



## *Gold Exploration in West Africa*

ASX: CAY

April 2011



Canyon Resources Ltd  
ABN: 13 140 087 261

# Company Disclaimer and Competent Person Statement

## **Forward Looking Statements**

*Forward-Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Canyon Resources Ltd's exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Canyon Resources Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.*

## **Competent Person Statement**

*The information in this report that relates to Exploration Results has been compiled by Mr Chris Connell who is an employee of the Company. Mr Connell is a member of the Australian Institute of Geoscientists. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Chris Connell consents to the inclusion of the information in the form and context in which it appears.*



# Company Highlights

- Secured additional permits in Burkina Faso, that will double its land holding to over 2,000km<sup>2</sup>
- Copper and Zinc auger soil results have indicated potential for a VMS style deposit on the Taparko North Project over a 2.6km strike.
  - significant anomaly with peak values of Cu 0.2% and Zn 0.33%
- RC rig due to commence drilling on the Tao tenement in April 2011
- Identified several previously unknown prospects on its permits
- Current cash of \$4.6M on hand to fund planned exploration



# Corporate Snapshot

Canyon Resources Limited	ASX:CAY
Shares on Issue <sup>1</sup>	41.2 million
<b>Market Cap @ 50 cents</b>	<b>\$20.6 million</b>
Options on issue at 30c and 40c	12.5 million
Cash	\$4.6 million
Debt	\$nil
<b>Enterprise Value</b>	<b>\$16 million</b>

1. Shares on issue include 2,500,000 shares to be issued by 30 April 2011 to vendor of Askia Sarl Pty Ltd

Board and Management	
Chairman	Rhod Grivas
Managing Director	Phillip Gallagher
Non Exec. Director	Matt Shackleton
Exploration Mgr	Chris Connell
Company Secretary	Phil MacLeod

Top 5 Shareholders			Escrow
1. Board & Management	5,135,002	13.3%	06/12
2. Saruman Holdings P/L	1,500,000	3.89%	06/12
3. Kingslane Pty Ltd	1,200,000	3.11%	04/12
4. HSBC Custody Nominees	854,316	2.42%	
5. Mr Francois Ouedrago	600,000	1.56%	04/12

Top 20 hold 36.8% of shares

# About Burkina Faso

- ◀ A democratic country
- ◀ Under explored and highly prospective
- ◀ Modern mining code
- ◀ Strong Government and local support
- ◀ Good infrastructure



Country	% Greenstone Belt	+1Moz Gold Deposits
Ghana	19	110 Moz
Mali	10	33 Moz
<b>Burkina Faso</b>	<b>22</b>	<b>12 Moz</b>
Guinea	11	12 Moz
Ivory Coast	35	8 Moz
Senegal	3	3 Moz
<b>TOTAL</b>		<b>+178 Moz</b>

