



# Canyon continues to progress Minim Martap infrastructure solutions

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## Highlights

- **Douala Port Authority** has presented three potential berth and storage allocations for Minim Martap Bauxite Project
  - Cameroon rail operator **Camrail** aligned to the proposed process to formalise grant of rail access for Canyon following successful meeting with senior rail executives
  - **Kribi Port Authority** proposes Cape size vessel berth and storage location for Stage 2 of Minim Martap Project
  - **PFS** progressing on track for release in Q2 2020
  - **PFS** underpinned by Minim Martap's JORC 2012 mineral resource estimate of **892Mt at 45.1% Al<sub>2</sub>O<sub>3</sub>, 2.8% SiO<sub>2</sub>**  
(Cut-off Grade 35% Al<sub>2</sub>O<sub>3</sub>)<sup>1</sup>.
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Canyon Resources Limited (**Canyon** or the **Company**) is pleased to provide an update in relation to the infrastructure solutions proposed for the Minim Martap Bauxite Project (Minim Martap) following further successful in country meetings with senior executives.

As previously announced, Canyon completed a Scoping Study in November 2019<sup>2</sup> which supports a two-stage, two-port development strategy for Minim Martap, exporting bauxite through the Douala port as a Stage 1 standalone project, with a higher output planned for Stage 2, which would use the Kribi deep-water port.

The Camrail, Douala Port Authority and Kribi Port Authority executive teams met with the senior Canyon project team as part of Canyon's recent consultant and contractor site visit to accelerate the technical and commercial elements of Minim Martap.

Camrail representatives supported the pathway proposed by Canyon to formalise the working relationship between the two entities and to progress technical and commercial solutions to support the ongoing Minim Martap project.

Canyon presented a similar formalised path to the Douala and Kribi Port representatives, who were also supportive of the Company's proposal. The parties agreed to formalise the development pathway including timelines and outcomes to expedite the process and execute access agreements.

During meetings with senior commercial and technical executives of the Douala Port Authority, Canyon completed a formal port tour, including visiting three proposed bauxite loading areas with designed berth depths of over 7m. The Douala port is undergoing renovations and de-silting on berths during 2020 and 2021 including the berths proposed to Canyon.

Since the meeting Canyon has reviewed the presented berthing points and progressed with initial engineering designs. These have confirmed the suitability of the available berthing locations in alignment with the Company's development plans.

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<sup>1</sup> Refer to ASX announcement released by Canyon on 27 September 2019.

<sup>2</sup> Refer to ASX Announcement release by Canyon on 26 November 2019.

Canyon is not aware of any information or data that materially affects the information included in either of these announcements and all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed

Canyon staff and consultants viewed the proposed bauxite loading berth at the Kribi port, with discussions around the use of the future mineral loading facility designed to support bulk commodities including iron ore.

Following the Port meeting, the study group travelled the 300m wide road and rail access corridor that will link the Kribi Port to the existing rail and road infrastructure.

Canyon’s Director of Projects James Durrant, who led discussions, said: “Achieving alignment with all key stakeholders on a clear path to progress access agreements for port and rail is a significant step in the commercial development of Minim Martap’s supply chain solution.

“The support for our project is fantastic and we are confident that we have the right team and partners both in-country and globally to ensure the success of this country critical project.”



Figure 1 – Canyon’s study and development team meeting with Camrail executives.



Figure 2 – Canyon’s study and development team at the berth nominated by the Douala Port Authority for bauxite exports.

