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Further Exceptionally High Grade Bauxite (+50% Al_2O_3) from the Birsok Project

HIGHLIGHTS:

- **Final drill assays have been returned from the first round of RC drilling, continuing to define thick, high grade bauxite mineralisation from surface across multiple plateau targets**
- **Significant intersections returned most recently include outstanding thick and very high grade Al_2O_3, low total silica zones:**
  - **11m @ 51.9% Al_2O_3 from surface** (2.95% total SiO_2) **BRRC286**
  - **10m @ 54.4% Al_2O_3 from surface** (2.6% total SiO_2) **BRRC288**
  - **7m @ 55.5% Al_2O_3 from surface** (1.7% total SiO_2) **BRRC289**
  - **5m @ 46.5% Al_2O_3 from surface** (2.9% total SiO_2) **and**

    6m @ 55.4% Al_2O_3 from 9m (4.0% total SiO_2) **BRRC284**
  - **4m @ 53.8% Al_2O_3 from surface** (4.83% total SiO_2) **BRRC328**
- **All results have now been returned from the 19 plateau targets drilled. Detailed interpretation and planning of follow up exploration programs continues**
- **Mobile, low-cost rig secured for the next round of drilling**
- **Potential to establish a DSO mining operation is supported by an operating rail line passing within 10kms of the Birsok licences which travels directly to the operating port in country**

The Directors of **Canyon Resources Ltd** (ASX:CAY) are pleased to announce that additional assay results from the initial AC (aircore) / RC (reverse circulation) drilling program at the Birsok Bauxite Project have been received. The latest batch of assay results have continued to show **high-grade, thick intersections from surface**, in all the prospects targeted with this first round of reconnaissance drilling.

The reported results include particularly high Al_2O_3 grade (>50%) and low total silica (<5%) results from the Baoua prospect, returning the highest grades from drilling at the Birsok Bauxite Project to date. The results highlight the potential for the Company to establish a DSO bauxite resource with similar characteristics to one of the world's largest undeveloped bauxite projects, Minim Martap, contiguous to Canyon's Birsok Bauxite Project in central Cameroon.

Now that all results have been returned, the Company will undertake analysis to prioritise target prospect areas for follow up testing and future drilling. In addition, samples from the identified prospects will be sent for further laboratory analysis and metallurgical testing, which will include testing for available alumina and reactive silica contents.

The wet season rains have commenced and as a result, access is limited during this period. It is expected that work will recommence on the Project in late September/early October 2014.

The second phase drilling program will focus on testing additional plateaux on the Birsok Bauxite Project that were not drilled in the first program, testing the Mandoum permit and infill drilling of priority targets from this initial drilling program.

The Company has secured access to a Landcruiser mounted aircore drilling rig for the next drilling program. This rig will allow easier access around the project area and is expected to significantly reduce drilling and support costs for future drilling.

Managing Director of Canyon Resources, Phillip Gallagher said;

"We are very pleased with the results of the initial drilling program, which has met our objective of testing a large number of plateau targets on the Birsok Bauxite Project, giving us confidence in the depth, continuity and tenor of the bauxite we had only previously seen at surface from mapping and rock chip sampling.

The return of consistent high grade Al_2O_3, low total silica assays from many of the plateau targets we drilled confirms the strong potential of the project for a DSO mining operation. Several plateaux in the Djombi and the Baoua prospects have returned particularly strong results which will require infill drilling ahead of resource definition.

We continue to plan the second round of infill and extensional drilling for after the wet season, defining new targets from mapping and field work, and advancing a pipeline of targets from several prospects at all stages of exploration across the Project area."

This most recent batch of assay results are from the DJ05, DJ16 and DJ08 South plateau targets at Djombi, two plateaux at Beka (BE03 & BE09), and the spectacular high grades from Baoua (BA01), as shown in Figure 1 below.

