

ASX ANNOUNCEMENT

30 July 2020

QUARTERLY ACTIVITIES REPORT

For the 3 months ended 30 June 2020

HIGHLIGHTS

Nanadie Well Copper Project Acquisition

- Acquired 100% of the Nanadie Well Copper Project
- Mineral Resource of 151,506t contained copper and 74,233 oz gold (2004 JORC)¹, including:
 - 156m @ 0.7% Cu from Surface (NRC12015)
 - 105m @ 0.76% Cu and 0.22g/t Au from 8m (NRC5020)
 - 28m @ 0.85% Cu and 0.3g/t Au from 44m (NRC5026)
 - 14m @ 2.16% Cu and 0.55g/t Au from 38m (NRC05020)
- Also contains high grade, shallow, supergene, Cu-Au zone that remains open along strike and at depth
- 75km east of the Hollandaire deposits and to be included in the Cue Copper Project scoping study

Mt Eelya and Rapier West Surface Sampling

- 12.3% Cu in Rapier West north costean surface sample
- 13.0% Cu in Mt Eelya Gossan 1 surface sample
- 10.6% Cu in Mt Eelya Gossan 3 surface sample
- 10.2% Cu in Mt Eelya Gossan 8 surface sample

Note: Rounding applied to the grades

Executive Director Barry Cahill commented *"We were pleased to enter into an agreement to acquire 100% of the Nanadie Well Project, which includes a substantial 2004 JORC compliant copper mineral resource together with the nearby and very encouraging Stark prospect. The Nanadie Well deposit has multiple shallow and broad intersections which are open along strike and at depth. The project has several drill ready targets that offer excellent exploration upside.*

The Nanadie Well copper deposit is located only 75km to the east of our Hollandaire copper deposits and is an exciting addition to our regional mineral resources. The Nanadie Well project provides optionality and further upside to facilitate the delivery of a successful scoping study which can then be progressed to a feasibility study to finance project development.

The regional high-grade copper samples and the extensions to the mineralised zone at the Hollandaire deposit are also very pleasing to see and are being factored into the planning of future exploration drilling programmes and in to the Cue Copper Project scoping study."

¹ Refer to HRZ ASX announcement on 19 September 2013

Nanadie Well Copper Project Acquisition

Cyprium Metals Limited (“CYM”, “the Company” or “Cyprium”) has reached an agreement with Horizon Minerals Limited (“HRZ” or **Horizon**) to acquire the 100% of the Nanadie Well Cu-Au Project, which is located approximately 75km to the east of Cyprium’s Hollandaire copper deposits (refer to Figure 1).

The Nanadie Well deposit has a 2004 JORC Code Compliant Inferred Resource of 36.07Mt at 0.42% Cu containing 151,506 tonnes of copper and 0.06g/t Au containing 74,233 oz of gold¹.

