



Canyon Resources Continues Development at Minim Martap – PFS Delivery on Track

Highlights

- Canyon has implemented a Coronavirus (COVID-19) management plan for its Head Office and Project Team allowing Canyon to continue with on-site activities. Situation is continually monitored.
 - All critical PFS activity on-site is able to be completed under current management measures.
 - All PFS related independent consultant site visits have been completed.
 - Development activity continues on Minim Martap, with **Pre-Feasibility Study on track for delivery 2Q 2020**.
 - PFS is underpinned by Minim Martap's JORC 2012 mineral resource of **892Mt at 45.1% Al₂O₃, 2.8% SiO₂**.¹
 - Managing Director Phillip Gallagher and Chief Development Officer Rick Smith have recently completed positive meetings in the Middle East with senior business leaders in the aluminium, alumina and bauxite industry with the aim of advancing discussions in relation to potential future strategic offtake and funding options.
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Canyon Resources Limited (**Canyon** or the **Company**) (ASX: CAY) wishes to advise it has prepared and executed management plans to mitigate the impact of the COVID-19 on its Minim Martap Bauxite Project (**Minim Martap**) in Cameroon whilst still continuing to work and deliver the targeted milestones for the project.

Canyon's operations are well set up to deliver a Pre-Feasibility Study (**PFS**) and maiden ore reserve for Minim Martap in the second quarter of 2020. Canyon is continuing to work on the PFS on two fronts:

1. On-site at Minim Martap.

While sensible procedures have been put in place to limit the risk of any of Canyon's team being affected by the COVID-19, the Company is continuing to work at full capacity and execute its work plan on site at Minim Martap. Canyon's in-country technical and operational team are all Cameroonian, unaffected by travel restrictions and fully supported by the local community.

A specialist doctor visited the Minim Martap camp late last week and advised the on-site team on COVID-19, including preventative measures, modes of transmission, symptoms and management of anyone who may develop symptoms potentially consistent with the virus.

2. Technical consultants working on desktop studies and modelling.

Site, port and rail visits conducted by Canyon with its technical advisers concluded in February 2020. As a result all further technical works will be completed by Canyon's partners at their home bases. Management and further interaction is scheduled to be conducted electronically and without any disruption to the completion timeline.

Managing Director Phillip Gallagher said: "We know we are in unprecedented times and that everyone is in some way affected, however, as a business we are in a strong position to continue to deliver on the project whilst protecting our people. This has been the result of careful contingency planning and having selected the right people and organisations globally to partner with for the delivery of the PFS. We are very fortunate to have a very talented and capable

¹ Please refer to the ASX announcement released by Canyon on 27 September 2019. Canyon is not aware of any information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed

Cameroonian technical team who have delivered the high quality work completed on Minim Martap to date and will continue to work on site, under appropriate precautions.

“I would like to stress to all shareholders that although we are adjusting the way we do business in line with current global warnings and appropriate practices, we are still on track to deliver on our commitments, including the upcoming Minim Martap PFS.”



Figure 1: Canyon's Project team at Minim Martap receiving a medical presentation on Friday 20 March

