

ASX ANNOUNCEMENT

23 October 2019

QUARTERLY ACTIVITIES REPORT

For the 3 months ended 30 September 2019

HIGHLIGHTS

Cue Copper Project Drilling Results

- **10.4m @ 14.9% Cu in drill hole 19HOMET003 from 84.5m downhole including:**
 - **4.5m @ 21.9% Cu with 1.2 g/t Au and 46.4 g/t Ag from 90.4m**
- **19.1m @ 1.3% Cu in drill hole 19HOMET002 from 85.9m downhole including:**
 - **6.4m @ 2.1% Cu with 0.5 g/t Au and 10.5 g/t Ag from 98.6m**
- **27.9m @ 1.1% Cu in drill hole 19HOMET001 from 45.7m downhole including:**
 - **9.0m @ 1.6% Cu with 0.1 g/t Au and 2.3 g/t Ag from 63.2m**
- **5m @ 2.3% Cu in drill hole 19HORC006 from 50m downhole including:**
 - **3m @ 3.4% Cu with 0.3 g/t Au and 13.3 g/t Ag from 51m**
- **16m @ 0.8% Cu from 59m including:**
 - **7m @ 1.4% Cu with 0.1 g/t Au and 17.5 g/t Ag from 59m**
- **8m @ 0.9% Cu from 76m including:**
 - **1m @ 5.2% Cu from 79m**
- **12m @ 1.3% Cu in drill hole 19HORC005 from 101m downhole including:**
 - **8m @ 1.8% Cu with 0.2 g/t Au and 13.1 g/t Ag from 104m**
- **19m @ 1.1% Cu in drill hole 19HORC010 from 106m downhole including:**
 - **8m @ 1.9% Cu with 0.9 g/t Au and 13.7 g/t Ag from 109m**
- **30m @ 0.7% Cu in drill hole 19HORC014 from 77 m downhole including:**
 - **1m @ 1.0% Cu with 0.2 g/t Au and 5.0 g/t Ag from 80m and**
 - **6m @ 2.0% Cu with 0.2 g/t Au and 6.7 g/t Ag from 84m**

Note: Rounding applied to the grades

Executive Director Barry Cahill commented *“We are extremely pleased with the stunning high-grade drill results from the Phase 1 drilling programme at Hollandaire West and Hollandaire. The majority of the intercepts are less than 100 metres vertical depth which is a reminder of the quality of the mineralised envelope at this project. We are looking forward to commencing the Cue Copper Project Phase 2 drilling programme during the last quarter of 2019.”*

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Cue Copper Project - Australia

Cyprium Metals Limited (“CYM” or “the Company”) completed the Phase 1 programme for its Reverse Circulation (“RC”) drilling of 4,038 meters and 663 meters of diamond drilling at Hollandaire and Hollandaire West at the Cue Copper Project.

The drilling programme involved a number of facets of drilling into and surrounding the mineralised area, with the majority of the Phase 1 Hollandaire RC drilling programme being focused on the Hollandaire West copper mineralisation, to test for shallow extensions.

The locations of the drill hole collars at the Hollandaire and Hollandaire West copper mineralisation are shown in Figure 1. The red outline shows the current mineralisation projected to the surface against drill-hole collars for extensional and infill drilling.

