Jervois Mining Limited

(ABN 52 007 626 575)

ANNUAL REPORT

30 JUNE 2020

Table of Contents

About this Report:

Jervois Mining Limited ("Jervois" of "the Company") recognizes that our financial and environmental, social and governance ("ESG") performance are intrinsically linked. As our company evolves and grows, we have committed to continuously improve including through the progressive integration of material ESG matters within our business and its governance. Although not a comprehensive integrated annual report, *Jervois 2020 Annual Report* marks an important step towards ESG integration while providing a basis for a more holistic assessment of value by our stakeholders.

Scope and Boundary

The report focuses on core assets central to its strategic focus on battery minerals where Jervois' holds 100% ownership and management control, namely the Idaho Cobalt Operations ("ICO") in the United States, Nico Young nickel-cobalt laterite development in Australia and prospective properties in Uganda. Information is limited on non-core assets where Jervois holds limited interest, does not have management control and/or those from which Jervois is divesting (pg 13).

Our Directors' Report, Remuneration Report and our Annual Consolidated Financial Statements (pgs. 21 to 84) fulfill our statutory reporting requirements in accordance with ASX Listing Rules, the Corporations Act (2001) and Canadian law. To avoid duplication, certain components of each of the above reports are detailed in and cross-referenced to and should be read jointly with other sections of the report.

This includes sections that draw from guidance from the Australian Council of Superannuation Investors (ACSI) and the Financial Services Council (FSC) ("*ESG Reporting Guide for Australian Companies*"), the International Integrated Reporting Council (IIRC) and Global Reporting Initiative (GRI) reporting frameworks, principles of the UN Global Compact and Sustainable Development Goals (SDGs). In addition, Jervois is moving towards aligning with the Task Force on Climate-related Financial Disclosures (TCFD).

Corporate Directory

Directors

Bryce Crocker (Chief Executive Officer)

Peter Johnston (Non-Executive Chairman)

Brian Kennedy (Non-Executive Director)

Michael Callahan (Non-Executive Director)

Company Secretary

Alwyn Davey

Principal Address

Suite 508, 737 Burwood Road,

Hawthorn East, Victoria, 3123, Australia

Registered Office

Suite 508, 737 Burwood Road,

Hawthorn East, Victoria, 3123, Australia

Auditors

Ernst & Young
8 Exhibition Street,
Melbourne, VIC 3000, Australia

Bankers

ANZ Banking Group Limited
Level 1
420 St Kilda Road
Melbourne, Victoria, 3004, Australia

Share Register

Computershare Investor Services Pty Ltd

452 Johnston Street

Abbotsford, Victoria, 3067, Australia

Computershare Investor Services Inc

510 Burrard Street

Vancouver, BC, V6C 3B9, Canada

Stock Exchange Listing

Jervois Mining Limited shares are listed on the

- Australian Securities Exchange (ASX code: JRV);
- TSX Venture Exchange (TSX-V code: JRV);
- United States OTCQB (OTCQB code: JRVMF).

Our Business

OUR VISION, MISSION, VALUES & PRINCIPLES

Our vision is a world transformed by the mass adoption of electric vehicles.

Our mission is to become the leading supplier of responsibly sourced battery minerals products and to provide a secure supply to customers.

Our core values provide the foundation for how we operate, collaborate, engage and unite in our work.

Responsibility:	We are responsible, as a company and as individuals.
Integrity:	We earn and sustain the trust and respect of our stakeholders.
Accountability:	We strive to transparently measure, share, deliver and own results.

Ultimately, we aim to make a positive, meaningful difference in the lives of our stakeholders: our people, our investors, our partners and our host communities and countries.

Jervois' values and principles set the standard for every decision we make…

Values	**RESPONSIBILITY** **We are responsible, as a company and as individuals**	**INTEGRITY** **We earn and sustain the trust and respect of our stakeholders**	**ACCOUNTABILITY** **We strive to transparently measure, share, deliver and own results**
Principles	Work safely – all the time. Proactively identify and manage risks and opportunities. Follow socially and environmentally responsible mining practices. Create a diverse, inclusive and supportive work environment. Ensure excellence in environmental stewardship and positive social and economic outcomes.	Honor our commitments. Operate within the letter and spirit of the law. Treat others and ourselves with dignity and respect. Inspire personal dedication and commitment. Care for our environment, ourselves, our coworkers, our families and host communities.	Be accountable for what we do, what we achieve and how we achieve it. Create a high-performance culture through personal and team development. Act decisively on opportunities and adapt quickly in the face of adversity. Encourage creativity and innovation to achieve the best outcomes.
	Operational Principles	Individual Principles	Organizational Principles

Chairman's Letter

Dear Fellow Shareholders,

Welcome to the 2020 Annual Report for Jervois Mining Limited, as we reflect on our progress in becoming a leading global raw battery materials producer.

We recognize that our financial and environmental, social and governance ("ESG") performance are intrinsically linked. As our company evolves and grows, we have committed to continuous improvement including through the progressive integration of material ESG matters within our business and governance. Jervois has undertaken a review of its ESG regime and is working towards implementing new policies and standards to ensure our Company continues to act as a responsible corporate citizen in the multiple jurisdictions in which it operates. Further information on our ESG performance can be found within this Annual Report.

Despite our momentum leading into the year, having completed considerable consolidation in 2019 to become one of the world's largest publicly traded cobalt companies, the conditions of the past 12 months have been challenging. The global Covid-19 pandemic has negatively impacted the cobalt market and slowed our plans to develop the Idaho Cobalt Operations ("ICO") in the United States. Onset of the virus around the world saw demand and prices for cobalt drop dramatically, flowing back to producers through the second half of FY2020. Travel restrictions also constrained our efforts across several areas including completing the Bankable Feasibility Study ("BFS") and obtaining funding for ICO, as well as exploration in Africa.

However, we see the US as the most strategic cobalt market in the world, because it is geopolitically much safer than other regions of the world where cobalt is produced, such as the DRC, and also as cobalt is also central to US-based industries including aerospace, steelmaking and increasingly, electrification. This is positive for Jervois as we continue to push forward with development of ICO. The US identifies cobalt as a critical metal, but it has no domestic cobalt mining. For Jervois to be at the forefront of developing that industry in the US now gives us a significant and timely advantage. While the effect of Covid-19 on the US economy and jobless rates has been profound, we are creating a business that will lead to economic growth and new jobs in an area that will not otherwise see this scale of investment. This is providing traction for our plans, which is encouraging. We see an opportunity to have an important impact via building a mine during a period when the US and Idaho are looking to create economic growth, as the effects of Covid-19 stabilize.

ICO represents a partly constructed mine site, with approximately US$100 million invested so far, which significantly reduces and de-risks remaining capital investment requirements and shortens development lead time. We are continuing discussions with potential lenders and off-take partners under Non-Disclosure Agreements and will keep shareholders updated of any developments with these parties. While our plans for ICO may have seen delays, we remain confident of its robust economics and the opportunity ahead of us.

We adjusted timelines and curbed spending across 2020 in response to Covid-19. Near term workplans include advancing ICO debt financing discussions and continuing to drill a copper-gold target at our Kilembe area project in Uganda. Negotiations with potential off-take partners for our Australian nickel-cobalt project, Nico Young, in New South Wales also continue, as do discussions with the Governments of Tanzania and Uganda on the State-owned Kabanga nickel-cobalt deposit and Kilembe copper-cobalt mine / Kasese cobalt refinery respectively.

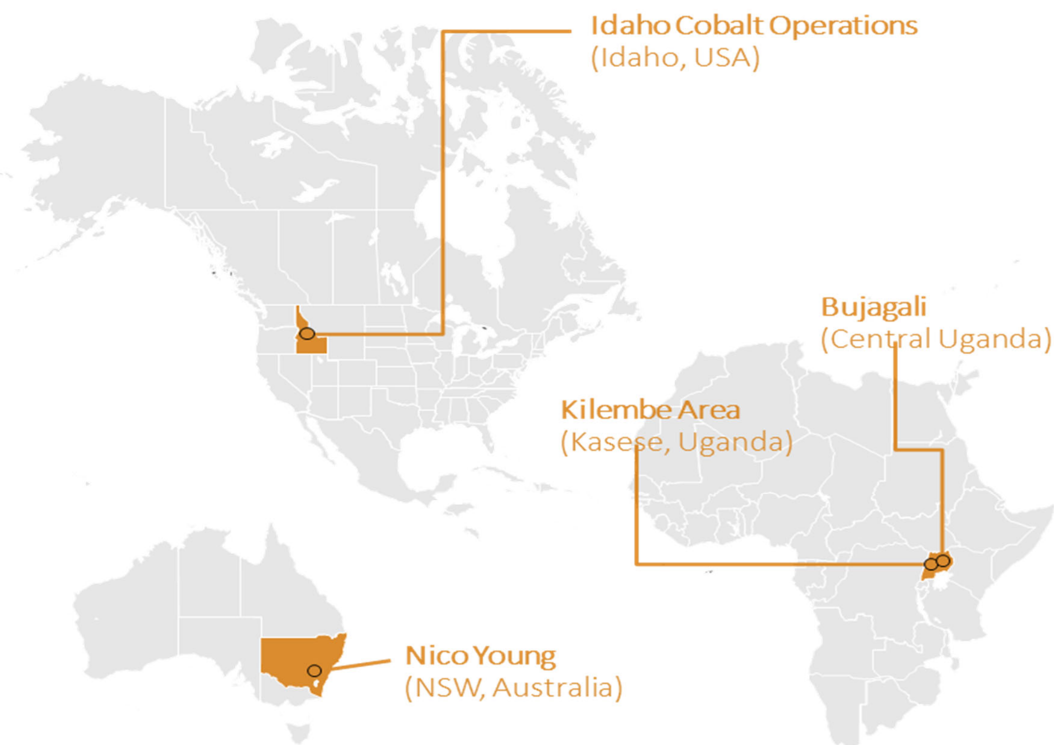
I would like to thank our shareholders for your support over the past year, especially as we navigate these uncertain times. I also thank my fellow Board members, and Jervois' management and staff for their efforts over the past year in steering the company towards production at ICO in 2022.

Despite the uncertainty that continues to cloud commodity markets, we are confident we can achieve our goals and I look forward to keeping you updated of our progress.

Peter Johnston
Non-Executive Chairman

A Global Supplier of Battery Metals

Jervois aims to become the leading supplier of responsibly sourced battery minerals products and to provide a secure supply to customers. It seeks to achieve this through a geographic and asset diversification whilst maintaining compliance with environmental, social, ethical and legal requirements and expectations for good practice in the jurisdictions in which it operates.



An important component of Jervois' asset base is our people and our strong relationships with communities, governments and the environment in jurisdictions where we operate. Our financial and environmental, social and governance ("ESG") performance are intrinsically linked. As our company evolves and grows, we have committed to continuous improvement including through the progressive integration of material ESG matters within our business and governance. In 2020 Jervois reviewed its ESG regime and is working towards implementing new policies and standards to ensure Jervois continues to act as a responsible corporate citizen.

An outcome includes a new Sustainability Policy (see next page) which highlights our commitments to the environment, our employees, our communities and our investors and a strengthened approach to ESG.

Leadership & Governance

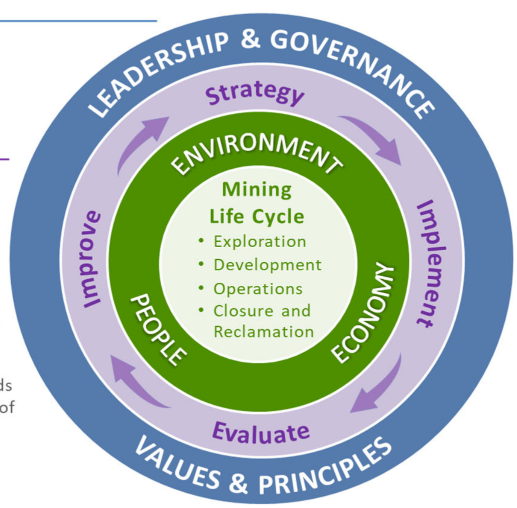
Our Board of Directors and Senior and Project Management teams chart the course for our business, ensure our sustainability goals are integrated within its governance and lead by example.

Intent & Action

Translating sustainability commitments into measurable benefits requires deliberate intent, strategies and actions. Our strategies are reinforced by our ESG policies, codes and charters and are gauged by continuous improvement in our sustainability performance.

Outcomes & Impacts

We operationalize our Sustainability Standard through our systems, procedures and guidelines. The greatest positive impacts are achieved when we meet high, consistent standards while valuing, adapting and accounting for diversity in terms of the mine life cycle and differing geographies, cultures, economies and ecosystems.



SUSTAINABILITY POLICY

Jervois believes that progress towards sustainable development requires commitment at all levels. Commitment to integrating sustainability objectives into all aspects of our business and its governance. Commitment to strict compliance with all governing laws and responsible, ethical practices. And commitment to foster a culture of sustainability in our employees, contractors, partners and communities.

As responsible citizens with high standards of integrity and accountability, Jervois will:

Ensure excellence in environmental stewardship by responsibly, safely and efficiently managing our carbon footprint and all water, tailings and other waste and materials; minimizing impacts on biodiversity, land, air, water and human beings; and reclaiming, rehabilitating and restoring ecosystems.

Adhere to highest standards for health and safety to eliminate fatalities and prevent workplace illnesses, accidents and serious injuries through consistent, accountable leadership and by providing every worker with the resources, knowledge, skills and individual responsibility needed to work safely every day.

Create inclusive, supportive and fair working conditions by acting intentionally to ensure our employees, community members, suppliers and other stakeholders are treated with dignity and respect; by creating diverse, safe and welcoming working environments; and by integrating human rights and fair labor practices in both principle and practice at all levels.

Forge meaningful, trusting and valued relationships with communities, governments and partners where we operate through inclusive, transparent and open engagement and commitments to fairness, justice and human rights.

Generate tangible socio-economic benefits in communities where we operate, particularly for women, youth, indigenous peoples and disadvantaged groups, through strategies to help respond to development priorities and increase local opportunities for employment, procurement of goods and services and research, training and skills development.

Foster responsible, ethical supply chains through zero tolerance for child labor, forced labor and conflict in our supply chains; requirements for transparent, responsible sourcing by our suppliers; and ethical supply and use of our products.

Swiftly and systematically manage and respond to opportunities and risks at corporate- and project-level, including emerging development opportunities and risks related to climate change, human rights and supply chains.

Deliver through good governance including by monitoring and transparently reporting on our performance; maintaining accessible, fair and confidential grievance and whistle-blower mechanisms; aligning our policies, standards and procedures with key international codes, principles and initiatives; and fulfilling our commitments to transparency, fair and ethical business practices and zero harm.

Signed: Bryce Crocker, CEO

2020 Performance Overview

The Group has a portfolio of assets: its near-term development project Idaho Cobalt Operations ("ICO"), the Nico Young nickel-cobalt project on which it finalised technical study on a heap leach facility and continues to negotiate with potential investment and off-take partners, before undertaking feasibility study, and the exploration and evaluation stage projects at the Kilembe and Bujagali properties in Uganda. Given the stage of these projects, the Group has no operating income or expenditure relating to mine production. Expenditure on exploration activity is capitalised, and operating expenditure consists of administration, staff and corporate costs.

The operating loss after income tax of the Group for the year ended 30 June 2020 was A$8.898 million (2019: loss of A$6.001 million). An asset value write-down totaling A$0.387 million and A$0.666 million was recognised in the annual financial statements in relation to the Silverside cobalt property in Canada, a non core interest acquired via the merger with M2 Cobalt in 1H 2019 and the Khartoum properties in Australia respectively. The write-down of assets is non-cash in nature.

As at 30 June 2020, the Group had a cash position of A$5.663 million (June 2019: A$4.187 million). The Group had a loan from the US government outstanding for A$0.116 million relating to Covid-19 stimulus payroll protection, for which forgiveness requirements have already been met. Operating activities incurred cash outflows from operations for the year of A$3.831 million (2019 A$2.802 million). Cash outflows from investing activities totaled A$10.955 million (2019 A$0.980 million) for the year ended to 30 June 2020.

Post year-end, the Group announced results of its recent BFS on ICO and continues to focus on obtaining suitable financing for the development and construction of the partially built operation near Salmon, Idaho.

Financial Position

The Group's cash balance had a net increase of A$1.476 million over the 12-month period to 30 June 2020 to A$5.663 million.

During the period, a total of A$13,574 million was invested in exploration and evaluation activities, with A$7.433 million on the ICO Project, A$6.141 million on the Uganda tenements and $0.187 million on Australia based tenement licences.

In relation to the ICO acquisition finalised in July 2019, the U.S. Forest Service requires the Company to place a Reclamation Performance Bond in the amount of US$7.207 million in relation to surface disturbances from pre-construction activities. The Reclamation Performance Bond will be released upon meeting the reclamation requirement of the U.S. Forest Service at the end of the Life of Mine of the ICO.

Corporate

Board Changes

During September 2019, Mr Scott Hean resigned as a Director of the Company due to deteriorating health.

Management Appointments

Following completion of the mergers with M2 Cobalt and eCobalt Solutions, Jervois made several appointments to its executive ranks that remain current at time of publication.

Floyd Varley became its new Chief Operating Officer / EGM Operations. Mr Varley is a mining engineer with more than 35 years of experience, primarily in underground mine operational management and engineering in North America.

Russell Bradford was engaged as ICO BFS Project Director. Mr Bradford is a qualified metallurgist with almost 30 years of international experience, with significant project and operational exposure to base metals including cobalt and copper.

Dr Jennifer Hinton was appointed Country Head Uganda. Dr Hinton has been based in Uganda for over 15 years after arriving to the country with the World Bank. Dr Hinton is a former adviser to the United Nations, and holds a PhD (Mining Eng.) as well as B.A Sc. (Geol. Eng.) and M.A.Sc (Mining and Mineral Process Eng.).

Thomas Lamb was appointed Uganda Operations Manager. Mr Lamb is a former securities lawyer and a co-founder of Goldgroup Mining. Mr Lamb holds an MSc and was a Sloan Fellow at London Business School.

Jervois appointed Dean Besserer as General Manager – Exploration. Mr Besserer has more than two decades of exploration experience working in more than 50 countries including across much of Africa.

In March 2020, Jervois announced the appointment of Jess Birtcher as ICO Finance Manager, based in Salmon, Idaho. Mr Birtcher is an experienced resources executive and joins Jervois from Coeur Mining ("Coeur") (NYSE: CDE), which operates five precious metal mines in North America and is listed on the New York Stock Exchange. Mr Birtcher later took over as Acting CFO.

OTCQB Listing

In August 2019, Jervois shares were listed for trading on the OTCQB Venture Market in the United States under the symbol JRVMF. The Company's primary listing continues to be the Australian Securities Exchange ("ASX"), with the shares also trading, in addition to the OTCQB Venture Market in the United States and on the TSX Venture Exchange in Canada ("TSX-V").

Jervois sought the OTCQB listing to provide United States retail investors with appropriate accessibility and liquidity to invest in the Company's shares.

Projects

<u>Idaho Cobalt Operations ("ICO"), USA</u>

Upon acquisition of the ICO in July 2019, Jervois immediately commenced an updated Bankable Feasibility Study ("BFS").

The BFS was publicly released in late September 2020, due to delays associated with the Covid-19 global pandemic. The study confirmed the potential of the ICO to establish a near term, low cost cobalt-copper-gold mine, with significant opportunity to increase the mineral resource and extend mine reserves once mining commences. Jervois' January 2020 updated Mineral Resource Estimate ("MRE") was integrated into a revised mine plan and mining reserve, together with design of the metallurgical plant and final infrastructure requirements. The BFS is based on a flotation mill processing 1,200 short tonnes per day ("stpd") or 1,090 metric tonnes per day ("mtpd") of ore from an underground cobalt-copper mine, a flotation mill as well as ancillary facilities. These will include aspects such as the mine and related infrastructure, ROM pad and crushers, fine ore conveyor and silo, mill and flotation, tailings, waste rock and water storage facilities, water treatment plant, soil stockpile area, National Pollutant Discharge Elimination System ("NPDES") discharge outfall and non-process infrastructure to support the development and mine operations.

ICO is located on National Forest lands, and activities adhere to United States Forest Service ("USFS") and Environmental Protection Agency ("EPA") requirements – the site is environmentally permitted with an approved Plan of Operations. The level of production permitted under ICO's approved Plan of Operations is 1,200 stpd ore processed and the BFS has been updated and optimised within the framework of existing approvals. In initial discussions with US regulators, Jervois expressed its confidence and desire that the operation can ultimately be expanded in an environmentally responsible manner. The BFS includes design and construction of the 1,200 stpd mine and concentrator, with a view to optimising future expansion.

Metallurgical samples were taken from all Ram intercepts for testwork at SGS Lakefield (Canada), with results fed into the BFS. ICO will initially produce and sell a bulk cobalt and copper concentrate.

During the September 2019 quarter, Jervois selected DRA Global ("DRA") and M3 Engineering ("M3") as lead engineers for finalisation of the BFS for the ICO. The joint engineering team has extensive global experience across both cobalt and copper mining operations and concentrator flowsheets, whilst also having a detailed understanding of project delivery in the United States, specifically local conditions in Idaho and regional contractor capabilities.

Study scope encompassed mine schedule including a tender for contract mining services undertaken to underpin BFS costing. Metallurgical test work including lock cycle work had been completed on representative samples of the ore body and the final reports were prepared.

