



## **CANYON ANNOUNCES SUCCESSFUL CAPITAL RAISING OF \$2,500,000 AND SHARE PURCHASE PLAN.**

Canyon Resources Limited (ASX:CAY) (Canyon or the Company) is pleased to announce that it has received commitments to undertake a share placement of 15,625,000 fully paid ordinary shares in the Company (Shares) to both existing and new sophisticated shareholders at an issue price of \$0.16 per share (Placement).

The funds from the Placement will predominantly be used for:

- Accelerating the delivery of the PFS on the Minim Martap Project; and
- Working Capital.

### **Details of the Placement**

Pursuant to the terms of the Placement the Company will issue 15,625,000 Shares in the Company at an issue price of \$0.16 per share to raise \$2,500,000 before costs associated with the Placement. The Shares will be placed to institutional and sophisticated investors and completion of the Placement is expected to occur this week.

The Placement is being conducted within the Company's existing capacity pursuant to Listing Rule 7.1.

### **SPP**

As a result of significant interest shown by existing shareholders who were unable to participate in the Placement, the Board of Canyon has also resolved to undertake a Share Purchase Plan (SPP) to raise up to \$1,500,000 allowing eligible shareholders to participate on the same terms and conditions as the Placement.

Eligible shareholders from Australia and New Zealand on the register as at the record date of 5pm (AWST) on 13<sup>th</sup> December 2019 will be able to participate in the SPP to subscribe for up to \$30,000 Shares at the same price as the Placement.

Further information in relation to the SPP, including SPP terms and conditions will be outlined in the SPP offer booklet which is expected to be dispatched to eligible shareholders on 23 December 2019.

The indicative timetable for the SPP takes into account the fact that the SPP is being launched over the Christmas and New Year period.

The indicative timetable for the SPP is as follows:

Record date for SPP	13 December 2019
Announcement Date	16 December 2019
SPP letter dispatch to security holders	23 December 2019
SPP opening date	23 December 2019
SPP closing Date	24 January 2020
Allotment of New Shares issued under the SPP	29 January 2020
ASX quotation of the New Shares issued under the SPP	31 January 2020
Dispatch of confirmation statements	On or about 31 January 2020

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Commenting on the completion of the Placement, Canyon MD Phillip Gallagher said:

*“Canyon is delighted with the response to this Placement and would like to acknowledge the support of its existing shareholders. The announcement of the SPP will give all existing shareholders the chance to also participate in this capital raising.*

*The recent announcements by Canyon of the upgraded Minim Martap Resource<sup>1</sup>, and the Scoping Study<sup>2</sup> results demonstrate that Stage-1 of the Minim Martap Project is a robust, stand-alone project underpinned by a Tier-1 Bauxite Resource. This capital raising will assist Canyon in accelerating the expanded Stages 1 and 2 within the PFS. “*

**Please direct all enquiries to :**

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**This announcement has been approved for release by the Board.**

A handwritten signature in black ink, appearing to read 'John Lewis', with a large, stylized initial 'J'.

**John Lewis**

**Company Secretary**

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<sup>1</sup> For further details see the Announcement dated 27 September 2019.

<sup>2</sup> For further details see the Announcement dated 26 November 2019

### The Minim Martap Bauxite Project

The Minim Martap Project is located in the Adamawa region of Cameroon, West Africa adjacent to Canyon's existing Birsok Bauxite Project. The project encompasses the Nguoundal and Minim Martap deposits, which are located within 25km of each other.

The Project is adjacent to an operating rail line with ore transport capacity and a proposed extension to the Kribi port which has the ability to direct ship load Panamax size vessels.

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. The total area of the permits is 1,349 km<sup>2</sup>.

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.

