CYPRIUM METALS LIMITED

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OPERATIONS UPDATE: PHASE 1 CATHODE RESTART PROJECT

HIGHLIGHTS

- Commissioning of the existing heaps with acid has commenced
  - First time acid has been applied to the existing heaps since operations ceased in 2009
- Successful trial of direct injection leaching technology has confirmed well design and ability for existing heaps to accept injected solution at commercial flow rates of 250m^3 per hr and beyond
  - 14 well trial utilising water flush produced copper in sufficient grade and quantity to commission the SX-EW
  - Production wells drilled in readiness for operations, ~1.7 million tonnes of material accessible
- SX area is substantially mechanically complete; EW area preparing for install of cathodes and anodes
- Rectiformer and transformer installed; firewater infrastructure substantially complete
- All regulatory approvals to support the Phase 1 Cathode Restart project are in place, pending successful completion of commissioning
- Strong safety record: zero lost time injuries (LTIs) to date from start of construction
- Wet commissioning of plant and first cathode to follow energisation
  - First cathode now expected in fourth quarter during wet commissioning and ramp up

Cyprium Metals Limited (**ASX: CYM** / **OTCQB: CYPMF**) (**Cyprium** or the **Company**), a copper developer focused on the phased restart of the Nifty Copper Complex in the Paterson region of Western Australia (**Nifty**), provides the following project update on the Phase 1 Copper Cathode Restart project.

Executive Chairman Matt Fifield commented:

"We are now completing our Phase 1 project which will produce copper from our existing heaps and cathode from the B Train of our SX-EW plant.

We are commissioning our heaps, ponds and acid circuit now. Applying acid solution to the existing heaps is a significant milestone for Cyprium – this is the first leach on these pads in nearly twenty years. We have already filled the ponds with enough copper rich solution to support the plant startup. Now we expect to start quickly building grade to support production. In the plant, we are rapidly closing out scopes of work and focused on delivering a safe and successful commissioning and start up.

The mood on site and throughout the company is high energy. Being a part of bringing a project from concept to reality is special, and there have been many people contributing to create this success. I am particularly proud of our team and our partners at Macmahon, Decmil, PPM, Newpro and our first-rate specialists who have worked tirelessly on refurbishment of this brownfield site with a high degree of problem solving and collaboration.

Phase 1 cathode production restart is the first step in building Australia's next great copper company; I look forward to updating you on our leaching operations and the close out of the plant construction and commissioning activities."

Moving high grade solution inventory

Rectiformer lift

Detailed pipe installation

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OPERATIONS UPDATE

HEAP LEACH PADS AND LEACHING ACTIVITY

Commissioning of the heaps with acid solution is underway. The heap commissioning activities involve the introduction of acid solution into the heaps for the first time in close to 20 years. Following successful completion of commissioning, our target is to quickly ramp-up leaching operations to support cathode production as the SX-EW plant commences operations.

As previously reported, Cyprium conducted a trial implementing direct injection technology to the existing heaps at Nifty. The 14 well trial utilised water without the addition of acid to test the hydrostatic properties of the heaps, radius of influence from wellbore give varying pressures, pressure gradient curves, and trials around wet and dry starts. The trial successfully confirmed well design and demonstrated the ability for existing heaps to accept injected solution at commercial flow rates of ~250m^3 per hr and beyond.

The introduction of water into the heaps also produced copper outflows in sufficient grade and quantity to commission the SX-EW.

Following successful completion of the direct injection leaching trial, Cyprium has expanded the wellfield from 14 wells to 98 production wells to support future operations. The wells in place provide access to ~1.7 million tonnes of material for future leaching operations. Additional wells will be progressively installed as required to support production plans.

Drill out of production area

Future production areas drilled and cased

High pressure pump for injection leaching

Low pressure injection during trial

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PONDS AND SOLUTION INFRASTRUCTURE

For the purposes of commissioning the heaps, sulphuric acid transportation infrastructure and the eastern ILS ('intermediate liquor solution') and PLS ('pregnant liquor solution') ponds are also being commissioned. During commissioning, sulphuric acid will be added to the existing solution in the eastern ILS pond, creating an acidified ILS that is then transported to the heaps.

Welding main pipeworks

Moving high grade solution

ILS2 and PLS2 pump station commissioning

Containment infrastructure around pumps

SOLVENT EXTRACTION PLANT

The SX plant refurbishment works are now substantially mechanically complete. Commissioning activities (dry commissioning and commissioning with water) have commenced, with equipment in various stages of commissioning.