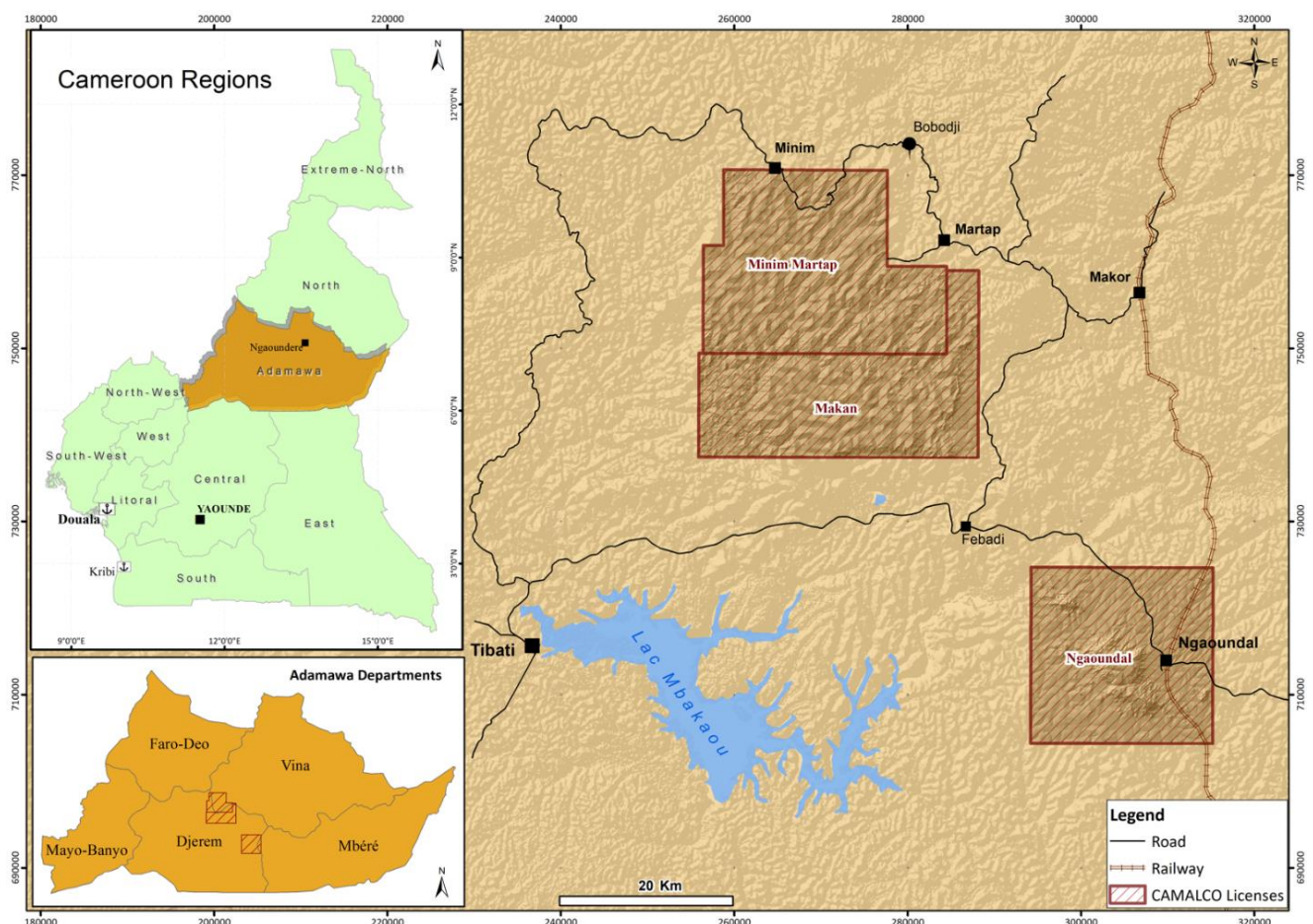
Although all non-essential travel has been cancelled, under the control of a thorough risk assessment, Managing Director Phillip Gallagher and recently appointed Chief Development Officer (CDO) Rick Smith have completed recent meetings in the Middle East with senior business leaders in the aluminium, alumina and bauxite industry. The very positive meetings were to advance discussions with potential future strategic offtake and funding partners as the Project enters the next stage of its development.

About Canyon Resources

Canyon Resources is focussed on the development of the 100% owned Minim-Martap Bauxite project, a direct shipping ore (DSO) project development opportunity in central Cameroon. The project is situated adjacent to the main rail line linking the region to the Atlantic port of Douala. The rail line is currently underutilised and coupled with the existing port of Douala, supports a low capex, low opex solution to deliver high grade, low contaminant, seaborne bauxite to market to fuel the large and growing aluminium industry. The country is planning a rail extension and is undergoing rail line debottlenecking upgrades giving longer term potential for export through the newly built, deep-water port of Kribi.

The Project is underpinned by a large, shallow, high-grade resource dominated by Gibbsite with low levels of reactive silica. The resource is hosted in a series of plateaux (see below). The Total Mineral Resource² estimate, which remains open in all directions, is stated as **892 Mt at 45.1% Al_2O_3 , 2.8% SiO_2** (Cut-off Grade 35% Al_2O_3). The estimate contains a high-grade Indicated portion of the resource at **410 Mt at 48.9% Al_2O_3 , 2.6% SiO_2** (Cut-off Grade 45% Al_2O_3). Substantial zones within the resource present at greater than 50% Al_2O_3 with very low contaminants.

Canyon is planning the development of the Project in a 2-Stage, 2-Port execution programme with initial production exported through the port of Douala utilising the existing rail and port infrastructure and Stage-2 unlocking tonnes and reducing costs by utilising the port of Kribi.



Competent Person's Statement – Mineral Resources

The information in this announcement that relates to mineral resources is based on information compiled or reviewed by Mr Mark Gifford, an independent Geological expert consulting to Canyon Resources Limited. Mr Mark Gifford is a Fellow of the Australian Institute of Mining and Metallurgy 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Mr Gifford consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

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, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'potential', 'project', 'seek', 'will' 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 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.

This announcement has been approved for release by the Board.

JOHN LEWIS
COMPANY SECRETARY

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