

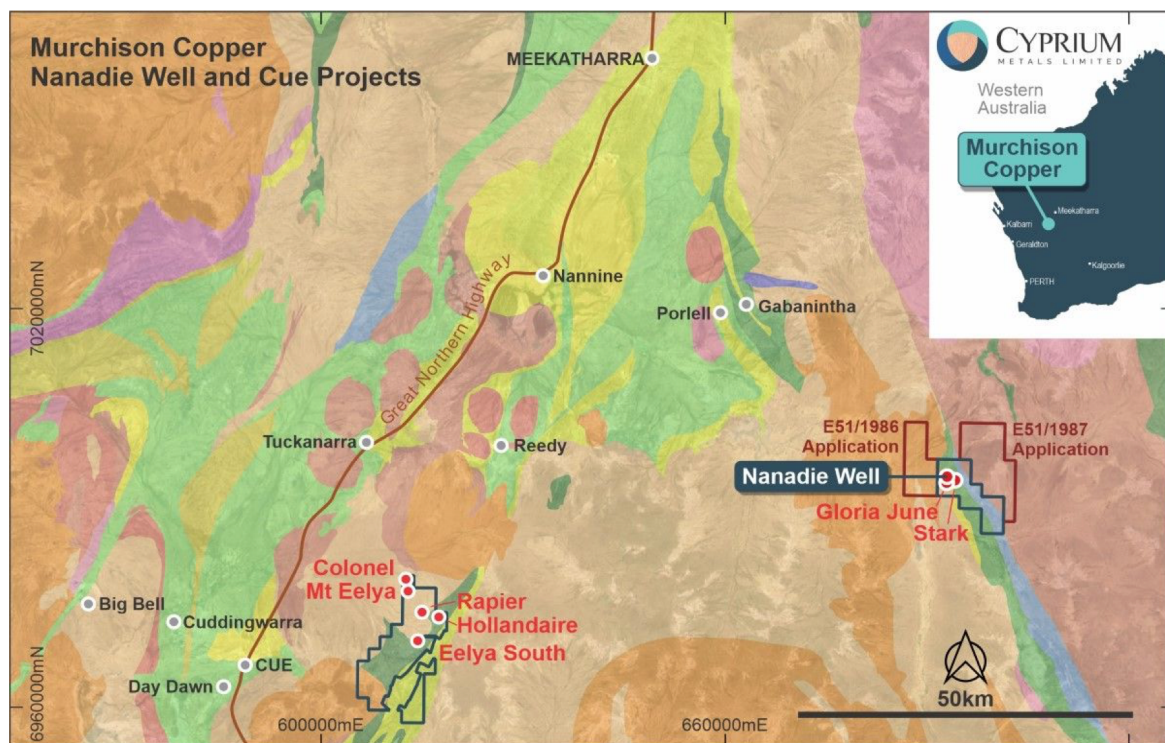
## FUNDAMENTALS

### **CYPRIMUM METALS LIMITED (ASX:CYM \$0.20 (MC~\$21m CASH~\$6m)) – Building good foundations towards an emerging Cu business.**

Cyprimum Metals (CYM) has secured \$5m to progress its Murchison copper-gold project, centred around Cue, WA. At this stage, CYM is assessing the potential development of the Hollandaire and Nanadie copper-gold deposits as a standalone copper heap leach SX-EW project (with the production of copper metal at site). Funds are earmarked for exploration and resource drilling, metallurgical test-work, WC, and progressing a Scoping Study.

GTT assisted and participated in the recent capital raising and we highlight previous CYM management team success in developing the Wetar heap-leach SX-EW copper project, Indonesia with Finders Resources (ASX:FND). During the commissioning and ramp-up of the Wetar project FND was acquired by Indonesian company Merdeka Copper Gold for \$178m.

Currently the combined Cu-Au resources at Hollandaire and Nanadie are around 200,000t Cu and 100,000oz Au (refer Figure 1 for locations of projects).



**Figure 1 – Murchison Copper Nanadie Well and Cue Projects**

The Hollandaire Cu-Au project (CYM 80% MG 20%) is located 20km east of Cue and comprises a 2012 JORC Resource of 2.8Mt grading 1.9% Cu and 0.3g/t Au (51,500t Cu & 28,800oz Au).

The Hollandaire Cu deposits have favourable geometry amenable to OC mining (shallow and flat lying), with recent metallurgical work indicating the suitability of Hollandaire mineralisation as base load for a heap leach SX-EW project. Hollandaire mineralisation is net acid producing making it a valuable acid source for the leaching of mineralisation.

At Hollandaire extensional drilling 19HORC029 intersected 3m grading 6.1% Cu & 2.6g/t Au (from 296m). In February 2020 drilling at Eelya South 20ESRC014 intersected 3m grading 3.8% Cu & 6.7g/t Au (59m), which followed up an earlier intersection ERC019 of 2m grading 10.1% Cu & 3.2g/t Au (40m). These HG Cu & Au intersections were outside the Hollandaire Cu-Au Resource at that time.

---

The Nanadie Cu-Au project (CYM 100%) is located 75km east of Cue and comprises a 2004 JORC Resource of 36Mt grading 0.4% Cu and 0.1g/t Au (151,000t Cu & 74,000oz Au). CYM aims to carry out resource drilling and metallurgical test-work on the shallower part of the supergene and sulphide mineralisation for an updated resource (JORC 2012).

The Nanadie mineralisation consists of broader zones of lower grade Cu-Au mineralisation from surface (to approximately 200m below surface), with intersections including NRC12015 of 156m grading 0.7% Cu (from surface), and NRC5020 105m grading 0.76% Cu & 0.22g/t Au (from 8m), which includes 14m grading 2.2% Cu & 0.6g/t Au (38m).

In our view, as a fall-back position, we believe CYM is underpinned by a base case of conventional Hollandaire OC mining, haulage & toll treatment at an adjacent plant such as SFR's DeGrussa Cu operations about 250km to the north (with SFR indicating at the Diggers and Dealers 2020 that it intends to transition DeGrussa to a small Au operation when current Cu reserves are exhausted in 2 years' time), or a modified Tuckabianna Au mill about 20km away (WGX). However, successful development of a heap leach SX-EW copper project would be the preferred development route.

We are adding CYM to our watch-list of promising emerging copper plays alongside Stavely Metals (SVY), Castile Resources (CST), Caravel Minerals (CVV) & KGL Resources (KGL) which we have covered in recent Market Ideas dealer notes.