ASX Code : CAY

9 May 2019

DIRECTORS & MANAGEMENT

David Netherway
Chairman

Phillip Gallagher
Managing Director

Emmanuel Correia
Non-executive Director

Steven Zaninovich
Non-executive Director

John Lewis
Company Secretary

CANYON RESOURCES LIMITED

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RETRACTION STATEMENT

On 8 May 2019, **Canyon Resources Ltd** (ASX: CAY) (the **Company**) lodged an investor presentation with ASX in relation to the Company's Minim Martap Project, located in Cameroon (**Presentation**).

The Presentation included the following statement:

- Targeting a 10MT p.a. DSO export operation.

The Company acknowledges that in regard to this statement it does not meet the requirements of the Listing Rules (LR 5.16), at this point in time.

Accordingly, this statement (located on slide 4 of the Presentation) is expressly retracted and the Company notes that investors should not rely on this statement as a basis for an investment decision concerning the Company.

Canyon would also like to clarify the Competent Persons Statement as follows:

Competent Persons Statement

The information in this document that relates to previous exploration results is based upon information from the report titled Minim Martap-Ngaoundal Bauxite Deposit Exploration Program and Resource Assessment by SRK Consulting (Australasia), dated September 2009 which was announced to the ASX on 9 August 2018, then upgraded to JORC 2012 on 4 September 2018, and to available data compiled by Dr Alexander Shaw, Chief Geologist of Canyon Resources Ltd which was reported on 12 March 2019.

Dr Shaw is a Member of the Australian Institute of Geoscientists (AIG) 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 for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Dr Shaw consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Enquiries:

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CANYON RESOURCES | AN OVERVIEW

DEVELOPING A TIER-1 DSO BAUXITE ASSET

APRIL 2019

CANYON RESOURCES

DISCLAIMER

Disclaimer

This presentation is for information purposes only. Neither this presentation nor the information contained in it constitute an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. This presentation may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply in their jurisdiction. Failure to do so may result in a violation of laws in such jurisdiction. This presentation does not constitute financial product advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or needs, the opinions and recommendations herein are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