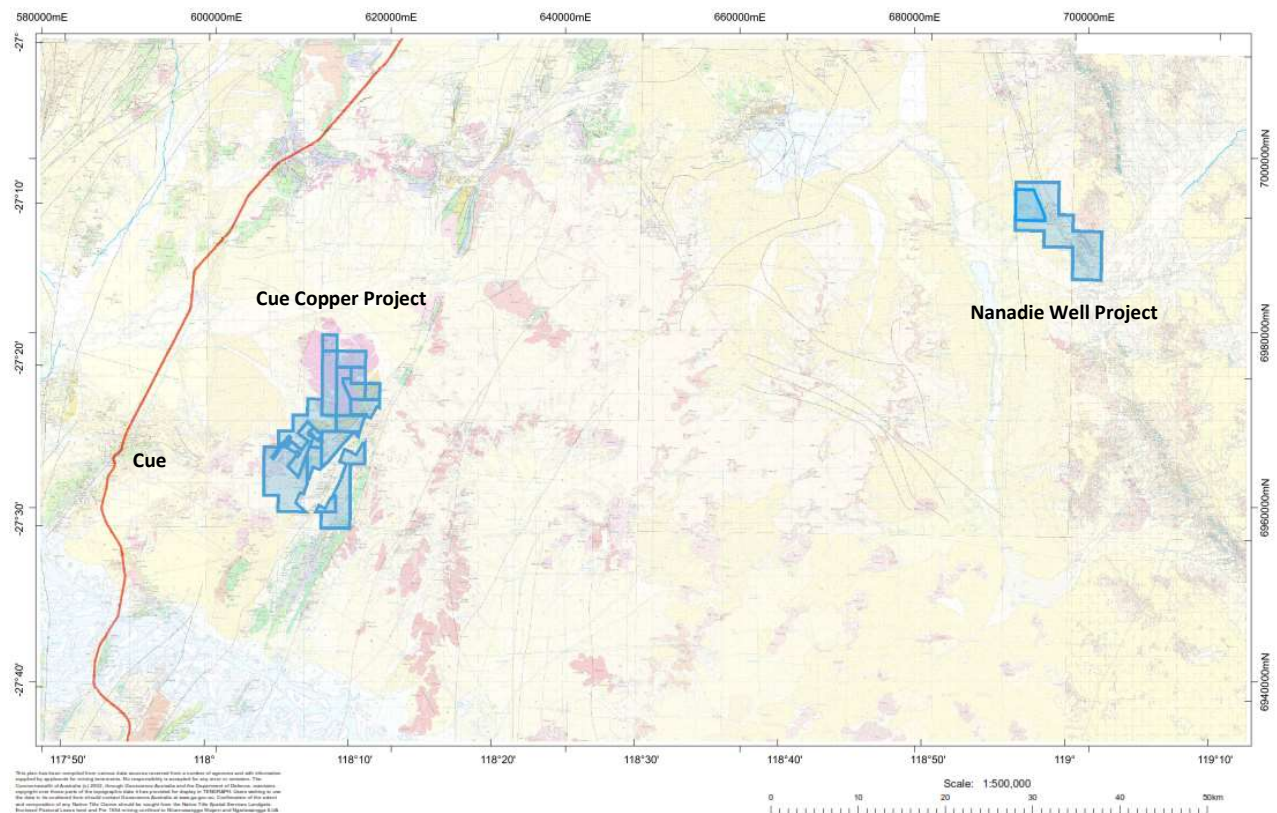


Figure 1 | Location of Cue Copper Project and Nanadie Well Projects

The Nanadie Well Project is located approximately half-way between Sandstone and Meekatharra in the Murchison region of Western Australia, on Exploration Tenement E 51/1040. The project straddles the Baranbie and Poison Hills greenstone belts, with basement rock types consisting of felsic-ultramafic volcanics, granite and gabbroic intrusions, and the project has the potential to host several different mineralisation styles.

The project covers part of the northwest trending belt of Archean mafic and metasedimentary units with demonstrated prospectivity for both magmatic copper-nickel-PGE mineralisation and lode gold mineralisation. The oxide mineralisation comprises malachite/azurite which often forms a zone of localised supergene enrichment. The ore below 40 metres depth is mostly fresh disseminated fine grained chalcopyrite within a sequence of basalts/amphibolites, felsic volcanics and dolerite.

The mineralisation outline, surface expression and selected intersections are illustrated in Figure 2. The Nanadie Well Prospect contains a shallow and broad 2004 JORC Compliant Inferred Resource¹, including the following intercepts:

- 156m @ 0.7% Cu from Surface (NRC12015)
- 105m @ 0.76% Cu and 0.22g/t Au from 8m (NRC5020)
- 28m @ 0.85% Cu and 0.3g/t Au from 44m (NRC5026)
- 14m @ 2.16% Cu and 0.55g/t Au from 38m (NRC05020)

The nearby Stark prospect is located 1.2km east of Nanadie Well (refer Figure 2) and has Ni-Cu-PGE mineralisation over 1 km of strike which remains open in all directions, along with a number of drill ready targets that offer excellent exploration upside.

