



Jervois Mining USA Limited

CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited – Expressed in US Dollars)

For the three and nine months ended 30 September 2023

JERVOIS MINING USA LIMITED

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JERVOIS 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 nine months ended 30 September 2023 (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 activity of the Company during the period was mine construction, followed by suspension of activities and maintenance of assets.

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 September 2023 was US\$10.504 million (three-month period ended 30 September 2022: net loss after tax of US\$4.079 million). The net loss after tax of the Company for the nine-month period ended 30 September 2023 was US\$32.541 million (nine-month period ended 30 September 2022: net loss after tax of US\$8.251 million).

Idaho Cobalt Operations ("ICO")

Cash flow for ICO in the third quarter included US\$4.6 million associated with suspension costs.

A further US\$8.6 million of cash was utilised for residual vendor payments and one-off items for works completed before the construction project was suspended on 29 March 2023 and, thereafter, transitioned to suspension mode in the second quarter of 2023. Residual vendor payments at ICO are substantially in line with prior guidance that was included in the Jervois Global Limited "Capital Raising Presentation" dated 28 June 2023, with the final capital cost falling slightly below the US\$155 million estimate.

Jervois commenced a surface drilling campaign at the Sunshine deposit adjacent to ICO in September 2023, following receipt of U.S. Forest Service approval. Sunshine is a historic deposit adjacent to Jervois' 100%-owned ICO, within a short trucking distance of the recently constructed processing facilities.

Drilling occurred under the U.S. Department of Defense ("DoD") US\$15.0 million funding agreement (the "Agreement Funding"). The Agreement Funding is under the Manufacturing Capability Expansion and Investment Prioritization office of Industrial Base

JERVOIS MINING USA LIMITED

Management's Report

Policy using the U.S. Defense Production Act Title III authorities and utilises funds from the Additional Ukraine Supplemental Appropriations Act. The drilling campaign direct expenditure and associated Jervois programme supervision and administration is fully refundable under the Agreement Funding.

Jervois has completed seven drill holes from surface topography at Sunshine, comprising 1,150 metres (3,700 feet) in total. Logging of the Sunshine core obtained from drilling is underway, with assay results expected in Q1 2024. Modelling of the results, together with Jervois' inaugural mineral resource estimate for Sunshine, are expected in Q2 2024.

In addition to the Sunshine drilling campaign, Jervois has commenced an underground resource extension programme at the RAM deposit at ICO under the Agreement Funding. The resource extension programme expenditure and associated Jervois programme supervision and administration is fully refundable under the Agreement Funding. The RAM resource extension programme will involve the commenced construction of an underground exploration drift as well as extensional drilling to define potential step-outs from the existing RAM mineral resource estimate, which the commenced construction will enable. The extension drilling is expected to start in Q1 2024. See the release titled "Jervois commences U.S. government-funded resource extension programme at ICO's RAM deposit" dated 20 November 2023.

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,
- 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 2022, which can be found on Jervois' website.

7. Director's declaration

In the opinion of the Director of the Company, the unaudited condensed interim financial statements that are set out pages 3 to 7 give a true and fair view of the Company's financial position as at 30 September 2023 and of its performance for the period ended on that date.

JERVOIS MINING USA LIMITED**Condensed Statement of Financial Position****As at 30 September 2023 (Unaudited)**

	30 September 2023	31 December 2022
	US\$'000	US\$'000
Current assets		
Cash and cash equivalents	5,190	6,128
Funds held in escrow	690	690
Trade and other receivables	752	-
Receivables with other group entities	6,864	7,363
Prepayments	414	1,070
Inventories	64	142
Financial assets at fair value through profit or loss	34	1,627
Total current assets	14,008	17,020
Non-current assets		
Property, plant, and equipment	253,543	202,822
Intangible assets	779	112
Right-of-use assets	3,962	7,054
Total non-current assets	258,284	209,988
Total assets	272,292	227,008
Current liabilities		
Trade and other payables	6,956	33,014
Employee benefits	367	639
Payables with other group entities	2,326	462
Borrowings	3,809	6,469
Lease liabilities	921	1,939
Total current liabilities	14,379	42,523
Non-current liabilities		
Payables with other group entities	235,089	128,632
Borrowings	96,084	96,084
Lease liabilities	2,991	5,060
Asset retirement obligation	9,659	8,299
Total non-current liabilities	343,823	238,075
Total liabilities	358,202	280,598
Net liabilities	(85,910)	(53,590)
Equity		
Share capital	122,708	122,708
Reserves	(16,019)	(16,241)
Accumulated losses	(192,599)	(160,057)
Total equity attributable to equity holders of the Company	(85,910)	(53,590)

