

JERVOIS MINING LIMITED

A.B.N. 52 007 626 575



27 February 2009

The Manager
Company Announcements
Australian Stock Exchange
Level 10, 20 Bond Street
SYDNEY NSW 2000

ANNOUNCEMENT

Dear Sir,

Re: EGM 2 April 2009

Attached, please find the formal Notice of Meeting Form, an Explanatory Statement and a pro-forma Proxy and a letter to shareholders from Mr D.C. Pursell, Chairman and Managing Director.

By Order of the Board,



JOHN NEILL
COMPANYSECRETARY

Att.

JERVOIS MINING LIMITED
A.C.N. 007 626 575
Registered Office: Level 20, 114 William Street, Melbourne, Victoria 3000

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of Members of Jervois Mining Limited (“Jervois” or the “Company”) will be held at the Institute of Chartered Accountants, Level 3, Bourke Place, 600 Bourke Street, Melbourne, Victoria at 11:00AM on Thursday, 2 April 2009 (AEDST).

AGENDA

The Explanatory Statement, which accompanies and forms part of this Notice, contains further information relating to the matters to be considered.

A. Resolutions

1. Removal of Mr Richard Malcolm Campbell as a Director of the Company

To consider and, if thought fit, pass the following resolution as an **ordinary** resolution:

“That Mr Richard Campbell be and is by this resolution removed from office as a director of this Company.”

2. Adoption of a new Constitution

To consider and, if thought fit, pass the following resolution as a **special** resolution:

“That with effect from the passing of this resolution and in accordance with section 136 of the Corporations Act 2001, the regulations contained in the printed document produced to this general meeting and signed by the Chairman for identification purposes are hereby approved and adopted as the constitution of the Company in substitution for and to the exclusion of the existing constitution of the Company.”

3. Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary** resolution:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 500,000,000 shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions of the Proxy Form or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Removal of Mr Duncan Campbell Pursell as a Director of the Company

To consider and, if thought fit, pass the following resolution as an **ordinary** resolution:

“That Mr Duncan Campbell Pursell be and is by this resolution removed from office as a director of this Company.”

5. Removal of Mr Malcolm Lindsay Jansen as a Director of the Company

To consider and, if thought fit, pass the following resolution as an **ordinary** resolution:

“That Mr Malcolm Lindsay Jansen be and is by this resolution removed from office as a director of this Company.”

6. Removal of Mr Derek Alan Foster as a Director of the Company

To consider and, if thought fit, pass the following resolution as an **ordinary** resolution:

“That Mr Derek Alan Foster be and is by this resolution removed from office as a director of this Company.”

7. Removal of Professor Kenneth David Collerson as a Director of the Company

To consider and, if thought fit, pass the following resolution as an **ordinary** resolution:

“That Prof. Kenneth David Collerson be and is by this resolution removed from office as a director of this Company.”

8. The appointment of Mr Norman Alfred Seckold as a Director

To consider and, if though fit, pass the following resolution as an ordinary resolution:

“That Mr Norman Alfred Seckold be elected as a director of this Company.”

9. The appointment of Peter James Nightingale as a Director

To consider and, if though fit, pass the following resolution as an ordinary resolution:

“That Mr Peter James Nightingale be elected as a director of this Company.”

10. The appointment of Ms Melanie Jayne Leydin as a Director

To consider and, if though fit, pass the following resolution as an **ordinary** resolution:

“That Ms Melanie Jayne Leydin be elected as a director of this Company.”

11. The confirmation of appointment of Mr Richard Malcolm Campbell as a Director

To consider and, if though fit, pass the following resolution as an **ordinary** resolution:

“That Mr Richard Malcolm Campbell, having been appointed by the Board as an additional Director during the year, and retiring as a director at the annual general meeting in accordance with the constitution of the Company, be elected as a director of this Company.”

By Order of the Board



Mr John Neill
Company Secretary
Melbourne 26 February 2009

Notes:

1. The Directors of the Company have determined that the shareholding of each member for the purposes of ascertaining voting entitlements for the extraordinary general meeting will be as it appears on the Register of Members at 7.00pm (AEDST) on 31 March 2009.
2. The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of this Notice of Meeting.
3. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified number of shares or a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this number or proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
4. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office (Level 20, 114 William Street, Melbourne) or Computershare Investor Services Pty Ltd, Yarra Falls (452 Johnson Street, Abbotsford) or faxed to +61 3 9473 2555 in accordance with the instructions set out in the proxy form so as to be received by **not later than 11am (AEDST) on 31 March 2009**.