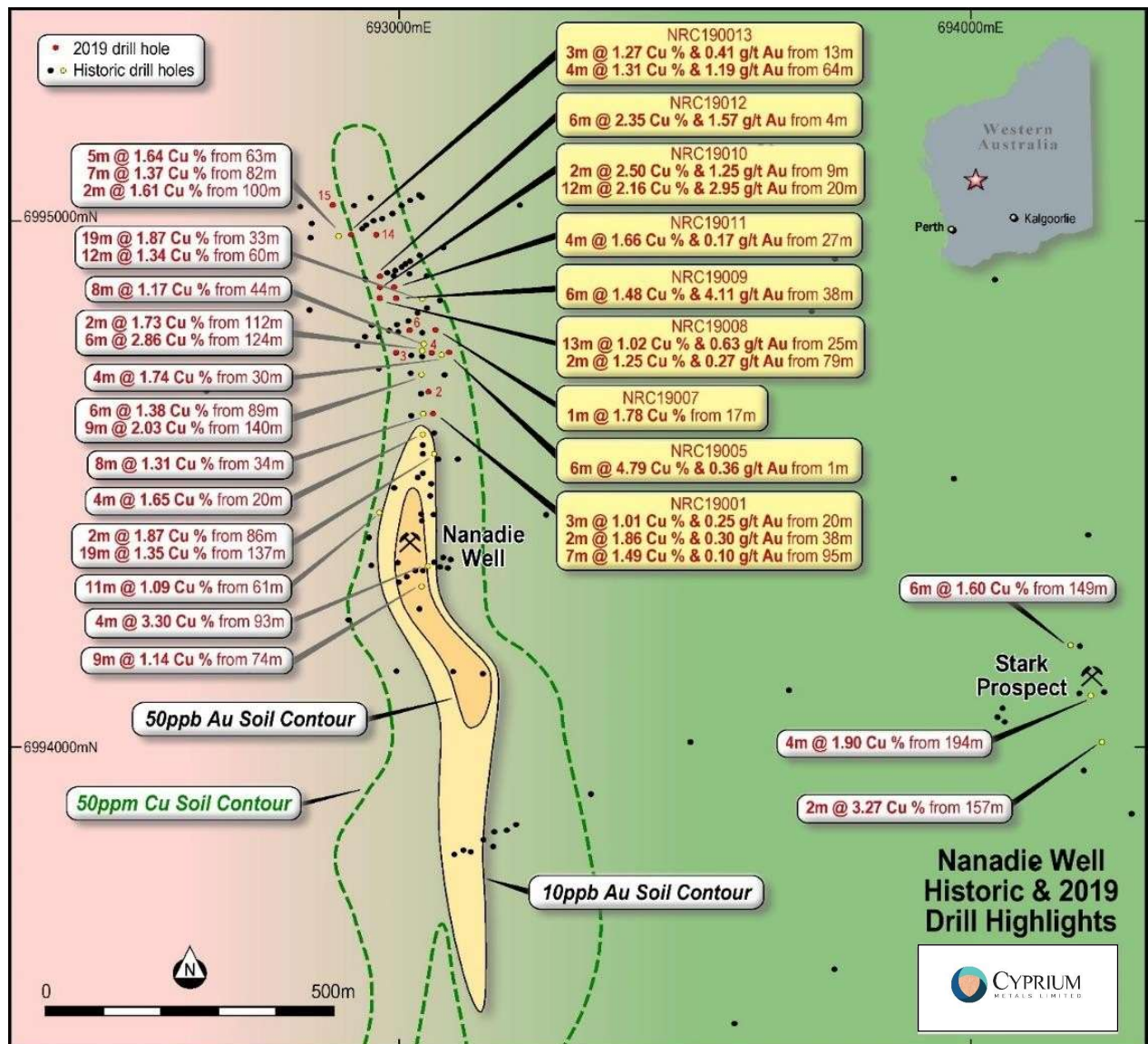


Figure 2 / Nanadie Well location, underlying geology and drilling results



During 2020, Horizon conducted Reverse Circulation (“RC”) recent drilling on the Nanadie Well deposit (refer to HRZ ASX announcement on 20 May 2020) of 14 RC holes to a maximum depth of only 55m and confirmed the presence of a broad high grade, shallow supergene Cu-Au zone that remains open along strike and at depth. Significant results include:

- 6m @ 1.48% Cu and 4.11 g/t Au from 38m (NRC19009)
- 12m @ 2.16% Cu and 2.95 g/t Au from 20m (NRC19010)
- 6m @ 2.35% Cu and 1.57 g/t Au from 4m (NRC19012)
- 13m @ 1.02% Cu and 0.63 g/t Au from 25m (NRC19008)
- 6m @ 4.79% Cu and 0.36 g/t Au from 1m (NRC19005)

At the Stark prospect, RC drilling intercepted copper, gold and PGE’s at depth, including:

- 4m @ 1.90% Cu and 0.32 g/t Au (and 0.32 g/t Pt-Pd) from 194m (NRC18008)
- 2m @ 3.27% Cu and 0.55 g/t Au (and 0.19 g/t Pt-Pd) from 157m (NRC15001)

The recent drilling results by HRZ indicated that Nanadie Well and surrounds have a much higher copper and gold prospectivity than previously thought. The small first pass RC program, as reported above, was successful infill and extending the high-grade areas in the top 100m of the Nanadie Well resource. This program now needs follow up and near surface drill testing needs to be undertaken at the Stark prospect, as there has been limited drilling conducted and to drill test extensional targets.

A Mining License application (M51/887) has been lodged over the Nanadie Well (Cu- Au) and Stark (Cu-Ni-PGE) prospects.

The up-front consideration that is payable by Cyprium to Horizon is as follows:

- \$250,000 cash; and
- \$400,000 of CYM shares based on a 20-day VWAP.

The following deferred consideration will be payable by Cyprium to Horizon:

- \$350,000 of CYM shares based on a 20-day VWAP and issued in 12 months;
- \$300,000 of CYM shares based on a 20-day VWAP and issued in 24 months; and
- \$200,000 of CYM shares based on a 20-day VWAP upon a decision to mine.

Cue Copper Project - Australia

Surface Sampling Activities

Cyprium completed a regional field mapping and surface sampling campaign at the Rapier West and Mt Eelya prospects, to the north-west of the Hollandaire deposits. A review and field inspection has been conducted on the regional prospects to prioritise targets for the next phases of drilling as part of Cyprium’s strategy to increase its copper resource base at the Cue Copper Project.

Samples were taken of mineralised quartz/iron gossans at the Rapier West locations in Figure 3, Image 1 and outlined in Table 1. These sample locations had been identified in late 2019 and drilling is planned during the second half of 2020 to test the structure which dips 75° south west.

