CYPRIUM METALS LIMITED
ACN 002 678 640
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)

DATE: 31 May 2021

PLACE: Vibe Hotel
Level 9, 9 Alvan Street
SUBIACO WA 6008

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm WST on 28 May 2021.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2020 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

> *"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2020."*

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GARY COMB

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Gary Comb, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

> *"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."*

5. RESOLUTION 4 – ISSUE OF PERFOMANCE RIGHTS TO MR BARRY CAHILL

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

> *"That, for the purposes of Section 200B and 200E of the Corporations Act, Listing Rule 10.14, Listing Rule 10.19 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Performance Rights to Barry Cahill (or his nominee/s) under the Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 30 April 2021

By order of the Board



Wayne Apted
Company Secretary

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 4 – Issue of Performance Rights to Mr Barry Cahill	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 4 – Issue of Performance Rights to Mr Barry Cahill	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Barry Cahill or his nominee/s) or an associate of that person or those persons.
	A director of the Company.

However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6169 3050.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at **https://cypriummetals.com/annual-report-to-shareholders-4/**.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GARY COMB

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting. Under Clause 14.2, where the persons to be re-elected at an annual general meeting are between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. Each of the three current Directors were re-elected at the Company's last annual general meeting held on 28 May 2020.

Gary Comb, who has served as a Director since 17 June 2019 and was last re-elected on 28 May 2020, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Comb is an engineer with over 30 years' experience in the Australian mining industry, with a strong track record in successfully commissioning and operating base metal mines. He was Chairman of Finders Resources Limited from 2013 until its takeover in 2018. Mr Comb was previously the Managing Director of Jabiru Metals Limited and the CEO of BGC Contracting Pty Ltd.

3.3 Independence

If re-elected the Board considers Mr Comb will be an independent Director.

3.4 Board recommendation

The Board has reviewed Mr Comb's performance since his appointment to the Board and considers that Mr Comb's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Comb's and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

4.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of $300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of $137,142,303.50 (based on the number of Shares on issue and the closing price of Shares on the ASX on 19 April 2021).

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

4.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 3:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

(i) the date that is 12 months after the date of this Meeting;

(ii) the time and date of the Company's next annual general meeting; and

(iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or

(ii) if the Equity Securities are not issued within 10 trading days of the date in Section 1.1(a)(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for:

(i) developing the Company's copper assets, in particular, those acquired recently from Metals X Limited (ASX: MLX) comprising:

(A) the Nifty Copper Operation;

(B) the Maroochydore Copper Project; and

(C) the Paterson Exploration Project, which includes the farm-in agreement with IGO Limited (ACN 092 786 304) (**IGO**),

(considered together, the "**Paterson Copper Projects"**).

For further details of the Paterson Copper Projects, refer to the announcements released on the Company's ASX platform on 23 March 2021 and 31 March 2021, respectively;

(ii) as part of the development of the Paterson Copper Projects:

(A) commencing drilling and accelerating development studies for the near-term oxide heap leach production opportunity at the Nifty Copper Mine;

(B) refurbishing the existing heap leach solvent extraction and electrowinning plant;

(C) updating technical studies and assessing new test-work initiatives to explore ore-sorting and alternative leaching technologies for the Maroochydore Project; and

(D) accelerating exploration of the highly prospective exploration tenements in the Paterson Province, through the Joint Venture with IGO,

(iii) projects and metallurgical test work;

(iv) due diligence on further copper projects;

(v) general working capital, in particular in respect of the Paterson Copper Projects; and

(vi) costs of the issue.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 19 April 2021.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		**Shares issued – 10% voting dilution**	**Issue Price**		
			$0.1150	**$0.25**	**$0.3450**
			50% decrease	**Issue Price**	**50% increase**
			Funds Raised		
Current	548,569,214 Shares	54,856,921 Shares	$6,857,115	$13,714,230	$20,571,345
50% increase	822,853,821 Shares	82,285,382 Shares	$10,285,672	$20,571,345	$30,857,018
100% increase	1,097,138,428 Shares	109,713,842 Shares	$13,714,230	$27,428,460	$41,142,690

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. As at the date of this Notice of Meeting, there are currently 548,569,214 Shares on issue comprising:
   (a) 546,059,464 existing Shares; and
   (b) 2,509,750 existing Shares restricted to 11 September 2021,
2. The issue price set out above is the closing market price of the Shares on the ASX on 19 April 2021.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

(i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

(ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

(i) the purpose of the issue;

(ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;

(iii) the effect of the issue of the Equity Securities on the control of the Company;

(iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;

