



Canyon Resources Limited

ABN 13 140 087 261

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

28 February 2023

Time of Meeting

3.00pm (AWST)

Place of Meeting

Gilbert + Tobin,

Level 16, Brookfield Place Tower 2, 123 St Georges Terrace Perth WA 6000

A Proxy Form is enclosed or has otherwise been provided to you

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the Proxy Form in accordance with the specified directions.

Canyon Resources Limited

ABN 13 140 087 261

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Canyon Resources Limited ABN 13 140 087 261 will be held at Gilbert + Tobin, Level 16, Brookfield Place Tower 2, 123 St Georges Terrace Perth WA 6000 on 28 February 2023 at 3.00pm (AWST) for the purpose of transacting the following business referred to in this Notice of General Meeting.

The Company will update Shareholders if changing circumstances will impact the planning or arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at <https://canyonresources.com.au/>.

AGENDA

1 Resolution 1 – Ratification of the issue of Placement Shares to EEA under the Strategic Placement under Listing Rule 7.1 capacity

To consider and, if thought fit to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 121,779,976 Placement Shares (at an issue price of \$0.06 each) on 22 December 2022 to Eagle Eye Asset Holdings Pte. Ltd. on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2 Resolution 2 – Ratification of the issue of Placement Shares to EEA under the Strategic Placement under Listing Rule 7.1A capacity

To consider and, if thought fit to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 81,120,024 Placement Shares (at an issue price of \$0.06 each) on 22 December 2022 to Eagle Eye Asset Holdings Pte. Ltd. on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3 Resolution 3 – Proposed Issue of Placement Options to EEA under the Strategic Placement

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 202,900,000 Placement Options, each with an exercise price of \$0.07 and an expiry date of 10 August 2025 to Eagle Eye Asset Holdings Pte. Ltd. on the terms and conditions set out in the Explanatory Memorandum, including Annexure A to the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (d) an Associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board



Mr Matt Worner
Company Secretary

Dated: 27 January 2023

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on

the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- To be effective, proxies must be received by 3.00pm (AWST) on 26 February 2023. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - by returning a completed Proxy Form to :
Share Registry: Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne, VIC 3001
- or
- by faxing a completed Proxy Form to 1800 783 447 within Australia or +61 3 9473 2555 outside Australia;
- or
- by recording the proxy appointment and voting instructions via the internet at using the details set out in the Proxy Form attached to this Notice of Meeting. Only registered Shareholders may access this facility and will need their Holder Identification Number (**HIN**) or Securityholder Reference Number (**SRN**).
- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 3.00pm (AWST) on 26 February 2023. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 3.00pm (AWST) on 26 February 2023.

Canyon Resources Limited

ABN 13 140 087 261

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

1 Background - Strategic Placement

On 21 December 2022, the Company announced a strategic placement to raise \$12,174,000 through a Subscription Agreement entered into with Eagle Eye Asset Holdings Pte. Ltd. (**EEA**), pursuant to which EEA agreed to subscribe for, and the Company agreed to issue:

- (a) 202,900,000 Placement Shares at an issue price of \$0.06 per Placement Share; and
- (b) subject to Shareholder approval for the purposes of Listing Rule 7.1 and, if required, Listing Rule 10.11, 202,900,000 options, each with an exercise price of \$0.07 and an expiry date of 10 August 2025 (**Placement Options**),

(Strategic Placement).

Funds raised pursuant to the Strategic Placement will be used to advance the Project. The Company issued the Placement Shares to EEA on 22 December 2022 as follows:

- (c) 121,779,976 Placement Shares under its Listing Rule 7.1 capacity (which it is seeking to ratify pursuant to Resolution 1); and
- (d) 81,120,024 Placement Shares under its Listing Rule 7.1A capacity (which it is seeking to ratify pursuant to Resolution 2).

The Company is seeking Shareholder approval pursuant to Resolution 3 for the issue of the Placement Options to EEA.

The material terms of the Strategic Placement are as follows:

Placement Options	<p>The Company will issue 202,900,000 Placement Options to EEA with an exercise price of \$0.07 and an expiry date of 10 August 2025.</p> <p>The issue of the Placement Options is subject to Shareholder approval for the purposes of ASX Listing Rule 7.1 and, if required, ASX Listing Rule 10.11.</p>
Escrow Period	<p>All Placement Shares and Placement Options issued to EEA will be subject to an escrow period of 12 months from the date of issue of the Placement Shares (ie until 22 December 2023) unless released from escrow earlier upon any of the following release events occurring (Escrow Period):</p> <ul style="list-style-type: none">(a) where Shareholder approval for the issue of the Placement Options is not obtained on or before 1 March 2023 (or that condition to the issue of the Placement Options is not waived, as