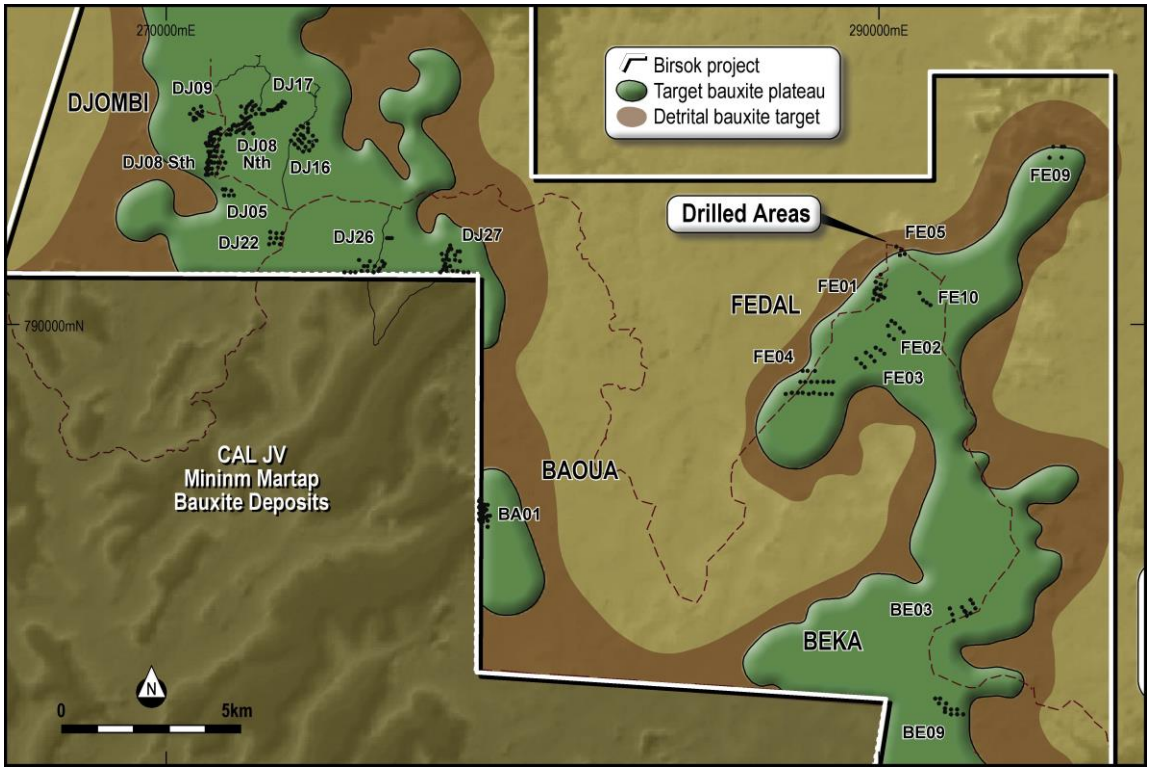

Figure 1: Drilled plateau, Birsok Bauxite Project

ASSAYS AND RESULTS

Drilling has successfully tested the major plateau targets defined from the previous surface work undertaken by Canyon's joint venture partner, Altus Strategies, intersecting lateritic bauxite mineralisation of various grades, thickness and quality at all prospect sites tested by this phase one drilling program.

Several zones of high grade bauxite, with Al_2O_3 grades of over 40% (including several holes with significant intersections over 50%), accompanied by low total silica (<15% SiO_2) have been defined and will be the highest priority for follow up drilling, metallurgical testing and potential resource definition in phase two drilling, along with the testing of other mapped plateaux that have not yet been drill tested.

BAOUA PROSPECT

The Baoua prospect, contiguous to the east of the CAL Minim Martap deposit, has produced the highest grade Al_2O_3, lowest total silica assays and thickest intersections of bauxite from drilling (Table 1). It is a plateau of 700m strike length and up to 350m across, with the best results forming an average bauxite thickness of just over 6m, grading 44% Al_2O_3 and 8.9% total silica. It is open to the north and east and warrants further access clearing and drilling.

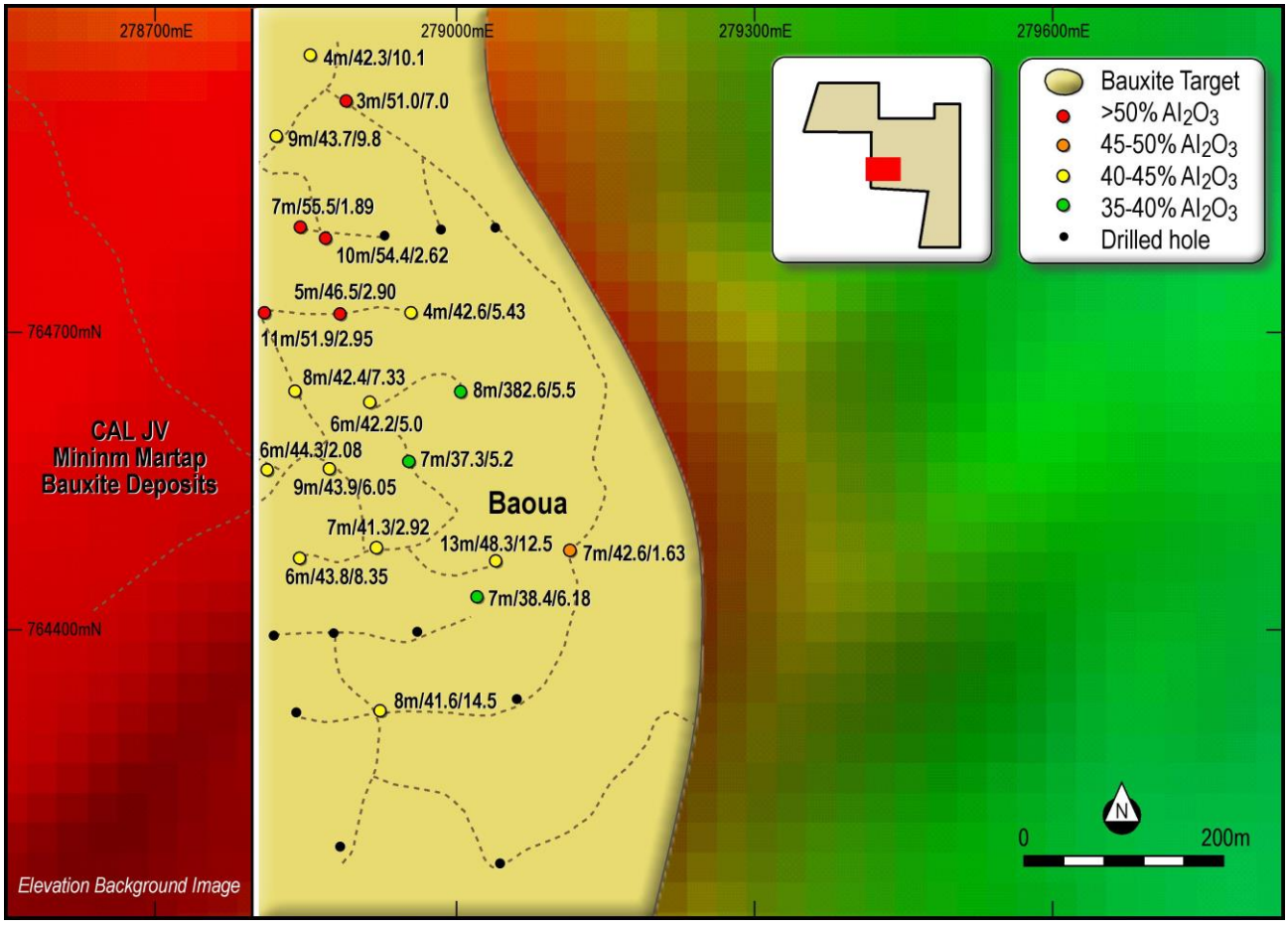

Figure 2: Baoua high grade intersections and plateau*. Holes listed have intersections above 35% Al_2O_3 and below 15% SiO_2. Holes with black circles do not meet intersection criteria.*

NB – 11m/51.9/2.95 = 11m thick @ 51.9% Al_2O_3 and 2.95% total SiO_2

DJOMBI PROSPECT

A total of 9 plateaux were tested on the Djombi prospect. All plateaux except DJ09, intersected encouraging high grades over 40% Al_2O_3 and generally a 2-6m range of bauxitic material. The total silica content tends to vary widely between plateaux and needs further analysis. As highlighted in the last announcement (22 July 2014), the plateau area consisting of DJ08 South, DJ08 North and DJ17 is the most promising (Figure 3), being over 3.5km long, up to 400m wide and averaging around 4.2m thickness, with Al_2O_3 grades around 42%. Total silica content over such a wide areas varies, with results in holes of sub-10% common, particularly in the centre of DJ08 South. The overall average silica content of holes with significant intersections (as defined by having an average Al_2O_3 grade of >35%, minimum thickness of 2m, maximum 2m internal dilution), is encouraging at less than 15%.

