

Jervois' ICO on Track for Q3 2022 Commissioning

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Highlights:

- Idaho Cobalt Operations ("ICO") capital project schedule and costing review has led to Jervois Board approving a revised construction budget of US\$107.5 million, up from US\$99.1 million. This includes a rise in remaining (unused) contingency to US\$3.8 million
- United States inflationary environment remains heightened; budget prudently raised as ICO enters final phase of construction
- Jervois to commence commissioning ICO mill in September 2022; full production now expected to be achieved in February 2023
- Once in production, ICO will be the only primary cobalt mine in the United States and will supply a critical metal necessary for electric vehicles, energy generation and distribution, defense and other industries and plays a key role in the transition to the low carbon economy.
- Mercuria US\$150.0 million working capital facility drawn down by additional US\$25.0 million, to US\$100.0 million, underpinned by higher inventory and receivables at Jervois Finland, providing financial flexibility across the Jervois group including for potential funding of development activities in the United States and Brazil

[Jervois Global Ltd.](#) ("Jervois") (ASX:JRV) (TSXV:JRV) (OTC:JRVMF) is pleased to provide an update on progress at its Idaho Cobalt Operations ("ICO") in Idaho, United States.

Jervois expects to commence commissioning the plant at ICO in September 2022 with first ore through the mill in October 2022 and sustainable, full rate ore processing now forecast by February 2023.

With detailed engineering, procurement and commitments all over 90% complete, final forecast capital expenditure to bring ICO into production has been revised to US\$107.5 million (from US\$99.1 million), an increase of ~7.5%. Project construction has experienced cost pressures due to the significant United States inflationary environment, which has been compounded in recent months due to contractor shortages, continued delays in the operability of an accommodation camp at site, and poor weather conditions across May and June. Due primarily to weather related delays affecting site installation, the accommodation camp will now only be operable in August.

ICO's adjusted final forecast capital expenditure and schedule will form the basis of the Cost to Complete test by independent engineer RPM Global, engaged by the trustee acting for bondholders under the terms of Jervois' US\$100.0 million Senior Secured Bonds ("Nordic Bonds") (refer to press release dated 5 July 2021). Jervois completed the first US\$50.0 million drawdown (50%) of the Nordic Bonds on 7 February 2022. RPM Global is scheduled to visit site early July to undertake the final Cost to Complete test ahead of the planned second tranche bond drawdown of US\$50.0 million later that month.

ICO Construction Progress

Mine development continues at ~25 feet per day. Planned increases to underground working faces,

improved water management and road conditions, as well as additional personnel and mining equipment on site are expected to increase mine development productivity. Jervois and its mining contractor Small Mine Development ("SMD") remain confident in the revised mining production targets that underpin the capital cost update.

Jervois is achieving infill drilling rates over 200 feet per day as part of a 19,000 feet underground campaign to decrease hole space aiming to enhance ore body knowledge. The drilling is improving the robustness of the resource model to generate a production block model for mining.

The SAG mill, ball mill and crusher are each in place, and work continues with facilities construction and equipment placement.

An official opening ceremony is scheduled at site for 7 October 2022 with expected participation of United States political leadership and Australian government delegates.

SAG Mill Shell Installation

Click Image To View Full Size

ICO Surface Facilities Progress

Click Image To View Full Size

ICO TWSF Operations and Construction

Mercuria Facility Drawdown

As announced on 6 June 2022, Mercuria Energy Trading SA ("Mercuria") has committed an additional US\$75.0 million under a secured loan facility (the "Facility"), taking the total facility limit to US\$150.0 million. Jervois has elected to draw US\$25.0 million of this additional facility, taking the total balance out to US\$100.0 million. The balance remains less than the Maximum Available Amount currently available under the terms of the facility, which is based on Jervois Finland's eligible inventories and receivables. A maximum of US\$50.0 million is permitted to be transferred out of the Jervois Finland group of companies, for other general purposes in the Jervois Global group including, for example, for funding of the group's development activities in the United States and Brazil.

As of May 31, 2022, Jervois's balance sheet flexibility remains strong, with an unrestricted cash position of US\$57.1 million, and a total cash position (including the Nordic Bond restricted account, escrowed pending second drawdown) of US\$114.4 million.

On behalf of [Jervois Global Ltd.](#)

Bryce Crocker, Chief Executive Officer

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