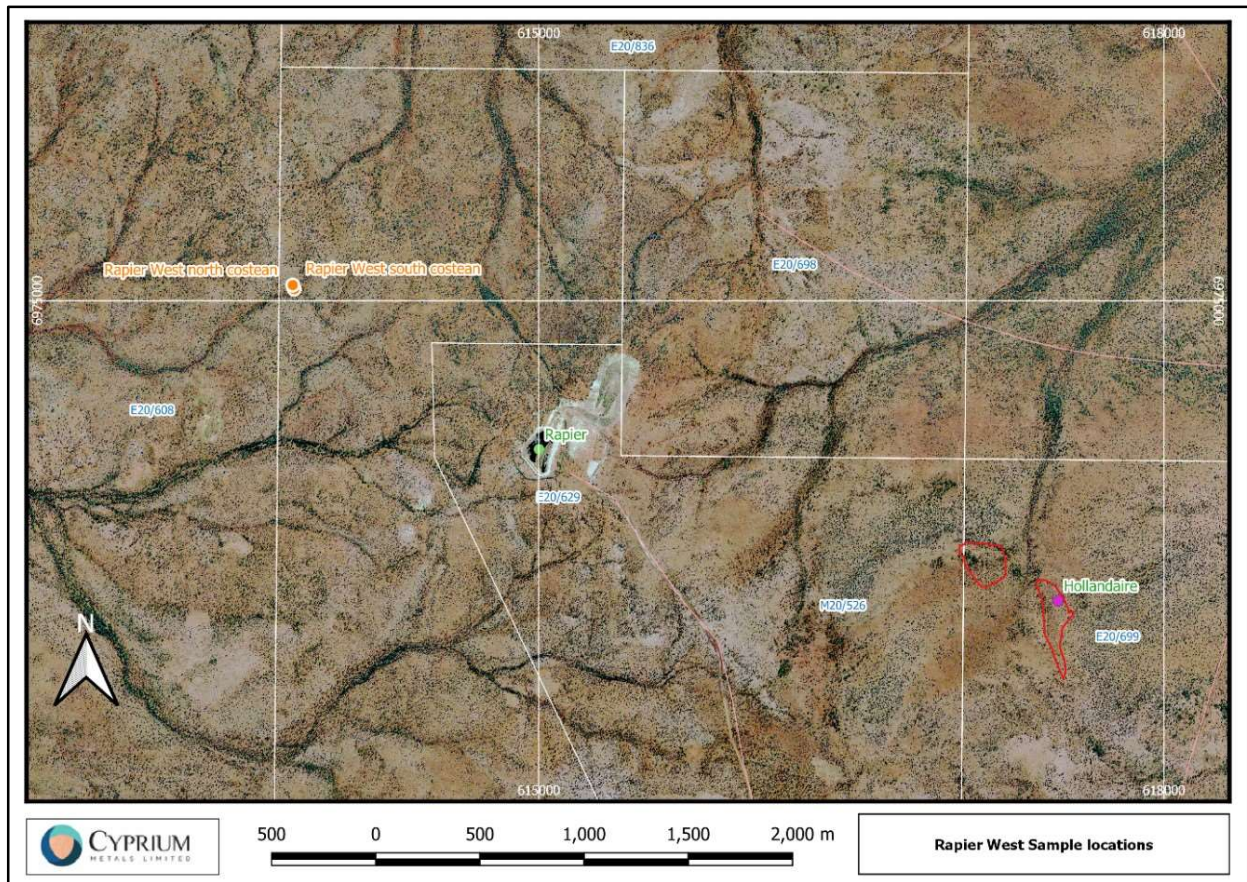


Figure 3 / Rapier West surface sample locations



Image 1 / Rapier West north costean samples at mapping point: 613820 mE / 6975075 mN