*Source: Ampella Mining Limited*

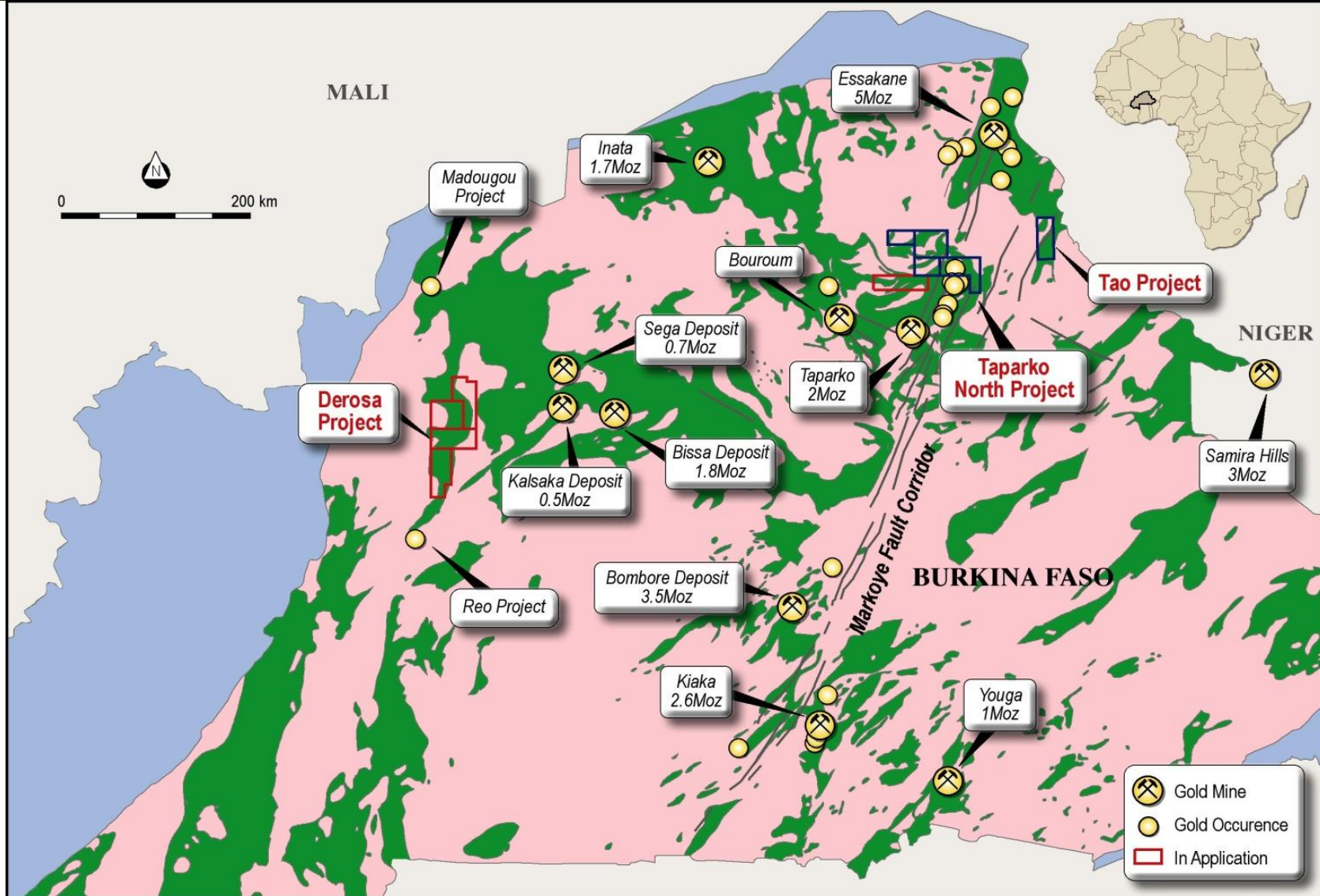
# Burkina Faso Projects

- ▶ Canyon has three highly prospective gold projects in the north of Burkina Faso
  - Taparko North Project
  - Tao Project
  - Derosa Project
- ▶ Canyon's Taparko North and Tao projects are along strike from operating multi million ounce gold mines;
  - Taparko (2MozAu)
  - Essakane (5MozAu)
- ▶ A total of 10 permits over 2,128km<sup>2</sup>
- ▶ Projects cover the Birimian Greenstones of West Africa in favourable geological and structural positions
- ▶ Strong relationships with successful explorers in Burkina Faso
- ▶ Currently assessing a number of other West African gold opportunities