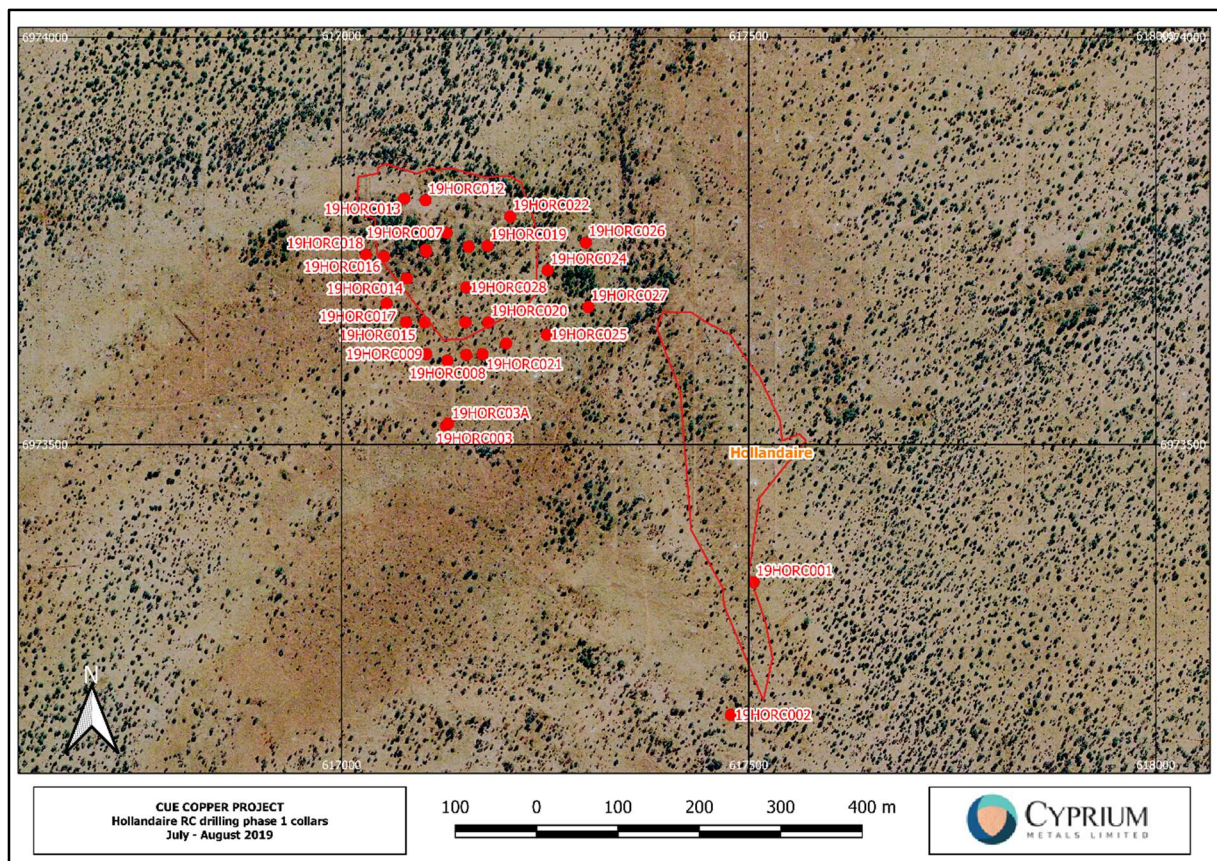


Figure 1 | Hollandaire Phase 1 RC Drill Hole Locations

4,038m of RC drill holes were drilled at Hollandaire West to test:

- the veracity of the historical results;
- mineralisation where there was a significant gap between historical intersections; and
- for mineralisation extensions.

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The following sections are provided to illustrate the RC drilling results completed in the September quarter and also illustrated in the sections are the historical drilling undertaken by previous operators at the project. Red outlines are Silver Lake Resources 2012 interpreted mineralisation wireframes.

Each section is annotated with grade intercept(s) from the phase 1 drilling completed by the company. Drillhole traces have been coloured by copper grade as detailed in the legend of Figure 2. Where drillhole traces are dark grey, no sampling has been completed. Further sampling has been undertaken in parts of the recently completed drillholes where alteration and mineralisation was noted with assay results to be reported once these have been received.

