CANYON IDENTIFIES WORLD CLASS HIGH-GRADE BAUXITE RESOURCE AT MINIM MARTAP

ASX Code : CAY

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Highlights

- **Very high grade Inferred Resource of 250.9Mt at 50.8% Al_2O_3 (total) and 1.9% SiO_2 (total), within the existing resource.**
- **More than 50% of the area drilled for the current bulk resource at Minim Martap is over 50% Al_2O_3 with very low total silica – estimated reactive silica of 1.3%.**
- **Drilling is continuing on the high-grade bauxite plateaux with new assays currently with ALS South Africa and Ireland.**
- **Definition of a high-grade bauxite resource is a key value driver for Canyon's development of a DSO export operation at Minim Martap and the long-term development potential of Cameroon bauxite.**

Canyon Resources Ltd (ASX: CAY) is pleased to report a detailed review of previous exploration on its Minim Martap Project in Cameroon has identified significant zones of extremely high-grade bauxite with very low contaminants within the existing bauxite resource.

The very high-grade resource of 250.9 million tonnes at 50.8% Al_2O_3 (total) and 1.9% SiO2 (total), part of the previously announced Minim Martap Project resource, validates Canyon's theory that the project is one of the highest grade very low silica bauxite resources globally, with clear potential to substantially grow the scale of the very high-grade zones.

Canyon engaged SRK Consulting to review results from previous drilling campaigns to identify very high-grade areas within the plateaux used to calculate the previously announced 550Mt bauxite resource. The resource previously announced on 9 August 2018 and upgraded to JORC 2012 compliant on 4 September 2012.

The cut-off grades and quality parameters for the bauxite review by SRK were based on the total silica being <3% and total alumina >40%. For high-grade alumina plateaux, total silica <4% was generally used when the total alumina was >48% The review identified significant areas of very high-grade bauxite within all 11 of the Minim Martap licence plateaux.

As a result of the review, more than 50% of the previously announced resource on the Minim Martap licence has a grade above 50.8% Al_2O_3. The high-grade sections within the individual plateau highlight trends that are consistent with Canyon's interpretation of the Project's geology, and the re-evaluated resource confirms the Company's assessment of the Project's potential to supply very high-grade bauxite.

Table 1: Very High Grade Resource Within the Minim Martap Permit

Resource Class	Tonnes (million)	Total Al_2O_3	Total SiO_2	Permit	No of Plateaux
Inferred	250.9	50.8%	1.9%	Minim Martap	11

Canyon Resources Chief Geologist Alexander Shaw said, "*By conducting a more detailed assessment of the historic resource, we have identified significant areas with very high-grade aluminium oxide and low total and reactive silica on all of the Minim Martap licence plateaux. The remarkably high grade, combined with very low levels of contaminants, and significant cumulative volume of greater than 250 million tonnes of bauxite in these areas further reinforces the fact that the Minim Martap Project bauxite deposit is a true global tier 1 bauxite resource.*"

"We are utilising the information from this resource analysis to assist to target the drilling campaigns, to identify new high-grade zones at the Minim Martap Project."

Canyon is continuing its exploration drilling program at Minim Martap, focussing on the high-grade zones identified from the previous data. The Company has completed 157 holes for a total of 1,556m drilled. Samples from the drilling are currently in the process of being assayed by ALS (Ireland).

Drilling is continuing on the Minim Martap permit, targeting bauxite zones that are consistent with the very high-grade zones identified by the SRK resource review. Plans are currently being implemented to extend the drilling onto new and previously undrilled bauxite plateaux on the Minim Martap and Makan permits that have also been identified as being consistent with the very high-grade bauxite zones.

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Figure 1: Drilling on the Minim Martap bauxite plateaux, with additional bauxite plateaux in the distance.

