

06 February 2025

Non-core assets delivering value

NEED TO KNOW

- **Cyprium has announced a major resource upgrade to the Maroochydore deposit, which may ultimately see it brought into the Nifty development.**
- **CYM has also sold its Meekathara Project for A\$1.5m in upfront cash and shares.**

Maroochydore contained copper +228% to 1.6Mt: Cyprium has updated the Maroochydore Resource for the first time since 2014. The Resource now stands at 371Mt at 0.43% Cu for 1.6Mt of contained copper. This is up considerably from the prior estimate of 48.6Mt at 1.0% Cu for 486kt. The significant upgrade is a function of lowering the sulphide ore cut-off grade from 1.1% to 0.25% (matching Nifty), as well as incorporating extensive new data including ~20km of drilling undertaken since the last estimate. At a higher 0.45% cut-off grade the resource is estimated at 106Mt, still very material, with a lift in grade to 0.67% Cu, for 712kt contained copper.

100km by road to Nifty: While the work is at early stages, the scale of this resource makes it of appeal to look to tie into Nifty. Nifty already has a 20-year life processing 4.5Mtpa producing 35-40ktpa copper. There may be scope to complement this with Maroochydore feed, particularly if, for example, ore sorting can further boost the grade. CYM now intends to pursue a range of work programs to assess this satellite feed opportunity.

Meekathara sale: In addition to the MRE update, CYM has also announced the sale of the Meekathara Project to Solstice Minerals (SLS.ASX). Meekathara is a pre-resource asset within the broader Murchison Region portfolio that was put up for strategic review in Oct-24. CYM will receive A\$1m cash and 3m SLS shares (value ~A\$500k) upfront, with a deferred component of a further 3m shares if a 250kt resource is reported within four years. While not major in terms of consideration, executing this transaction so soon after initiating the review is positive. CYM continues to deliver.

Investment Thesis

A rare exposure: Nifty is set to become one of the largest open pit copper mines in Australia. Production of 35-40ktpa for 20yrs makes it an attractive asset, likely to be of interest to strategic partners. For the larger concentrate project, the PFS estimates an attractive AISC of US\$2.62/lb and capital costs of A\$413m implying capital intensity of US\$7,700/t of annual production, well below industry averages. The company has undergone significant transformation in 2024, with new management, a refreshed balance sheet, and a revised development strategy all delivered. This positive transformation is yet to be appreciated by the market. We believe Nifty is going to emerge as a leading copper development story in Australia.

Valuation: NPV \$0.10

We have made no changes to our valuation. We assume more conservative capex and opex than the recent PFS and incorporate a project level sell down of a 30% interest in Nifty at a 40% discount to our NAV to address funding.

Risks

Key risks include the copper price, currency, funding, and development risks.

Report prepared by MST Access, a registered business name of MST Financial services ABN 617 475 180 AFSL 500 557. This report has been prepared and issued by the named analyst of MST Access in consideration of a fee payable by: Cyprium Metals Limited (CYM.AX)

Equity Research Australia

Materials

Chris Drew, Research Analyst

chris.drew@mstaccess.com.au



Cyprium Metals is developing the Nifty Copper Project in the Pilbara region of Western Australia. Nifty incorporates two complementary developments: 1, The large scale, long life Concentrate Project delivering 35-40ktpa for 20 years, and 2, A lower capex, faster start up Cathode Project delivering 4-6ktpa for at least 4 years. As a brownfield restart Nifty has several advantages - established approvals, reduced technical risk, and attractive capital intensity. Cyprium underwent significant transformation through 2024, delivering a new management team, a refreshed balance sheet, and a revised development strategy. This positive transformation is yet to be appreciated by the market. We see Nifty emerging as a leading Australian copper development.

Valuation	A\$0.100 (unchanged)
Current price	A\$0.027
Market cap	A\$45m
Cash on hand	A\$14.2m (31 Dec 2024)

Upcoming Catalysts / Next News

Period	
H1 2025	Nifty BFS commencement
H1 2025	Secure strategic partner
H1 2025	FID on Cathode Project
H1 2025	Conclude Murchison strategic review
Q4CY25/Q1CY26	Potential first cathode production

Share Price (A\$)