# Burkina Faso Projects

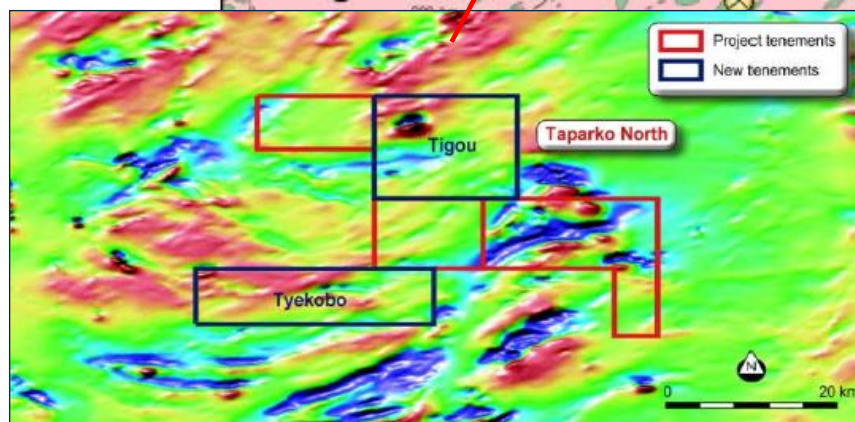
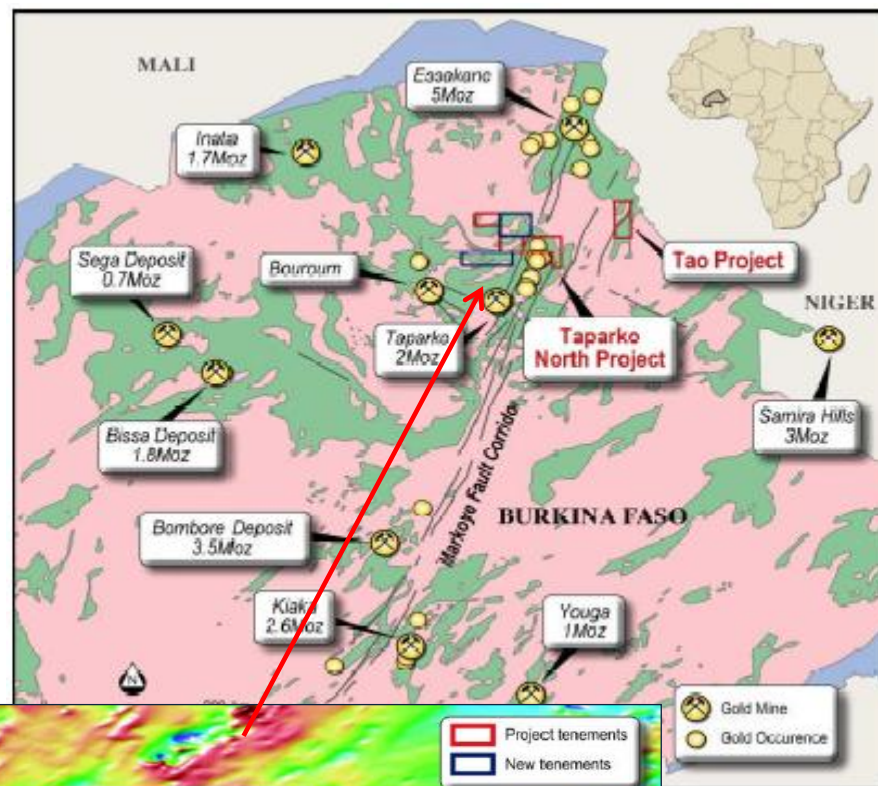
Red tenements  
are in  
application



# Taparko North Project

## Taparko North Project

- Located on the richly endowed Markoye Fault
- Ground holding recently expanded to include the Tigou and Tyekobo permits
- Soil sampling and rock chip results have indicated a potential VMS style deposit
- Along strike from the 2Moz Au Taparko Gold mine
- Active artisanal mining
- Auger drilling, soil sampling and rock chip analysis is underway
- Located along the main sealed road
- Access to water and power