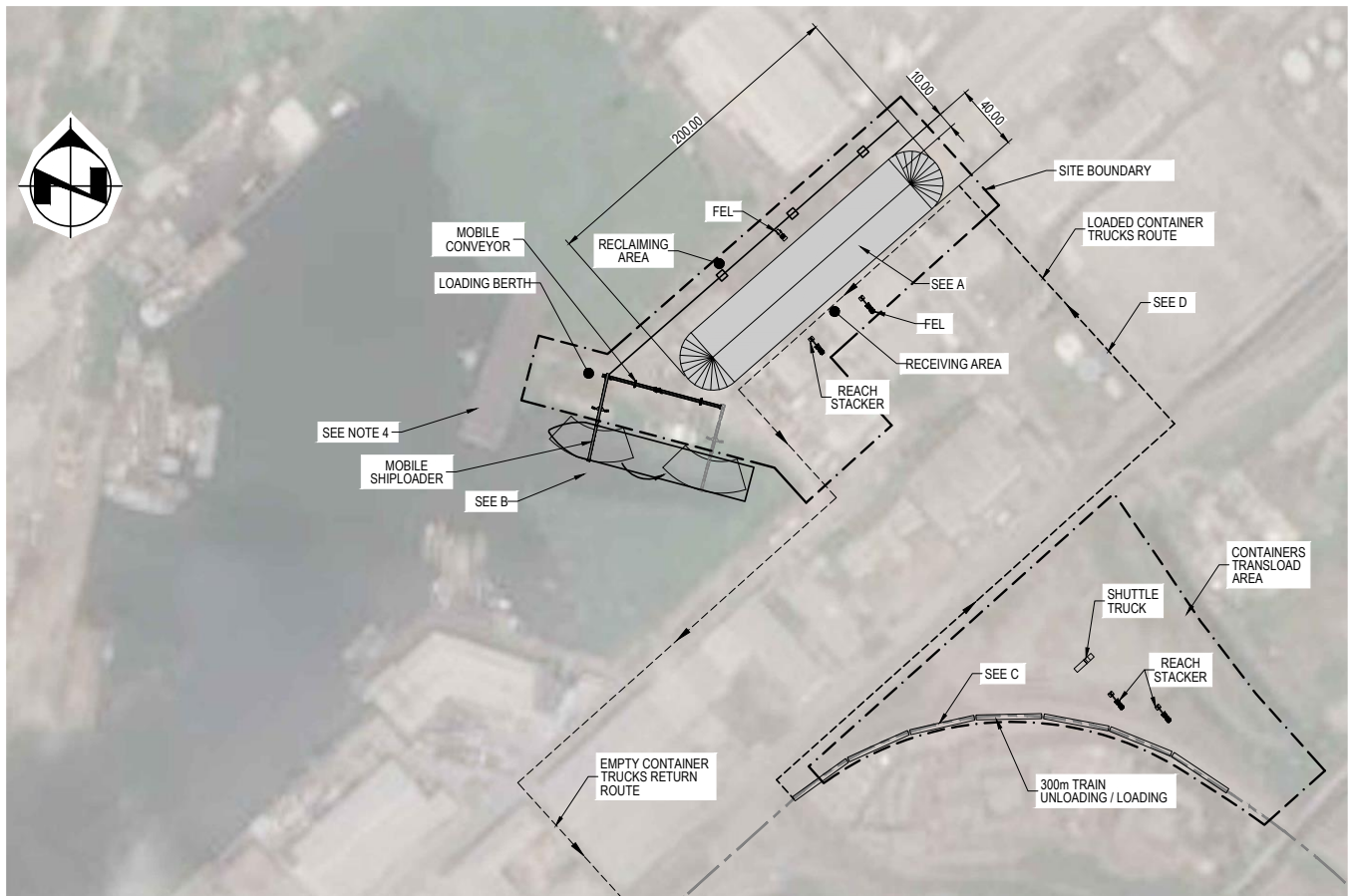


Figure 3 – Example of draft engineering drawings showing the suitability of the proposed Douala berth for bauxite export.



Figure 4 – Canyon's study and development team at the Kribi Port with the Port authority reviewing locations for Canyon's bauxite exports.



