



Jervois Mining USA Limited

CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Expressed in US Dollars)

For the three and six months ended 30 June 2024

JERVOIS MINING USA LIMITED

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JEROVIS MINING USA LIMITED

Management's Report

Management presents their report, together with the unaudited condensed interim financial statements, of Jervois Mining USA Limited (the "Company" or "Jervois") for the three- and six-months ended 30 June 2024 (the "period").

1. Director

The sole Director of the Company during the whole of the financial period and up to the date of this report was:

Name	Role
Bryce Crocker	Chief Executive Officer

2. Principal activity

The principal activities of the Company during the period were mine suspension, including maintenance of assets, and extensional drilling.

3. Principal address

1309 S Challis St,
Salmon, Idaho,
83467-5453,
United States of America ("United States" or "U.S.")

4. Dividends paid or recommended

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

5. Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company.

6. Review of operations

The net loss after tax of the Company for the three-month period ended 30 June 2024 was US\$12.340 million (three-month period ended 30 June 2023: net loss after tax of US\$21.060 million). The net loss after tax of the Company for the six-month period ended 30 June 2024 was US\$24.367 million (six-month period ended 30 June 2023: net loss after tax of US\$24.703 million).

Idaho Cobalt Operations ("ICO")

Subsequent to the quarter-end, Jervois reported results from the first four drillholes as part of its U.S. Department of Defense ("DoD") Defence Production Act ("DPA") Title III fully refundable extensional drilling programme at ICO's RAM deposit. These drilling results complement those obtained at its 100%-owned Sunshine deposit^{1,2} under Jervois' US\$15.0 million DoD DPA Title III funding agreement ("DoD Agreement Funding"). Extensional drilling was conducted from a single underground drilling platform positioned within existing underground mine workings at ICO.

RAM drill results to date include:

- Hole JU24-093: 1.10% cobalt ("Co"), 1.18% copper ("Cu"), 0.69 grams per tonne ("g/t") gold ("Au") over a calculated true width ("CTW") of 1.8 metres ("m") AND hangingwall ("HW") mineralisation of 0.48% Co, 1.74% Cu, 1.13 g/t Au over a CTW of 3.8m.
- Hole JU24-095: 0.18% Co, 0.34% Cu, 0.10 g/t Au, over a CTW of 4.8m AND HW mineralization of 0.38% Co, 0.22% Cu, 0.27 g/t Au over a CTW of 2.7m AND footwall mineralisation of 0.43% Co, 0.99% Cu, 0.62 g/t Au over a CTW of 1.5m.
- Hole JU24-096: 0.48% Co, 0.60% Cu, 0.86 g/t Au over a CTW of 2.1m AND HW mineralisation of 1.40% Co, 1.38% Cu, 2.23 g/t Au over a CTW of 5.2m, including 3.3m CTW at 2.26% Co, 2.06% Cu, 3.60 g/t Au
- Hole JU24-097: 0.61% Co, 1.35% Cu, 1.51 g/t Au over a CTW of 5.5m including 3.9m CTW at 0.75% Co, 1.56% Cu, 1.85 g/t Au.

¹ See ASX announcement "Jervois completes U.S. Department of Defense reimbursed drilling at ICO's Sunshine deposit" dated 30 January 2024.

² See ASX announcement "Jervois completes maiden JORC Resource for Sunshine at ICO, USA" dated 2 April 2024.

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Results from the initial four drillholes of Jervois' RAM extensional drilling campaign under its DoD Agreement Funding have yielded positive indication of resource extension both along strike and at depth. Drillhole JU24-097 provides especially positive indication of the potential for extension within the RAM deposit with its significant mineralisation and width representing the deepest intersection of the Main Mineral Horizon ("MMH") to date at ICO. Additionally, the development of significant HW intercepts across 2024 extensional drilling provides further opportunity for cobalt resource growth potential.

Recent drilling results have demonstrated down-dip grade continuity along an interpreted orientation favourable to continued exploration by the Company within its contiguous claim boundaries. This updated interpretation of the MMH in the southern extents of the RAM deposit provides additional pathways to resource growth, previously believed to be limited to deep exploratory drilling, with additional moderate-depth extensional drilling at ICO. Greater continuity of HW mineralisation is also observed along this mineralised orientation based upon the 2024 drilling programme, indicating further resource growth opportunity.

Jervois' 2024 extensional drilling has successfully displayed continuity of prospective mineralisation across all completed holes with step-out intercepts ranging between 100m to 175m from the nearest neighbouring pre-2024 intercept laterally and consolidates mineralisation confidence across greater than 450m down-dip along and beyond existing 2023 Mineral Resource Estimate margins.