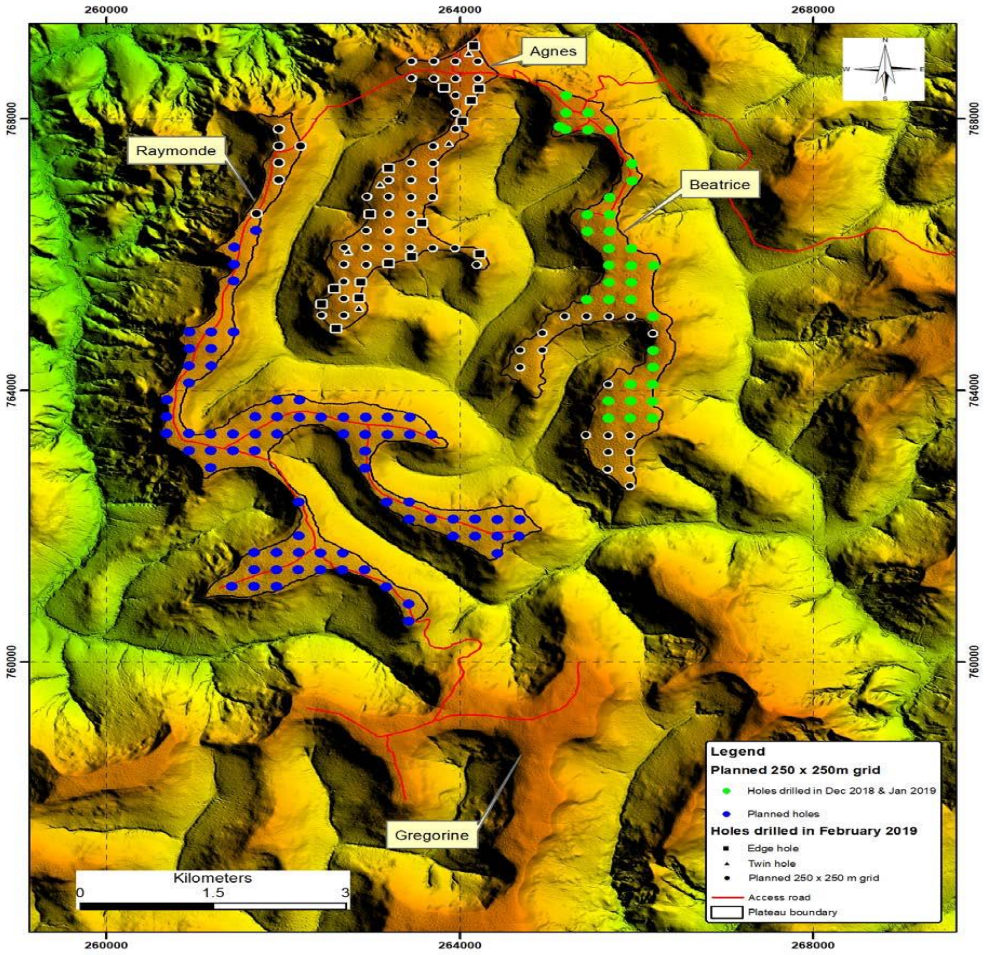

Figure 2: Completed & planned drill holes on various bauxite plateaux at the Minim Martap Project.

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Figure 3: Recent drill core from Minim Martap showing visible gibbsitic bauxite.

Birsok Project Acquisition Update

The Company advises that the acquisition of the Birsok Project (Birsok) announced on 11 October 2018 is progressing towards finalisation.

Canyon entered contracts to acquire the two permits that comprise Birsok and to cancel the Joint Venture Agreement (JVA) over Birsok with Altus Strategies PLC (Altus) in return for the issue of up to 30.0 million Canyon shares and a US$1.50 per tonne royalty on ore mined and sold from Birsok.

The issue of shares by Canyon to Altus is subject to final documentation, the termination of the JVA, the transfer of Birsok and any regulatory or other approvals as may be required.

Both parties are progressing toward the settlement of the acquisition, however, certain conditions precedent to the agreement are yet to be completed. Shareholders authorised the issue of the first tranche of shares at the Canyon Annual General Meeting on 23 November 2018, with authorisation valid for three months. As this period has expired, Canyon will be required to again seek shareholder approval to the transaction when all the conditions precedent have been met.