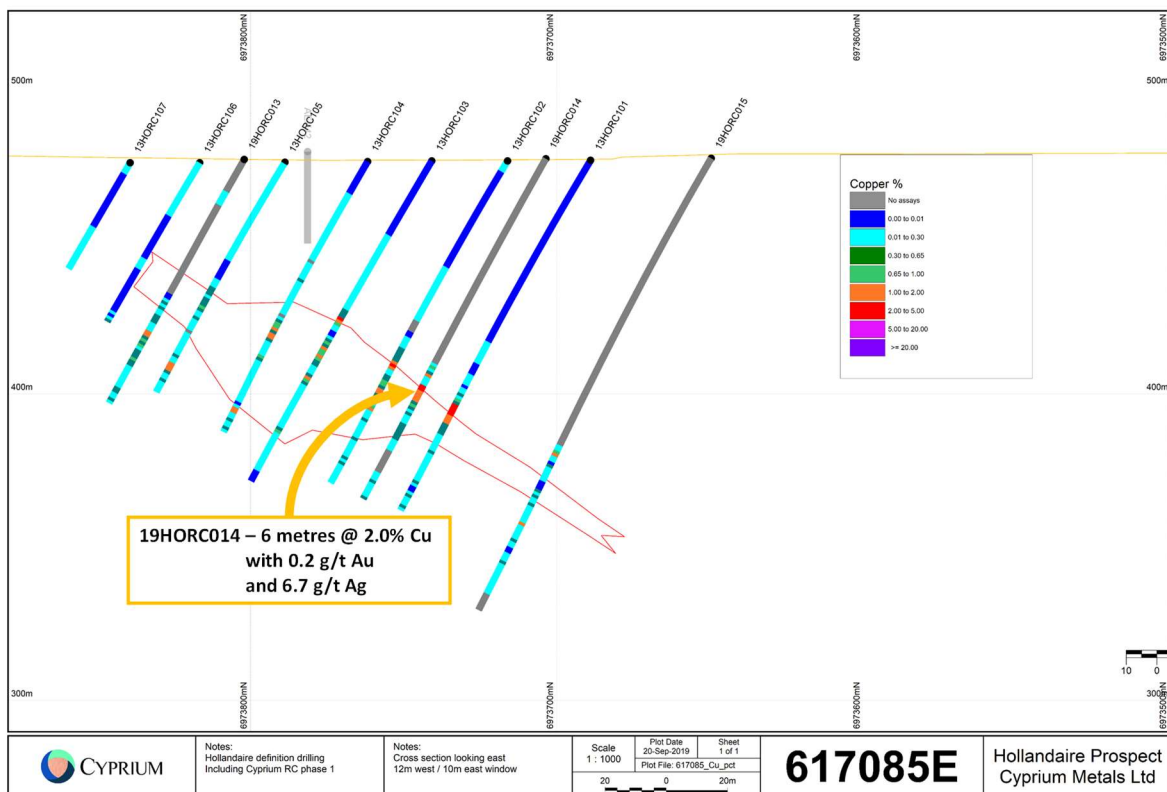


Figure 2 | Hollandaire West Section 617085E

Infill drilling between historical holes is shown in Figure 2 where 19HORC014 intersects the mineralisation between two historical holes whilst 19HORC015 intersects downdip mineralisation. The intersection of mineralisation outside the historical wireframes indicates the potential to increase the mineralised envelope in these areas.

Figure 3 shows the 19HORC010 intersection between historical drillholes and confirming high grade continuity in this section of the mineralisation. The 19HORC11A intersection demonstrates repeatability with historical assays in the thicker section of the copper mineralisation. There are a number of drill holes in this section where further sampling and assaying is required and again there are mineralised intersections that are outside the historical wireframes.

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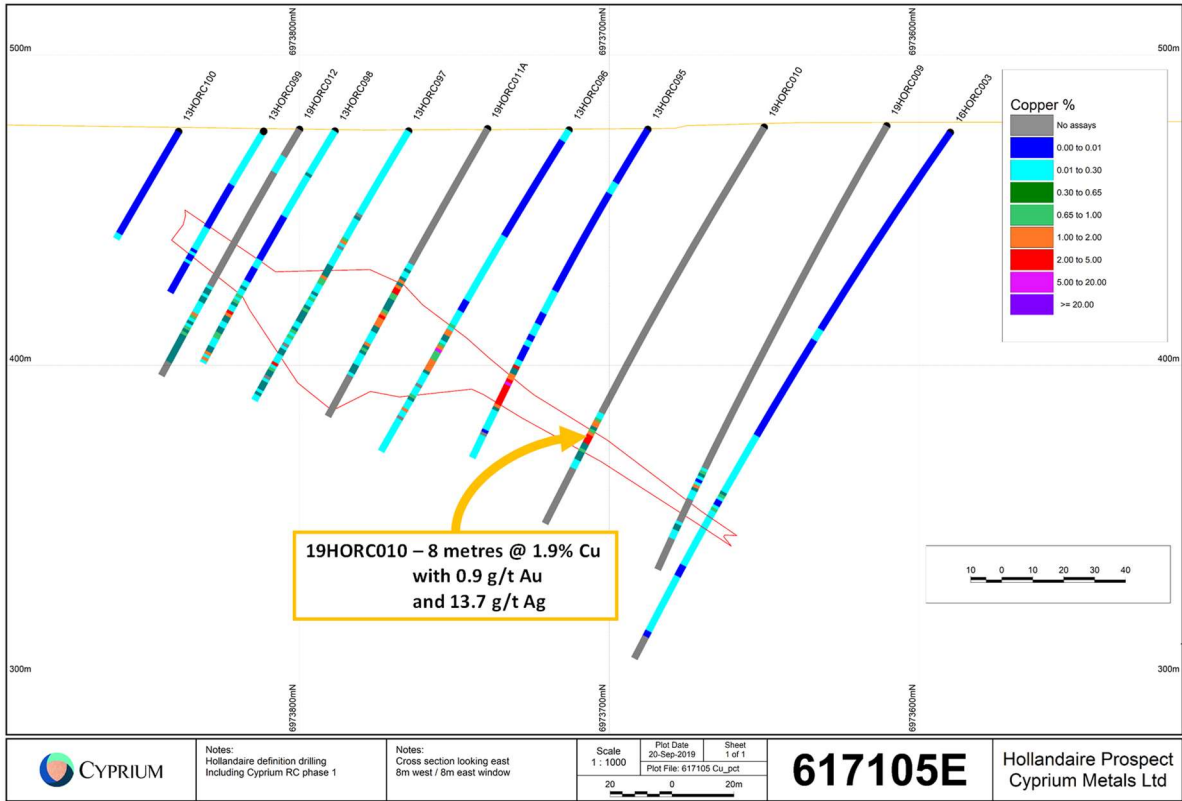


