



ASX ANNOUNCEMENT

26 July 2024

Cyprium and Glencore Announce Commercial Strategic Partnership

Cyprium Metals Limited (ASX: CYM) (**Cyprium** or **the Company**) is pleased to advise that it has entered into a Commercial Strategic Partnership with Glencore International AG (**Glencore**) to accelerate the resumption of copper production from the Company's Nifty copper complex (**Nifty**) in Western Australia near Port Hedland.

Highlights include:

- Executed cathode offtake term sheet to sell cathode products to Glencore on commercial terms for a fixed term, thereafter mutually extendable
- Offtake contract adds resilience to restart cathode production through acceptance of off-spec cathode materials at Glencore's refinery in Townsville, Queensland
- Cyprium to enter into sulphuric acid supply agreement with Glencore on commercial terms
- A\$20 million Prepayment / Working Capital Facility on copper production, subject to final agreements
- Executed concentrate offtake term sheet for the sale of 100% of the copper concentrate production from the new surface mine at Nifty, as available, to Glencore International AG on commercial terms commencing immediately following commercial production for a fixed term, thereafter mutually extendable.
- Glencore to make all reasonable efforts to consider delivering Nifty concentrates to its Mt Isa Smelter
- Glencore Technology to provide technical support to Cyprium
- The agreement provides for a limited period of exclusivity during which Cyprium and Glencore endeavour to execute final contracts

"Glencore is a great strategic partner for us," said Cyprium Executive Chair Matt Fifield. "We continue to execute our plan to resume copper production at Nifty. This commercial partnership gives us certainty of revenue during the crucial startup phases of Nifty's two processing plants, removes uncertainty in sourcing a key input into cathode production, and aligns with creating and maintaining a strong Australian job base in the ultimate critical mineral, copper."

The strategic partnership focuses on four areas that relate to the resumption of copper production from Nifty: cathode offtake, sulphuric acid supply, concentrate sales, and technical support. Copper products from Nifty's two processing plants will be purchased by Glencore, importantly including off-spec materials that are frequently produced during a startup period.

The cathode offtake contract covers the sale and purchase of 100% of cathodes produced and delivered to Port Hedland, and has an initial fixed term, thereafter mutually extendable. Terms and conditions are at market and reflect today's favourable copper market dynamics.



“We have been following Cyprium’s growing capabilities and are pleased to support the phased approach to redeveloping Nifty through this strategic commercial relationship,” a spokesperson of Glencore commented.

Cyprium’s sale contract for copper concentrate would run from 2026, the earliest likely date that Nifty might produce concentrate. Terms are also at market price with optionality around delivery points, through the life of the contract.

“With this relationship now in place, Cyprium will accelerate plans for constructing a new surface mine at Nifty to produce concentrate at scale for Glencore,” said Fifield. “Extending today’s low TC/RCs to tomorrow’s sales is a clear commercial win for Cyprium and its shareholders. More importantly, it is also a win for both WA mining jobs and for Queensland processing jobs.”

Other aspects of the commercial partnership include an option for Cyprium to purchase sulphuric acid to eliminate uncertainty in supply, technical support from Glencore Technology, and a working capital facility that would allow for the effective purchase point of cathodes to move from Port Hedland to Nifty mine site.

The Cyprium Board of Directors has endorsed this Commercial Strategic Partnership. Cyprium and Glencore have agreed to a limited exclusivity period during which binding agreements are expected to be executed. The cathode offtake is subject to final binding agreements, expected shortly. The prepayment facility, the technical support, and the sulphuric acid supply agreement are subject to further due diligence, finalisation and binding agreements, expected on final investment decision of Nifty’s Cathode Restart. The concentrate sale agreement is subject to final documentation and resulting Board approvals.

Fifield commented: “We are excited: this partnership delivers transparent pricing and access to global markets with a leading partner, de-risks the restart, and allows our Cyprium team to remain intensely focused on planning and execution.”

This announcement has been approved by the Cyprium Board of Directors.

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About Cyprium Metals Limited

Cyprium Metals Limited (ASX: CYM) is an ASX-listed Australian copper company. Its flagship property is the Nifty Copper Mine in Western Australia, which previously produced significant copper from both oxide and sulphide resources. Cyprium is focused on redeveloping Nifty, which has the advantage of significant invested capital, data from a long operating history, large-scale resources, current operational approvals, and recent investment in the property.

The Company’s other assets include significant copper-focused properties in the Paterson and Murchison Provinces, including multiple defined resources.

Visit www.cyprriummetals.com for further information.