

## Canyon Commences Mining Convention Negotiations and final Community Presentations for the Minim Martap Project

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### Highlights

- **Formal notification received from the Ministry of Mines to commence negotiations for the Minim Martap Project Mining Convention**
- **Negotiations to commence this week and expected to conclude in early December 2021**
- **A Mining Convention is the key agreement with the State that documents the rights and obligations of the Project**
- **Final environmental and social community presentations with the Ministry of Environment are underway around the Minim Martap Project area.**

Canyon Resources Limited (ASX:CAY) (Canyon or Company) is pleased to update shareholders on the progress of development on the Minim Martap Bauxite Project in Cameroon (Project).

The Company has received formal written notification from the Ministry of Mines in Cameroon of the commencement of the process of the negotiation for a Mining convention for the Project.

Once finalised, the Mining Convention shall specify all the key terms of the Project between the Company and the State across all areas, including justification and scope of the project, taxes, State participation in the Project, social and environmental obligations, conditions of local employment and other key areas of agreement.

Meetings will commence in the coming days, where the Camalco technical team will present the technical aspects of the Project to the Ministry of Mines, the Cameroon State owned mining company, SONAMINES as well as other relevant Government Ministries.

Canyon's Managing Director, Mr Phillip Gallagher and the Company's legal counsel will attend negotiations in Yaounde and other regional locations in Cameroon throughout November, with a final joint site visit planned for early December 2021. Following completion of negotiations and consultations, it is expected Canyon will have an agreed Mining Convention with the Ministry of Mines.

**Commenting on the Mining Convention Negotiations, Canyon's Managing Director, Mr Phillip Gallagher said,** *"The commencement and finalisation of negotiations for the Mining Convention is an important pre-construction milestone for the Minim Martap Project. This is the culmination of the last 3 years work since being granted the Project. Over this period of time, the Canyon and Camalco teams have achieved an enormous amount, including identifying a JORC compliant 1 billion tonne reserve and a very high grade 100 million tonne proven reserve, along with the completion of the ESIA and logistical studies."*

*"I am very proud of our team and the high quality of work completed on the Minim Martap Project. Completing a Mining Convention this year would be a great result over what has been a very hard year with global COVID-19 restrictions."*

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### Social and Environmental Presentations

Alongside the Mining Convention negotiations, final presentations are being made to villagers throughout the Minim Martap Project area regarding the outcomes of the completed environmental and social studies for the project. Canyon's local subsidiary, Camalco Cameroon S.A. and the Ministry of Environment, Nature Protection and Sustainable Development, are hosting "town hall" style forums in 6 local villages and cities throughout the Project area. The meetings are being held at Ngaoundere, Tibati, Belabo, Ngaoundal, Minim and Martap and occur daily for 5 days in each location.

The presentations are an opportunity for people living in the area to ask questions and gain a better understanding of the timing of the commencement of construction of the Project and expected impacts on the local communities.



Figures 1&2: Community consultations underway in the towns of Minim and Martap on 25 October 2021