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COMPETENT PERSON'S STATEMENT

The Resources information in this ASX release is based on, and fairly represents, data and supporting documentation prepared by, or under the supervision, of Dr Bruce McConachie. Dr McConachie is an Associate Principal Consultant of SRK Consulting (Australasia) Pty Ltd based in Brisbane and has a PhD (Geology) from QUT and is a member of AusIMM, AAPG and SPE. The Resources information in this ASX announcement was issued with the prior written consent of Dr McConachie in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

All statements other than statements of historical fact included on this website 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.

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APPENDIX A

Check list for JORC Code (2012) Reporting Compliance

The principle basis of the JORC Code (2012) specifies Transparency, Materiality and Competence.

- Transparency requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of material information that is known to the Competent Person.
- Materiality requires that a Public Report contains all the relevant information that investors and their professional advisers would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Exploration Results, Mineral Resources or Ore Reserves being reported. Where relevant information is not supplied an explanation must be provided to justify its exclusion.
- Competence requires that the Public Report be based on work that is the responsibility of suitably qualified and experienced persons who are subject to an enforceable professional code of ethics (the Competent Person).

The high-grade bauxite Mineral Resources that are the subject of the current report have been classified as meeting the Inferred Mineral Resource category. Further drilling of the high-grade pods is essential to define Indicated and Measured Resources and support the assessment of potential Ore Reserves.

1. Geology and Geological Interpretation

The Minim Martap Project is a large-scale bauxite deposit located in the Adamawa region of Cameroon, alongside Canyon Resources existing Birsok Bauxite Project. The Minim Martap Project encompasses two deposits, namely the Ngaoundal and Minim Martap deposits, which are located within 25 km of each other.

The bauxite plateaus are remnants of an ancient large-scale plantation surface, forming on Cenozoic age basalt flows. The original surface is now deeply weathered with an iron-rich hard cap. This surface is deeply incised by streams, creating steep-sided valleys and the present-day topographic relief.

All of the plateaus are highly dissected with hard ferruginous or bauxite caps of irregular shape and steep slopes, with 5 to 15 m-high sub-vertical cliffs (dependant on thickness of bauxite) surrounding the top of the plateau.

Bauxite mineralisation is restricted to plateau areas. The bauxite and weathering profile of Brigitte Plateau is shown in Figure 4.

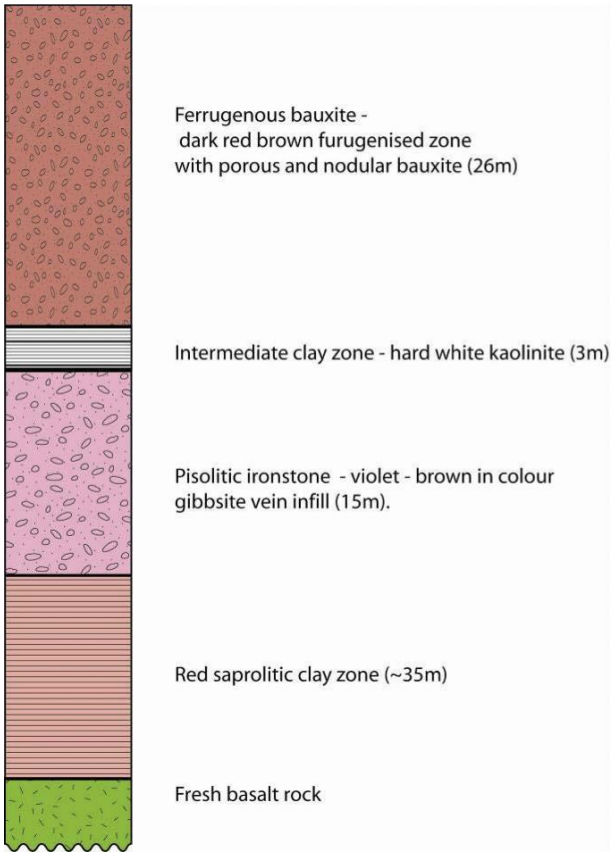

Figure 4: Bauxite and weathering profile of Brigitte Plateau

Source: SRK

2. Sampling and Sub-Sampling

Sampling on a 1 m vertical basis was routinely undertaken. Core holes were drilled to support the auger and air core drilling. All sample splitting was undertaken in a valid manner to ensure representative subsamples were obtained. All samples were analysed on a metre by metre basis to enable the definition of grade profiles that are the basis for defining the high-grade bauxite Inferred Resource.

