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ASX ANNOUNCEMENT **24 March 2023**

Cyprium Metals Update

Highlights

- **Cyprium has entered into a Secured Loan Deed for $6 million**
- **Cyprium is undertaking a full strategic review of all assets**
- **Cyprium has a suite of high-quality copper projects with +1.6Mt of contained Copper in Mineral Resources**

Cyprium Metals Limited (ASX: CYM) ("CYM", "Cyprium" or "the Company") provides the following update in relation to its funding requirements and the commencement of a strategic review.

Secured Loan Deed

As outlined in the Company's 23 February 2023 ASX Announcement, the Company was unable to secure senior debt financing for the Nifty Copper Project Restart on commercially attractive terms and as a result, the previously announced $35 million[1] equity raise was not completed.

As a result, Cyprium has entered into a Secured Loan Deed ("Loan Deed") with Avior Asset Management No. 2 Pty Ltd ("the Investor").

The proceeds from the Loan Deed will be used for the upcoming interest payment on the Company's existing unsecured $36 million Convertible Notes and for working capital purposes whilst the Company undertakes a strategic review on all assets in the company.

Key terms of the Loan Deed facility:

- Facility amount: $6 million
- Facility term: 6 months from first drawdown
- Interest rate: Commercial rates of financing charges, capitalised over the Facility term
- Loan conversion: A minimum of $0.8 million will be converted into CYM shares
- Share issue price: 20% discount to the Issue price of the next capital raising ("NCR")
- Loan repayment: Balance after Loan conversion is repayable following issue of shares under NCR
- Director: Investor has the right to appoint a nominee Director to the CYM Board

Management Comment

Cyprium Managing Director, Barry Cahill, commented:

"*Copper market fundamentals combined with Cyprium's quality portfolio of more than 1.6Mt of contained copper at Nifty, Maroochydore and the Murchison, including significant infrastructure, as well as the extensive Paterson Exploration JV with IGO in the highly prospective Paterson Province presents a highly attractive portfolio in an environment where battery metals are in strong demand.*

The board is committed to preserving the value of the Company's assets as a priority whilst the strategic review is undertaken."

[1] ASX announcement 6 February 2023 - *Nifty Copper Project Restart Financing Update*

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Strategic Review

Cyprium owns a high-quality portfolio of West Australian copper development opportunities with a total of +1.6Mt[2] of contained copper in JORC 2012 Mineral Resources ("MRE") across its projects, comprising:

- Nifty Copper Mine (currently on care & maintenance) containing an MRE of 940,200 of contained Cu[2]
- Maroochydore Copper Project containing an MRE of 486,000 tonnes of contained Cu[2]
- Murchison Copper Project, comprising the Cue Copper-Gold Project (MRE of 51,500 tonnes of contained Cu) and Nanadie Well (MRE of 162,000 tonnes of contained Cu)[2]
- Paterson Exploration Project (which includes a farm-in agreement with IGO Limited)

All of Cyprium's copper development projects MRE's are shallow, open in multiple directions and at depth, giving good potential to substantially increase the current resource endowment.

Nifty is a significant near-term long life brownfield copper development project located in the Tier 1 mining jurisdiction of Western Australia, with extensive infrastructure in place to re-start production.

As a result of the increased activity and interest in the battery minerals sector, the Company has commenced discussions to allow the development of a new strategic plan. The strategic plan will involve the short medium- and long-term opportunities for the company in light of the positioning of copper in the critical metals supply chain.

During this period, the Company will work with its advisors and key stakeholders to develop a new strategic plan with the objective of maximising shareholder value.

A key part of the strategic review will be for the Board to evaluate:

- potential life of mine development scenarios at Nifty, including the open-pit sulphide potential
- alternative longer-term financing strategies
- asset realisation initiatives
- composition of the board and management

Preparation of the new strategic plan and implementing a financial restructure is expected to take several months to complete. Cyprium is committed to maintaining its portfolio of copper projects in good standing to facilitate the rapid resumption of development, pending the outcomes of the strategic review.

There is no certainty that the strategic review will lead to any particulate outcome or transaction. Cyprium shareholders do not need to take any action in relation to the strategic review. Cyprium will continue to keep shareholder informed about the progress and outcome of the strategic review in accordance with Cyprium's continuous disclosure obligations.

As a result of the challenging market conditions associated with financing the Nifty Copper Project Restart project and the requirement to enter the Loan Deed for Cyprium's near-term funding requirements, the Company expects that it will require further external funding later in the year. The extent and availability of this additional funding requirement is naturally dependent on a range of commercial factors that are still being assessed and Cyprium remains in continued discussions with its brokers in connection with the additional funding requirements.

