



ASX Code : CAY

11 April 2019

**DIRECTORS &
MANAGEMENT**

David Netherway
Chairman

Phillip Gallagher
Managing Director

Emmanuel Correia
Non-executive Director

Steve Zaninovich
Non-executive Director

John Lewis
Company Secretary

**CANYON RESOURCES
LIMITED**

L9/863 Hay street,
Perth 6000

P.O Box 7606 Cloisters
Square 6850

P 08 6382 3342
F 08 9324 1502

info@canyonresources.com.au
canyonresources.com.au

ACN 140 087 261
ABN 13 140 087 261

Canyon survey identifies 70 new bauxite targets at Minim Martap

Highlights

- **High definition airborne LiDAR survey defines more than 70 new bauxite plateaux on Canyon's Minim Martap Project.**
- **Less than 35% of Minim Martap's target plateaux have been drill tested.**
- **None of the new plateaux are included in the current 550 mt resource.**
- **Canyon will use survey data to plan drilling on the largest and most prospective targets, to increase the Minim Martap resource.**
- **Survey further confirms Minim Martap's status as a global tier 1 bauxite deposit.**

Canyon Resources Ltd (ASX: CAY) is pleased to report a LiDAR (light imaging, detection and ranging) and high resolution ortho-photographic survey of the Company's Minim Martap Project area in Cameroon has identified more than 70 additional bauxite plateaux across its three permits.

Canyon processed data from the LiDAR survey into a highly accurate and detailed digital elevation model (DEM), which identified the exact size, location and elevation of more than 70 additional plateaux on the Minim Martap, Makan and Ngaoundal permits, which are not already included in the existing Mineral Resource Estimate for the project.

These newly identified plateaux represent 65% of all the plateaux surface area identified at the target elevation on the three Minim Martap Project permits. To date, plateaux investigated at this elevation have consistently contained 7m-15m thick, high-grade, low contaminant bauxite. The 70 new plateaux represents an additional area of 65.4km² compared with the current resource area which is identified across 35.6km².

Sampling and field mapping in conjunction with spatial analysis of the LiDAR data confirmed the relationship between elevation, geomorphology and the grade of Al₂O₃, level of SiO₂ contaminant and the thickness of the bauxite on one of the plateaux.

Canyon is also using the LiDAR survey data and high-resolution images to support our Environmental and Social studies.