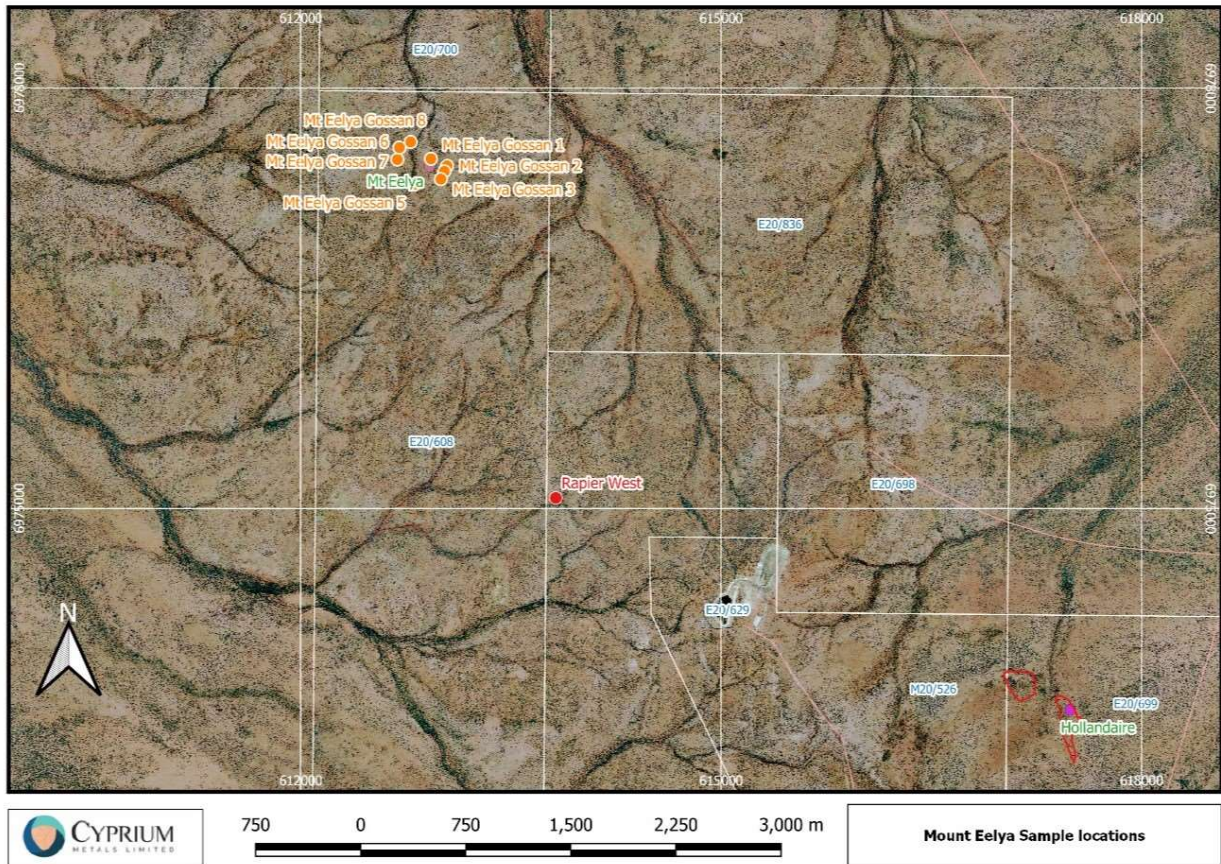


Image 2 / Mt Eelya Gossan 3 samples at mapping point: 613025 mE / 6977405 mN

Samples were also taken of mineralised and un-mineralised quartz/iron gossans at Mt Eelya as shown in Figure 4, and in Image 2, which returned the assay results as outlined in Table 2. Eight gossan outcrops were mapped at Mt Eelya and four were noted to contain significant mineralisation. It is planned to drill test for extensions of these structures that dip steeply to the south west during the second half of 2020.

Drilling Activities

Cyprium completed an RC drilling programme during March 2020 at the Hollandaire deposits (refer to Figure 5).

The RC drilling programme at Hollandaire was conducted around the margins of the existing deposit to test extensions of the mineralisation. The results show continuation of the mineralisation and the intersections are being taken into consideration in the planning for testing of further depth extensions through geophysical and drilling programmes.