Figure 3 | Holladaire West Section 617105E

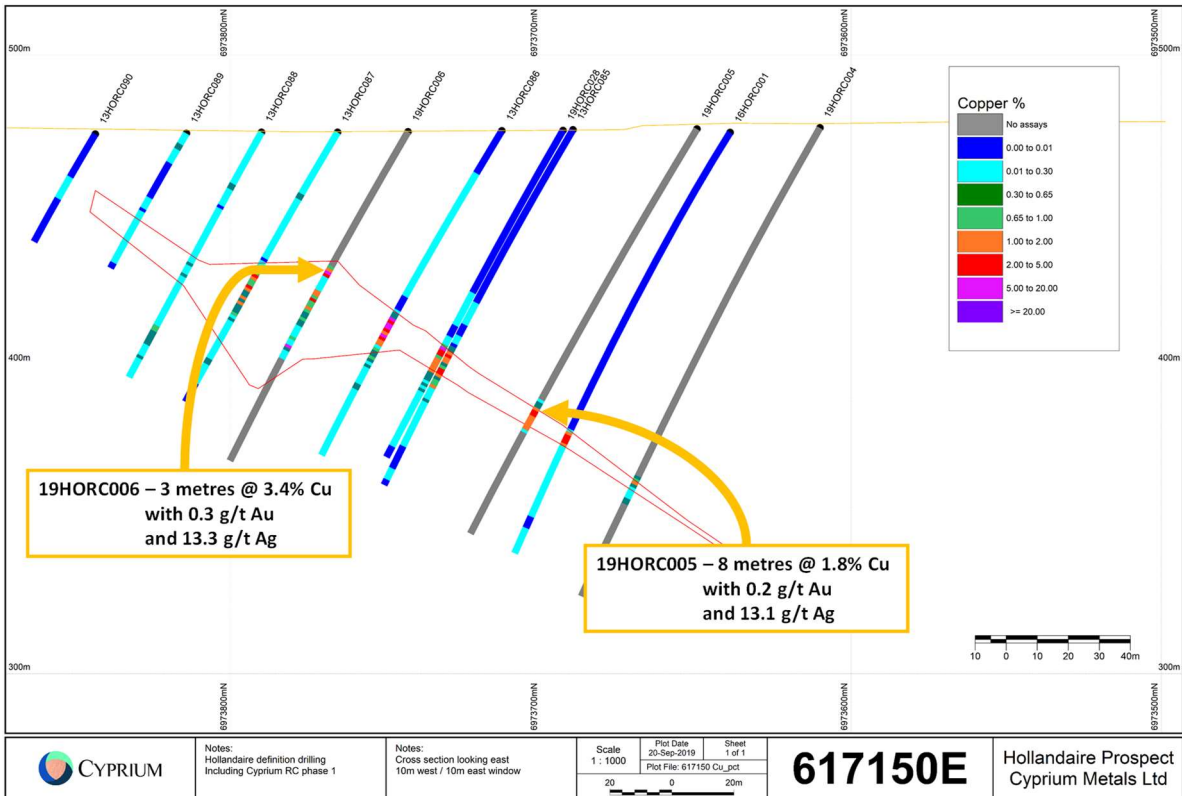


Figure 4 | Holladaire West Section 617150E

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Section 617150E in Figure 4 highlights the intersections at infill holes 19HORC006 and 19HORC005 as well as the down-dip extension of the mineralisation in 19HORC004, again with mineralisation that is outside of historical wireframes.

