

ASX ANNOUNCEMENT

27 June 2022

AUD50M Secured Offtake Prepayment Facility for Nifty Copper Project

HIGHLIGHTS

- **An exclusive Letter of Intent for a Secured Copper Cathode Prepayment Facility has been signed with Glencore, under which:**
 - **Offtake arrangement for 100% of the Copper Cathode produced during Phase 1 of the Nifty Copper Project restart**
 - **AUD50M Secured Offtake Prepayment Facility**
- **The Secured Offtake Prepayment Project Funding from Glencore is part of a total debt funding package for the Nifty Copper Project restart**
- **Advanced discussions are continuing with Senior Debt counterparties, who are undertaking due diligence activities and reviewing financing documentation**

Managing Director Barry Cahill commented:

“We are very pleased to enter into an exclusive Letter of Intent for a Copper Cathode Offtake Secured Prepayment Facility with Glencore. This is part of a fully funded finance package for the restart of the Nifty Copper Project.

The restart project economics are very robust, and we have continued to make further improvements to the Nifty Copper Project during the financing process.

We are looking forward to completing our total funding package so that we can commence executing our Nifty Copper Project restart development plans.”

Cyprium Metals Limited (“**CYM**”, “**Cyprium**” or “**the Company**”) is pleased to announce that it has entered into an exclusive Letter of Intent with Glencore International AG (“**GLN**” or “**Glencore**”) for AUD50 million in respect of a Copper Cathode Offtake Secured Prepayment Facility which will be used for funding the Nifty Copper , as part of the debt financing for the restart of the Nifty Copper Project, which includes capital expenditure, contingencies, working capital, and financing costs.

This exclusive Letter of Intent includes a non-binding term sheet for both offtake arrangement and project funding. This is part of the targeted AUD240 million to AUD260 million debt funding package to finance the restart of the Nifty Copper Project, which is expected to include senior secured financing and secured offtake financing.

Under the terms of the exclusive Letter of Intent, CYM and GLN will work towards finalising outstanding due diligence activities, and documentation for the project funding for execution, which is being done in conjunction with ongoing advanced discussions with the potential secured senior debt providers.



Key Terms of the Copper Cathode Prepayment Facility

Indicative terms – Offtake

- 100% of Copper Cathode produced at the Nifty Copper Project, up to a maximum of 120,000 tonnes
- Offtake pricing of copper cathode shipments determined by reference to average market rates

Indicative terms – Prepayment Facility

- Facility amount: AUD50 million
- Facility term: 60 months

This ASX announcement was approved and authorised by the Board.

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About Cyprium Metals Limited

Cyprium Metals Limited (ASX: CYM) is an ASX listed company with copper projects in Australia. The Company has a highly credentialed management team that is experienced in successfully developing sulphide heap leach copper projects in challenging locations. The Company's strategy is to acquire, develop and operate mineral resource projects in Australia which are optimised by innovative processing solutions to produce copper metal on-site to maximise value.

The Company has projects in the Murchison and Paterson regions of Western Australia that is host to a number of base metals deposits with copper and gold mineralisation.

Paterson Copper Projects

This portfolio of copper projects comprises the Nifty Copper Mine, Maroochydore Copper Project and Paterson Exploration Project.

The Nifty Copper Mine ("Nifty") is located on the western edge of the Great Sandy Desert in the north-eastern Pilbara region of Western Australia, approximately 330km southeast of Port Hedland. Nifty contains a 2012 JORC Mineral Resource of 940,200 tonnes of contained copperⁱ. Cyprium is focussed on a heap leach SX-EW operation to retreat the current heap leach pads as well as open pit oxide and transitional material. Studies will investigate the potential restart of the copper concentrator to treat open pit sulphide material.

The Maroochydore deposit is located ~85km southeast of Nifty and includes a shallow 2012 JORC Mineral Resource of 486,000 tonnes of contained copperⁱⁱ. Aeris Resources Limited (ASX: AIS, formerly Straits Resources Limited) holds certain rights to "buy back up to 50%" into any proposed mine development in respect of the Maroochydore Project, subject to a payment of 3 times the exploration expenditure contribution that would have been required to maintain its interest in the project.

An exploration earn-in joint venture has been entered into with IGO Limited on ~2,400km² of the Paterson Exploration Project. Under the agreement, IGO is to sole fund \$32 million of exploration activities over 6.5 years to earn a 70% interest in the Paterson Exploration Project, including a minimum expenditure of \$11 million over the first 3.5 years. Upon earning a 70% interest, the Joint Venture will form and IGO will free-carry Paterson Copper to the completion of a pre-feasibility study (PFS) on a new mineral discovery.

Murchison Copper-Gold Projects

Cyprium has an 80% attributable interest in a joint venture with Musgrave Minerals Limited (ASX: MGV) at the Cue Copper-Gold Project, which is located ~20km to the east of Cue in Western Australia. Cyprium will free-carry the Cue Copper Project to the completion of a definitive feasibility study (DFS). The Cue Copper-Gold Project includes the Hollandaire Copper-Gold Mineral Resources of 51,500 tonnes contained copperⁱⁱⁱ, which is open at depth. Metallurgical test-work has been undertaken to determine the optimal copper extraction methodology, which resulted in rapid leaching times (refer to 9 March 2020 CYM announcement, "*Copper Metal Plated*", <https://cypriummetals.com/copper-metal-plated/>).