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Forward Looking Statements

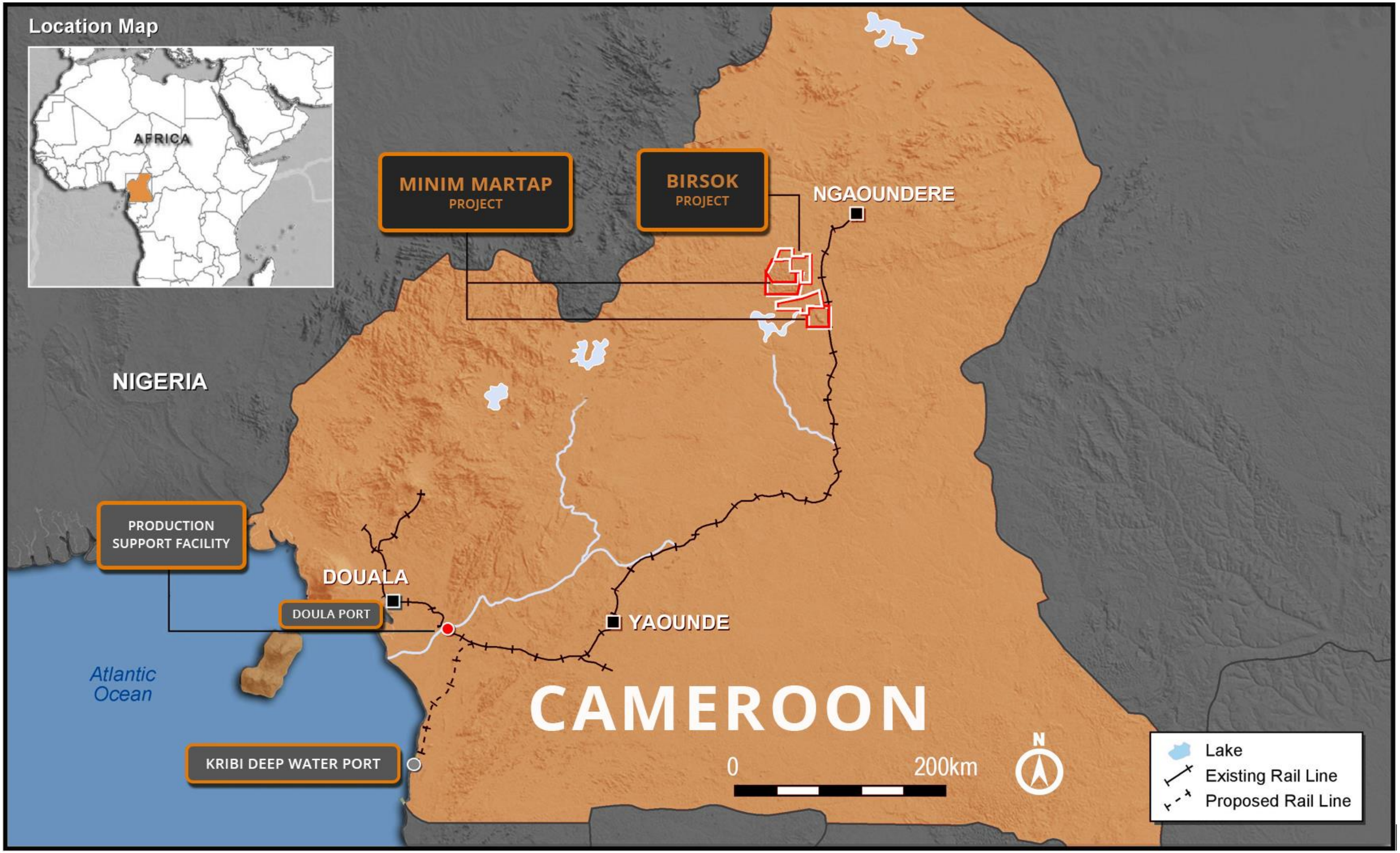
All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Canyon Resources Limited (Canyon) are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’ or ‘intends’ 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, as at the date of this announcement, 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. The Minim Martap project is licenced to Canyon by the Cameroon Government, subject to meeting the conditions of the licence.

THE MINIM MARTAP PROJECT
DANIELLE PLATEAUX

MINIM MARTAP PROJECT HIGHLIGHTS

- Canyon owns 100% of Minim Martap Project and adjacent tenements in Cameroon.
- Exceptional high grade results from initial drilling results
  - Av Al_2O_3 >53%
  - Av (t) SiO_2 1.8%
- Total JORC (2012) resource of 550MT at 45.5% total Al_2O_3 and 2.06% total SiO_2.
  - **Includes 250 MT at 50.8% total Al_2O_3 and 1.8% total SiO_2**
  - 70 untested target bauxite plateaux have been identified from LiDAR survey
  - Less than 35% of the target plateaux have been drill tested
- Minim Martap is a bauxite deposit with same high grade, low contaminant properties as the high grade deposits located in Guinea.
- Project adjacent to rail line with heavy ore transport capacity
- Rail and Infrastructure Partnerships with Mota Engil Africa (Portugal) and Bollore Logistics (France)
- Kribi deep-water port has capacity to direct ship load Panamax size vessels.

MINIM MARTAP BAUXITE PROJECT



MINIM MARTAP MINERAL RESOURCE

RESOURCE CLASS	TONNES (MILLION)	TOTAL AL_2O_3 (AVERAGE)	TOTAL $SI0_2$ (AVERAGE)	PERMIT	NO. OF PLATEAUX
Indicated	88	41.8%	1.3%	Ngaoundal	3
Inferred	466	46.2%	2.2%	Minim Martap	11
Total	550	45.5%	2.06%		14
Including	*250*	*50.8%*	*1.9%*	*Minim Martap*	

MINERAL RESOURCE IS ESTIMATED ON ONLY 30% OF THE TOTAL AVAILABLE BAUXITE PLATEAUX.

