization.

Exploration Licence Application 29/861– Mt Ida Project **100% Jervois Mining Ltd**

In early July 2012, Jervois Mining Limited returned to exploring for gold, pegging Exploration Licence 29/861 in the Mt Ida Greenstone Belt.

The historical production from Mt Ida was over 290,000 ounces of gold from underground mines, while the nearby Timoni Gold Mine (Copperfield) produced over 260,000 ounces of gold and Bottle Creek has a recorded production of 39,000 ounces of gold.

The tenement was pegged following studies of previous work done by Delta Gold Limited in the mid 1990's showing the presence of the Bottle Creek Shear with convergence of the Mt Ida Fault. The Mt Ida Fault is a major lineament that has been the source of many gold discoveries along its 200 kilometer strike length.

Exploration for potential gold mineralisation will begin on granting of the tenement expected early in 2013.

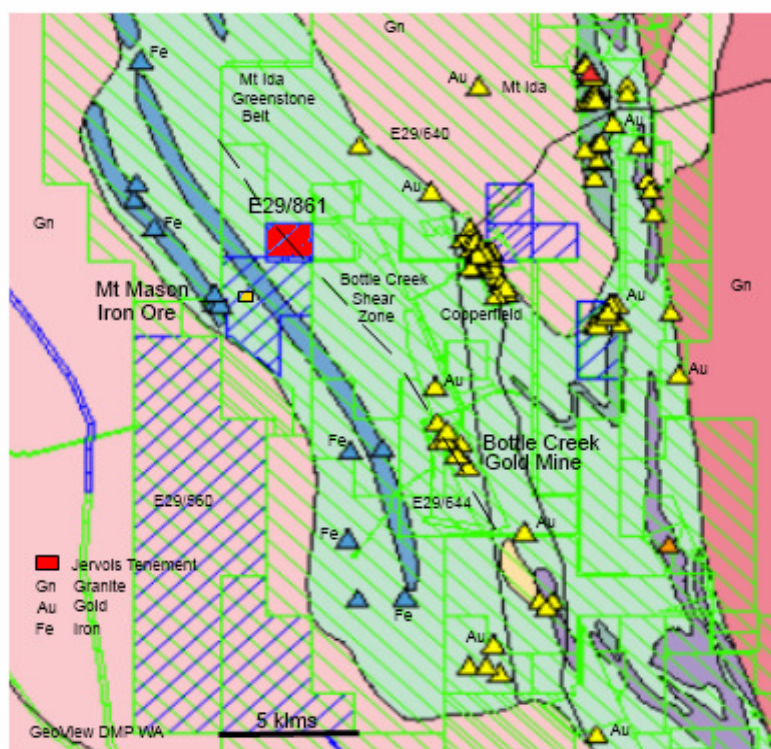


Figure 3: Jervois Mining – New gold tenement E29/861 Mt Ida

Exploration Licences E77/1440 and E77/1441 Lake Barlee Central Project **100% Jervois Mining Ltd**

Proposed Exploration – September Quarter 2012

Analysis from the Western Australian Geological Survey database reported anomalous Cerium (0.26% Ce), Lead (332 ppm Pb), Cobalt (141 ppm Co) and other Rare Earth Elements.