3.Drilling Techniques

Core, auger and air core drilling techniques were used to evaluate the bauxite. All drilling was supervised by a competent qualified geologist at site who also undertook timely logging of each drill hole. Duplicate drillholes were selectively completed to understand repeatability limitations.

Recovery data were assessed, and high rates were always achieved. Bauxite being derived from a weathering mineralisation process can have natural cavities in zones of hard mineralisation, however only a couple of such cases were identified.

4. Criteria for Classification

Bauxite assessment is somewhat unique in that large numbers of samples are typically required for accurate deposit assessment. Core, chip and aircore samples were obtained during the drilling.

Logging was both qualitative or quantitative in nature. Photographs were taken selectively to support the logging. All relevant intersections were logged. A competent qualified geologist at site undertook timely logging of each drill hole.

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5.Sample Analysis Methods

All sample splitting was undertaken in a valid manner to ensure representative subsamples were obtained. Many sampling techniques were applied to the different drilling samples from the auger, core and air core drilling comprised riffle splitting, cone and quartering and core cutting.

Drilling data comprises samples taken at one metre intervals and analysed by XRF for SiO_2, Al_2O_3, CaO, Fe_2O_3, K_2O, P_2O_5, TiO_2, MnO, ZrO_2, V_2O_5, LOI 1000 at BRDC and SiO_2, Al_2O_3, CaO, Fe_2O_3, K_2O, MgO, P_2O_5, TiO_2, MnO, Cr_2O_3, LOI 1000 at the Stewart Group laboratory. Checks of auger samples against core data show good correlation and no significant bias. Regular spaced sampling across the bauxite plateaus demonstrated good continuity of the bauxite thickness but significant grade variability.

The nature, quality and appropriateness of the assaying and laboratory procedures used was undertaken to a high standard by accredited laboratories. Repeat samples and duplicates were assessed and reported. Sample preparation was undertaken using accredited laboratories in Ireland, India and Australia.

Stewart Group, Ireland, is an accredited public testing service and the laboratory complies with the necessary standards requirements. OMAC, the parent company, is accredited to ISO 17025 by the Irish National Accreditation Board (INAB). INAB is a member of the International Laboratory Accreditation Cooperation (ILAC) and is a signatory to the ILAC Mutual Recognition Arrangement whose signatories include Canada, USA, Australia, South Africa, Japan, EU countries and many others.

Belgaum Research and Development Centre (BRDC) is ISO 9000 certified and is skilled in the analysis and testing of bauxite and alumina. The BRDC facility was originally set up by Alcan.

Genalysis, Perth, Western Australia is fully accredited and experienced in bauxite analysis. The Genalysis laboratory is certified to the ISO 9001 standard.

6. Estimation Methodology

Depths were adjusted for auger sampling errors. Current estimations are based on Thiessen polygonal block models (**Appendix B**). The key assumption is the lateral continuity of the bauxite and floor. The local continuity was confirmed with 20 close-spaced (50 m) drill holes and 3 core holes were drilled on each plateau to confirm the visual levels and check the open hole data. Geostatistical analysis of the plateaux enabled the grade range to be assessed and the result was found to be very similar to the results described by Bureau de Recherches Géologiques et Minières - France (BRGM). Historical data from BRGM bauxite was not used for bulk density or moisture as the results of the test work indicated different values.

Reactive silica and available alumina were measured for drill hole composites compiled from the metre chemical analyses. A regression analysis was then used to determine the relationship between the chemical and reactive/available analyses. ABEA (Available Bayer Extractable Alumina) extraction temperature of 145°C and an MEA (Maximum Extractable Alumina) extraction temperature of 235°C were used.

