



A.B.N. 52 007 626 575
Suite 2.03, 1-11 Gordon Street, Cremorne, Victoria, 3121, Australia

28 June 2023 (Australia)

ASX / TSX-V: JRV
OTC: JRVMF

Not for release to US wire services or distribution in the United States

Jervois to issue US\$25M Unsecured Convertible Notes and launches underwritten US\$25M Entitlement Offer

Highlights:

- Agreement to issue US\$25 million of Unsecured Convertible Notes, with a 40% conversion premium to TERP¹ on the Entitlement Offer, carrying a 6.5% p.a. coupon, maturing in July 2028²
- In parallel Jervois has launched a fully underwritten 1 for 3.34 accelerated non-renounceable entitlement offer (“Entitlement Offer”) to also raise additional US\$25 million³
- Under the Entitlement Offer, AustralianSuper (Jervois’ largest shareholder at 18.5%) has committed up to US\$11.7 million, potentially increasing its shareholding in the company to up to 25.0%
- Mercuria (Jervois’ second largest shareholder at 9.9% and lender) has committed to taking up its full entitlement under the Entitlement Offer
- Jervois Directors and Executive Management to invest a further US\$0.7 million under the Entitlement Offer
- Strong balance sheet with pro-forma cash of US\$65 million at completion of the capital raising, and after near term debt repayments of over US\$20 million⁴

Overview

Jervois Global Limited (“**Jervois**”) (ASX:JRV) (TSX-V: JRV) (OTC: JRVMF) announces it has launched a US\$50 million total capital raising (the “**Capital Raising**”), comprising:

- US\$25 million Unsecured Convertible Notes (“**Notes**”) maturing in July 2028 which are convertible into Jervois ordinary shares (“**Ordinary Shares**”) (“**Convertible Notes**”)

¹ TERP (theoretical ex rights price) is the theoretical price at which Jervois’ ordinary shares should trade at immediately after the ex-date for the Entitlement Offer based only on the last traded price and issuance of Jervois’ ordinary shares at the offer price under the Entitlement Offer.

² Subject to satisfaction of customary conditions.

³ A\$37.4 million based on AUD/USD exchange of 0.669 (25 June 2023).

⁴ Refer to slide 20 of the investor presentation released today by Jervois in connection with the capital raising for basis of preparation of proforma financial position.

Offer”). The initial conversion price for the Notes represents a 40% premium to the Entitlement Offer Theoretical Ex Rights Price (“**TERP**”)¹ and the Notes carry a 6.5% p.a. coupon; and

- US\$25 million fully underwritten 1 for 3.34 accelerated non-renounceable entitlement offer (the “**Entitlement Offer**”), undertaken in parallel with the Convertible Notes Offer.

Net proceeds from the Capital Raising will strengthen Jervois’ balance sheet, improve liquidity and working capital flexibility, with cash also being applied to debt reduction. Once expected debt payments are complete, Jervois will have a proforma cash balance of US\$65 million.³ The Capital Raising will support Jervois’ refocused strategy to respond to historic low cobalt prices, including:

- Continued implementation and delivery of Jervois Finland’s turnaround;
- Focus on strategic partnerships to position company for expected re-rating on cobalt price recovery and once SMP restart is fully funded – with latter to reduce single asset and commodity price exposure; and
- Increased cooperation on critical mineral supply chain security with host Western governments across each Jervois site.

Convertible Notes Offer

Jervois has agreed to issue US\$25 million of Notes to Millstreet Capital Management, a large holder of the ICO Senior Secured Bonds. The Notes have a 6.5% per annum coupon and a conversion premium of 40% to TERP on the Entitlement Offer. A summary of the key terms of the Notes is set out below:

Key Terms of Convertible Note

Maximum issue size / face value	▪ US\$25 million
Use of proceeds	▪ General corporate purposes
Proposed issue date ⁵	▪ 7 July 2023
Maturity	▪ 5 years from issuance (due July 2028)
Coupon	▪ 6.5% per annum (accrued daily and payable quarterly in cash or in kind)
Establishment fee	▪ 4.0%

⁵ Subject to satisfaction of the conditions precedent.

