

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Jervois Global Limited

ABN

52 007 626 575

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	41,932	118,070
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) production	(41,869)	(118,117)
	(c) site suspension	(2,289)	(7,906)
	(d) staff costs ¹	(2,188)	(6,974)
	(e) corporate administration	(463)	(1,901)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	332
1.5	Interest and other costs of finance paid	(1,631)	(11,028)
1.6	Income taxes paid / (refunded)	(247)	(297)
1.7	Other:		
	(a) project costs ²	(3,052)	(5,094)
	(b) government grants	931	1,955
	(c) other income	183	325
1.9	Net cash from / (used in) operating activities	(8,682)	(30,635)

¹ Excludes Jervois Finland staff costs which are included in 1.2(b) production.

² Relates to the cobalt refinery study currently being undertaken in the United States (100% reimbursable by the United States Department of Defense under a Defense Production Act Title III award), as well as Group business development and restructuring costs.

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment – incl. assets under construction	(1,300)	(6,684)
	(d) exploration & evaluation	(29)	(160)
	(e) acquisition of subsidiaries	-	-
	(f) transfer tax on acquisition	-	-
	(g) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – government grants and tax incentives	762	4,920
2.6	Net cash from / (used in) investing activities	(567)	(1,924)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	3,750	3,750
3.6	Repayment of borrowings	(46)	(92)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – incl. lease liabilities	(380)	(1,076)
	Other	-	-
3.10	Net cash from / (used in) financing activities	3,324	2,582

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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	21,349	45,368
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,682)	(30,635)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(567)	(1,924)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,324	2,582
4.5	Effect of movement in exchange rates on cash held	(73)	(40)
4.6	Cash and cash equivalents at end of period	15,351	15,351

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	15,351	21,349
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	15,351	21,349

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	179
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Bond Facility ¹	100,000	100,000
7.2(i)	Secured Revolving Credit Facility ²	150,000	44,105
7.2(ii)	Term Loan ²	7,500	3,750
7.3	Unsecured Convertible Notes ³	25,000	25,000
7.4	Total financing facilities	282,500	172,855
7.5	Unused financing facilities available at quarter end (\$US'000)⁴		3,750
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	1. Bond Facility – US\$100.0 million: On 20 July 2021 the Company completed settlement of a US\$100.0 million Senior Secured Bonds (the "Bonds" facility). The Bonds were issued by the Company's wholly owned subsidiary, Jervois Mining USA Limited, and are administered by the bond trustee, Nordic Trustee AS. In February 2022, Jervois Mining USA Limited completed the first US\$50.0 million drawdown on the Bonds, and in July 2022 the second, and final, US\$50.0 million drawdown was completed. The Bonds have been subject to waivers of financial covenants, including a deferral of the interest payment, during the period (refer to Section 7.6 (2) for detailed discussion). Key terms (30 September 2024): • Issuer: Jervois Mining USA Limited (wholly owned subsidiary of the Company). • Maturity: 5-year tenor with a maturity date of 20 July 2026. • Original issue discount of 2%. • Coupon rate: 12.5% per annum with interest payable bi-annually. • No amortisation – bullet payment on maturity. • Non-callable for 3 years, after which callable at par plus 62.5% of coupon, declining rateably to par in year 5. • Transaction security: First priority security over all material assets of the Issuer, pledge of all the shares of the Issuer, intercompany loans. As part of the Term Loan (discussed below), the Company has agreed to grant the Lender a second lien on the Jervois Finland Facility security package in favour of the Bonds.		
	2. (i) Secured Revolving Credit Facility – US\$150.0 million; (ii) and Term Loan – US\$7.5 million: On 28 October 2021 the Company's wholly owned subsidiaries, Jervois Suomi Holding Oy and Jervois Finland Oy (together, "the Borrowers"), entered into a secured loan facility with Mercuria Energy Trading SA ("Mercuria"), a wholly owned subsidiary of Mercuria Energy Group Limited, to borrow up to US\$75 million (the "Facility"). The Borrowers increased the Facility to US\$150 million through the execution of the Accordion Increase (as contemplated in the facility agreement entered into on 28 October 2021 and as amended and restated on 4 August 2022).		

