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Ausenco Retained for SMP Refinery Restart BFS

Highlights

- Jervois retains Ausenco as lead engineering contractor for São Miguel Paulista ("SMP") refinery Bankable Feasibility Study (the "BFS"), as Jervois aims to restart operations during 2022
- Jervois will become a vertically integrated speciality metals producer when SMP is restarted as described below and its Idaho Cobalt Operations ("ICO") begins production, which continues to be expected from mid-2022
- Jervois aims to restart SMP in discrete, independent phases, initially processing feedstock similar to that processed during SMP's previous 30+ years of operations
- Jervois then plans to introduce material from ICO and other concentrates after installation of a Pressure Oxidative Autoclave ("POX") circuit to leach sulphide concentrates in Stage 2
- Stage 1 of the BFS is expected to be complete in Q3 2021, Stage 2 by end of the same calendar year
- SMP refinery integrity audit led by Promon Engenharia ("Promon") is continuing on schedule despite Covid-19

Jervois Mining Limited ("Jervois" or the "Company") (ASX: JRV) (TSX-V: JRV) (OTC: JRVMF) announces it has selected Ausenco to lead the BFS to restart SMP refinery in Brazil, with the study to be completed in multiple stages.

Jervois announced an agreement to acquire SMP refinery in Q3 2020 as its part of its strategy to become a vertically integrated producer of nickel and cobalt. The transaction provides Jervois with site access during 2021 to complete the BFS, with closing subject to the satisfaction of usual conditions, expected to be completed by December 2021. The acquisition and restart of SMP will transform Jervois into a vertically integrated producer when its 100%-owned ICO mine in the United States starts production, anticipated from mid-2022.

Jervois envisages a staged restart for SMP, which is a nickel and cobalt electrolytic refinery designed and constructed by Metso-Outotec that has been on care and

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maintenance since 2016. Stages 1 and 2 of the restart BFS as described in more detail below are expected to be completed by Q3 2021 and the end of 2021, respectively.

Prior to being placed on care and maintenance, SMP's annual refined production capacity was 25,000mt of nickel and 2,000mt of cobalt respectively. Stage 1 is a restart of the SMP refinery with initial production of 10,000mtpa of electrolytic nickel content in mixed hydroxide product ("MHP") or hydroxy carbonates and 2,500mtpa of electrolytic cobalt feeding the refinery with MHP and/or cobalt hydroxides. This part of the study should be completed in Q3 2021. No major refinery process modifications are anticipated in Stage 1.

Stage 2a includes the integration of a Pressure Oxidation Autoclave (the "POX") to support processing ICO concentrate, and Stage 2b should add a further 5,000mtpa of nickel contained in sulphide concentrates. The POX autoclave circuit will independently leach sulphide concentrate that will be discharged into the existing, operating refinery.

Ausenco will closely assess existing equipment installed, identify process bottlenecks, and design a facility that is both an optimal capital investment capable of rapid investment decision and implementation and consistent with Brazilian permitting requirements to ensure regulatory compliance. Whilst the headline capacity of SMP remains significantly above Jervois' Stage 2 restart scale, a measured approach is intended to balance initial capital requirements and risk, both operating and commercial. Stage 2 of the BFS is expected to be completed by the end of 2021.

Jervois has engaged Promon to complete an integrity audit of SMP refinery, as previously announced on 4 March 2021. The integrity audit is an important part of the refinery restart process. Promon's work is continuing and remains on schedule.

Jervois is also in final discussions with a third party equipment supplier to advance a specific scope of work for the POX circuit design criteria. This is in the final stages of negotiation and a further announcement will be made when it is finalized.

The Ausenco BFS final report will set out the capital and operating costing with an estimated accuracy range of $\pm 15\%$ which aligns with an AACE International, Class 3 Estimate. Estimated final contingency will be between 10% and 15%. Ausenco's BFS team will be staffed by a combination of its international offices in Toronto and Perth, as well as its Brazilian office in Belo Horizonte, to ensure that an appropriate blend of nickel-cobalt refinery expertise is combined with Brazilian construction experience. Jervois has agreed the principal terms of Ausenco's engagement and is finalizing documentation.

Jervois continues to work with potential lenders to identify appropriate financing structures for ICO and SMP.

About Ausenco

Ausenco is a global company based across 26 offices in 14 countries, with projects in over 80 locations worldwide. Combining deep technical expertise with a 30-year track record, Ausenco delivers innovative, value-add consulting studies, project delivery, asset operations and maintenance solutions to the mining & metals, oil & gas and industrial sectors.

Ausenco brings the necessary experience to deliver a robust and credible BFS for SMP refinery restart, which will support Jervois' financing and development plan requirements. Ausenco offers:

- Ability to manage the integration of all aspects of SMP refinery restart
- Proven ESG performance and practices, including strong expertise and proven ability to collaborate with the communities in which Jervois will work and within applicable Brazilian environmental regulations
- World class team and leadership with the right combination of technical expertise and local knowledge in Brazil, including significant brownfield execution expertise and world-renowned subject matter experts for project reviews
- Ability to execute within a fast-track execution schedule
- Significant project delivery experience that will mitigate construction and production ramp-up risk to deliver SMP refinery restart

On behalf of Jervois Mining Limited

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