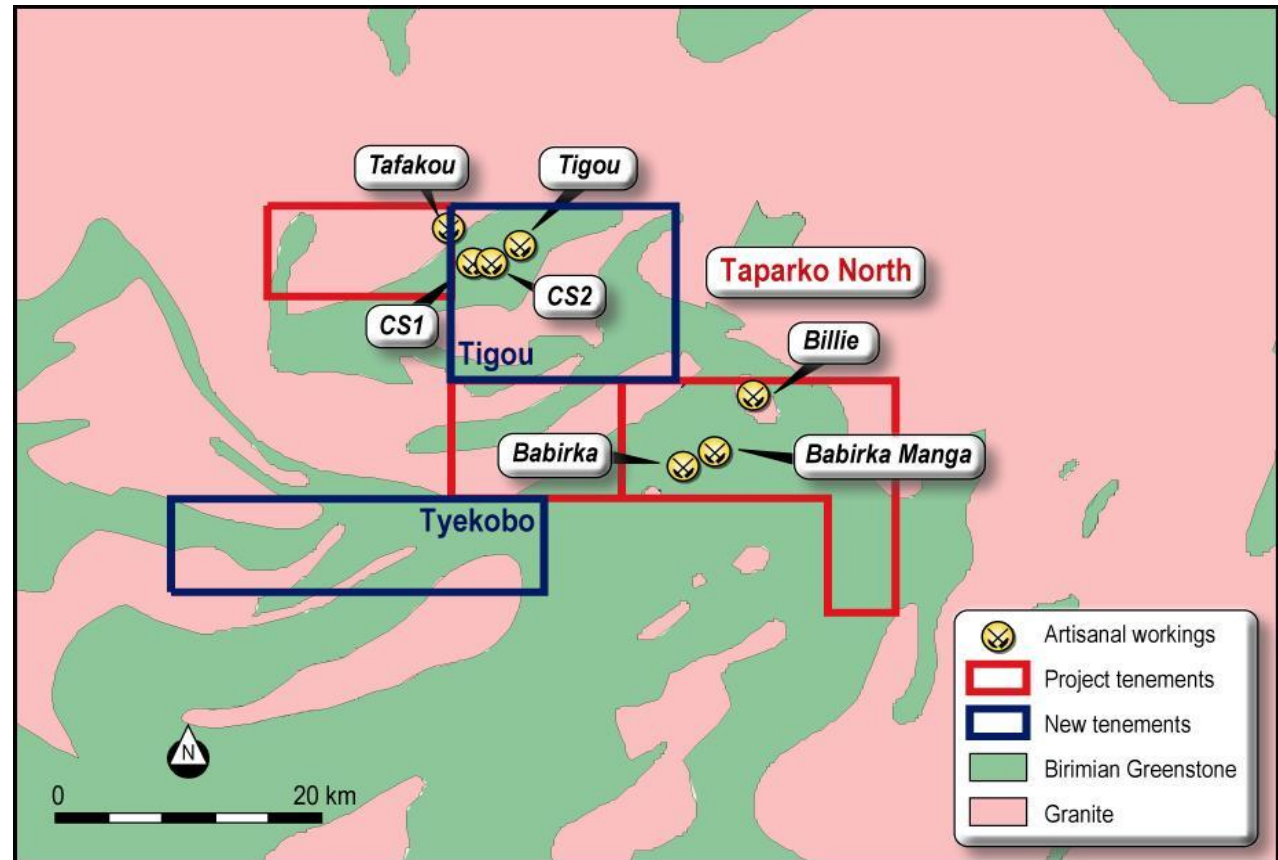




# Taparko North Project

## Taparko North Project

- ▶ The artisanal sites are coincident with a regional east – west trending zone of very strong deformation and parallel quartz veining, with several of the veins hosting the artisanal sites