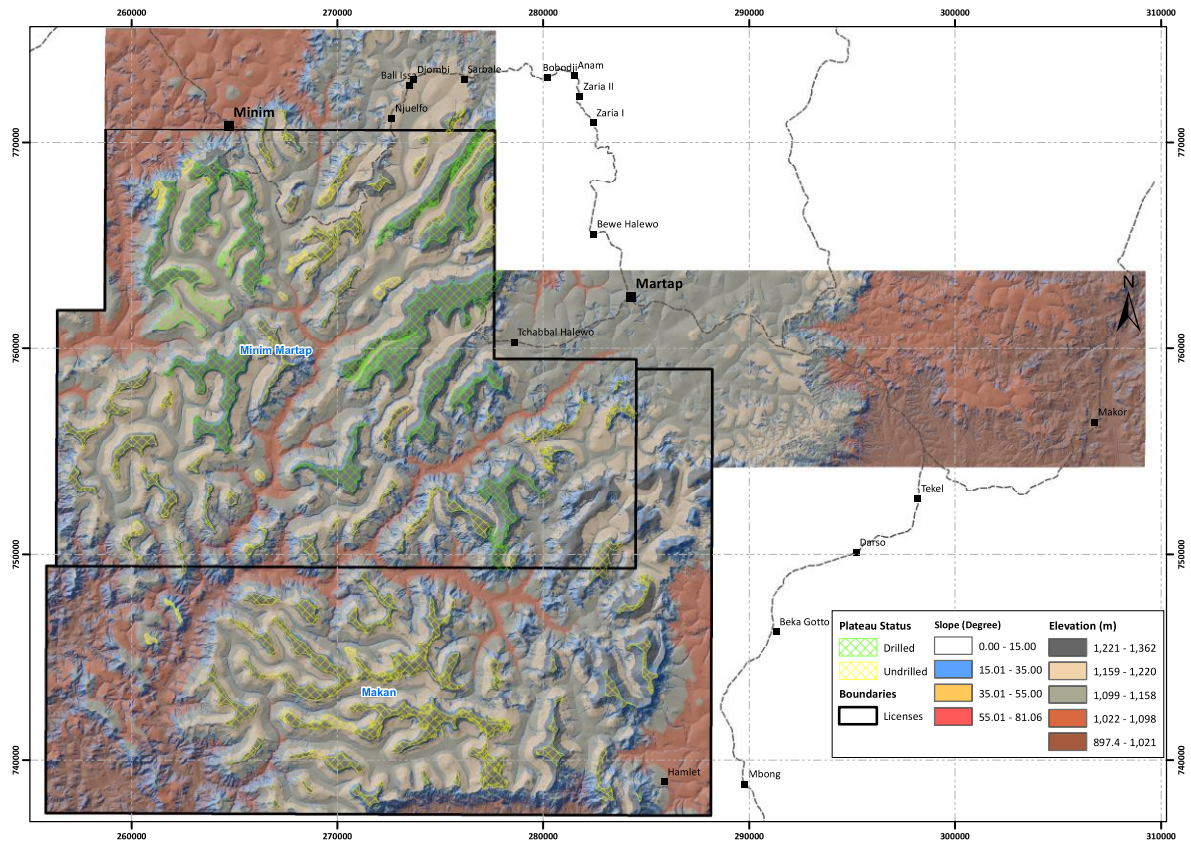


Figure 1: DEM highlighting drilled and undrilled plateaux on the Minim Martap and Makan permits. All the highlighted plateaux are within the similar elevation range as the existing high-grade bauxite plateaux.