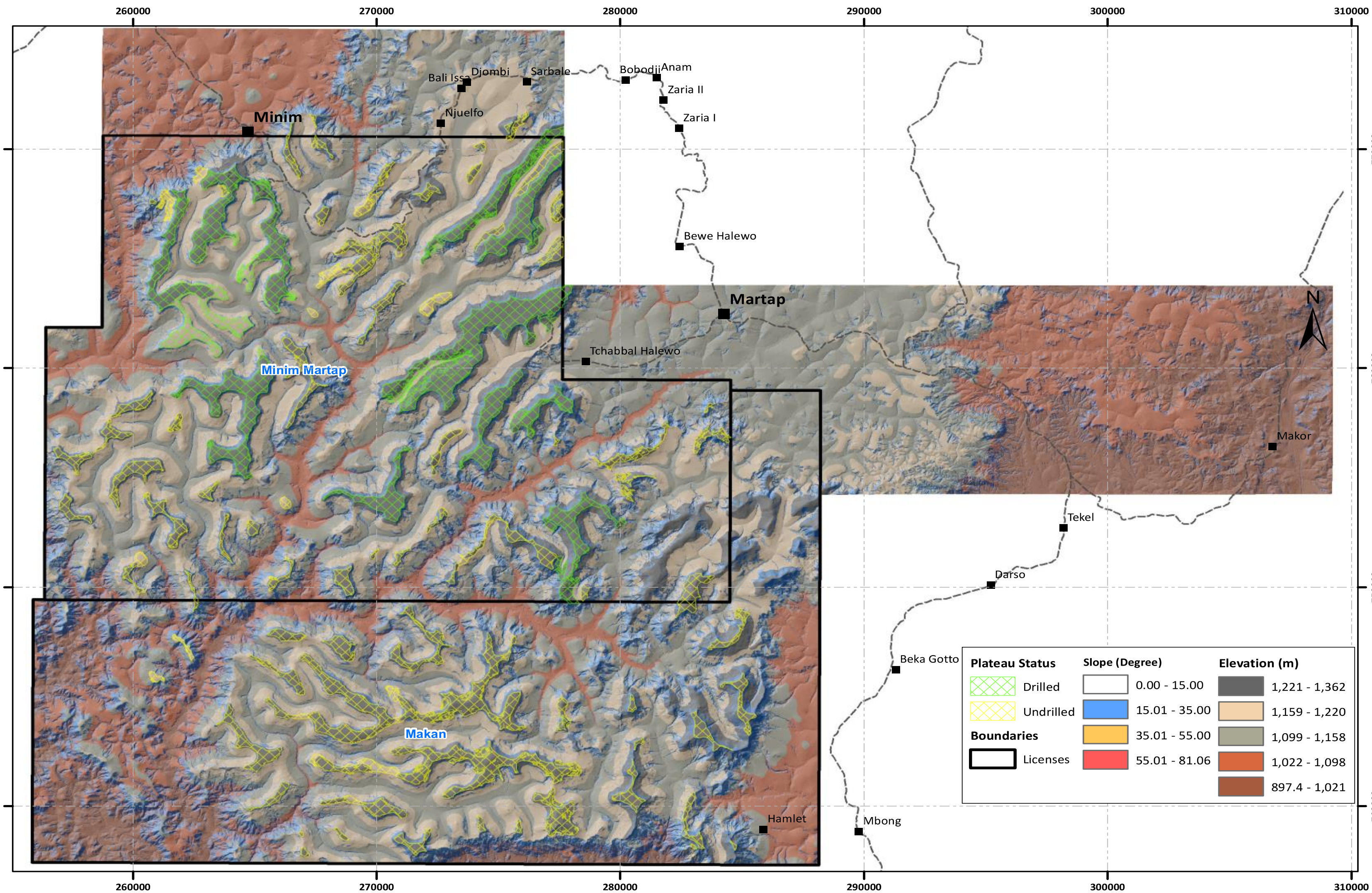
A Tier 1 bauxite deposit.