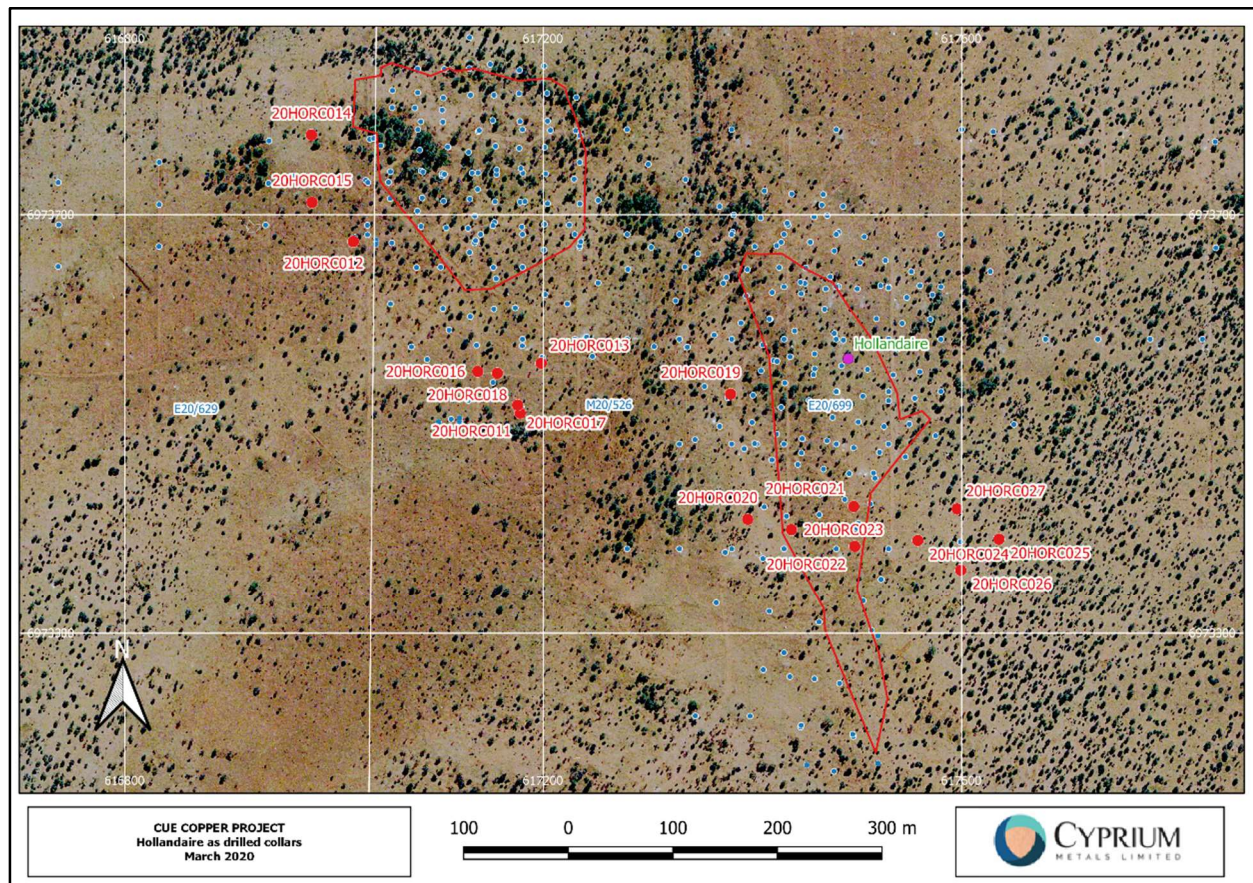


Figure 5 / Hollandaire RC drill hole collar locations March 2020

Next Quarter

Geological data analysis for the planning of future drilling programmes at the Cue Copper and Nanadie Well Projects.

Scoping study work on resources to optimise the project size at Cue and Nanadie Well including the planning of diamond drilling at Nanadie Well for geological logging and metallurgical testing.



Planning of RC drilling programmes at the Cue Copper and Nanadie Well Projects to follow up numerous intersections, including the supergene copper gold mineralisation recently drilled at Nanadie Well.

Ongoing analysis and reviews of suitable copper projects for sulphide heap leach processing.

Tenement Information

Tenement	Location	Interest
AUSTRALIA		
Musgrave Minerals Limited (ASX Code: MGX) 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, E20/0606, E20/0608, E20/0616, E20/0629, E20/0630, E20/0659, E20/0698, E20/0699, E20/0700, E20/0836, P20/2279 and M20/526	Murchison region, WA	-%
Horizon Minerals Limited (ASX Code: HRZ) has agreed to sell its 100% interest in the Nanadie Well Project, WA, to Cyprium Melas Limited, which comprises the following tenements: E51/1040 and M51/887	Murchison region, WA	-%

Changes during the June 2020 Quarter:

The earn-in expenditure requirement for an 80% interest in the non-gold rights over the tenements at the Cue Copper Project, WA, was met during the March 2020 quarter together with the formation of a joint venture. The and the transfer of the interests in the Cue Copper Project tenements has been initiated.

Cyprium has reached an agreement with Horizon to acquire 100% of the Nanadie Well Cu-Au Project, which includes tenements E51/1040 and M51/887. The acquisition is expected to complete during August 2020, which is subject to the satisfaction of standard conditions precedent for a transaction of this nature, including Ministerial consent, any third party assignments and provision of mining information.

Capital Structure

The capital structure of the Company Limited as at 30 June 2020 is summarised as follows:

Type of Security	Number
Fully Paid Ordinary Shares	
Issued Ordinary Shares as at 30 June 2020	56,059,482
Unlisted Performance Rights	
Unvested Director and employee performance rights issued at a nil exercise price and subject to performance-based vesting conditions	22,000,000

During April 2020, all of the unlisted performance shares lapsed, following surrendering of the remaining unpatented mining claims for the Manitou Gold Project during the March 2020 quarter.



During May 2020, the Company issued 6.6 million performance rights to a director, employees and contractors.

During June 2020, the escrow restriction was released for the shares issued to Musgrave Minerals Limited in relation to the earn-in and joint venture for an 80% interest in the non-gold rights over the tenements at the Cue Copper Project (CYM ASX Release 25 March 2019).

Corporate

The Company's Annual General Meeting was held on 28 May 2020, with all resolutions being passed by the shareholders and included a presentation to Cyprium's members, which can be viewed at <https://cypriummetals.com/investor-centre/video-presentations/> along with the recent presentation that was made at the Noosa Mining Virtual Conference on 15 July 2020.

