
CANYON RESOURCES LIMITED**ACN 140 087 261****NOTICE OF ANNUAL GENERAL MEETING**

TIME: 8:30am (WST)**DATE:** 22 November 2011**PLACE:** The Celtic Club
48 Ord Street, West Perth, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9413 7300.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The annual general meeting of the Shareholders to which this Notice of Meeting relates will be held at 8:30am (WST) on Tuesday, 22 November 2011 at:

The Celtic Club
48 Ord Street, West Perth, Western Australia

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the annual general meeting of Shareholders will be held at 8:30am (WST) on 22 November 2011 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on 20 November 2011.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. ADOPTION OF THE ANNUAL FINANCIAL REPORT

To receive the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors and auditors for the financial year ended 30 June 2011.

The Annual Report has not been sent to members unless a member has specifically requested a hard copy.

The Annual Report is available on the Company website at: www.canyonresources.com.au

2. RESOLUTION 1- ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2011."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

Pursuant to section 250R(4) of the Corporations Act, the Company is required to disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of any of the following persons:

- (a) member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, the Company will not disregard a vote if:

- (c) the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

3. RESOLUTION 2- RATIFICATION OF PRIOR ISSUE OF OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 2,000,000 Options on the terms set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the issue and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 3- RATIFICATION OF PRIOR ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 4,000,000 Shares on the terms set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast on this resolution by a person who participated in the prior issue and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES FOR ACQUISITION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 150,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – APPROVAL TO ISSUE SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to allot and issue up to 3,000,000 Shares to the Vendors on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – RE-ELECTION OF A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 16.4 of the Constitution and for all other purposes, Mr Rhoderick Grivas, a director of the Company who retires by rotation and, being eligible for re-election, is re-elected as a Director of the Company."

DATED: 14 OCTOBER 2011

BY ORDER OF THE BOARD



**PHILLIP MACLEOD
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 8:30am (WST) on 22 November 2011 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

The Annual Financial Report, Directors' Report and Auditor's Report for the Company for the year ending 30 June 2011 will be laid before the Meeting. There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the statutory audit and the preparation and content of the Auditor's report. In addition to taking questions at the Meeting, written questions may be submitted either to the Managing Director no later than close of business on Monday 14 November 2011, marked for the attention of the Chairman in relation to the management of the Company, or marked for the attention of the Company's auditor in relation to one or more of the following issues:

- the preparation and content of the Auditor's Report,
- the conduct of the audit accounting policies adopted by the Company in relation to the preparation of the financial statements, and
- the independence of the auditor in relation to the conduct of the audit.

2. RESOLUTION 1 - ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report of the Company for the year ending 30 June 2011 is set out in the Director's Report of the Company's Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company. A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting. Shareholders should note that the vote on this Resolution is advisory only and does not bind the Company or the Directors.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2012 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2012 annual general meeting. All of the Directors who were in office when the Company's 2012 Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

2.1 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel, or any Closely Related Party as your proxy to vote on this Resolution 1, **you must direct the proxy how they are to vote**. Where you do not direct the Chair, or another member of the Key Management Personnel or Closely Related Party on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

2.2 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the member's spouse;
- (c) A dependent of the member or the members spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the Corporations Regulations 2001 (Cth).

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2011.

3. RESOLUTIONS 2, 3 AND 4 - RATIFICATION OF PRIOR ISSUE OF SECURITIES

3.1 ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Resolution 2 – Ratification of Issue of Options

On 16 December 2010, the Company announced a placement of 8,000,000 Shares at 38 cents each to raise \$3,040,000 subject to shareholder approval. The placement was completed on 24 January 2011 following the grant of Shareholder approval. The Company agreed to issue 2,000,000 Options to the nominee of Hartleys Limited as Broker to the placement.

