



12 October 2017

Mr Sebastian Bednarczyk  
ASX Compliance Pty Ltd  
Level 40, Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

By E Mail; [Sebastian.Bednarczyk@asx.com.au](mailto:Sebastian.Bednarczyk@asx.com.au) [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au)

Dear Mr Bednarczyk

### **Price and Volume Query**

Canyon Resources Limited ("the Company") refers to the ASX Compliance Pty Ltd query letter dated 12 October 2017 regarding the price and volume movements of the Company's Securities. The Company wishes to advise the following:

1. The Company is not aware of any information that has not already been announced which might explain the recent trading in the Securities of the Company.
2. Not Applicable.
3. The Company notes the following matters as possible explanations for the recent price and volume movements:
  - I. The Company recently announced an underwriting of its unlisted \$0.06 option series which expired on 29 September 2017. When complete this will result in approx. \$2.5m in capital being received by the Company which places the Company in a stronger financial position and in the absence of any particular reason, removes the need for the Company to undertake a capital raising in the short to medium term.
  - II. The Company notes the recent relative strength in the global Alumina and Bauxite markets. As previously announced to the market the Company continues to work with the Government of Cameroon in relation to opportunities in the bauxite industry of that country. This process is ongoing.
4. The Company confirms it is in compliance with the Listing Rules and in particular, Listing Rule 3.1.
5. The Company confirms that the responses outlined above have been authorised and approved in accordance with its published continuous disclosure policy.

Yours faithfully

A handwritten signature in black ink, appearing to read "Robert Marusco", written over a horizontal line.

**Robert Marusco**  
**Company Secretary**



12 October 2017

Robert Marusco  
Canyon Resources Limited  
Level 3, 9 Bowman Street  
SOUTH PERTH WA 6151

By email

Dear Mr Marusco

**CANYON RESOURCES LIMITED ("CAY"): ASX PRICE AND VOLUME QUERY**

We note the change in the price of CAY securities from a closing price of \$0.093 on Wednesday, 11 October 2017, to an intra-day high at the time of writing of \$0.125 today, Thursday, 12 October 2017.

We also note an increase in the volume of CAY's securities traded in the past few days.

In light of this, ASX asks CAY to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Is CAY aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
  - a) Is CAY relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in CAY's securities would suggest to ASX that such information may have ceased to be confidential and therefore CAY may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that CAY may have for the recent trading in its securities?
4. Please confirm that CAY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that CAY's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CAY with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, **by not later than 10.00 am (WST) today, Thursday, 12 October 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in CAY's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CAY's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be **sent to me by e-mail** at [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au). It should **not** be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to CAY's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that CAY's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

#### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in CAY's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Sebastian Bednarczyk  
**Senior Adviser, ASX Listings Compliance (Perth)**