Mixer tank hydrotest

Mixer blade and rotor lifted and installed

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Settler tank lids lifted into place

Pumps installed

Progress highlights include:

- Completion of piping installation on all primary settling tanks (E1, E2, S1), crud and clay, and the strong electrolyte, coalesced and loaded organic tank lines, and raffinate tanks
- Completion of fibreglass repairs of all tanks including settling, primary and secondary mixing tanks
- Installation of pumps at loaded organic tank, loaded organic coalescer tank, strong electrolyte tank and raffinate tank
- Installation of compressor in the SX plant
- Completion of pipework and installation of fire water tanks
- Completion of static hydrotesting of the coalescer, loaded organic, EW and raffinate tanks
- Completion of diluent tanks and piping, with valves and pumps on site for installation
- Fire system and ring main substantially complete
- Hazardous area (static electricity) audit completed

ELECTROWINNING PLANT

The EW plant is now substantially mechanically complete with all major equipment delivered and installed. Remaining scope includes completing install of cell top furniture, completion of refurbishment of stripping machine, loading of cathodes and anodes, as well as final completion of electrical and instrumentation scope.

Cell top furniture being installed

EW pipework installed

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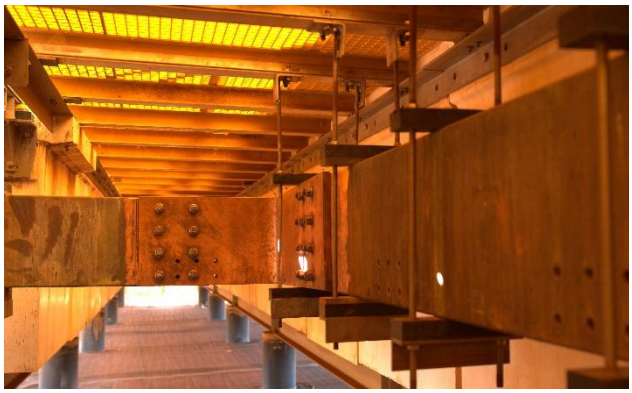
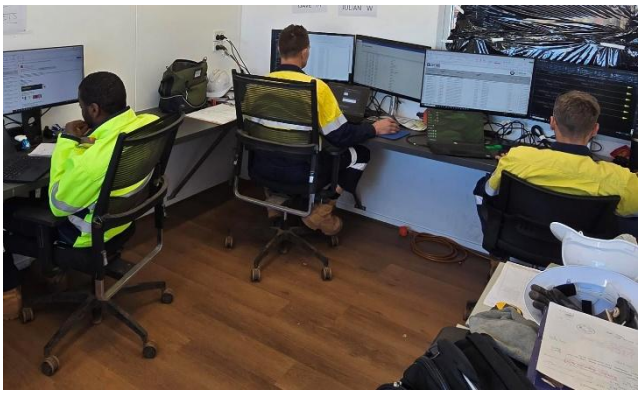


EW busbar reconditioned



Control room refurbished

Progress highlights include:

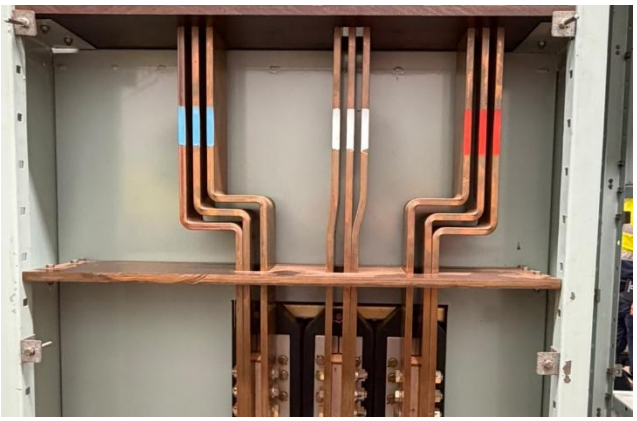
- Completion of refurbishment of the circulation tank, hydro test, and cell off-flow / on-flow headers
- Completion of repair of fibre glass cells, with installation of intercell insulators and cell top furniture underway
- Reagent tanks and heat exchanger in place
- Refurbishment of stripping machine underway
- Refurbishment of cathode scales, punch and strapper complete
- Control room refurbished

ELECTRICAL AND INSTRUMENTATION

Completion of physical installation and termination works of much of the electrical scope has been completed. Failure of existing high voltage components during testing required procurement and expediting of replacement parts which is completing now. The company has kept schedule by progressing pre-commissioning activities (bumping motors and pressurising pipes and valves) using auxiliary power.

Completion of this scope remains a key focus area, alongside instrumentation and earthing / bonding required for safe energisation.