7.Cut-off Grades

The basis of the cut-off grade(s) and quality parameters for bauxite are complex as the commodity value depends upon many factors. The total chemical cut-offs applied to the vertical profile were based on several ranges. Overall, total silica was targeted at <3% and total alumina >30%. For high alumina plateaux, total silica <5% was used when the total alumina was >50%. These cut-off values align with the natural character of the bauxite profiles on the plateaux included in this Resource assessment such that the bauxite layer of the profile is widely developed on each plateau reported to contain a Resource. The non-uniform grade profiles mean there should be capacity to improve the Resource grade by selective mining. A final block model cut-off could be used to better determine and plan extraction of a high-grade component of the Resource.

For the high-grade bauxite Resource, the total chemical cut-offs applied to the vertical profile were based on several ranges. Overall, total silica was targeted at <3% and total alumina >40%.

For high alumina plateaux, total silica <4% was generally used when the total alumina was >48%. These cut-off values align with the natural character of the bauxite profiles on the plateaux included in this high-grade Resource assessment such that the bauxite layer of the profile is widely developed on each plateau reported to contain a Mineral Resource.

In general, Ngaoundal bauxite although very attractive from the standpoint of low reactive silica, will not meet the requirements for high-grade DSO bauxite due to its low average alumina content and has not been reported as part of the current high-grade Inferred Resource.

8.Mining and Metallurgical Methods and Parameters

Bauxite mining in the Minim Martap and Ngaoundal leases is assumed to be a truck and shovel operation although continuous miners would be useful for selective grade mining control. Removal of the thin overburden will likely be done by bulldozers. Pit development will enable working faces to incorporate a range of grade estimates helping to ensure stable ROM production. Pit size and blending will depend on close spaced drilling. Overburden and floor dilution should be minimal as the cores and open hole log descriptions to date have demonstrated good visual control will be possible. Mining factors have been applied to the current Resources. Bulk sampling and reconciliation of a trial pit during the pre-mine development are viewed as the next steps to address these issues.

Based on the detailed chemical analyses, reactive silica and available alumina data it is possible to assess the metallurgical processing characteristics. No major metallurgical issues are envisaged. Although TOC (Total Organic Carbon) has not yet been fully assessed this is known to generally not be a problem in these deposits and this is assumed to be the case for the bauxite Resource described herein.

The Resources reported do not include losses or dilution. In summary, it has been allowed that 0.3 m of waste will be stripped from all the bauxite causing a loss of 3.7% of the Mineral Resource. In certain areas, there is also some low-grade overburden to strip, but this has not been incorporated into the Resource, so does not contribute to losses. Where a grade drop-off below cut-off is noticed in any drillhole, that sample and all below it have been excluded from the Mineral Resource. This means that, on average, 0.5 m of bauxite has already been excluded from the Mineral Resource during modelling.

Minimal waste and process residue disposal is required for DSO bauxite. The potential environmental impacts of the mining and processing operation will likely be negligible.