If members have any questions about the contents of any of these documents or the completion of the Proxy Form, please contact the Company Secretary (03 9670 3766).

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting to be held at the Institute of Chartered Accountants, Level 3, Bourke Place, 600 Bourke Street, Melbourne, Victoria at 11:00AM on Thursday, 2 April 2009 (AEDST).

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the Notice of Extraordinary General Meeting of which it forms part, please contact the Company, your stockbroker or other professional adviser.

Resolutions

1. Resolution 1 - Removal of Director - Mr Richard Malcolm Campbell

On 24 February 2009, the Company received a request from a shareholder that a resolution be put forward for the removal of Mr Richard Campbell as a Director of the Company.

Pursuant to the Corporations Act and the Company's constitution, the Company may by resolution remove a director from office.

Mr Campbell was appointed as a Director of the Company on 29 July 2008.

The position of the Board is set out in the attached letter from Mr Duncan Pursell, Managing Director.

2. Resolution 2 – Adoption of New Constitution

2.1 It is proposed that the current constitution of the Company be updated in recognition of the importance of ensuring that it is a contemporary document. The current constitution was adopted with effect from 3 October 2002 which was the date upon which Jervois converted from a no liability company to a company limited by shares. Since then, there have been changes to the ASX's settlement rules and procedures and its administration of listed companies and changes to other applicable laws.

Whilst the proposed new constitution is not significantly different from the current constitution, and does not adversely affect members' existing rights, it was considered preferable to propose the adoption of a new fully self-contained document rather than proposing numerous piecemeal amendments to the current document.

The proposed new constitution has been vetted by the ASX as required under the ASX Listing Rules. The ASX has stated that it has no objection to its provisions.

Resolution 2 seeks shareholder approval for the adoption of a new constitution in accordance with section 136 of the Corporations Act. Because it is required to be a special resolution, it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

If passed, the new constitution will take effect immediately.

A copy of the proposed new constitution is available on the Company's website (www.jervoismining.com) and can be inspected by any shareholder at the registered office of the company upon request. A copy will also be available for inspection before the meeting at the registered office of the Company in Melbourne during normal business hours.

Shareholders should particularly note the following provisions in the proposed new constitution.

2.2 Disposal of less than a marketable parcel

The provisions (in clause 9 of the new constitution) enabling the Company to procure the disposal of shares where the shareholder holds less than a marketable parcel of shares (being a parcel of shares with a market value of less than \$500) are substantially similar to the provisions currently contained in clause 11 of the existing constitution. In particular, the Directors must first give notice to the relevant shareholder holding less than a marketable parcel of shares, who may then elect by notice to the Company not to have his or her shares sold.

2.3 Proportional Takeover Bids

Clause 23 of the proposed new constitution is substantially the same as clause 25 of the existing constitution which was adopted, and thereby re-inserted into the constitution, at the Annual General Meeting of the Company held on 26 November 2008.

Summary of proposal

A proportional takeover bid occurs when a bidder makes an offer to acquire a proportion of the total number of issued shares in the capital of the Company by acquiring the same percentage of each shareholder's shares.

The Corporations Act provides that a company can alter its constitution by inserting provisions which prohibit the registration of a transfer of shares resulting from a proportional takeover bid unless the bid is approved by shareholders in general meeting.

As stated above, proportional takeover provisions were re-inserted into the Company's constitution at the AGM held on 26 November 2008. Normally those provisions would last for 3 years. However, if this proposed Resolution is passed, clause 25 of the existing constitution will be repealed together with all of the other provisions of that constitution. It is therefore necessary to again provide certain prescribed information to members in relation to the proposed inclusion of proportional takeover provisions in the new constitution.

The Company continues to consider proportional takeover provisions to be desirable and accordingly seeks to include clause 23 in the new constitution, subject to shareholder approval by special resolution. As stated above, if the Resolution is passed, clause 23 in the new constitution will be substantially the same as clause 25 of the existing constitution.

Legal and Regulatory Requirements

Section 648G(5) of the *Corporations Act* 2001 (Cth) provides that, with every notice that specifies the intention to propose a resolution to alter a company's constitution by inserting proportional takeover provisions and is sent to a person who is entitled to vote on the resolution, the company must send a statement that:

- explains the effect of the proposed provisions;
- explains the reasons for proposing the resolution and sets out the factual matters and principles underlying those reasons;
- states whether, as at the date on which the statement is prepared, any of the directors of the Company is aware of a proposal by a person to acquire, or to increase the extent of, a

- substantial interest in the Company and, if so, explains the extent (if any) to which the proposal has influenced the decision to propose the resolution; and
- discusses both the potential advantages, and the potential disadvantages, of the proposed provisions for the directors and the company's members.