The Company's Shares will remain suspended from trading on the ASX until such time as the Directors have completed a strategic review and the Company has funding in place for a re-instatement of the Company's Shares to trading on the ASX.

[2] ASX announcement: 16 May 2022 - *28.4% increased Nifty Copper MRE to 940,200t copper metal, 10 February 2021 -Transformational Acquisition of Highly Attractive Copper Portfolio, 29 September 2020-Hollandaire Copper-Gold Mineral Resources Estimate & 19 July 2022 - Nanadie Well Mineral Resource Estimate*

This announcement has been authorised by Cyprium's Board of Directors.

For further information, please contact:

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Follow the Company developments through our website and social media channels:

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.

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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 copper [i]. 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 copper [ii]. 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 ~2,400km^2 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 copper [iii], 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"

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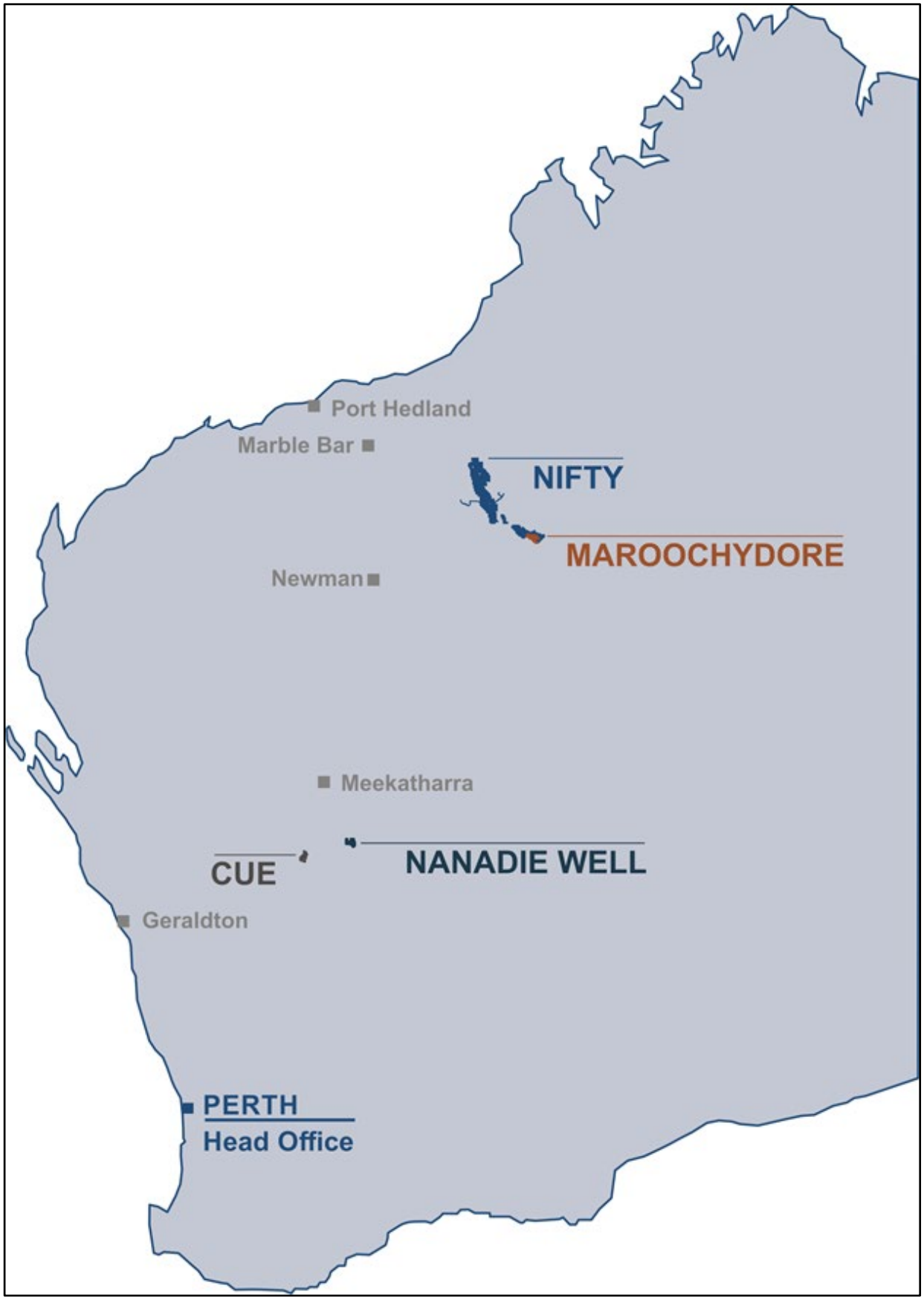

Cyprium Metals project locations