The issue complied with the Company's capacity to issue securities in accordance with ASX Listing Rule 7.1.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of those Options. By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% threshold set out in Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Terms of the Options

Each option was issued on the following terms:

- (a) the exercise price is:
 - 1,000,000 Options - 40 cents;
 - 1,000,000 Options – 45 cents;
- (b) the Options expire at 5.00 pm WST 30 June 2012;
- (c) the Options will vest on 16 December 2011;
- (d) Shares issued as a result of the exercise of any of these Options will rank equally in all respects with previously issued Shares;
- (e) the Options are exercisable by completing the application for exercise of Options and delivering the same together with payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company;
- (f) subject to ASX Listing Rules the Options are freely transferable in whole or part at any time after vesting and prior to expiry;
- (g) within 14 days of the receipt of a properly executed notice of exercise and application monies the Company will issue to the Option holder the number of Shares specified in that notice;
- (h) the Company will apply for official quotation of all Shares issued and allotted pursuant to the exercise of the Options;
- (i) Option holders are permitted to participate in new issues of securities offered to Shareholders on the prior exercise of the Option, in which case the Option holder shall be afforded the period of at least 10 business days prior to an inclusive of the books' closing date (to determine the entitlements to the issue) to exercise the option; and
- (j) in the event of any reorganisation (including consolidation, subdivision, reduction or cancellation) of capital of the Company, the rights of Option holders are to be changed to the extent necessary to comply with ASX Listing Rules on a reorganisation of capital at the time of the reorganisation.

Regulatory Requirements – Resolution 2

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Option ratification:

- (a) 2,000,000 Options were issued and allotted to the nominee of Hartleys Limited;
- (b) the terms and conditions of the Options are set out in Section 3.3 above;
- (c) the Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares;
- (d) the Options were granted as part of the fee for the placement of 8,000,000 Shares; and
- (e) no funds were raised from the issue.

3.3 Resolution 3 – Ratification of Issue of Shares

On 10 August 2011, the Company announced a placement of 4,000,000 Shares at 35 cents each to raise \$1,400,000. The placement was completed on 17 August 2011.

The issue complied with the Company's capacity to issue securities in accordance with ASX Listing Rule 7.1.

Resolution 3 seeks shareholder ratification pursuant to Listing Rule 7.4 for the issue of those Shares. By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% threshold set out in Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Regulatory Requirements – Resolution 3

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share placement ratification:

- (a) 4,000,000 Shares were issued and allotted;
- (b) the Shares were issued at a price of 35 cents each to raise \$1,400,000 before cost of the issue;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company and rank equally with the existing Shares on issue;
- (d) the Shares were issued to clients of Hartleys Limited. None of the allottees are related parties of the Company; and
- (e) the funds raised were to be used to progress exploration on the Company's gold projects in Burkina Faso.

3.4 Resolution 4 – Ratification of Issue of Shares for Acquisition

Resolution 4 seeks ratification for the issue 150,000 Shares as part consideration under the Tenement Acquisition Agreement for the acquisition of one of two mineral exploration permits in Burkina Faso, announced by the Company to ASX on 10 December 2010.

As outlined in the ASX announcement on 10 December 2010, the Company will earn up to a 100% interest in two mineral exploration permits by paying a total of US\$50,000 and issuing 750,000 shares over a three (3) year period as follows:

- (a) US\$20,000 and 300,000 Shares at settlement (being the grant of the permits);
- (b) US\$10,000 and 150,000 Shares on the first anniversary of settlement;
- (c) US\$10,000 and 150,000 Shares on the second anniversary of settlement; and
- (d) US\$10,000 and 150,000 Shares on the third anniversary of settlement.

In addition, the Company must meet minimum expenditure commitments on the two permits of US\$800,000 over the three years and pay a royalty of 2% of the net revenue post smelting on any gold derived from the permits. The net smelting revenue royalty payable to the vendor may be bought out for \$2,000,000 per permit. The Company will acquire a 51% interest in each of the permits on the first anniversary date of the agreement having paid a total of US\$30,000, issued 450,000 Shares and meeting minimum expenditure of US\$200,000.

The Company will only acquire 100% of the interest in the permits on the third anniversary of the date of the agreement having paid the total US\$50,000, issued the full 750,000 Shares and met the minimum expenditure commitment of US\$800,000.