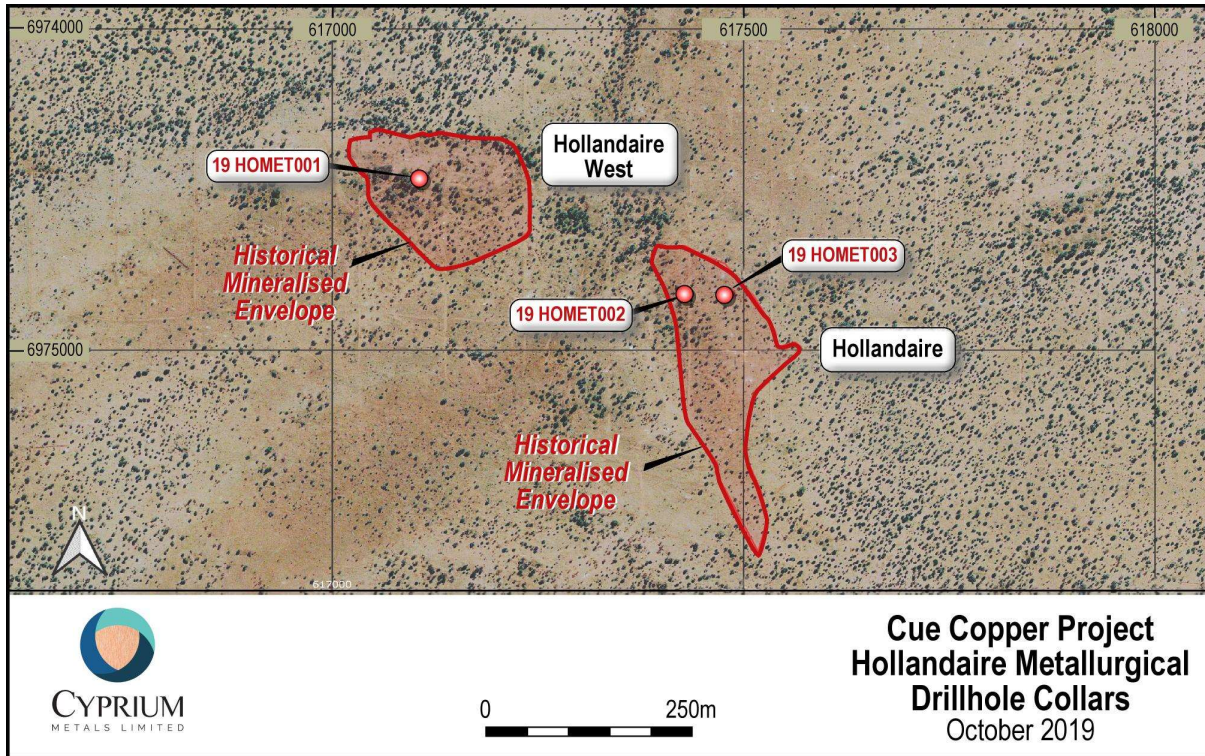


Figure 5 | Hollandaire Metallurgical Diamond Drill Hole Locations

The metallurgical diamond drilling programme consisted of three holes for 320m into the historical mineralised envelope of Hollandaire and Hollandaire West to provide representative samples for test-work to be undertaken as illustrated in Figure 5.

The first hole in the metallurgical diamond drilling programme, 19HOMET001, was drilled into the Hollandaire West mineralisation and returned disseminated copper sulphide mineralisation, dominated by chalcocite.

19HOMET001 returned 27.9m @ 1.1% Cu from 45.7m downhole, including 9.0m @ 1.6% Cu with 0.1 g/t Au and 2.3 g/t Ag from 63.2m. This result, as illustrated in Figure 6, compares well with the results of the Phase 1 RC drilling and in particular, the intercept of 19m @ 1.1% Cu in drill hole 19HORC010 from 106m downhole, including 8m @ 1.9% Cu with 0.9 g/t Au and 13.7 g/t Ag from 109m, which has extended the historical mineralised envelope at depth.

The second and third diamond drill holes in the programme, 19HOMET002 and 19HOMET003, targeted representative sections of the Hollandaire mineralisation and returned massive sulphide mineralisation, containing pyrite and copper sulphides, predominantly chalcocite with minor chalcopyrite and bornite.

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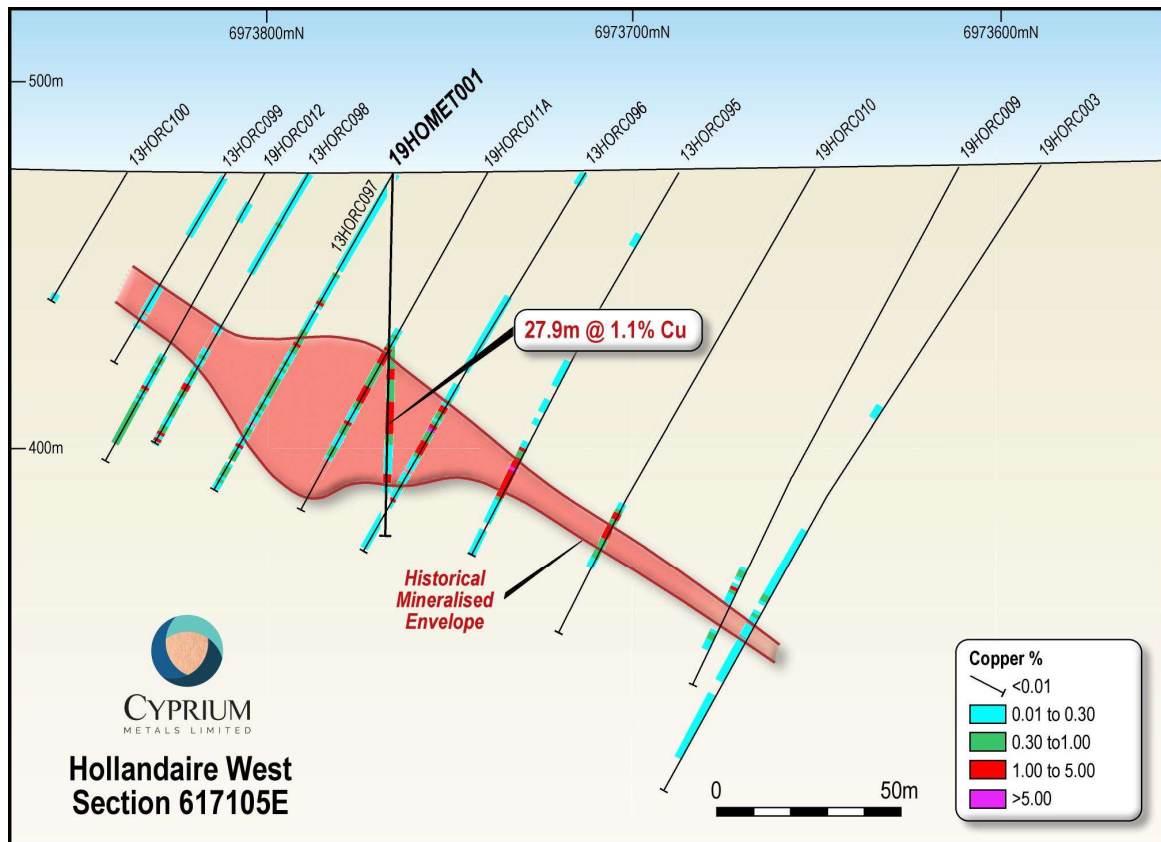