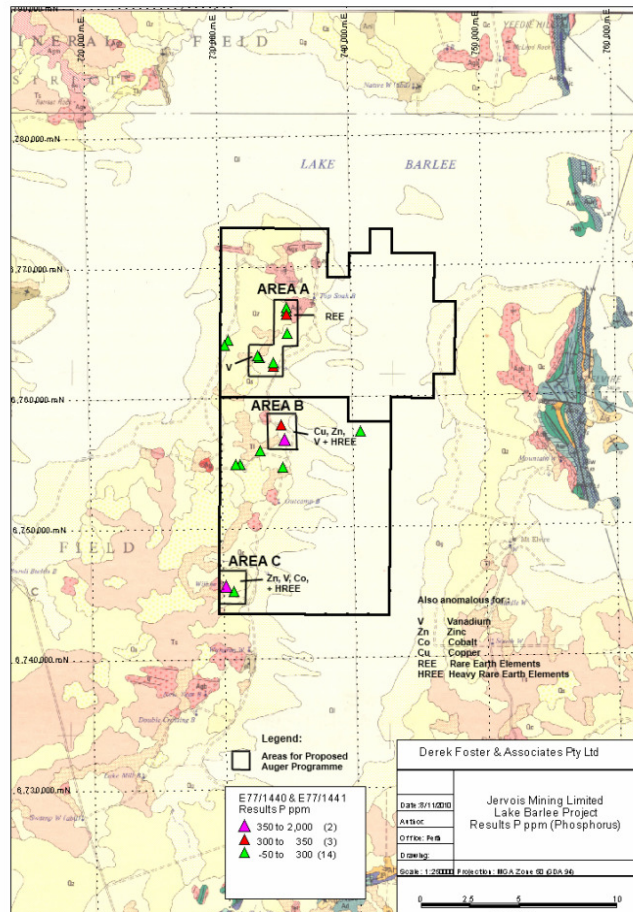
Reconnaissance work by Jervois Mining Limited over Exploration Licence 77/1440 has confirmed anomalous Phosphorous (P) and Vanadium (V) and Rare Earth Elements.

Similar reconnaissance work over Exploration Licence 77/1441 resulted in anomalous Copper (Cu), Zinc (Zn), Vanadium (V), Heavy Rare Earths and Phosphorous in Area B.

Area C has shown anomalous results for Zinc (2000 ppm Zn), Vanadium (V), Cobalt (Co) and Heavy Rare Earth Elements.

The areas are in heavy scrub and generally sand covered; auger drilling to below the sand is proposed in the third quarter of 2012 to explore these areas further.

The remoteness of the area and heavy rains restricted exploration work in 2010 – 2011.



Exploration Licences E77/1440 AND E77/1441 Lake Barlee Central Project

Exploration in New South Wales – June Quarter 2012

Exploration Licence 4620 Forest Reefs – NSW

Newcrest Operations Limited 80%/Jervois Mining 20%

Sale of 20% equity in EL 4620 (Forest Reefs) near Orange in NSW Newcrest Operations Limited (NOL) has agreed to acquire Jervois Mining Limited's 20% equity in the Forest Reefs Joint Venture, for a consideration of \$200,000. There will be an ongoing Royalty to Jervois of 1.5% of Net Smelter Return from all minerals recovered from EL 4620 (or any mining tenement issued in substitution for EL 4620).

The effect of this change will be that NOL will own 100% of EL 4620.

Exploration Licence 6009 (northern section), Westlynn, NSW

100% Jervois Mining Limited

(This portion of EL 6009 does not form part of the Nyngan Scandium Project referred to below)

Indicated Resource of 16 Mt at 0.83% Ni and 0.06% Co.

Exploration Licence 7281, Summervale, Nyngan NSW

100% Jervois Mining Limited

An in-house estimation of potential mineralization, based on 59 air core drill holes over an approximate area of 800m east-west and 2.4 km north south at EL 7281 'Summervale', shows potential for significant nickel and iron, see below. No formal resource calculation has been performed yet for Summervale.

