

30 June 2016

Canyon Resources Completes Capital Raising

The Directors of **Canyon Resources Ltd** (ASX: CAY) are pleased to announce the completion of a capital raising of approximately \$660,000 by the placement of 6 million shares to sophisticated and professional investors (Placement). The raising was priced at 11 cents per share.

The placement was managed by Barclay Wells Limited.

The funds raised will be used to meet ongoing costs associated with identification and evaluation of advanced project opportunities in Cameroon including the engagement of in-country consultants and lobbyists, ongoing evaluation of the Company's Birsok Bauxite Project, costs of the issue as well as general working capital.

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About Canyon Resources Limited

In 2013, Canyon announced a farm-in transaction to acquire up to 75% of the Birsok Bauxite Project in Cameroon, which is considered highly prospective for high grade DSO bauxite. The Birsok Bauxite Project is strategically located in an emerging bauxite region of Cameroon (Figure 2), contiguous with the world class Minim Martap bauxite deposit and approximately 10km from an operating rail line.

Canyon conducted an inaugural drilling program in 2014 which returned high grade, low impurity bauxite mineralisation over the key plateaux tested, with multiple intersections of >50% Al₂O₃. Canyon also commenced some early broad based laboratory testing of a selection of the drill samples to determine the suitability of the bauxite. Results on the priority plateaus were encouraging with good available Al₂O₃ and low reactive silica.

In addition to the bauxite assets, Canyon has an established portfolio of highly prospective mineral exploration projects in Burkina Faso, which cover an area of approximately 2,400km² over 13 permits in the Birimian greenstone belts of the West African craton.