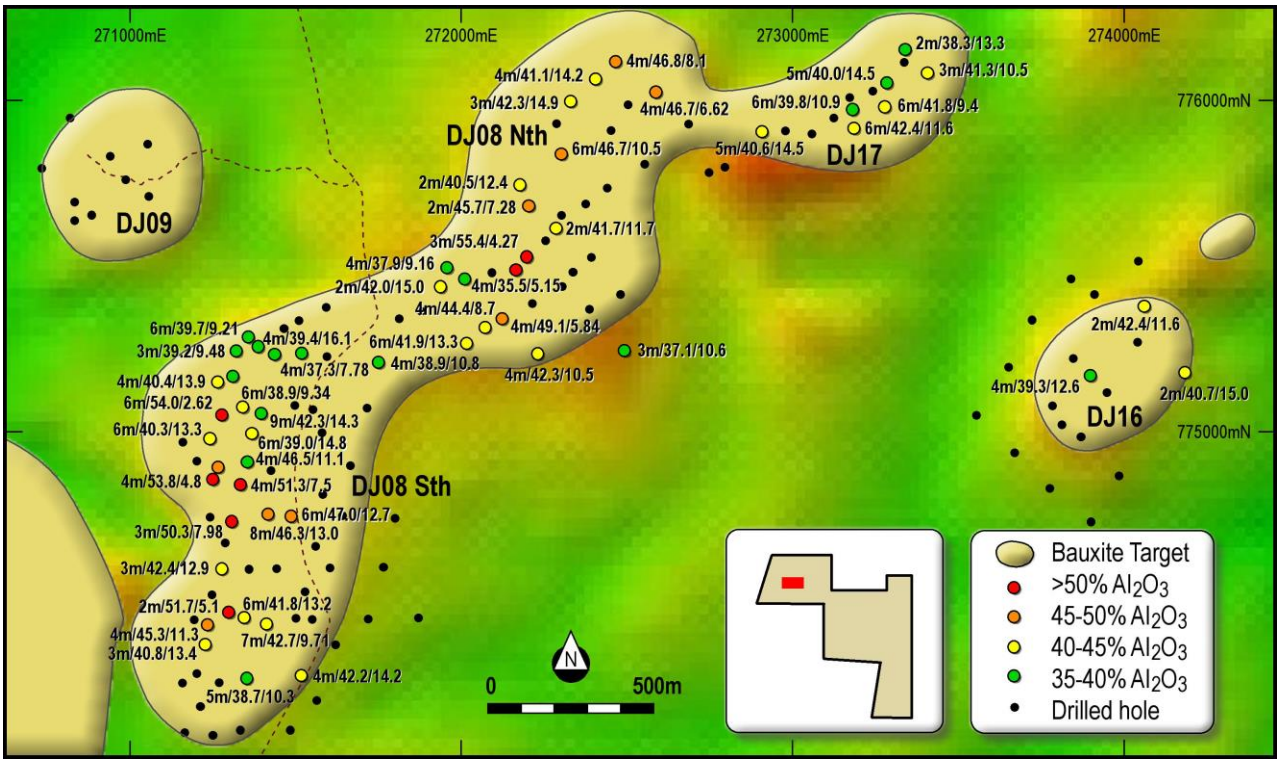

Figure 3: Djombi plateau DJ08 Sth, DJ08 Nth and DJ17. – ***Holes listed have intersections above 35%*** **Al_2O_3** ***and below 15%*** **SiO_2.** ***Holes with black circles do not meet intersection criteria.***

NB – 11m/51.9/2.95 = 11m thick @ 51.9% Al_2O_3 and 2.95% total SiO_2

Plateau DJ27 (refer announcement 14 June 2014) is also a significant plateau with high average Al_2O_3 grades and relatively low silica contents. Holes with significant intersections highlight a zone of average thickness around 6m of bauxite, at 38% Al_2O_3 and total silica of 8.5%, striking for 800m and up to 700m wide (figure 4).

