

2 October 2018

Minim Martap Bauxite Project Official Community and Media Launch Events in Cameroon

HIGHLIGHTS:

- **Major launch events held in the three Project related towns and villages**
- **Launch events attended by the Minister of Mines of Cameroon, local dignitaries and Canyon representatives**

Canyon Resources Ltd (ASX: CAY) is pleased to report on recent community and media launch events held in Cameroon for the launch of Canyon Resources commencing work on the Minim Martap Project, in partnership with the Cameroon Ministry of Mines, Industry and Technological Development.

A series of major media and community launch events were held on Monday 17 September in the towns of Ngaoundal, Minim and Martap to celebrate the commencement of works on the Project by Camalco SA, Canyon's wholly owned subsidiary company in Cameroon. The town of Ngaoundal is located adjacent to the bauxite plateaux within the Ngaoundal permit. Both the villages of Minim and Martap are located next to bauxite plateaux within the Minim Martap permit.



Figure 1: The official delegation for the launch ceremony in the town of Ngaoundal



Figure 2: A welcome banner and villagers at the village of Minim

A delegation of Board and management representatives from Canyon Resources, and local senior management from Camalco SA, along with a delegation from the Ministry of Mines, Industry and Technological Development, including His Excellency The Minister of Mines Ernest Gwabouboou and the Governor of the Adamawa Region M. Kildaldi Taguieke Boukar and other local dignitaries, attended the events that were each highlighted by a traditional welcome by the local villagers and speeches from His Excellency, The Minister of Mines and from Canyon Resources Ltd.

In addition to the launch events, the Minister of Mines ceremonially started Canyon's own drilling rig on a bauxite plateau on the Minim Martap permit to signify the commencement of work on the Project by Camalco SA.

Bauxite de Minim-Martap

Le projet d'exploitation relancé

Le ministre des Mines, de l'Industrie et du Développement technologique a procédé lundi dernier, au lancement des activités de recherche.

Essaie MEIDOGO SHAKUR

Après trois années de recherche, il est fort probable que le projet d'exploitation des gisements de bauxite de Minim Martap, Ngaoundal et Makan entre dans sa phase active. Le gouvernement camerounais vient d'engager une procédure d'urgence. Un permis de recherche spéciale d'une durée de trois ans assorti d'un cahier de charges précis a été attribué à la société de droit camerounaise Camalco, filiale de la société australienne Canyon Resources Ltd. La descente du ministre Ernest Gwabouboou sur le terrain a consisté dans un premier temps à la visite des trois plateaux bauxitiques, suivie de la cérémonie proprement dite de lancement de la dernière phase de recherche prévue dans les localités de Minim Martap, Ngaoundal et Makan. Accompagné du gouverneur de la région de l'Adamawa, Kildadi Taguieké Boukar, le

Minimdt a sillonné tous les villages riverains de ce projet afin d'apporter l'annonce du gouvernement et de rassurer les populations sur la prise en compte de leurs aspirations durant les négociations de la convention minière y relative qui précède la mise en exploitation de ce gisement. Il convient de rappeler que ces permis, autrefois détenus par la société Cameroun Alumina (Cal), avaient été reversés au domaine minier national le 25 avril 2016, suite au blocage des négociations. Ce blocage découlait de la non fourniture par la société Cal de toutes les études préalables définitives sur l'ensemble des composantes du projet (bauxite-alumine) assorties d'un modèle financier intégré d'une part et de la fébrilité de Duval Alumina de continuer à investir dans le projet d'autre part. C'est ainsi que le gouvernement a engagé des discussions avec la société Canyon Resources et sa filiale camerounaise Camalco à l'effet d'évaluer ses capacités et le cas échéant,



La descente du ministre Ernest Gwabouboou sur le site

lui attribuer le permis sollicité. Ce qui a abouti à la signature des permis en faveur de Camalco SA. Lundi dernier, le managing director de Canyon Resources, Philip Gallagher

a rassuré que « le cahier de charges sera respecté ». Pour Ernest Gwabouboou, cette étape marque un tournant important dans la mise en œuvre de ce projet qui devrait sensiblement améliorer la qualité de vie des populations riveraines et du Cameroun en général, qui ont longtemps attendu l'exploitation de cette richesse.

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Figure 3: An article from the Cameroon Tribune Newspaper regarding the granting of the Minim Martap project to Canyon Resources

Canyon Resources Managing Director, Mr Phillip Gallagher said that “The launch events in the towns of Ngaoundal, Minim and Martap were an exciting and positive start to Canyon’s development of the Minim Martap Bauxite Project. We were very pleased with the warm response and welcome from all the people within the area of Minim, Martap and Ngaoundal throughout the day. The Minim Martap Project is a mineral asset of major significance to Cameroon and we are confident that this will be the beginning of a long term and sustainable bauxite mining and export operation that will be beneficial and positive for all stakeholders.

On behalf of the Board of Directors and all the staff of Canyon Resources and Camalco SA, we thank His Excellency Minister Gwaboubou for placing his faith with our Company and we look forward to engaging with the local communities in Ngaoundal, Minim and Martap and commencing works on the Project immediately.”



Figure 4: A media conference with His Excellency, The Minister of Mines Ernest Gwaboubou and representatives of Canyon Resources Ltd and Camalco SA in the village of Minim.