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

JERVOIS MINING USA LIMITED

Condensed Statement of Profit or Loss and Other Comprehensive Income

For the three and nine months ended 30 September 2023 (Unaudited)

	Three months ended 30 September 2023 US\$'000	Three months ended 30 September 2022 US\$'000	Nine months ended 30 September 2023 US\$'000	Nine months ended 30 September 2022 US\$'000
Other income	-	10	-	10
Administrative expenses	(817)	(276)	(1,875)	(716)
Communication expenses	(268)	(134)	(666)	(349)
Employee benefits expenses	(1,091)	(1,920)	(6,185)	(3,412)
Share-based payments	(104)	(89)	(222)	(274)
Legal and professional fees	(371)	(7)	(311)	(90)
Securities quotation fees	-	(20)	(152)	(152)
Mine site costs and other expenses	(659)	(67)	(3,323)	(713)
Mine site de-watering	430	-	(1,795)	-
Fair value loss on financial assets	-	-	(1,592)	(153)
Depreciation and amortisation	(380)	(161)	(1,051)	(363)
Gain on sale of fixed asses	266	-	191	1,481
Impairment charge	-	-	(550)	-
Net foreign exchange loss	(3)	(3)	(4)	(12)
Interest income	10	80	139	80
Interest expense	(7,517)	(1,492)	(15,146)	(3,588)
Loss before income tax expense	(10,504)	(4,079)	(32,542)	(8,251)
Income tax expense	-	-	-	-
Loss after income tax expense for the year	(10,504)	(4,079)	(32,542)	(8,251)
Other comprehensive income				
Total other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(10,504)	(4,079)	(32,542)	(8,251)

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 Changes in Equity****For the nine months ended 30 September 2023 (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 2023	122,708	(160,057)	368	(16,609)	(53,590)
Loss for the period	-	(32,542)	-	-	(32,542)
Share-based payment contribution	-	-	222	-	222
Balance as at 30 September 2023	122,708	(192,599)	590	(16,609)	(85,910)

	Share capital US\$'000	Accumulated losses US\$'000	Contributed equity reserve US\$'000	Group re- organisation reserve	Total US\$'000
Balance as at 1 January 2022	122,708	(81,505)	-	(24,813)	16,390
Loss for the period	-	(8,251)	-	-	(8,251)
Balance as at 30 September 2022	122,708	(89,756)	-	(24,813)	8,139

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

JERVOIS MINING USA LIMITED

Condensed Statement of Cash Flows

For the three and nine months ended 30 September 2023 (Unaudited)

	Three months ended 30 September 2023 US\$'000	Three months ended 30 September 2022 US\$'000	Nine months ended 30 September 2023 US\$'000	Nine months ended 30 September 2022 US\$'000
Cash flows from operating activities				
Other income	-	10		10
Payments to suppliers and employees	(7,284)	(2,817)	(12,290)	(4,696)
Interest paid	(6,250)	(6,250)	(12,500)	(12,500)
Net cash outflow from operating activities	(13,534)	(9,057)	(24,790)	(17,186)
Cash flows from investing activities				
Interest received	10	80	139	80
Payments for exploration and evaluation	(240)	-	(240)	-
Payments for property, plant, and equipment	(5,937)	(24,225)	(73,810)	(70,026)
Proceeds on disposal of property, plant, and equipment	676	20	974	1,250
Net cash outflow from investing activities	(5,491)	(24,125)	(72,937)	(68,696)
Cash flows from financing activities				
Proceeds from Government grants	8	-	8	-
Net proceeds with other group entities	19,389	256	98,042	3,657
Transfer from funds held in escrow	-	57,250	-	113,500
Transfer to restricted cash – other	-	(690)	-	(690)
Repayment of lease liabilities	(419)	(52)	(1,261)	(99)
Net cash inflow from financing activities	18,978	56,764	96,789	116,368
Net (decrease) / increase in cash and cash equivalents	(47)	23,582	(938)	30,486
Cash and cash equivalents at the beginning of the period	5,237	7,683	6,128	779
Cash and cash equivalents at the end of the period	5,190	31,265	5,190	31,265

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 nine months ended 30 September 2023 (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 nine months ended 30 September 2023 (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 activity of the Company during the period was mine construction, followed by suspension of activities and maintenance of assets.