Opportunity to increase resource scale and grade.

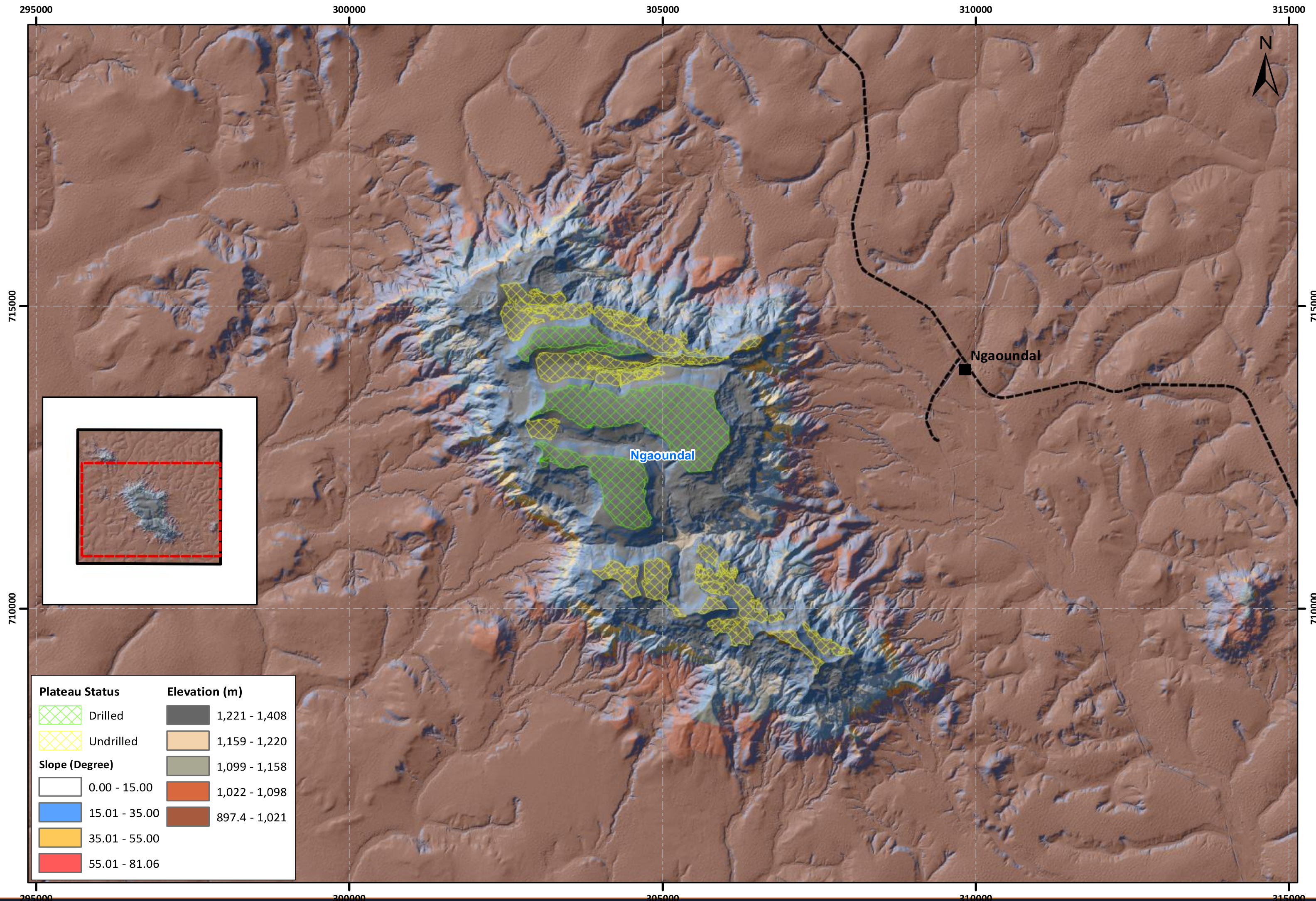
Existing very high-grade resource. One of the largest high grade low contaminant bauxite resources globally.