Figure 6 | Hollandaire West Section 617105E

At Hollandaire, 19HOMET002 returned intercepts of 19.1m @ 1.3% Cu from 85.9m downhole including 6.4m @ 2.1% Cu with 0.5 g/t Au and 10.5 g/t Ag from 98.6m. As shown in Figure 7, the diamond drill hole compares favourably in grade and width with the historical drilling in the area. The figure also shows where mineralisation appears to lay outside of the historically interpreted mineralised envelope.

The second diamond drill hole at Hollandaire, 19HOMET003, resulted in the best intercept of 10.4m @ 14.9% Cu from 84.5m downhole, including 4.5m @ 21.9% Cu with 1.2 g/t Au and 46.4 g/t Ag from 90.4m. This high-grade intercept drilled into the Hollandaire mineralisation clearly demonstrates the quality of this prospect. The intercept is illustrated in Figure 8 and includes the results of the Phase 1 RC drilling and in particular, the intercept of 9m @ 1.6% Cu in drill hole 19HORC002 from 262m downhole which extended the Hollandaire mineralisation at depth. Figure 8 also shows copper mineralisation that was not modelled historically and is outside the interpreted envelope.

Metallurgical test-work on these intersections has commenced during the quarter to determine the optimal copper extraction method, results will be reported as they become available.

The remaining 343m of diamond drilling completed at Hollandaire West during the September quarter were twinned tests for QA/QC purposes of RC drillholes previously completed by Silver

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Lake Resources. The twin holes compare well with the historically completed drillholes from a geological perspective and assay results will be reported in due course once received.

