

Jervois Mining Ltd

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Jervois Mining's merger with M2 Cobalt will boost East African ambitions

Jervois Mining Limited (ASX:JRV) has entered into a definitive agreement to merge with TSXV-listed explorer M2 Cobalt Corp (CVE:MC), adding Uganda to the company's East African ambitions

The friendly at-market merger transaction will provide greater scale, liquidity and diversification as well as re-rating potential.

A Plan of Arrangement under the Business Incorporations Act will complete the transaction whereby Jervois will acquire all of M2 Cobalt's common shares.

"Enthusiastic" about potential

Melbourne-based Jervois is enthusiastic about the exploration potential of M2 Cobalt's portfolio of tenements in Uganda.

The East African country hosts a continuation of geological trends from neighbouring DRC and has a history of copper-cobalt production.

M2 Cobalt's Kilembe area consists of five exploration licences covering 710 kilometres along strike from the historical Falconbridge mine.

Strong platform to pursue opportunities

That company's experience in Uganda provides a strong platform for Jervois to pursue opportunities at and around the historic Kilembe mine and Kasese Cobalt Refinery.

The Kilembe mine holds strong exploration potential along strike in both directions on licences controlled by M2 Cobalt, where drill ready targets at the Bujagali prospects will be immediately funded by a convertible loan from Jervois.

Transaction summary

The arrangement will be subject to approval by two-thirds of M2 Cobalt shareholders.

In addition, the arrangement is also subject to the receipt of certain regulatory, court and stock exchange approvals, as well as Jervois being accepted for listing on the TSX Venture Exchange (TSXV).

The company will keep its primary listing on the ASX, while continuing M2 Cobalt's listing on the TSXV, thus providing access to Australian and North American markets.

Large cobalt-nickel operations

Jervois' current asset is the Nico Young cobalt-nickel deposit in New South Wales, where the company is close to finalising a pre-feasibility study on 3.0 million tonnes per annum heap leach facility.

After construction, the facility will be one of Australia's largest cobalt-nickel operations.

Price: 0.255

Market Cap: \$163.62 m

1 Year Share Price Graph



Share Information

Code: JRV

Listing: ASX

52 week High Low
0.3 0.175

Sector: Mining

Website: www.jervoismining.com.au

Company Synopsis:

Jervois Mining Ltd (ASX:JRV) is listed on the Australian Securities Exchange.

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The company has also applied for a prospecting licence over the Kabanga Nickel Project in Tanzania and considers that entry into Uganda will complement its East African regional ambitions.

- Jessica Cummins

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