

CYPRIMUM METALS LIMITED
ACN 002 678 640
SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 14 August 2023 (**Prospectus**) issued by Cyprium Metals Limited (ACN 002 678 640) (**Company**).

This Supplementary Prospectus is dated 11 September 2023 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus other than as changed in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus in hard copy or as an electronic copy and may be accessed on the Company's website at <https://cypriummetals.com/>.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for new Shares under the Prospectus.

1. BACKGROUND

By this Supplementary Prospectus, the Company makes the amendments to the Prospectus as set out in sections 2, 3 and 8 by making an additional offer under the Prospectus of up to 65,477,375 Shares at an issue price of \$0.04 per Share to raise up to \$2,619,095 together with one (1) free New Option for every two (2) new Shares subscribed for and issued (**Additional Offer**). The Additional Offer is being made due to the significant number of applications and interest received for the Shortfall Offer.

The amendments to the Prospectus outlined in sections 2, 3 and 8 below should be read in conjunction with the Prospectus.

2. AMENDMENTS TO THE PROSPECTUS

2.1 General

The Company has resolved to seek to raise up to an additional \$2,619,095 by way of an offer of new Shares (at the same price) and New Options (on the same ratio) as those Securities offered under the Prospectus.

The Additional Offer is being made pursuant to this Supplementary Prospectus to remove any trading restrictions on the sale of the Shares and New Options to be issued under the Additional Offer.

2.2 The Additional Offer

Section 2.2 of the Prospectus is amended to include the following:

2.2.5 The Additional Offer

The Additional Offer is being made by way of a placement to third parties of up to 65,477,375 new Shares at an issue price of \$0.04 per Share to raise up to \$2,619,095 together with one (1) free attaching New Option for every two (2) new Shares subscribed for and issued.

A maximum of 65,477,375 new Shares and 32,738,688 New Options will be issued pursuant to the Additional Offer to raise up to \$2,619,095. No funds will be raised from the issue of the New Options.

2.3 Use of funds

Section 3.1 of the Prospectus is amended to include the following:

The funds raised from the Entitlement Offer, the Placement and the Additional Offer are intended to be applied in accordance with the table set out below:

	Maximum Subscription	
	Amount (\$)	%
Existing Cash	3,602,000	10.23%
Placement proceeds	24,000,000	68.14%
Entitlement Offer and Additional Offer proceeds	7,619,095	21.63%
Total	35,221,095	100%
Proposed Use of Funds	Amount (\$)	%
Payment of creditors	2,400,000	6.81%
Financing servicing costs	3,300,000	9.37%
Nifty site costs	10,000,000	28.39%
Maintenance of tenements	1,500,000	4.26%
DFS & approvals for integrated open pit	8,000,000	22.72%
Corporate overheads	2,400,000	6.81%
Expenses of the Offers	2,100,000	5.96%
Working capital	5,521,095	15.68%
Total	35,221,095	100%

Notes:

1. This includes the costs associated with the proposed scoping study at the Nifty Project. Further details regarding the proposed use of funds are set out in the Notice of Meeting.
2. Refer to Sections 6.4.2 and 6.8 for further details relating to the estimated expenses of the Offers.

2.4 Effect of the Offers and the Additional Offer

Section 3.2 of the Prospectus is amended as follows:

The principal effect of the Offers and the Placement, assuming the Placement completes, all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) *increase the cash reserves by \$31,619,095 (before deducting the estimated expenses of the Placement, the Entitlement Offer and the Additional Offer);*
- (b) *increase the number of Shares on issue from 730,198,300 as at the date of this Prospectus to 1,524,712,325 Shares (following completion of the Placement, Entitlement Offer, Additional Offer and the issue of the Consultancy Shares). The increase in the number of Shares on issue attributable to the Entitlement Offer in this case would be 125,000,000 Shares; and*
- (c) *increase the number of Options on issue from nil as at the date of this Prospectus to 423,860,979 Options (including all Placement Options, Lead Manager Options, Consultancy Options and Options issued pursuant to the Entitlement Offer and the Additional Offer). The increase in the number of Options on issue attributable to the Entitlement Offer in this case would be 62,500,000 Options; and*
- (d) *increase the number of Warrants on issue from nil as at the date of this Prospectus to 80,328,290 (by virtue of the issue of the Nebari Warrants).*

2.5 Capital Structure

Section 3.3 of the Prospectus is amended to include the following:

The effect of the Offers on the capital structure of the Company, assuming the issue of Shares under the Placement, and assuming all Entitlements under the Offers are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue ¹	730,198,300
Placement Shares ^{1,2}	600,000,000
Shares to be issued pursuant to the Entitlement Offer ^{1,3,4}	125,000,000
Shares to be issued pursuant to the Additional Offer ^{1,3,5,6}	65,477,375
Shares to be issued to Consultants ⁷	4,036,650
Total Shares on issue after completion of the Offers	1,524,712,325