Total development costs for a mine and mill were estimated at US$78.4 million, for a 1,200 stpd (1,090 mtpd) facility. The proposed flow sheet to produce a combined bulk product has the following elements:

- Crushing and grinding;
- Bulk copper and cobalt flotation rougher and cleaner and cleaner scavenger cells;
- Concentrate dewatering, filtration and packaging;
- Tails dewatering, paste production and dry stack tailings; and
- The comminution circuit is proposed to be a conventional crush / SAG / ball mill circuit with a target product size (p80) of 75 microns feeding the flotation circuit. The flotation circuit utilizes standard tank cell technology to produce a bulk concentrate which is thickened and filtered prior to being conveyed into a concentrate handling shed where it is bagged for shipment. The tailings are dewatered with a vacuum disc filter where filtered cake is either sent directly to the dry-stack tailings or is re-pulped to be pumped back underground as cemented backfill.

Wood and CSA Global were engaged to conduct audits of the permitting status and resource model respectively.

Mineral Resource Estimate

On January 22, 2020, Jervois released the updated ICO Mineral Resource Estimate ("MRE"), prepared to support the ICO BFS. The model was independently audited by CSA Global (an ERM Group company) ahead of its publication and imminent release to lenders and their technical advisers associated with ICO project financing.

The updated MRE used modified methodology to improve estimation using industry standard applications for narrow orebodies. This involved block rotation and adoption of a smaller cell size than previously used, as the previous MRE released 7 February 2018 was unrotated and used cell sizes not conducive to the narrow high-grade interzone intercepts found in the Main Ram zone.

The updated ICO MRE increased contained Measured cobalt resources by 22% in comparison to earlier estimates. Total tonnage of Measured and Indicated contained cobalt resources (available for conversion under JORC into Reserves) also rose by 22%.

Table 1: 2020 Updated MRE for ICO using 0.15% Co cut-off

Category	Resource (M Tons)	Resource (M tonnes)	Co (%)	Co (M lbs)	Cu (%)	Cu (M lbs)	Au (oz/Ton)	Au (g/tonne)	Au (oz)
Measured	2.92	2.65	0.45	26.2	0.59	34.4	0.013	0.45	38,000
Indicated	2.85	2.59	0.42	23.8	0.80	45.7	0.018	0.62	51,000
M+I	**5.77**	**5.24**	**0.44**	**50.1**	**0.69**	**80.1**	**0.015**	**0.53**	**89,000**
Inferred	1.73	1.57	0.35	12.0	0.44	15.2	0.013	0.45	23,000

The updated Resource has an adjusted cut-off of 0.15% Co, which Jervois considers to be more representative of future cobalt pricing, based on potential shortages of ethically sourced cobalt as battery demand increases and more in-line with current practice.

Mineral Reserve Estimate

The revised reserve estimate based on the 2020 MRE is set out below.

Table 2: 1,200stpd Mine Plan Reserve for 2020 Mineral Resource Estimate - Imperial(3)(4)

Category	Reserve (M short tons)	Co (%)	Co cont (M lbs)	Cu (%)	Cu cont (M lbs)	Au (oz / short ton)	Au cont (oz)
Proven(1,2)	1.59	0.56	17.9	0.67	21.2	0.015	24,633
Probable(1,2)	1.16	0.53	12.3	0.96	22.3	0.023	26,758
Total	**2.75**	**0.55**	**30.1**	**0.80**	**43.6**	**0.019**	**51,391**

Table 3: 1,200stpd Mine Plan Reserve for 2020 Mineral Resource Estimate - Metric (3)(4)

Category	Reserve (M Tonnes)	Co (%)	Co cont (Tonnes)	Cu (%)	Cu cont (Tonnes)	Au (g/tonne)	Au cont (oz)
Proven	1.44	0.63	8,100	0.67	9,600	0.53	24,633
Probable	1.05	0.53	5,600	0.96	10,100	0.80	26,758
Total	2.49	0.55	13,650	0.80	19,800	0.64	51,391

1. Mineral Reserves are based on Measured and Indicated Mineral Resources which have demonstrated economic viability. The Mineral Reserves were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
2. Mineral Reserves are reported as diluted recovered tons with grades considering those Mineral Resource blocks above Resource cut off grade within the dilutive material as contributing to metal content.
3. The cobalt equivalent cut off grade for inclusion in the reserve is 0.24% payable equivalent cobalt grade. This includes consideration of copper and gold content as well as recoveries and payability of each commodity.
4. Contained metal figures and totals may differ due to rounding of figures.

Drilling

Jervois mobilized an initial diamond drilling program at ICO in the quarter ending September 2019. This drilling aim to supply metallurgical core for test work to demonstrate the production of concentrates, and to generate physical samples for off-take parties. Core was drilled by large diameter PQ size to enable sufficient ore samples for comminution and flotation testing.

Jervois drilled two exploration holes to test for the existence of footwall lenses at depth, which are present in the southern areas of the Idaho Cobalt Belt and in the historic Blackbird Mine which is adjacent to ICO. Jervois' geology team planned these initial holes to target the untested footwall at the Ram deposit to validate a geological model re-interpretation.

Initial results from the exploration holes were announced in October, and successfully validated Jervois' geological model re-interpretation, with both deeper holes drilled into the footwall of the main Ram resource intercepting copper and cobalt. The area of mineralization was named Blacktail North, due to it being analogous to the northern extension of the neighboring Blackbird mine lode, known as Blacktail, which was historically mined at the now closed operation adjacent to Ram.

Jervois also launched an infill drilling program of 1,300 meters, also of PQ size diamond core drilling, which followed on from the metallurgical drilling. This program was designed to enhance geological certainty and improve the robustness of the existing resource model (particularly during early production years) and to provide additional core for metallurgical test work.

In December 2019, Jervois released results from 3,125m (19 holes) of diamond drilling. This returned high-grade cobalt intercepts up to 2.83% Co in the main Ram resource zone and hanging wall zones. Selected composite intervals included 4.6m @ 1.14% Co, 2.75% Cu, 1.01g/t Au; 3.5m @ 1.46% Co, 2.75% Cu, 1.83g/t Au, 5.4m @ 0.60% Co, 1.36% Cu, 0.74g/t Au and 3.7m @ 1.07% Co, 0.13% Cu, 0.69g/t Au. All holes targeting the previously modelled Ram resource intersected mineralization, representing an increase of more than 20% of all resource grade holes undertaken on the Ram deposit.

In the December quarter, two holes were also extended to explore the footwall of the Ram deposit, with successful results for both step out exploration holes reported in October 2019. The Ram deposit resource remains open at depth and along strike offering opportunities for expansion. The initial footwall exploration results confirm an extension of the Blackbird mine horizons, resulting in the opportunity to further explore the Blacktail North extension zone on strike and dip.

Environmental Social Governance

At year-end, a Preliminary Estimate of Carbon Emissions of ICO was completed by M3 Engineering in accordance with the Greenhouse Gas Protocol ("GHGP") and United States Environmental Protection Authority ("EPA") standards. The assessment provides an important baseline for setting carbon emission objectives and targets for ICO and will be integrated within broader strategies to address climate change risks at operational and corporate levels.

Securing Supply Chains

With Covid-19 reinforcing the need to secure supply chains, United States industry and government are assessing how to secure access to physical cobalt without reliance on China or the Democratic Republic of Congo. Jervois continued its engagement with both customers and government to ensure it can play its part in creating Idaho employment and demand for United States manufactured capital goods at a critical period in the country's economic recovery.

In October 2019, Jervois announced it had selected internationally recognised engineering contractor Wood as preferred contractor for a cobalt refinery scoping study. This considered commercially proven technology to process concentrates, including third party feed through to refined cobalt and copper. Jervois owns a potential refinery site at Blackfoot, Idaho. Whilst Jervois is optimistic that ultimately a domestic United States refinery will prove commercially viable, based on current mine reserves, the facility is uneconomic. Jervois needs to access underground via initial mine development in order to drill effectively to expand and prove up the known mine reserve.

As part of this policy framework and cooperation with the United States government pertaining to developing a secure, competitive domestic supply of identified critical minerals (including cobalt), Jervois is partnering with the Department of Energy ("DOE") Idaho National Laboratory ("INL"), to advance a proposal to fund through the United States Critical Materials Institute development of enhanced leaching methods for ICO concentrates. The Critical Materials Institute is a DOE Energy Innovation Hub led by Ames Laboratory in Iowa which supports research to advance innovation in United States manufacturing.

The INL, a DOE laboratory, is a leader in advancing energy technology development, and partnered with Jervois to apply its advanced research in battery materials extraction to Jervois's ICO concentrate.

Jervois and INL have progressed to the final round for consideration for funding under the DOE, Office of Energy Efficiency and Renewable Energy ("EERE") FY2020 AMO Critical Materials FOA: Next-Generation Technologies and Field Validation Funding Opportunity. Final proposals to enhance the US' capacity to capitalize on its natural resources of battery materials will be submitted in Q3 2020 with awards over the Northern Hemisphere winter of 2020-21.

Project Financing

In December 2019, Jervois sent an ICO Information Memoranda ("IM") to selected senior lenders. Indicative proposals were received, and Jervois engaged Magma Capital, a debt advisory firm, to assist the Board in the debt financing initiatives.

In March 2020, Jervois appointed RPM Global ("RPM") to act as independent engineer ("IE") for prospective lenders. RPM has a well-established (50-year) track record of acting as IE for financiers on mining projects globally, including significant base and precious metal experience in North America.

The scope of work includes RPM completing an independent due diligence review of ICO and preparing an Independent Technical Expert ("ITE") report in a form suitable for debt financiers of the project. RPM is reviewing the final drafts of the BFS workstreams. RPM's site visit was delayed due to an inability to safely travel to Idaho due to Covid-19, and their engagement will be reinitiated once final lender appointment(s) are made.

Current construction schedule requires long lead item orders (SAG mill, tailings filters) to be placed by calendar year end, and detailed engineering to commence in January 2021. Upon snow melt in Q2 2021 early works execution will occur at site encompassing completion of the water treatment system, installation of camp, TWSF preparation and civils mobilization. Full site construction is anticipated to restart in mid 2021, and the portal will be opened in Q3 2021. First commercial production remains forecast for mid 2022.

Nico Young Nickel-Cobalt Project, New South Wales, Australia

The Nico Young Project is a mineral exploration area for nickel cobalt laterite located approximately 30km west-northwest of Young in New South Wales, Australia.

The Nico Young Project comprises three known soil covered nickel-cobalt laterite deposits: Ardnaree, East and West Thuddungra and have been periodically drill sampled since 1998. An initial Mineral Resource estimate for the Nico Young Project was originally estimated in September 2001. Since that time, there have been multiple programs of air core, RC and diamond drilling within the nominal resource boundaries. These programs have produced metallurgical samples and provided infill data geological data. The most recent programs were in June 2017, February/March 2018 and July/August 2018.

The current Mineral Resource estimate for the Nico Young Project has an effective date of June 2018.

Table 4: Ardnaree and Thuddungra Mineral Resource estimate as at June 2018 reported using a 0.5% Ni cut-off

Resource category (JORC 2012)	Deposit	ROCK	Tonnes (Mt)	Ni (%)	Co (%)	Mg (%)	Fe (%)	Al (%)
Indicated	Ardnaree	2000	3.1	0.67	0.04	4.89	15.92	3.29
		3000	0.1	0.57	0.02	12.48	9.47	2.83
	Total – Indicated		**3.2**	**0.67**	**0.04**	**5.15**	**15.70**	**3.27**
Inferred	Ardnaree	2000	21.2	0.64	0.04	6.29	14.86	3.50
		3000	16.3	0.66	0.03	13.16	8.92	2.44
	Thuddungra	2000	34.0	0.63	0.07	3.41	22.20	5.23
		3000	18.7	0.62	0.03	12.89	9.77	2.12
	Total – Inferred		**90.1**	**0.63**	**0.05**	**7.82**	**15.50**	**3.68**

The Company completed the Nico Young NI 43-101 Preliminary Economic Assessment which envisaged heap leaching and refining through an integrated processing facility to produce battery grade nickel sulphate and cobalt in refined sulphide. Assessments on producing an MHP were also assessed and costed to the equivalent level of engineering. Mining would be completed with conventional truck and shovel.

Jervois continues to engage with local and other stakeholders in relation to Nico Young, with executive management last visiting the local community and NSW political leaders in October 2019, prior to Covid-19 travel restrictions.

The Company is continuing discussions which envisage partial off-take in exchange for funding to complete a BFS. At that time, Jervois will reassess its level of equity ownership and uncommitted offtake of Nico Young to determine a suitable ownership structure and marketing strategy to secure the required project financing to move into construction.

Ugandan Exploration Properties

Kilembe Area

Jervois holds six exploration licenses ("EL's") totaling about 700km^2, in the region of the old Falconbridge-operated Kilembe copper-cobalt mine.

In September 2019, Jervois reported on results from rock and soil sampling, including a detailed soil grid completed to cover the Cu-Au mineralization discovered within the Kilembe area properties. Cu-Au mineralization within the Kilembe Area exploration licenses, now has a strike length of more than 1.7km along parallel structures identified from ground geophysics and is open to the SW and NE.

Three mineralized Cu-Au showings have been discovered (named Senator, Eagle and Bond). Jervois approved 2,500 metres of drilling and other exploration activities in the area during Q4 2019 at a cost of US$0.9 million. Diamond core drilling commenced in late October.

Results received in 2019 included highlights of:

- 9.9m @ 1.37 g/t Au from 29m – hole 19DDHS001
    - Including 0.45m @ 9.98 g/t Au; 0.1 percent copper ("% Cu") from 34.05m
    - Including 1.9m @ 3.59 g/t Au from 37.0m
- 2.0m @ 723 grams per tonne silver ("g/t Ag"); 0.15% Cu from 127m – hole 19DDHS003
- 13.5m @ 0.52 g/t Au from 32.5m – hole 19DDHS005
- 1.8m @ 2.92 g/t Au from 50.7m – hole 19DDHS005
    - Including 0.8m @ 6.26 g/t Au; 0.36% Cu from 50.7m
- 1.0m @ 0.65 g/t Au; 1.66% Cu from 38.2m – hole 19DDHS012
- 2.0m @ 1.49 g/t Au from 54.0m – hole 19DDHS012.

Final results were reported in March 2020 after an additional four holes for 465m were completed. These included:

- 6.1m @ 2.10 g/t Au; 0.24% Cu from 101.3m – hole 20DDHS002
    - Including 1.0m @ 11.50 g/t Au; 1.36% Cu from 102.2m
- 8.0m @ 1.26 g/t Au; 0.15% Cu from 64.0m – hole 20DDHS001
- 6.0m @ 1.90 g/t Au; 0.43% Cu from 70.0m – hole 20DDHS002
    - Including 3.1m @ 2.72 g/t Au; 0.63% Cu from 70.9m.

Further groundwork at the Kilembe area properties, including ground geophysics; soil and rock chip sampling, and prospecting extended the strike length of mineralization at surface to over 6km, of which only 1.5km has been tested. Rock chip sample highlights included: 41 g/t Au; 20.5 g/t Au; 10.3 g/t Au and 9.8 g/t Au.

After pausing exploration activities in Uganda in late Q1 2020 due to Covid-19, in the June quarter, Jervois announced its Board had approved mobilisation of a drill crew to the Kilembe area to test the CC copper-gold target. The CC target is undrilled and contains some of the highest-grade surface copper-gold samples achieved on Jervois' Kilembe Area properties to date. The planned Uganda exploration program follows relaxation of Covid-19 restrictions within the country.

The planned drilling is concentrated on an interpreted structural feature defined from ground magnetics conducted earlier in 2020. The structural feature is also coincident with high-grade surface rock chip and soil samples acquired in late 2019 and early 2020.

The program will be conducted utilising Jervois' in-country geological professionals and regular East African drilling contractor, which has safely executed Jervois's prior workplans.

Bujagali

Bujagali is an area in south central Uganda with excellent access and logistics. Jervois has five EL's covering around 1,350km^2.

Phase 1 drilling concluded at Bujagali, which targeted the Waragi and Bombo anomalies. In total, five diamond holes were drilled at Bombo (totaling 1,325 metres), and an initial 12 diamond holes (or 2,225 metres) at Waragi. Jervois reported results from this program in October, with the Board approving a further 2,500 metres of drilling at Waragi during Q4 2019, at a cost of US$0.6 million.

Phase 2 drilling targeted anomalies detected through earlier geochemical and geophysical (IP) programs with an additional 10 diamond holes (1,740 metres) at the Waragi area. Highlights from partial results received include 1.5m @ 0.23% Co from 13.5m (hole 19DDHW011) and 1.0m @ 0.20% Co (hole 19DDHW010) from 13.4m.

Jervois reported final results in March 2020. Overall, although target mineralization at Bujagali was intercepted, it did not demonstrate consistency of width nor grade necessary to support a potentially economic resource. Further work is planned in 2021.

NON-CORE ASSETS

Jervois continued to rationalize its portfolio, with the sale of the Bullabulling royalty in October 2019, to Bullabulling Operations Pty Ltd, a subsidiary of Zijin Mining, for A$3.1 million in cash.

In May 2020, the remaining royalties held by Jervois which included a 1.5% NSR over the Forest Reefs exploration project in New South Wales, operated by Newcrest, and the Mt Moss mining lease in Queensland, owned by Curtain Bros (Qld) Pty Ltd were sold.

In the June quarter of 2020, it executed an option to sell the King Solomon project in Idaho with Hawkstone Mining Limited.

Other interests:

<u>Khartoum Tin Project, Herberton, Queensland Australia</u>

Discussions on a potential sale of the project commenced and are continuing.

<u>Arunta West JV (Jervois 20%)</u>

JV operator, Norwest Minerals Ltd (ASX: NWM), commenced a 12,000m RC drilling program to meet the next earn-in milestone. During Q2 2020, Jervois diluted its interest in the Arunta joint venture JV to 20%.

<u>Virgin River JV (Uranium, Jervois 2%)</u>

During the September 2019 quarter, the JV completed a deep drilling program on the project. Further exploration is planned for the 2020 field season with a budget to be presented to the JV committee.

Leadership and Governance

Achievement of Jervois' mission *to become the leading supplier of responsibly sourced battery minerals products and to provide a secure supply to consumers* hinges on exceptional leadership and robust governance. Good governance ensures we create, sustain and deliver value in the short, medium and long-term with due consideration of the interests of our business and those of our stakeholders and in full alignment with our core values, principles and commitments.

Accountability for our governance and performance ultimately lies with our Board of Directors. The Board charts the course for our business, gauges our risk exposure and overall risk appetite and ensures that sound governance systems are in place and support achievement of our goals.

This section presents and/or compliments key components of the Director's Report (pgs. 21 to 38) and should be read concurrently.

Board of Directors

The following were Directors of Jervois during the whole of the financial year and up to the date of this report, unless otherwise stated.

Peter Johnston (69)
Non-Executive Chairman

BA, FAICD, FAusIMM

Appointed Chairman 1 July 2018

100%

Peter Johnston is recognised as one of Australia's leading mining executives and Board Directors, with more than 35 years of operational and project development experience.

Prior to joining Jervois, Mr Johnston was Interim Chief Executive Officer ("CEO") of Tronox Limited ("Tronox"), a NYSE-listed titanium dioxide feedstock and processing business.

Mr Johnston was Head of Global Nickel Assets for Glencore International AG ("Glencore") from 2013 to 2015. During this period, he was responsible for all of Glencore's nickel-cobalt mine and processing facilities operations across Australia, Canada, the Dominican Republic, New Caledonia and Norway, as well as the Kabanga nickel-cobalt project in Tanzania. He was a member of the Glencore Executive Management Committee. From 2001 to 2013, Mr Johnston was Managing Director and CEO of Minara Resources Limited ("Minara"), listed on the ASX and a subsidiary of Glencore from 2005 until late 2011 when Glencore delisted it.

External directorships: NRW Holdings Ltd and Tronox Limited.

Bryce Crocker (45)
Chief Executive Officer

Bsc, LLB (Hons), GradDip Applied Finance and Investment

Appointed CEO 1 October 2017

100%

Bryce Crocker (CEO) is a seasoned mining and natural resources executive with significant experience in base metals including cobalt. Mr Crocker joined Xstrata plc shortly after its IPO in mid-2002, was based in London in business development roles until 2006, when he transitioned to Canada following the acquisition of Falconbridge and establishment of Xstrata Nickel headquarters in Toronto.

His past nickel/cobalt roles at Xstrata plc's nickel division include VP and Head Strategy, Marketing and Research, and GM and Head Business Development. Mr Crocker was a Director on the Xstrata Nickel Board, an Xstrata nominee Director to the Nickel Institute Board (global body representing the industry) and an Xstrata nominee to the Kabanga Shareholder Advisory Committee. Following the sale of Xstrata to Glencore in 2013, Mr Crocker was based in Latin America focused on natural resource investments in the region.

Mr Crocker holds an LLB (Honours) and BSc from the University of Melbourne and a Post Graduate Diploma in Applied Finance and Investment from the Australian Securities Institute.

% - Board and committee meeting attendance record

Audit and Risk Committee
Nomination and Remuneration Committee
Health, Safety and ESG Committee

Brian Kennedy (61)
Non-Executive Director

Cert. Gen. Eng.

Appointed 1 October 2017

100%

Brian Kennedy has more than 35 years' experience in construction and mining sectors with clients across coal, iron ore, nickel, cobalt, gold and fertilisers, both in Australia and overseas. During his career Mr Kennedy has managed large scale mining operations such as Kambalda and Mt Keith on behalf of WMC Resources, and Murrin Murrin for Glencore. Mr Kennedy has extensive experience in nickel/cobalt/base metal project start-ups in both construction and transition to operations.