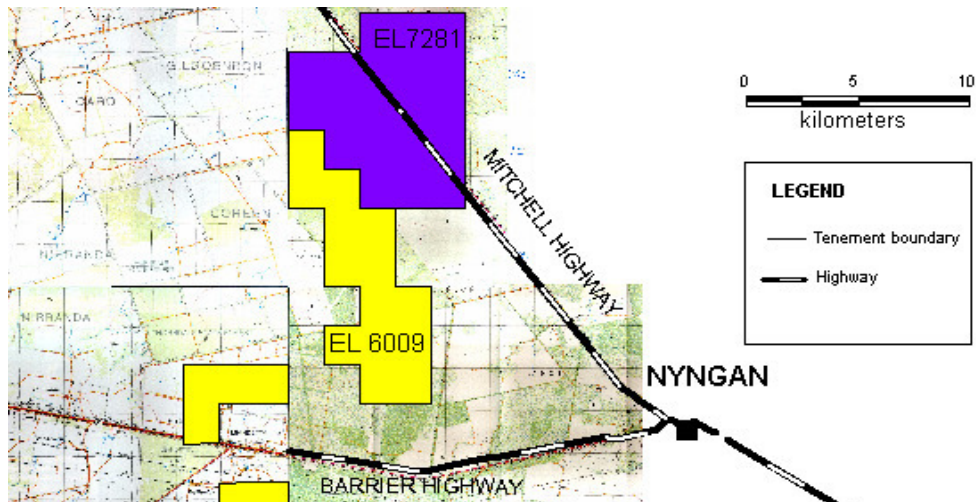
Ni/Co assays Summervale, NSW

Hole number	Northing GDA	Easting GDA	From (m)	To (m)	Interval width (m)	Ni %	Co %
SV1	6523588	501394	43	47	5	0.710	0.027
SV4	6523584	501313	43	49	6	0.914	0.046
SV5	6523584	501213	38	41	3	0.686	0.032
SV6	6523734	501426	31	41	10	0.922	0.034
including			32	37	5	1.145	0.038
SV15	6524364	502331	28	31	3	0.96	0.255
SV39	6524466	502333	27	38	11	1.02	0.035
including			29	35	6	1.25	0.034
SV44	6522985	501348	41	54	13	1.41	0.083
including			41	42	1	2.15	0.033
and			43	44	1	2.03	0.264
and			42	45	3	1.89	0.210
SV45	6524597	502498	22	54	32	0.613	0.029
including			34	35	1		0.112
and			34	38	4	0.94	
and			42	45	3	0.99	
and			47	52	5	0.82	
SV48	6524597	502396	36	51	15	0.912	0.039
including			38	39	1		0.103
and			37	47	10	1.03	
SV49	6524507	502400	38	46	8	0.81	0.08
including			40	44	4		0.11
and			42	46	4	0.93	
SV51	6524301	502398	35	36	1	1.180	0.113
SV53	6524202	502297	25	27	2	0.83	0.15
including			26	27	1		0.237
SV56	6523888	500898	33	44	11	0.578	0.05
including			40	43	3	1.09	
SV57	6523894	500975	29	35	6	0.57	0.031
including			32	35	3	0.821	
SV58	6523912	501099	32	36	4	0.92	0.08
including			33	34	1		0.102
and			33	35	2	1.04	

Fe assays Summervale, NSW

Hole number	Northing GDA	Easting GDA	From (m)	To (m)	Interval width (m)	Fe%
SV4	6523584	501313	40	46	6	45.10
SV5	6523584	501213	38	39	1	57.7
SV6	6523734	501426	34	38	4	38.3
SV13	6525283	504061	47	48	1	40.5
SV15	6524364	502331	22	32	10	49.4
SV25	6523584	500913	39	42	3	35.83
SV26	6523585	501011	43	51	8	34.5
SV27	6523586	501112	34	38	4	54.1
<i>including</i>			34	37	3	57.1
SV28	6523106	501052	47	48	1	39.5
SV29	6523107	501151	41	42	1	43.9
SV31	6522758	501083	49	51	2	54
<i>including</i>			49	50	1	57.3
SV32	6522726	5000959	52	54	2	49.8
<i>including</i>			53	54	1	61.5
SV33	6522626	500933	53	55	2	49
<i>including</i>			53	54	1	62.6
SV34	6522626	501034	53	59	6	45.5
SV36	6524466	502333	43	52	9	35.1
SV39	6524466	502333	23	30	7	54.2
<i>including</i>			23	29	6	57
SV41	6522995	501054	45	47	2	48.95
SV44	6522985	501348	40	45	5	40.5
SV45	6524597	502498	22	54	32	31
<i>including</i>			23	31	8	54.7
SV48	6524597	502396	36	51	15	28.68
<i>including</i>			36	43	7	40.46
SV49	6524507	502400	38	46	8	49.49
<i>including</i>			38	44	6	56.75
SV51	6524301	502398	35	36	1	35.2
SV56	6523888	500898	33	44	11	48.11
<i>including</i>			34	44	10	49.2
SV57	6523894	500975	29	35	6	34.05
<i>including</i>			29	33	4	39.13
SV58	6523912	501099	32	36	4	34.38