Full results and details are available in the ASX announcement titled "Extension drilling confirms resource growth potential at ICO", dated 31 July 2024³.

During the period, Jervois continued to work with its primary regulator, the U.S. Forest Service, on recommencing underground activities. Other activities in the period focussed on continued care and maintenance at ICO, including water treatment and management of other environmental obligations.

Executive General Manager – Commercial, Mr. Wayde Yeoman, was invited to present to a U.S. House of Representatives roundtable in Washington D.C. on 11 July 2024. The session was organised by the seven-member Critical Minerals Policy Working Group of the U.S. House Select Committee on the Strategic Competition Between the U.S. and the Chinese Communist Party (the "Congressional Committee"). Mr. Yeoman presented to the working group on critical minerals of the Congressional Committee, providing an overview of Jervois' business, including ICO, the cobalt market and China's participation therein, critical mineral stockpiling, and the Congressional Committee's proposal for a Resilient Resource Reserve.

Group Manager – ESG, Dr. Jennifer Hinton, was also invited to present to the same working group on critical minerals of the Congressional Committee at a second U.S. House of Representatives roundtable in Washington D.C. on 23 July 2024. Dr. Hinton presented in a session focused on environmental stewardship, forced labour, sustainability, governance and corruption in the production of critical minerals, including cobalt.

The proposed Resilient Resource Reserve is designed to insulate U.S. critical mineral producers, including cobalt, from Chinese induced price volatility and manipulation. Jervois continues to engage with the Congressional Committee and U.S. lawmakers with regard to next legislative steps.

Principal risk factors affecting the Company include:

- Risks associated with suspension of activities at ICO including in relation to existing infrastructure, buildings, and system deterioration,
- Regulatory risks
- Cobalt prices, and
- Reliance on management.

For additional risks affecting the Company, reference is made to the audited financial statements for the year ended 31 December 2023, which can be found on Jervois' website.

³ In accordance with ASX listing rule 5.23.2, Jervois confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcements referred to above and that the assumptions contained therein continue to apply and have not materially changed.

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7. Events subsequent to reporting date

On 9 May 2024, Jervois agreed with the holder of its ICO Senior Secured Bonds (the “Bonds”) a waiver of all financial covenants (the “Initial Waiver”) until 20 July 2024. After the period-end, in agreement with the holder and implemented on 23 July 2024, the Initial Waiver of all financial covenants, along with a deferral of the interest payment with respect to the Bonds due on 22 July 2024, was extended to 20 August 2024 and subsequently extended further to 30 August 2024 (the “Extended Waivers”). Other than the Initial Waiver and the Extended Waivers, which included deferral of the interest payment, there are no changes to the terms of the Bonds, including coupon, security, or guarantee arrangements. The Bonds also continue in the ordinary course to be subject to no principal repayment until the end of their existing five-year term in July 2026.

On 31 July 2024, the Company announced its results from the first four drillholes as part of its extensional drilling programme at its ICO RAM deposits in Idaho, U.S. These drilling results complement those obtained at its 100%-owned Sunshine deposit.

The Director of the Company has not identified any other 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 significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

8. Director's declaration

In the opinion of the Director of the Company, the unaudited condensed interim financial statements that are set out pages 4 to 8 give a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the three- and six-month period ended on that date.

JEROVIS MINING USA LIMITED

Condensed Statement of Profit or Loss and Other Comprehensive Income

For the three- and six-month period ended 30 June 2024 (unaudited)

	Three months ended 30 June 2024 US\$'000	Three months ended 30 June 2023 US\$'000	Six months Ended 30 June 2024 US\$'000	Six months Ended 30 June 2023 US\$'000
Corporate and administrative expenses	(552)	(195)	(1,211)	(754)
Employee benefits expenses	(841)	(2,629)	(1,762)	(5,212)
Suspension and other site costs	(1,387)	(5,683)	(2,497)	(5,683)
Depreciation and amortisation	(891)	(297)	(1,797)	(671)
Impairment charge	-	(550)	-	(550)
Other income / (expense)	75	(1,669)	76	(1,669)
Operating loss	(3,596)	(11,023)	(7,191)	(14,539)
Net finance costs	(8,744)	(10,037)	(17,176)	(10,164)
Loss before income tax	(12,340)	(21,060)	(24,367)	(24,703)
Income tax expense	-	-	-	-
Loss for the year after income tax	(12,340)	(21,060)	(24,367)	(24,703)
Total other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(12,340)	(21,060)	(24,367)	(24,703)

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

JERVOIS MINING USA LIMITED

Condensed Statement of Financial Position

As at 30 June 2024 (unaudited)