Specific roles include Project Manager for Albidon at Munali nickel mine in Zambia, GM Dikulushi copper mine for Anvil Mining Ltd in DRC, Project Technical Manager for Vale Inco at Goro New Caledonia, Senior VP AngloGold Ashanti DRC, Director Kabali Gold Mines and Director Kabali SPRL DRC. Mr Kennedy was a founding shareholder and Director of Reliance Mining, before its takeover by Consolidated Minerals, and a founding shareholder and non-executive Director of Silver Lake Resources.

Michael Callahan (57)
Non-Executive Director

BSc (Accounting)

Appointed 24 July 2019

100%

Mr Michael Callahan was appointed on 1 October 2018 as President and CEO of eCobalt. Previously he was VP of Corporate Development and President of Hecla Mining's Venezuelan mining operations, President of Silvermex Resources Inc. and President and CEO of Western Pacific Resources Corp.

Mr Callahan is a strong and experienced executive with extensive operational and public-company management experience having held senior management roles at numerous development and production stage mining companies. Mr Callahan has established and led numerous sizeable operations in North America and internationally and has been responsible for the evaluation and execution of several growth-oriented transaction throughout his career.

Mr Callahan was formerly the CEO and a Director of eCobalt Solutions Inc.

Simon Clarke (55)
Non-Executive Director

LLB, Dip.LP

Appointed 19 June 2019
Resigned 24 July 2019

100% *(Prior to resignation)*

Mr Simon Clarke has 25 years' in senior roles focused on resources, energy and energy technologies. He was a Co-Founder, Director and former VP of OSUM Oil Sands from inception in 2005 and helped grow the company to a valuation of more than US$1 billion and remains a Board Observer and Advisor. Mr Clarke was a former EVP at RailPower Technologies, which developed hybrid technologies for railroad and other applications, and helped grow the company from C$15 million market cap to over C$350 million in three years while raising more than C$125 million during that time. Mr Clarke qualified as a securities lawyer and then worked in investment banking and corporate broking and has been a director and advisor to a number of resources and energy technology companies. Mr Clarke was formerly a Director M2 Cobalt Corp.

External directorships: Global Vanadium Corp; M3 Metals Corp.

Scott Hean
Non-Executive Director

Appointed 24 July 2019
Resigned 19 September 2019

50% *(Prior to resignation)*

Mr Scott Hean was a retired Director of several junior mining exploration companies including Sabina Gold & Silver Corp., a TSX-listed company, where he was Chair of the Compensation Committee and a member of the Audit Committee. He was also Chief Financial Officer of Quaterra Resources Inc. and was formerly the director of eCobalt Solutions Inc. Mr Hean has more than 40 years of experience in banking and finance. As Senior Vice President and Managing Director with the Bank of Montreal, he was responsible for natural resources sector financing in North America and at J.P. Morgan of New York, primarily financing junior oil and gas companies.

XX % - Board and committee meeting attendance record

Audit and Risk Committee
Nomination and Remuneration Committee
Health, Safety and ESG Committee

Alwyn Davey (44)
Company Secretary

LLB

Appointed 12 April 2017

100%

Mr Alwyn Davey was appointed as Company Secretary in 2017. Mr Davey has more than 18 years' experience as Company Secretary in relation to corporate governance, new stock market listings, secondary fundraising, and cross border mergers, acquisitions and investments. Mr Davey was formerly a member of the executive committee of Cambrian Mining Plc, a diversified mining group listed in London. He was a Non-Executive Director of Energybuild Group Plc, a UK listed coal company.

Mr Davey's primary responsibility is to support the Board in its corporate governance and administrative compliance of the Company with ASIC and the ASX Listing Rules, a role he has undertaken for several other ASX-listed entities as well as compliance with the TSXV Exchange Policies. Mr Davey holds an LLB degree from Waikato University, NZ.

Officers

Michael Rodriguez (57)
EGM Technical Services

Appointed 18 March 2018

Mr Rodriguez is currently the Executive General Manager – Technical Services of Jervois. Mr. Rodriguez previously worked at GoldCorp Inc., WMC Resources Limited (Olympic Dam and Kwinana Nickel Refinery), Glencore plc (Murrin Murrin), Gordes Nickel, Black Swan and Lake Johnston. Mr Rodriguez has more than 30 years of experience in the design, construction, commissioning, operation and management of hydrometallurgical and pyro-metallurgical plants across Australia, Turkey, Europe and the Americas.

Ken Klassen (54)
General Counsel / EGM Legal

Appointed 1 June 2019

Mr. Klassen was the General Counsel of Glencore Plc where he was responsible for the global legal function including a team of in-house lawyers supporting executive management, business operations and the board of Glencore, one of the world's largest diversified natural resources companies.

Prior to joining Glencore, Mr. Klassen had a successful 20-year career as a Canadian M&A lawyer at leading Canadian firms.

Jess Birtcher (57)
Acting Chief Financial Officer

Appointed 1 April 2020

Mr Birtcher is an experienced resources executive and joined Jervois from Coeur Mining, a NYSE listed company, which operates five precious metal mines in North America. At Coeur, Mr Birtcher held the roles of Vice President – Internal Audit (from 2017) and Vice President – Corporate Controller (from 2013). Prior to his roles at Coeur, Mr Birtcher spent seven years as Finance Director in Rio Tinto's North American business unit and was a senior audit manager with Ernst & Young for 10 years.

Board Composition and Performance

Board Composition

The Board is composed of leaders whose individual and combined expertise, shared values and principles and exceptional commitment to Jervois' success determine our organizational culture. During the year ending 30 June 2020, the Board was predominately comprised of three non-executive directors (two of whom were independent) with the separate roles of the Non-Executive Chairman and Chief Executive Officer governed by the Board Charter. On July 24, 2019, Simon Clarke stepped down as Non-Executive Director and on September 19, 2019, Scott Hean stepped down as Non-Executive Director.

Board Performance

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2020 was 17 and the number of meetings attended by each director were:

	Directors' meetings		Meetings of Committees of Directors			
			Nomination and Remuneration		Audit & Risk	
	Held (H)	Attended (A)	H	A	H	A
Bryce Crocker	17	17	-	-	-	-
Peter Johnston	17	17	1	1	2	2
Brian Kennedy	17	17	1	1	2	2
Michael Callahan (appointed 24 July 2019)	17	17	1	1	-	-
Scott Hean (appointed 24 July 2019, resigned 19 September 2019)	4	2	-	-	-	-
Simon Clarke (appointed 19 June 2019, resigned 24 July 2019)	1	1	-	-	-	-

As a relatively top-light organization that highly values agility and fiscal discipline, the Board through its Non-Executive Directors are directly engaged in the Nomination and Remuneration Committee and, with respect to our Health, Safety and ESG, all leadership roles and responsibilities are wholly integrated within ongoing Board functions, activities and meetings of Directors (pg. 18).

Key Decisions of the Board

In the year ending June 30, 2020, the key decisions of the Board included:

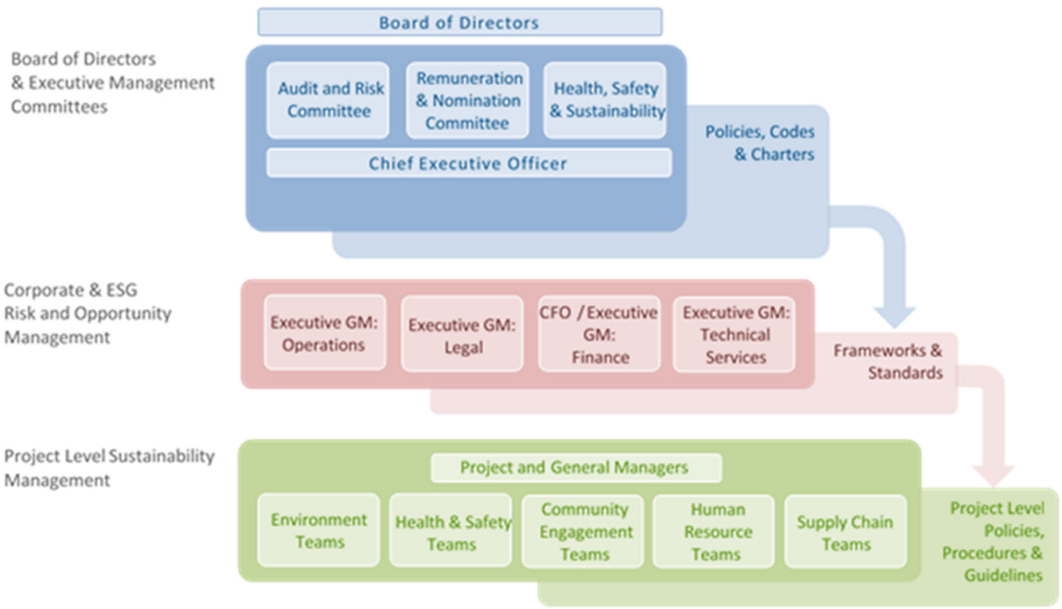
- Review and approval of the proposed activities and operating budget for the 2020 Financial year
- Approval for the acquisition of eCobalt Solutions Inc and thereby acquiring ICO as the company's cornerstone initial development asset
- Approval for drilling expenditure at ICO and Uganda
- Give direction and approval for the BFS study on ICO
- Sale of the remaining non-core royalties
- Review impact of Covid-19 on the group and approval of a revised operating budget in response to Covid-19
- Review and approval of the new Sustainability Policy and the revised sustainability governance structure and provide oversight, guidance and input into the review of the ESG policies and procedures of the Company

Performance Evaluation

Jervois' did not undertake a specific internal performance evaluation to assess the overall effectiveness of the Board and its committees, however it did consider these aspects of its roles and responsibilities on an ad hoc basis at its regularly scheduled board meetings and through its review of its ESG activities. The Board evaluated the performance of its senior executives during the period.

Moving forward it is intended that internal evaluations too identify strengths and areas for improvement and outline strategies and actions to enhance performance during the year will be undertaken.

Structure, Systems and Processes for Effective and Ethical Governance



Ensuring our organizational culture is fully aligned with our core values of Responsibility, Integrity and Accountability (pg.2) requires ethical leadership and disciplined oversight of governance systems and processes by the Board. To achieve this, the Board Charter provides the overarching system and process to manage the board responsibilities. The Board is further supported by key committees, each of which has specific terms of reference as outlined in their respective charters and available on the Company's website.

FOSTERING A CULTURE OF SUSTAINABILITY THROUGHOUT JERVOIS

Over the past year, Jervois established an Internal ESG Working Group. Under the leadership of our CEO and Head, ESG, the inter-disciplinary team includes representation from Executive and Senior Management through to leaders of ESG teams at project level.

Key achievements including:

- Collaborative drafting of our Sustainability Policy, Sustainability Standard and related ESG systems.
- Substantive input into our Code of Ethics and Business Conduct, Diversity Policy and related policies.

This vertical integration of ESG has formalized cooperation and communication between all levels and provided an invaluable foundation for continuous improvement in sustainability.

Integration of Sustainability in Governance Structure

In 2020, Jervois made progress towards integrating sustainability and related risks and opportunities within all aspects of the business. At the highest level, given our nimble and lean Board and Senior Management team, oversight of and direction to health, safety and sustainability were integrated within roles and functions of the Board. Jervois is additionally taking steps to ensure that ESG risks and opportunities are systematically integrated within risk management processes at senior management and through to project levels. Amongst important developments, a new Health, Safety and ESG committee was formed which is co-chaired by the CEO and the Head of ESG, Dr Jennifer Hinton, and includes all members of the senior management team.

JERVOIS' SUSTAINABILITY STANDARD

Our Sustainability Standard outlines minimum requirements for compliance with our Sustainability Policy (pg.5). The Standard adapts and accounts for diversity in terms of the mining life cycle and differing geographies, peoples, cultures, economies and ecosystems.

The Standard defines the roles and functions of the Board through to project and ESG team and outlines internal ESG systems at corporate and project level including but not limited to:

- Environmental, social, occupational safety and health and human resource management systems
- Incident management and emergency prevention, preparedness and response
- Stakeholder consultation and engagement
- Local content and community development
- Grievance and whistleblower mechanisms
- Risk and opportunity management
- ESG monitoring, evaluation and reporting

Integration of Risk and Opportunity Management

As exemplified by the impact and uncertainties posed by the global Covid-19 pandemic (pg. 22), the risk landscape is highly dynamic. In response to our changing risk profile, our growing commitments to sustainability and our evolving value proposition Jervois has made significant progress over the past year to adapt and strengthen our risk management framework. Among key developments, we have taken steps towards embedding the assessment of ESG risks and opportunities within business processes at all levels.

Our Board, its Committees and Senior Management play pivotal roles. The Board is ultimately responsible for thoroughly assessing principle risks and opportunities facing Jervois, monitoring our risk exposure and response and ensuring related decisions serve our strategic priorities. Our Audit and Risk Committee plays a key oversight role with support from the Remuneration and Nomination Committee and Senior Management team.

Within their respective areas of responsibility, our Committees and Senior Management continually identify, prioritize and monitor emerging and prevailing risk while ensuring resulting decisions and actions are aligned with our core business objectives and vision, values and principles. At project level, ESG teams assess environmental, social and economic risks and opportunities on an ongoing basis under the oversight of Project Management.

A high degree of collaboration between senior management, projects and departments are essential to ensure that risks and opportunities are appropriately addressed at all levels and, particularly for material matters, inform more comprehensive, company-wide assessments. Risk management roles, functions and processes are defined in our charters, codes and, with respect to ESG matters, our Sustainability Standard.

Policies, Charters and Codes

The Company annual Corporate Governance Statement dated 30 September 2020 is available on the Company's website. This sets out the extent to which the Company has, during the financial year ending 30 June 2020, followed the recommendations set by the ASX Corporate Governance Council in its publication *Corporate Governance Principles and Recommendations*.

Accountability Mechanisms

Jervois is committed to ensuring the highest standards of fair dealing, honesty and integrity in its business activities.

To support this, the Company adopted a new whistleblower policy on 30 September 2020 which is available on its website. The purpose of this Policy is to provide an avenue for reports to be made regarding corporate misconduct, irregularities or any other behavior that is unethical, corrupt or illegal relating to the Jervois Group.

There is a standard agenda item at each Board meeting relating to Corporate Governance and Compliance which includes any reports via the Whistleblower policy, breaches of the Code of Conduct or similar information to be provided to the Board.

DIRECTORS REPORT

Directors Report

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 "Jervois", the 'company', 'consolidated entity' or 'parent entity') and the entities it controlled for the year ended 30 June 2020.

1. Directors

Please see pages 14 to 15 for the details of the persons were Directors of Jervois during the whole of the financial year and up to the date of this report, unless otherwise stated:

2. Director's meetings

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2020 was 17 and the number of meetings attended by each Director is set out on page 17.

3. Principal activities

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

4. Review of operations

The Review of Operations and business performance is set out on pages 6 to 13 above.

Capital Raising
In June 2019, the Company announced a successful capital raising of A$16.500 million with funds received July 2019.

Significant Developments
The significant developments during the reporting period are outlined in detail in Section 6 of this Directors' Report entitled "Significant Changes in the State of Affairs".

Business Risks

The following represent the material business risks.

The Company's annual budget and related activities are subject to a range of assumptions and expectations all of which contain a level of risk. The Company adopts a risk management framework to identify, analyze, treat and monitor the risks applicable to the Group. The risks are reviewed at least bi-annually by the Audit and Risk Committee and following each review are formally reported and discussed with the Board.

Detailed below are risk areas that have been identified as at the date of the Directors' Report which may affect Company's future operating and financial performance and the approach to managing them.

The Company is subject to numerous risks and uncertainties due to the nature of its business. The Company's activities expose it to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below.

The following are identified as the main risk factors affecting the Company.

ICO BFS

Risks associated with mining, geology and process has been largely mitigated through the BFS and the 2019 drilling and testwork programs. Geological risk will always remain on grade, which is planned by the company to be further mitigated by infill drilling once underground access has been opened.

Key risks moving forward at ICO identified in the BFS are:

- Construction of environmental systems – environmental systems and early works includes completion of the portal bench, miners dry and mining infrastructure, commissioning of the water treatment plant and pump back systems. This work has to be completed before mining development can commence in October 2021 and is subject to seasonal construction and can only start in June 2021.
- Long lead procurement Schedule Risk – procurement of the SAG mill in Q4 2020 is on the Process Plant critical path. In order to complete EC&I installation during winter 2021 the mechanical installation and the milling building construction has to be completed by October 2021.
- Detail Design Schedule Risk – detail design is important in terms of the construction schedule for both environmental systems/infrastructure and Process Plant Construction.
- Site Access and road usage – limiting road traffic and access to site is an environmental and safety risk which will be mitigated during construction by completing construction of the camp which will accommodate the bulk of construction and mining development resources/labour. Material and equipment deliveries will be managed/controlled through the Salmon warehouse to ensure deliveries to site are coordinated.

We cannot determine at this time whether a mine will ultimately be developed at ICO.

Coronavirus (COVID-19) and Global Health Crisis

The COVID-19 global pandemic and efforts to contain it may have an impact on the Company's business. These may extend to local impacts at the operational level, international travel restrictions, together with the broader global economic fallout. The Company continues to monitor the situation and the impact COVID-19 may have on the Company's mineral properties. Should the virus spread, travel bans remain in place or should one or more of the Company's executives become seriously ill, the Company's ability to advance its mineral properties may be impacted. Similarly, the Company's ability to obtain financing and the ability of the Company's vendors, suppliers, consultants and partners to meet obligations may be impacted as a result of COVID-19 and efforts to contain the virus.

Global Operating Footprint

The Company has investments across Australia, the United States and Uganda. The integration and ongoing management of this portfolio imposes heightened risks related to the ongoing business prospects of Jervois, particularly in the context of COVID-19 travel restrictions.

Commodity Prices

The Company is not currently a producing entity so is not directly exposed to fluctuations in commodity prices although these will affect equity market sentiment, the value of its securities and its ability to raise further capital on desired terms. As the Company transitions to become a producer this risk will become the most material factor affecting its financial results.

The development of the Company's properties is dependent on the future prices of cobalt and nickel. Once the Company's properties enter commercial production, the Company's profitability will be significantly affected by changes in the market prices of cobalt and nickel. Metal prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Company's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of metal production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of metals are generally quoted) and political developments. The effect of these factors on the prices of precious metals, and therefore the economic viability of the Company's mineral properties, cannot be accurately determined. The prices of cobalt and nickel have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Company's mineral properties to be impracticable or uneconomic. As such, the Company may determine that it is not economically feasible to commence commercial production, which could have a material adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Currency Fluctuations

The Company's operations in the U.S. and Australia make it subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position, operational results and cashflows. The Company typically raises equity in Australian dollars, reports its financial results in Australian dollars, however the majority of transactions are denominated in U.S. dollars. The Company does not use an active hedging strategy to reduce the risk associated with currency fluctuations.

Credit Risk

Credit risk is the risk of loss if a counterparty fails to meet their contractual obligations. Potential non performance by Company suppliers, customers or financial counterparties is carefully assessed and managed. In relation to its cash balances and (when applicable) marketable securities, the Company manages credit risk by banking with leading global financial institutions.

Reliance on Management

The success of the Company depends to a large extent upon its abilities to retain the services of its senior management and key personnel. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its Directors, officers or other qualified personnel required to operate its business.

Exploration and Development

Resource exploration and development is a speculative business and involves a high degree of risk. There is no certainty that the expenditures to be made by Jervois in the exploration of its mineral properties or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by Jervois will be affected by numerous factors beyond the control of Jervois. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Jervois not receiving an adequate return on invested capital.

Financing Risks

The Company will require financing in the future to continue in business and there can be no assurance that such financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares, control of the Company may change and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

No History of Earnings

Jervois has no history of earnings, and there is no assurance that the Company's mineral properties or any other property or business that Jervois may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. Jervois has no capacity to pay dividends at this time and has no plans to pay dividends for the foreseeable future.

Negative Operating Cash Flow / Liquidity Risk

The Company is an exploration and development company with opportunities to progress to an operating stage, however Jervois has not yet generated positive cash flow from operations. As a pre-revenue company Jervois is subject to liquidity risk. Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is devoting significant resources to the development of its properties, however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it achieves commercial production at a particular project. Due to the lack of positive operating cashflow, Jervois manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring actual and forecast cash flows, and matching the maturity profiles of financial assets and liabilities. *Environmental*

Risks and Other Regulatory Requirements

The activities of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations, including any proposed development of the Company's mineral properties, will require the submission and approval of environmental impact assessments. Environmental legislation is evolving to stricter standards, and enforcement, fines and penalties for noncompliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has potential to reduce the profitability of operations.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current environmental laws, regulations and permits governing operations and activities of mining companies and mine reclamation and remediation activities, or more stringent implementation thereof, could have a material adverse impact on Jervois and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Influence of Third-Party Stakeholders

The mineral properties in which Jervois holds an interest, or the exploration equipment and road or other means of access which Jervois intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Jervois' work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Jervois.

Insurance

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, ground or slope failures, fires, environmental occurrences and natural phenomena such as prolonged periods of inclement weather conditions, floods and earthquakes. It is not always possible to obtain insurance against all such risks and Jervois may decide not to insure against certain risks because of high premiums or other reasons. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to Jervois' properties or the properties of others, delays in exploration, development or mining operations, monetary losses and possible legal liability. Jervois expects to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. Jervois expects to carry liability insurance with respect to its mineral exploration operations, but is not expected to cover any form of political risk insurance or certain forms of environmental liability insurance, since insurance against political risks and environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of Jervois. If Jervois is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter costly interim compliance measures pending completion of a permanent remedy. The lack of, or insufficiency of, insurance coverage could adversely affect Jervois' future cash flow and overall profitability.

Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Jervois expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Jervois, Jervois may be unable to acquire additional attractive mineral properties on terms it considers acceptable. In addition, Jervois' ability to consummate and to integrate effectively any future acquisitions on terms that are favourable to Jervois may be limited by the number of attractive acquisition targets, internal demands on resources, competition from other mining companies and, to the extent necessary, Jervois' ability to obtain financing on satisfactory terms, if at all.

Community and Stakeholder Relations

The Company's relationships with the community in which it operates are critical to ensure the future success of its existing operations and the construction and development of its project. The future success of Jervois is reliant on a healthy relationship with local communities in which the Company operates. While the Company is committed to operating in a socially responsible manner, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Share Price Fluctuations

In recent years, capital markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development-stage companies such as the Company, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

Jervois' Operations are Subject to Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Jervois' interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Jervois. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Jervois might undertake and legal claims for errors or mistakes by Jervois personnel.

Conflicts of Interest

Certain Directors and officers of Jervois are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Jervois. Situations may arise in connection with potential acquisitions in investments where the other interests of these Directors and officers may conflict with the interests of Jervois. Directors and officers of Jervois with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Geopolitical Risk

The Company's projects are in United States, Australia and Uganda. Operating in these jurisdictions may expose the Company to a range of significant country specific risks including general economic, regulatory, legal, social and political conditions. Investing in emerging markets such as Uganda involves greater risk than investing in more developed markets. These and other country specific risks may affect Company's ability wholly or in part to operate its businesses.

Certain of Jervois' projects and operations are located in Uganda, a developing country which has historically experienced periods of civil unrest and political and economic instability. As such the operations of Jervois may be exposed various level of political, economic and other risks and uncertainties. Although the political and economic climate in Uganda is currently stable, any negative changes in laws, government, regulations, economic conditions or political attitudes in Uganda are beyond the control of Jervois and may adversely affect its business. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, military repression, crime, political instability, currency controls, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, illegal mining, changes in taxation and mining laws, regulations and policies, restrictions on foreign exchange and repatriation, and changing political conditions and governmental regulations relating to foreign investment and the mining business.

In Uganda, land titles systems are not developed to the extent found in many developed nations. Jervois believes that it has good title to its mineral properties in Uganda. Whilst rights to explore mineral properties are currently held validly, no assurance can be given that the Ugandan government will not revoke or significantly alter the conditions of the applicable licenses and that such licenses will not be challenged or impugned by third parties. There is no certainty that such rights or additional rights applied for will be granted or renewed on terms satisfactory to Jervois. There can be no assurance that claims by third parties against Jervois' properties will not be asserted at a future date.

Calculation of Mineral Resources and Mineral Reserves

There is a degree of uncertainty attributable to the calculation of mineral reserves, mineral resources and corresponding grades being mined or dedicated to future production. Until mineral reserves or mineral resources are actually mined and processed, the quantity of mineral reserves or mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral reserves or mineral resources may vary depending on mineral prices. Any material change in the quantity of mineral reserves, mineral resources, grade or stripping ratio may affect the economic viability of Jervois' properties. In addition, there can be no assurance that mineral recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Limitations on the Mineral Resource Estimates

Estimating the quantity and quality of mineral resources is an inherently uncertain process and the minerals resources stated and any mineral Resources or reserves the Company states in the future are and will be estimates, and may not prove to be an accurate indication of the quantity of mineral that the Company has identified or that it will be able to extract.

The mineral resource estimates on the ICO and Nico Young Project are estimates only. No assurance can be given that any particular level of recovery of minerals will in fact be realized or that identified mineral resources will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, the grade of mineralization which may ultimately be mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. The estimated mineral resources on the ICO and Nico Young Project should not be interpreted as assurances of commercial viability or of the profitability of any future operations. Moreover, certain of the mineral resources are reported at an “Inferred” level. Inferred mineral resources have a substantial degree of uncertainty as to their existence, and economic and legal feasibility. Accordingly, there is no assurance that inferred mineral resources reported herein will ever be upgraded to a higher category. Investors are cautioned not to assume that part or all of an inferred mineral resource exists or is economically or legally mineable.

Project Assessment and Development Risk

The Company completed the BFS on the ICO Project subsequent to 30 June 2020, the study has determined that the project is economically and technically viable. The project is environmentally permitted, and the company is still in the process of applying for final permits as needed and securing finance for the construction and commissioning of the project.

Capital Management

With the completion of the ICO BFS providing an encouraging outcome, the Company will be looking to advancing the development of this project with the aim of first production in 2022. To successfully deliver on the development of ICO Project and bring it into sustainable production, the Company will need to secure additional sources of funding.

If the Company is not successful in securing additional sources of funding, it still has the ability to fund reduced ongoing working capital requirements of the Company, through to 30 September 2021, meeting minimum expenditure requirements to maintain tenure on all projects within its global footprint, continued care and maintenance at ICO and corporate cost commitments.

The ability of the Company to fund the ongoing working capital requirements beyond 30 September 2021 is uncertain. Accordingly, a material uncertainty exists in regards to the ability of the Company to continue to operate as a going concern beyond 30 September 2021 and, therefore, whether it will be able to realize its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. There can be no assurance that the Company will be able to obtain or access additional funding when required, or that the terms associated with the funding will be acceptable to the Directors. If the Company is unable to obtain such additional funding, it may be required to reduce the scope of its operations, which could adversely affect its business, financial condition and operating results. Further details on the going concern matter are included in Note 2 to the Financial Statements.

Pre-existing Environmental liabilities

Pre-existing environmental liabilities may exist on the properties in which Jervois currently holds an interest or on properties that may be subsequently acquired by Jervois which are unknown to Jervois and which have been caused by previous or existing owners or operators of the properties. In such event, Jervois may be required to remediate these properties and the costs of remediation could be substantial. Further, in such circumstances, Jervois may not be able to claim indemnification or contribution from other parties. In the event Jervois was required to undertake and fund significant remediation work, such event could have a material adverse effect upon Jervois and the value of its securities.

Infrastructure and Logistics

Jervois' business depends on adequate infrastructure, including reliable power sources, water supply, roads and other infrastructure. Water shortages, power outages, sabotage, community, government or other interference in the maintenance or provision of such infrastructure could adversely affect Jervois' business, financial condition and results of operations.

Project Delay

Jervois has a significant investment planned to complete construction in Idaho, US. There are a number of risks inside and outside its control, such as availability of suitable financing, technical risk, infrastructure and logistics constraints, construction delays, cost overruns, insufficient labour skills or resources, delays in confirmatory permitting to move into construction then the commissioning and operating phases, or any other regulatory matters. Once complete given the risks outlined previously, there is no guarantee the results of ICO will be sufficient to offset such capital expenditures and generate adequate investor return.

Licenses, Permits and Titles

The Company holds multiple tenements, represented by licenses and/or titles to land that contain mineral resources or are prospective for minerals. At ICO, the Company holds permits for the operation of the project. Each of these tenements, licences and permits have certain requirements and obligations attached to them, which if not met, will result in the Company losing the rights to operate on these land areas and the resulting negative impact to the future prospects of the Company.

Permitting

Jervois' mineral property interests are subject to receiving and maintaining permits from appropriate governmental authorities. In particular, prior to any development of any of the Company's mineral properties, Jervois will need to receive numerous permits from appropriate governmental authorities including those relating to mining operations, occupational health, toxic substances, waste disposal, safety, environmental protection, land use and others. There is no assurance that the Company will be able to obtain all necessary renewals of existing permits, additional permits for any possible future developments or changes to operations or additional permits associated with new legislation. Further, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions.

Land Title

No assurances can be given that there are no title defects affecting the properties in which Jervois has an interest. The Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. Other parties may dispute title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by Indigenous people. Title may also be affected by undetected encumbrances or defects or governmental actions. Jervois has not conducted surveys of the Company's mineral properties and the precise area and location of claims and other mineral rights may be challenged. Jervois may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict Jervois' ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by Jervois invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although Jervois believes it has taken reasonable measures to ensure proper title to its mineral properties, there is no guarantee that such title will not be challenged or impaired.

Nico Young NI 43-101 Preliminary Economic Assessment

The Nico Young PEA is based on inferred mineral resources that are not of sufficient certainty to constitute a pre-feasibility study or a feasibility study. Jervois has not declared proven or probable mineral reserves at Nico Young, and no assurance can be given that we will ever be in a position to declare a Proven or Probable Mineral Reserve. For the Nico Young PEA to advance into feasibility study level, delineation of Proven or Probable Mineral Reserves will be required, which depends on a number of factors, including:

- the particular attributes of the deposit (including its size, grade, geological formation and proximity to infrastructure);
- metal prices, which are highly cyclical;
- government regulations (including regulations relating to taxes, royalties, land tenure, land use and permitting); and
- environmental protection considerations.

We cannot determine at this time whether any of our estimates will ultimately be correct.

5. Dividends paid or recommended

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

6. Significant changes in the state of affairs

262,630,541 fully paid ordinary shares were issued on 24 July 2019, to eCobalt shareholders to complete the acquisition of eCobalt Solutions.

82,500,000 fully paid ordinary shares were issued on 26 July 2019 for the A$16.500 million placement completed by the Company.

There have been no other significant changes in the state of affairs during the period.

7. Events subsequent to reporting date

The Directors of the Company have identified the following subsequent events in the interval between the end of the financial period and the date of this report, which would be material or unusual in nature, and likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years. The subsequent events are as follows:

- On 29 September 2020 the Company announced the ICO Bankable Feasibility Study outcomes as set out in the Review of Operations.
- On 29 September 2020 the Company announced the agreement to acquire the São Miguel Paulista nickel and cobalt refinery ("SMP Refinery") in São Paulo, Brazil. The SMP Refinery has annual refined production capacity of 25,000 metric tonnes of nickel and 2,000 metric tonnes of cobalt and is currently on care and maintenance. The cash purchase price of R$125 million is payable in tranches, with a R$15 million cash deposit payable by end December 2020.
- On 14 August 2020, the Company announced plans to recommence drilling activities at its Kilembe area properties in Western Uganda. The Company has received environmental approval to execute an initial 1,000 metres of diamond core drilling on the CC copper-gold target. The programme will be conducted utilising the Company's in-country geological professionals and regular East African drilling contractor whom have safely executed the Company's prior workplans in conjunction with an ongoing and modified Community Engagement programme.

8. Likely developments and expected results of operations

The consolidated entity will continue to advance ICO and Nico Young toward commercial production. It will undertake a feasibility study for the re-opening of the SMP Refinery. There are no significant changes in the nature or size of operations expected.

9. Environmental regulation

The consolidated entity holds participating interests in several 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 2020.

10. Directors' Interest

The relevant interest of each Director in the shares or options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Jervois Mining Limited	
	Ordinary shares	Options over ordinary shares
Bryce Crocker	2,775,000	20,000,000
Peter Johnston	2,750,000	8,375,000[1]
Brian Kennedy	7,246,000	3,780,000[1]
Michael Callahan	2,864,900	2,260,000[1,2]

1. Options for Peter Johnston (875,000), Brian Kennedy (1,280,000) and Michael Callahan (280,000) are subject to shareholder approval at the 2020 AGM.
2. Michael Callahan holds 1,980,000 options of eCobalt Solutions Inc, granted prior to its acquisition by Jervois Mining and are convertible into new Jervois Mining shares if exercised.

11. Share Options

Options granted to Directors and executives of the Company

During the financial year, an additional 9,935,000 options were issued to directors (of which 2,435,000 are subject to shareholder approval) and 27,438,200 options to employee as part of the Company option plan, with nil options forfeited and nil exercised, thus bringing the options issued over ordinary shares in the Company to 69,973,200 as at 30 June 2020. After the end of the financial year 2,300,700 options were forfeited and 450,000 exercised, thus bringing the options issued over ordinary shares in the Company to 67,222,500 as at the date of this report.

The Company option plan offers individuals the opportunity to acquire options over fully paid ordinary shares in the Company. Share options granted under the plan carry no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares when issued rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

During or since the end of the 2020 financial year, the Company granted options for no consideration over unissued shares in the Company to the following directors and key management personnel as part of their remuneration:

	Number of options granted	Exercise Price	Expiry Date
Directors			
Bryce Crocker	5,000,000	A$0.24	30 September 2024
Peter Johnston	875,000	A$0.15	31 March 2028
Brian Kennedy	1,280,000	A$0.15	31March 2028
Michael Callahan	280,000	A$0.15	31 March 2028
Executives			
Michael Rodriquez	2,500,000	A$0.24	15 August 2024
	2,000,000	A$0.15	31 March 2028
Ken Klassen	1,312,500	A$0.15	31 March 2028
Floyd Varley	2,500,000	A$0.22	14 October 2027
	1,000,000	A$0.15	31 March 2028

Details on options over ordinary shares in the Company that were granted as compensation for no consideration to each key management person, during the reporting period and details on options that vested during the reporting period are disclosed in the Remuneration report. There have been no options granted since the end of the financial year.

Unissued shares under options granted by Jervois to Directors, Employees and consultants

At the date of this report unissued shares of the Group under option are as follows:

Expiry date	Exercise price (A$)	Number of shares
30-Nov-22	$0.150	15,000,000
30-May-24	$0.345	100,000
18-Jun-24	$0.305	2,500,000
30-Sep-23	$0.290	5,000,000
1-Jul-23	$0.295	7,500,000
1-Jun-24	$0.240	2,500,000
14-Aug-27	$0.200	750,000
15-Aug-27	$0.200	12,050,000
15-Aug-24	$0.240	2,500,000
30-Sep-24	$0.240	5,000,000
14-Oct-27	$0.220	2,500,000
31-Mar-28	$0.150	11,822,500*
Total		**67,222,500**

As at 30 June 2020, there were 69,973,200 unissued shares under options (of which 2,435,000* are subject to shareholder approval). After the end of the financial year 2,300,700 options were forfeited and 450,000 exercised, thus bringing the options issued over ordinary shares in the Company to 67,222,500 as at the date of this report. Once exercised, the option holder will be issued ordinary shares in the Company. Details of the terms and conditions of options granted under the Staff Option Plan as part of the Group's Long-Term Incentive Plan are outlined in the Remuneration report and are included in Note 26 to the Financial Statements. The options do not entitle the holder to participate in any share issue of the Company. No shares have been issued by the Group during or since the end of the financial year as a result of the exercise of options.

12. 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.

Directors and senior management personnel

Name	Position	Commencement Date	
Directors			
Bryce Crocker	Director (Executive)		
Peter Johnston	Chairman (Non-executive)		
Brian Kennedy	Director (Non-executive)		
Michael Callahan	Director (Non-executive)	24 July 2019	
Scott Hean	Director (Non-executive)	24 July 2019	*Resigned 19 September 2019*
Simon Clarke	Director (Non-executive)	19 June 2019	*Resigned 24 July 2019*
Senior Executives			
Bryce Crocker	Chief Executive Officer		
Michael Rodriguez	Executive General Manager – Technical Services		
Ken Klassen	General Counsel / Executive General Manager – Legal		
Floyd Varley	Chief Operating Officer / Executive General Manager – Operations	24 July 2019	

Andy Edelmeier	Interim Chief Financial Officer / Executive General Manager - Finance	19 June 2019	*Resigned 31 October 2019*

Changes to key management personnel

Directors

- On 24 July 2019, Mr Michael Callahan was appointed a Director (Non-Executive) of the Company
- On 24 July 2019, Mr Simon Clarke resigned from his position as Director (Non-Executive). Mr Clarke continued with the Company in his role as Executive General Manager – Corporate Affairs until 30 June 2020. Mr Clarke's role subsequent to his resignation as a Director, was not considered to be Key Management Personnel, as defined by the accounting standards;
- On 19 September 2019, Mr Scott Hean resigned from his position as Director (Non-Executive).

Senior Executives

- On 24 July 2019, Mr Floyd Varley was appointed as the Chief Operating Officer
- On 31 October 2019, Mr Andy Edelmeier ceased employment with the Company
- On 4 June 2020, Mr Jess Birtcher was appointed as the Acting Chief Financial Officer in compliance with Canadian regulations, pursuant to which Jervois is required to have a designated CFO. Mr Birtcher, has not been considered to be Key Management Personnel, as defined by the accounting standard as his role is in an acting capacity.

There were no other changes during 2020.

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

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- 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 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 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.

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 hurdles;
- 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.

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 (entirely discretionary), which if required are approved by shareholders
- Long-term incentives (entirely discretionary), which if required are approved by shareholders

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.

In exercising its discretion in considering the incentives, the Remuneration Committee does not refer to specific KPI's but instead consider the individuals overall contribution to the activities of the group, the performance of an individual within their specific roles and the overall performance of the group and the outcomes it has achieved in the year.

During the financial year, all the consolidated entity's executive remuneration was comprised of base pay and benefits, including superannuation, short and long-term incentives comprising the issue of shares and granting of options.

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 expense payments benefits. None of this type of remuneration is dependent on the satisfaction of any performance conditions.

The consolidated entity makes superannuation contributions on each component of an executive's 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.

The consolidated entity's long-term incentives are provided as approved by shareholders at the 2018 and 2019 annual general meeting. At the 2019 annual general meeting 96.9% approved the remuneration report for 2019. The company did not receive any specific feedback at the annual general meeting regarding its remuneration practices. The long-term incentives are designed to provide long-term incentives for all the consolidated entity's staff, including its executives. No specific performance conditions are attached to the vesting conditions for any options granted other than continued employment. The Directors of the parent entity have discretion to determine all the terms and conditions for any options granted, including such matters as who participates, the vesting conditions, exercise price and expiry date etc. Options are granted for no consideration and carry no dividend or voting rights. (Bryce Crocker has a contractual right to be granted further options in September 2020 pursuant to shareholder approval at the 2017 annual general meeting).

The consolidated entity does not currently attach any performance conditions or pre-defined targets to the vesting conditions of any options granted plan, which would need to be achieved before the options vested other than continued employment. 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's determines the vesting conditions applicable to any options granted. Long-term incentive options were granted by the consolidated entity during the financial year to Directors in exchange for salary sacrifice due to Covid-19 and certain participation on Board Sub Committees. There were management options granted during the financial year.

Non-Executive Director Remuneration

Non-Executive Director fees are paid within an aggregate limit which must not exceed A$250,000 (excluding mandatory superannuation) per annum or such other maximum as determined by the Company in a general meeting.

The total cash fees paid to each Independent Non-executive Director for the 2020 and 2019 financial years are disclosed in the Details of remuneration table below.

All Non-Executive Directors are eligible to participate in the options granted.

All Non-Executive Directors are also entitled to be reimbursed for all reasonable travel, accommodation and other expenses incurred in attending meetings of the Board, committees or shareholders or while engaged on other Jervois Mining Limited business.

Key terms of employment contracts

The remuneration and other terms of employment for the Executive Directors and Senior Management are set out in service agreements. These agreements make provision for a fixed remuneration component, and options as a long-term incentive. The material terms of the service agreements are set out below.

Term	Conditions	Position
Duration of contract	Ongoing until notice is given by either party	Executive Directors/Company Secretary/Senior Management
Voluntary termination (i.e. termination by executive by giving notice)	3 months' notice, (other than for Kenneth Klassen which is 30 days notice)	Executive Directors/Company Secretary/Senior Management
Termination by Company without cause	3 months' notice with payment of fixed compensation or payment in lieu (other than for Kenneth Klassen which is 30 days notice)	Executive Directors/Company Secretary/Senior Management
Termination by Company for cause	Employment may be terminated immediately without notice if the executive commits any act or omission justifying summary dismissal at common law.	Executive Directors/Company Secretary/Senior Management

Non-Executive Directors have an ongoing appointment with a notice period of 20 days if terminated by the Director and three months if terminated by the Company, other than for cause, in which case the termination may be terminated with immediate effect. There are no termination payments payable to Non-Executive Directors.

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.

Details of remuneration

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

	Short-term benefits			Post-employment benefits	Share based payments	Value of options as proportion of	
2020	**Salary and directors' fees**	**Non-Monetary Benefits (1)**	**Consultancy fees**	**Superannuation**	**Equity (2)**	**total remuneration**	**Total**
	$A	**$A**	**$A**	**$A**	**$A**	**%**	**$A**
Non-Executive Directors:							
P Johnston	75,000				104,963	58.3	179,963
B Kennedy	24,000				153,546	86.5	177,546
M Callahan (3)	-		-	-	33,588	60.4	33,588
S Hean (4)	-		-	-	-	-	-
S Clarke (5)	-	-	-	-	-	-	-
Executive Directors:							
B Crocker	315,222(8)	17,286	-	27,096	752,673	67.7	1,112,277
Other Key Management Personnel:							
M Rodriguez	256,732(10)	-	-	22,069	595,608	70.1	874,409
K Klassen	-	-	269,229(9)	-	157,445	36.9	426,674
F Varley (6)	345,924(10)	-	-	8,723	575,587	62.7	930,234
A Edelmeier (7)	-	-	66,661	-	-	-	66,661
Total	**1,016,878**	**17,286**	**335,890**	**57,888**	**2,373,410**	**62.6**	**3,801,351**

1. Includes the value of fringe benefits and other allowances
2. In accordance with the requirements of Accounting Standards, remuneration includes a proportion of the fair value of equity compensation granted or outstanding during the year (i.e. options granted under LTIP that remained unvested as at 30 June 2020). The fair value of equity instruments is determined at the grant date and is progressively allocated over the vesting period. The amount included as remuneration is not necessarily related to or indicative of the benefit (if any) that senior executives may ultimately realise should the equity instruments vest. The fair value of the options at the date of their grant has been determined in accordance with AASB 2 *Share-based Payments*. All options granted under the LTIP are equity settled.
3. Appointed as Director 24 July 2019
4. Resigned as Non-Executive Director on 19 September 2019
5. Resigned as Non-Executive Director on 24 July 2019
6. Appointed as COO 24 July 2019
7. Resigned as Interim CFO 31 October 2019
8. Includes a payment of A$30,000 for the extension of vesting conditions to 30 September 2022 from 30 September 2019 related to the 1,000,000 shares granted (following shareholder approval) for appointment as an Executive Director. This amendment was effective on 26 September 2019. The market price of the ordinary shares on this day was A$0.215. There was no change to the fair value of the 1,000,000 ordinary shares due to the change in vesting date.
9. Includes A$15,688 for reimbursement of expenses
10. Includes annual leave accrued during the year of A$24,425 for Michael Rodriguez and A$11,989 for Floyd Varley.

