

ASX ANNOUNCEMENT

11 May 2021

Nifty Operations Update

HIGHLIGHTS

- RC sterilisation drilling commenced at the Nifty Mine Site
- Detailed review of the mineral resource commenced - further targets identified
- Trenching of heap leach pad for metallurgical test work completed
- Engineering report for SX-EW plant refurbishment versus replacement completed
- Engagement with traditional owners and government commenced
- Communications and camp upgrade underway

Cyprium Metals Limited (“CYM”, “Cyprium” or “the Company”) is pleased to provide an operational update on the Paterson Copper Project since taking over the full management of the Nifty mine site post transaction completion on 30 March 2021.

Cyprium has made significant progress on its strategy of developing an open pit heap leach SX-EW operation to produce LME grade A copper cathode metal plate on-site.

Executive Director Barry Cahill commented:

“Since taking full site control at Nifty, we have rapidly advanced a number of work streams supporting our development plans.

We have commenced RC sterilisation drilling at the planned infrastructure locations and will follow with resource extension drilling around the existing open pit. We have also commenced a detailed review of the mineral resource which has identified a number of high priority drill targets.

Trenching activities at the heap leach pads have been completed and sample collected, allowing metallurgical test work programmes to commence. Engineering reports have been prepared to finalise our development plans for the SX-EW processing plant. Communications upgrades have also been commissioned and the camp refurbishment plans are well advanced.

In short, we have hit the ground running in the execution of our simplified development plan, which consists of an open pit mining operation, feeding a heap leach and SX-EW processing flowsheet.”

Key Management and Project Personnel Appointed

Cyprium has continued making key management and project appointments in addition to those previously announced in March 2021, including:

- Geology Manager
- HSE Manager
- Finance Manager
- Indigenous Engagement Manager



Personnel has also been recruited to move the site back to an operational readiness status, including general labour, relevant trades for maintenance roles, supporting supervision and back-to-back superintendents.

Work is advancing rapidly, including a general site clean-up which has bought a multitude of supplementary and replacement stores back to a central location.

Nifty Project Site Update

Cyprium has continued to accelerate the work programs and studies required for the refurbishment and simplified development plan for the Nifty Copper Operation since gaining control of the site.

- An RC drill rig has commenced drilling sterilisation holes for the planned infrastructure locations to the west of the existing heap leach pads (refer to Image 1). Following this, the rig will commence resource drilling adjacent to the open pit.
- A detailed review of the mineral resource has been undertaken which has identified further priority drill targets around the existing resource position. Additional drill rigs are being mobilised to site to complete this work.
- Trenching into the heap leach has been completed and the samples have been sent to laboratories in Perth for metallurgical enhancement test work (refer to Image 2).
- A specialist drill rig is scheduled for mobilisation to site at the end May which will enable samples to be obtained from closer to the heap liner, allowing further metallurgical test work to be completed.
- The specialist rig will also be used for geotechnical drilling of the civils sites for the new infrastructure locations as well as waste characterisation of the existing waste dumps.
- An engineering report and cost estimate comparing the refurbishment versus the purchase of a new solvent extraction and electrowinning (“**SX-EW**”) processing plant has been completed and is currently under review. A decision will be finalised in the near term on the preferred path.
- The cost estimate and a work programme for the refurbishment of the camp have been received, which are currently being assessed.
- Cyprium has committed to improving the communications capacity and capabilities, including an upgrade from 3G to 4G. The project involves expenditure of ~\$1 million and is planned to be completed in the next 6 to 9 months.
- Cyprium has engaged with the traditional owners and relevant government departments in relation to the simplified development plan at Nifty. The interactions have been constructive and Cyprium is proceeding on a collaborative basis to keep all stakeholders apprised of the progress and timelines.
- The general site clean-up has commenced, particularly re-locating all stores items to a central location and scrap material is being collected for assessment.
- Flora and fauna surveys will be undertaken by the end of May 2021, including the planned infrastructure locations.
- Water management consultants have been engaged to finalise water balance requirements for the site.
- Environmental consultants have been engaged to ensure plans take into consideration the mine closure obligations.



Image 1 / RC drill rig drilling sterilisation holes to the west of the existing heap leach pads



Image 2 | Excavating sampling trench into the heap leach pads



Image 3 | Managing Director - Barry Cahill (L) and General Manager - John Banning (R) at the heap leach pads



Investor Webinar

Investors and shareholders are invited to the Cyprium Metals Investor Webinar which is being held at 12:00 pm AEST / 10:00 am AWST on Tuesday 11 May 2021.

Cyprium Executive Director, Barry Cahill will provide an update on operations and an overview of the Company's March 2021 Quarterly Report with a question and answer session to follow.

Details of the event are as follows:

Event: Cyprium Metals Investor Webinar

Presenters: Executive Director, Barry Cahill

Time: Tuesday 11 May 2021, 12:00 pm AEDT / 10:00am WST

Where: Zoom Webinar, details to be provided upon registration. To register your interest for the webinar please click through to the link below.

Registration Link

https://janemorganmanagement-au.zoom.us/webinar/register/WN_bbgvJTAXQeqZQ0ittS855w

After registering your interest, you will receive a confirmation email with information about joining the webinar. Participants will be able to submit questions via the Panel throughout the presentation, however, given we are expecting a large number of attendees we encourage shareholders to send through questions via email beforehand to lexi@janemorganmanagement.com.au

This ASX announcement was approved and authorised by the Board.

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





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 350 km southeast of Port Hedland. Nifty contains a 2012 JORC Mineral Resources of 658,500 tonnes of contained copper. 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 south east of Nifty, and includes a shallow 2012 JORC Mineral Resources of 486,000 tonnes of contained copper.

An exploration earn-in joint venture has been entered into with IGO on ~2,400km² of the Paterson Exploration Project. Under the agreement, IGO is to sole fund A\$32 million of exploration activities over 6.5 years to earn a 70% interest in the Paterson Exploration Project, including a minimum expenditure of A\$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: MGX) 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 2012 JORC compliant Mineral Resources of 51,500 tonnes contained copper, 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 north east of Perth and ~75 km south east of Meekatharra in the Murchison District of Western Australia, within mining lease M51/887.

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.