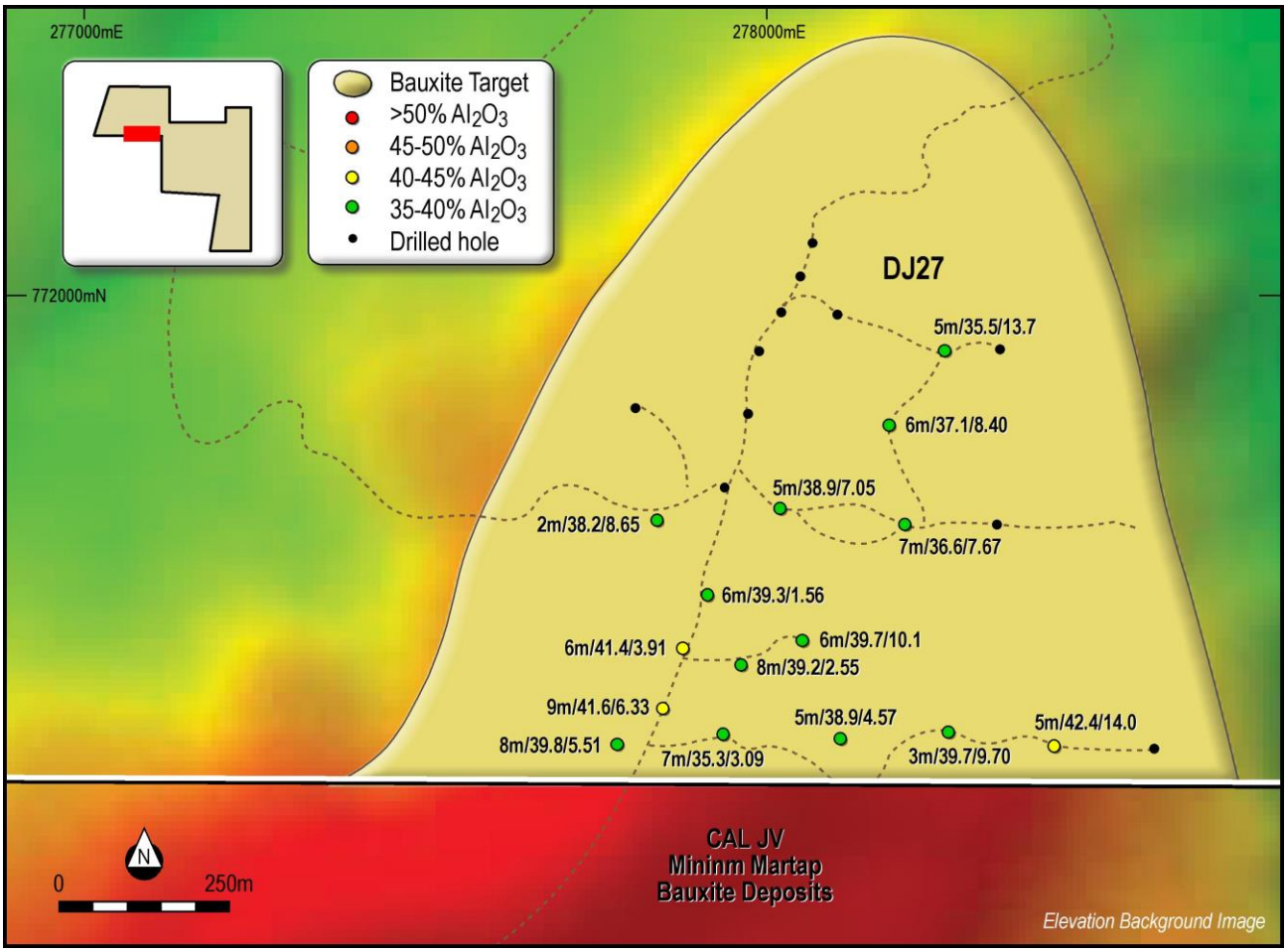

Figure 4: Djombi plateau DJ27. – ***Holes listed have intersections above 35% Al_2O_3 and below 15% SiO_2. Holes with black circles do not meet intersection criteria.***

NB – 11m/51.9/2.95 = 11m thick @ 51.9% Al_2O_3 and 2.95% total SiO_2

Other plateaux such as DJ16, DJ26, DJ22 and DJ05 show some encouraging intersections with significant bauxite Al_2O_3 grades and 2-4m range of thicknesses, with variable silica generally averaging around 20%. Test work will need to be undertaken to test the significance of the silica content to the resource potential. It is possible that some form of screening or washing of the high silica clay from the lateritic bauxite may be of benefit by concentrating the bauxite grades and reducing silica content.

FEDAL PROSPECT

Results from the Fedal prospect were generally disappointing relative to other prospects, with few areas returning significant size potential for the high Al_2O_3 grade, low silica bauxite best suited for direct shipping ore. Generally, results indicated 3-4m of lateritic bauxite, probably more detrital or colluvial in nature, rather than in-situ plateau, around 35-40% Al_2O_3 and total silica content around 20-25%. Additional work is required to fully understand the geological and topographic setting, however the area is a lower priority than the higher-grade prospects drilled in this initial phase of drilling.

BEKA PROSPECT

Time and access constraints only allowed for two plateaux to be tested in this round of drilling. Several more targets have been identified and will be tested in the next phase of exploration. BE09 provided the most encouragement with an average thickness of around 2.5m of lateritic bauxite at 41% Al_2O_3 but with relatively high total silica content of around 20% being defined from the drilling, over a low relief ridge 800m long by 200m wide. Further work on delineating other plateaux in the area and providing access for drilling is planned.

Table 1 – Baoua Plateau Intersections

HOLEID	PLATEAU	EOH	UTM_E	UTM_N	RL	FROM	TO	INT	Al_2O_3	SiO_2	Fe_2O_3	TiO_2	LOI
BRRC274	BA01	16	278813	764562	1300	0	6	6	44.3	2.08	25.0	3.89	23.9
BRRC275	BA01	20	278875	764564	1302	0	9	9	43.9	6.05	22.8	3.61	23.2
BRRC276	BA01	15	278845	764475	1302	0	6	6	43.8	8.35	21.5	3.39	22.5
BRRC277	BA01	15	278922	764484	1304	0	7	7	41.3	2.92	29.1	3.63	22.5
BRRC278	BA01	11	279023	764433	1306	0	7	7	38.4	6.18	31.1	2.73	21.3
BRRC279	BA01	15	279043	764471	1300	0	7	7	42.6	1.63	28.0	3.35	23.7
BRRC280	BA01	13	278955	764570	1308	0	7	7	37.3	5.19	32.8	3.17	20.7
BRRC281	BA01	13	278915	764630	1306	1	7	6	42.2	4.98	26.5	3.13	22.8
BRRC282	BA01	13	279006	764640	1302	0	8	8	38.6	5.47	30.9	3.36	21.2
BRRC283	BA01	11	278842	764641	1297	0	7	7	42.5	5.56	25.8	2.89	22.9
BRRC284	BA01	20	278883	764717	1299	0	5	5	46.5	2.90	21.1	3.90	25.0
BRRC284	BA01	20	278885	764719	1299	9	15	6	55.4	4.01	6.91	4.83	28.1
BRRC285	BA01	10	278957	764718	1308	0	4	4	42.6	5.43	24.8	3.44	23.5
BRRC286	BA01	19	278812	764720	1301	0	11	11	51.9	2.95	12.6	4.58	27.2
BRRC288	BA01	18	278871	764794	1296	0	10	10	54.4	2.62	8.84	5.40	28.1
BRRC289	BA01	15	278844	764802	1292	0	7	7	55.5	1.69	8.70	4.41	28.8
BRRC290	BA01	11	278855	764976	1253	0	4	4	42.3	10.1	21.4	3.40	22.6
BRRC293	BA01	20	279114	764481	1282	0	13	13	48.3	12.5	11.5	3.06	24.0
BRRC301	BA01	14	278926	764322	1254	0	8	8	41.6	14.5	19.6	3.20	21.4
BRRC302	BA01	13	278890	764931	1260	0	3	3	51.0	7.00	10.2	4.60	26.9
BRRC303	BA01	15	278821	764895	1265	0	9	9	43.7	9.77	19.4	3.99	22.9

