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06 February 2023

ASX ANNOUNCEMENT

A\$35M Placement to Support Nifty Project Restart

HIGHLIGHTS

- **Firm commitments received for a Placement of 318.6 million shares at \$0.11 per share to raise A\$35 million (before costs)**
- **Placement participants to receive 1 attaching option for each Share, with a 2-year term and an exercise price of \$0.15 per option**
- **Placement bookbuild received significant demand from numerous new and existing high quality domestic and offshore institutions**
- **Investor support for the Placement provides a strong endorsement of Cyprium's strategy and will be used as part of a total funding package for the Nifty Copper Project Restart**

Managing Director Barry Cahill commented:

"We would like to thank the existing and incoming Cyprium shareholders for their support in this well supported capital raise. The commitments received for this Placement form part of the finance package for the restart of the Nifty Copper Project.

The completion of the capital raising, which is conditional with the finalisation of the senior debt financing will allow Cyprium to commence our construction plans and the production of copper metal plate on site in the first half of 2024.

The restart project economics remain very robust and are further enhanced based on current copper prices of AUD13,000 per tonne which is above those applied in the Nifty Copper Project Restart Study."

Cyprium Metals Limited (ASX: CYM) (**Cyprium** or the **Company**) is pleased to announce that it has received firm commitments for A\$35.0 million through a two-tranche placement (the **Placement**) of 318,636,364 fully paid ordinary shares (**Shares**) to sophisticated and institutional investors at \$0.11 per Share. Each participant in the Placement will receive 1 free attaching option for every 1 Share to be issued under the Placement (**Options**).

The Placement was strongly supported by numerous sophisticated and professional investors, including numerous new and existing high quality domestic and offshore institutions.

The Options will be exercisable at \$0.15 each on or before a date that is 2 years after the date of Cyprium shareholder approval. Cyprium will seek quotation for the Options, which will be subject to meeting certain listing requirements.



The Placement and Options will be completed in two tranches, comprising:

- (a) **Tranche 1:** 182,549,575 Shares to be issued under the Company’s existing placement capacities (109,529,745 Shares under Listing Rule 7.1, and 73,019,830 Shares under Listing Rule 7.1A); and
- (b) **Tranche 2:** 136,086,789 Shares and 336,136,364 Options (which includes 17,500,000 options to be issued to the Joint Lead Managers and financial advisor) having a 2-year term and an exercise price of \$0.15, which is subject to approval by the Company’s shareholders (**Shareholders**) at a general meeting to be held no later than 45 days after announcement of the Placement (**General Meeting**).

The issue price of \$0.11 per Share represents an 18.5% discount to the last closing price of \$0.135 on 31 January 2023.

Settlement of the Tranche 1 Placement is conditional upon receipt of binding commitments in relation to the Senior Secured Bond Issue (refer to CYM ASX announcement dated 16 January 2023, “Senior Secured Bond Issue Investor Calls Commencing for Nifty Copper Project Restart”) with settlement of Tranche 1 to occur by 28 February 2023.

Tranche 2 includes an allocation of Shares and Options to Cyprium Director’s which will be issued subject to shareholder approval at the General Meeting.

The Company will lodge a prospectus pursuant to section 713 of the Corporations Act for the issue of the Options following receipt of the necessary Shareholder approvals.

Canaccord Genuity (Australia) Limited, Euroz Hartleys Limited and Evolution Capital are acting as Joint Lead Managers to the Placement. Longreach Capital is acting as financial adviser to the Placement.

PLACEMENT TIMETABLE

Event	Date
ASX Announcement / Resume Trading on ASX	Monday, 6 February 2023
Tranche 1 Placement Settlement Date ⁸	No later than Tuesday, 28 February 2023
Expected date of ASX Quotation of Tranche 1 Placement Shares	No later than Wednesday, 1 March 2023
General Meeting to approve Tranche 2 and Options	No later than 45 days after announcement of the Placement
Tranche 2 Settlement Date	4 trading days post the General Meeting
Expected date of ASX Quotation of Tranche 2 Placement Shares	1 trading day after Tranche 2 Settlement Date

The above timetable is indicative only and subject to change.



Use of Funds

From the Placement proceeds, A\$20 million will be applied as part of the Company's funding strategy to finance the restart of the Nifty Copper Project which will aim to provide a sustainable, secure, and stable supply of copper metal at 25,000tpa.

The net proceeds from the bond issue together with the Offtake Prepayment Facility (refer to CYM ASX announcement dated 22 December 2022, "USD35M Secured Offtake Prepayment Facility for Nifty Copper Project Restart") comprises the targeted AUD240 million to AUD260 million debt funding package to finance the restart of the Nifty Copper Project.

The remaining funds raised from the Placement will be used to fund exploration activities, resource drilling, the costs of the capital raise, financing costs and for general working capital purposes.

The above is a statement of current intentions as at the date of this announcement. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

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, includes the Nanadie Well Copper-Gold Mineral Resources of 162,000 tonnes contained copper^{iv}, which is open at depth and along strike to the north.