Shareholder approval for the issue of 300,000 Shares at settlement was granted at a meeting held 21 January 2011 and 150,000 Shares were issued on 24 February 2011 following the grant of one of the two permits. The balance of 150,000 Shares were issued on 5 July 2011 following the grant of the second permit. This second issue was made more than three months after the grant of Shareholder approval for the issue pursuant to Listing Rule 7.1. As such, this issue requires Shareholder ratification pursuant to Listing Rule 7.4 for the issue of those Shares. By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% threshold set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The issue complied with the Company's capacity to issue securities in accordance with ASX Listing Rule 7.1.

Regulatory Requirements – Resolution 4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share placement ratification:

- (a) 150,000 Shares were issued and allotted;
- (b) the Shares were issued as part consideration for the acquisition of a mineral permit in Burkina Faso under the Tenement Acquisition Agreement;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company and rank equally with the existing Shares on issue;
- (d) the Shares were issued to Coremi Sarl (a company incorporated in Burkina Faso), who is holder of the permits the subject of the Tenement Acquisition Agreement. Coremi Sarl is not a related party of the Company; and
- (e) no funds were raised from the issue of the Shares as they were issued as part consideration pursuant to the terms of the Tenement Acquisition Agreement.

4. RESOLUTION 5 - APPROVAL TO ISSUE SHARES TRANCH 3 OF ASKIA ACQUISITION

4.1 History of Askia Sarl Pty Ltd Acquisition

On 1 September 2010, the Company announced to ASX that representatives of the Company had undertaken a site visit to Burkina Faso to visit gold projects held there by Askia Sarl Pty Ltd (**Askia**). Subsequently on 2 September 2010, the Company announced to ASX that it had entered into a binding agreement to acquire 100% of the issued shares in Askia from the Askia shareholder (**Sale Agreement**).

4.2 Summary of Key Terms of the Askia Sale Agreement

On or about 1 September 2010, the Company and Canyon West Africa Pty Ltd, a wholly owned subsidiary of the Company) (**Canyon West Africa**) entered into an agreement to acquire 100% of the issued shares in Askia from the current holder (**Vendor**). The consideration payable for the shares in Askia is as follows:

- (a) in consideration for 100% of the shares in Askia, the Company agrees to issue 3,250,000 Shares, 5 Class A Convertible Securities and 10 Class B Convertible Securities to the Vendor or his nominees;
- (b) in addition, the Company can elect to issue a further 5,500,000 Shares with 2,500,000 of those Shares to be issued on 30 April 2011 and 3,000,000 Shares issued on 30 April 2012; and
- (c) where the Company elects not to issue the Shares referred to in paragraph (b) above, the Vendor can require that Canyon West Africa transfer 100% of the shares in Askia back to the Vendor for nominal consideration.

4.3 General

Shareholder approval to issue the securities pursuant to the Sale Agreement was granted at a general meeting held 21 January 2011. On 31 March 2011, the Company issued 3,250,000 Shares, 5 Class A Convertible Securities and 10 Class B Convertible Securities to the Vendor's nominees. On 21 April 2011 the Company issued an additional 2,500,000 Shares pursuant to the Askia Sale Agreement (refer Section 4.2 (b) above).

The purpose of Resolution 5 is to seek the approval of Shareholders to issue the 3,000,000 additional Shares in accordance with the terms and conditions of the Sale Agreement by 30 April 2012.

4.4 ASX Waiver

The Company intends to apply to ASX for a waiver from the requirement of the Listing Rules that all of the Shares under Resolution 5 be issued within three (3) months after the date of the General Meeting. As at the date of this Notice of Meeting however the Company has not yet made such application to ASX.

The reason for this waiver application is, as outlined in Section 4.2, the Shares for which the Company is seeking approval are issuable under the Sale Agreement by 30 April 2012.