	Short-term benefits			Post-employment benefits	Share based payments	Value of options as proportion of	
2019	**Salary and directors' fees**	**Non-Monetary Benefits (1)**	**Consultancy fees**	**Super-annuation**	**Equity (2)**	**total remuneration**	**Total**
	$A		**$A**	**$A**	**$A**	**%**	**$A**
Non-Executive Directors:							
P Johnston (3)	75,000	-	-	-	304,334	80.2	379,334
B Kennedy	24,000	-	-	-	442,072	94.9	466,072
M Rodriguez (4)	18,000		34,800	-	442,072	89.3	494,872
S van der Sluys (5)	23,249	-	-	2,209	-	-	25,458
M Callahan (6)	-	-	-	-	-	-	-
S Hean (6)	-	-	-	-	-	-	-
S Clarke (7)	9,819	-	-	-	-	-	9,819
Executive Directors:		-					
B Crocker	273,972	-		26,027	3,553,934	92.2	3,853,933
Other Key Management Personnel:							
M Rodriguez (8)	72,418	-		6,880			79,298
K Klassen (9)	-	-	22,693		11,089	32.8	33,782
A Edelmeier (10)	8,183	-	-	-	-	-	8,183
Total	**504,641**	**-**	**57,493**	**35,116**	**4,753,501**	**88.8**	**5,350,751**

1. Includes the value of fringe benefits and other allowances
2. In accordance with the requirements of Accounting Standards, remuneration includes a proportion of the fair value of equity compensation granted or outstanding during the year (i.e. options granted under LTIP that remained unvested as at 30 June 2020). The fair value of equity instruments is determined at the grant date and is progressively allocated over the vesting period. The amount included as remuneration is not necessarily related to or indicative of the benefit (if any) that senior executives may ultimately realise should the equity instruments vest. The fair value of the options at the date of their grant has been determined in accordance with AASB 2 *Share-based Payments*. All options granted under the LTIP are equity settled.
3. Appointed as Chairman 1 July 2018
4. Resigned as Non-Executive Director on 17 April 2019
5. Resigned as Non-Executive Director on 19 June 2019
6. Appointed as Non-Executive Director 24 July 2019
7. Appointed as Non-Executive Director 19 June 2019, resigned 24 July 2019
8. Appointed Executive General Manager – Technical Services 18 March 2019
9. Appointed General Counsel / Executive General Manager – Legal 1 June 2019
10. Appointed Interim Chief Financial Officer 19 June 2019

Share-based compensation

Issue of shares and options

During the 2020 financial year 19,247,500 options were issued to Directors and key management personnel.

Further there were 3,108,600 options on issue, at the time of the eCobalt merger, to Directors and officers who were former Directors of eCobalt Solutions and are reflected as being held at the time of appointment. Under the terms of the merger, these options will be exercised into shares of the Company.

Options

There were 48,727,500 options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2020.

Additional information

The Directors are committed to developing and maintaining a remuneration policy and practices that are targeted at the achievement of corporate values and goals and the maximization of shareholder value. None of the key management personnel remuneration in the current year or in the previous year was linked to measured performance, other than as part of the discretionary consideration of the Long Term incentives granted during the current year.

No key management personnel were provided with any loans during the year.

The earnings of the consolidated entity for the five years to 30 June 2020 are summarised below:

In thousands	2020	2019	2018	2017	2016
	$A	$A	$A	$A	$A
Other income	3,259	4,138	446	5,376	21
Profit / (loss) before income tax	(8,898)	(5,377)	(6,951)	3,944	(942)
Profit/(loss) after income tax	(8,898)	(6,001)	(6,951)	3,944	(942)

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

	2020	2019	2018	2017	2016
	$A	$A	$A	$A	$A
Share price at financial year end ($)	0.16	0.22	0.41	0.06	0.05
Basic (loss) / profit per share (cents per share)	(1.43)	(2.67)	(3.84)	3.64	(1.12)

A transitional Board was appointed in November 2016. This transitional Board undertook a review of the assets of Jervois and a search for appropriate new management to take Jervois forward. The new Board and management team, led by Bryce Crocker, were appointed in October 2017. Over the last three years, the strategic focus of Jervois has transitioned toward a focus on battery materials. Jervois is specifically focused upon EV battery cathode raw materials (nickel and cobalt are required in most commercially established battery chemistries), charging infrastructure and EV materials (copper). As a result of this focus, non core assets have been disposed of resulting in the Other Income in the last 3 years.

The primary focus of the Company is now the development of its Idaho Cobalt Operations. The Company also owns the Nico Young Project, Kilembe Project and Bujagali Project. Advancement of these projects, including the ICO BFS in 2020, Nico Young 43-101 Preliminary Economic Assessment in 2019 and exploratory drilling in Uganda in 2019 and 2020 have contributed to the loss incurred each year. Alongside management performance, macro-economic conditions as well as movements in battery metal commodity prices have contributed to the share price performance of the Company.

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	Held at time of appointment in Current Year	Additions [6]	Disposals / held at time of resignation	Balance at the end of the year
Ordinary shares					
P Johnston	250,000	-	2,500,000	-	2,750,000
B Kennedy	146,000	-	7,100,000	-	7,246,000
M Callahan [1]	-	165,000	2,699,900	-	2,864,900
S Hean [2]	-	825,000	-	825,000	-
S Clarke [3]	1,559,000	-	-	1,559,000	-
B Crocker	1,275,000	-	1,500,000	-	2,775,000
M Rodriguez	-	-	-	-	-
K Klassen	-	-	2,725,000	-	2,725,000
F Varley [4]	-	-	-	-	-
A Edelmeier [5]	3,428,486	-	-	3,428,486	-
Total	**6,658,486**	**990,000**	**16,524,900**	**5,812,486**	**18,360,900**

1. Appointed as Director 24 July 2019
2. Resigned as Non-Executive Director on 19 September 2019
3. Resigned as Non-Executive Director on 24 July 2019, remains as part of the management team
4. Appointed as COO 24 July 2019
5. Resigned as Interim CFO 31 October 2019
6. Shares acquired through participation in the July 2019 placement following shareholder approval

Option holding

The number of options over ordinary 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	Held at time of appointment in Current Year	Additions	Disposals / held at time of resignation	Balance at the end of the year
Options over ordinary shares					
P Johnston	7,500,000	-	875,000	-	8,375,000
B Kennedy	2,500,000	-	1,280,000	-	3,780,000
M Callahan [1]	-	1,980,000	280,000	-	2,260,000
S Hean [2]	-	1,128,600	-	1,128,600	-
S Clarke [3]	935,000	-	2,500,000	3,435,000	-
B Crocker	15,000,000	-	5,000,000	-	20,000,000
M Rodriguez	2,500,000	-	4,500,000	-	7,000,000
K Klassen	2,500,000	-	1,312,500		3,812,500
F Varley [4]	-	-	3,500,000	-	3,500,000
A Edelmeier [5]	796,250	-	-	796,250	-
	31,731,250	**3,108,600**	**19,247,500**	**5,359,850**	**48,727,500**

1. Appointed as Director 24 July 2019
2. Resigned as Non-Executive Director on 19 September 2019
3. Resigned as Non-Executive Director on 24 July 2019, remains as part of the management team
4. Appointed as COO 24 July 2019
5. Resigned as Interim CFO 31 October 2019

	Options awarded during the year	Award date	Fair value per option on award date	Vesting date	Exercise price	Expiry date	No. vested during the year	No. lapsed during the year	Value of options granted during the year	Value of options exercised during the year
			A$		A$				A$	
P Johnston	875,000	4/1/2020	0.12	4/1/2023	0.15	3/31/2028	-	-	104,963	-
B Kennedy	1,280,000	4/1/2020	0.12	4/1/2023	0.15	3/31/2028	-	-	153,546	-
M Callahan	280,000	4/1/2020	0.12	4/1/2023	0.15	3/31/2028	-	-	33,588	-
S Hean	-	-	-	-	-	-	-	-	-	-
S Clarke	2,500,000	8/15/2019	0.17	8/15/2022	0.20	8/15/2027	-	-	427,134	-
B Crocker	5,000,000	10/1/2019	0.15	10/1/2021	0.24	9/30/2024	-	-	752,673	-
M Rodriguez, first award	2,500,000	8/15/2019	0.17	8/15/2021	0.21	8/15/2024	-	-	355,693	-
M Rodriguez, second award	2,000,000	4/1/2020	0.12	4/1/2023	0.15	3/31/2028	-	-	239,916	-
K Klassen	1,312,500	4/1/2020	0.12	4/1/2023	0.15	3/31/2028	-	-	157,445	-
F Varley, first award	2,500,000	10/14/2019	0.18	10/14/2022	0.22	10/14/2027	-	-	455,629	-
F Varley, second award	1,000,000	4/1/2020	0.12	4/1/2023	0.15	3/31/2028	-	-	119,958	-
A Edelmeier	-	-	-	-	-	-	-	-	-	-

Of the Options granted in the year the consolidated entity does not currently attach any performance conditions or pre-defined targets to the vesting conditions of any options granted plan, which would need to be achieved before the options vested other than continued employment. 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's determines the vesting conditions applicable to any options granted. Long-term incentives were paid by the consolidated entity during the financial year to directors

This concludes the remuneration report.

13. 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.

14. Indemnity of auditor

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during or since the financial year.

15. 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.

16. Audit and non-audit service and review

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important. Details of the amounts paid or payable to Ernst & Young ("EY") (as the current Group auditor) and BDO East Coast Partnership ("BDO") (as the prior period Group auditor), for audit and non-audit services provided are set out in note 9.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants'.

There are no officers of the company who are former partners of BDO East Coast Partnership nor Ernst & Young.

17. Lead 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 immediately after this directors' report. EY was appointed as auditors of the company on 5 August 2020. This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Dated at Melbourne this 30th day of September 2020.

Signed in accordance with a resolution of the directors:

P. B. Johnston.

Peter Johnston
Chairman

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

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Building a better working world

Auditor's Independence Declaration to the Directors of Jervois Mining Limited

As lead auditor for the audit of Jervois Mining Limited for the financial year ended 30 June 2020, I declare 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 and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Matthew A. Honey
Partner
30 September 2020

Consolidated Financial Statements

Consolidated statement of financial position

For the year ended 30 June 2020

	Note	30 June 2020 A$'000	30 June 2019 A$'000
Current assets			
Cash and cash equivalents	*12*	5,663	4,187
Other receivables	*14*	252	324
Prepayments		234	70
Term deposits	*15*	116	-
Inventories		88	-
Total current assets		6,353	4,581
Non-current assets			
Security deposits	*17*	178	178
Exploration and evaluation	*18*	53,590	27,396
Property, plant and equipment	*19*	59,213	935
Intangible assets		347	-
Reclamation deposits	*20*	2,999	-
Financial assets at fair value through other comprehensive income		-	1,737
Total non-current assets		116,327	30,247
Total assets		122,680	34,828
Current liabilities			
Trade and other payables	*21*	715	2,582
Employee benefits	*22*	184	42
Loans		116	-
Total current liabilities		1,015	2,624
Non-current liabilities			
Deferred tax liabilities		38	-
Employee benefits	*22*	18	15
Provision for site reclamation and closure costs	*23*	10,861	-
Total non-current liabilities		10,917	15
Total liabilities		11,932	2,639
Net assets		110,748	32,189
Equity			
Share capital	*24*	164,476	85,932
Reserves	*25*	17,077	696
Accumulated losses		(70,805)	(54,439)
Total equity attributable to equity holders of the Company		110,748	32,189

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

JERVOIS MINING LIMITED AND CONTROLLED ENTITIES

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2020

	Note	30 June 2020 A$'000	30 June 2019 A$'000
Other income	7	3,259	4,213
Administrative expenses		(187)	(88)
Communication expenses		(82)	(18)
Employee benefits expense	*8*	(1,457)	(3,216)
Share based payments	*26*	(3,484)	(2,709)
Insurance premiums		(104)	(68)
Professional fees		(1,825)	(982)
Business development costs		(234)	-
Securities quotation fees		(385)	(213)
Tenancy and property costs		(20)	(24)
Other expenses		(573)	(291)
Depreciation and amortisation	*8*	(322)	(17)
Exploration assets written off		(1,063)	(53)
Professional fees incurred with M2 Cobalt and eCobalt acquisitions		(2,657)	(1,908)
Loss on sale of investments		-	(3)
Gain on sale of fixed assets		49	-
Net foreign exchange gain/(loss)		174	-
Net finance income		13	-
Loss before income tax expense		(8,898)	(5,377)
Income tax expense	*10*	-	(624)
Loss for the year		(8,898)	(6,001)
Loss after income tax expense for the year attributable to the owners of Jervois Mining Limited		(8,898)	(6,001)
Other comprehensive income:			
Items that may be subsequently reclassified to the profit or loss:			
Exchange reserve arising on translation of foreign operations		2,143	(63)
Items that will not be reclassified to profit or loss in subsequent periods:			
Change in fair value of equity instrument at FVOCI		1,016	(6,170)
Total comprehensive loss for the year attributable to the owners of Jervois Mining Limited		(5,739)	(12,234)
(Loss) per share for the year attributable to the owners of Jervois Mining Limited			
Basic (loss) per share (cents)	*11*	(1.43)	(2.67)
Diluted (loss) per share (cents)	*11*	(1.43)	(2.67)

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

Consolidated statement of changes in equity

For the year ended 30 June 2020

	Notes	Issued capital A$'000	Share capital reserve A$'000	Share based payment reserve A$'000	Financial assets reserve A$'000	Foreign currency translation reserve A$'000	Retained earnings A$'000	Total A$'000
Balance as at 1 July 2019		85,932	-	9,242	(8,484)	(63)	(54,439)	32,190
Total comprehensive income								
Profit or (loss)		-	-	-	-	-	(8,898)	(8,898)
Other comprehensive income								
Foreign currency translation differences for foreign operations		-	-	-	-	2,143	-	2,143
Change in fair value of equity instrument at FVOCI		-	-	-	1,016	-	-	1,016
Total comprehensive income for the period		-	-	-	1,016	2,143	(8,898)	(5,739)
Transfer to retained earnings		-	-	-	7,468	-	(7,468)	-
Transactions with owners, recorded directly in equity								
Issue of ordinary shares		78,869	-	-	-	-	-	78,869
Costs of raising equity		(326)	-	-	-	-	-	(326)
Value of options issued		-	2,245	3,509	-	-	-	5,754
Share based payment transactions		-	-	-	-	-	-	-
Balance at 30 June 2020		164,476	2,245	12,751	-	2,081	(70,805)	110,748

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

JERVOIS MINING LIMITED AND CONTROLLED ENTITIES

Consolidated statement of changes in equity

For the year ended 30 June 2020

	Notes	Issued capital A$'000	Share based payment reserve A$'000	Financial asset reserve A$'000	Foreign currency translation reserve A$'000	Accumulated losses A$'000	Total equity A$'000
Balance as at 1 July 2018		70,474	3,912	(2,314)	-	(48,437)	23,635
Total comprehensive income							
Profit or (loss)		-	-	-	-	(6,001)	(6,001)
Other comprehensive income							
Foreign currency translation differences for foreign operations		-	-	-	(63)	-	(63)
Change in fair value of equity instrument at FVOCI				(6,170)	-	-	(6,170)
Total comprehensive income for the period		-	-	(6,170)	(63)	(6,001)	(12,234)
Transactions with owners, recorded directly in equity							
Issue of ordinary shares		14,998	-	-	-	-	14,998
Costs of raising equity		-	-	-	-	-	-
Options exercised		200	-	-	-	-	200
Share based payment transactions		-	5,591	-	-	-	5,591
Value of options exercised		261	(261)	-	-	-	-
Balance at 30 June 2019		85,933	9,242	(8,484)	(63)	(54,439)	32,190

JERVOIS MINING LIMITED AND CONTROLLED ENTITIES

Consolidated statement of cash flows

For the year ended 30 June 2020

	Note	30 June 2020 A$'000	30 June 2019 A$'000
Cash flows from operating activities			
Proceeds from sale of royalties	*7*	3,101	6,033
Sundry income	*7*	158	1
Payments to suppliers and employees		(4,592)	(1,845)
Merger costs		(773)	(763)
Interest		(39)	(0)
Company Tax		-	(624)
Net cash inflow/(outflow) from operating activities		(2,145)	2,802
Cash flows (used in)/from investing activities			
Interest received		52	62
Payments for property, plant and equipment		(467)	(342)
Payments for exploration and evaluation		(13,574)	(4,566)
Proceeds from the sale of fixed assets		354	-
R&D tax offset received in relation to exploration assets		-	800
Proceeds from sale of investments		-	2,469
Funds from subsidiary acquired	*4*	994	594
Payments/refunds - security deposits and advances		-	2
Net cash from/(used in) investing activities		(12,641)	(980)
Cash flows from financing activities			
Proceeds from issue of shares		16,578	200
Share issue transaction costs		(324)	-
Loan to other entities		-	(2,551)
Net cash from financing activities		16,254	(2,351)
Net in cash and cash equivalents		1,468	(529)
Cash and cash equivalents at beginning of the period		4,187	4,715
Effects of exchange rate changes on cash and cash equivalents		8	-
Cash and cash equivalents at the end of the period	*12*	5,663	4,187

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

Notes to the Financial Statements

1. Corporate 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 ended 30 June 2020. The financial statements are presented in Australian dollars, which is Jervois's functional and presentation currency.

Jervois is a listed public company limited by shares, incorporated in Australia, with a registered office at:

Suite 508,
737 Burwood Road
Hawthorn East, Victoria, 3123, Australia

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2020. The Directors have the power to amend and reissue the financial statements.

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB). These statements have been rounded to the thousands in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are recognised at fair value. Cost is based on the fair values of the consideration given in exchange for assets. Where necessary, comparative figures have been reclassified and repositioned for consistency with the current year disclosures.

(c) Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes continuity of business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the twelve month period ended 30 June 2020 the Group had a loss of A$8.898 million (June 2019 the Group had a loss of A$6.001 million) and had net equity of A$110.748 million (June 2019: A$32.189 million). The net loss includes non cash share-based payments expense of A$3.484 million (June 2019 A$5.590 million).

During the twelve-month period ended 30 June 2020 the net cash outflow from operations was A$2.145 million (30 June 2019: inflows of A$2.802 million). There were cash outflows from investing activities of A$12.641 million (30 June 2019: outflows of A$0.980 million) for the period. There were cash inflows from financing activities of A$16.254 million (30 June 2019: outflows of A$2.351 million).

As at 30 June 2020 the Group had cash and cash equivalents of A$5.663 million (30 June 2019: A$4.187 million). As at 30 June 2020 the Group had total current assets of A$6.353 million (30 June 2019: A$4.581 million) and current liabilities of A$1.015 million (30 June 2019: A$2.623 million), resulting in net current assets of A$5.337 million at 30 June 2020 (June 2019: A$1.958 million).

The Company has a short term loan of A$0.116 million that it received from the U.S. government as part of the Payroll Protection Program, implemented as a response to the COVID-19 pandemic. The loan is forgivable if certain conditions are met which the Company has already achieved.

If Jervois is to proceed with construction in 2021 at Idaho Cobalt Operations ("ICO") as outlined, further financing will be required. As outlined in the ICO discussion earlier, Jervois is in negotiations with debt providers with regard to the provision of a project finance facility to support finishing construction and ramp up.

Jervois has sufficient liquidity to continue its current global operating footprint out to September 2021. If required, the Group has the ability to further reduce the forecast expenditure in order to extinguish its liabilities including the minimum expenditure commitments of its exploration licences and permits and corporate activities, however this is not considered by the Directors or Management to be a desirable or likely scenario.

The Directors are satisfied with the Group's current financing position and are of the view that the continued application of the going concern basis of accounting is appropriate due to the following factors:

- Management and the Directors have reviewed the Group's consolidated cashflow requirements and the forecast shows that the current cash on hand will be utilized meeting the planned corporate activities, working capital requirements, planned Exploration and Mining activities, including but not limited to and the minimum Exploration and Mining Licence compliance obligations over the 12 months following the date of signing the 2020 annual financial statements (the forecast period);
- It is the Boards intention to raise equity capital during the forecast period for the Group to pursue its strategic business plans and objectives and enhance the Group's liquidity and balance sheet strength; and
- Aside from previously announced non-core asset sales and partnering processes underway, the Group has no plans to wholly or in part dispose of any of its interests in mineral exploration and development assets, however, does retain the ability to do so if required.

The ability of the Group to advance its strategic business plans and objectives, which includes its stated development schedule for the construction at ICO, (for commercial production by mid 2022), progression of exploration and evaluation activities elsewhere and Company working capital requirements, is dependent upon Jervois accessing additional financing during the forecast period.