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APPENDIX B

Table 1: Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Explanation
Sampling techniques	• Nature and quality of sampling was appropriate to the scale and continuity of the deposit. • Check samples blind samples and repeat samples were undertaken to ensure validity of the work and assays. • Sampling on a 1 m vertical basis was routinely undertaken. Core holes were drilled to support the auger and reverse circulation drilling. • All sample splitting was undertaken in a valid manner to ensure representative subsamples were obtained.
Drilling techniques	• Core, auger and reverse circulation drilling were used. All drilling was supervised by a competent qualified geologist at site who also undertook timely logging of each drill hole. • Duplicate drillholes were selectively completed to understand repeatability limitations.
Drill sample recovery	• Recovery was assessed, and high rates were always achieved. Bauxite being derived from a weathering mineralisation process can have natural cavities in zones of hard mineralisation, however only a couple of such cases were identified.
Logging	• Bauxite assessment is somewhat unique in that large numbers of samples are typically required for accurate deposit assessment. • Core, chip and aircore samples were obtained during the drilling. • Logging was both qualitative or quantitative in nature. Photographs were taken selectively to support the logging. All relevant intersections were logged. • A competent qualified geologist at site undertook timely logging of each drill hole.
Sub-sampling techniques and sample preparation	• All sample splitting was undertaken in a valid manner to ensure representative subsamples were obtained. • The many techniques applied are detailed in the released Resource assessment report (McConachie et al., 2009). These comprised riffle splitting, cone and quartering and core cutting.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used was undertaken to a high standard by accredited laboratories. • Repeat samples and duplicates were assessed and reported. • Sample preparation was undertaken using accredited laboratories in Ireland, India and Australia. • Stewart Group, Ireland, is an accredited public testing service and the laboratory complies with t*he necessary standards requirements. OMAC ,the parent company, is accredited to ISO17025 by the Irish National Accreditation Board (INAB). INAB is a member of the International Laboratory Accreditation Cooperation (ILAC) and is a signatory to the ILAC Mutual Recognition Arrangement whose signatories include Canada, USA, Australia, South Africa, Japan, EU countries and many others.* • Belgaum Research and Development Centre (BRDC) is ISO 9000 certified and is skilled in the analysis and testing of bauxite and alumina. The BRDC facility was originally set up by Alcan. • Genalysis, Perth, Western Australia is fully accredited and experienced in bauxite analysis. The Genalysis laboratory is certified to the ISO 9001 standard.
Verification of sampling and assaying	• The verification of significant intersections was undertaken. • Twinned holes were assessed. • Documentation of primary data, data entry procedures, data verification, data storage (physical *and electronic)* protocols was routinely undertaken. • Slight and insignificant variations in assay data were identified.
Location of data points	• All plateau survey data for the work completed has been collected by a local Cameroon company SIMA subcontracted to the drilling contractor Labogenie • The co-ordinates for field data were collected in latitude / longitude and then projected into UTM Zone 33N co-ordinate system with a WGS84 datum using ArcGIS v9.3.1.

Criteria	Explanation
	• ArcGIS v 9.3.1 with Spatial Analyst extension software was used for all the analysis and plotting of topographic and drill hole data. • Topographic control was derived from local elevation data and satellite assessment.
Data spacing and distribution	• Data spacing was relevant and geostatistically assessed as appropriate for reporting of Exploration Results. • The data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedure(s) and classifications applied. • Samples were aggregated by weighted averages where required. Compositing was not used.
Orientation of data in relation to geological structure	• The sampling achieved unbiased and representative samples for a plateau style bauxite deposit. • No sampling bias is considered to have occurred.
Sample security	• All samples were securely stored and this was documented by inventories undertaken throughout the work program.
Audits or reviews	• Audits or reviews of sampling techniques and data were undertaken by competent independent persons, the main project audit was undertaken by Dominique Louis Butty, a director of Butty Herinckx & Partners geological and mining consultants, and a member of the European Federation of Geologists. *Mr. Dominique L. Butty, Butty Herinckx & Partners BV Switzerland* *dbutty@bluewin.ch*

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Table 2: Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	Explanation
Mineral tenement and land tenure status	• SRK has sighted the lease documents of Canyon Resources Limited. • Canyon Resources has successfully operated in Cameroon for many years.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties was done. The work undertaken by SRK did not rely on any previous assessment data.
Geology	• The deposit type comprises plateau bauxite.
Drill hole Information	• All information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes is provided in the released report (McConachie et al., 2009)
Data aggregation methods	• Weighting averaging techniques and geostatistics were used throughout the assessment to ensure valid results were obtained.
Relationship between mineralisation widths and intercept lengths	• Plateau bauxites are tabular deposits and are appropriately assessed in the manner undertaken. Sampling and spacings were aligned to the available drill rig types, equipment and terrain.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts were reported These included, plan views of drill hole collar locations and appropriate sectional views (McConachie et al., 2009).
Balanced reporting	• Representative reporting of the data was made to avoid misleading reporting of the Exploration Results. The raw data is voluminous and contained in 20 Appendices to the report of McConachie et al. (2009).
Other substantive exploration data	• Geological observations; geophysical survey results; bulk pit descriptions and metallurgical test results; bulk density, groundwater observations, geotechnical and rock characteristics were all reported (McConachie et al., 2009).
Further work	• The nature and scale of planned further work for lateral extensions were reported in McConachie et al. (2009). Apart from the known Resources, the southern Minim Martap Plateaux offer some scope for additional bauxite. Satellite image mapping has enabled the definition of about 659 plateau areas, but many are very small. • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, were reported in McConachie et al. (2009).