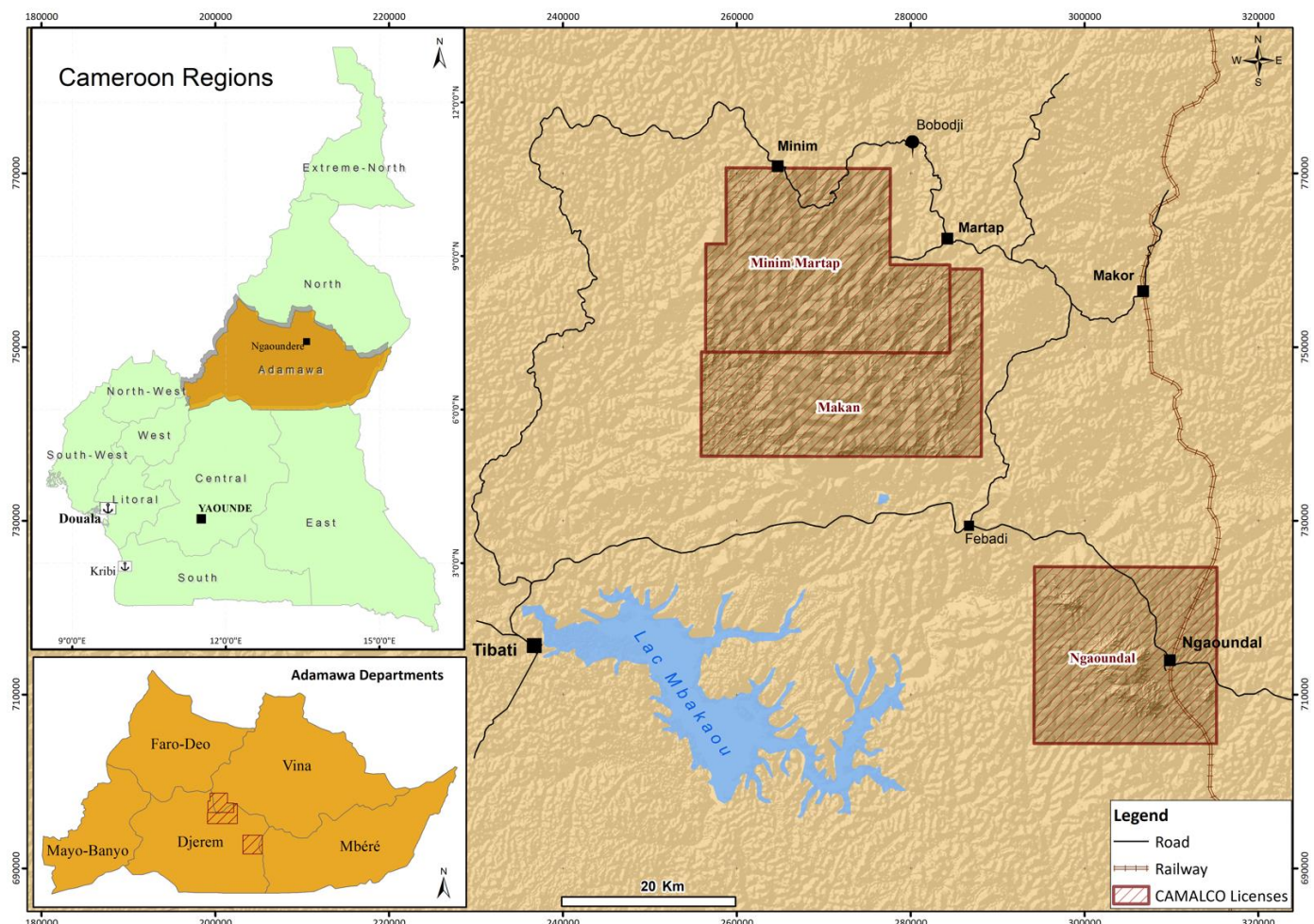
*Figure 5 – Canyon’s study and development team reviewing the transport corridor allocated for the future rail link to the Kribi Port.*

## About Canyon Resources

Canyon Resources is focussed on the development of the 100% owned Minim-Martap Bauxite project, a direct shipping ore (DSO) project development opportunity in central Cameroon. The project is situated adjacent to the main rail line linking the region to the Atlantic port of Douala. The rail line is currently underutilised and coupled with the existing port of Douala, supports a low capex, low opex solution to deliver high grade, low contaminant, seaborne bauxite to market to fuel the aluminium industry. Cameroon is planning a rail extension and is undergoing rail line debottlenecking upgrades giving longer term potential for export through the newly built, deep-water port of Kribi.

The Project is underpinned by a large, shallow, high-grade resource dominated by Gibbsite with low levels of reactive silica. The resource is hosted in a series of plateaux (see below). The Total Mineral Resource<sup>3</sup> estimate, which remains open in all directions, is 892 Mt at 45.1% Al<sub>2</sub>O<sub>3</sub>, 2.8% SiO<sub>2</sub> (Cut-off Grade 35% Al<sub>2</sub>O<sub>3</sub>). The estimate contains a high-grade Indicated portion of the resource of 410 Mt at 48.9% Al<sub>2</sub>O<sub>3</sub>, 2.6% SiO<sub>2</sub> (Cut-off Grade 45% Al<sub>2</sub>O<sub>3</sub>). Substantial zones within the resource present at greater than 50% Al<sub>2</sub>O<sub>3</sub> with very low contaminants.

Canyon is planning the development of the Project in a 2-Stage, 2-Port execution programme with initial production exported through the port of Douala utilising the existing rail and port infrastructure and Stage-2 unlocking tonnes and reducing costs by utilising the port of Kribi.



<sup>3</sup> Please refer to the ASX announcement released by the Company on 27 September 2019. The Company is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.

## Competent Person's Statement – Mineral Resources

The information in this announcement that relates to mineral resources is based on information compiled or reviewed by Mr Mark Gifford, an independent Geological expert consulting to Canyon Resources Limited. Mr Mark Gifford is a Fellow of the Australian Institute of Mining and Metallurgy 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Mr Gifford consents to the inclusion in the announcement of the matters based on his information 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.

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

**JOHN LEWIS**  
**COMPANY SECRETARY**

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