Effect of proportional takeover provisions

Clause 23 of the new constitution will require the directors to convene a meeting of shareholders to vote on a resolution to approve the bid if a proportional takeover bid is made. The meeting will have to be held, and the resolution voted on, before the relevant day which is defined as the 14th day before the last day of the bid period. The clause will not apply to full takeover offers.

Clause 23 will provide that, for a resolution to be approved, it must be passed by a majority of votes at the meeting, excluding votes by the bidder and its associates.

If no resolution to approve the bid has been voted on in accordance with Clause 23 as at the end of the 14th day before the end of the bid period, a resolution approving the bid will be deemed by the Corporations Act to have been passed, thereby allowing the bid to proceed.

If a resolution to approve the bid is rejected, binding acceptances will be required to be rescinded, and all unaccepted offers and offers failing to result in binding contracts will be taken to be withdrawn.

If the resolution is approved, the relevant transfers of shares will be registered, provided they comply with the other provisions of the constitution and otherwise with the Corporations Act.

Reasons for proposing insertion of Clause 23

The Directors consider that shareholders should have the opportunity to vote on a proposed proportional takeover bid. A proportional takeover bid for the Company may enable control of the Company to be acquired by a party holding less than a majority interest and without shareholders having the opportunity to dispose of all of their shares. This may mean that shareholders could be at risk of being left as part of a minority interest in the Company. Clause 23, if adopted, will enable shareholders to decide whether a proportional takeover bid should be permitted to proceed.

Present Acquisition Proposals

At the date of this Explanatory Statement, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential Advantages and Disadvantages of adoption of Clause 23

The Directors consider that there are no such advantages or disadvantages for them as they remain free to make a recommendation on whether a proportional takeover bid should be accepted. The adoption of the clause will ensure that all members continue to have an opportunity to study a proportional takeover bid, if made, and then attend or be represented by proxy at a meeting called specifically to vote on the proposal. A majority of shares voted at the meeting, excluding the shares of the bidder and its associates, will be required for the resolution to be passed, following which shareholders will be able to decide whether to accept the bid which may result in a change of control of the Company.

This will enable shareholders to prevent a proportional takeover bid proceeding if they believe that control of the Company should not be permitted to pass under the bid and, accordingly, the terms of any future proportional takeover bid are likely to be structured in a manner that is attractive to a majority of shareholders.

It may be argued that the adoption of the clause reduces the possibility of a successful proportional takeover bid and that, as a result, proportional takeover bids for the Company will be discouraged.

This, in turn, may reduce opportunities that shareholders may have to sell some of their shares at an attractive price to persons seeking control of the Company and may reduce any 'takeover speculation' element in the Company's share price. It may also be said that the provisions constitute an additional restriction on the ability of individual shareholders to deal freely with their shares.

The Directors consider that the adoption of Clause 23 of the constitution is in the interests of shareholders as it allows the majority of shareholders to determine whether a proportional takeover bid should proceed.

2.4 Remuneration of Directors

The Company seeks to expand and clarify certain provisions relating to the remuneration of its Directors.

The existing constitution provides that the non-executive directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum from time to time determined by the Company in general meeting. The amount most recently fixed by the shareholders is \$250,000.00 determined on 18 November 2004. No increase of that amount is proposed. However, the meaning of "remuneration" in the relevant clause (clause 62.1) is uncertain. It may mean "remuneration" within the meaning of the Corporations Act 2001. The Corporations Act provides that a benefit given to a director is "remuneration" if it would be remuneration of the director for the purposes of an accounting standard that deals with disclosure in companies' financial reports of information about directors' remuneration. If this is the applicable meaning, "remuneration" will include many benefits including benefits, such as the issue of options, which are provided in a form other than cash, and it would be necessary to value all of these benefits and take them into account for the purposes of the shareholder approved cap. The ASX Listing Rules provide that a listed entity must not increase the total amount of directors' fees payable by it (excluding salaries of executive directors) without the approval of holders of ordinary securities. The relevant Rule (Rule 10.17) is shortly to be amended to expressly provide that superannuation must be counted for the purposes of this shareholder approved cap.