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Conversion premium	40.0% – being A\$0.0905, representing a 40.0% premium to the TERP on the entitlement offer of A\$0.0646, expressed in US\$
Status & security	- Senior unsecured convertible note – convertible into Jervois ordinary shares - Direct, senior, unconditional, unsubordinated and unsecured obligations of Jervois – payment obligations to rank equally with all other existing and future direct, senior, unconditional, unsubordinated obligations
Conversion / redemption	Conversion: At any time after 30 days from the issue date and prior to 5 business days before the maturity date⁶ Redemption: At any time after the fourth anniversary of the issue date but before the maturity date, if the closing price is at least 60% higher than the initial conversion price
Shareholder approval	- The convertible notes will be issued in two tranches and subject to Jervois' placement capacity: - Tranche 1: US\$19.0 million; and - Tranche 2: US\$5.1 million
Conditions precedent	- Tranche 1: - Completion of the institutional component of an underwritten entitlement offer to raise at least US\$10 million - Completion of customary definitive documentation reasonably acceptable to the investor and Jervois - Tranche 2⁷: - Shareholder approval
Other	Conversion price adjustment: Standard anti-dilutive adjustments including upon a change of control of Jervois Covenants: Customary affirmative and negative covenants Default: Standard events of default, applicable to Jervois and/or its material subsidiaries, including cross default of US\$10 million or more Default interest: 2.0%

Entitlement Offer

Concurrent with the Convertible Notes Offer, the Entitlement Offer is at a fixed price of A\$0.060 per share (“**Offer Price**”). The Offer Price represents a:

- 7.1% discount to TERP⁸ of A\$0.0646 on Tuesday, 27 June 2023; and
- 9.1% discount to the last close price of A\$0.0660 on Tuesday, 27 June 2023.

⁶ If such conversion would result in the holder's voting power in Jervois reaching or exceeding 20% of the issued and outstanding shares or voting power of Jervois, then, without the prior requisite approval of Jervois' shareholders, upon a conversion, Jervois will only convert the portion of the Note subject to the conversion request that would result in the holder's shareholdings being 19.90% and will redeem the remainder of such Note for cash.

⁷ In addition to the conditions precedent required for Tranche 1.

⁸ TERP (theoretical ex rights price) is the theoretical price at which Jervois' ordinary shares should trade at immediately after the ex-date for the Entitlement Offer based only on the last traded price and issuance of Jervois' ordinary shares at the offer price under the Entitlement Offer.



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Jervois will issue approximately 622.7 million new Ordinary Shares ("**New Shares**") under the Entitlement Offer, equivalent to approximately 23.0% of Jervois' total outstanding Ordinary Shares upon completion of the Entitlement Offer. New Shares issued under the Entitlement Offer will rank equally in all respects with Jervois' existing Ordinary Shares.

Jervois' largest shareholder, AustralianSuper (18.5%) has committed to taking up its full entitlement (A\$6.9M) and sub-underwriting (up to A\$10.6M of the Entitlement Offer), which will leave it with a maximum post Entitlement Offer shareholding in Jervois of 25%.

Mercuria (Jervois' second largest shareholder at 9.9%, and lender) has committed to taking up its full entitlement.

Jervois' Directors and Executive Management will invest a further US\$0.7 million (A\$1.0 million) under the Entitlement Offer.

Eligible shareholders are invited to subscribe for 1 New Share for every 3.34 existing Ordinary Shares ("**Entitlement**") held as at 7:00pm (Sydney, Australia timezone) on Monday, 3 July 2023 under the Entitlement Offer.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional component of the Entitlement Offer ("**Institutional Entitlement Offer**"), which is being conducted today, Wednesday, 28 June 2023.

Eligible institutional shareholders can choose to take up all, part or none of their Entitlement. Institutional Entitlements cannot be traded on the ASX or transferred.

Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to new institutional investors and existing institutional shareholders concurrently with the Institutional Entitlement Offer.

Jervois' shares will recommence trading on Monday, 3 July 2023 following completion of the Institutional Entitlement Offer.