Should the Group be unable to access further equity capital during the forecast period, a material uncertainty exists in regards to the ability of the Group to continue to operate as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. There can be no assurance that the Group will be able to obtain or access additional funding when required, or that the terms associated with the funding will be acceptable to the Directors. If the Group is unable to obtain such additional funding, it may be required to reduce the scope of its operations, which could adversely affect its business, financial condition and operating results.

No adjustments have been made to the recoverability and classification of recorded assets amounts or the amounts and classification of liabilities that might be necessary if the Group does not continue as a going concern.

(d) 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, revenues and expenses. Management bases its judgements, estimates and assumptions on historical experience and other factors, including expectations of future events management believes to be reasonable under the circumstances.

- Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period and that have the most significant effect on the amounts recognised in the financial statements are described below:

Exploration and evaluation costs
Exploration and evaluation expenditure related to areas of interest is capitalised and carried forward to the extent that rights to tenure of the area of interest are current; and

(a) Costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively by sale; or
(b) Where activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Such expenditure consists of an accumulation of acquisition costs and exploration and evaluation costs incurred, together with direct overhead expenditure. The carrying value of capitalised exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying value may exceed its recoverable amount.

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 impaired in the period in which this determination is made. All exploration assets are reviewed for impairment at each reporting period.

Property, plant, and equipment
Expenditures for new facilities or equipment that extend the useful lives of existing facilities or equipment are capitalized and recorded at cost. Facilities and equipment acquired as part of a lease, build-to-suit or other financing arrangements are capitalized and recorded based on the contractual lease terms. The facilities and equipment are depreciated using the straight-line method at rates sufficient to depreciate capitalized costs over the estimated productive lives of such facilities. These estimated productive lives do not exceed the related estimated mine lives, which are based upon proven and probable reserves.

Asset retirement obligation
The Company records a provision for the estimated future costs of site reclamation and closure of operating projects, which are discounted to net present value using the risk-free interest rate applicable to the future cash outflows. Judgement is used to estimate future costs which incorporate assumptions on the effects of inflation on those future costs, movements in foreign exchange rates, and other specific risks associated with the related liabilities.

Share based payments
The cost of equity-settled options granted is determined by the fair value at the date when the grant is made using a Black-Scholes valuation model which incorporates assumptions in relation to share price volatility and vesting periods. There are no market performance conditions which requirement measurement.

Taxation
Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the Consolidated Statement of Financial Position. Deferred tax assets, including those arising from un-recouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, operating costs, restoration costs, capital expenditure, and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Consolidated Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to Profit or Loss.

(e) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. A summary of significant standards follows:

AASB 16 – Leases

The Standard provides a comprehensive model for identification of lease arrangements and their treatment (on-balance sheet) in the financial statements of both lessees and lessors. It superseded AASB 117 Leases and its associated interpretative guidance. The Company has no significant lease agreements in place and thus implementation had no material impact. The interpretation had an effective date for the Company of 1 July 2019.

AASB Interpretation 23 – Uncertainty over income tax treatment

This interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of AASB 112 Income Taxes. The Interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Company has reviewed its internal policies and tax risk frameworks and has determined that adoption of the interpretation did not have a material impact. The interpretation had an effective date for the Company of 1 July 2019.

Standards issued, not yet effective
Amendments to AASB 3: Business Combinations

The amendment to AASB 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. These amendments had an effective date for the Company of 1 July 2020, since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Apart from the above, other accounting standards, amendments and interpretations that have been issued and will be applicable in future periods have been considered, however their impact is not considered material to the Company.

3. Summary of significant accounting policies

The principle accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

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 2020 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 can 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

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

During 2020, the Company had no revenue from contracts with customers to transfer goods or services that would be accounted for under AASB 15.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery or transfer of title.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established. This includes royalties which were sold during the year and a gain was recognized upon the transaction (see Note 7).

Foreign Currency Transactions and Balances

Transactions in foreign currencies are initially recorded by each entity in the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. All differences are taken to the statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

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.

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.

Cash and cash equivalents

Cash and cash equivalents include 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 represent outstanding customer balances less any provision for impairment at the end of a reporting period and are recorded when revenue is recognised. Judgement is required to determine the appropriate IFRS 9 classification of trade receivables containing provisional pricing features (i.e. the final selling price is subject to movements in market prices after the date of sale) to be measured at amortised cost or fair value through profit and loss. This requires an assessment of the exposure of the underlying trade receivable to future movements in market prices at the date of initial recognition of such receivable, which is typically the date of delivery of the goods. Those receivables that are exposed to future movements in market prices have contractual cash flow characteristics that are not solely payments of principal and interest and are therefore measured at fair value through profit or loss. For those receivables that are not exposed to future movements in market prices, a further assessment of the business model for managing the receivables is required to determine the appropriate classification and measurement. The business model pertaining to those receivables that do not contain provisional pricing features is to hold the assets to collect the contractual cash flows and as such, these financial assets are classified as at amortised cost. Other receivables are recognised at amortised cost, less any provision for impairment.

Financial liabilities

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and recognises additional benefits or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at acquisition date. The measurement period ends on either the earlier of (i) 12 months from the date of acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Where the business combination is achieved in stages, the group measures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit and loss.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree at full value; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for in equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

After acquisition date, transactions with non-controlling interests that do not result in a loss of control are accounted for as transactions with equity owners of the Group. Any difference between the amount of the adjustment to the non-controlling interest and any consideration paid or received is recognised as a separate reserve within equity.

The assets, liabilities and contingent liabilities recognised at acquisition date are recognised at fair value.

Asset retirement obligation

The Company records a provision for the estimated future costs of site reclamation and closure of operating projects, which are discounted to net present value using the risk-free interest rate applicable to the future cash outflows. Estimates of future costs represent management's best estimate which incorporate assumptions on the effects of inflation for those future costs, movements in foreign exchange rates, other specific risks associated with the related liabilities. A provision for reclamation and closure is re-measured at the end of each reporting period for changes in estimates and circumstances. Changes in estimates and circumstances include changes in legal or regulatory requirements, increased obligations arising from additional mining activities, changes to cost estimates and changes to the risk-free interest rate. A provision for site reclamation and closure cost obligations is accreted over time to reflect the unwinding of the discount with the accretion expense included in finance costs. Reclamation and closure cost obligations relating to mine development projects are initially recorded with a corresponding increase to the carrying amounts of related mining properties.

Accounting policy for financial assets other than receivables

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. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be 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 a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured based on the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For trade receivables, the Company applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised at the time of initial recognition of the receivables.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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 carrying value relating to an area of interest 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.

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. As any site moves into operational mode, exploration and evaluation assets are reclassified as mine properties and accordingly amortized using units of production method over the life of mine.

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.

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 wholly 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

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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 / (Loss) per share

Basic earnings / (loss) per share

Basic earnings / (loss) per share is calculated by dividing the loss 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 / (loss) per share

Diluted earnings / (loss) per share adjusts the figures used in the determination of basic loss 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.

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

4. Acquisition of eCobalt Solutions

On the 24 July 2019 Jervois completed the acquisition of eCobalt Solutions (“eCobalt”). eCobalt owned 100% of a cobalt-copper-gold mine under construction in Lemhi County outside of the town of Salmon, Idaho, the Idaho Cobalt Operations (the “ICO”). The ICO comprises the largest NI 43-101 compliant cobalt resource in the United Sates, with the deposit open along strike and at depth, Jervois believes that it has significant opportunity for additional expansion.

The ICO is an advanced-stage project with approximately US$100 million invested to date in mineral resource definition, plant and infrastructure. The mine and mill site are located on National Forest lands, and activities must adhere to United States Forestry Service (“USFS”) and Environmental Protection Authority (“EPA”) requirements – the site is permitted, and has an approved Plan of Operations, for production of up to 1,200 short tonnes per day of ore.

Significant pre-works had been undertaken at site, with earthworks completed (construction of access and haul road, portal bench, mill and concentrator pads and water retention and tailings ponds) and milling equipment purchased (ball mill, flotation circuits, grizzlies, hoppers and conveyers). An advanced water treatment plant and control wells have been installed, main power substation and power lines have been extended to the portal bench and concentrator facilities, with access to competitive grid power connected in 2018, along with major civil and earth works progressed including concrete foundations for the concentrator.

The Group has accounted for the acquisition of eCobalt as a business combination effective 24 July 2019 as required under accounting standard AASB 3 Business Combinations. In accounting for the business combination, the Group has recognised and measured the fair value of the consideration, the fair value of the assets acquired and liabilities and contingent liabilities assumed at that date.

a) Consideration transferred

On 22 July 2019, Jervois announced eCobalt shareholders as well as Jervois shareholders had approved the acquisition of the companies. The acquisition received approval from the British Columbia (Canada) Supreme Court and completed on 24 July 2019, with Jervois acquiring all issued and outstanding common shares of eCobalt it did not already own in exchange for 1.65 ordinary shares of Jervois for each eCobalt share.

Purchase consideration	2019 A$'000
Cash paid	-
Shares issued (i)	60,405
Fair value of options (ii)	1,320
Fair value of warrants (iii)	925
Value of existing shares (iv)	2,753
Total purchase consideration (v)	65,403

i) The Company issued 262,630,541 paid ordinary shares to existing eCobalt Solution shareholders to acquire all the existing shares on issue for a total consideration of A$60.405 million.

ii) The Company were also deemed to issued 15,759,975 options to existing eCobalt Solution option holders in accordance with the terms and conditions of the options. The total value of these options amounted to A$1.320 million.

iii) The Company further was deemed to issue 29,287,500 options to existing eCobalt Solution warrant holders in accordance with the terms and conditions of the existing warrants. The total value of these options amounted to A$0.925 million.

iv) Jervois already had a 4.5% stake prior to acquiring 100% interest in eCobalt Solutions, valued at A$2.753 million.

v) Total consideration for acquiring 100% interest in eCobalt Solutions, by the Company amounted to A$65.403 million.

b) Identifiable assets acquired and liabilities assumed

The provisional fair values of identifiable assets acquired and liabilities assumed of eCobalt Solutions as at the date of acquisition were:

	Carrying Value acquisition date 24 July 2019 A$'000	Fair Value Adjustment at acquisition date 24 July 2019 A$'000	Fair Value Post Adj at acquisition date 24 July 2019 A$'000
Current Assets			
Cash and cash equivalents	994	-	994
Other current assets	748	-	748
Total Current Assets	1,742	-	1,742
Non-Current Assets			
Exploration and evaluation	53,399	(39,407)	13,992
Reclamation deposits	3,085	-	3,085
Property, plant and equipment	60,615	(2,944)	57,672
Intangible assets	544	-	544
Total Non-Current Assets	117,642	(42,351)	75,292
Current Liabilities			
Trade and other payables	719	-	719
Other current liabilities	403	-	403
Total Current Liabilities	1,122	-	1,122
Non-Current Liabilities			
Deferred tax liability	38	-	38
Rehabilitation provision	10,469	-	10,469
Total Non-Current Liabilities	10,507	-	10,507
Total identifiable net assets acquired at fair value	107,754	(42,350)	65,404
Total consideration			65,404
Fair value of identifiable net assets			65,404
Gain / (Loss) on acquisition			-
The cash flow on acquisition is as follows:			
Net cash acquired with the subsidiary			994
Cash paid			-
Net consolidated cash inflow			994

Management has evaluated the final fair value of the assets acquired and no further adjustments are anticipated.

5. Acquisition of M2 Cobalt (prior year acquisition)

M2 Cobalt Corporation ("M2 Cobalt") shareholders approved the merger by special resolution on 14 June 2019. This was followed by approval from the British Columbia (Canada) Supreme Court, as announced on 19 June 2019. With this approval, Jervois acquired all issued and outstanding common shares of M2 Cobalt in exchange for one ordinary share of Jervois for each issued M2 Cobalt share.

Following completion of its merger with M2 Cobalt, Jervois holds 2,400km2 of exploration licences ("ELs") across two key areas of focus: the Kilembe area in Western Uganda and Bujagali in the South-Central region of the country. Prior to the merger, M2 Cobalt mobilised its 2019 exploration program in Uganda in March as a continuation and expansion of its initial exploration and drill program launched in 2018. This work was funded via a US$3.0 million secured, convertible loan, provided by Jervois.

a) Consideration transferred

On 19 June 2019, The Company received British Columbia Supreme Court approval to acquire all M2 Cobalt shares on issue and the transaction is detailed below

Purchase consideration	**2019** **A$'000**
Cash paid	-
Shares issued (i)	14,998
Fair value of options (ii)	380
Fair value of warrants (iii)	35
Total purchase consideration (v)	15,413

i) The Company issued 63,819,995 paid ordinary shares to existing M2 Cobalt shareholders to acquire all the existing shares on issue for a total consideration of A$14.998 million.

ii) The company also issued 6,232,500 options to existing M2Cobalt option holders in accordance with the same terms and conditions. The total value of these options amounted to A$0.380 million.

iii) The Company further issued 13,322,012 options to existing M2 Cobalt warrant holders in accordance with the same terms and conditions of the existing warrants. The total value of these options amounted to A$0.035 million.

iv) Total consideration for acquiring 100% interest in M2 Cobalt, by the Company amounted to A$15.413 million.

b) Identifiable assets acquired and liabilities acquired

The fair values of identifiable assets acquired and liabilities assumed of M2 Cobalt as at the date of acquisition were:

	Carrying Value acquisition date 19 June 2019 A$'000	Fair Value Adjustment at acquisition date 19 June 2019 A$'000	Fair Value at acquisition date 19 June 2019 A$'000
Current Assets			
Cash and receivables	801	-	801
Exploration and evaluation	20,229	(2,191)	18,038
Trade and other payables and provisions	(832)	-	(832)
Borrowings	(2,594)	-	(2,594)
Total identifiable net assets acquired at fair value	17,604	(2,191)	15,413
Total consideration			15,413
Fair value of identifiable net assets			15,413
Gain / (Loss) on acquisition			-
The cash flow on acquisition is as follows:			
Net cash acquired with the subsidiary			800
Cash paid			-
Net consolidated cash inflow			800

6. Segment Reporting

The consolidated entity is organised into the following reportable segments: mineral exploration and evaluation in Australia, Uganda and additionally the United States of America, as a result of the acquisition of eCobalt in July 2019. These segments are based on the internal reports that are reviewed and used by the Company's Chief Executive Officer (the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources.

The accounting policies used by the Company in reporting segments internally are the same as those used in the 30 June 2020 annual financial report. The Group's operating segments are outlined below.

Australia	Includes Nico Young and other Australian tenement licenses held.
Uganda	Prospective exploration licences held in Uganda, acquired through the acquisition of M2 Cobalt finalised in June 2019.
United States of America	Includes the eCobalt cobalt-copper-gold mine under construction in Lemhi County outside of the town of Salmon, Idaho.
Other	Consists of non core exploration not related to Australia, Uganda and the USA, corporate costs, including acquisition costs and financing costs. This is not a reportable segment.

Management monitors the expenditure outlays of each segment for the purpose of cost control and making decisions about resource allocation. The Company's administration and financing functions are managed on a group basis and are included in "Other". Information regarding these segments is presented below.

30 June 2020	**Australia A$'000**	**Uganda A$'000**	**USA A$'000**	**Other A$'000**	**Total A$'000**
Other income	-	-	88	3,171	3,259
Segment expense	(417)	(667)	(230)	(10,534)	(11,848)
Depreciation and amortisation	-	-	(304)	(18)	(322)
Net finance costs	-	-	(38)	51	13
Net foreign exchange gain	-	-	-	-	-
Income tax expense	-	-	-	-	-
Segment result	(417)	(667)	(484)	(7,330)	(8,898)
Segment assets	9,858	20,703	84,346	7,773	122,680
Segment liabilities	-	(27)	(11,390)	(515)	(11,932)

30 June 2019	Australia A$'000	Uganda A$'000	USA A$'000	Other A$'000	Total A$'000
Other income	-	-	-	4,138	4,138
Segment expense	(9,536)	(38)	-	-	(9,573)
Depreciation and amortisation	(17)	-	-		(17)
Net finance income	-	-	-	-	-
Net foreign exchange gain	34	41	-	-	75
Income tax expense	-	-	-	(624)	(624)
Segment result	(9,518)	3	-	3,514	(6,001)
Segment assets	16,106	18,138	-	583	34,828
Segment liabilities	(1,879)	(759)	-	-	(2,638)

Geographical information

The group operates in these principal geographical areas: Australia, Uganda and United States of America.

	2020		2019	
	30 June Income A$'000	30 June Non-current assets A$'000	30 June Income A$'000	30 June Non-current assets A$'000
Australia	3,171	9,998	4,086	11,939
Uganda	-	20,667	-	17,724
United States of America	88	83,887	-	-
Other	-	1,775	-	584
Total	3,259	116,327	4,086	30,247

7. Other income

	30 June 2020 A$'000	30 June 2019 A$'000
Sale of royalty *(i)*	3,101	4,138
Other	158	-
Total other income	3,259	4,138

i. In October 2019, the company sold its Bullabulling gold royalty to a subsidiary of Zijin Mining Group Co Ltd.

8. Expenses

	30 June 2020 A$'000	30 June 2019 A$'000
Depreciation and amortisation	322	17
Impairment	1,063	53
Exploration expense	-	11
Interest expenses	39	-
Minimum lease payments	-	9
Salaries and wages	1,457	822
Research and development expense	-	1,840
Share based payment expenses	3,484	5,104
Total expenses	6,365	7,856

9. Audit and Non-Audit Services

Audit and non-audit services, from where EY was appointed the auditor of the Company

	30 June 2020 A$
Audit services:	
Audit and review of financial reports (EY Australia)	140
Audit and review of financial reports (Overseas EY firms)	6
Total audit services	146
Fees for other services:	
Tax services	68
Total other services	68
Total fees	214

Audit and non-audit services, related to when BDO was the auditor of the Company

	30 June 2020 A$'000	30 June 2019 A$'000
Audit services:		
Review of the 31 December 2019 half-year report	33	60
Total audit services	33	60
Fees for other services		
Review of pro forma accounts in relation to mergers	-	50
Total other services	-	50
Total fees	33	110

10. Income tax expense

	12 months ended 30 June 2020 $A'000	12 months ended 30 June 2019 $A'000
Loss before tax from continuing operations	- (8,898)	(5,377)
Income tax using the domestic corporation tax rate of 30% in 2020 and 27.5% in 2019	(2,670)	(1,479)
Changes in income tax benefit due to:		
Effect of different tax rates in foreign jurisdictions	100	-
Effect of expenses that are not deductible in determining taxable income	1,045	674
Effect of temporary differences	(53)	18
Effect of deferred tax losses not brought to accounts	-	334
Other	-	1,077
Current period tax losses for which no deferred tax asset was recognised	1,577	-
Total income tax (benefit)/expense on pre-tax net profit	-	624
Current tax (benefit)/expense	-	624
Deferred tax expense	-	-
Total income tax (benefit)/expense	-	624

Unrecognised deferred tax assets

	30 June 2020 A$'000	30 June 2019 A$'000
Unused tax losses for which no deferred tax asset has been recognised:		
Opening balance	11,135	8,580
Temporary differences	-	-
Current period tax losses for which no deferred tax asset was recognised	1,577	2,555
Tax losses for which no deferred tax asset was recognised – eCobalt acquisition	22,360	
Potential tax benefit	35,072	11,135

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. There was nil (2019: nil) franking credit at year end.

11. Earnings/(loss) per share

	30 June 2020	30 June 2019
Profit/(Loss) per share (A$'000)	(8,898)	(6,001)
Basic profit/(loss) per share – cents	(1.43)	(2.67)
Diluted profit/(loss) per share – cents	(1.43)	(2.67)

Basic earnings & diluted / (loss) per share

The calculation of basic earnings per share and diluted earnings per share, at 30 June 2020 was based on the loss attributable to ordinary equity holders of the Company of A$8.898 million (2019: loss of A$6.001 million) and a weighted average number of ordinary shares outstanding during the period ended 30 June 2020 of 621,519,656 (2019:224,957,076).

Employee options and Other options granted as described in Note 24 – Share capital have been included in the determination of diluted earnings per share to the extent they are dilutive.

12. Cash and cash equivalents

	30 June 2020 A$'000	30 June 2019 A$'000
Bank balances	5,663	4,187
Cash and cash equivalents	5,663	4,187

13. Reconciliation of cash flows from operating activities

	30 June 2020 A$'000	30 June 2019 A$'000
Cash flows from operating activities		
Profit / (Loss) for the period	(8,898)	(6,001)
Adjustments for non-cash items:		
Gain on sale of investments		
Depreciation and amortisation	322	17
Value of shares received from sale of royalty	-	(1,972)
Share based payments	3,484	5,175
Acquisition related costs	1,884	-
Capitalised exploration expenditure written off during the period	1,063	-
Gain on sale of fixed assets	(49)	-
Net foreign exchange gain/loss	-	-
Other	(174)	(121)
	(2,368)	(2,902)
Changes in working capital		
(Increase) / decrease in trade and other receivables	72	4,153
(Increase) / decrease in prepayments	(164)	1
(Increase) / decrease in inventories	(88)	-
(Decrease) / increase in trade and other payables that relates to operating activities	259	1,524
(Decrease) / increase in provisions	144	26
Net cash from / (used in) operating activities	(2,145)	2,802

14. Other receivables

	30 June 2020 A$'000	30 June 2019 A$'000
Other receivables	32	1
Insurance claim receivable	202	201
GST receivable	18	122
Total trade and other receivables	252	324

15. Financial assets

	30 June 2020 A$'000	30 June 2019 A$'000
Term deposits	116	-
Total Financial assets	116	-

16. Non-current assets - financial assets at fair value through other comprehensive income

	30 June 2020 A$'000	30 June 2019 A$'000
Shares in Canadian listed entities	-	10,231
Revaluation of investments at fair value	-	(8,494)
Total financial assets at fair value	-	1,737

The shares held at 30 June 2019 related to the acquisition of eCobalt – refer to Note 4 for further detail.