Upcoming Work Program

Canyon is currently preparing for the imminent commencement of drilling on the Minim Martap Project. The Company is upgrading access roads and tracks to the bauxite plateaux along with upgrading the camp and support infrastructure for the drilling.

Canyon will utilise its own 6 wheel drive Landcruiser mounted Rotary Air Blast (RAB) rig to commence the drilling program in the coming weeks.

The initial drilling program will focus on confirmatory drilling on the previously drilled high grade bauxite plateaux as well as targeting previously untested bauxite plateaux that the Canyon technical team have identified as potentially providing additional high grade bauxite tonnage.

The Minim Martap Bauxite Project

The Minim Martap Project is located in the Adamawa region of Cameroon, alongside Canyon's existing Birsoke Bauxite Project. The Minim Martap Project encompasses two deposits, namely the Nguouandal and Minim Martap deposits, which are located within 25km of each other. The total area of the permits is 1349 km².

The three exploration permits are valid for a three-year period and contain a number of predefined work commitments that are consistent with the Company's development proposal.

Previous work completed by Canyon Resources on the contiguous Birsoke Project, sometimes sharing plateaux with the Minim Martap Project, has given the Company a strong understanding of the physical and geochemical characteristics of the local bauxite. The bauxite is generally high alumina, low total and reactive silica, high gibbsite, low boehemite and low on other contaminants.

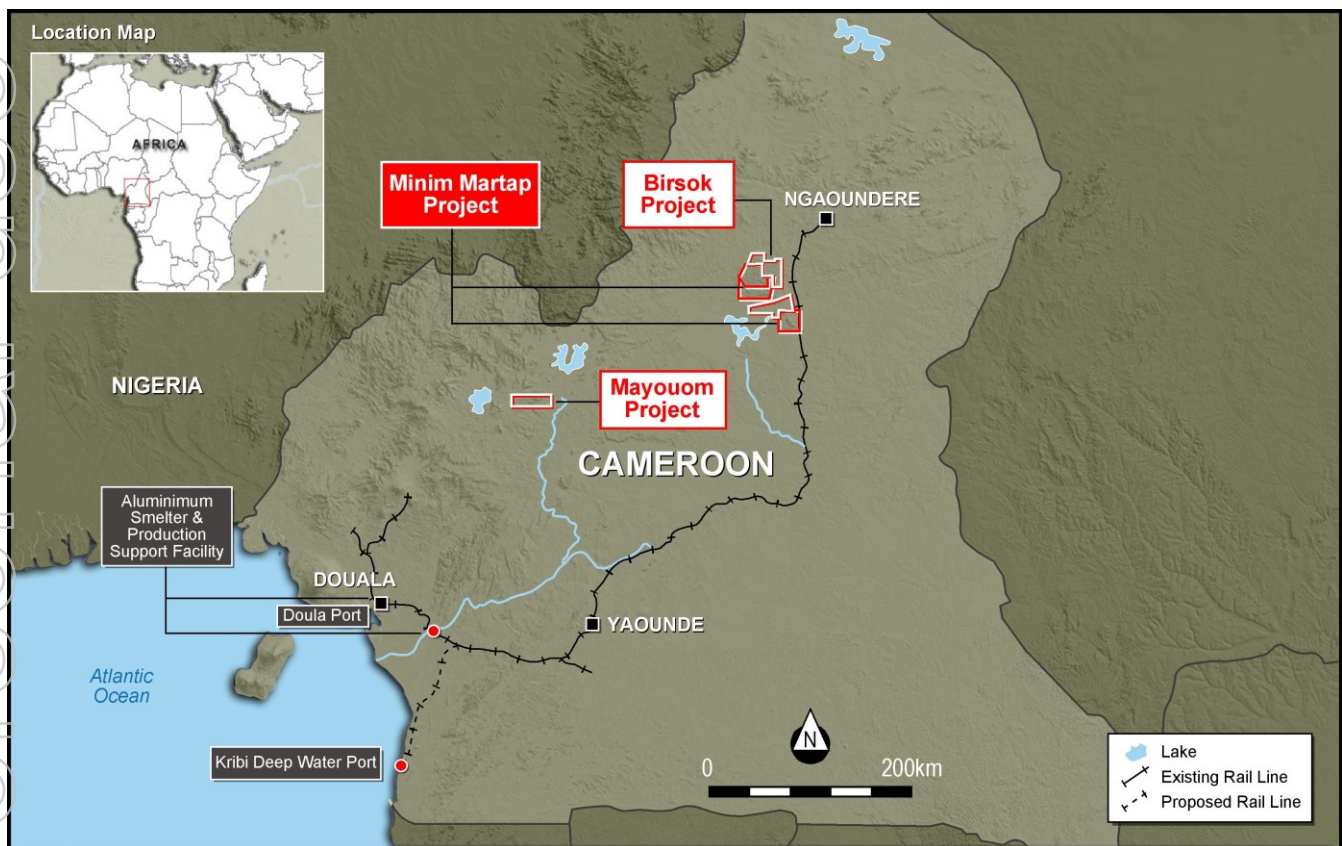


Figure 4: Location map of the Minim Martap and Birsoke Bauxite Projects and the Mayouom Kaolin Project in Cameroon.

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