(v) prevailing market conditions; and

(vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 28 May 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 28 May 2020, the Company issued 5,605,948 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 8.07% of the total diluted number of Equity Securities on issue in the Company on 28 May 2020, which was 69,489,482.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12-month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A/3B	**Date of Issue**: 30 October 2020 **Date of Appendix 2A/3B**: 30 October 2020/26 October 2020
Recipients	Professional and sophisticated investors as part of a placement announced on 26 October 2020. The placement participants were identified through a bookbuild process, which involved Westar Capital and Foster Stockbroking seeking expressions of interest to participate in the placement from non-related parties of the Company.
Number and Class of Equity Securities Issued	5,605,948 Shares issued pursuant to Listing Rule 7.1A.
Issue Price and discount to Market Price[1] (if any)	$0.15 per Share (at a 23.08% discount to Market Price).
Total Cash Consideration and Use of Funds	**Amount raised**: $840,892.20. **Amount spent**: $840,892.20. **Use of funds**: exploration, resource drilling, metallurgical test-work and scoping study at the Company's Murchison Copper-Gold Projects, and ongoing working capital. **Amount remaining**: nil **Proposed use of remaining funds**: N/A

Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: CYM (terms are set out in the Constitution).

5. RESOLUTION 4 – ISSUE OF PERFORMANCE RIGHTS TO BARRY CAHILL

5.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue up to 5,000,000 Performance Rights to Mr Barry Cahill (or his nominee/s) on the terms and conditions set out below (**Performance Rights**).

The Performance Rights are subject to certain performance milestones (**Performance Milestones**), which are set out below. Upon achievement of the Performance Milestones prior to the relevant expiry date, the Performance Rights will vest in the amounts as set out below to Mr Barry Cahill. The Company has elected to restrict vesting of the Performance Rights for a period of 2.25 years from the date of their issue to Mr Cahill.

Class	Performance Milestone	Performance Rights on satisfaction of the milestone – Mr Cahill	Expiry Date	Applicable voluntary escrow period
A	Commence mining of the Nifty Copper Open-pit	1,000,000	5 years from the date of issue	2.25 years from the date of issue
B	Commissioning of the SX/EW processing plant at Nifty, or a minimum 40 cent 20-day VWAP	1,000,000	5 years from the date of issue	2.25 years from the date of issue
C	Expand Cyprium's copper equivalent resource inventory to 1.5mt contained copper metal, or a minimum 45 cent 20-day VWAP	1,000,000	5 years from the date of issue	2.25 years from the date of issue
D	Copper production exceeding 25,000 tonnes of contained copper metal from Nifty Copper mine, or a minimum 47.5 cent 20-day VWAP	1,000,000	5 years from the date of issue	2.25 years from the date of issue
E	Cyprium's quarterly production of 50,000 tpa copper equivalent, or a minimum 50 cent 20-day VWAP	1,000,000	5 years from the date of issue	2.25 years from the date of issue
Total	**-**	**5,000,000**	**-**	**-**

The Performance Rights will be issued pursuant to the Company's Incentive Performance Rights Plan (the **Plan**). A summary of the Plan is set out in Schedule 1.

5.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights to Mr Cahill (or their nominee) constitutes giving a financial benefit and Mr Cahill is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Cahill who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights, because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Cahill and was negotiated on an arm's length basis.

5.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

10.14.1 a director of the entity;

10.14.2 an associate of a director of the entity; or

10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to Mr Cahill falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 4 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

5.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Cahill under the Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Cahill under the Plan.

5.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 4:

(a) the Performance Rights will be issued to Mr Cahill (or his nominee/s), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Cahill being a Director;

(b) the maximum number of Performance Rights to be issued to Mr Cahill (or his nominee/s) is 5,000,000;

(c) the current total remuneration package for Mr Cahill comprises a directors' salary of $450,000 per annum and a superannuation payment of $25,000 per annum and share-based payments of $146,416 per annum. Mr Cahill is also entitled to receive 6,250,000 performance rights under the Plan;

(d) please refer to Schedule 1 for a summary of the material terms of the Plan pursuant to which the Performance Rights are being issued and the table above in Section 5.1 for the specific vesting conditions applicable to the Performance Rights;

(e) the issue price of the Performance Rights will be nil. The Company will not receive any other consideration in respect of the issue of the Performance Rights;

(f) 5,000,000 Performance Rights have previously been issued to Mr Cahill for nil cash consideration under the Plan. Details of the previous issues are as follows:

(i) 2,500,000 Performance Rights were issued to Mr Cahill on 17 June 2019 as part of his remuneration package. These Performances Rights have not yet vested and have an expiry 5 years from the date of issue (being 17 June 2024). The following vesting conditions apply to the previously issued performance rights:

Vesting conditions attaching to the Performance Right	Number of Performance Rights
Each Performance Right will vest upon completion of a transaction to acquire or earn into majority ownership interests in projects with exploration and mining tenements (**Project**)	700,000
Each Performance Right will vest upon public announcement of the delineation of 80,000t of contained copper (within any Mineral Resource category) upon the Projects	600,000
Each Performance Right will vest upon the earlier of: (a) public announcement of a Scoping Study that confirms the positive economics of the Projects; or (b) the volume weighted average price of the Shares equals or exceeds $0.35 per Share for 5 consecutive trading days	600,000
Each Performance Right will vest upon the earlier of: (a) Board resolves to proceed with a Definitive Feasibility Study in respect of the Projects; or (b) the volume weighted average price of the Shares equals or exceeds $0.40 per Share for 5 consecutive trading days	600,000

Vesting conditions attaching to the Performance Right	Number of Performance Rights
Total	**2,500,000**

(ii) 2,500,000 Performance Rights were issued to Mr Cahill on 28 May 2020 as part of his remuneration package, following receipt of Shareholder approval at the Company's annual general meeting held on 28 May 2020. The following vesting conditions apply to these Performance Rights:

Vesting conditions attaching to the Performance Right	Number of Performance Rights
The Performance Rights will vest upon completion of more than one transaction to acquire or earn into majority ownership interests in projects with exploration and mining tenements, excluding the Option Agreement (**Projects**)	700,000
Each Performance Right will vest upon public announcement of the delineation of 125,000t of contained copper (within any Mineral Resource category) upon the Projects	600,000
Each Performance Right will vest upon the earlier of: (a) public announcement of a Scoping Study that confirms the positive economics of the Projects; or (b) the volume weighted average price of the Shares equals or exceeds $0.26 per Share for 20 consecutive trading days	600,000
Each Performance Right will vest upon the earlier of: (a) Board resolves to proceed with a Definitive Feasibility Study in respect of the Projects; or (b) the volume weighted average price of the Shares equals or exceeds $0.30 per Share for 20 consecutive trading days	600,000
Total	**2,500,000**

(iii) 6,250,000 Performance Rights will be issued to Mr Cahill on as part of his remuneration package, following receipt of Shareholder approval at the Company's general meeting held on 23 March

2021. The following vesting conditions apply to the performance rights:

Vesting conditions attaching to the Performance Right	Number of Performance Rights
The Performance Rights will vest upon Commencement of mining of the Nifty Copper open-pit	1,250,000
Each Performance Right will vest upon the earlier of: (a) the commissioning of the SX/EW processing plant at Nifty; or (b) the volume weighted average price of the Shares equals or exceeds $0.40 per Share for 20 consecutive trading days.	1,250,000
Each Performance Right will vest upon the earlier of: (a) the expansion of the Company's copper equivalent resource inventory to 1.5mt contained copper metal; or (b) the volume weighted average price of the Shares equals or exceeds $0.45 per Share for 20 consecutive trading days	1,250,000
Each Performance Right will vest upon the earlier of: (a) copper production exceeding 25,000 tonnes of contained copper metal from the Nifty Copper mine; or (b) the volume weighted average price of the Shares equals or exceeds $0.475 per Share for 20 consecutive trading days	1,250,000
Each Performance Right will vest upon the earlier of: (a) the Company's quarterly production of at least 50,000 tonnes per annum copper equivalent; or (b) the volume weighted average price of the Shares equals or exceeds $0.50 per Share for 20 consecutive trading days	1,250,000
Total	**6,250,000**

(g) the Company has chosen to grant the Performance Rights to Mr Cahill for the following reasons:

(i) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;

(ii) the issue of the Performance Rights to Mr Cahill provides an incentive to satisfy the vesting conditions, which the Company expects to correlate with an increase in the value of the Company and therefore increase in Shareholders value;

(iii) by virtue of the above reasoning, the issue of Performance Rights to Mr Cahill will align the interests of Mr Cahill with those of Shareholders;

(iv) the issue of the Performance Rights is a reasonable and appropriate method to provide a performance linked incentive component in the remuneration packages for Mr Cahill to motivate and reward their performance as Directors and to provide cost effective non-cash form remuneration, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Cahill;

(v) because of the deferred taxation benefit which is available to Mr Cahill in respect of an issue of Performance Rights. This is also beneficial to the Company as it means Mr Cahill is not required to immediately sell the Performance Rights to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and

(vi) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed;

(h) the Company values the Performance Rights at $1,150,390 (being $0.2301 per Performance Right) based on the Black-Scholes methodology. Please refer to Schedule 2 for further details of the Black-Scholes valuation methodology;

(i) the Performance Rights will be issued to Mr Cahill (or his nominee/s) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);

(j) all Directors, or their permitted nominees, are entitled to participate in the Plan. However, at this time, the Company is only seeking to issue Performance Rights to Mr Cahill under Resolution 4;

(k) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;

(l) no loan is being made to Mr Cahill in connection with the acquisition of the Performance Rights;

(m) details of any Performance Rights issued under the Plan will be published in the annual report of the Company relating to the period in which they

were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and

(n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Performance Rights Plan after Resolution 4 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

(o) a voting exclusion statement and a voting prohibition statement is included in Resolution 4 of the Notice.