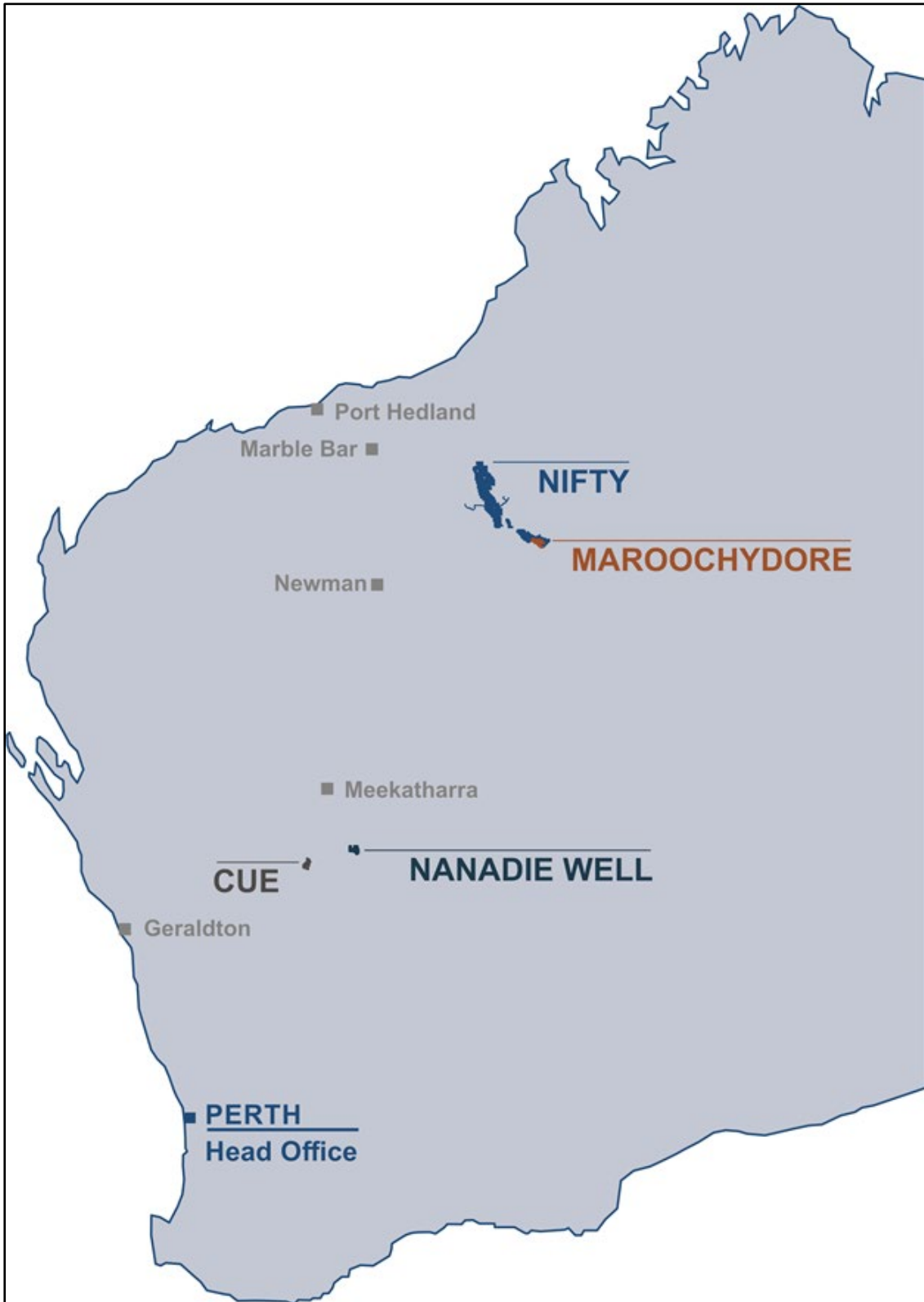
The Nanadie Well Project is located ~650km northeast of Perth and ~75km southeast of Meekatharra in the Murchison District of Western Australia, within mining lease M51/887.

The Cue and Nanadie Well Copper-Gold projects are included in an ongoing scoping study, to determine the parameters required to develop a copper project in the region, which provides direction for resource expansion work.

ⁱ Refer to CYM ASX announcement dated 16 May 2022 "28.4% increased Nifty Copper MRE to 940,200t copper metal"

ⁱⁱ Refer to MLX ASX announcements: 10 March 2020, "Nifty Copper Mine Resource Update" and 18 August 2016, "Annual Update of Mineral Resources and Ore Reserves"

ⁱⁱⁱ Refer to CYM ASX announcement: 29 September 2020, "Hollandaire Copper-gold Mineral Resource Estimate"



Cyprium Metals project locations