Rectiformer Lift



MCC busbars

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LV cabling

New PLC controls installed

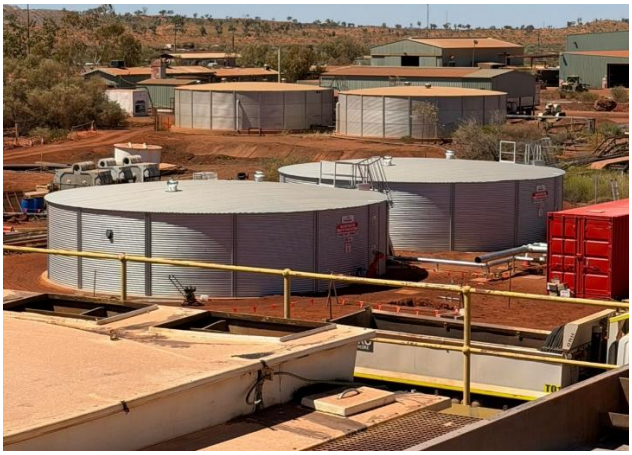
Progress highlights include:

- Completion of construction of the rectiformer cooling slabs
- Completion of rectifier and transformer lifts, and installation of busbar to EW
- Completion of HV cable runs connecting rectiformer to power station
- Completion of the HV approval process
- MCC buckets largely complete, with final PLC/SCADA and instrumentation install remaining

AUXILLIARY, COMMISSIONING AND OPERATIONAL READINESS

Site activities across the quarter supported pre-commissioning and commissioning activities and heightened operational readiness.

Pre-start meeting



Firewater system installed

Process water lines being buried

Scaffold removal

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Progress highlights include:

- Preparation of operations manual and procedures, along with development of training systems
- Completion of fit out of laboratories necessary to support production
- Acquisition of appropriate rescue, safety and hazmat equipment
- Initial deliveries of first fill material
- Establishment of warehouse stocktake and ERP protocol.

Solvent Extraction Plant Area (SX)

Aerial view of heaps and ponds

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GROWTH PROGRAM[1]

SX-EW PLANT CAPACITY EXPANSION

The expansion of cathode production capacity in the SX-EW plant is likely to be the first major growth step beyond the current Phase 1 Cathode Restart project. Cyprium is currently completing planning work and capital estimates to expand the refurbishment of the SX-EW plant required to increase production capacity from the targeted ~6,000 tpa cathode production capacity of the Phase 1 Cathode Restart project to ~20,000 tpa[2].

The key enablers for plant expansion will be Cyprium's ability to generate more copper in leach, either by increasing mining rate of the existing heap leach pads and/or obtaining additional oxide material for leaching operations from existing surface stockpiles and the open pit.

The successful trial of direct injection leaching demonstrated heightened ability to inject leaching solution at commercial flow rates at significantly higher volumes and rates than were forecast for the traditional surface leach method. Accessing pad material via wellbore is expected to be quicker and less costly than surface leach method. In combination, the trial indicated that the heap leach system will be able to access more material more quickly than previously forecast by adopting the direct injection leach method. [3]

Cyprium has now established a well field that has the ability to reach ~1.7 million tonnes of material from wellbore, above the previously targeted level of 1.2 million tonnes of leachable inventory.[3]

Drilling oxide material at Nifty Copper Complex

[1] Refer to important information regarding forward-looking statements on page 11 of this release.
[2] Production cited is a reference to targeted production capacity of the SX-EW and not a production target. Refer to important information regarding forward looking statements on page 11 of this release.
[3] Relative to rates assumed in the Nifty PFS. Refer to important information regarding the Nifty PFS on page 11 of this release.

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OPEN PIT OXIDES

As outlined in the Nifty PFS[4], there is known shallow oxide material in the open pit at Nifty. For the purposes of the Nifty PFS, this shallow oxide material was not included in the cathode operations on the basis that further evaluation was required. As a result, the oxide material that was mined enroute to reaching the sulphide ores was stockpiled as waste, adding to cost but generating no revenue.

Cyprium continues to advance its evaluation of the shallow oxide material, including undertaking additional drilling and mine planning. Following completion of this work, Cyprium expects to report updated Mineral Resources & Ore Reserves estimates for the Nifty Copper Complex during the second half of CY2026.

OPEN PIT SULPHIDES AND CONCENTRATOR

Throughout the current quarter, Cyprium has continued work to refine its plans regarding open pit mining and the refurbishment of the existing Nifty concentrator, including expected capital costs, mine engineering, and scheduling and operating costs.

EXPLORATION

In parallel to Phase 1 Cathode Restart project activities, exploration drilling and data analysis continues.

Drilling including Nifty oxides (open pit), and Nifty orebody extension at depth. Heritage clearing of areas for future drilling at Rainbow and Rainbow South have also been undertaken.

Final assay results from the Rainbow drilling program undertaken earlier in the year remain outstanding. Initial assay results showed conflicting information during normal QAQC processes and samples have been sent to another lab for reprocessing. The Company expects this data back early next quarter.

