



Canyon Resources Limited

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24 February 2012

Divestment of Cue Project

Canyon Resources Ltd (ASX: CAY) advises that it has signed a contract for the sale of its Cue Project to a private company, Western Mining Pty Ltd.

The sale of the Canyon's Cue Project is consistent with the Company's previously stated strategy of focussing on its gold projects in Burkina Faso, West Africa.

The divestment of the Cue Project will allow the Company to fully focus its resources on the West African projects.

Western Mining Pty Ltd will purchase 100% of the Cue Project for a total of \$400,000 in staged payments over 12 months.

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About Canyon's Burkina Faso Projects

Canyon's existing mineral exploration projects in Burkina Faso cover an area of over 4,000km² over 20 permits in the Birimian Greenstone Belts of the West African craton. These permits comprise five project areas known as the Taparko North Project, the Tao Project, the Wilier Project, the Pinarello Project and the Derosa Project.

The Taparko North Project is situated in the Yalogo Belt. This greenstone belt hosts a number of large deposits including Taparko and Inata gold mine.

The Tao Project lies in the Gorouol Greenstone Belt which hosts the Essakane gold mine, the country's largest deposit.

Significantly, both projects are situated along north east striking structures. The major gold endowed northeast – southwest trending Markoye Fault is recognised as hosting both the Taparko and Essakane gold mines and the Bomboré gold deposit, situated along strike to the south west. Numerous artisanal gold occurrences have also been located along the trend of the Markoye Fault within the Taparko North Project.

The Wilier Project is comprised of two contiguous tenements in the Fada N'Gourma greenstone belt. Extensions of this greenstone belt host the Samira Hill gold mine and the Youga gold mine.

The Pinarello Project comprises six exploration permits with a combined area of 1,104km². The project area is located on the Hounde Greenstone Belt in the highly prospective South West region of Burkina Faso. The Hounde Greenstone Belt hosts a number of significant gold deposits including the Mana gold mine.

The Derosa Project is a package of six exploration permits. The permits are along the structure from Middle Island Resources Limited's Reo Project and offer an early stage exploration opportunity in an area that has active artisanal mining and significant exploration potential.

Canyon's projects represent a combination of outstanding geological and structural settings in highly gold endowed Birimian Greenstone Belts, with recognised major gold hosting structures traversing the project areas. As such, the five project areas have potential to host significant mineral resources, as demonstrated by recent exploration results.