

Cyprium Mining Corporation announces completion of private placement and loan extensions

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MONTREAL, July 18, 2016 /CNW Telbec/ - Cyprium Mining Corporation (TSXV: CUG) ("Cyprium" or the "Company") is pleased to provide an update on recent financing activities totaling \$1,271,810. These financing activities consisted in the successful completion of a private placement of \$232,310 and the extension of the maturity date of various loans totaling US \$813,750 (the "Loan Extensions").

Cyprium has completed its previously announced private placement of up to 3,000,000 units (the "Units") at a price of \$0.065 per Unit for gross proceeds of up to \$195,000 (the "Offering"). Each Unit is comprised of one common share in the capital of the Corporation ("Common Share") and one share purchase warrant of the Corporation ("Warrant"). Each Warrant will be exercisable into one Common Share at an exercise price of \$0.10 expiring two years from the date of issuance. The Company also issued 466,375 units at a price of \$0.08 per unit for gross proceeds of \$37,310 (the "Additional Units"). Each Additional Unit is comprised of one Common Share and one share purchase warrant of the Corporation, with each warrant being exercisable into one Common Share at an exercise price of \$0.105 expiring two years from the date of issuance. The net proceeds from the Offering will be used to fund the continued activities at the Potosi mine located in Northern Mexico.

As part of the Offering a director of the Company (the "Insider") together with other arm's length shareholders of the Company had arranged for the sale of up to 839,000 Common Shares of their personal holdings at a price of \$0.075 per Common Share through the facilities of the TSX Venture Exchange (the "Swap"). The proceeds from the Swap were used to facilitate such Insider and shareholders subscription for their participation in the Offering.

Cyprium has paid finders a cash commission of up to 8% of the proceeds 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 Offering, with each warrant entitling the holder to purchase one Unit at \$0.065 per Unit for a period of eighteen months from the date of closing.

The Company has also renegotiated three loans with arms-length lenders for a total amount US \$313,750 and these loans were extended by a period of twelve months beyond their original maturity dates. The Company has issued 125,000 Common Shares (the "Bonus Shares") and 4,833,284 common share purchase warrants ("Bonus Warrants") as bonuses for the extension of the original maturity dates. Each Bonus Warrant will entitle the holder to purchase one common share at a price of \$0.07 per common share before the loan repayment date. Finally, the Company has extended the maturity date for a loan in the amount of US \$500,000 from May 5th, 2016 to August 7th, 2016. As consideration for the extension, the Company has issued one million common share purchase warrants (the "Extension Warrants") entitling the holder to purchase one common share at a price of \$0.10 per common share until the loan repayment date.

Pursuant to applicable securities laws, all securities issued pursuant to the above-mentioned transactions will be subject to a hold period of four months plus one day following the closing of the transactions.

Finally, the Company announces that it has granted, pursuant to its stock option plan, a total of three million stock options to directors, officers, employees and consultants exercisable at a price of \$0.09 per share for a five year term.

About Cyprium Mining Corporation

For the description of Cyprium Mining's business and the Company's Forward Looking Statement Disclaimer which form an integral part of this news release please visit our website at:

<http://www.cypriummining.com/en/investors/disclaimers>

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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 Corporation

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