17. Non-current assets - other

	30 June 2020 A$'000	30 June 2019 A$'000
Security deposits	178	178
Total non-current - other	178	178

18. Exploration and evaluation

	30 June 2020 A$'000	30 June 2019 A$'000
Cost		
Opening balance	27,396	5,922
Expenditure incurred and capitalised, inclusive of foreign currency translation	13,186	3,969
Additions from acquisition of M2 Cobalt Corp	-	18,308
Additions from acquisition of eCobalt Solutions	13,992	-
Capitalised expenditure written off during the period	(1,063)	(52)
R&D tax offset recognised	79	(751)
Capitalised exploration and evaluation at end of year	53,590	27,396

Included in the acquired exploration and evaluation from eCobalt is the corresponding asset related to the ICO asset retirement obligation *(refer to note 23 Asset retirement obligation).*

19. Property, plant and equipment

	Property, plant & equipment A$'000	Office equipment, furniture & fittings A$'000	Motor vehicles A$'000	Assets under construction A$'000	Total A$'000
30 June 2020					
Cost					
As at 1 July 2019	952	33	53	-	1,038
Additions through acquisition (i)	1,663	144	183	55,681	57,671
Additions for the period	-	14	-	453	467
Disposals for the period	(616)	(25)	-		(641)
Asset write-down	(39)	(25)	-	-	(64)
Foreign currency translation differences	26	7	18	857	908
As at 30 June 2020	1,986	148	254	56,991	59,379
Depreciation and impairment					
As at 1 July 2019	(25)	(25)	(53)	-	(103)
Depreciation charge for the period	(94)	(41)	(47)	-	(182)
Disposals for the period	64	30	-	-	94
Asset write-down	-	25	-	-	25
As at 30 June 2020	(55)	11	(100)	-	(166)
Net book value:					
As at 30 June 2020	1,931	137	154	56,991	59,213

i) Property plant and equipment (PPE) acquired through acquisition (eCobalt transaction) have been brought to account at fair value assessed as at the closing date (24 July 2019).

Property, plant and equipment (continued)

	Property, plant & equipment A$'000	Office equipment, furniture & fittings A$'000	Total A$'000
30 June 2019			
Cost			
As at 1 July 2018	603	7	610
Additions through acquisition			
Additions for the period	336	6	342
Disposals for the period	-	-	-
Asset transfers	-	-	-
Asset write-down	-	-	
Foreign currency translation differences	-	-	-
As at 30 June 2019	939	13	952
Depreciation and impairment			
As at 1 July 2018	-		
Charge at acquisition date	-	-	-
Depreciation charge for the period	(12)	(5)	(17)
Disposals	-	-	-
Asset write-down	-	-	-
Foreign currency translation differences	-	-	-
As at 30 June 2019	(12)	(5)	(17)
Net book value:			
As at 30 June 2019	927	8	935

20. Reclamation deposits

	30 June 2020 A$'000	30 June 2019 A$'000
Reclamation Performance		
Bond Requirement	10,481	-
Insured	10,481	-
In Trust:		
US Treasury Securities including impact of foreign currency translation	2,999	-
Reclamation deposits	2,999	-

The U.S. Forest Service required eCobalt to place a reclamation performance bond which functions as a financial guarantee in the amount of US$7.206 million in relation to surface disturbances from pre-construction activities. The underlying asset securing this bond is the A$2.999 million reclamation deposit on the statement of financial position. The Reclamation Performance Bond will be released upon meeting the reclamation requirement of the U.S. Forest Service at the end of construction of the mine upon which a water treatment bond will be required for surety against reclamation and end of mine life.

21. Trade and other payables

	30 June 2020 A$'000	30 June 2019 A$'000
Trade payables	382	2,383
Other payables	6	144
Accruals	352	55
Deferred revenue	3	-
Tax payable (VAT/GST/FUEL Tax)	(28)	-
	715	2,582

22. Employee benefits

	Short-term benefits			Post-employment benefits	Share based payments	Value of options as proportion of	
Key Management Personnel	**Salary and directors' fees**	**Non-Monetary Benefits**	**Consultancy fees**	**Superannuation**	**Equity**	**total remuneration**	**Total**
	$A	$A	$A	$A	$A	%	$A
2020	1,016,878	17,286	335,890	57,888	2,373,410	62.6	3,801,351
2019	504,641	-	57,493	35,116	4,753,501	88.8	5,350,751

For further detail of the Employee benefits please see the Remuneration Report within the Directors Report

	30 June 2020 A$'000	30 June 2019 A$'000
Annual leave provision	146	42
Long service leave provision	18	15
Other employee entitlements	38	-
	202	57
Current	184	42
Non-current	18	15
	202	57

23. Asset retirement obligation

	30 June 2020 A$'000	30 June 2019 A$'000
Opening reclamation and closure cost balance	-	-
Liability assumed through acquisition of eCobalt	10,317	
Foreign currency translation	159	-
Movements in economic assumptions and timing of cash flows	385	-
Closing reclamation and closure cost balance	10,861	-

The Company's provision for site reclamation and closure relates to the ICO and is for disturbance due to construction activity. Upon initiation of mining activity, a provision for legal obligations for environmental remediation, reclamation, and decommissioning at the end of the mine life will be established. The undiscounted cash flows of the disturbance due to construction as at June 30, 2020 were US$7.741million or A$10.886 million. The discount used to determine the present value of the obligation was nil, based on US Treasury Bond rate of 0.63% and a prima facie inflation rate which exceeded the US Treasury Bond, and as such the inflation rate was adjusted to that which is inherently priced into the long term government bond.. Reclamation activities will primarily be initiated at cessation of construction activities. However, some reclamation will happen concurrently where possible on areas no longer required for the mining operation.

24. Share capital

	30 June 2020 A$'000	30 June 2019 A$'000
Share Capital	166,249	87,380
Costs of raising equity	(1,773)	(1,448)
	164,476	85,932

(i) Movements in fully paid ordinary shares on issue:

	No of shares '000	A$'000
Opening balance at 1 July 2018	220,763	70,474
Movements in 2018/2019		
Conversion of options	2,500	460
Issue of ordinary shares - acquisition of M2 Cobalt Corp	63,820	14,998
Closing share capital balance at 30 June 2019	287,083	85,932
Opening balance at 1 July 2019	287,083	85,932
Movements in 2019/2020		
Issue of ordinary shares - acquisition of eCobalt Solutions	262,630	60,406
Issue of ordinary shares – placement	82,500	16,500
Issue of ordinary shares – to eCobalt transaction advisers	9,420	1,885
Issue of ordinary shares – to JRVAC	619	79
Less costs of raising equity		(326)
Closing share capital balance at 30 June 2020	642,252	164,476

(ii) Movements in costs of raising equity:

	30 June 2020 A$'000	30 June 2019 A$'000
Opening balance	**(1,447)**	(1,447)
Costs incurred	(326)	-
Closing balance	**(1,773)**	(1,447)

(iii) Movements in share-based payment options on issue:

	30 June 2020 Number of options	30 June 2019 Number of options
Balance at the beginning of the period	32,600,000	17,600,000
Granted	37,373,200	17,500,000
Forfeited	-	-
Exercised	-	(2,500,000)
Balance at the end of the period	69,973,200	32,600,000
Vested and exercisable at period end	17,600,000	-

Employee Options granted

During the financial year, an additional 9,935,000 options were issued to directors (of which 2,435,000 are subject to shareholder approval) and 27,438,200 options to employee as part of the Company option plan, with nil options forfeited and nil exercised, thus bringing the options issued over ordinary shares in the Company to 69,973,200 as at 30 June 2020. The principal focus of the Company option plan is to provide incentivised compensation aligned with creating shareholder value.

The Company option plan offers individuals the opportunity to acquire options over fully paid ordinary shares in the Company. Share options granted under the plan carry no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares when issued rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

During the period 2,500,000 options at an exercise price of A$0.305/share have vested pursuant to the Company's option terms.

Unissued shares under options to directors and employees

As at 30 June 2020 unissued shares of the Company under option are:

Expiry date	Exercise price (A$)	Number of shares
30-Nov-22	$0.150	15,000,000
30-May-24	$0.345	100,000
18-Jun-24	$0.305	2,500,000
30-Sep-23	$0.290	5,000,000
1-Jul-23	$0.295	7,500,000
1-Jun-24	$0.240	2,500,000
14-Aug-27	$0.200	750,000
15-Aug-27	$0.200	12,500,000
15-Aug-24	$0.240	2,500,000
9-Sep-27	$0.225	1,250,000
30-Sep-24	$0.240	5,000,000
14-Oct-27	$0.220	2,500,000
31-Mar-28	$0.150	10,438,200
31-Mar-28	$0.150	2,435,000*
Total		**69,973,200**

*Subject to shareholder approval at the 2020 AGM.

Once exercised, the option holder will be issued ordinary shares in the Company. The options do not entitle the holder to participate in any share issue of the Company. No shares have been issued by the Company during the period as a result of the exercise of options.

(iv) Movements in options for services:

	30 June 2020 Number of options	30 June 2019 Number of options
Balance at the beginning of the period	300,000	400,000
Granted	250,000	-
Forfeited	-	(100,000)
Exercised	-	-
Balance at the end of the period	550,000	300,000
Vested and exercisable at period end	550,000	300,000

Options granted for services provided to the Company

During the financial year, an additional 250,000 options were issued to advisers to the Company in exchange for services rendered. Nil options forfeited and nil exercised, thus bringing the options issued to service providers over ordinary shares in the Company to 550,000 as at 30 June 2020.

The options issued to advisers provides the holder an opportunity to acquire fully paid ordinary shares in the Company. Share options granted under the arrangement have no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares when issued rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

Unissued shares under options granted for services

As at 30 June 2020 unissued shares of the Company under option are:

Expiry date	Exercise price (A$)	Number of shares
30-May-24	$0.345	300,000
31-Mar-25	$0.20	250,000
Total		**550,000**

Once exercised, the option holder will be issued ordinary shares in the Company. The options do not entitle the holder to participate in any share issue of the Company. No shares have been issued by the Company during the period as a result of the exercise of options.

(v) Movements in options granted as part of acquisitions:

	30 June 2020 Number of options	30 June 2019 Number of options
Balance at the beginning of the period	19,554,512	-
Granted	45,047,475	19,554,512
Forfeited	-	-
Exercised	(619,888)	-
Expired	(33,882,349)	
Balance at the end of the period	30,099,750	19,554,512
Vested and exercisable at period end	30,099,750	-

Options granted as part of the acquisitions

During the interim financial period, an additional 45,047,475 options were deemed as issued to eCobalt Solutions option and warrant holders as part of the 100% acquisition of eCobalt Solutions on the 24 July 2019. In the prior period 19,554,512 options were deemed as issued to M2 Cobalt option and warrant holders as part of the 100% acquisition of M2 Cobalt on the 19 June 2019.

Of these options, 20,560,337 related to eCobalt Solutions and 13,322,012 related to M2 Cobalt expired during the period. Nil options were forfeited and 619,888 exercised, thus bringing the options issued over ordinary shares in the Company in relation to acquisitions to 30,099,750 as at 30 June 2020. Subsequent to the year end 710,000 options related to M2 Cobalt have been exercised.

Options outstanding as part of the acquisitions

As at 30 June 2020 unissued shares of the Company under option are:

Expiry date	Exercise price (C$)	Number of shares
12 -Oct-2020	$0.20	2,507,500
23-Jan-2021	$0.50	3,150,000
22-Mar-2021	$0.63	200,000
22-Mar-2021	$0.34	375,000
6-Sept-2021	$0.36	2,714,250
28-Jun-2022	$0.71	3,654,750
5-Oct-2022	$0.70	288,750
11-Jan-2023	$1.16	231,000
12-Mar-2023	$0.85	165,000
6-Apr-2023	$0.84	206,250
28-Jun-2023	$0.61	4,191,000
24-Sept-2023	$0.50	123,750
1-Oct-2023	$0.53	1,980,000
14 Apr-2021	$0.24	10,312,500
Total		**30,099,750**

The share options granted under the acquisitions have no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares when issued rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise. Once exercised, the option holder will be issued ordinary shares in the Company.

The options do not entitle the holder to participate in any share issue of the Company. No shares have been issued by the Company during the period as a result of the exercise of options.

(vi) 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.

(vii) 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.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the number 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 capital risk management policy remains unchanged from the 2019 annual report.

25. Reserves and accumulated losses

Reserves

	30 June 2020 A$'000	20 June 2019 A$'000
Share based payments reserve	12,751	9,243
Foreign currency translation reserve	2,081	(63)
Share capital reserve	2,245	(8,484)
Total reserves	17,077	696

Share based payments reserve

The share based payments reserve is used to recognise the value of options issued but not exercised.

Foreign currency translation reserve

Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

Retained earnings / (accumulated losses)

	30 June 2020 A$'000	30 June 2019 A$'000
Accumulated losses at the beginning of the year	(54,439)	(48,438)
Loss attributable to members of the Company	(8,898)	(6,001)
Transfer of financial assets reserve to retained earnings	(7,468)	-
Accumulated losses at the end of the period	(70,805)	(54,439)

26. Share based payments

Recognised share-based payment expense

	30 June 2020 A$'000	30 June 2019 A$'000
Expense arising from equity settled share-based payment transactions (i)	(3,484)	(2,709)

(i) Movement in the share based payment reserve is made up of (A$3.441 million) in relation to options issued to directors and employees and (A$0.042 million) in relation to options issued to service providers in professional fees.

Unexpired options at 30 June 2020 are as follows:

Grant date	Expiry date	Exercise price (A$)	Balance at start of the year	Granted	Exercised	Expired/ Forfeited/ other	Balance at 30 June 20	Exercisable at 30 June 2020
13/12/2017	20/09/2022	15 cents	15,000,000	Nil	Nil	Nil	15,000,000	15,000,000
31/05/2018	30/05/2024	34.5 cents	500,000	Nil	Nil	Nil	400,000	400,000
19/06/2018	18/06/2024	30.5 cents	2,500,000	Nil	Nil	Nil	2,500,000	2,500,000
1/10/2018	30/09/2023	29.0 cents	5,000,000	Nil	Nil	Nil	5,000,000	Nil
2/11/2018	1/07/2023	29.5 cents	7,500,000	Nil	Nil	Nil	7,500,000	Nil
1/06/2019	1/06/2024	24 cents	2,500,000	Nil	Nil	Nil	2,500,000	Nil
14/08/2019	14/08/2027	20 cents	Nil	750,000	Nil	Nil	750,000	Nil
14/08/2019	31/03/2025	20 cents	Nil	250,000	Nil	Nil	250,000	Nil
15/08/2019	15/08/2027	20 cents	Nil	12,500,000	Nil	Nil	12,500,000	Nil
15/08/2019	15/08/2024	24 cents	Nil	2,500,000	Nil	Nil	2,500,000	Nil
09/09/2019	09/09/2027	22.5 cents	Nil	1,250,000	Nil	Nil	1,250,000	Nil
01/10/2019	30/09/2024	24 cents	Nil	5,000,000	Nil	Nil	5,000,000	Nil
14/10/2019	14/10/2027	22 cents	Nil	2,500,000	Nil	Nil	2,500,000	Nil
01/04/2020	31/03/2028	15 cents	Nil	12,873,200	Nil	Nil	12,873,200	Nil

The fair value of the options is estimated at the date of grant using the Black-Scholes model, considering the terms and conditions upon which the options were granted.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date (A$)	Exercise price (A$)	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date A$ (000's)
14/08/2019	14/08/2027	22.5 cents	20 cents	91.3%	Nil	0.69%	$138
14/08/2019	31/03/2025	22.5 cents	20 cents	91.3%	Nil	0.69%	$42
15/08/2019	15/08/2027	21 cents	20 cents	91.3%	Nil	0.67%	$2,135
15/08/2019	15/08/2024	21 cents	24 cents	91.3%	Nil	0.67%	$356
09/09/2019	09/09/2027	24.5 cents	22.5 cents	91.3%	Nil	0.83%	$250
01/10/2019	30/09/2024	22 cents	24 cents	91.2%	Nil	0.71%	$753
14/10/2019	14/20/2027	22.5 cents	22 cents	91.0%	Nil	0.77%	$456
01/04/2020	31/03/2028	15 cents	15 cents	90.0%	Nil	0.36%	$1,544

Accounting policy for share-based payments

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions unless specifically identified in the grant. The vesting conditions comprise a service condition only.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

27. Financial Instruments

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.

The Group holds the following financial instruments:

	30 June 2020 $A'000	30 June 2019 $A'000
Financial assets		
Cash and cash equivalents	5,663	4,187
Term deposits	116	-
Other receivables	252	395
	6,283	4,582
Financial liabilities		
Trade and other payables	715	2,582

Fair value hierarchy

The Group uses various methods in estimating the fair value of a financial instrument. The different levels are as follows:

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices), or indirectly (i.e. derived from prices)
Level 3	inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The following table presents the Group's assets and liabilities measured and recognised at fair value by valuation model. No assets are held at fair value during 2020.

	Level 1	Level 2	Level 3	Total
Consolidated - 2019	$A	$A	$A	$A
Shares in Canadian listed entities	1,737	-	-	1,737
Total assets	1,737	-	-	-

Market risk

Foreign currency risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The consolidated entity manages foreign currency risk by minimizing the amounts of foreign currency required and buying foreign currency only at the time it is required. Cash and cash equivalents, trade payables and other receivables listed below are denominated in Canadian Dollars (CAD). Average rate applied during the year $0.9000 (2019: $0.9166) and reporting date spot rate $0.9380 (2019: $0.9180) for CAD.

Management monitors the exposure to currency risk on an ongoing basis. The Group operates internationally and is exposed to foreign exchange risk arising from various currencies, primarily with respect to the Australian Dollar ('AUD'), Canadian Dollar ('CAD') and the United States Dollar ('USD'). Exposure to the Ugandan Shilling is not material to the Group.

	CAD 2020 $A'000	USD 2020 $A'000	CAD 2019 $A'000	USD 2019 $A'000
Cash and cash equivalents	32	83	-	-
Other receivables	-	11	132	-
Trade and other payables	(10)	(196)	(759)	-
Gross exposure	22	(102)	(627)	-

Exchange rates used

The following significant exchange rates were applied during the year relative to 1USD:

	Average rate		Reporting date spot rate	
	2020	2019	2020	2019
CAD	1.34	1.33	1.37	1.31
AUD	1.49	1.31	1.46	1.42

Price risk

The Company has disposed of its investments in other listed entities.

Credit risk

Credit risk arises if there is a risk of default on a counterparty to which the Group holds financial assets. Management monitors the exposure to credit risk on an ongoing basis. The maximum exposure to credit risk on financial assets which have been recognised on the balance sheet are generally the carrying amount, net of any provisions.

The Group has treasury policies in place for deposit transactions to be conducted with financial institutions with a minimum credit rating. At reporting date,

- cash is held with Tier 1 financial institutions which all meet the Group's minimum credit rating required by the approved treasury policy; and
- Other receivables, are not overdue or in default.

The Group does not require collateral in respect of financial assets.

Geographical information

The Group's maximum exposure to credit risk for other receivables at the reporting date by geographical region was:

	Carrying amount	
	30 June 2020 $A'000	30 June 2019 $A'000
Australia	235	324
Uganda	-	-
United States	6	-
Other	11	-
	252	324

Counterparty information

The Group's maximum exposure to credit risk for trade and other receivables at the reporting date by type of counterparty was:

	Carrying amount	
	30 June 2020 $A'000	30 June 2019 $A'000
Other receivables	234	202
GST receivable	18	122
	252	324

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 Group's Trade and other Payables of $715,000 are typically due on 30-45 days terms from the date of invoice.

Fair value of financial instruments

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

28. Commitments

	30 June 2020 $A'000	30 June 2019 $A'000
Exploration expenditure commitments		
Less than one year	216	311
Between one and five years	90	-
More than five years	-	-
	306	311

The Group leases office space in Australia. The office lease in Australia is month-to-month.

Exploration expenditure commitments

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 jurisdiction 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.

29. Contingencies

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 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.

In thousands	30 June 2020 $A'000	30 June 2019 A$'000
Bank guarantees	107	67
	107	67

30. Related party transactions

Related party disclosure

The Company acquired a related party relationship between prior M2 Cobalt management personnel, Dr. Jennifer Hinton and Mr. Tom Lamb and an external services company Great Rift Geosciences ("Great Rift") via the M2 Cobalt merger. Acquired in June 2019, Jervois uses Great Rift to provide Ugandan exploration management services including local administration and in-country management, accounting, payroll and treasury services, offices including a core shed and sample preparation area, employee accommodation, and exploration staffing. Dr. Jennifer Hinton and Mr. Tom Lamb are also principals and co-owners of Great Rift. The commercial arrangements with Great Rift is conducted on an arms-length terms.

Amounts below represent payments to Great Rift (Canada) and Great Rift (Uganda) at which Dr. Hinton and Mr. Lamb are Directors. Payments made to Great Rift were solely for the in-country services outlined above. No loans have been made to key management personnel as of June 30, 2020.

	30 June 2020 A$'000	30 June 2019 A$'000
Management Services – Great Rift	312	-

31. Parent entity information

As at, and throughout the financial year ended 30 June 2020, the parent entity of the Group was Jervois Mining Limited. Information relating to the parent entity follows.