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Table 3: Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	Explanation
Database integrity	• All data was audited and checked by qualified personnel. • Digital validation procedures used to ensure out of range data was identified and corrected where necessary. Very few errors were found testifying to the quality of data capture.
Site visits	• The Competent Person regularly attended the site and undertook site work and assessed validation of the program.
Geological interpretation	• A high degree of confidence is placed in the interpretation of the data and the assessment of the results. • All the available data was used. • The Mineral Resource estimation is conservative in nature and further areas of known bauxite remain to be tested in the leases. • Geology and topography were both used in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology are detailed in the released report of McConachie et al. (2009). These chiefly comprise the topography and the parent rock type that was bauxitised.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike and across each plateau), plan width, and depth below surface to the upper and lower limits of the Mineral Resource was assessed for each plateau.
Estimation and modelling techniques	• No extreme grade values were encountered. Domaining, interpolation parameters and maximum distance of extrapolation from data points was based on geostatistics. • Estimation of the full bauxite profile Mineral Resource (SRK, 2018) was by Ordinary Kriging on the two-dimensional accumulation of grade x length. The high-grade Inferred Resources reported here were defined by Thiessen polygons and are a subset of the original Mineral Resources. • The availability of check estimates and previous estimates of the Mineral Resource were considered. • No deleterious elements or other non-grade variables of economic significance are associated with the bauxite assessed. • The block sizes in relation to the average sample spacing were assessed and are considered valid. • Grade control and run of mine production modelling formed the basis of the selective mining units for the onsite refinery feed. The high-grade bauxite assessed in the current report is a subset of this data. • Because the geological model is quite well understood, geostatistically tested and the number of drill holes is statistically adequate in each of the plateau bauxite Resource areas, it is possible to place a high degree of confidence on the estimated global in situ Resource estimates. The high-grade subset of the Resource similarly has good global definition.
Estimation and modelling techniques (continued)	• The geological interpretation was used to control the resource estimates by recognition of the plateau control of the mineralisation. • Grade assessment was used to eliminate poor quality bauxite with very high silica and low alumina. The criteria applied are detailed in the released report and are valid for the high- grade Resource. • The process of validation, checking process used, the comparison of model data to drill hole data are detailed in the released report.
Moisture	• Tonnages are estimated on a dry metric tonne basis with natural moisture noted. The method of determination of the moisture content is detailed in the released report.
Cut-off parameters	• The basis of the adopted cut-off grade and quality parameters applied is detailed in the released report (McConachie et al. ;2009). The basis of the cut-off grade(s) and quality parameters for bauxite are complex as the commodity value depends upon many factors. The total chemical cut-offs applied to the vertical profile were based on several ranges. Overall, total silica was targeted at <3% and total alumina >30%. For high alumina plateaux, total silica <5% was used when the total alumina was >50%. These cut-off values align with the natural character of the bauxite profiles on the plateaux included in this Resource assessment such that the bauxite layer of the profile is widely developed on each plateau reported to contain a Resource. The non- uniform grade profiles mean

