

ASX ANNOUNCEMENT

22 December 2022

USD35M Secured Offtake Prepayment Facility for Nifty Copper Project Restart

HIGHLIGHTS

- An exclusive Term Sheet for a Secured Copper Cathode Prepayment Facility has been agreed with Transamine SA, under which:
 - Offtake arrangement for 100% of the Copper Cathode produced during Phase 1 of the Nifty Copper Project Restart, expected to be over 140,000 tonnes
 - USD35M Secured Offtake Prepayment Facility
- The Secured Offtake Prepayment Project Funding from Transamine SA is part of a total debt funding package for the Nifty Copper Project Restart
- Documentation well advanced with Senior and Prepayment Financing counterparties
- All Required Regulatory Approvals prior to financing have been received

Managing Director Barry Cahill commented:

“We are very pleased to renew our association with Transamine SA, by entering into an exclusive Term Sheet for a Copper Cathode Offtake Secured Prepayment Facility. This is part of a fully funded finance package for the restart of the Nifty Copper Project.

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

As all of the required regulatory approvals able to be completed prior to finance have been received, 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 signed an exclusive Term Sheet with Transamine SA for USD35 million in respect of a Copper Cathode Offtake Secured Prepayment Facility (“**Offtake Prepayment Facility**”).

This Offtake Prepayment Facility 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.

The technical, legal, commercial and financial due diligence activities have been completed by Transamine SA, with the focus now turning to completing the offtake and financing documentation for execution, which is being done in conjunction with the prospective secured senior debt providers.

All of the approvals that are required prior to completion of financing have been received, with the final approval for the amendment to the State Agreement required to be submitted post finance.

Permit/Item	Legislation	Department	Description	Date Lodged	Date Approved
Works Approval and Licence	Environmental Protection Act (1986)	Department of Water & Environmental Regulation (DWER)	Amended Prescribed Activities Licence to enable processing	8th March 2022	4th May 2022
Native Vegetation Clearing Permits		Department of Mines Industry Regulation & Safety (DMIRS)	Authorises the clearing of native vegetation for project development	14th November 2021	25th August & 6th September 2022
Mining Proposal	Mining Act (1978)	Department of Mines Industry Regulation & Safety (DMIRS)	Approval for mining activities and construction of mine infrastructure	21st February 2022	10th October 2022
Mine Closure Plan		Department of Mines Industry Regulation & Safety (DMIRS)	Defines rehabilitation and closure accompanying the Mining Proposal	21st February 2022	10th October 2022
Project Management Plan	Mines Safety & Inspection Act (1994)	Department of Mines Industry Regulation & Safety (DMIRS)	Project safety plan approval	20th January 2022	22nd March 2022
26D Licence to Alter Water Abstraction Methods of an Existing Licence	Rights in Water and Irrigation Act (1914)	Department of Water & Environmental Regulation (DWER)	Change in abstraction mechanism under the existing water licence	25th February 2022	9th June 2022

Table 1 / Government Approvals Status

Key Terms of the Copper Cathode Prepayment Facility

Indicative terms – Offtake

- 100% of Copper Cathode produced during Phase 1 of the Nifty Copper Project Restart, expected to be over 140,000 tonnes
- Offtake pricing of Copper Cathode shipments determined by reference to average market rates

Indicative terms – Prepayment Facility

- Facility amount: USD35 million
- Facility term: 42 months from first production
- Interest rate: Commercial rates of financing charges

This ASX announcement was approved and authorised by the Board.

For further information:

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



About Transamine SA

Founded in 1953, Transamine SA is an independent and privately held commodities trading company specialising in non-ferrous raw materials. Transamine is headquartered in Geneva, Switzerland, and has offices throughout key markets including Australia, South Africa, India, the United States and China. Transamine is a full-service company providing worldwide raw material sourcing, marketing, finance and investment and specialises in all aspects of non-ferrous raw materials production and trade. Transamine maintains the highest standard of conduct to promote fundamental principles such as sustainability, environment and social responsibilities.



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.

