

Cyprium Mining Corporation announces closing the first tranche of unit financing



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TSX-V: CUG and CUG.DB

MONTREAL, April 7, 2016 /CNW/ - Cyprium Mining Corporation (TSX VENTURE: CUG) ("Cyprium" or the "Corporation"), a Canadian-based mining company with operations located in the state of Chihuahua, Mexico, is pleased to announce that, subject to TSX Venture Exchange Inc. approval, it has closed the first tranche of its previously announced private placement of up to 8,000,000 units (the "Units") at a price of CDN \$0.065 per Unit for gross proceeds of up to CDN\$520,000 (the "Offering"). Under this first tranche, Cyprium issued 5,890,000 Units for gross proceeds of CDN\$382,850 (the "First Tranche"). Each Unit is comprised of one (1) common share in the capital of the Corporation ("Common Share") and one (1) share purchase warrant of the Corporation ("Warrant"). Each Warrant will be exercisable into one Common Share at an exercise price of CDN\$0.10 expiring two (2) years from the date of issuance.

Cyprium has paid finders a cash commission of up to 8% of the proceeds of the First Tranche that have resulted from such parties efforts, subject to compliance with applicable securities laws. The finders have also been granted warrants to purchase up to 8% of the number of Units sold under the First Tranche, with each warrant entitling the holder to purchase one Unit at CDN\$0.065 per Unit for a period of eighteen months from the closing of the First Tranche.

The net proceeds of the First Tranche and the Offering will be used by the Corporation to pay for the continued development of the Corporation's Potosi mining project in Mexico, the costs of the First Tranche and the Offering, for working capital and general corporate purposes.

Pursuant to applicable securities laws, all securities issued pursuant to the First Tranche will be subject to a hold period of four months plus one day following the date of issuance of such securities. The Company expects a second and final closing of the private placement by April 15th, 2016.

About Cyprium Mining Corporation

For further description of Cyprium Mining's business, please visit our website at: <http://www.cypriummining.com/en/investors/disclaimers>

Neither TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.

This news release contains "forward-looking information" (within the meaning of applicable Canadian securities laws) and "forward-looking statements" (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). Such statements or information are identified with words such as "anticipate", "believe", "expect", "plan", "intend", "potential", "estimate", "propose", "project", "outlook", "foresee" or similar words suggesting future outcomes or statements regarding an outlook. Such statements include, among others, those concerning the Company's anticipated plans for developments of the Company and its mining projects.

Such forward-looking information or statements are based on a number of risks, uncertainties and assumptions which may cause actual results or other expectations to differ materially from those anticipated and which may prove to be incorrect. Assumptions have been made regarding, among other things, management's expectations regarding future growth, plans for and completion of projects by Company's third party relationships, availability of capital, and the necessity to incur capital and other expenditures. Actual results could differ materially due to a number of factors, including, without limitation, operational risks in the completion of Company's anticipated projects, delays or changes in plans with respect to the development of Company's anticipated projects by Company's third party relationships, risks affecting the ability to develop projects, risks inherent in operating in foreign jurisdictions, the ability to attract key personnel, and the inability to raise additional capital. No assurances can be given that the efforts by the Company will be successful. Additional assumptions and risks are set out in detail in the Company's MD&A, available on SEDAR at www.sedar.com.

Although the Company believes that the expectations reflected in the forward-looking information or statements are reasonable, prospective investors in the Company's securities should not place undue reliance on forward-looking statements because the Company can provide no assurance that such expectations will prove to be correct. Forward-looking information and statements contained in this news release are as of the date of this news release and the Company assumes no obligation to update or revise this forward-looking information and statements except as required by law. Investors should note that, while the mineralized material being processed by the Company is assayed, there is no certainty that the proposed operations will be economically or technically viable. Investors should also note that the Potosi silver mine and La Chinche property have no established mineral resources or mineral reserves as defined by NI 43-101. Although Cyprium Mining has made a production decision regarding the Potosi silver mine based on historical production records, historical results of sampling and drilling, a feasibility study of its projects has not been completed and there is no certainty that the proposed operations will be economically or technically viable.

SOURCE Cyprium Mining Corp

Image with caption: "Cyprium Mining Corp (CNW Group/Cyprium Mining Corp)". Image available at: http://photos.newswire.ca/images/download/20160407_C1040_PHOTO_EN_660229.jpg

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