Financial Commentary

The cash flow report (appendix 5B) for the quarter ended 30 June 2020 provides an overview of Cyprium's financial activities.

Exploration expenditure on a cash basis for the June 2020 quarter was \$663,000, including RC drilling, regional sampling, assays, metallurgical test-work and the scoping study activities.

There was also \$298,000 of expenditure spent on corporate, administrative and personnel costs, including \$25,000 paid for Directors fees (refer to item 6.1 of appendix 5B), together with analysis and reviews of Australian copper projects that are suitable for sulphide heap leach processing.

Cyprium closed the quarter with cash at bank of \$1.5 million.

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 June 2020 Quarterly Report:

- | | |
|-----------------|---|
| • 24 April 2020 | Notice of Annual General Meeting |
| • 24 April 2020 | Lapse of Performance Shares |
| • 5 May 2020 | Hollandaire Extensional Drilling Results |
| • 19 May 2020 | Virtual AGM Update |
| • 28 May 2020 | AGM Presentation |
| • 28 May 2020 | Results of Meeting |
| • 28 May 2020 | Replacement Constitution |
| • 28 May 2020 | Issue of Performance Rights |
| • 9 June 2020 | Release of Escrow Restriction |
| • 8 July 2020 | High Grade Copper Surface Samples at Cue Copper Project |
| • 14 July 2020 | Nanadie Well Copper Project Acquisition |
| • 15 July 2020 | Noosa Mining Virtual Conference Investor Presentation |



This ASX announcement was approved and authorised by the Board.

For further information:

Barry Cahill
Executive Director

Wayne Apted
Chief Financial Officer
and Company Secretary

T +61 8 6169 3050

E info@cypriummetals.com

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.

Confirmation and Cautionary Statement

The information in this report that relates to Horizon's Mineral Resources estimates or Ore Reserves estimates is extracted from and was originally reported in Horizon's ASX announcement "Initial Resource Estimate for the Nanadie Well Cu-AU project" dated 19 September 2013. Horizon confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person's findings in relation to those Mineral Resources estimates or Ore Reserves estimates have not been materially modified from the original market announcements.

The Company cautions that the Mineral Resources are not reported in accordance with the JORC Code 2012. A Competent Person has not yet done sufficient work to classify the estimates of Mineral Resources in accordance with the JORC Code 2012. It is possible that following evaluation and/or further exploration work the currently reported estimates contained in this Announcement, may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012. The Company notes that nothing has come to its attention that causes it to question the accuracy or reliability of the former owner's estimate as first announced by Horizon's ASX announcement "Initial Resource Estimate for the Nanadie Well Cu-AU project" dated 19 September 2013. The Company has not independently validated the former owner's estimates and therefore cannot be regarded as reporting, adopting or endorsing those estimates.



Surface Sampling Results

Location	MGA 50 North	MGA 50 East	RL	Cu pct	Ag ppm	Zn ppm	Au ppm	Comments
Rapier West south costean	6,975,055	613,827	460	5.72	5	68	0.69	Quartz/iron gossan with malachite and chrysocolla copper mineralisation
				3.55	3	80	1.73	
Rapier West north costean	6,975,075	613,820	460	12.30	114	1,720	3.70	
				8.76	12	48	1.60	

Table 1 / Rapier West surface sampling results

Location	MGA 50 North	MGA 50 East	RL	Cu pct	Ag ppm	Zn ppm	Au ppm	Comments
Mount Eelya Gossan 1	6,977,495	612,930	450	0.03	1	1,480	0.03	Quartz iron gossan with garnet and pyrite/sphalerite
				0.03	2	812	0.05	
	6,977,520	612,950	450	0.14	4	1,820	0.03	Quartz iron gossan with garnet and sphalerite/malachite
				0.18	2	2,180	0.03	
	6,977,500	613,005	450	13.00	3	684	0.53	Quartz iron gossan with chalcocite/malachite/chrysocolla
				6.65	3	636	0.43	
				9.81	3	708	0.36	
Mount Eelya Gossan 2	6,977,445	613,045	450	2.85	<0.5	4,120	<0.01	Quartz iron gossan with sphalerite/malachite/chrysocolla
Mount Eelya Gossan 3	6,977,405	613,025	450	1.08	1	4,140	<0.01	Quartz iron gossan with malachite/sphalerite/chrysocolla
				10.60	36	10,300	<0.01	
Mount Eelya Gossan 4	6,977,350	613,000	450	Not sampled				Quartz iron gossan no noted mineralisation
Mount Eelya Gossan 5	6,977,311	612,810	450	Not sampled				Quartz iron garnet gossan no noted mineralisation
Mount Eelya Gossan 6	6,977,490	612,690	450	Not sampled				Quartz iron garnet gossan no noted mineralisation
Mount Eelya Gossan 7	6,977,575	612,705	450	0.09	<0.5	108	<0.01	Quartz iron garnet gossan no noted mineralisation
Mount Eelya Gossan 8	6,977,615	612,785	450	8.17	65	4,620	0.79	Quartz iron gossan with malachite/sphalerite/chrysocolla
				10.20	47	4,880	0.62	
				5.22	25	3,760	0.60	

Table 2 / Mt Eelya surface sampling results

About Cyprium Metals Limited

Cyprium Metals Limited (ASX Code: CYM) is an Australian-listed company with exploration projects in Australia.