	<p>permitted by law) – Resolution 3 of this Notice seeks this approval;</p> <p>(b) the announcement of a bona fide third party offer under a takeover bid in relation to all or a majority of issued Shares where EEA has not issued an intention statement relating to that takeover bid;</p> <p>(c) the Company announces an implementation agreement to implement a scheme of arrangement in respect of all or a majority of issued Shares;</p> <p>(d) the Company enters into any agreement which would result in a bona fide third party acquiring a relevant interest in more than 20% of Shares or directly or indirectly acquiring control of the whole or vast majority of the Company’s business or assets;</p> <p>(e) to the extent necessary for EEA to participate in an equal access buy-back or capital return or reduction;</p> <p>(f) an insolvency event occurring with respect to the Company or any of its material subsidiaries;</p> <p>(g) where required by law (including an order of a court);</p> <p>(h) the Company announces a proposal to de-list from the ASX; or</p> <p>(i) where the Board otherwise determines.</p> <p>During the escrow period, EEA cannot deal in the Placement Shares and Placement Options except that EEA may transfer the Placement Shares and Placement Options to a related entity (being an entity that it controls, an entity that controls EEA or an entity which is under the control of another entity which controls EEA) which does not require a disclosure document or any action of the Company under any applicable laws, provided that:</p> <p>(a) EEA provides the Company with notice at least 2 business days prior to the transfer; and</p> <p>(b) the related entity enters into a deed poll in favour of the Company agreeing to be bound by the terms of the Subscription Agreement between the Company and EEA.</p> <p>The escrow arrangements will not prevent EEA from exercising the Placement Options in accordance with their terms as set out in Annexure A to this Explanatory Memorandum, however any Shares issued on exercise of those Placement Options will be subject to the remaining portion of the Escrow Period.</p>
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Consultation right	<p>Canyon will provide to EEA confidential notice at least 5 business days before an equity capital raising (excluding equity issues relating to remuneration or incentives), following which EEA and Canyon will negotiate in good faith the terms upon which EEA may participate in the capital raise.</p> <p>If Shareholder approval is not required for EEA to participate in a capital raise, Canyon must use best endeavours to permit EEA's participation. If Shareholder approval is required for EEA to participate in a capital raise, then the Company will use reasonable endeavours to obtain such approvals along with the recommendation of all non-interested Directors (subject to their Directors' fiduciary duties).</p>
Board nominee right	<p>Upon the issue of the Placement Shares, at any time that EEA has a relevant interest in 10% or more of the Company's issued Share capital, EEA will have the right to nominate one representative to the Canyon Board, subject to usual checks and the nominee having sufficient experience and skills.</p>
Warranties	<p>Customary representations and warranties are provided by Canyon and EEA.</p>

2 Resolutions 1 and 2 – Ratification of the issue of Placement Shares to EEA under the Strategic Placement

2.1 Ratification of the issue of Placement Shares issued under Listing Rule 7.1 capacity

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Placement Shares the subject of Resolution 1 does not fit within any of the exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date the Company issued the Placement Shares.

Listing Rule 7.4 allows the shareholders of a company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and therefore seeks Shareholder approval to ratify the issue of 121,779,976 Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the issue of those Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date the Company issued the Placement Shares.

If Resolution 1 is not passed, those Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can

issue without Shareholder approval over the 12-month period following the date the Company issued those Placement Shares.

2.2 Ratification of Placement Shares issued under Listing Rule 7.1A capacity

As noted above, subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. Shareholders approved this additional capacity at the Company's last annual general meeting. The Company obtained such approval at its 2022 annual general meeting.

The issue of 81,120,024 Placement Shares the subject of Resolution 2 does not fit within any of the exceptions and, as it has not yet been approved by Shareholders, it effectively uses up the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A for the 12 months from the date of its 2022 annual general meeting or until the Company's next annual general meeting (whichever occurs first).

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1A and therefore seeks Shareholder approval to ratify the issue of 81,120,024 Placement Shares the subject of Resolution 2 under and for the purposes of Listing Rule 7.4.

If Resolution 2 is passed, the Placement Shares the subject of Resolution 2 will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval under Listing Rule 7.1A for the 12-month period following its 2022 annual general meeting or until the Company's next annual general meeting (whichever occurs first).

If Resolution 2 is not passed, those Placement Shares will be included in calculating the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval under Listing Rule 7.1A for the period noted above.