The Company continues to work interpreting legacy data and new geologic information from former partners, Geoscience Australia and CSIRO, to increase confidence and inform future exploration activities. Cyprium initiated a program to clean and order all legacy data in the Nifty Copper Complex, the state agreement area, and the adjacent tenements, and has evaluated AI tools to assist the geology team in their work processes.

This ASX announcement was authorised by the Cyprium Executive Chairman.

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[4] Refer to important information regarding the Nifty PFS on page 11 of this release.

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IMPORTANT INFORMATION

Forward-looking statements

This document contains statements and comments about future events, including in relation to Cyprium's business, plans and strategies, and expected events and trends in the industry in which Cyprium operates. Such statements and comments are commonly referred to as forward-looking statements.

Forward-looking statements can generally be identified by the use of words such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*forecast*", "*intend*", "*likely*", "*may*", "*outlook*", "*plan*", "*predict*", "*propose*", "*should*", "*target*", and "*will*", and other similar expressions. Indications of, and guidance and outlook commentary regarding, future earnings, financial performance and operating performance are also forward-looking statements.

Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements involve inherent risks, assumptions and uncertainties, both general and specific, and there is a risk that forward-looking statements will not be achieved.

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Unless otherwise stated, statements in this document regarding the Company's plans reflect the Company's plans at the time of writing, which plans remain subject to one or more of changes as a result of ongoing technical work, regulatory approvals, securing funding requirements and Board approval.

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Nifty PFS

Cyprium published a pre-feasibility study for the Nifty Copper Complex (the **Nifty PFS**) on 27 November 2024 (announcement entitled "Nifty PFS Confirms $1.129m Pre-Tax NPV and 797kt Ore Reserve" released to the ASX announcements platform on 27 November 2024).

Readers should refer to the Nifty PFS for detailed information regarding the study and study outcomes, including:

- cautionary statements;
- Mineral Resources and Ore Reserves estimates, including competent person statements and JORC Code disclosures; and
- technical and financial assumptions underpinning the economic evaluation in the Nifty PFS.

ABOUT US

Cyprium Metals Limited (**ASX: CYM / OTCQB: CYPMF**) is an ASX-listed Australian copper company. Its flagship property is the Nifty Copper Complex in Western Australia, which previously produced significant copper from both oxide and sulphide resources. Cyprium is focused on redeveloping Nifty, which has the advantage of significant invested capital, data from a long operating history, large-scale resources, current operational approvals, and recent investment in the property.

The Company's other assets include significant copper-focused properties in the Paterson and Murchison Provinces, including multiple defined resources.

For more information, visit: www.cypriummetals.com

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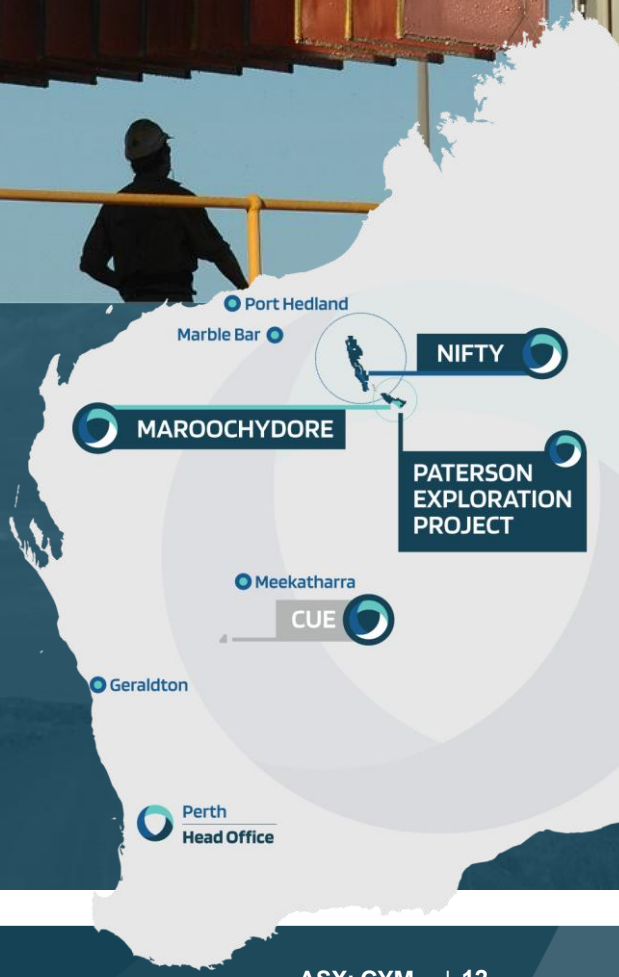

Near-term Producer Fast-track restart with low capex and near-term cash flow from heap leach reprocessing

Advantage Tier-one copper assets in Western Australia with existing infrastructure and permits in place

Exploration Highly prospective copper targets at Paterson and Cue support long-term growth pipeline