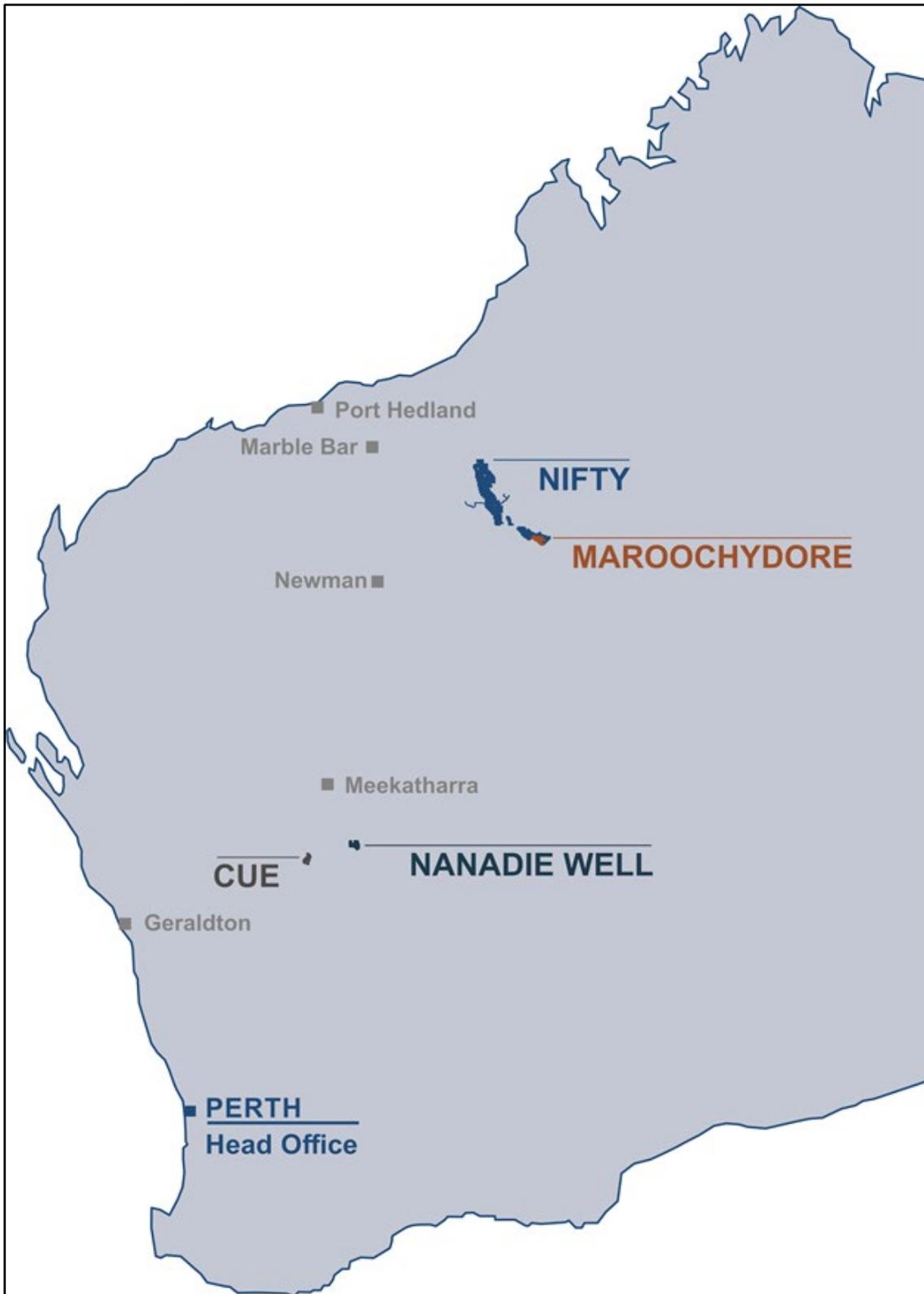
The Cue and Nanadie Well Copper-Gold projects are included in an ongoing scoping study, to determine the parameters required to develop a copper project in the region, which provides direction for resource expansion work.

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