NB –Intersections included that average greater than 35% Al_2O_3 and less than 15% SiO_2, max.2m internal waste, minimum 2m thick. Holes that are not listed do not satisfy these criteria, but are located on Figure 2. All assays in % by Fusion XRF. All holes vertical (-90 deg dip) and therefore no azimuth.

Table 2 – Djombi Plateau Intersections

HOLEID	PLATEAU	EOH	UTM_E	UTM_N	RL	FROM	TO	INT	Al2O3	SiO2	Fe2O3	TiO2	LOI
BRRC243	DJ05	10	271729	773656	1198	0	2	2	40.3	10.7	23.9	4.13	20.5
BRRC244	DJ05	10	271653	773678	1195	0	5	5	42.6	10.9	22.4	1.86	20.6
BRRC163	DJ08 Nth	10	271954	775495	1227	0	4	4	36.5	15.0	24.9	2.94	19.8
BRRC164	DJ08 Nth	15	272015	775469	1228	0	4	4	37.9	9.61	28.5	2.90	20.4
BRRC166	DJ08 Nth	15	272198	775534	1240	0	3	3	55.4	4.27	7.00	4.78	27.8
BRRC167	DJ08 Nth	10	272284	775614	1246	0	2	2	41.7	11.73	18.5	5.68	21.1
BRRC168	DJ08 Nth	16	272206	775688	1235	0	2	2	45.7	7.28	11.6	10.6	23.4
BRRC169	DJ08 Nth	9	272176	775741	1227	0	2	2	40.5	12.4	18.5	5.35	21.6
BRRC170	DJ08 Nth	14	272300	775845	1224	0	6	6	46.7	10.5	12.4	8.55	19.6
BRRC171	DJ08 Nth	12	272330	776006	1226	0	3	3	42.3	14.9	15.4	5.47	19.9
BRRC173	DJ08 Nth	11	272466	776126	1223	0	4	4	46.8	8.09	13.1	6.98	23.2
BRRC174	DJ08 Nth	10	272401	776070	1217	0	4	4	41.1	14.2	17.3	6.10	20.1
BRRC175	DJ08 Nth	10	272588	776031	1203	0	4	4	46.7	6.62	14.5	7.42	23.7
BRRC184	DJ08 Nth	11	272486	775242	1194	0	3	3	37.1	10.6	27.5	4.55	19.5
BRRC188	DJ08 Nth	11	272124	775345	1206	0	4	4	49.1	5.84	12.4	5.88	24.9
BRRC189	DJ08 Nth	10	272224	775231	1185	0	4	4	42.3	10.5	20.3	4.76	20.8
BRRC190	DJ08 Nth	10	272019	775275	1191	0	6	6	41.9	13.3	19.5	2.87	21.1
BRRC191	DJ08 Nth	10	272069	775313	1199	0	4	4	44.4	8.70	19.9	3.33	22.6
BRRC192	DJ08 Nth	13	271751	775216	1190	4	8	4	38.9	10.8	26.8	2.98	19.6
BRRC212	DJ08 Nth	15	272165	775492	1234	0	4	4	54.7	1.36	6.41	8.87	27.1
BRRC213	DJ08 Nth	10	271934	775439	1222	0	2	2	42.0	15.0	18.8	3.84	19.7
BRRC126	DJ08 Sth	15	271434	775233	1226	0	4	4	37.3	7.78	31.6	2.74	20.3
BRRC127	DJ08 Sth	20	271318	775246	1226	0	3	3	39.2	9.48	27.2	3.32	21.0
BRRC128	DJ08 Sth	15	271359	775290	1219	0	6	6	39.7	9.21	25.2	3.75	20.8
BRRC129	DJ08 Sth	15	271308	775174	1232	1	7	6	38.9	9.34	26.7	3.57	20.7
BRRC130	DJ08 Sth	15	271275	775057	1231	0	6	6	54.0	2.62	9.02	5.02	28.2
BRRC131	DJ08 Sth	15	271242	774980	1233	0	6	6	40.3	13.3	21.0	3.83	21.8
BRRC132	DJ08 Sth	15	271267	774902	1229	0	4	4	46.5	11.1	13.1	3.95	24.7