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Criteria	Explanation
	there was capacity to improve part of the Resource grade by selective mining. A Thiessen polygon block model cut-off was used to determine and plan extraction of a high-grade component of the Resource. • The basis of the cut-off grade(s) and quality parameters for high-grade bauxite are complex as the commodity value depends upon many factors. The total chemical cut-offs applied to the vertical profile were based on several ranges. Overall, total silica was targeted at <3% and total alumina >40%. • For high alumina plateaux, total silica <4% was generally used when the total alumina was >48%. These cut-off values align with the natural character of the bauxite profiles on the plateaux.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and mining dilution and losses were all assessed in the 2009 SRK reports. The Resources reported do not include losses or dilution. In summary, it has been allowed that 0.3 m of waste will be stripped from all the bauxite causing a loss of 3.7% of the Mineral Resource. In certain areas, there is also some low-grade overburden to strip, but this has not been incorporated into the Resource, so does not contribute to losses. Where a grade drop-off below cut-off is noticed in any drillhole, that sample and all below it have been excluded from the Mineral Resource. This means that, on average, 0.5 m of bauxite has already been excluded from the Mineral Resource during modelling. This approach is carried through to the high-grade Resource.
Metallurgical factors or assumptions	• Minimum metallurgical treatment is required for DSO bauxite. Appropriate metallurgical assumptions were made to enable full processing of the bauxite ore to produce alumina. These are applicable both at site and for a remote processing facility.
Environmental factors or assumptions	• Minimal waste and process residue disposal is required for DSO bauxite. The potential environmental impacts of the mining and processing operation will likely be negligible. Consideration of these potential environmental impacts is detailed in the released report (McConachie et al., 2009).
Bulk density	• Bulk density was determined, and the method used, is detailed in the released report. Several approaches were used to assess the in situ dry bauxite density and the moisture content. These comprised principally dry density measurements on HQ core conducted in the field and at the laboratory of Labogenie in Yaounde plus measurement of wet bauxite from two aircore drillholes drilled, at the side and edge of the Simone Plateau. • The bulk density for bulk material must be measured by methods that adequately accounted for void spaces (vugs, porosity, etc), moisture and differences between mineralised and laterite zones within the deposit. At a 2.5% relative standard deviation it means that within the 95% confidence interval the hole average bulk density could vary from about 1.77 to 1.83 t/m3. This seems a narrow range, but it is based on a reasonable quantity of measured data and there is no evidence of bias. • The assumptions for bulk density estimation are detailed in the released report. The density value is considered reasonable for the deposit but further work could provide a more reliable estimate although a deposit average variation of greater than ± 0.1 is considered unlikely. Previously, the dry bulk density has always been assumed to be 2.2 t/m^3 as was reported by BRGM (Bardosy and Alva, 1990) and used by Gsell (1984) to calculate the Resource tonnages. The major issues with the density work can be summarised as follows: • Moisture is assumed to be nil (Measured densities were sun dried in the field and oven dried at Labogenie); • Broken core was not measured – fractures and vugs may be more common; • Fewer samples were available in particular cores; • Losses and washouts were possible in particular lithofacies; and. • Distribution of lithofacies is not currently defined. • In the authors opinion the density of 1.8 t/m^3 is reasonable for this kind on vuggy but competent material. The density range of dry bauxites varies typically from 1.3 to 2.0 t/m^3 with a maximum range of about 1.1 to 2.2 t/m^3.
Classification	• The basis for the classification of the high-grade Mineral Resource is solely focussed on an Inferred Resource. • Appropriate account was taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • The result appropriately reflects the Competent Person's view of the deposit.

Criteria	Explanation
	• The high-grade bauxite Inferred Resource is based on analysis of the current data and particularly the grade profiles to recognise the potential for a separately mineable high- grade component of the total bauxite Resource.
Audits or reviews.	• SRK protocols require an internal independent peer review. • Audits or reviews of the original data acquisition and assessment were undertaken by competent independent persons, the main project audit was undertaken by Dominique Louis Butty, a director of Butty Herinckx & Partners geological and mining consultants, and a member of the European Federation of Geologists. Mr. Dominique L. Butty, Butty Herinckx & Partners BV Switzerlanddbutty@bluewin.ch
Discussion of relative accuracy/ confidence	• The relative accuracy and confidence level in the Inferred Mineral Resource estimate uses an approach deemed appropriate by the Competent Person, namely the application Thiessen polygons, and is incorporated in the released report. • The statement relates to a global estimate and local estimates made on a plateau by plateau basis. The relevant tonnages are applicable to both technical and economic evaluation. The procedures and assumptions used are stated in the released report.

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