



ESIA on track for submission in May

Highlights

- The ESIA is a key component of the mining permit application process for the Minim Martap Project development
- **The ESIA is consistent with the approved Terms of Reference submitted on 16 April 2020 planned for submission in May 2021** and complies with the national standards in Cameroon and aligns with key international standards including the IFC Performance Standards
- The ESIA encompasses all three exploration tenements of the Mining Martap Project, and includes the mine area, haul road, rail, port and transshipment areas
- The ESIA is managed by ESS, with support from experienced international consultant Golder, and national consultant Rainbow Environment Consult

Canyon Resources Limited (**ASX: CAY**) (**Canyon, Company**) is pleased to announce that the Environmental and Social Impact Assessment (**ESIA**) for the Mining Martap Bauxite Project (**Project**) is progressing well and is planned for submission in May 2021 to the Cameroon Ministry of Environment, Nature Protection and Sustainable Development (MINEPDED).

The ESIA is a critical component of a mining permit application process and is being undertaken in line with the ESIA Terms of Reference submitted on 16 April 2020 and accepted by the MINEPDED, and in aligns with the International Finance Corporation (**IFC**) Performance Standards and other key international standards, frameworks and guidelines.

The scope of the ESIA comprises each of the three exploration tenements at the Project (Minim Martap, Makan and Ngaoundal), the haul route between the mine and the inland rail facility at Makor, the rail line between Makor and Douala, infrastructure at the port of Douala, and the transshipment route and buoy location.

Health, Safety, Environment and Communities (**HSEC**) management firm ESS (Environmental and Social Sustainability) is managing the development of the ESIA on behalf of Canyon and is being supported by national consultancy Rainbow Environment Consult and international consultancy Golder.

Canyon recognises that environmental and social management requires a long-term engagement, and the impact of COVID-19 has compelled a phased approach to addressing the ESIA program. As is usual for a project of this magnitude, further targeted studies and management planning will be undertaken as part of mitigation measures that the ESIA identifies.

Public consultations, the final step of the ESIA process prior to submission, are planned for April involving all stakeholders potentially affected by the Project. This critical step provides the platform for local communities and other stakeholders to provide feedback and contribute to the development of culturally and socially appropriate management measures identified as part of the ESIA.

James Durrant, Director of Projects, stated: "Securing support for the Project from local and regional stakeholders is a key driver for Canyon, and a critical element in the pursuit of a mining permit for Minim Martap. Throughout the ESIA process, engagement with local communities has been positive and the ESIA