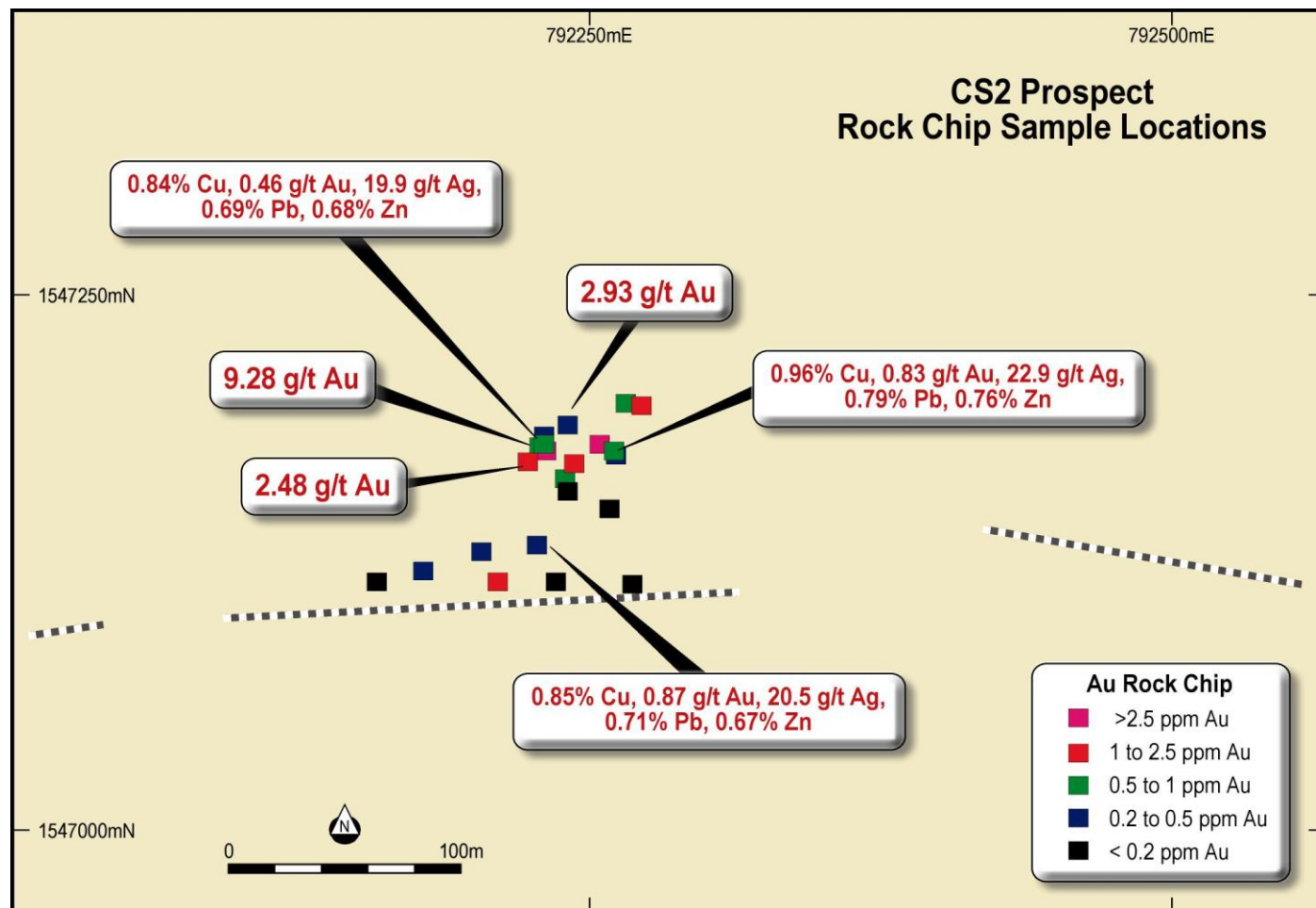


# Taparko North Project

## Rock chip results from the CS2 Prospect

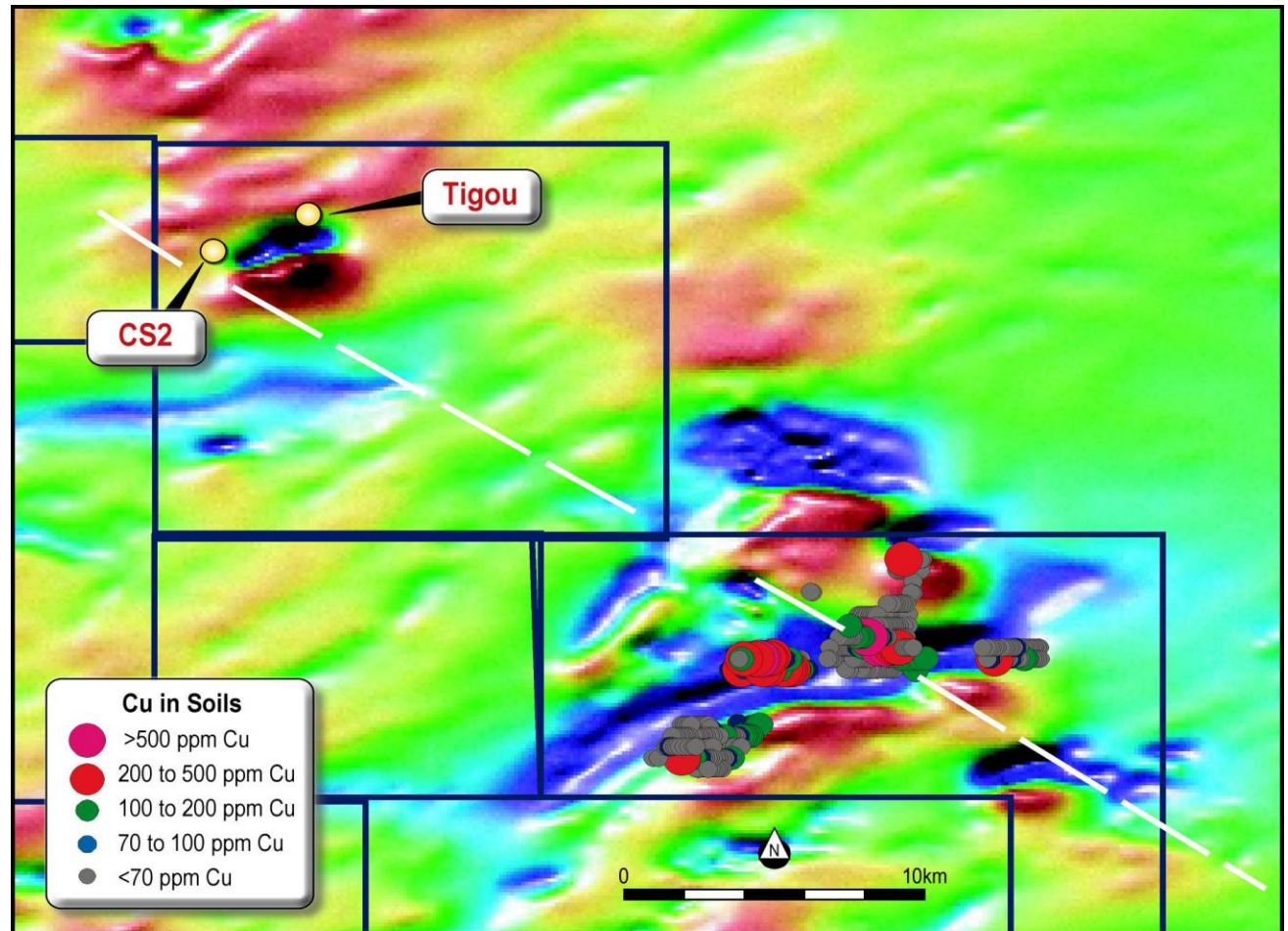
Better results include;