The Company seeks to amend its constitution so that it is consistent with, but no more extensive than, the requirements of the ASX Listing Rules. The new clause (clause 61.1) will confine the operation of the shareholder approved cap to fees paid to non-executive directors for their services as directors including superannuation payments (including any salary sacrificed amounts contributed by a non-executive director) and, if fees are paid in shares rather than cash, the value of the new shares, but expressly excluding any amount which may be paid or provided for the performance by a non-executive director of services outside the scope of the ordinary duties of a director, any premiums paid by the Company to insure a non-executive director against liability incurred as a director and any amounts paid by the Company under the indemnity provisions in the constitution (as to which, see immediately below).

2.5 Indemnity of Officers, Insurance and Access

The indemnity and insurance provisions relating to Officers are to be clarified and expanded and there is now to be a similar provision for the indemnification of employees of the Company who are not "Officers". The intention is to give the Company the flexibility to indemnify its Officers and employees to the full extent permitted by law. However, the circumstances in which an indemnity or insurance will be provided have not materially changed from the existing constitution. A provision is also to be included permitting the Company to enter into a deed with any of its directors or former directors agreeing to provide continuing access to board papers, books, records and documents of the Company.

2.6 Disclosure by security holder

A new provision is proposed which says that if a member or other holder of securities in the Company ("Relevant Holder") has entered into any arrangement restricting the transfer or other disposal of shares or other securities of the Company, and those arrangements are of a nature which

the Company considers it is required by law to disclose, then the Relevant Holder must provide to the Company such information that the Company requires and within the time that the Company requires, to comply with its disclosure obligations.

The Directors recommend that you vote in favour of this Resolution.

3. Resolution 3 – Placement – Shares

3.1 General

Resolution 8 seeks Shareholder approval for the allotment and issue of up to 500,000,000 shares to raise funds to pursue projects of interest to the Company and to fund the Company's general working capital requirements (**Share Placement**).

None of the subscribers pursuant to this issue will be related parties to the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the General Meeting (or a longer period, if allowed by the ASX), without using the Company's 15% annual placement capacity.

3.2 Information required by ASX Listing Rule 7.1

Pursuant to and in accordance with the ASX Listing Rule 7.3, the following information is provided in relation to the Share Placement:

- (a) The maximum number of shares to be issued pursuant to the Share Placement is 500,000,000 Shares;
- (b) The shares will be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) The issue price of the shares will be not less than 80% of the average market value calculated over the five (5) days on which sales in the shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last five (5) days on which sales in the securities were recorded before the date the prospectus is signed;
- (d) The Directors will determine to whom the shares will be issued but these persons will not be related parties of the Company;
- (e) The shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares; and
- (f) The Company intends to use the funds raised from the Share Placement to pursue projects of interest to the Company and to fund the Company's general working capital requirements.

4. Resolution 4 - 11 Appointment and Removal of Directors

On 6 February 2009, the Company was served with a notice pursuant to Section 249D of the Corporations Act from a requisitioning party, being shareholders holding at least 5% of the votes that may be cast at a general meeting.

The Notice requested that the directors of the Company convene a general meeting of the Company to consider and vote on the following resolutions:-

1. The removal of Mr Duncan Campbell Pursell as a Director;
2. The removal of Mr Malcolm Lindsay Jansen as a Director
3. Removal of all other Directors who have been appointed by Directors and have not been re-elected by Members (namely, Mr Derek Alan Foster and Prof. Kenneth David Collerson);
4. The appointment of Mr Norman Alfred Seckold as a Director;
5. The appointment of Mr Peter James Nightingale as a Director;
6. The appointment of Ms Melanie Jaye Leydin as a Director; and
7. The confirmation of the appointment of Mr Richard Malcolm Campbell as a Director.

Pursuant to Section 203D of the Corporations Act, a public company may by resolution remove a director from office regardless of any provision in the Company's constitution or any agreement between the director and the company. Accordingly, and in compliance with sections 203D and 249D of the Corporations Act, the Directors have called this Meeting for the purpose of shareholders considering Resolutions 4 - 11.

The position of the Board on this resolution is set out in the attached letter from Mr Duncan Pursell, Managing Director.

Enquiries

Shareholders are invited to contact the Company Secretary, Mr John Neill on (03) 9670 3766 if they have any queries in respect of the matters set out in these documents.