GLOSSARY

$ means Australian dollars.

7.1A Mandate has the meaning given in Section 4.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

(a) a spouse or child of the member;

(b) a child of the member's spouse;

(c) a dependent of the member or the member's spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

(e) a company the member controls; or

(f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Cyprium Metals Limited (ACN 002 678 640).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Rights has the meaning given in Section 5.1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2020.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The following is a summary of the key terms and conditions of the Plan, which was approved by Shareholders on 29 May 2019.

(a) **Eligibility**

Participants in the Performance Rights Plan may be:

(i) a Director (whether executive or non-executive) of the Company or any associate Group Company;

(ii) a full or part time employee of any Group Company;

(iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (Class

(iv) Order); or

(v) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (**Eligible Participants**).

(b) **Offers**

The Board may, from time to time, at its absolute discretion, make an offer to grant Performance Rights to an Eligible Participant under the Performance Rights Plan and on such additional terms and conditions as the Board determines.

(c) **Plan limit**

The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

(d) **Consideration**

Performance Rights granted under the Performance Rights Plan will be issued for nil cash consideration.

(e) **Performance Rights**

Each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (Share).

(f) **No voting rights**

A Performance Right does not entitle the holder to vote on any resolutions proposed by the Company except as otherwise required by law.

(g) **No dividend rights**

A Performance Right does not entitle the holder to any dividends.

(h) **No rights to return of capital**

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(i) **Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(j) **Not transferrable**

Performance Rights are only transferrable with the prior written consent of the Board of the Company or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

(k) **Vesting Conditions**

The Board will determine the vesting conditions (if any) that must be satisfied before a Performance Right vests, and the date by which a vesting condition must be satisfied (**Vesting Condition**).

(l) **Vesting**

Performance Right will vest where Vesting Conditions are satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:

(i) the participant ceasing to be an Eligible Participant due to certain special circumstances (e.g. due to death, severe financial hardship, total and permanent disability, retirement or redundancy) as set out in the Plan;

(ii) the Company undergoing a change of control; or

(iii) the Company being wound up.

(m) **Conversion of vested Performance Right**

Unless the Board decides otherwise or the Performance Right has lapsed, any vested Performance Right may be exercised by the Eligible Participant, following which the Company will issue the participant with the applicable number of Shares.

(n) **Shares**

Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank on equal terms with all other Shares on issue.

(o) **Sale Restrictions**

The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights (Restriction Period).

(p) **Quotation of Shares**

If Shares of the same class as those issued under the Performance Rights Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.

(q) **Lapse of a Performance Right**

Subject to the terms of an Offer otherwise providing, a Performance Right will lapse upon the earlier to occur of:

(i) an unauthorised dealing in, or hedging of, the Performance Right;

(ii) a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;

(iii) a vested Performance Right is not converted within 60 days of becoming vested;

(iv) a participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, and the Board exercises its absolute discretion for the Performance Right to lapse;

(v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;

(vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right; and

(vii) the expiry date of the Performance Right,

the five (5) year anniversary of the date of grant of the Performance Right.

(r) **No participation Rights**

There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right

(s) **No Change**

A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.

(t) **Reorganisation**

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

(u) **Inconsistency with Offer**

Notwithstanding any other provision in the Plan, to the extent that any covenant or provision contained in an Offer document is inconsistent with any covenant or provision under the Plan, the deemed covenant or provision under the Offer document shall prevail.

SCHEDULE 2 – VALUATION OF PERFORMANCE RIGHTS

The Performance Rights to be issued to Mr Barry Cahill (or his nominee/s) pursuant to Resolution 4 have been valued independently by HLB Mann Judd.

Using the Black-Scholes valuation model based on the assumptions set out below, the Performance Rights were ascribed the following value:

Assumptions:	
Valuation date	21 April 2021
Market price of Shares	$0.250
Exercise price	Nil
Expiry date (length of time from issue)	5 years from the date of issue
Risk free interest rate	0.69%
Volatility	90.1%
Dividend yield	Nil
Indicative value per Performance Right	0.2301
Value of Performance Rights to be issued to Barry Cahill (Resolution 4)	$1,150,390