High-grade bauxite plateau trend identified, only 35% of plateaux drilled

MINIM MARTAP AND MAKAN PERMITS UNTESTED PLATEAUX



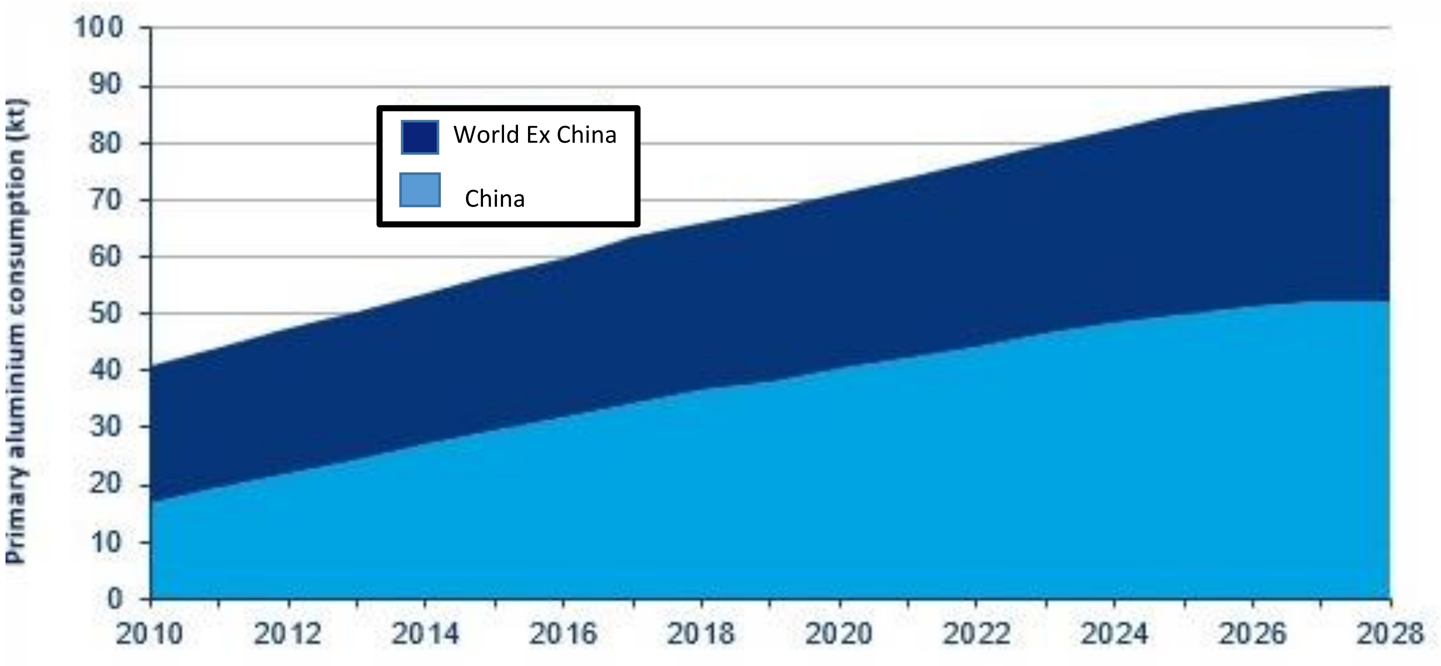
NGAOUNDAL PERMIT UNTESTED PLATEAUX



DRILLING UNDERWAY – UPGRADE AND EXTEND THE RESOURCE

GLOBAL PRIMARY ALUMINIUM CONSUMPTION