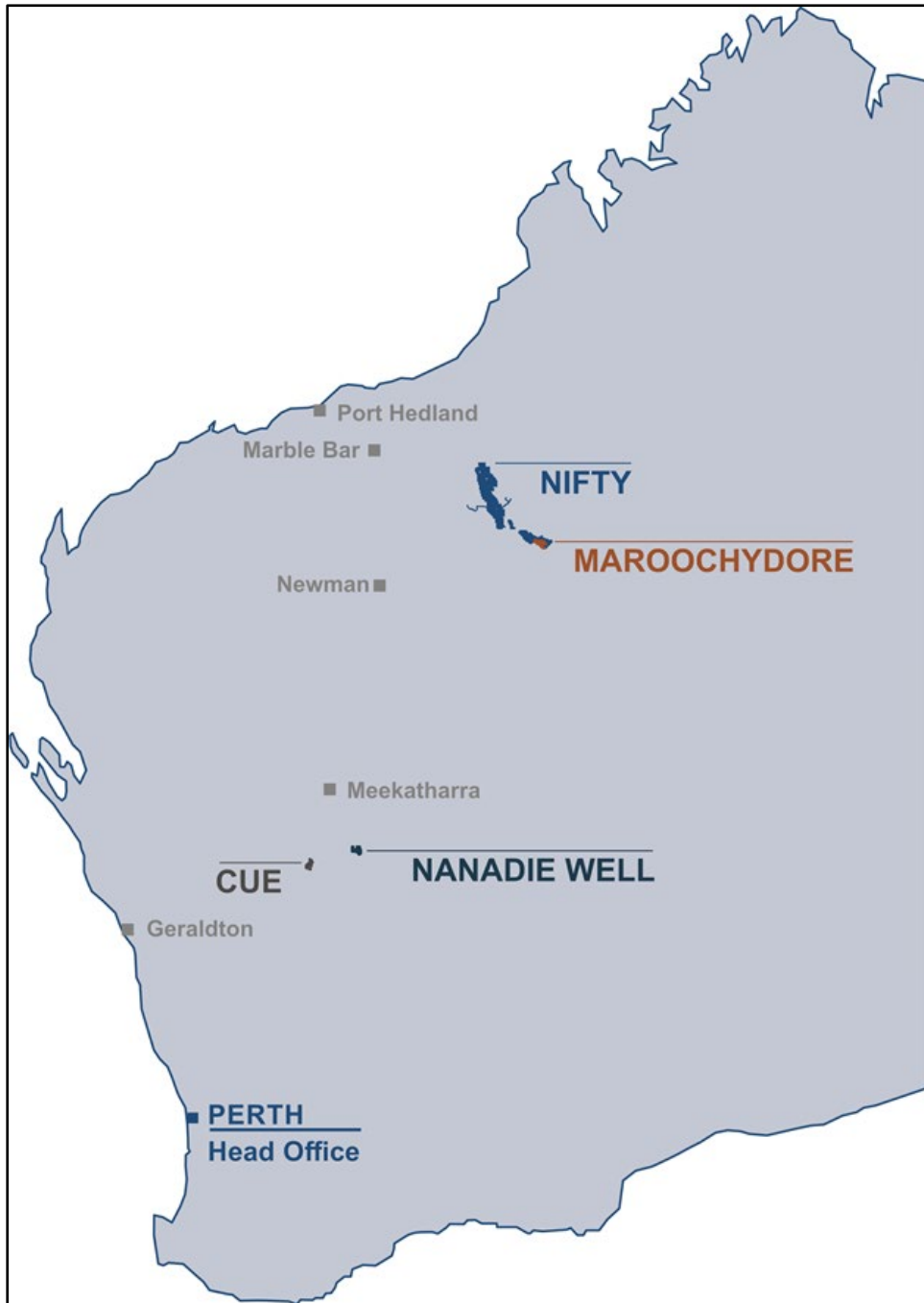
The Cue and Nanadie Well Copper-Gold projects are included in an ongoing scoping study, to determine the parameters required to develop a copper project in the region, which provides direction for resource expansion work.

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"

^{iv} Refer to CYM ASX announcement: 19 July 2022, "Nanadie Well Mineral Resource Estimate"



Cyprium Metals project locations

Disclaimer

References may have been made in this announcement to certain ASX announcements, including references regarding exploration results, mineral resources and ore reserves. For full details, refer to said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and the mentioned announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, Exploration Target(s) or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



FORWARD LOOKING STATEMENTS

All dollar amounts are in Australian dollars unless otherwise indicated.

This announcement may contain certain statements and projections provided by or on behalf of Cyprium Metals Limited with respect to the anticipated future undertakings. These forward-looking statements reflect various assumptions by or on behalf of Cyprium.

Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingencies associated with the mining industry which may be beyond the control of Cyprium which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries, approvals and cost estimates, environmental risks, ability to meet funding requirements, share price volatility. Accordingly, there can be no assurance that such statements and projections will be realised. Cyprium makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.

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