Retail Entitlement Offer

Eligible retail shareholders in Australia and New Zealand will be invited to participate in the retail component of the Entitlement Offer ("**Retail Entitlement Offer**") at the same Offer



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Price and ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Wednesday, 5 July 2023 and close at 5.00pm on Tuesday, 18 July 2023.

Further details about the Retail Entitlement Offer will be set out in the retail offer booklet, which Jervois expects to lodge with the ASX on Wednesday, 5 July 2023.

Entitlements cannot be traded on the ASX or transferred. Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, may not receive any value in respect to those Entitlements not taken up.

Indicative Timetable

Event	Date
Announcement of Entitlement Offer	Wednesday, 28 June 2023
Institutional Entitlement Offer closes	Thursday, 29 June 2023
Announcement of the completion of Institutional Entitlement Offer and trading resumes on an ex-entitlement basis	Monday, 3 July 2023
Record Date for Entitlement Offer (7pm)	Monday, 3 July 2023
Access letter despatched to Eligible Retail Shareholders	Wednesday, 5 July 2023
Retail Entitlement Offer opens	Wednesday, 5 July 2023
Settlement of New Shares to be issued under the Institutional Entitlement Offer	Thursday, 6 July 2023
Expected settlement of Convertible Note Offer	Thursday, 6 July 2023
Allotment and Quotation of New Shares under the Institutional Entitlement Offer	Friday, 7 July 2023
Closing date for acceptances under Retail Entitlement Offer (5pm)	Tuesday, 18 July 2023
Announcement of results of Retail Entitlement Offer and notification of any shortfall	Friday, 21 July 2023
Settlement of Retail Entitlement Offer	Monday, 24 July 2023
Allotment and issue of New Shares under the Retail Entitlement Offer	Tuesday, 25 July 2023
Commencement of trading and holding statements dispatched for Retail Entitlement Offer	Wednesday, 26 July 2023



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Additional Information

Further details on the Capital Raising are set out in the Investor Presentation also released to the ASX today. The Investor Presentation contains important information including disclaimers, key risks and foreign selling restrictions with respect to the Entitlement Offer.

Jefferies (Australia) Pty Ltd and Canaccord Genuity (Australia) Limited are acting as Joint Lead Managers and Underwriters to the Entitlement Offer.

This announcement has been approved for release by the Board of Directors of Jervois Global Limited.

Completion of the Capital Raising is subject to the approval of the TSX Venture Exchange.

For further information, please contact:

Investors and analysts:

James May
Chief Financial Officer
Jervois Global
james.may@jervoisglobal.com

Media:

Nathan Ryan
NWR Communications
nathan.ryan@nwrcommunications.com.au
Mob: +61 420 582 887

Forward-Looking Statements

This news release may contain certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule", "expected" and other similar words or expressions identify forward-looking statements or information. These forward-looking statements or information may relate to the Capital Raising and approvals of the TSXV, future operations at Jervois Finland, anticipated partnerships, restart and timing of SMP Refinery; future operations; future growth potential of Jervois' projects and future development plans; and certain other factors or information. Such statements represent Jervois' current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by Jervois, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements.

These forward-looking statements are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and its related bodies corporate and affiliates (and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management), and could cause results, performance or achievements to be materially different from the results, performance or



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achievements that are or may be expressed or implied by such forward-looking statements or any projections and assumptions on which those statements are based. This includes statements about market and industry trends, which are based on interpretations of market conditions.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. These statements may assume the success of the Company's business strategies, the success of which may not be realised within the period for which the forward-looking statements may have been prepared, or at all, and the receipt of applicable approvals to complete the Capital Raising.

No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this announcement. The forward-looking statements are based on information available to the Company as at the date of this announcement. Except as required by applicable laws, rules or regulations, none of the Company, its representatives or advisers intends to, or undertakes to, or assumes any obligation to, provide any additional information, update or revise the statements in this announcement, whether as a result of a change in expectations or assumptions, new information, future events, results or circumstances.

Not an offer of securities

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General

In addition, this announcement is subject to the same "Important Notice and Disclaimer" as appears on slides 2 to 5 of the Investor Presentation with any necessary contextual changes.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.