

## Cyprium Mining calls special debenture holders meeting for September 21st, 2016

TSXV: CUG

MONTREAL, Aug. 31, 2016 /CNW Telbec/ - Cyprium Mining Corporation ("Cyprium" or the "Company") (TSXV: CUG) is pleased to announce that it has called a special meeting of certain debenture holders for September 21<sup>st</sup>, 2016 (the "Meeting"). The Corporation was authorized under a debenture indenture dated February 28, 2014 (the "Indenture") to issue up to \$750,000 in principal amount of unsecured, non-convertible debentures bearing interest at 12% per annum and maturing on February 28<sup>th</sup>, 2017 (the "Debentures"). A total of \$750,000 in principal amount of Debentures were issued and outstanding as at the close of business on August 22, 2016 (the "Record Date"). The Debentures are entitled to be voted at the Meeting on the basis of one vote for each one dollar of principal amount of each Debenture and the holders of Debentures of record at the close on the Record Date, are entitled to vote such Debentures at the Meeting.

To the knowledge of the board of directors of the Corporation, the only matters to be placed before the Meeting are the matters set forth in a notice of meeting and information circular to be mailed to the Debenture holders to: (i) authorize CST Trust Company, as debenture trustee, to grant an extension of time for payment of principal on the Debentures from February 28th, 2017 to February 28th, 2019, (ii) amend the Indenture to allow past due and future interest to be payable through the issuance of common shares in the capital of the Corporation (the "Common Shares"), (iii) amend the Indenture to allow for conversion of the principal amount and any accrued and unpaid interest of the Debentures into Common Shares, the option of the holder, at a price per Common Share equal to \$0.10 before February 28th, 2017 and \$0.15 thereafter; (iv) approve the delisting of the Debentures from the TSX Venture Exchange; and (v) waive any past defaults, and direct the debenture trustee to waive any past defaults, on the part of the Corporation in complying with any and all provisions of the Indenture.

Alain Lambert, Chairman and CEO of Cyprium commented: "Following our successful conversion of \$118,000 of secured debt into non-secured convertible debt in April and the extension of USD\$813,750 in loans in June, we were approached by several holders of the Debentures expressing an interest in extending the maturity date and rendering the Debentures convertible. It is on that basis that we have called a special Debenture holder meeting for them to consider the matters brought forth at the meeting. We are closely evaluating similar requests from other lenders."

The Indenture provides that one or more Debenture holders present in person or represented by proxy and owning or representing at least 25% of the principal amount of the Debentures then outstanding represent in person or by proxy and passed by the favourable votes of the holders of not less than 66⅔% of the principal amount of the outstanding Debentures present or represented by proxy at the meeting and voted upon on a poll on such resolution.

### **About Cyprium Mining Corporation**

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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](http://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 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 and results from recent sampling, 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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