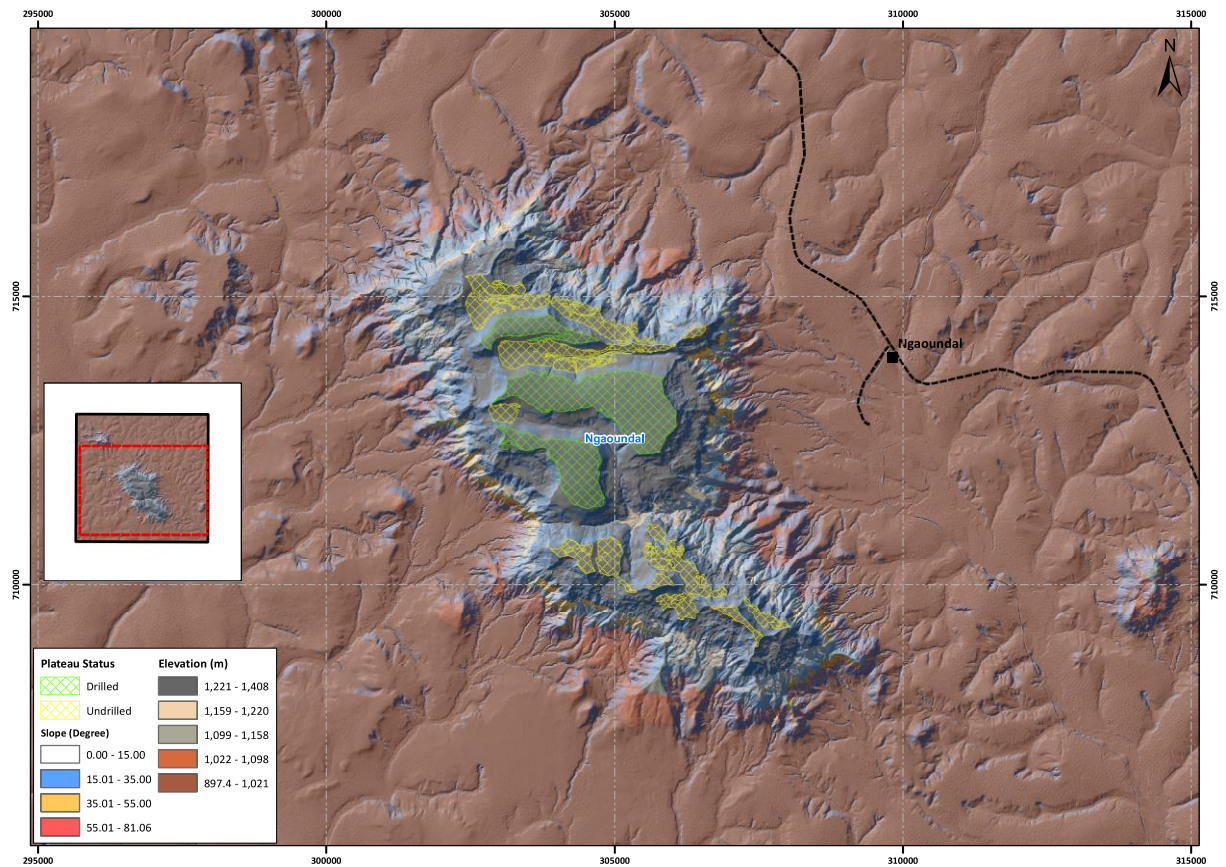


Figure 2: DEM highlighting drilled and undrilled plateaux on the Ngaoundal permits. All the highlighted plateaux are within the similar elevation range as the existing high-grade bauxite plateaux.

Canyon's Chief Geologist Alexander Shaw said, "The LIDAR survey confirmed the existence of more than 70 untested plateaux within the project area that have the same visual characteristics as the plateaux that have been previously drilled. The additional plateaux represent a 188% increase in the identified surface area at the same elevation as the 14 plateaux which comprise the current Minim Martap resource. Characteristics of the new plateaux resemble those already tested, and the Company has a high level of confidence that this survey data provides a catalyst for further expansion of the Minim Martap resource."

"Canyon is using the images and data from the survey to target high-priority exploration areas for future drilling and to design access routes into those areas. This will ensure that we target the largest and most prospective plateaux across the Project area. This field work can happen relatively quickly and cost effectively utilising our own RAB drilling rig as the drilling is at reasonably shallow depths."

Canyon's Managing Director Phillip Gallagher said, "This LiDAR survey is the first time a detailed survey of all the bauxite plateau on the Minim Martap project has ever been completed. It is pleasing to see that the untested bauxite plateaux that can be seen into the distance when visiting the Project, are all at a similar elevation as the identified high-grade bauxite plateaux. Our past experience from the Birsok Project confirmed that the elevation of a bauxite plateau in that region is a key driver of the grade, level of contaminants and width of the bauxite on the plateau."

"The Minim Martap Project has the potential to be one of the largest and highest grade bauxite deposits globally and it is located alongside operating and accessible rail infrastructure."

The Minim Martap Project has a JORC (2012) compliant resource of 550 million tonnes at an average grade of 45.5% total Al₂O₃ and total 2.06% SiO₂¹. On 12 March 2019, the Company announced a very high-grade resource of 250.9 million tonnes at 50.8% Al₂O₃ (total) and 1.9% SiO₂ (total) as part of this resource, validating Canyon's theory the project is one of the highest grade, very low silica bauxite resources globally.

With infrastructure partner Mota Engil Africa, Canyon has assessed rail transport options using the existing Cambrai rail network located adjacent to the Minim Martap Project as part of its plans to develop the project, and is aiming to provide a funding solution for the design, construction and operation of a rail line link to the deepwater port at Kribi to present to the Government of Cameroon.

Enquiries:

PHILLIP GALLAGHER | Managing Director | Canyon Resources Limited

T: +61 8 6382 3342

E: info@canyonresources.com.au

NATHAN RYAN | Investors and Media | NWR Communications

T : +61 420 582 887

E : nathan.ryan@nwrcommunications.com.au

¹ See announcement dated 20 September 2018

The Minim Martap Bauxite Project

The Minim Martap Project is located in the Adamawa region of Cameroon, adjacent to Canyon's existing Birsok Bauxite Project, encompassing two deposits, Ngaoundal and Minim Martap, which are located within 25km of each other. The total area of the permits is 1,349 km².