Dated this 26th day of February 2009 at Melbourne
By order of the Board



Mr John Neill
Company Secretary
Melbourne

JERVOIS MINING LIMITED

A.B.N. 52 007 626 575



27 February 2009

Dear Shareholder,

An Extraordinary General Meeting (EGM) of shareholders has been called by a minority group of shareholders (about 130 shareholders from some 6300 shareholders). This minority group seeks to remove the entire present Board with the exception of Mr Richard Campbell. It is proposed that the Board is to be replaced by nominees of this group of shareholders. **Shareholders are asked to reject this proposal in its entirety.**

Your present Board has considered this proposal and has concluded that any such move would not be in the best interests of the Company or its shareholders. The group of shareholders propose to appoint Mr Norman Seckold to the Board. The Board notes that in recent times, Mr Seckold has refused on a number of occasions to be a Board member and has advised the Board that he has a conflict of interest in being a director.

Your present Board is comprised as follows:

1. Dr Malcolm Lindsay Jansen:

Dr Jansen is a highly respected – world-renown metallurgist with worldwide experience in modern metallurgy. He is the ‘engine’ of our testwork on the Company’s new ‘chloride’ leach process for nickel laterites. Dr Jansen’s input is vital for virtually all Company metallurgical activities. Dr Jansen’s work has resulted in Jervois being close to finalizing a highly economic treatment for both scandium and nickel/cobalt laterites which will exceed any other processes in Australia at this time.

2. Dr Kenneth David Collerson:

Dr. Kenneth D. Collerson (BSc (Hons)PhD), is the Establishment Director of ACQUIRE (the Advanced Centre for Queensland University Isotope Research Excellence) and Professor of Earth Sciences at the University of Queensland in Brisbane.

Dr Collerson has been a visiting Professor and research scientist at universities in Japan, USA, Canada and at the ANU Canberra. He has industry experience with BHP, Chevron Petroleum and Diamond Fields International, among others.

Dr Collerson’s recent specialisation involves radiogenic isotope and trace element geochemistry, the evolution of Precambrian lithosphere and research on late Archaean and early Proterozoic crustal evolution.

Dr Collerson will select areas with potential for diamond discoveries within Australia and possibly Brazil on behalf of the Company and supervise all exploration in this area.

3. Mr Derek Foster:

A Geologist, Mr Foster (B.Appl Sc (Applied Geology) MAus IMM) has a vast background as a 'hands on' geologist with experience in Victoria, Western Australia (WA), Northern Territory and Queensland. He has worked in gold, uranium and mineral sands. He is resident Director for WA. He is particularly knowledgeable on the Bullabulling gold area having worked there for many years for CKGM.

The above notes apply only to one resolution being the proposal to remove these Directors. Shareholders should note that the proposed removal of the above Directors and the writer (a mining engineer with some 50 years of relevant experience) would, in my view, be detrimental to the Company's collective in-house expertise.

The Board's aim is to keep the Company going in exploration, metallurgy and mining albeit on a reduced scale in recognition of the global financial crisis. The group of shareholders, to date, has not produced a set policy for the future operations of the Company. The dangers associated with treatment of nickel/cobalt laterites without a reliable process are clearly demonstrated by the BHP Billiton Ravensthorpe experience.

In a recent share issue to shareholders, some 32% of the issue was accepted by the shareholders. Issues over the years have rarely been accepted at a higher level than the above, so the acceptance rate was a pleasing result. This suggests to the Board that the Company is being run in accordance with the wishes of the vast majority of shareholders.

The Board (other than Mr Campbell) has had no complaints in the handling of the proposed China Railways Resource Co transaction by the writer.

Every shareholder has inalienable rights to participate in Company affairs and many do so at the Annual General Meetings. The writer answered questions for 40 minutes in 2008. No one voiced complaint after the meeting although we were all disappointed at the Chinese deal not coming to fruition.

The writer has been involved with Jervois since 1987 and has been Managing Director since 1995. During this time, the Company has acquired valuable mineral assets and even the 'ugly duckling', Bullabulling Gold, has become a 'swan' – courtesy of the huge rise in the gold price. It is difficult to visualise any prolonged retreat in the gold price and the writer expects Bullabulling to now finance the Company for years. A sale of the mine would have the same effect. Looking down the track, consolidation of the Company's uranium interests should ultimately lead to a spin-off of a listed uranium company. If the price of gold reaches AUD\$2,000 per ounce there would be a similar opportunity to place that resource in a new company. Jervois shareholders would benefit from such transactions.

In light of the above, it is recommended that shareholders remove Mr Campbell as a Director of this Company. Further, the writer considers that shareholders should vote to retain the balance of the existing Board members.

Yours faithfully,



Duncan C. Pursell
Managing Director