In the event that ASX does not grant the waiver to enable the Company to issue the Shares outside of the three (3) month period, the Company may need to either seek further Shareholder approvals, or otherwise issue the Shares under the 15% placement capacity granted to the Directors under Listing Rule 7.1.

As at the date of this Notice of Meeting, ASX has not yet considered the Company's waiver application.

4.5 Technical Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Resolution 5:

- (a) the maximum number of Shares to be issued is 3,000,000 Shares;
- (b) subject to the granting of the waiver referred to in Section 4.4 above, the Company intends to issue the Shares by 31 April 2012. It is intended that allotment will occur on the same date as the issue;
- (c) the Shares will be issued as final consideration for the acquisition of the shares in Askia under the Sale Agreement;
- (d) the Shares will be allotted and issued to Askia Vendor or his nominees;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue of the Shares as they will be issued pursuant to the terms of the Sale Agreement as final consideration for the acquisition of the Assets.

5. RESOLUTION 6 - RE-ELECTION OF A DIRECTOR – MR RHODERICK GRIVAS

Clause 16.4 of the Constitution requires that one third of the Company's Directors must retire at each annual general meeting. A Director who retires under clause 16.4 is eligible for re-election.

Mr Grivas retires by rotation and offers himself for re-election.

Information about Mr Grivas is available in the 2011 annual financial report and on the Company's web site at www.canyonresources.com.au.

6. ENQUIRIES

Shareholders are requested to contact Phil MacLeod on (+ 61 8) 9413 7300 if they have any queries in respect of the matters set out in these documents.

7. VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form:

by post to Canyon Resources Limited, PO Box 270, West Perth, Western Australia, 6872;

delivered to the Company's offices at Level 3 West, 10 Outram Street, West Perth, Western Australia, 6005; or

by facsimile to the Company on facsimile number (+61 8) 9324 1502,

so that it is received not later than 8:30am (WST) on 20 November 2011.

Proxy forms received later than this time will be invalid.

GLOSSARY

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities and Investments Commission.

Askia means Askia Sarl Pty Ltd.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Canyon Resources Limited (ACN 140 087 261).

Constitution means the Company's constitution.

Convertible Securities means the Class A Convertible Securities and the Class B Convertible Securities.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Tenement Acquisition Agreement means the agreement entered into between the Company and Coremi Sarl dated on or around 9 December 2010.

WST means Western Standard Time as observed in Perth, Western Australia.

PROXY FORM

**APPOINTMENT OF PROXY
CANYON RESOURCES LIMITED
ACN 140 087 261**

ANNUAL GENERAL MEETING

I/We

of

being a member of Canyon Resources Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 8:30am (WST), on 22 November 2011 at The Celtic Club, 48 Ord Street, West Perth, Western Australia and at any adjournment thereof.

Important for Resolution 1: If the Chair of the Meeting or any member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member is your proxy and you have not directed the proxy to vote on Resolution 1, the proxy will be prevented from casting your votes on Resolution 1. If the Chair, another member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or Closely Related Party of that member is your proxy, in order for your votes to be counted on Resolution 1, you must direct your proxy how to vote on Resolution 1.

If no directions are given, the Chair will vote in favour of all the Resolutions in which the Chair is entitled to vote undirected proxies.

OR

Voting on Business of the Annual General Meeting

Resolution 1 – Adoption of Remuneration Report
Resolution 2 – Ratification of Option Issue
Resolution 3 – Ratification of Share Issue
Resolution 4 – Ratification of Share Issue for Acquisition
Resolution 5 – Approval for Share Issue
Resolution 6 – Re-election of a Director

FOR	AGAINST	ABSTAIN
☐	☐	☐
☐	☐	☐
☐	☐	☐
☐	☐	☐
☐	☐	☐
☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signature of Member(s):

Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

CANYON RESOURCES LIMITED
ACN 140 087 261

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members must sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (e) post to Canyon Resources Limited, PO Box 270, West Perth WA 6872; or
 - (f) facsimile to the Company on facsimile number (+61 8) 9324 1502; or
 - (g) email to the Company Secretary at pmacleod@gapcs.com.au,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.