



Announcement Summary

Entity name

CYPRUM METALS LIMITED

Announcement Type

New announcement

Date of this announcement

Wednesday February 10, 2021

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Convertible notes with a 4-year maturity from the Completion Date.	110,000,000
n/a	Options with a 1 year exercise period	22,000,000
n/a	Options with a 2 year exercise period	22,000,000
CYM	ORDINARY FULLY PAID	450,000,000
CYMAV	PERFORMANCE RIGHTS	11,250,000

Proposed +issue date

Monday March 22, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

CYPRIMUM METALS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

48002678640

1.3 ASX issuer code

CYM

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Wednesday February 10, 2021

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Tuesday March 16, 2021	☒ Estimated	

Comments

Issue Placement shares under LR 7.1
Issue Convertible Notes and attaching Options under LR 7.1 (the number of Options is currently unknown)
Director participation in Placement under LR 10.11
Issue performance rights to Directors under LR 10.14
With regard to the proposed Placement, Convertible Notes and Options, refer to the Company's announcement dated 10 February 2021 in regards to the proposed acquisition of copper assets from Metals X Limited. The Company will also release a notice of meeting on the ASX platform further detailing the security approvals sought for the above issues.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

CYM : ORDINARY FULLY PAID

Number of +securities proposed to be issued

450,000,000

**Offer price details****Are the +securities proposed to be issued being issued for a cash consideration?**☒ Yes**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.20000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?☒ Yes**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**☒ New class**Will the proposed issue of this +security include an offer of attaching +securities?**☒ YesDetails of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?**☒ No**Will the entity be seeking quotation of the 'new' class of +securities on ASX?**☒ No**ASX +security code**

New class-code to be confirmed

+Security description

Convertible notes with a 4-year maturity from the Completion Date.

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

110,000,000

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**☒ No

**Please describe the consideration being provided for the +securities**

The Company has agreed to acquire Paterson Copper for A\$60 million payable at the Completion Date, comprising:

1. an upfront cash payment of A\$24 million (inclusive of the A\$1 million deposit already paid); plus
2. four (4) convertible notes with a value of A\$9 million each, for an aggregate value of A\$36 million ("Convertible Notes").

The conversion price based on the 20-day VWAP immediately prior to the Completion Date, multiplied by 1.3

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

36,000,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?☒ No**If some of the issued +securities do not rank equally****Is the actual date from which the +securities will rank equally (non-ranking end date) known?**☒ No**Provide the estimated non-ranking end period**

4 years from Completion Date

Please state the extent to which the +securities do not rank equally:

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

Until the convertible notes are exercised for the issue of ordinary fully paid shares

+Convertible debt securities details**These securities are:**

Convertible

Type of security

Convertible Bond

+Security currency

AUD - Australian Dollar

Face value

AUD 1.0000

Interest rate type

Fixed rate

Frequency of coupon/interest payments per year

Annual

First interest payment date

Tuesday March 22, 2022

Interest rate per annum

4.00000 %

Is the interest rate per annum estimated at this time?☒ No**s128F of the Income Tax Assessment Act status applicable to the +security**

s128F exemption status unknown



Is the +security perpetual (ie. no maturity date)?

☒ No

Maturity date

Saturday March 22, 2025

Select other features applicable to the +security

☒ Redeemable

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?

☒ Yes

If yes, what is the first trigger date

Tuesday March 22, 2022

Details of the type of +security that will be issued if the securities to be quoted are converted, transformed or exchanged

CYM : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities to be quoted are converted, transformed or exchanged

The conversion price based on the 20-day VWAP immediately prior to the Completion Date, multiplied by 1.3

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

With regard to the proposed Placement, Convertible Notes and Options, refer to the Company's announcement dated 10 February 2021 with regard to the proposed acquisition of copper assets from Metals X Limited. The Company will also release a notice of meeting on the ASX platform further detailing the security approvals sought for the above issues

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Options with a 1 year exercise period

+Security type

Options

Number of +securities proposed to be issued

22,000,000



Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

For every 5 shares that could be issued on conversion of each Convertible Note, 2 free attaching unlisted Options will be issued on the Completion Date.

The first option is exercisable for 1 year from the Completion Date at a 15% premium to the Company's 20-day VWAP prior to the Completion Date

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.001000

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?

☒ No

Provide the estimated non-ranking end period

Up to 1 year from Completion Date

Please state the extent to which the +securities do not rank equally:

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

Until the options are exercised for the issue of ordinary fully paid shares

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.2875

Expiry date

Tuesday March 22, 2022

Details of the type of +security that will be issued if the option is exercised

CYM : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX: CYM).

The number of options and the exercise price is to be determined at the Completion Date.



Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

With regard to the proposed Placement, Convertible Notes and Options, refer to the Company's announcement dated 10 February 2021 with regard to the proposed acquisition of copper assets from Metals X Limited. The Company will also release a notice of meeting on the ASX platform further detailing the security approvals sought for the above issues.

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Options with a 2 year exercise period

+Security type

Options

Number of +securities proposed to be issued

22,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

For every 5 shares that could be issued on conversion of each Convertible Note, 2 free attaching unlisted Options will be issued on the Completion Date.
The second option is exercisable for 2 years from the Completion Date at a 30% premium to the Company's 20-day VWAP prior to the Completion Date

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.001000

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?

☒ No

Provide the estimated non-ranking end period

Up to 2 years from Completion Date



Please state the extent to which the +securities do not rank equally:

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

Until the options are exercised for the issue of ordinary fully paid shares

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.3250

Expiry date

Wednesday March 22, 2023

Details of the type of +security that will be issued if the option is exercised

CYM : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX: CYM).

The number of options and the exercise price is to be determined at the Completion Date.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

With regard to the proposed Placement, Convertible Notes and Options, refer to the Company's announcement dated 10 February 2021 with regard to the proposed acquisition of copper assets from Metals X Limited. The Company will also release a notice of meeting on the ASX platform further detailing the security approvals sought for the above issues.

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

CYMAV : PERFORMANCE RIGHTS

Number of +securities proposed to be issued

11,250,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



Please describe the consideration being provided for the +securities

The satisfaction of performance milestones

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.001000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?

☒ No

Provide the estimated non-ranking end period

Restriction period is for 2.5 years following issue and up to 5 years in which to satisfy the performance milestones

Please state the extent to which the +securities do not rank equally:

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

Until the performance rights are exercised for the issue of ordinary fully paid shares

Part 7C - Timetable

7C.1 Proposed +issue date

Monday March 22, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

Tuesday March 16, 2021

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

5% of the gross proceeds of the Placement, to be split between Canaccord and Euroz Hartley

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

1% is payable to Longreach Capital is acting as financial adviser to the Placement

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

In connection with the Acquisition of the Copper Assets from Metals X Limited. Refer to the Company's announcement dated 10 February 2021 with regard to the acquisition.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

The number of convertible notes and options can't be ascertained until completion of the acquisition from Metals X. Refer to the Company's announcement dated 10 February 2021 with regard to the acquisition. Further details will also be set out in the Notice of Meeting to be released by the Company.