- 0.96% Cu, 0.83g/t Au, 22.9g/t Ag, 0.79% Pb, 0.76% Zn
- 0.85% Cu, 0.87g/t Au, 20.5g/t Ag, 0.71% Pb, 0.67% Zn
- 0.84% Cu, 0.46g/t Au, 19.9g/t Ag, 0.69% Pb, 0.68% Zn



# Taparko North Project

## Copper Results from soil samples on the Taparko North Project

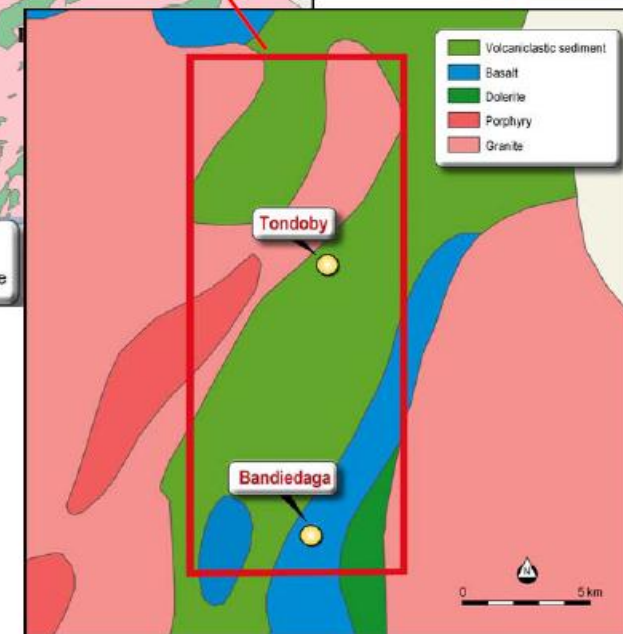
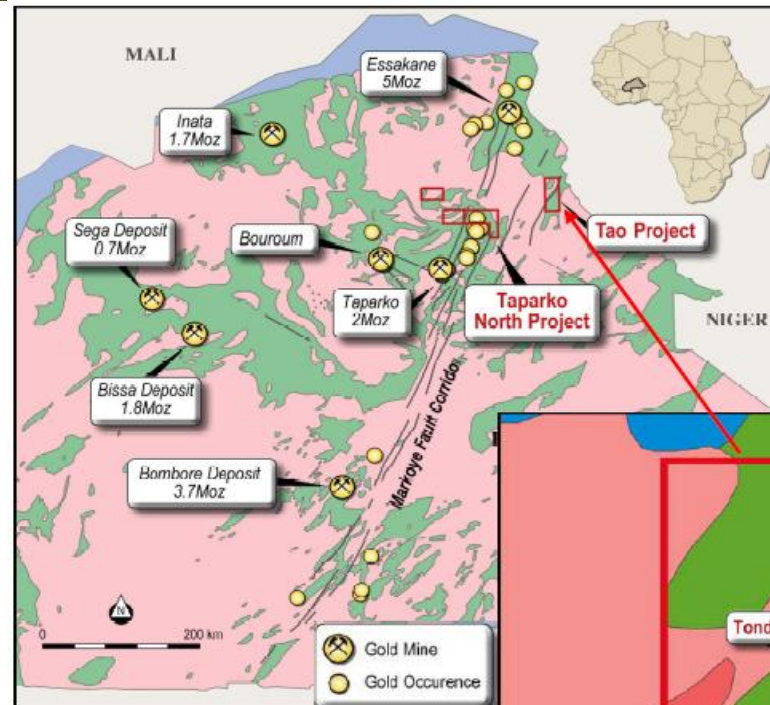




# Tao Project

## Tao Project

- Located in the same greenstone belt as the 5Moz Au Essakane Gold mine and situated along a parallel structure
- RC drilling due to commence April 2011
- Active artisanal mining over 2km
- Evaluation of historical drill data has identified 2 prospects:
  - Tondoby Prospect
  - Bandiedaga Prospect
- RAB drilling indicates that gold anomalism at the Tondoby prospect extends over an area greater than 2km in length
- Better historical RC drill results include:
  - 9m @ 4.00 g/t Au from 60m
  - 9m @ 3.09 g/t Au from 36m
  - 4m @ 8.07 g/t Au from 25m