BRRC133	DJ08 Sth	10	271304	774736	1217	0	3	3	50.3	7.98	10.3	5.01	25.6
BRRC136	DJ08 Sth	15	271277	774584	1222	0	3	3	42.4	12.9	18.8	4.40	21.7
BRRC139	DJ08 Sth	10	271237	774427	1212	0	4	4	45.3	11.3	15.4	6.55	20.9
BRRC140	DJ08 Sth	10	271224	774355	1201	0	3	3	40.8	13.4	19.8	3.66	21.2
BRRC146	DJ08 Sth	10	271517	774269	1153	0	4	4	42.2	14.2	19.7	2.91	20.9
BRRC147	DJ08 Sth	10	271346	774258	1169	0	5	5	38.7	10.3	26.8	2.74	20.9
BRRC149	DJ08 Sth	10	271296	774462	1205	0	2	2	51.7	5.10	8.38	7.72	25.8
BRRC150	DJ08 Sth	15	271403	774418	1189	0	7	7	42.7	9.71	21.7	3.44	21.5
BRRC154	DJ08 Sth	12	271482	774741	1186	1	7	6	47.0	12.7	13.4	2.13	23.0
BRRC155	DJ08 Sth	15	271416	774752	1187	0	8	8	46.3	13.0	13.6	2.48	23.0
BRRC157	DJ08 Sth	10	271351	774913	1209	0	6	6	39.0	14.8	22.2	2.78	19.7
BRRC158	DJ08 Sth	16	271395	775067	1211	0	9	9	39.8	9.43	25.6	2.99	20.8
BRRC228	DJ08 Sth	10	271516	775234	1201	0	2	2	38.4	10.3	27.8	3.04	20.5
BRRC229	DJ08 Sth	10	271381	775260	1222	0	4	4	39.2	10.4	27.4	3.22	19.5
BRRC230	DJ08 Sth	10	271263	775148	1234	0	4	4	40.4	13.9	22.0	4.17	20.1
BRRC231	DJ08 Sth	15	271337	775071	1226	0	6	6	43.5	10.8	19.5	3.56	22.7
BRRC232	DJ08 Sth	13	271364	774993	1214	0	9	9	42.2	14.3	19.1	2.94	21.5
BRRC237	DJ08 Sth	10	271358	774585	1201	0	2	2	49.4	4.64	13.3	6.04	25.4
BRRC238	DJ08 Sth	10	271342	774438	1193	0	6	6	41.8	13.2	19.4	3.57	21.1
BRRC328	DJ08 Sth	14	271333	774837	1212	0	4	4	53.8	4.83	7.88	5.69	27.4
BRRC329	DJ08 Sth	20	271252	774860	1234	0	4	4	51.3	7.51	8.84	4.98	26.6
BRRC254	DJ16	9	274181	775176	1180	0	2	2	40.7	15.0	21.2	2.57	20.3
BRRC256	DJ16	10	274058	775381	1207	0	2	2	42.4	11.6	19.6	4.54	22.0
BRRC261	DJ16	10	273898	775170	1205	0	4	4	39.3	12.6	23.7	2.87	21.2
BRRC198	DJ17	15	272907	775913	1231	1	6	5	40.6	14.5	19.16	4.60	20.6
BRRC200	DJ17	15	273190	775918	1215	0	6	6	42.4	11.6	19.1	4.54	21.7
BRRC201	DJ17	12	273278	775988	1201	0	6	6	41.8	9.36	21.3	5.28	21.7
BRRC203	DJ17	10	273405	776087	1175	0	3	3	41.3	10.5	21.6	4.35	22.1
BRRC204	DJ17	10	273336	776154	1179	2	4	2	38.3	13.3	24.4	2.20	20.5
BRRC206	DJ17	10	273286	776057	1196	0	5	5	40.0	14.5	20.2	4.04	20.2
BRRC208	DJ17	15	273180	775978	1211	0	6	6	39.8	10.9	22.8	5.29	20.6
BRRC033	DJ26	7	275398	771338	1231	0	3	3	39.6	6.72	28.8	3.13	20.6
BRRC038	DJ26	10	276158	771505	1246	0	3	3	44.6	6.01	22.5	3.90	22.0
BRRC041	DJ26	9	276200	771565	1236	0	4	4	45.5	4.62	20.5	3.76	24.1
BRRC042	DJ26	6	276127	771662	1217	0	2	2	40.6	14.0	19.0	3.405	20.4
BRRC004	DJ27	10	278261	771930	1228	0	5	5	35.5	13.7	29.0	2.15	18.4
BRRC006	DJ27	11	278177	771819	1242	0	6	6	37.1	8.40	30.3	2.50	19.8
BRRC008	DJ27	9	278194	771667	1247	0	7	7	36.6	7.67	32.6	3.04	19.6
BRRC009	DJ27	9	278010	771692	1276	0	5	5	38.9	7.05	29.3	2.79	21.6
BRRC011	DJ27	9	277836	771672	1276	0	2	2	38.2	8.65	29.7	2.98	20.9
BRRC015	DJ27	15	277914	771566	1294	0	6	6	39.3	1.56	33.0	3.99	21.3
BRRC016	DJ27	17	277876	771493	1296	0	6	6	41.4	3.91	28.5	3.91	22.2
BRRC017	DJ27	10	278044	771498	1278	0	6	6	39.7	10.11	26.8	3.43	20.2
BRRC018	DJ27	16	277961	771461	1306	0	8	8	39.2	2.55	32.7	4.52	21.2
BRRC019	DJ27	19	277842	771399	1310	0	9	9	41.6	6.33	26.2	3.65	21.4
BRRC020	DJ27	13	277779	771350	1308	0	8	8	39.8	5.51	30.0	3.12	20.9
BRRC021	DJ27	12	277938	771366	1297	1	8	7	35.3	3.09	37.6	3.27	19.1
BRRC022	DJ27	11	278108	771359	1295	0	5	5	38.9	4.57	32.3	3.63	19.7
BRRC023	DJ27	10	278260	771365	1246	6	9	3	39.7	9.70	25.8	3.24	20.6
BRRC024	DJ27	6	278418	771345	1212	0	5	5	42.4	14.0	19.7	2.07	21.0

NB –Intersections included that average greater than 35% Al_2O_3 and less than 15% SiO_2, max.2m internal waste, minimum 2m thick. Holes that are not listed do not satisfy these criteria, but are located on Figures 3 and 4. All assays in % by Fusion XRF. All holes vertical (-90 deg dip) and therefore no azimuth.

Table 3 – Fedal Plateau Intersections

HOLEID	PLATEAU	EOH	UTM E	UTM N	RL	FROM	TO	INT	Al2O3	SiO2	Fe2O3	TiO2	LOI
BRRC072	FE01	5	290190	771010	1190	0	3	3	39.0	14.6	22.7	2.30	20.4
BRRC073	FE01	12	290185	770869	1184	3	7	4	42.0	10.3	22.5	2.74	21.9
BRRC074	FE01	9	290328	770945	1165	1	3	2	36.1	7.85	33.7	2.45	18.4
BRRC081	FE04	9	288158	767923	1165	3	5	2	41.1	14.6	21.2	1.57	21.1

NB –Intersections included that average greater than 35% Al_2O_3 and less than 15% SiO_2, max.2m internal waste, minimum 2m thick. Holes between BBRC063 and 124, that are not listed do not satisfy these criteria. All assays in % by Fusion XRF. All holes vertical (-90 deg dip) and therefore no azimuth.