2.3 Information required under Listing Rule 7.5

The following information in relation to the Placement Shares is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) the Placement Shares were issued to EEA which is an unrelated party of the Company, but which, as at the date of this Notice as a result of the issue of the Placement Shares holds 19.9% of the issued Shares and has the right to nominate a Director to the Board. EEA was selected as a highly attractive, long-term strategic partner, with capability to assist Canyon with project funding solutions to facilitate the Project moving towards development;
- (b) the Placement Shares were issued on 22 December 2022;
- (c) the material terms of the subscription agreement for the Strategic Placement are summarised in section 1 above;
- (d) the Placement Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue, except for the Holding Lock imposed for the Escrow Period;
- (e) the Placement Shares were issued at an issue price of \$0.06 each in cash; and
- (f) a voting exclusion applies in respect of Resolutions 1 and 2 as set out in the Notice of Meeting.

3 Resolution 3 – Proposed Issue of Placement Options to EEA

3.1 Approval for issue of Placement Options under Listing Rule 7.1

As stated above, the Company proposes to issue 202,900,000 Placement Options to EEA, each with an exercise price of \$0.07 and an expiry date of 10 August 2025.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1, and is a condition of their issue under the subscription agreement for the Strategic Placement (except where waived by the Company, if so permitted by law).

Resolution 3 seeks the required Shareholder approval for the proposed issue of Placement Options under and for the purposes of Listing Rule 7.1.

If Resolution 3 is passed:

- (a) the Company will be able to proceed with the Strategic Placement and the Company will issue 202,900,000 Placement Options to EEA;
- (b) the Holding Lock for the Placement Shares will remain in place for the remainder of the Escrow Period, subject to the release events summarised above;
- (c) a Holding Lock will be imposed on the Placement Options (and any Shares issued on their exercise) for the remainder of the Escrow Period, subject to the release events summarised above; and
- (d) EEA will hold 19.9% of the Shares then on issue and hold a further 202,900,000 Options to acquire Shares on the terms set out in Annexure A to this Explanatory Memorandum.

In addition, the Placement Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed:

- (a) the Company will not be able to proceed with the issue of Placement Options to EEA;
- (b) the Holding Lock on the Placement Shares will be released and EEA will be permitted to deal with the Placement Shares; and
- (c) the Company will not receive any further funds from EEA's payment of the exercise price for the Placement Options (if exercised), which would equal \$14,203,000 if all Placement Options were exercised in the future.

3.2 Information required under Listing Rule 7.3

The following information in relation to the Placement Options to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) the Placement Options are proposed to be issued to EEA which is an unrelated party of the Company, but which, as at the date of this Notice as a result of the issue of the Placement Shares holds 19.9% of the issued Shares and has the right to nominate a Director to the Board;

- (b) if Resolution 3 is passed, the Placement Options are expected to be issued on or around 8 March 2023;
- (c) the Placement Options are being issued for nil cash consideration;
- (d) the Placement Options each have an exercise price of \$0.07 and an expiry date of 10 August 2025, and are on the terms set out in Annexure A to this Explanatory Memorandum;
- (e) once exercised, the Placement Options will convert into fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue, except to the extent of the Holding Lock imposed on those Shares if the Placement Options are exercised before the end of the Escrow Period; and
- (f) a voting exclusion applies in respect of this Resolution as set out in the Notice of Meeting.

3.3 Additional material information regarding issue of Placement Options

Subject to limited exceptions, the Corporations Act restricts a person from acquiring a relevant interest in the issued voting shares of a company listed on the ASX if the acquisition would cause that person's voting power to increase above 20%. Canyon is a company listed on the ASX and is subject to this restriction. As a result, no person can increase its voting power in Canyon above 20% unless it meets one of the exemptions, which include acquisitions pursuant to a takeover bid, acquisitions of no more than 3% voting power in any 6 month period, and acquisitions that results from a scheme of arrangement under Part 5.1 of the Corporations Act.

Importantly, it is not a requirement of the Subscription Agreement that Canyon seek shareholder approval to allow EEA to exercise the Placement Options to increase its voting power in Canyon above 20%.

Accordingly, even if Resolution 3 is passed, there will be a limit on how many Placement Options EEA can exercise, as well as the circumstances of exercise.

EEA may be able to increase its voting power in Canyon above 20% in reliance on the exception in item 9 of section 611 of the Corporations Act, which permits a person who held voting power in a company of at least 19% for the period of 6 months before the acquisition, to increase its voting power by no more than 3% in any 6-month period.

4 Board Recommendation

The Board believes that it is in the best interests of the Company that Shareholders **VOTE IN FAVOUR** of all Resolutions. This is the unanimous recommendation of the Board, and each Director intends to vote or procure the voting of, all Shares which they control **IN FAVOUR** of all Resolutions.

GLOSSARY

\$ means Australian dollars.

AEST means Australian eastern standard time.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

AWST means Australian western standard time as recognised in Perth, Western Australia.

Board means the Directors.

