

September 2024 Quarterly Activities Report

Key Highlights

- **Mining Licence and Mining Convention granted, allowing Canyon and its subsidiary, Camalco SA to mine and export bauxite at the flagship Minim Martap Project**
- **Mining Licence provides tenure over Minim Martap for an initial period of 20 years, with development work required within two years and exploitation and production within five years from date of the Mining Licence**
- **Award of the Mining Licence and Convention following an extensive approval process, highlighting the strong levels of support for Minim Martap from the Cameroon authorities**
- **Canyon focused on completing a strong pipeline of activities over the next 12 months, including the development of significant infrastructure solutions for port and rail access**
- **Drilling program at the Makan and Ngaoundal permits ongoing with results expected in Q4 2024**
- **Appointment of Mr Dondo Mogajane as Non-Executive Director**
- **The Company had a cash balance of AUD \$20.3 million at Quarter end**

Canyon Resources Limited (ASX: CAY) ("Canyon" or "the Company") is pleased to report on activities at the 100%-owned Minim Martap Bauxite Project ("Minim Martap" or "the Project") in Cameroon, for the quarter ended 30 September 2024 ("the Quarter").

MINIM MARTAP BAUXITE PROJECT (100% CAY)

Mining Convention and Mining Licence Signed

Following an extensive approval process, Canyon Resources received both the Mining Convention and Mining Licence, which paves the way for the Company to ramp up development activities at Minim Martap.

The Mining Convention was granted in July and the Mining Licence in September. The award of both key permits in quick succession of each other demonstrates the strong levels of support for the Project from the Cameroon authorities and importantly, allows Canyon Resources and its subsidiary Camalco SA to mine and export bauxite and alumina at Minim Martap.

Entry into the Mining Convention was a requirement ahead of the grant of the Mining Licence for the Project area.

The Mining Licence provides tenure over Minim Martap for an initial period of 20 years, with the ability to renew for one or more periods not exceeding 10 years each. Development work is required to commence within two years, and exploitation and production within five years from the date of the Mining Licence.

The signing of the Mining Convention for Minim Martap was completed in late July at a ceremony attended by Camalco's Chief Executive Officer, Mr. Rana Pratap Singh and the Interim Minister of Mines, Fuh Calistus Gentry.

The Mining Licence was formally executed during a signing ceremony attended by Chief Executive Officer, Mr. Jean-Sebastien Boutet and the Interim Minister of Mines, Industry and Technological Development, Pr Fuh Calistus Gentry.

With critical permits in place, Canyon Resources is focused on completing a strong pipeline of activities over the next 12 months. Key workstreams underway include negotiations in relation to rail and port access agreements, the revised Bankable Feasibility Study, as well progressing discussions with various parties in relation to potential offtake and financing opportunities.



Figure 1: Mining Convention signing ceremony



Figure 2: Sonamines General Manager, Mr Serge Hervé, Camalco CEO Mr Rana Pratap Singh, Interim Minister of Mines, Industry and Technological Development, Pr Fuh Calistus Gentry, Canyon Resources CEO Mr Jean-Sebastien Boutet, EEA Country Head Mr Anshum Khandelwal.

Exploration Program

Drilling across the Makan and Ngaoundal permits is nearing completion. Led by Camalco operators and supported by SRK Mining and exploration consultants, the program was expanded with a primary focus on increasing the current Resource in size and scale.

Following completion of the program, Canyon will focus on undertaking an updated Mineral Resource Estimate and incorporating the results into the revised Bankable Feasibility Study.

ASX Listing Rule Information

In accordance with ASX Listing rule 5.3.3, the Company advises:

- No tenements were acquired or disposed of during the Quarter;
- No farm-in or farm-out agreements were entered into during the Quarter; and
- The following tenements were held at the end of the Quarter:

PERMITS	Ministry Order Number	LICENCE NUMBER	LOCATION	AREA (KM ²)	STATUS	BENEFICIAL INTEREST
<u>MINIM MARTAP PROJECT</u>						
Ngaoundal	AR000069/A/MINMIDT/SG/DM/SDCM of February 25, 2022	514	Cameroon	180	Live	100%
Minim Martap	AR000476BIS/A/MINMIDT/SG/DM/SDCM of July 11, 2018	513	Cameroon	499	Live	100%
Makan	AR000068/A/MINMIDT/SG/DM/SDCM of February 25, 2022	566	Cameroon	302	Live	100%

In accordance with ASX Listing rule 5.3.5, the aggregate amount of payments made to related parties and their associates for the Quarter is ~\$79,000. These payments consisted of Director's fees, salaries and superannuation and were made on normal commercial terms.