Source: FactSet, MST Access

Figure 1: Financial Summary

CYPRIUM METALS LTD						CYM.ASX
Year end 31 Dec						
MARKET DATA						
Share Price	A\$/sh					0.027
52 week high/low	A\$/sh			0.01 - 0.055		
Valuation	A\$/sh					0.10
Market Cap (A\$m)	A\$m					45
FY25 Y/E Net Cash / (Debt) (A\$m)	A\$m					(50)
Enterprise Value (A\$m)	A\$m					94
Shares on Issue	m					1,712
Options/Performance shares	m					428
Other Equity	m					0
Fully Diluted Shares on Issue	m					2,139
NPV (100%, unfunded basis, fully diluted)	A\$m	A\$ps				
Nifty NPV (100% project)	710	0.33				
Corporate Costs	(27)	(0.01)				
Net Cash / (Debt)	(50)	(0.02)				
Total equity valuation	633	0.30				
INVESTMENT FUNDAMENTALS (Dec Y/E)						
		FY23A	FY24A	FY25E	FY26E	FY27E
EPS Reported (undiluted)	Cps	(2.1)	(0.8)	(0.8)	(0.4)	(1.8)
EPS Underlying (undiluted)	Cps	0.0	0.0	(0.8)	(0.4)	(1.8)
DPS	Cps	0.0	0.0	0.0	0.00	0.00
Dividend Yield	%	0%	0%	0%	0%	0%
OpCF/Share	A\$	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)
FCF/Share	A\$	(0.01)	(0.02)	(0.01)	(0.14)	(0.22)
FCF Yield	%	-53%	-61%	-31%	-536%	-819%
Book Value / Share	A\$	0.04	0.05	0.04	0.04	0.02
Year End Shares	m	730	1,525	2,116	2,116	2,116
Market Capitalisation (current)	A\$m	45	45	45	45	45
Net Cash / (Debt)	A\$m	(39)	(43)	(50)	(301)	(680)
Enterprise Value	A\$m	84	88	94	346	724
EV/EBITDA	x	nm	nm	nm	62.8	28.7
Net Debt / Enterprise Value	x	0.5	0.5	0.5	0.9	0.9
Net Debt / Equity	%	56%	53%	65%	432%	2017%
Assumptions						
		FY23A	FY24A	FY25E	FY26E	FY27E
AUD USD	\$			0.70	0.70	0.70
Copper Price	US\$/lb			4.75	4.75	4.75
Resource & Reserve						
			Tonnes	Copper		
			kt	%	kt	
Open Pit Resource			125.0	0.83%	1,038.0	
Heap Leach Resource			12.7	0.43%	54.1	
Total Resource			137.7		1,092.1	
Open Pit Reserve			83.3	0.90%	753.0	
Heap Leach Reserve			10.6	0.41%	44.0	
Total Reserve			93.9		797.0	
Management & Board ownership						
			Shares	Perf Rights		
			(m)			
Matthew Fifield (indirect interest as partner of Pacific Road Capital)			110.0			
Ross Bhappu			7.5			
Gary Comb			9.7	4.5		
12-Month Relative Performance vs S&P/ASX Metals & Mining						
Profit & Loss (A\$m)						
		FY23A	FY24A	FY25E	FY26E	FY27E
Revenue		0.8	1.2	-	22.9	168.7
Expenses		(18.9)	(17.5)	(5.0)	(17.4)	(143.5)
EBITDA		(18.1)	(16.3)	(5.0)	5.5	25.2
D&A		(1.7)	(4.8)	(1.0)	(3.1)	(11.6)
EBIT		(19.8)	(21.1)	(6.0)	2.4	13.6
Interest		(2.0)	0.2	(7.8)	(11.2)	(51.6)
Tax		1.5	-	-	-	-
Underlying NPAT		(20.6)	(21.8)	(13.8)	(8.8)	(38.0)
Exceptionals		-	-	-	-	-
Reported Profit		(20.6)	(21.8)	(13.8)	(8.8)	(38.0)
Profit before tax		(21.7)	(20.9)	(13.8)	(8.8)	(38.0)
Balance Sheet (A\$m)						
		FY23A	FY24A	FY25E	FY26E	FY27E
Cash		3.6	7.3	26.6	9.3	3.7
Receivables		1.0	0.3	0.3	6.3	12.4
Inventory		6.6	6.5	6.5	12.5	20.5
PP&E		106.9	115.4	113.6	340.9	672.2
Exploration		32.8	34.6	39.2	47.3	51.3
Other		9.7	8.9	8.9	8.9	8.9
Assets		160.5	173.1	195.1	425.2	769.1
Creditors		9.1	6.0	6.0	9.0	15.9
Debt		43.0	50.4	76.3	310.7	683.6
Leases		2.3	1.4	1.4	1.4	1.4
Provisions		35.3	34.5	34.5	34.5	34.5
Other		-	-	-	-	-
Liabilities		89.7	92.3	118.2	355.5	735.4
Net Assets		70.9	80.8	77.0	69.7	33.7
Cashflow (A\$m)						
		FY23A	FY24A	FY25E	FY26E	FY27E
Net Cash From Operations		(19.0)	(17.2)	(2.0)	(2.0)	20.1
Interest		(1.9)	(3.6)	(3.4)	(11.9)	(52.3)
Tax		-	-	-	-	-
Other		2.7	1.9	(7.8)	0.6	0.6
Net Cash From Operations		(18.3)	(18.9)	(13.2)	(13.3)	(31.6)
Capex		(4.1)	(7.1)	0.8	(230.3)	(343.0)
Capitalised Exploration		(3.0)	(2.0)	(2.0)	(4.0)	(4.0)
Other		0.9	(0.2)	0.1	-	-
Free Cash Flow		(24.5)	(28.1)	(14.2)	(247.6)	(378.6)
Equity (net of costs)		16.8	29.3	15.6	-	-
Borrowings drawn/(repaid)		10.3	4.3	23.4	230.3	373.0
Other (incl Divs)		(1.9)	(1.8)	(6.4)	-	-
Net Increase / (Decrease) in Cash		0.7	3.7	18.4	(17.3)	(5.6)