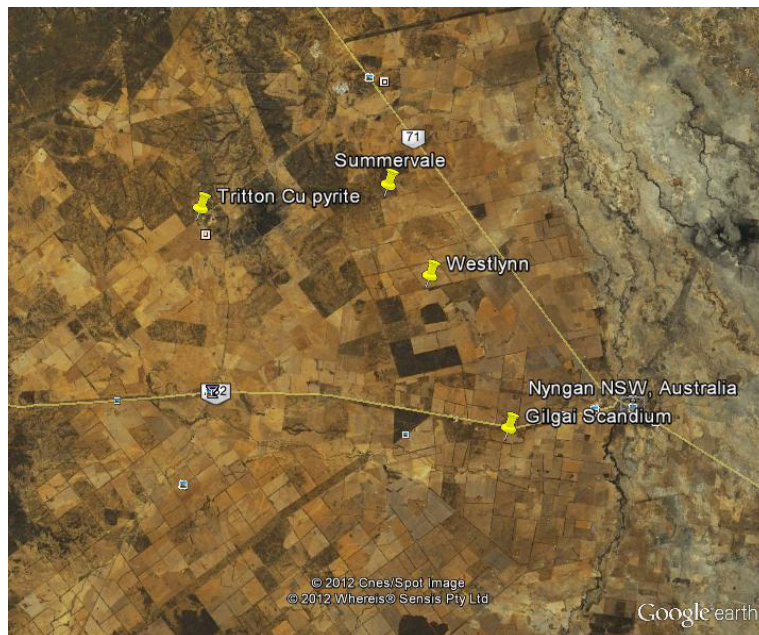
These licences are located approximately 25 km north west of Nyngan, NSW. EL 7281 straddles the Mitchell Highway (see map below). The underlying geology is the north – east limb of a north – south arcuate belt of serpentinised ultramafics, known as the Westlynn Serpentinite. The whole lies within the Girilambone – Wagga Anticlinorial Zone. The Westlynn Serpentinite System is derived from the alteration of a medium grained dunite, intruded into the metamorphosed Ordovician Girilambone Group. The bedrock geology within the Licence area is almost completely covered by late Tertiary and Quaternary aged alluvium.



Map showing the Summervale (EL 7281) tenement in purple and the Westlynn tenement (EL 6009) in yellow.

It appears that Westlynn and Summervale may be part of the same system and consideration of their potential should be combined. While both indicate significant Ni potential, the Westlynn licence also has cobalt. The Summervale licence is low in cobalt but preliminary results indicate significant potential for iron.

The two nickel/cobalt prospects were initially identified from airborne magnetic, conducted as part of the Discovery 2000 Exploration, NSW and New Frontiers regional airborne geophysical surveys. The exploration work at Summervale, and additional exploration at Westlynn was carried out by a team, led by the Company's Exploration Manager, Dr. Sanja van Huet. Despite the quite intensive airborne geophysics and ground magnetic surveys across EL 7281, no other Company or explorer had drill tested the anomalies until JRV was granted the Licence in 2009.



Location map of the Summervale and Westlynn tenements in relation to Nyngan and Tritton mine, NSW.

