

Canyon Resources Ltd

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Canyon Resources maiden Minim Martap bauxite reserve supports 20-year mine life

Canyon Resources Ltd (ASX:CAY) maiden bauxite ore reserve of 97.3 million tonnes for the Minim Martap project in Cameroon will support a 20-year mine life with strong potential for further growth.

The reserve at 51.1% total alumina and 2.3% total silica supports the recent pre-feasibility study (PFS) that shows the project can produce one of the highest-grade, lowest contaminant bauxite products of any mine globally.

This reserve supports planned annual production rates of four million tonnes of bauxite product for two years, ramping up to five million tonnes for the remaining modelling period.

"Potential is enormous"

Managing director Phillip Gallagher said: "We are very pleased to be able to confirm what we have stated since the beginning - that this project can deliver a stable output of the highest-grade bauxite product in the world for at least two decades, and the modelled stage 1 output is only based on three bauxite plateaux out of the 79 on the project.

"It is clear there are many additional almost identical bauxite plateaux, all at the same altitude and with the same characteristics as the three plateaux within the reserve, that haven't yet been drilled.

"The potential for the Minim Martap Project as we develop into the full stage 2 project and beyond is enormous."

Shares higher

Shares have been as much as 20% higher in early trade to 15 cents.

Only 15 of the 79 Minim Martap plateaux have been drill tested and included within the mineral resource estimate and only three select plateaux are included in the reserve.

There is 68% of the mineral resource contained within the modelled pit shells converted to reserves, where the reserve cut-off grades are:

- All material above 50% total Al₂O₃; and
- All material below 2.5% total SiO₂ where total Al₂O₃ grade is between 44% and 50%.

84% of the mineral resource remains outside of the initial 20-year, pit shells.

The reserve estimate follows the detailed design of three mining pits across only three bauxite plateaux guided by strategic scheduling for a targeted 20-year modelling period.

A modelling period of 20 years was selected to represent the price forecasting period from pricing agency and market research consultancy Wood Mackenzie.

Price: 0.1225

Market Cap: \$73.4 m

1 Year Share Price Graph



Share Information

Code: CAY

Listing: ASX

52 week	High	Low
	0.215	0.05

Sector: Exploration & Production

Website: www.canyonresources.com.au

Company Synopsis:

Canyon Resources Ltd (ASX:CAY) agreed to a farm-in transaction to acquire up to 75% of the Birsok Bauxite Project in Cameroon.

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"Along development curve"

Director of projects James Durrant said: "The maiden ore reserve for the Minim Martap project is the culmination of a great deal of work from all our teams around the world and sets the scene for the next exciting phases of the project.

"We are now well on our way along the development curve for the project."

Exploration was completed between 2009 and 2019 and the resource is within the mineralised plateaux of Northern Cameroon.

There is no current bauxite mining in Cameroon, a nation with little mining history or activity, however, the Minim Martap resource is of considerable significance due to its relatively high alumina grades and low silica grades.

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