Cyprium has an 80% interest in a joint venture for the non-gold rights with 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 (refer to Figure 6).

The Murchison region of Western Australia 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, Cyprium is prioritising its other exploration drill targets. Metallurgical test-work has been undertaken to determine the optimal copper extraction methodology.

Cyprium Metals Limited has also entered into a Sale and Purchase Agreement for 100% of tenements E51/1040 and M51/887 with Horizon Minerals Limited (ASX Code: HRZ), which includes the Nanadie Well Cu-Au Project which is located approximately 75km to the east of Cyprium's Hollandaire copper deposits (refer to Figure 1).

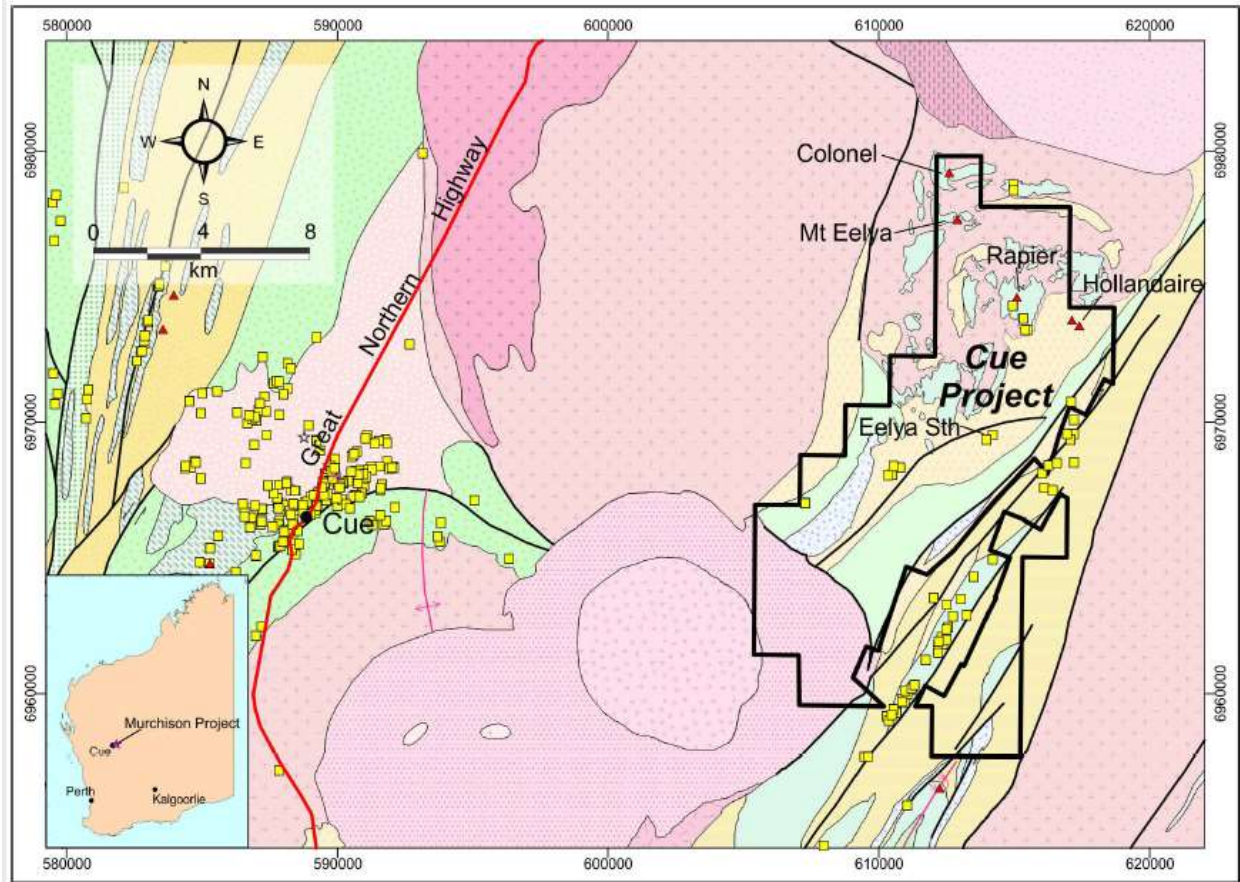


Figure 6 | Location of the Cue Copper Project tenements