Metallurgy

Nickel and Cobalt Laterite Metallurgy

The Company has extensive resources of nickel and cobalt at Young, NSW (refer below for details) and at Westlynn, north of Nyngan, NSW. Both the Westlynn resource and the Summervale potential mineralisation exhibit better nickel grades than identified at Young, but further exploration drilling and assaying of sample is required at Summervale. Funding for exploration work, and any necessary R&D follow up, is difficult in these uncertain times. As a consequence, metallurgical work carried out by Jervis (JRV) is now, of necessity, specifically targeted and relatively small scale. This work is carried out/supervised by Dr. Hal Aral, the Metallurgical Consultant to JRV.

Very preliminary metallurgical test work by Dr Aral, has shown that it is possible to up-grade the Summervale nickel/iron drill sample to 1.3% nickel by simple physical means e.g. de-sliming, gravity and wet magnetic separation. This is unusual for an Australian laterite. Ultimate nickel grades of 1.3%, post treatment, invoke the strong possibility of potential ferro-nickel production. This is an important development for JRV and its shareholders.

The Summervale potential mineralisation and Westlynn Nickel/Cobalt resource also lie east of the Tritton Mine, where gold and copper are recovered in sulphide (see map). For JRV, this introduces the potential for nickel and cobalt sulphide occurrences.

Extension to Summervale /Westlynn: Further drilling later this year or early next year will expand on the currently known extent of the Summervale potential mineralisation.

Future Work

Depending on available funds, the following proposals to confirm the preliminary work are required to be addressed.

- 1) The physical up- grading, outlined above, needs to be confirmed by targeted and well designed test work including, but not limited to, de- sliming, sizing, gravity separation and controlled magnetic separation.
- 2) There may be potential to separate nickel/cobalt carrying Lizardite from magnetite and maghemite by the well proven method of 'flotation'
- 3) A suitable test facility will have to be found, either within Australia or overseas, to carry out pyrometallurgical work for either ferro-nickel production or pig-nickel production.

Shareholders should realise that the above work, whilst applicable to the unique nickel/cobalt mineralisations near Nyngan, would certainly not be applicable to the Company's Young resource and further would be unlikely to be useful for other Australian nickel/ cobalt laterites.

Exploration Licences 5527, 5571, 5152 near Young NSW

100% Nico Young Pty Ltd

Nickel and Cobalt in Laterites

The Company reported last Quarter on a new independent resource calculation for these tenements. The summary of that calculation is below.

Inferred Resource of 92.5Mt at 0.8% Ni, and 0.06% Co above a cut off of 0.6%Ni.

AREA	TONNES (Mt)	NI %	CO %
Ardnaree	27.0	0.80	0.05
Thuddungra East	34.6	0.77	0.08
Thuddungra West	20.5	0.81	0.07
Tyagong	10.4	0.88	0.03
TOTAL	92.5	0.80	0.06

The resultant increase in grade has encouraged a reappraisal of all of Jervois' extensive metallurgical research on this resource. Jervois originally started, like most others, with the now discredited High Pressure Acid Leach (HPAL) using Sulphuric Acid.

Jervois then carried out extensive heap leach simulation in Reno, based on a Willem Duyvesteyn/BHP Patent on offer at the time. This work was supervised by Willem Duyvesteyn. The agglomerates failed as the height increased.

Then Jervois attempted Hydrochloric Acid test work for about 7 years. This acid dissolves all the metals very effectively but in Australia, we were unable to recover or recycle the acid, which is an essential economic step.

Jervois have since been experimenting with the Acid Bake process, proposed by the late Dr Mal Jansen, for the treatment of the Company's Scandium resource. In recent days there has been an enquiry from an overseas group with some experience in "enhanced heap leach" and a request for sample to test. This request will be met and the samples have been supplied.

In addition and under the supervision of Dr Hal Aral Jervois plans to re – visit the use of Hydrochloric Acid for the Young nickel/cobalt resource.