ESIA on track for submission in May

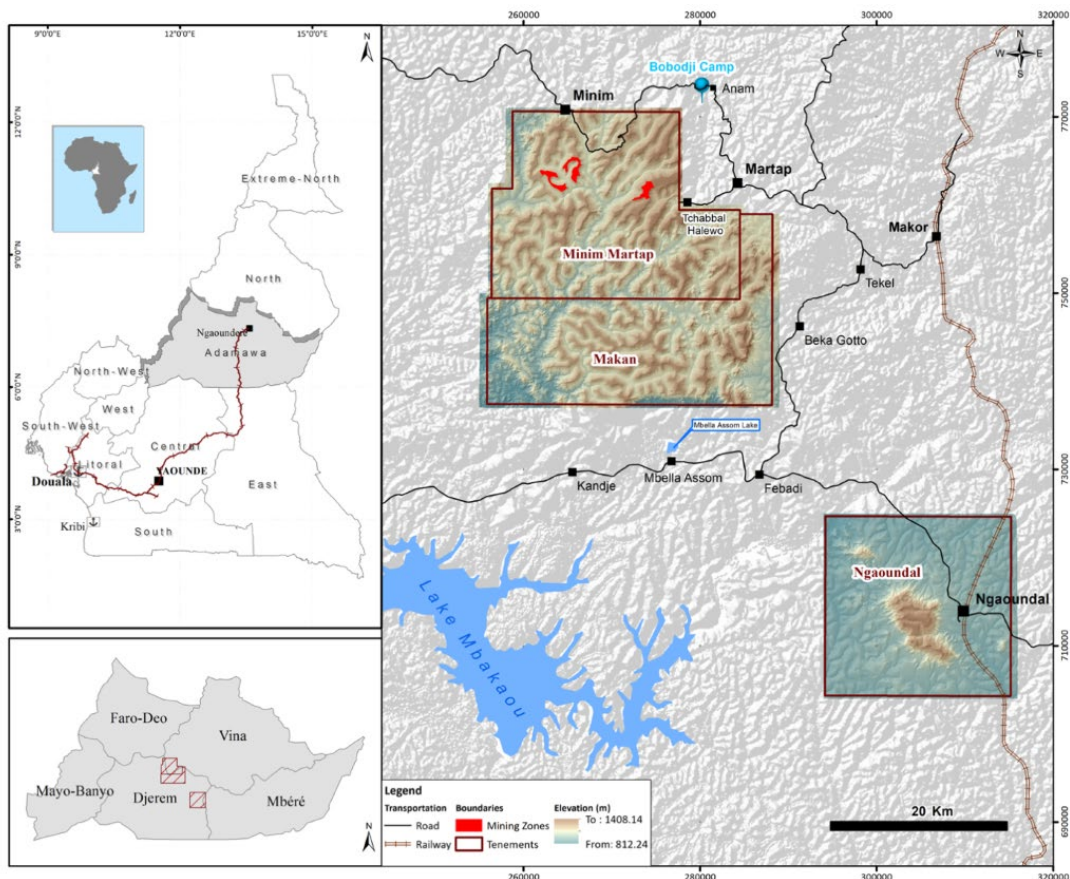
has provided a clear understanding of the biophysical background to the Project, providing Canyon with the means to proactively mitigate and control impacts and make our project of even greater benefit to the communities.”

About Canyon Resources

Summary

Canyon Resources is focussed on the development of the 100% owned Minim-Martap Bauxite Project, a direct shipping ore (DSO) project development opportunity in central Cameroon. The Project is situated adjacent to the main rail line linking the region to the Atlantic port of Douala. The rail line is currently underutilised and coupled with the existing port of Douala, supports a low capex, low opex solution to deliver high grade, low contaminant, seaborne bauxite to market to fuel the large and growing aluminium industry as described in the 2020 Pre-Feasibility Study¹. The country is planning a rail extension and is undergoing rail line debottlenecking upgrades, giving longer term potential for export through the newly built, deep-water port of Kribi.

Canyon is planning the development of the bauxite Project in a 2 Stage, 2 Port execution programme with initial production exported through the port of Douala utilising the existing rail and port infrastructure and Stage 2 unlocking tonnes and reducing costs by utilising the planned rail extension to access the deep-water port of Kribi.



¹ ASX announcement 1 July 2020

Pre-Feasibility Study

The Company's Stage 1 Pre-Feasibility Study² demonstrated the Minim Martap Bauxite Project's potential as a long-term producer of very high quality, low contaminant bauxite via a multi-stage development program utilising existing infrastructure in Cameroon. Canyon is advancing strategic partnership and off-take agreement discussions with interested parties to accelerate the Project development timeline. The headline economic outcomes of the Pre-Feasibility Study are as follows:

Minim Martap Project ¹	Units	Stage 1
Annual Production Rate	Mtpa	5.0
Project Development Capital	US\$M	120
Average Operating Cost C1	US\$/t	35.1
Project NPV ₁₀	US\$M	291
Project IRR	%	37
Capital Intensity	US\$/t	24

Resources and Reserves

The Project is validated by the **Ore Reserve estimate**³ prepared by a Competent Person, in accordance with the JORC Code (2012) and is presented as:

Reserve			
Classification	Tonnes (Mt)	Alumina	Silica
Proven	-	-	-
Probable	97.3	51.1% Al ₂ O ₃	2.3% SiO ₂
Total Ore Reserves	97.3	51.1% Al ₂ O ₃	2.3% SiO ₂