RC Drilling planned to commence on Tao in April 2011

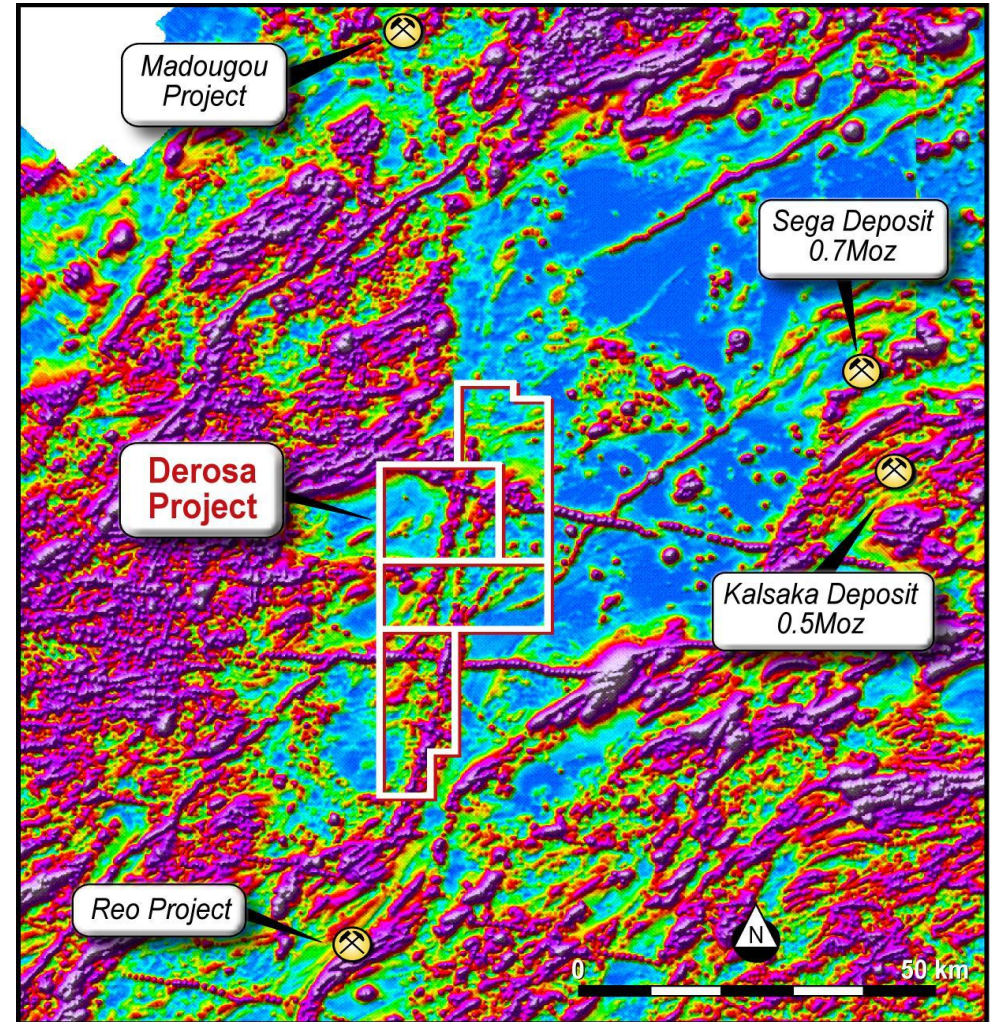




# Derosa Project

## Derosa Project

- 4 contiguous permits covering 1004km<sup>2</sup>
- New permits currently under application
- Regional magnetics highlight an interpreted shear zone
- Cost effective purchase of a large new project area.
- Immediately commence initial ground surveys and regional mapping



Regional magnetic image highlighting interpreted shear



# Burkina Faso



Representatives from Hartleys and Argonaut Securities visiting the Tondoby artisanal site