Corporate

Board Changes

Canyon appointed Mr Dondo Mogajane as a Non-Executive Director, replacing Mr David Netherway who retired from the Board after ten years.

Mr Mogajane is a highly regarded South African based executive, who brings over 25 years' experience working across key divisions for the Ministry of Finance and National Treasury. He has held leadership roles including Chief of Staff and Head of Ministry for the South African Ministry of Finance, Deputy Director (General) for Public Finance and held the position of Director-General of the National Treasury for five years from June 2017.

Mr Mogajane was also seconded to the World Bank in Washington DC as a Senior Advisor representing Africa Group 1 countries. During his time at the World Bank, he also served as a member on both the Audit and Risk Committee and Committee on Governance and Administration.

Mr Mogajane is the Chief Executive Officer of diversified investment company the Moti Group and is Chairman of the Board of Trustees of the Government Employees Pension Fund (GEPF), Pan African Infrastructure Development Fund and Board of Directors of the New Development Bank (BRICS).

Mr Netherway first joined the Board of Canyon in 2014. During his tenure with the Company, Mr Netherway assumed the role of Chairman in 2016 and then transitioned back to Non-Executive Director in December 2020.

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Throughout the ten years Mr Netherway served on the Board, Canyon has successfully grown and developed Minim-Martap into a globally significant, high-grade bauxite development Project

General Meeting

The Company held a General Meeting on the 9th September and all resolutions were passed by way of a poll.

Financial Position

During the Quarter, expenditure on the Project totalled \$2.2 million as disclosed in the accompanying Appendix 5B and focused on maintaining the tenements that the Company holds.

The Company had a cash balance of AUD \$20.3 million at Quarter end.

ENDS

This announcement has been approved for release by the Board of Canyon Resources Limited

Announcement

30 October 2024



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Mineral Resources Estimate

The data in this announcement that relates to the Mineral Resource estimates for the Project is based on information in the announcement of 11 May 2021 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 as presented have not been materially modified from the original market announcement

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.

About Canyon Resources

Canyon Resources is developing its flagship Minim Martap Bauxite Project in Cameroon, which contains over 1 billion tonnes of high-grade, low contaminant bauxite, with significant exploration upside.

Minim Martap is a world-class Project supported by a Bank Feasibility Study released in June 2022. Results from the BFS confirmed Minim Martap as a robust long-term project, containing some of the highest-grade bauxite globally for an initial 20 years of mining.

The 20-year mining schedule represents only 10.6% of the current Minim Martap Resource and technical studies have identified opportunities for a significant future increase in production tonnages.

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Cameroon has enjoyed successful development and construction of industry and infrastructure, particularly agriculture, roads, railways and ports, including a hydro-electric powered aluminium smelter at Edea, utilising imported alumina. Importantly, Cameroon provides a solid foundation to support a significant mining industry, from fundamental infrastructure and mineral deposits to a highly skilled population with experience in technical vocations, exploration, construction and mining.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Canyon Resources Limited

ABN

13 140 087 261

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(2,248)	(2,248)
	(b) development		
	(c) production		
	(d) staff costs	(541)	(541)
	(e) administration and corporate costs	(456)	(456)
1.3	Dividends received (see note 3)		
1.4	Interest received	432	432
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(2,813)	(2,813)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(126)	(126)
	(d) exploration & evaluation	(1,217)	(1,217)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(1,343)	(1,343)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	2,764	2,764
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(15)	(15)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	2,749	2,749

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	22,166	22,166
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,813)	(2,813)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,343)	(1,343)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,749	2,749

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(470)	(470)
4.6	Cash and cash equivalents at end of period	20,289	20,289

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,889	2,766
5.2	Call deposits	14,400	19,400
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	20,289	22,166

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	79
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,813)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,217)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,030)
8.4	Cash and cash equivalents at quarter end (item 4.6)	20,289
8.5	Unused finance facilities available at quarter end (item 7.5)	
8.6	Total available funding (item 8.4 + item 8.5)	20,289
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.03
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: n/a		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: n/a		

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 OCTOBER 2024.....

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.