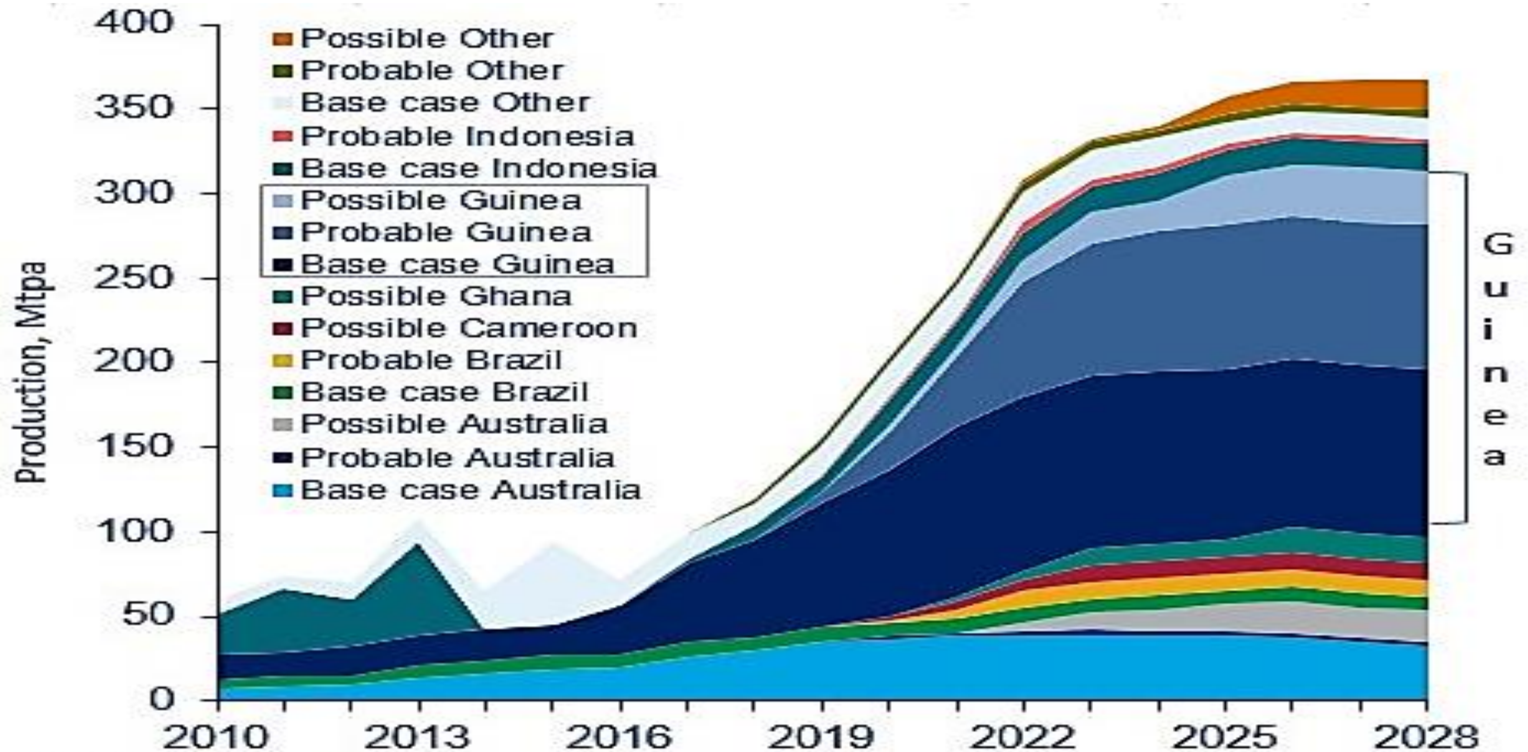
- Aluminium consumption to forecast grow by 40% over the next 10 years
- 100MT of new bauxite annually required to fill aluminium production demand by 2028
- 4-5 tonnes of bauxite required to produce 1 tonne of aluminium