Table 4 – Beka Plateau Intersections

HOLEID	PLATEAU	EOH	UTM E	UTM N	RL	FROM	TO	INT	Al2O3	SiO2	Fe2O3	TiO2	LOI
BRRC309	BE09	7	292032	759189	1172	1	3	2	42.4	14.8	17.8	1.68	22.2
BRRC312	BE09	5	291715	759345	1167	0	2	2	45.0	12.6	16.3	1.73	23.7

NB –Intersections included that average greater than 35% Al_2O_3 and less than 15% SiO_2, max.2m internal waste, minimum 2m thick. Holes between BBRC263 and 273 and BBRC304 and 314 that are not listed do not satisfy these criteria. All assays in % by Fusion XRF. All holes vertical (-90 deg dip) and therefore no azimuth.

About Canyon Resources Limited

In 2013, Canyon announced a farm-in transaction to acquire up to 75% of the Birsok Bauxite Project in Cameroon, which is considered highly prospective for high grade DSO bauxite. The Birsok Bauxite Project is strategically located in an emerging bauxite region of Cameroon, contiguous with the world class Minim Martap bauxite deposit and approximately 10km from an operating rail line.

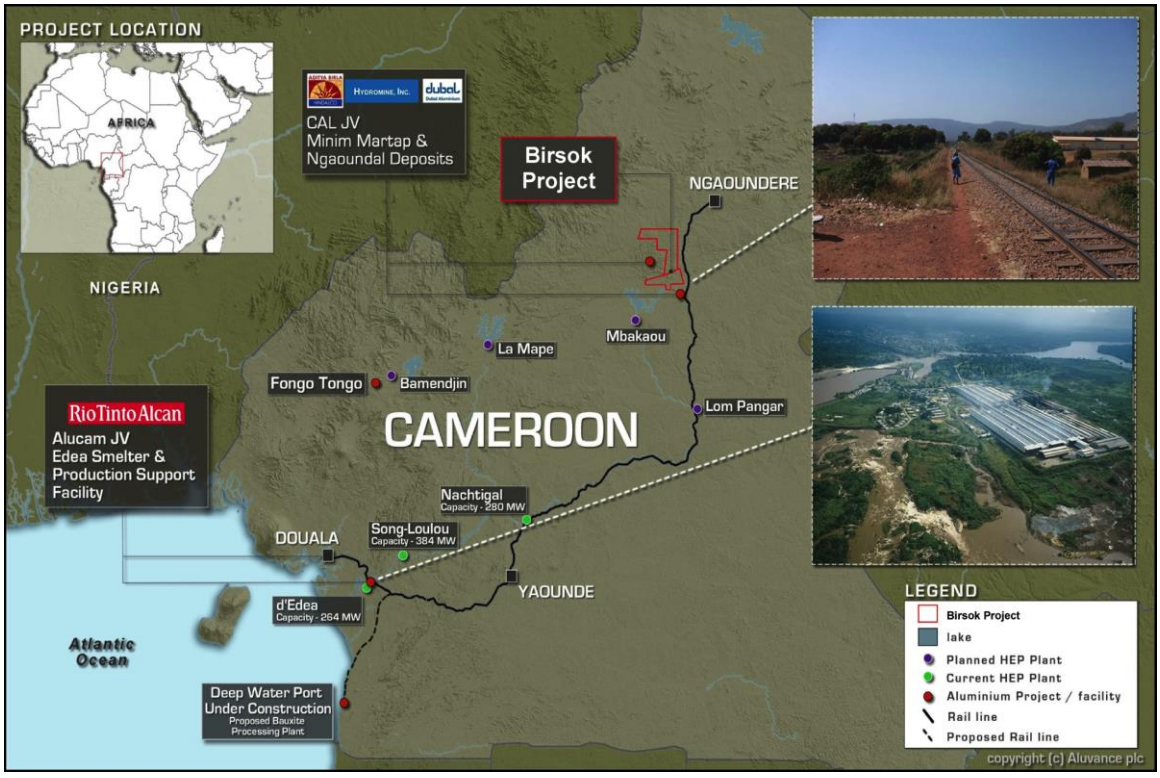

Figure 5: Location of Canyon's Birsok Bauxite Project, Cameroon, West Africa

In addition to the bauxite assets, Canyon has an established portfolio of highly prospective mineral exploration projects in Burkina Faso, which cover an area of approximately 3,500km² over 17 permits in the Birimian greenstone belts of the West African craton.

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The information in this report that relates to exploration results is based on information compiled by Mr Roger Speers, an employee of the Company and a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Speers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

APPENDIX 1

JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Explanation	Notes
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	• Samples are taken every 1m down the hole • Samples are passed through a cyclone mounted on the rig, put into a large plastic bag then split through a industry standard 3 tier riffle splitter, producing one 12.5% by volume sample (1-3kg) which is sent to the lab; the remainder (5-30kg) being collected in the plastic bag, clearly labelled and stored in a sample farm for as long as required. • The 1-3kg samples are split, crushed and pulverised in the lab to provide a charge for XRF fusion.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Drilling was conducted by an independent, experienced South African contract company using track mounted reverse circulation (RC) and aircore (AC) methods with a 140mm face sampling hammer or 135mm clay cutting blade bit with 112mm diameter rods. • The compressor produces 35psi/1050cfm air to the rig
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Samples are visually assessed for recovery, moisture and contamination and weighed with scales off the cyclone. The data is recorded digitally and on paper for later reference when looking at grades v recovery analysis. • Cyclone is regularly cleaned, sealed against fines loss and entire sample is split with a riffle splitter to ensure a representative sample is sent to the lab. • From assays to date, no relationship exists between recovery and grade.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All 1m drill samples were logged for lithology, colour, alteration and weathering by full time company geologists and correlated against assays and surface mapping. It is qualitative in nature. • Chip trays of all 1m drill samples were collected for later reference and re-logging. All samples are logged even if some are not sampled. • No diamond core was drilled.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique.	• Dry 1m samples from the cyclone mounted on the rig are split through a industry standard 3 tier riffle splitter, producing one 12.5% by volume sample (1-3kg) which is sent to the lab. • Any moist or wet samples are laid down