Source: CYM, MST

Personal disclosures

Chris Drew received assistance from the subject company or companies in preparing this research report. The company provided them with communication with senior management and information on the company and industry. As part of due diligence, they have independently and critically reviewed the assistance and information provided by the company to form the opinions expressed in this report. They have taken care to maintain honest and fair objectivity in writing this report and making the recommendation. Where MST Financial Services or its affiliates has been commissioned to prepare content and receives fees for its preparation, please note that NO part of the fee, compensation or employee remuneration paid has, or will, directly or indirectly impact the content provided in this report.

Company disclosures

The companies and securities mentioned in this report, include:

Cyprrium Metals Limited (CYM.AX) | Price A\$0.027 | Valuation A\$0.100;

Price and valuation as at 06 February 2025 (not covered)*

Additional disclosures

This report has been prepared and issued by the named analyst of MST Access in consideration of a fee payable by: Cyprrium Metals Limited (CYM.AX)

Other disclosures, disclaimers and certificates

Methodology & Disclosures

MST Access is a registered business name of MST Financial Services Limited (ABN 617 475 180 "MST Financial Services"), which is a limited liability company incorporated in Australia on 10 April 2017 and holds an Australian Financial Services Licence (AFSL 500 557). This research is issued in Australia through MST Access, which is the research division of MST Financial Services. The research and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by MST Access is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a financial product you should read any relevant Product Disclosure Statement or like instrument.

ECM and corporate advisory services: MST Financial Services provides equity capital markets ("ECM") and corporate advisory services through its capital markets division, MST Capital Markets ("MST Capital"). MST Capital provides these services to a range of companies including clients of MST Access. As such, MST Capital may in the future provide ECM and/or corporate advisory services and, accordingly, may receive fees from providing such services. However, MST Financial Services has measures in place to ensure the independence of its research division is maintained, including information barriers between its Capital Markets and Research teams. In addition, neither MST Access, nor any of its research analysts, receive any financial benefit that is based on the revenues generated by MST Capital or any other division of MST Financial Services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently certified. Opinions contained in this report represent those of MST Access at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results and estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of liability: To the fullest extent allowed by law, MST Access shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained in this report. No guarantees or warranties regarding accuracy, completeness or fitness for purpose are provided by MST Access, and under no circumstances will any of MST Financial Services' officers, representatives, associates or agents be liable for any loss or damage, whether direct, incidental or consequential, caused by reliance on or use of the content.

General Advice Warning

MST Access Research may not be construed as personal advice or recommendation. MST Access encourages investors to seek independent financial advice regarding the suitability of investments for their individual circumstances and recommends that investments be independently evaluated. Investments involve risks and the value of any investment or income may go down as well as up. Investors may not get back the full amount invested. Past performance is not indicative of future performance. Estimates of future performance are based on assumptions that may not be realised. If provided, and unless otherwise stated, the closing price provided is that of the primary exchange for the issuer's securities or investments. The information contained within MST Access Research is published solely for information purposes and is not a solicitation or offer to buy or sell any financial instrument or participate in any trading or investment strategy. Analysis contained within MST Access Research publications is based upon publicly available information and may include numerous assumptions. Investors should be aware that different assumptions can and do result in materially different results.

MST Access Research is distributed only as may be permitted by law. It is not intended for distribution or use by any person or entity located in a jurisdiction where distribution, publication, availability or use would be prohibited. MST makes no claim that MST Access Research content may be lawfully viewed or accessed outside of Australia. Access to MST Access Research content may not be legal for certain persons and in certain jurisdictions. If you access this service or content from outside of Australia, you are responsible for compliance with the laws of your jurisdiction and/or the jurisdiction of the third party receiving such content. MST Access Research is provided to our clients through our proprietary research portal and distributed electronically by MST Financial Services to its MST Access clients. Some MST Access Research products may also be made available to its clients via third party vendors or distributed through alternative electronic means as a convenience. Such alternative distribution methods are at MST Financial Services' discretion.

Access & Use

Any access to or use of MST Access Research is subject to the [Terms and Conditions](#) of MST Access Research. By accessing or using MST Access Research you hereby agree to be bound by our Terms and Conditions and hereby consent to MST Financial Services collecting and using your personal data (including cookies) in accordance with our [Privacy Policy](#), including for the purpose of a) setting your preferences and b) collecting readership data so we may deliver an improved and personalised service to you. If you do not agree to our Terms and Conditions and/or if you do not wish to consent to MST Financial Services' use of your personal data, please do not access this service.

Copyright of the information contained within MST Access Research (including trademarks and service marks) are the property of their respective owners. MST Access Research, video interviews and other materials, or any portion thereof, may not be reprinted, reproduced, sold or redistributed without the prior written consent of MST Financial Services.