Chair or Chairman means the individual elected to chair any meeting of the Company from time to time.

Company or **Canyon** means Canyon Resources Limited ABN 13 140 087 261.

Constitution means the Company's constitution, as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

EEA means Eagle Eye Asset Holdings Pte. Ltd. (UEN 202017880Z).

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Listing Rules means the ASX Listing Rules.

Meeting means the General Meeting convened by the Notice.

Notice means this Notice of General Meeting.

Notice of Meeting means this Notice of General Meeting.

Option means an option to acquire a Share.

Placement Options means 202,900,000 unlisted Options proposed to be issued to EEA under the Strategic Placement, each with an exercise price of \$0.07 and an expiry date of 10 August 2025 and on the terms set out in Annexure A to this Explanatory Memorandum.

Placement Shares means 202,900,000 Shares issued to EEA under the Strategic Placement at an issue price of \$0.06 each.

Project means the Company's Minim Martap Bauxite Project located in Cameroon.

Proxy Form means the proxy form accompanying the Notice by way of email where the Shareholder has elected to receive notices by email, or the personalised proxy

form accompanying the postcard circulated by way of post where the Shareholder has not elected to receive notices by email.

Resolution means a resolution contained in the Notice.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

Strategic Placement has the meaning given to that term on page 6.

Annexure A – Terms of the Placement Options


The terms of the Placement Options are as follows:


- (a) Each Placement Option entitles the holder to subscribe for one Share upon the payment of the exercise price of \$0.07 per Placement Option (**Exercise Price**).
- (b) No cash consideration is payable for the issue of the Placement Options.
- (c) The Placement Options will expire at 5.00 pm, AWST on 10 August 2025 (**Expiry Date**).
- (d) The Placement Options are transferable subject to the Holding Lock imposed in accordance with the subscription agreement.
- (e) The Placement Options will not be quoted.
- (f) There are no participating rights or entitlements inherent in these Placement Options and the holder of the Placement Options will not be entitled in its capacity as the holder of Placement Options only to participate in new issues of capital that may be offered to shareholders during the currency of the Placement Option, unless and until the Placement Options are exercised.
- (g) Subject to all applicable laws and clause (h), the holder has the right to exercise the Placement Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Placement Options.
- (h) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Placement Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (i) The Placement Options shall be exercisable by paying the Exercise Price and following the process set out in clause (j).
- (j) The Placement Options may be exercised by the delivery to the registered office of the Company of a notice in writing (**Exercise Notice**) stating the intention to exercise all or a specified number of Placement Options accompanied by an Options Certificate and a cheque made payable to the Company or an electronic payment, of the aggregate Exercise Price of the Placement Options being exercised. The Exercise Notice and cleared funds must be received by the Company during the Exercise Period. An exercise of only some Placement Options shall not affect the rights of the holder to the balance of the Placement Options held.
- (k) The Company shall allot the resultant Shares and deliver or arrange delivery of a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Placement Options.
- (l) The Shares allotted shall rank, from the date of allotment, equally with the then existing ordinary Shares of the Company in all respects, subject to any remaining Escrow Period.
- (m) If there is a bonus share issue as defined in the ASX Listing Rules (**Bonus Issue**) to Shareholders, the number of Shares over which a Placement Option is exercisable will be increased by the number of Shares which the holder would have received if the Placement Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.

- (n) If there is a pro rata issue (other than a Bonus Issue) to Shareholders during the currency of, and prior to the exercise of any Placement Options, the Exercise Price of a Placement Option will be reduced according to the formula provided for in the ASX Listing Rules (whether or not the Company is listed on the ASX at the time).
- (o) The Placement Options will not give any right to vote or to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Placement Options.
- (p) Within 5 Business Days after the Placement Options are exercised, the Company will:
 - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Placement Options validly exercised;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (iii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.

If the Company is required but is unable to deliver a notice under paragraph (p)(ii) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC within 20 business days after the date the Placement Options are exercised a 'cleansing prospectus' prepared in accordance with the Corporations Act and do all such things necessary to ensure that an offer for sale of the Shares does not require disclosure to investors.

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (AWST) on Sunday, 26 February 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 182103

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Canyon Resources Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Canyon Resources Limited to be held at Gilbert + Tobin, Level 16, Brookfield Place Tower 2, 123 St Georges Terrace Perth WA 6000 on Tuesday, 28 February 2023 at 3:00pm (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Ratification of the issue of Placement Shares to EEA under the Strategic Placement under Listing Rule 7.1 capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of the issue of Placement Shares to EEA under the Strategic Placement under Listing Rule 7.1A capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Proposed Issue of Placement Options to EEA under the Strategic Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number <input type="text"/>	Email Address <input type="text"/>
---------------------------------------	---------------------------------------