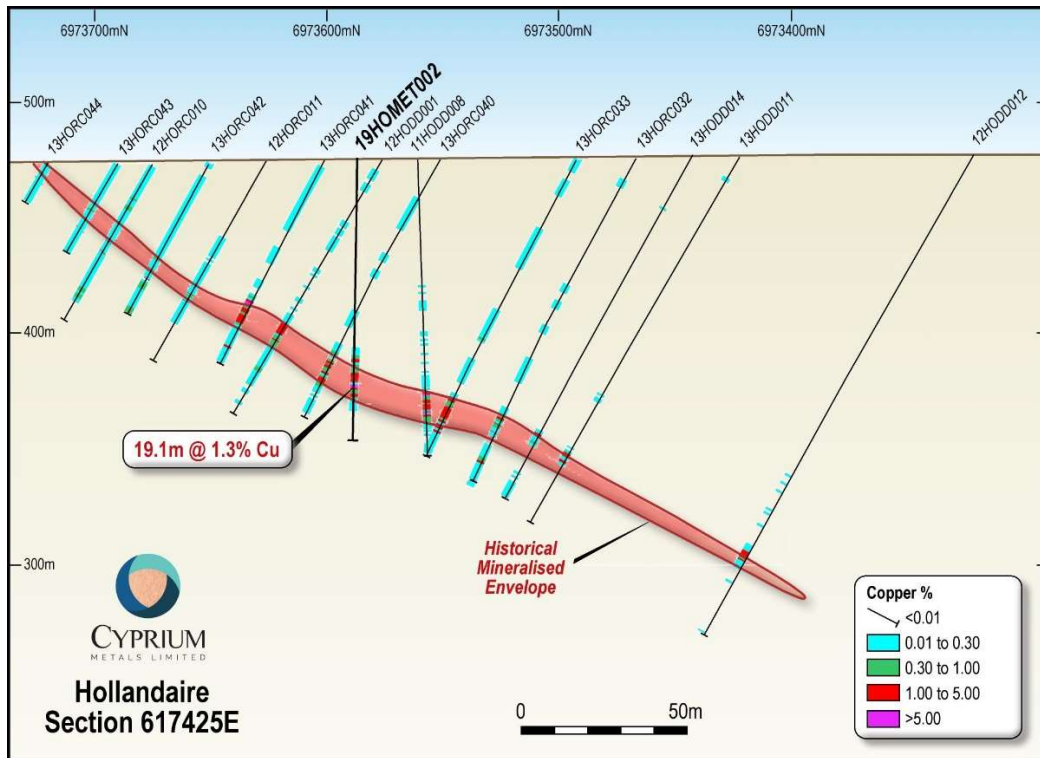


Figure 7 | Hollandaire Section 617425E

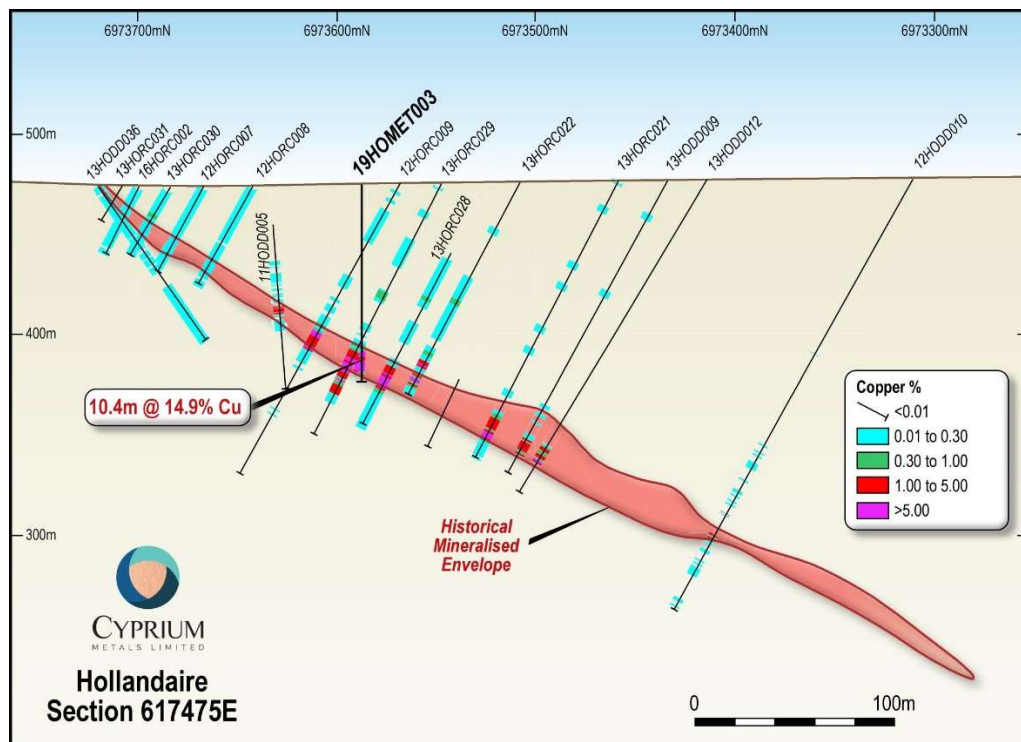


Figure 8 | Hollandaire Section 617475E

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Next Quarter

Mineralogical diagnostic test work on metallurgical samples to commence.

Continuation with the metallurgical test work on alternative techniques for the extraction of copper. Visual observations of the diamond drill core and mineralogy are very encouraging.

Continuation of assaying from the Phase 1 RC programme.

Completion of a regional infill soil sampling programme to refine and prioritise a number of drill targets. As shown in Images 1 and 2 from the regional infill soil sampling programme, there are surface indications at the Rapier West and Eelya South prospects of dominant malachite and minor azurite (copper oxide minerals) being encountered in rock hand specimens. These occurrences of copper oxide have historically been reliable indicators of subsurface copper mineralisation in the area.



Image 1 | Rapier West Rock Hand Specimen



Image 2 | Eelya South Rock Hand Specimen

The results from the Phase 1 drilling and regional infill soil sampling programme are being used to finalise the planning of the Cue Copper Project Phase 2 drilling programme, which is expected to commence in late November 2019.

Manitou Project - Canada

No exploration activity occurred during the quarter.

Trenggalek Project - Indonesia

No exploration activity occurred during the quarter. The exploration licences for the Trenggalek Project in East Java, Indonesia, are more than 10 years old and have expired. Consequently, the Company's joint venture interest with PT Sumber Mineral Nusantara has been terminated, effective in October 2019, to reduce administrative holding costs and continue to progress the highly prospective Cue Copper Project.



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Cash

The company closed the quarter with cash at bank of \$2.4 million.

Capital Structure

During July 2019, the Company issued 6.0 million performance rights to employees and contractors.

During September 2019, the Company established a Share sale facility (Facility) to enable shareholders with 500 shares or less to sell their shares without incurring brokerage and handling costs which could otherwise make the sale uneconomic or impractical. This Facility will reduce the administrative costs associated with maintaining many small shareholdings. The Facilities record date was 24 September and the closing date is 13 November 2019.

The capital structure of the Company as at 30 September 2019 is summarised as follows:

Type of Security	Number
Fully Paid Ordinary Shares	
Issued Ordinary Shares as at 30 September 2019	45,059,482
Unlisted Performance Rights	
Unvested Director and employee performance rights issued at a nil exercise price and subject to performance-based vesting conditions	12,400,000
Performance Shares	
Unvested performance shares issued at a nil exercise price and subject to performance-based vesting conditions, expiring 31 May 2023	1,030,000
Share Options	
Unvested share options issued at an exercise price of \$0.375 each, expiring 10 October 2019	200,000

On 10 October 2019, all of the unlisted share options, exercisable at \$0.375, expired.