	30 June 2024 US\$'000	31 December 2023 US\$'000
Current assets		
Cash and cash equivalents	1,900	6,065
Funds held in escrow	690	690
Trade and other receivables	2,010	1,109
Prepayments	395	983
Inventories	93	90
Financial assets at fair value through profit or loss	5	155
Receivables with other group entities	7,171	6,796
Total current assets	12,264	15,888
Non-current assets		
Exploration and evaluation	30	30
Property, plant, and equipment	117,678	119,821
Intangible assets	625	709
Total non-current assets	118,333	120,560
Total assets	130,597	136,448
Current liabilities		
Trade and other payables	4,099	5,025
Employee benefits	547	500
Borrowings	5,563	6,250
Lease liabilities	867	889
Payables with other group entities	2,274	2,720
Total current liabilities	13,350	15,384
Non-current liabilities		
Borrowings	98,070	97,010
Lease liabilities	2,244	2,766
Asset retirement obligation	9,770	9,998
Payables with other group entities	247,539	227,436
Total non-current liabilities	357,623	337,210
Total liabilities	370,973	352,594
Net liabilities	(240,376)	(216,146)
Equity		
Share capital	122,708	122,708
Reserves	120	(17)
Accumulated losses	(363,204)	(338,837)
Total equity attributable to equity holders of the Company	(240,376)	(216,146)

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

JEROVIS MINING USA LIMITED

Condensed Statement of Changes in Equity

For the three- and six-month period ended 30 June 2024 (unaudited)

	Share capital US\$'000	Accumulated losses US\$'000	Contributed equity reserve US\$'000	Group re- organisation reserve US\$'000	Total US\$'000
Balance as at 1 January 2024	122,708	(338,837)	16,592	(16,609)	(216,146)
Loss for the period	-	(24,367)	-	-	(24,367)
Share-based payment contribution	-	-	137	-	137
Balance as at 30 June 2024	122,708	(363,204)	16,729	(16,609)	(240,376)

	Share capital US\$'000	Accumulated losses US\$'000	Contributed equity reserve US\$'000	Group re- organisation reserve US\$'000	Total US\$'000
Balance as at 1 January 2023	122,708	(160,057)	368	(16,609)	(53,590)
Loss for the period	-	(24,703)	-	-	(24,703)
Share-based payment contribution	-	-	118	-	118
Balance as at 30 June 2023	122,708	(184,760)	486	(16,609)	(78,175)

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

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Condensed Statement of Cash Flows

For the three- and six-month period ended 30 June 2024 (unaudited)

	Three months ended 30 June 2024 US\$'000	Three months ended 30 June 2023 US\$'000	Six months Ended 30 June 2024 US\$'000	Six months Ended 30 June 2023 US\$'000
Cash flows from operating activities				
Payments to suppliers and employees	(2,443)	(2,329)	(5,644)	(5,006)
Interest paid	-	-	(6,250)	(6,250)
Net cash outflow from operating activities	(2,443)	(2,329)	(11,894)	(11,256)
Cash flows from investing activities				
Interest received	-	129	234	129
Payments for exploration and evaluation	(1)	-	(74)	-
Payments for property, plant, and equipment	(2,890)	(26,755)	(4,131)	(67,873)
Proceeds from government grants	3,201	298	5,182	298
Net cash inflow / (outflow) from investing activities	310	(26,328)	1,211	(67,446)
Cash flows from financing activities				
Net (payments) / proceeds from other group entities	(1,276)	28,450	7,058	78,652
Repayment of lease liabilities	(233)	(345)	(540)	(841)
Net cash (outflow) / inflow from financing activities	(1,509)	28,105	6,518	77,811
Net decrease in cash and cash equivalents	(3,642)	(552)	(4,165)	(891)
Cash and cash equivalents at the beginning of the period	5,542	5,789	6,065	6,128
Cash and cash equivalents at the end of the period	1,900	5,237	1,900	5,237

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

JERVOIS MINING USA LIMITED

Notes to the Condensed Interim Financial Statements

For the three- and six-month period ended 30 June 2024 (unaudited)

1. Corporate information and basis of preparation

These unaudited condensed interim financial statements cover Jervois Mining USA Limited (the "Company") at the end of, or during, the three- and six-month period ended 30 June 2024 (the "period"). The unaudited condensed interim financial statements are presented in United States dollars, which is Company's functional and presentation currency.

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board. These unaudited condensed interim financial statements have been prepared for information purposes only and may not be indicative of the financial performance of the Company. These unaudited condensed interim financial statements have been rounded to the nearest thousands.

2. Principal activity

The principal activities of the Company during the period were mine suspension, including maintenance of assets, and extensional drilling.