The underlying **Mineral Resource estimate**⁴ prepared by a Competent Person, in accordance with the JORC Code (2012) is stated as:

Resource (35% Al ₂ O ₃ cut-off)			
	Tonnes (Mt) ore	Alumina	Silica
Total	1,002.0	45.2% Al ₂ O ₃	2.8% SiO ₂
Indicated	942.5	45.2% Al ₂ O ₃	2.8% SiO ₂
Inferred	59.5	43.8% Al ₂ O ₃	3.1% SiO ₂
Contained High Grade Resource (45% Al ₂ O ₃ cut-off)			
	Tonnes (Mt) ore	Alumina	Silica
Total	484	48.8% Al ₂ O ₃	2.6% SiO ₂
Indicated	460	48.9% Al ₂ O ₃	2.6% SiO ₂
Inferred	24	47.4% Al ₂ O ₃	2.0% SiO ₂

² ASX announcement 1 July 2020

³ ASX announcement 10 August 2020

⁴ ASX announcement 16 October 2020

Competent Person's Statement – Ore Reserves

The information in this report that relates to Ore Reserves is based on information compiled or reviewed by Mr John Battista, a Competent Person who is a Member and Chartered Professional (Mining) of the Australasian Institute of Mining and Metallurgy and is currently employed by Mining Plus (UK) Ltd. Mr Battista has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code).

Mr Battista consents to the disclosure of information in this report in the form and context in which it appears.

Competent Person's Statement – Mineral Resources

The information in this announcement that relates to mineral resources is based on information compiled or reviewed by Mr Mark Gifford, an independent Geological expert consulting to Canyon Resources Limited. Mr Mark Gifford is a Fellow of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Mr Gifford consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Mineral Resource estimate

The data in this announcement that relates to the Mineral Resource estimates for the Minim Martap Bauxite Project is based on information in the Resources announcement of 16 October 2020 and available to view on the Company's website and ASX.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and the context in which the Competent Person's findings are presented have not been materially modified from the original market announcement

Pre-Feasibility Study

The data in this announcement that relates to the Pre-Feasibility Study for the Minim Martap Bauxite Project and associated production targets and forecast financial information, is based on information in the PFS announcement of 1 July 2020 and available to view on the Company's website and ASX.

The Company confirms that all the material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.

Ore Reserve estimate

The data in this announcement that relates to the Ore Reserve estimate for the Minim Martap Bauxite Project is based on information in the maiden Ore Reserve announcement of 10 August 2020 and available to view on the Company's website and ASX.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and the context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Cameroon

Canyon Resources Ltd is exploring and developing high grade bauxite reserves in Cameroon, a central-west African country between Nigeria and Equatorial Guinea with Yaounde as the capital. The country has enjoyed the development of industry and infrastructure, particularly agriculture, roads, railways and ports and including a hydro-electric powered aluminium smelter at Edea, currently utilising imported alumina. Cameroon is a producer, consumer and exporter of gas, having exported 6,262,113 million BTU by the end of May 2020, and crude oil and has rich deposits of cobalt, iron ore, gold, diamonds and vast high grade bauxite ore reserves. Revenues from the extractive industries accounted for 5.43% of GDP and 33.23% of total exports in 2015. Cameroon has the fundamental infrastructure and mineral deposits to support a significant mining industry and the population is generally highly skilled in the technical vocations commensurate to exploration, construction and mining.

Forward looking statements

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Canyon, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘intend’, ‘may’, ‘opportunity’, ‘plan’, ‘potential’, ‘project’, ‘seek’, ‘will’ and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Canyon that could cause Canyon’s actual results to differ materially from the results expressed or anticipated in these statements.

Canyon cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Canyon does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.

This announcement has been approved for release by the Board.

Enquiries:

PHILLIP GALLAGHER | Managing Director | Canyon Resources Limited T: +61 8 6382 3342

E: info@canyonresources.com.au