Notes:

1. Refer to Section 4.1 for the terms of the Shares.
2. Refer to Section 1.6 for further details of the Placement.
3. Refer to Section 4.1 for the terms of the Shares.
4. Refer to Section 2.1 for further details of the Entitlement Offer.
5. Assuming the maximum subscription of \$2,619,095 is achieved under the Additional Offer.
6. Refer to Section 2.2.5 for further details of the Additional Offer.
7. Refer to Section 2.2.4 for further details of the Consultancy Offer, comprising:
 - (a) 3,349,150 Shares to be issued to CPC; and
 - (b) 687,500 Shares to be issued to Naust.

Options

	Number
Total Options on issue as at the date of this Prospectus	Nil
New Options to be issued under the Placement ^{1,2}	300,000,000
New Options to be issued pursuant to the Entitlement Offer ^{1,3,4}	62,500,000
New Options to be issued pursuant to the Additional Offer ^{1,6}	32,738,688
New Options to be issued to Canaccord ^{1,5}	26,603,966
New Options to be issued to Consultants ^{1,7}	2,018,325
Total Options on issue after completion of the Offer	423,860,979

Notes:

1. Refer to Section 4.2 of the terms of the New Options.
2. Refer to Section 1.6 for further details of the Placement.
3. Assuming the maximum subscription of \$5,000,000 is achieved under the Entitlement Offer.
4. Refer to Section 2.1 for further details of the Entitlement Offer.
5. Refer to Section 6.4.2 for a summary of the Lead Manager Mandate pursuant to which the Company agreed to issue New Options to Canaccord.
6. Refer to Section 2.2.5 for further details of the Additional Offer.
7. Options to be issued free attaching to the Consultancy Shares on a 1:2 basis as follows:
 - (a) 1,674,575 Options to be issued to CPC (free attaching to the 3,349,150 Shares); and
 - (b) 343,750 Options to be issued to Naust (free attaching to the 687,500 Shares).

The Company intends to issue the Consultancy Options from the Company's existing placement capacity under Listing Rule 7.1.

2.6 Pro-forma balance sheet

Section 3.4 of the Prospectus is amended to include the following:

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, the Additional Offer is fully subscribed, no Options or convertible securities

are exercised prior to the Record Date and including expenses of the Offer and the Additional Offer.

	Unaudited 30 June 2023 \$'000	Placement Proceeds \$'000	Entitlement Offer Proceeds ¹ (after costs) \$'000	Proforma \$'000
Current Assets				
Cash	3,602	24,000	5,519	33,121
Other current assets	8,796	-	-	8,796
Total current assets	12,398	24,000	5,519	41,917
Non-current assets				
Property, plant and equipment	108,477	-	-	108,477
Exploration and development expenditure	32,815	-	-	32,815
Other non-current assets	6,856	-	-	6,856
Total non-current assets	148,148	-	-	148,148
Total assets	160,546	24,000	5,519	190,065
Current liabilities				
Creditors and other liabilities	9,091	-	-	9,091
Lease liabilities	508	-	-	508
Total current liabilities	9,599	-	-	9,599
Non-current liabilities				
Borrowings	42,993	-	-	42,993
Provisions	35,332	-	-	35,332
Lease liabilities	1,760	-	-	1,760
Total Non-Current Liabilities	80,085	-	-	80,085
Total Liabilities	89,684	-	-	89,684
Net assets (liabilities)	70,862	24,000	5,519	100,381
Equity				
Share capital	271,616	24,000	5,519	301,135
Reserves	6,031	-	-	6,031
Convertible borrowings – equity component	8,748	-	-	8,748
Accumulated losses	(215,533)	-	-	(215,533)
Total Equity	70,862	24,000	5,519	100,381

3. EXPENSES OF THE OFFERS AND THE ADDITIONAL OFFER

Section 6.8 of the Prospectus is amended as follows:

In the event that all Entitlements are accepted, the total expenses of the Offer and the Additional Offer are estimated to be approximately \$160,296 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	42,090
Legal fees	70,000
Registry fees	25,000
Printing & miscellaneous	20,000
Total	160,296¹

Note:

1. This figure represents the costs of the Offers only and excludes the costs associated with completion of the Placement (including, without limitation, commissions payable to the Lead Manager). These expenses are included in the total estimated costs in respect of the Offers and the Placement (of approximately \$2,100,000) which are included in the unaudited pro forma balance sheet in Section 3.4 of the Prospectus.

4. GLOSSARY

The definition of "Offers" contained in Section 8 of the Prospectus is amended as follows:

Offers means the Entitlement Offer, the Placement Options Offer, the Nebari Offer, the Lead Manager Offer, the Consultancy Offer and the Additional Offer.

5. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.