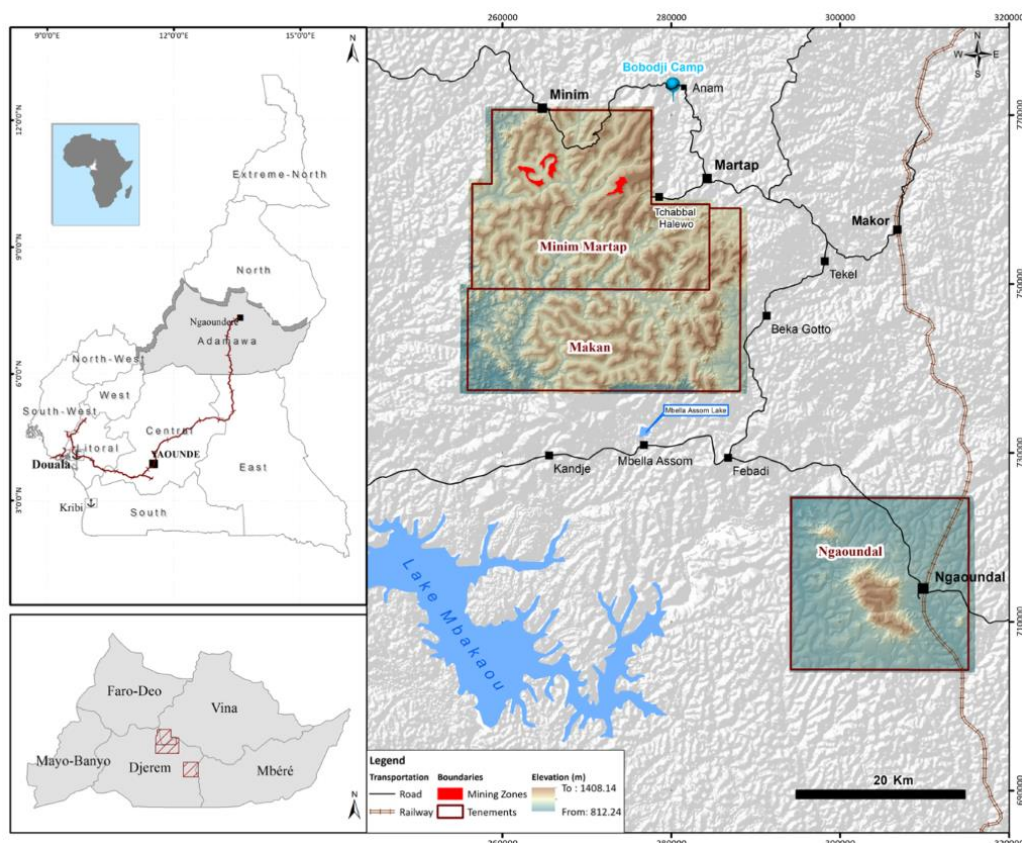
## About Canyon Resources

### Summary

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 as described in the 2020 Pre-Feasibility Study. 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.

Canyon is planning the development of the bauxite Project in a 2 Stage, 2 Port execution programme with initial production exported though the port of Douala utilising the existing rail and port infrastructure and Stage 2 unlocking tonnes and reducing costs by utilising the planned rail extension to access the deep-water port of Kribi.

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### Pre-Feasibility Study

The Company's previously released Stage 1 Pre-Feasibility Study demonstrated the Minim Martap Bauxite Project's potential as a long-term producer of very high quality, low contaminant bauxite via a multi-stage development program utilising existing infrastructure in Cameroon. Canyon is advancing strategic partnership and off-take agreement discussions with interested parties to accelerate the Project development timeline. The headline economic outcomes of the Pre-Feasibility Study are as follows:

Minim Martap Project <sup>1</sup>	Units	Stage 1
Annual Production Rate	Mtpa	5.0
Project Development Capital	US\$M	120
Average Operating Cost C1	US\$/t	35.1
Project NPV <sub>10</sub>	US\$M	291
Project IRR	%	37
Capital Intensity	US\$/t	24

### Resources and Reserves

The Project is validated by the **Ore Reserve estimate**, (ASX announcement 25 May 2021), prepared by a Competent Person, in accordance with the JORC Code (2012) and is presented as:

Reserve			
Classification	Tonnes (Mt)	Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>
Proven	99.1	51.6%	2.4%
Probable	-		
Total Ore Reserves	99.1	51.6%	2.4%

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The underlying **Mineral Resource estimate** (ASX announcement: 11 May 2021) prepared by a Competent Person, in accordance with the JORC Code (2012) is stated as:

<b>Resource (35% Al<sub>2</sub>O<sub>3</sub> cut-off)</b>			
	<b>Tonnes (Mt) ore</b>	<b>Alumina</b>	<b>Silica</b>
<b>Total</b>	1,027	45.3% Al <sub>2</sub> O <sub>3</sub>	2.7% SiO <sub>2</sub>
<b>Measured</b>	382	47.3% Al <sub>2</sub> O <sub>3</sub>	2.7% SiO <sub>2</sub>
<b>Indicated</b>	597	44.2% Al <sub>2</sub> O <sub>3</sub>	2.7% SiO <sub>2</sub>
<b>Inferred</b>	48	43.2% Al <sub>2</sub> O <sub>3</sub>	3.7% SiO <sub>2</sub>
<b>Contained High Grade Resource (45% Al<sub>2</sub>O<sub>3</sub> cut-off)</b>			
	<b>Tonnes (Mt) ore</b>	<b>Alumina</b>	<b>Silica</b>
<b>Total</b>	500	49.0% Al <sub>2</sub> O <sub>3</sub>	2.6% SiO <sub>2</sub>
<b>Measured</b>	268	49.7% Al <sub>2</sub> O <sub>3</sub>	2.6% SiO <sub>2</sub>
<b>Indicated</b>	218	48.3% Al <sub>2</sub> O <sub>3</sub>	2.5% SiO <sub>2</sub>
<b>Inferred</b>	14	47.3% Al <sub>2</sub> O <sub>3</sub>	2.8% SiO <sub>2</sub>