On 26 July 2024, the debt under the Facility was assigned from Mercuria to the majority bondholder (the "Lender") of the Idaho Cobalt Operations Bonds (refer to ASX announcement entitled "Transfer of Jervois Finland Working Capital Facility", released on 26 July 2024). Since this date, the Lender has granted a waiver (and certain waiver extensions) of financial covenants and certain potential cross-defaults under the Bonds, agreed to defer the semi-annual interest payment on the Bonds (ordinarily due in July 2024), and granted a waiver (and certain waiver extensions) of the financial covenants and the Collection Accounts Required Balance requirement (refer to Section 7.6 (4)) under the Facility to 6 September 2024 (the "Waivers").

On 6 September 2024, the Company received extensions of the Waivers until the later of 15 October 2024, or as extended at the Lender's discretion, or such other date contemplated by a transaction support agreement in relation to a proposed recapitalisation, in circumstances where the Company and the Lender enter into such an agreement. On 16 October 2024, the Waivers were extended to 14 December 2024.

On 6 September 2024, the Company entered into an agreement to modify the Facility whereby the Lender has made available to Jervois a term loan tranche (the "Term Loan") in the amount of US\$7.5 million, on the same terms of the Facility, together with continuation of waivers of financial covenants and other requirements of the Facility (refer to ASX announcement entitled "Modifications to Jervois Finland Working Capital Facility").

On 9 September 2024, the Company drew down US\$3.75 million of the Term Loan and, in the subsequent period, on 8 October 2024, the Company drew down the remaining US\$3.75 million.

Key terms (30 September 2024):

- Borrowers: Jervois Suomi Holding Oy and Jervois Finland Oy (wholly owned subsidiaries of the Company).
- Facility: rolling facility to 31 December 2024.
- Term Loan: 31 December 2024.
- Interest rate: SOFR + 5.0% per annum.
- Transaction security: First priority security over all material assets of Jervois Finland, including inventory, receivables, collection account, and shares in Jervois Finland.

As part of the Term Loan, the Company has agreed to grant the Lender a pledge over the shares of Jervois Brasil and a second lien on the assets currently secured to the ICO Bonds.

3. Unsecured Convertible Notes – US\$25.0 million:

On 28 June 2023, the Company entered into a Subscription Agreement for the issuance of US\$25.0 million of Unsecured Convertible Notes (the "Notes") maturing in July 2028 (Tranche 1) and August 2028 (Tranche 2), respectively, and which are convertible into Jervois ordinary shares. The initial conversion price for the Notes is US\$0.0605 and the Notes carry a 6.5% per annum coupon, payable in arrears through either settlement in cash or payment in kind. The gross proceeds were received under two tranches of US\$19.9 million and US\$5.1 million on 20 July 2023 and 31 August 2023, respectively.

4. Unused limit of Secured Revolving Credit Facility and Term Loan:

The Borrowers may draw the Facility to the lower of the maximum amount or to an agreed ratio of the collateral value (calculated as a function of the Borrower's inventory and receivables as contemplated in the facility agreement) (the "Maximum Available Amount"). Where amounts drawn exceed 110% of the Maximum Available Amount (the "Shortfall"), the Borrowers are required, upon receipt of a Shortfall notice, to prepay or repay any amount of the Facility to ensure that, following such payment, the Shortfall no longer exists. Subject to the Maximum Available Amount, the total unused financing facility may increase in the future to the maximum facility amount of US\$150.0 million. As at 30 September 2024, the Company's available financing facilities cash inflow of US\$3.75 million wholly reflects partial drawdown of the Term Loan.

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(8,682)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(29)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(8,711)
8.4 Cash and cash equivalents at quarter end (item 4.6)	15,351
8.5 Unused finance facilities available at quarter end (item 7.5)	3,750
8.6 Total available funding (item 8.4 + item 8.5)	19,101
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.2
<i>Note: if the entity has reported positive relevant outgoings (i.e., a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024

Authorised by: Disclosure Committee
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g., Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.