	30 June 2020 $A'000	30 June 2019 $A'000
Results of parent entity		
(Loss) for the period	(5,084)	(7,120)
Total comprehensive income	(5,084)	(7,120)
Financial position of parent entity		
Current assets	5,976	4,117
Total assets	48,776	34,069
Current liabilities	499	1,879
Total liabilities	515	1,879
Net Assets	48,261	32,189
Total equity of the parent entity comprising		
Share capital	102,251	85,932
Reserves	4,276	759
(Accumulated losses)	(58,266)	(54,502)
Total equity	48,261	32,190

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 2020 and 30 June 2019.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2020 and 30 June 2019.

	30 June 2020 $A'000	30 June 2019 $A'000
Exploration expenditure commitments		
Less than one year	216	311
Between one and five years	90	-
More than five years	-	-
	306	311

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

32. Interest in subsidiaries

	Country of Incorporation	Ownership Interest 2020	2019
Parent entity			
Jervois Mining Limited	Australia		
Subsidiaries			
Hardrock Exploration Pty Ltd	Australia	100%	100%
Goldpride Pty Ltd	Australia	100%	100%
Nico Young Pty Ltd	Australia	100%	100%
TZ Nico (1) Pty Ltd	Australia	100%	100%
TZ Nico (2) Pty Ltd	Australia	100%	100%
And the wholly owned subsidiary of TZ Nico (1) Pty Ltd and TZ Nico (2) Pty Ltd being:			
Tanzania Nickel Cobalt Ltd	Tanzania	100%	100%
M2 Cobalt Corp	Canada	100%	100%
And the wholly owned subsidiaries of M2 Cobalt Corp being:			
Millennial Holding Corp	Canada	100%	100%
1126302 B.C. Limited	Canada	100%	100%
And the wholly owned subsidiary of 1126302 B.C. Limited being:			
Eurasian Capital Limited	Uganda	100%	100%
eCobalt Solutions Inc	Canada	100%	5%
And the wholly owned subsidiaries of eCobalt Solutions Inc being:			
Minera Terranova S.A. de C.V	Mexico	100%	-
Coronation Mines Ltd	Canada	100%	-
Formation Holdings Corp	Canada	100%	-
And the wholly owned subsidiaries of Formation Holdings Corp being:			
Formation Holdings US, Inc.	USA	100%	-
And the wholly owned subsidiaries of Formation Holdings US Inc being:			
US Cobalt Inc	USA	100%	-
Jervois Mining USA Limited	USA	100%	-
And the wholly owned subsidiaries of Jervois Mining USA Limited being:			
Essential Metals Corporation	USA	100%	-

33. Events after reporting period

The Directors of the Company have identified the following subsequent events in the interval between the end of the financial period and the date of this report, which would be material or unusual in nature, and likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years. The subsequent events are as follows:

On 29 September 2020 the Company announced the ICO Bankable Feasibility Study outcomes as set out in the Review of Operations;

On 29 September 2020 the Company announced the agreement to acquire the São Miguel Paulista nickel and cobalt refinery ("SMP Refinery") in São Paulo, Brazil. The SMP Refinery has annual refined production capacity of 25,000 metric tonnes of nickel and 2,000 metric tonnes of cobalt and is currently on care and maintenance. The cash purchase price of R$125 million is payable in tranches, with a R$15 million cash deposit payable by end December 2020

On 14 August 2020, the Company announced plans to recommence drilling activities at its Kilembe area properties in Western Uganda. The Company has received environmental approval to execute an initial 1,000 metres of diamond core drilling on the CC copper-gold target. The programme will be conducted utilising the Company's in-country geological professionals and regular East African drilling contractor whom have safely executed the Company's prior workplans in conjunction with an ongoing and modified Community Engagement programme.

Directors Declaration

1. In the opinion of the Directors of Jervois Limited ('the Company'):

a) the consolidated financial statements and notes that are set out on pages 42 to 84 and the Remuneration report, identified within the Directors' report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 259A of the Corporations Act 2001 from the chief executive officer and the chief financial officer for the financial year ended 30 June 2020.

3. The Directors draw attention to note 2(a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

Dated at Melbourne this 30th day of September 2020.

P. B. Johnston.

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Peter Johnston

Chairman

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Independent Auditor's Report to the Members of Jervois Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Jervois Mining Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2020 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Accounting for the eCobalt acquisition

Why significant	How our audit addressed the key audit matter
On 24 July 2019 Jervois completed the acquisition of a 100% interest in eCobalt Solutions ("eCobalt"), located in Idaho, United States of America. The total consideration paid was $65.5 million, executed through the issuance of shares to acquire all of eCobalt's issued and outstanding common shares. Accounting for this transaction is complex, requiring management to exercise judgement in determining the fair value of acquired assets and liabilities assumed. Given the quantum of the acquisition and the judgments required to determine fair values, we consider this a key audit matter. Disclosure in relation to this acquisition can be found in Note 4 of the financial report.	Our audit procedures included the following: ▶ We read the Arrangement Agreement to gain an understanding of the key terms and conditions. ▶ We assessed the basis for the determination that the acquisition was a business combination. ▶ With the involvement of our valuation specialists, we evaluated the reasonableness of the assumptions used by management in determining the fair values of the acquired assets and assumed liabilities, and assessed whether the fair values were correctly recorded in the financial statements. ▶ We assessed the adequacy of disclosures included in Note 4.

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2. Exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
As disclosed in Note 18 of the financial report, as at 30 June 2020, the Group held exploration and evaluation assets of $53.6 million. The carrying value of exploration and evaluation assets are assessed for impairment by the Group when facts and circumstances indicate that the exploration and evaluation assets may exceed their recoverable amount. The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgements including whether the Group has tenure, will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. During the year, the Group determined that there had been no indicators of impairment.	In performing our procedures, we: ▶ Considered the Group's right to explore in the relevant exploration area, which included obtaining and assessing supporting documentation such as licence agreements and the status of licence and permit tenure from relevant government agencies. ▶ Considered the Group's intention to carry out further exploration and evaluation activity in the relevant exploration area, which included an assessment of the Group's cash-flow forecast models, discussions with senior management and Directors as to the intentions and strategy of the Group. ▶ Assessed recent exploration and evaluation activity in the relevant licence area to determine if there are any negative indicators that would suggest a potential impairment of the asset. ▶ Considered whether the exploration activities within the area of interest have reached a stage where commercially viable resource estimates could be made. ▶ Tested, on a sample basis, the exploration and evaluation costs capitalised during the year ended 30 June 2020 by vouching to invoices and other supporting documents. ▶ Assessed the adequacy of the disclosures included in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2020 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives 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 preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Jervois Mining Limited for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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 on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Matthew A. Honey
Partner
Melbourne
30 September 2020

Shareholder Information

as at 3 September 2020

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

		Number of Shares	% of Total
1	Canadian Register Control A\C	192,833,080	29.99
2	J P Morgan Nominees Australia Pty Limited	59,007,722	9.18
3	Merrill Lynch (Australia) Nominees Pty Limited	28,109,340	4.37
4	Citicorp Nominees Pty Limited	27,102,435	4.22
5	Mr John Allan Newton + Mrs Wanda Gaye Newton <Drawone Super Fund A/C>	14,551,900	2.26
6	HSBC Custody Nominees (Australia) Limited	12,110,735	1.88
7	TR Nominees Pty Ltd	11,600,000	1.80
8	327th P & C Nominees Pty Ltd <Masterman Super Fund A/C>	8,300,000	1.29
9	Briken Nominees Pty Ltd <Briken A/C>	7,246,000	1.13
10	National Nominees Limited	5,946,372	0.92
11	Ms Lian Hua Koh	5,328,166	0.83
12	Century Development Limited	5,000,000	0.78
13	McCusker Holdings Pty Ltd	5,000,000	0.78
14	Drawone Pty Ltd <The Newton Investment A/C>	4,963,440	0.77
15	Netwealth Investments Limited <Wrap Services A/C>	4,853,339	0.75
16	Netwealth Investments Limited <Super Services A/C>	4,778,886	0.74
17	Drawone Pty Ltd <The Newton Investment A/C>	4,731,990	0.74
18	Cranley Nominees Pty Ltd <Fitzroy Family A/C>	4,450,000	0.69
19	Mr Stephen Van Der Sluys + Mrs Susan Van Der Sluys <SSVDS S/F A/C>	4,300,000	0.67
20	Mrs Pamela Julian Sargood	4,200,000	0.65
	Total	**414,413,405**	**64.45**

Voting rights of ordinary shares

On a show of hands one vote for each shareholder, and

On a poll, one vote for each fully paid ordinary share

Shareholder Information

For the year ended 30 June 2020

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

Holding & Distribution	No. of Holders	Securities	%
1 to 1000	209	75,310	0.01
1001 to 5000	438	1,254,510	0.20
5001 to 10000	308	2,448,591	0.38
10001 to 1000000	1,051	37,110,968	5.77
1000001 and Over*	356	602,073,166*	93.64*
Total	**2,362**	**642,962,545**	**100**

*Includes the Canadian sub register.

Shareholdings of less than a marketable parcel

297 holders holding a total of 194,807 shares

Unquoted Securities

91,404,750 Unlisted options on issue

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
AustralianSuper Pty Limited*	37,500,000	5.83

*as disclosed on 30 July 2019

Tenements as at the date of this Report

Australian Tenements

Description	Tenement number	Interest owned %
Ardnaree (NSW)	EL 5527	100.0
Thuddungra (NSW)	EL 5571	100.0
Nico Young (NSW)	EL 8698	100.0
Area 1 (NSW)	EL 8474	100.0
West Arunta (WA)	E80 4820	20.0
West Arunta (WA)	E80 4986	20.0
West Arunta (WA)	E80 4987	20.0
Old Khartoum (QLD)	EPM 14797	100.0
Khartoum (QLD)	EPM 19112	100.0
Three Mile Creek (QLD)	EPM 19113	100.0
Carbonate Creek (QLD)	EPM 19114	100.0
Mt Fairyland (QLD)	EPM 19203	100.0

Uganda Exploration Licences

Description	Exploration Licence number	Interest owned %
Bujagali	EL1666	100.0
Bujagali	EL1682	100.0
Bujagali	EL1683	100.0
Bujagali	EL1665	100.0
Bujagali	EL1827	100.0
Kilembe Area	EL1673	100.0
Kilembe Area	EL1674	100.0
Kilembe Area	EL1735	100.0
Kilembe Area	EL1736	100.0
Kilembe Area	EL1737	100.0
Kilembe Area	EL0012	100.0

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
SUN 1	222991	174156
SUN 2	222992	174157
SUN 3 Amended	245690	174158
SUN 4	222994	174159
SUN 5	222995	174160
SUN 6	222996	174161
SUN 7	224162	174628
SUN 8	224163	174629
SUN 9	224164	174630
SUN 16 Amended	245691	177247
SUN 18 Amended	245692	177249
Sun 19	277457	196394
SUN FRAC 1	228059	176755
SUN FRAC 2	228060	176756
TOGO 1	228049	176769
TOGO 2	228050	176770
TOGO 3	228051	176771
DEWEY FRAC Amended	248739	177253
Powder 1	269506	190491
Powder 2	269505	190492
LDC-1	224140	174579
LDC-2	224141	174580
LDC-3	224142	174581
LDC-5	224144	174583
LDC-6	224145	174584
LDC-7	224146	174585
LDC-8	224147	174586
LDC-9	224148	174587
LDC-10	224149	174588
LDC-11	224150	174589
LDC-12	224151	174590
LDC-13 Amended	248718	174591
LDC-14 Amended	248719	174592
LDC-16	224155	174594
LDC-18	224157	174596
LDC-20	224159	174598
LDC-22	224161	174600
LDC FRAC 1 Amended	248720	175880
LDC FRAC 2 Amended	248721	175881
LDC FRAC 3 Amended	248722	175882
LDC FRAC 4 Amended	248723	175883
LDC FRAC 5 Amended	248724	175884
RAM 1	228501	176757
RAM 2	228502	176758

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
RAM 3	228503	176759
RAM 4	228504	176760
RAM 5	228505	176761
RAM 6	228506	176762
RAM 7	228507	176763
RAM 8	228508	176764
RAM 9	228509	176765
RAM 10	228510	176766
RAM 11	228511	176767
RAM 12	228512	176768
RAM 13 Amended	245700	181276
RAM 14 Amended	245699	181277
RAM 15 Amended	245698	181278
RAM 16 Amended	245697	181279
Ram Frac 1 Amended	245696	178081
Ram Frac 2 Amended	245695	178082
Ram Frac 3 Amended	245694	178083
Ram Frac 4 Amended	245693	178084
HZ 1	224173	174639
HZ 2	224174	174640
HZ 3	224175	174641
HZ 4	224176	174642
HZ 5	224413	174643
HZ 6	224414	174644
HZ 7	224415	174645
HZ 8	224416	174646
HZ 9	224417	174647
HZ 10	224418	174648
HZ 11	224419	174649
HZ 12	224420	174650
HZ 13	224421	174651
HZ 14	224422	174652
HZ 15	231338	178085
HZ 16	231339	178086
HZ 18	231340	178087
HZ 19	224427	174657
Z 20	224428	174658
HZ 21	224193	174659
HZ 22	224194	174660
HZ 23	224195	174661
HZ 24	224196	174662
HZ 25	224197	174663
HZ 26	224198	174664
HZ 27	224199	174665

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
HZ 28	224200	174666
HZ 29	224201	174667
HZ 30	224202	174668
HZ 31	224203	174669
HZ 32	224204	174670
HZ FRAC	228967	177254
JC 1	224165	174631
JC 2	224166	174632
JC 3	224167	174633
JC 4	224168	174634
JC 5 Amended	245689	174635
JC 6	224170	174636
JC FR 7	224171	174637
JC FR 8	224172	174638
JC 9	228054	176750
JC 10	228055	176751
JC 11	228056	176752
JC-12	228057	176753
JC-13	228058	176754
JC 14	228971	177250
JC 15	228970	177251
JC 16	228969	177252
JC 17	259006	187091
JC 18	259007	187092
JC 19	259008	187093
JC 20	259009	187094
JC 21	259010	187095
JC 22	259011	187096
CHELAN NO. 1 Amended	248345	175861
GOOSE 2 Amended	259554	175863
GOOSE 3	227285	175864
GOOSE 4 Amended	259553	175865
GOOSE 6	227282	175867
GOOSE 7 Amended	259552	175868
GOOSE 8 Amended	259551	175869
GOOSE 10 Amended	259550	175871
GOOSE 11 Amended	259549	175872
GOOSE 12 Amended	259548	175873
GOOSE 13	228028	176729
GOOSE 14 Amended	259547	176730
GOOSE 15	228030	176731
GOOSE 16	228031	176732
GOOSE 17	228032	176733
GOOSE 18 Amended	259546	176734

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
GOOSE 19 Amended	259545	176735
GOOSE 20	228035	176736
GOOSE 21	228036	176737
GOOSE 22	228037	176738
GOOSE 23	228038	176739
GOOSE 24	228039	176740
GOOSE 25	228040	176741
SOUTH ID 1 Amended	248725	175874
SOUTH ID 2 Amended	248726	175875
SOUTH ID 3 Amended	248727	175876
SOUTH ID 4 Amended	248717	175877
SOUTH ID 5 Amended	248715	176743
SOUTH ID 6 Amended	248716	176744
South ID 7	306433	218216
South ID 8	306434	218217
South ID 9	306435	218218
South ID 10	306436	218219
South ID 11	306437	218220
South ID 12	306438	218221
South ID 13	306439	218222
South ID 14	306440	218223
OMS-1	307477	218904
Chip 1	248956	184883
Chip 2	248957	184884
Chip 3 Amended	277465	196402
Chip 4 Amended	277466	196403
Chip 5 Amended	277467	196404
Chip 6 Amended	277468	196405
Chip 7 Amended	277469	196406
Chip 8 Amended	277470	196407
Chip 9 Amended	277471	196408
Chip 10 Amended	277472	196409
Chip 11 Amended	277473	196410
Chip 12 Amended	277474	196411
Chip 13 Amended	277475	196412
Chip 14 Amended	277476	196413
Chip 15 Amended	277477	196414
Chip 16 Amended	277478	196415
Chip 17 Amended	277479	196416
Chip 18 Amended	277480	196417
Sun 20	306042	218133
Sun 21	306043	218134
Sun 22	306044	218135
Sun 23	306045	218136

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
Sun 24	306046	218137
Sun 25	306047	218138
Sun 26	306048	218139
Sun 27	306049	218140
Sun 28	306050	218141
Sun 29	306051	218142
Sun 30	306052	218143
Sun 31	306053	218144
Sun 32	306054	218145
Sun 33	306055	218146
Sun 34	306056	218147
Sun 35	306057	218148
Sun 36	306058	218149
Chip 21 Fraction	306059	218113
Chip 22 Fraction	306060	218114
Chip 23	306025	218115
Chip 24	306026	218116
Chip 25	306027	218117
Chip 26	306028	218118
Chip 27	306029	218119
Chip 28	306030	218120
Chip 29	306031	218121
Chip 30	306032	218122
Chip 31	306033	218123
Chip 32	306034	218124
Chip 33	306035	218125
Chip 34	306036	218126
Chip 35	306037	218127
Chip 36	306038	218128
Chip 37	306039	218129
Chip 38	306040	218130
Chip 39	306041	218131
Chip 40	307491	218895
DRC NW 1	307492	218847
DRC NW 2	307493	218848
DRC NW 3	307494	218849
DRC NW 4	307495	218850
DRC NW 5	307496	218851
DRC NW 6	307497	218852
DRC NW 7	307498	218853
DRC NW 8	307499	218854
DRC NW 9	307500	218855
DRC NW 10	307501	218856
DRC NW 11	307502	218857

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
DRC NW 12	307503	218858
DRC NW 13	307504	218859
DRC NW 14	307505	218860
DRC NW 15	307506	218861
DRC NW 16	307507	218862
DRC NW 17	307508	218863
DRC NW 18	307509	218864
DRC NW 19	307510	218865
DRC NW 20	307511	218866
DRC NW 21	307512	218867
DRC NW 22	307513	218868
DRC NW 23	307514	218869
DRC NW 24	307515	218870
DRC NW 25	307516	218871
DRC NW 26	307517	218872
DRC NW 27	307518	218873
DRC NW 28	307519	218874
DRC NW 29	307520	218875
DRC NW 30	307521	218876
DRC NW 31	307522	218877
DRC NW 32	307523	218878
DRC NW 33	307524	218879
DRC NW 34	307525	218880
DRC NW 35	307526	218881
DRC NW 36	307527	218882
DRC NW 37	307528	218883
DRC NW 38	307529	218884
DRC NW 39	307530	218885
DRC NW 40	307531	218886
DRC NW 41	307532	218887
DRC NW 42	307533	218888
DRC NW 43	307534	218889
DRC NW 44	307535	218890
DRC NW 45	307536	218891
DRC NW 46	307537	218892
DRC NW 47	307538	218893
DRC NW 48	307539	218894
EBatt 1	307483	218896
EBatt 2	307484	218897
EBatt 3	307485	218898
EBatt 4	307486	218899
EBatt 5	307487	218900
EBatt 6	307488	218901
EBatt 7	307489	218902

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
EBatt 8	307490	218903
OMM-1	307478	218905
OMM-2	307479	218906
OMN-2	307481	218908
OMN-3	307482	218909
BTG-1	307471	218910
BTG-2	307472	218911
BTG-3	307473	218912
BTG-4	307474	218913
BTG-5	307475	218914
BTG-6	307476	218915
NFX 17	307230	218685
NFX 18	307231	218686
NFX 19	307232	218687
NFX 20	307233	218688
NFX 21	307234	218689
NFX 22	307235	218690
NFX 23	307236	218691
NFX 24	307237	218692
NFX 25	307238	218693
NFX 30	307243	218698
NFX 31	307244	218699
NFX 32	307245	218700
NFX 33	307246	218701
NFX 34	307247	218702
NFX 35	307248	218703
NFX 36	307249	218704
NFX 37	307250	218705
NFX 38	307251	218706
NFX 42	307255	218710
NFX 43	307256	218711
NFX 44	307257	218712
NFX 45	307258	218713
NFX 46	307259	218714
NFX 47	307260	218715
NFX 48	307261	218716
NFX 49	307262	218717
NFX 50	307263	218718
NFX 56	307269	218724
NFX 57	307270	218725
NFX 58	307271	218726
NFX 59	307272	218727
NFX 60 Amended	307558	218728
NFX 61	307274	218729

Idaho Cobalt Operations – 100% Interest owned		
Claim Name	County #	IMC #
NFX 62	307275	218730
NFX 63	307276	218731
NFX 64	307277	218732
OMN-1 revised	315879	228322

Black Pine – 100% Interest Owned		
Claim Name	Book & Page County #	IMC #
NOAH #1	304761	217757
NOAH #2	304762	217758
NOAH #3	304763	217759
NOAH #4	304764	217760
NOAH #5	304765	217761
NOAH #6	304766	217762
NOAH #7	304767	217763
NOAH #8	304768	217764
NOAH #9	304769	217765
NOAH #10	304770	217766
NOAH #11 Amended	305804	218081
NOAH #12	305803	218082
NOAH #13 FRAC	305802	218083
NOAH #14	305805	218084
NOAH #15	305806	218085
NOAH #16	305807	218086
NOAH #17	305808	218087
NOAH #18	305809	218088
NOAH #19	305810	218089
NOAH #20	305811	218090
NOAH #21	305812	218091
NOAH #22	305813	218092
NOAH #23	305814	218093