Exploration Licence 7805, Syerston, NSW

100% Jervois Mining Limited

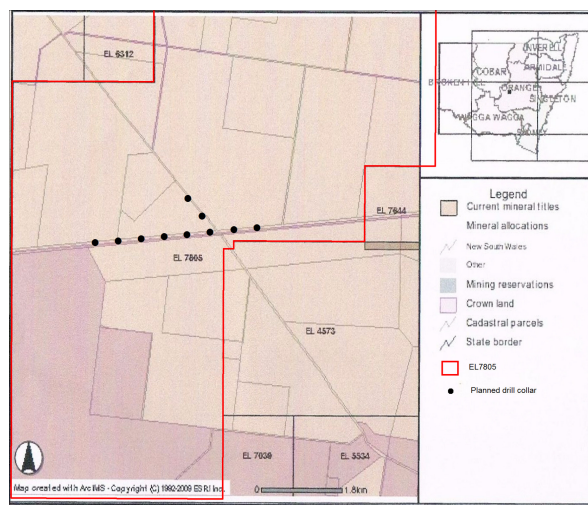
In October 2011 Jervois Mining Limited was granted Exploration License EL 7085 over 28 units in the Fifield area of NSW. The area is approximately 10 km north west of Fifield, 45 km north-east of Condobolin in the Central West Region of NSW. The tenement abuts the Syerston Nickel Cobalt Project held by Ivanplats Syerston Pty Limited.

During the first 12 months a literature search and site visit were undertaken. A 10 hole drilling program was prepared and drilling commenced on the 19th of July 2012. The purpose of the program

is to ascertain the direction for future exploration, targeting scandium, platinum, nickel and cobalt. No drilling results have to date been received.

The Fifield District was a significant producer of platinum in Australia. Reported production from the district totalled 639.5kg of platinum between 1887 to the mid 1960s. The platinum was derived from deep leads, draining areas of largely concealed ultramafic intrusions. Minor gold production of 325 kg was recovered with the platinum.

In 1966 and 1967 Anaconda Australia Inc. found minor nickel and copper within the Owendale intrusive and nickel cobalt laterites were found over the Tout intrusive; sections of both intrusive complexes are within the Jervois tenement.



Proposed 10 hole drilling program, Syerston Project NSW

Exploration Licences 6009, 6096 and 7664 near Nyngan NSW **Scandium Joint Venture** **Jervois Mining Limited 100%**

The dispute between Toronto Stock Exchange listed EMC Metals Corporation (“EMC”) and Jervois Mining Limited (JRV) in relation to the adequacy of a Feasibility Study delivered to JRV by EMC under the terms of the Exploration Joint Venture Agreement (EJVA) entered into between the parties on 9 February 2010 continues.

JRV commenced Victorian Supreme Court proceedings on 22 June 2012. The first directions hearing was held on 20 July 2012. A timetable was set for interlocutory steps, and for mediation to be held by 1 October 2012. If the matter does not settle at mediation, another directions hearing will be held on 5 October 2012.

Whether or not EMC has an interest in the Scandium project depends upon the resolution of this dispute. In the meantime, JRV maintains its 100% interest in the Scandium project. JRV has been advised that EMC has spent A\$1,585,176 on the project over a period of 22 months from 1st March 2010 up until 31st December 2011.

Proposed Share Consolidation

At this year's Jervois Annual General Meeting (AGM), the agenda will include a proposal that shareholders consider and vote on a proposed consolidation of the share capital of the Company, in accordance with section 254H of the Corporations Act 2001. The proposed consolidation will not result in any change to existing rights of all shareholders, or their proportional equity in the Company. The Company's Balance Sheet and Tax position, as a result of this proposal, will remain unaltered. The actual size of the reduction will be decided, based on the share price, in the weeks prior to the AGM.

Expenditure For Quarter Ended 30 June 2012

Expenditure on exploration and evaluation for the Quarter was \$92,889.



DUNCAN C. PURSELL
MANAGING DIRECTOR

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by D.C. Pursell (MAusIMM) and Mr D. Foster, (MAusIMM). 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. D.C. Pursell and D. Foster consent to the inclusion.