The three exploration permits are valid for a three-year period and contain a number of predefined work commitments that are consistent with the Company's development proposal.

Previous work completed by Canyon Resources on the contiguous Birsok Project, sometimes sharing plateaux with the Minim Martap Project, has given the Company a strong understanding of the physical and geochemical characteristics of the local bauxite. The bauxite is generally high alumina, low total & reactive silica, high gibbsite, low boehemite and low on other contaminants.

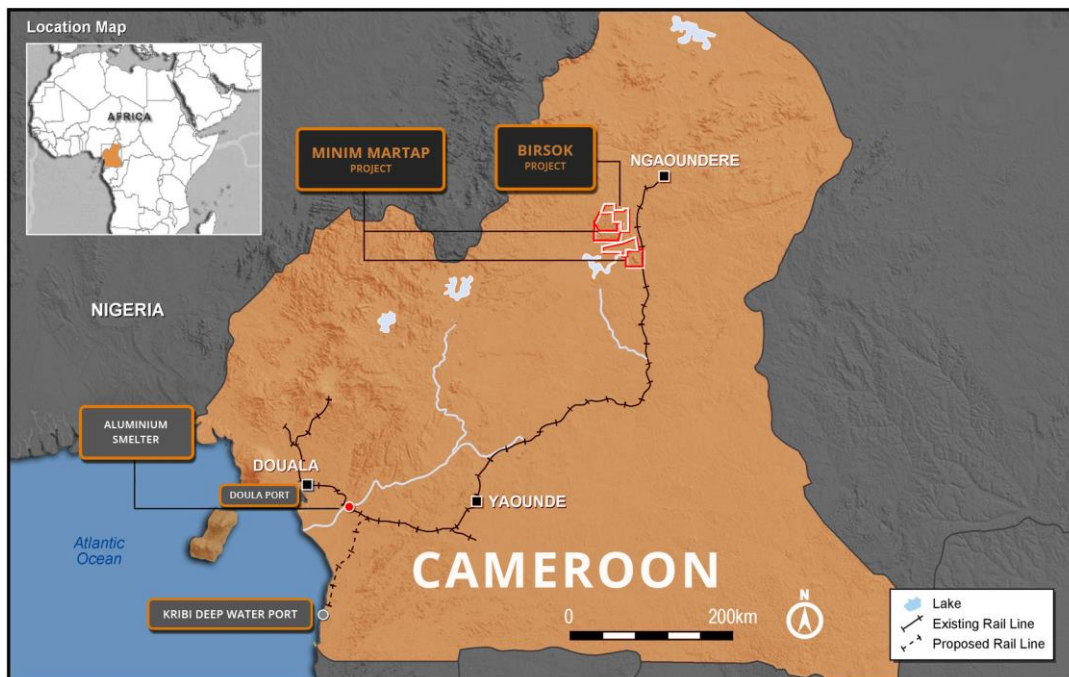


Figure 4: Location map of the Minim Martap & Birsok Bauxite Projects in Cameroon.

COMPETENT PERSON'S STATEMENT

The information in this ASX release that relates to previous exploration results is based upon information from the report titled Minim Martap-Ngaoundal Bauxite Deposit Exploration Program and Resource Assessment by SRK Consulting (Australasia), September 2009 and available data compiled by Dr Alexander Shaw, Chief Geologist of Canyon Resources Ltd. Dr Shaw is a Member of the Australian Institute of Geoscientists (AIG) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Dr Shaw consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The Resources information in this ASX release is based on, and fairly represents, data and supporting documentation prepared by, or under the supervision, of Dr Bruce McConachie. Dr McConachie is an Associate Principal Consultant of SRK Consulting (Australasia) Pty Ltd based in Brisbane and has a PhD (Geology) from QUT and is a member of AusIMM, AAPG and SPE. The Resources information in this ASX announcement was issued with the prior written consent of Dr McConachie in the form and context in which it appears.

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.