Criteria	Explanation	Notes
	• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	and spear sampled with a PVC tube to the base of the 1m rig sample bag • A field duplicate is taken every 25 samples • Sample sizes are considered appropriate for the style of mineralisation, thickness and consistency of the intersections, the sampling methodology and assay value ranges for bauxite.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Samples were submitted to OMAC laboratory in Ireland for analysis, formally a Stuart Group Lab now owned by ALS Global. • Samples were weighed, dried in an oven at 60^{o}C; crushed so 70% passed -2mm then oversize samples were riffle split to 300g-1kg samples and pulverised so 85% passed 75 micron. A 50-100g pulp is sent to ALS Ireland from Yaounde for XRF analysis. • Samples were analysed by ALS Global, an internationally recognised lab by fused disc XRF and furnace loss of ignition. Technique is standard and international recognised for bauxite. • Owner In-house QA-QC was conducted on the laboratory QC samples (Standards, Blanks and Lab Duplicates). • Canyon inserts their own QA/QC samples into the sample train; 1 CRM, blank and field duplicate every 25 samples. Results to date are well within acceptable limits. Field duplicates correlate at above 95% to original samples. Standards have performed very well. • No geophysical tools were used for any analysis. An Innovex Omega X HPXRF device was used purely for in house comparison and test work. All published data is from laboratory XRF analysis.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• All drilled interval drill cuttings are recorded in chip trays and photographed. Assay results and intersections are visually checked against the chip trays and/or photographs and where possible, in the field, by company geologists and the competent person • Observations were recorded in hard copy then electronically data entered in an auto-validating database structure against library of data codes for consistency. • Hard copy is kept and digital copy is backed up. Sample pulps have been retained. It is planned to use an umpire lab for independent verification of assay results once all initial results have been received. • No twinned holes were drilled.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Hole collars were located using a standard hand held GPS with reported accuracy of less than 5 metres in the X,Y plane using the WGS84 UTM z33N grid. This is appropriate for this stage of exploration. • Down hole surveys have not been taken as

Criteria	Explanation	Notes
		drill holes are all less than 40m in depth and drilled vertically through the predominantly flat lying laterite.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Holes were nominally drilled on a wide spaced reconnaissance type grid of 320 x 160m, though commonly infilled down to a resource style spacing of up to 80m x 80m in places. Spacing is sufficient for Exploration Target to inferred resource size only. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drilling was vertical, the best orientation to test targeted horizontal to mildly undulating surface weathered mineralisation. • Drill patterns were orientated orthogonally across the broad orientation of the plateau targets, holes were staggered to produce a net like grid over the targets where possible
Sample security	• The measures taken to ensure sample security.	• Samples were submitted by the permit owner's employees and chain of custody was recorded. Once submitted to the prep lab samples were entered into the Micromine Geobank sample tracker programme by the owner.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• The owner conducted a review / visit of the Lab facilities in Ireland in 2012 and completed periodic unannounced drop in at the Cameroon Prep Lab. A Canyon representative has also visited the Cameroon Prep Lab before and during the current drill program.

JORC TABLE 1

Section 2 Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	• Birsok Permis de Recherche 198 and Mandoum Permis de Recherche 174 are currently held by Aucam SA, signatory to the JV agreement with Canyon whereby Canyon can earn 75% in the parent company of Aucam SA or in the parent of any company to which these licences are transferred. All work reported was done on the Birsok Permit. • Birsok is subject to a renewal currently lodged with the government. The Company has received correspondence from The Ministry of Mines, Industry and Technological Development indicated the license had been approved by their office and has been sent to the Presidential office for final approval. • Mandoum is renewed until Oct 2014. • Legal due diligence on the tenure and holding companies was conducted by independent Cameroon lawyers during Dec 2013. • There are no impediments to exploration, as exploration can continue while Birsok is subject to renewal. Renewal of Birsok is a condition precedent of the agreement with the owners.
Exploration done by other parties	• The Birsok and Mandoum projects are adjacent to the Minim Martap bauxite deposit which was reportedly drilled in 2009. Bauxite plateaux continue onto the projects. Bauxite mineralisation was initially reported by the government and has been followed up by Aucam and Canyon with 719 bauxite samples from in excess of 2,500 observations, and now in excess of 3,000m of AC/RC drilling from over 300 holes.
Geology	• Mineralisation type is laterite bauxite evident on and adjacent to plateaux.
Drill hole Information	• 329 holes have been drilled for 3,563m on 19 plateau targets. The significant results pertaining to this release have been tabulated in the body of the announcement.
Data aggregation methods	• No data aggregation methods have been used.
Relationship between mineralisation widths and intercept lengths	• All drill holes are vertical and intersect the tabular, flat lying mineralisation orthogonally, and represent close to true thickness.
Diagrams	• Diagram provided show drill collar and therefore sample locations with reference to coordinates and a scale. This is appropriate for this early stage exploration and shallow vertical drilling.
Balanced reporting	• Assays for 2,765 samples from 19 plateau targets have been reported to date, reflecting 100% of the samples collected, including standards and blanks. Results in table are reported over 2 metres and above 35% Al_2O_3 and below 15% SiO_2. Holes between BBRC001 and 329 are not reported as they do not satisfy these criteria.
Other substantive exploration data	• None to report.
Further work	• Drilling completed to date indicates the presence of bauxite mineralisation only. Further drilling is required to verify any continuity of intersected bauxite. • Further exploration will involve follow up infill drilling of currently targeted known plateau targets; detailed 3D interpretation of results, metallurgical testing of samples, geological mapping of other bauxite rich plateaux to confirm more primary targets; followed by RC or aircore drilling to test the strike/depth extent of the mineralisation. Access roads have been put in place and will continue to be developed' more detailed environmental approvals are underway. • Additional permit applications have been made targeting more of the bauxite plateau margins of the Minim Martap bauxite plateau system. Country wide targeting is also taking place.