Announcements

Investors are directed to the following announcements (available at www.cypriummetals.com) made by Cyprium Metals Limited for full details of the information summarised in the September 2019 Quarterly Report:

- 11 July 2019 Maiden Drill Campaign to Commence at Cue Copper Project
- 18 July 2019 Drilling Commences at Cue Copper Project
- 10 September 2019 Cue Copper Project Phase 1 Drilling Programme Update
- 12 September 2019 Interim Financial Report
- 25 September 2019 Share Sale Facility
- 26 September 2019 Cue Copper Project Initial Phase 1 Drilling Programme Results
- 14 October 2019 High-Grade Copper at the Cue Copper Project
- 14 October 2019 Option Expiry



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Tenement Information

Tenement	Location	Interest
AUSTRALIA		
Musgrave Minerals Limited has granted Cyprium Australia Pty Ltd an option to earn-in and joint venture for an 80% interest in the non-gold rights over the following tenements at the Cue Copper Project, WA: M20/0225, M20/0245, M20/0277, E20/0629, E20/0616, E20/0606, E20/0608, E20/0659, E20/0698, E20/0699, E20/0700, E20/0630, E20/0836, P20/2279, M20/526	Cue, WA	-%
CANADA		
The Manitou Gold Project consists of unpatented mining claims. GNR Minerals Pty Ltd owns 100% of all claims. Claim numbers are as follows: 4276785, 4276786, 4276787, 4286148	Ontario, Canada.	100%
INDONESIA		
Trenggalek	East Java, INDONESIA	95%

Changes during the September 2019 Quarter:

There were no changes during the quarter.

For further information:

Barry Cahill
Executive Director

Wayne Apted
Chief Financial Officer
and Company Secretary

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E info@cypriummetals.com

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About Cyprium Metals Limited

Cyprium Metals Limited (ASX Code: CYM) is an Australian-listed company with exploration projects in Australia and Canada. The Company is focused on progressing the Cue Copper Project.

The Company has an option to earn-in and joint venture for an 80% interest in the non-gold rights over the Musgrave Minerals Limited tenements at the Cue Copper Project, which is located approximately 20km to the east of Cue in the Murchison region of Western Australia in Figure 9. The region is host to a number of base metals deposits and the Hollandaire copper mineralisation is open to the south-west and at depth. In conjunction with the Hollandaire and Hollandaire West extensional drilling, the Company is prioritising its other exploration drill targets. Metallurgical test-work is being conducted to determine the optimal copper extraction method.

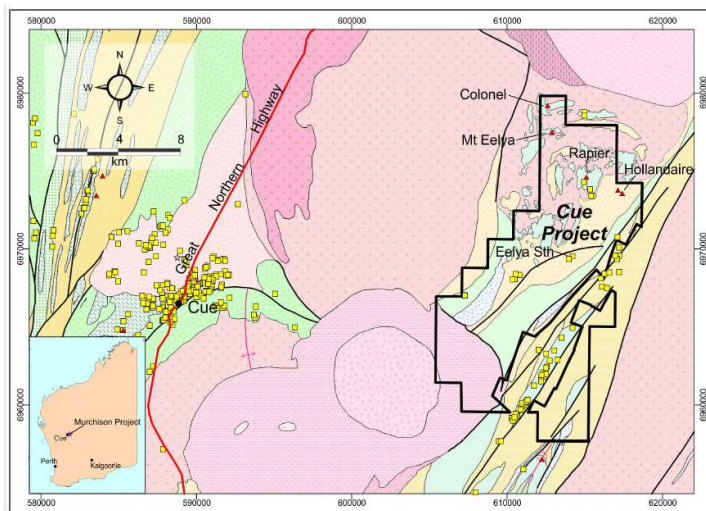


Figure 9 | Location of the Cue Copper Project tenements

The Manitou Project is located approximately 60km South of Dryden, Ontario, Canada. The Project is strategically located in a geologically favourable Archean sub-province.

Competent Persons

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources and/or Mineral Reserves is an accurate representation of the available data and is based on information compiled by Mr Peter van Luyt who is a member of the Australian Institute of Geoscientists. Mr Peter van Luyt is the Chief Geologist of Cyprium Australia Pty Ltd, in which he is also a shareholder. Mr. van Luyt has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (CP). Mr. van Luyt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to statements concerning the Company's current expectations, estimates and projections about the industry in which the Company operates, and beliefs and assumptions regarding CYM's future performance. When used in this document, words such as "anticipate", "could", "plan", "estimate", "expect", "seek", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of CYM and no assurance can be given that actual results will be consistent with these forward-looking statements.