

Cyprium Metals Ltd: Update on Funding Requirements and the Commencement of a Strategic Review

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Perth, Australia - [Cyprium Metals Ltd.](#) (ASX:CYM) 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 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."

Strategic Review

Cyprium owns a high-quality portfolio of West Australian copper development opportunities with a total of +1.6Mt2 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 Cu2
- Maroochydore Copper Project containing an MRE of 486,000 tonnes of contained Cu2
- 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)

- Paterson Exploration Project (which includes a farm-in agreement with IGO Limited)

All of Cyprrium'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. Cyprrium 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. Cyprrium shareholders do not need to take any action in relation to the strategic review. Cyprrium will continue to keep shareholder informed about the progress and outcome of the strategic review in accordance with Cyprrium'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 Cyprrium'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 Cyprrium 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.

About Cyprrium Metals Ltd:

[Cyprrium Metals Ltd.](#) (ASX:CYM) is poised to grow to a mid-tier mining business and manage a portfolio of Australian copper projects to deliver vital natural resources, strong shareholder returns and sustainable value for our stakeholders. We pursue this aim, in genuine partnerships with employees, customers, shareholders, local communities and other stakeholders, which is based on integrity, co-operation, transparency and mutual value creation.

Source:

[Cyprrium Metals Ltd.](#)

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