Source: Wood Mackenzie

GLOBAL BAUXITE MINE PRODUCTION

- Guinea is forecast to supply over 50% of global bauxite by 2028
- Global bauxite supply risk if there any negative events in Guinea
- Opportunity for Cameroon to supply very high grade bauxite, similar to highest grade bauxite from Guinea



Source: Wood Mackenzie

RAIL AND PORT ACCESS

PROJECT PERMITS WITHIN 10KM OF AN EXISTING OPERATING RAIL LINE

- Rail line currently operating significantly under capacity
- Rail line has capacity to transport commercial bulk bauxite
- Mota Engil Africa has conducted independent review of existing rail line and an assessment of extending rail to Kribi Port.

KRIBI DEEP WATER PORT IN SOUTHERN CAMEROON IS FULLY OPERATIONAL AND CAN LOAD PANAMAX CLASS VESSELS

- Capacity to direct ship load Panamax size vessels
- Newly built underutilised deep-water port on Africa's west coast
- Potential to load Cape class vessels via very short trans ship if required.

OPERATING AND ACCESSIBLE RAIL AND PORT

THE KRIBI DEEP SEA PORT AND CAMRAIL RAIL LINE

STRATEGIC INFRASTRUCTURE PARTNERSHIPS

Moto Engil Africa, a Portuguese company that has operated in Africa for more than 70 years.

Mota Engil has a major civil construction project underway in Cameroon and is operating numerous major infrastructure and mining projects throughout Africa.

Bollore Africa Logistics, a French company that operates the existing Cameroon rail line as CamRail and has port operation concessions.

Canyon has a long-term engagement and MOU to work with Bollore to provide a logistics solution for Minim Martap.

CANYON HAS DEVELOPED STRONG WORKING RELATIONSHIPS WITH THE KEY INFRASTRUCTURE OPERATORS IN CAMEROON.

GOVERNMENT RELATIONS & COMMUNITY SUPPORT

Canyon hosted events with Cameroon's Minister of Mines, Adamawa Region Governor and local dignitaries in three towns close to Minim Martap in September 2018

Consultation and initial ESIA engagement with the local communities underway to ensure positive relations with residents and authorities.

ABOUT CANYON RESOURCES

CANYON RESOURCES LTD	ASX: CAY
Shares (incorporating shares to be issued in 2019)	435,276,469*
Unlisted Options 20c Expire Sept 2021	5 million
Market Capitalisation (20c)	$87 million
Cash at Bank	$4.8 million

- Subject to finalisation of documentation for the acquisition of the Birsok Bauxite Project.

BOARD AND MANAGEMENT	
Non-Executive Chairman	David Netherway
Managing Director	Phillip Gallagher
Non-Executive Director	Emmanuel Correia
Non-Executive Director	Steven Zaninovich
CM Project Implementation	Shannon Green
Chief Geologist	Alexander Shaw
CFO/Company Secretary	John Lewis
Country Manager Cameroon	James Castiau

THE MINIM MARTAP PROJECT

- World-class tier 1 DSO bauxite deposit
- Guinea grade and scale bauxite project located in a new jurisdiction
- Large high-grade, low contaminant JORC (2012) resource
- Substantial very high-grade >50% Al_2O_3, low contaminant zones < 2% (t) SiO_2 within the existing resource. More than 25 years of mining.
- Only 35% of target bauxite plateaux has been tested
- Exceptional initial results from drilling
  - Av Al_2O_3 >53%
  - Av (t) SiO_2 1.8%
- An operating and under-utilised rail line is located alongside the Project
- Access to a newly constructed deep-water port

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RESOURCES

www.canyonresources.com.au