Artisanal gold washing on the Tigou prospect



Artisanal mining shafts at Tao stretch on for several kms



Fine gold mined by artisanal miners on the Tao Project



# Burkina Faso



Taparko North workings about 400m long



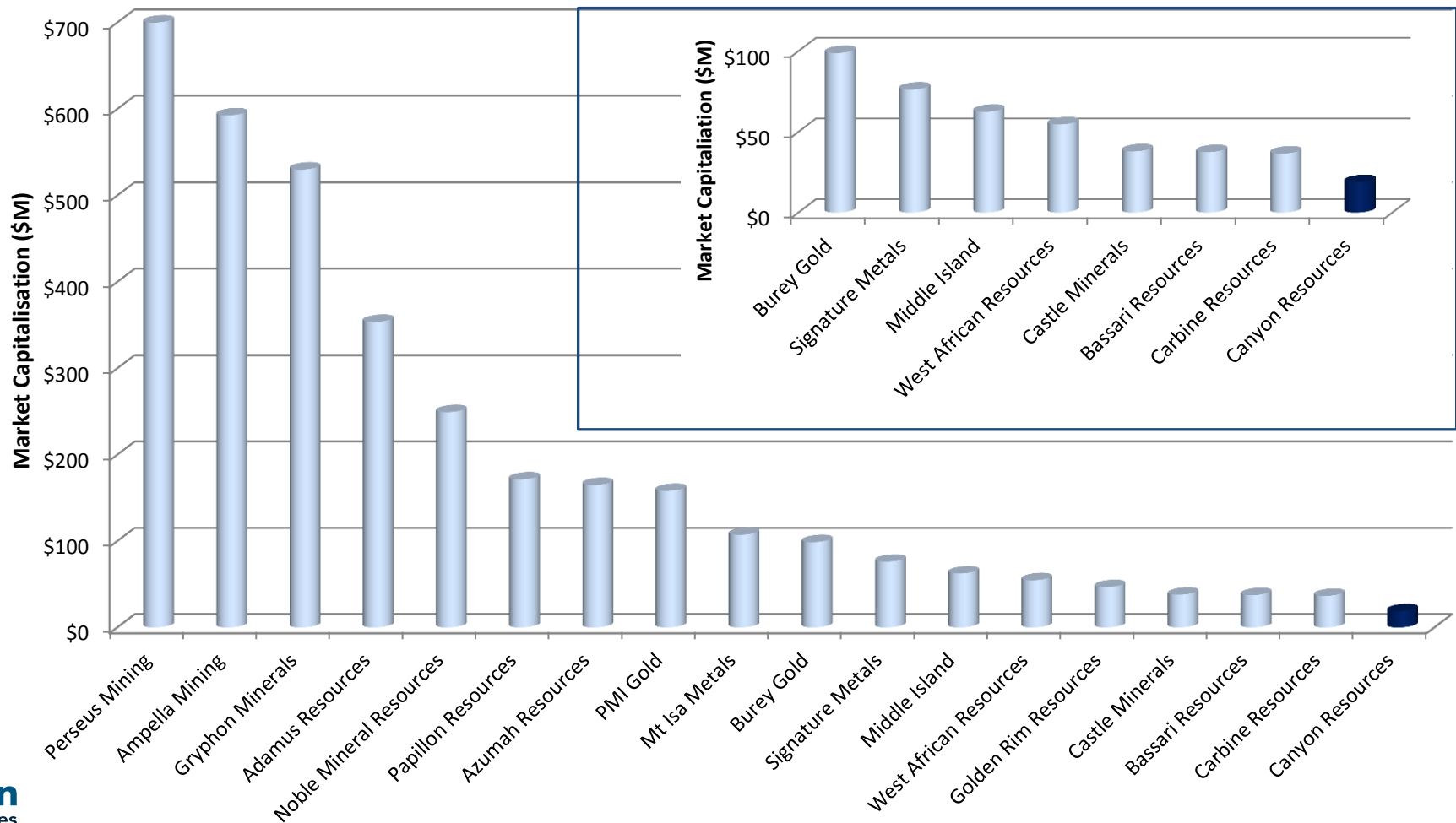
Ancient site of gold mining, the holes were made to grind the quartz



Active artisanal trench at Taparko North

# West Africa Peer Comparison

*Canyon is undervalued relative to other junior West African gold explorers*





# Company Highlights

*Opportunity for strong share price growth with excellent leverage to exploration success in West Africa*

Canyon has:

- ☛ Three highly prospective gold projects in Burkina Faso, two are along strike from operating multi million ounce gold mines
- ☛ Exciting results from its initial soil sampling campaign on the Taparko North Project indicating a potential VMS style multi element deposit.
- ☛ A tight capital structure;
  - Only 41.2m shares on issue following the issue of shares pursuant to Burkina Faso project acquisitions
  - Top 20 shareholders hold 36.8% of the Company
- ☛ \$4.6m cash, which fully funds an accelerated Burkina Faso gold exploration programme, and provides funds for new project opportunities
- ☛ An experienced Board with a strong resource focus and significant commercial and technical experience
- ☛ A strong relationship with key technical personnel in Burkina Faso
- ☛ A near term focus to develop its West African projects whilst continuing to review and act upon other opportunities in the area



# Contact Details



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