### Competent Person's Statement – Ore Reserves

The information in this report that relates to Ore Reserves is based on information compiled or reviewed by Mr John Battista, a Competent Person who is a Member and Chartered Professional (Mining) of the Australasian Institute of Mining and Metallurgy and is currently employed by Mining Plus (UK) Ltd. Mr Battista has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code).

Mr Battista consents to the disclosure of information in this report in the form and context in which it appears.

### 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 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.

### Mineral Resource estimate

The data in this announcement that relates to the Mineral Resource estimates for the Minim Martap Bauxite Project is based on information in the Resources announcement of 11 May 2021 and available to view on the Company's website and ASX.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and the context in which the Competent Person's findings are presented have not been materially modified from the original market announcement

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### Pre-Feasibility Study

The data in this announcement that relates to the Pre-Feasibility Study<sup>4</sup> for the Minim Martap Bauxite Project and associated production targets and forecast financial information, is based on information in the PFS announcement of 1 July 2020. and available to view on the Company's website and ASX.

The Company confirms that all the material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.

### Ore Reserve estimate

The data in this announcement that relates to the Ore Reserve estimate<sup>5</sup> estimates for the Minim Martap Bauxite Project is based on information in the Ore Reserve update announcement of 25 May 2021 and available to view on the Company's website and ASX.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and the context in which the Competent Person's findings are presented have not been materially modified from the original market announcement

## 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**

#### **Enquiries:**

PHILLIP GALLAGHER | Managing Director | Canyon Resources Limited T: +61 8 6382 3342

E: [info@canyonresources.com.au](mailto:info@canyonresources.com.au)

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**CANYON RESOURCES LIMITED – INTEREST IN MINERAL PROPERTIES**

Permits	Location	Interest at 30 December 2020	Interest at 30 September 2020
<b><u>MINIM MARTAP PROJECT</u></b>			
Ngaoundal	Cameroon	Own 100%	Own 100%
Minim Martap	Cameroon		
Makan	Cameroon		
<b><u>BIRSOK BAUXITE PROJECT</u></b>			
Birsok	Cameroon	Agreement to earn up to 75%.	Agreement to earn up to 75%.
Mandoum	Cameroon		
Mambal (application)	Cameroon	Agreement to earn up to 75%.	Agreement to earn up to 75%.
Ndjimom (Mayoum Project)	Cameroon	Own 100%	Own 100%
<b><u>TAPARKO NORTH PROJECT</u></b>			
Karga 2	Burkina Faso	Own 100%	Own 100%
Bani	Burkina Faso		
Diobou	Burkina Faso		
Tigou	Burkina Faso	Rights to 100%	Rights to 100%
<b><u>TAO PROJECT</u></b>			
Tao	Burkina Faso	Own 100%	Own 100%
<b><u>PINARELLO PROJECT</u></b>			
Sokarani	Burkina Faso	Own 49% (sale of 51% to Acacia Mining plc)	Own 49% (sale of 51% to Acacia Mining plc)
Niofera	Burkina Faso		
Baniera	Burkina Faso		
Sokarani 2	Burkina Faso		
Soukoura 2	Burkina Faso		
<b><u>KONKOLIKAN PROJECT</u></b>			
Konkolikan	Burkina Faso	Own 49% (sale of 51% to Acacia Mining plc)	Own 49% (sale of 51% to Acacia Mining plc)
<b><u>DEROSA PROJECT</u></b>			
Bompela	Burkina Faso	15% interest in joint venture with Rumble Resources Ltd	15% interest in joint venture with Rumble Resources Ltd
Sapala	Burkina Faso		