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Announcement
28 January 2025

Canyon Signs Underwriting Agreement to Purchase Rolling Stock for the Development of Minim Martap

Canyon Resources Limited (**ASX: CAY**) ('**Canyon'** or the '**Company'**) is pleased to announce that the Company's major shareholder, Eagle Eye Asset Holdings Pte Ltd ('**EEA**'), has agreed to underwrite the full debt requirements to finance the purchase of 22 locomotives and 550 wagons ('**rolling stock**') and the purchase of a 5 year warranty and service agreement on that rolling stock for the Minim Martap Bauxite Project (**'Minim Martap'** or **'the Project'**), located in Cameroon. The full underwritten loan amount stands at USD123,956,539 and under the terms of the agreement, an underwriting fee of 3% of the total underwritten amount, equivalent to USD3,718,696 will be payable upfront to EEA and where EEA is called upon under its underwriting, EEA will lend the money to Camalco Cameroon SA ('**Camalco**') (Canyon's Cameroonian subsidiary) on an unsecured basis.

The key commercial terms are summarised in Schedule 1.

The purpose of the financing is to allow Camalco to close out negotiations and then place an order for the delivery of the rolling stock for Minim Martap. The purchase of these long-lead items will mark a significant milestone for the Project and will ensure control over logistics, cost efficiency and reliability, with investment into this essential infrastructure demonstrating unwavering confidence in the Project. Camalco is in advanced stages of agreeing the terms for access to the rail assets of CamRail.

The Company is now working towards finalising the acquisition of the rolling stock and upon completion will bolster Minim Martap's logistical framework and most importantly, underscores Canyon's commitment in rapidly developing the Project towards production status, at a time when the Definitive Feasibility Study (DFS) is in progress and on track for completion in Q2 2025.

Mr Jean-Sebastien Boutet, Canyon Chief Executive Officer commented: *"The securing of funding for the purchase of locomotives and wagons marks a significant milestone for Canyon and a major step forward in the development and de-risking of the Minim Martap Project towards production.*

"Having our own inventory of rolling stock will play a crucial role in mitigating potential logistical challenges, ensuring the reliability of the Project over the long term and strengthening our ability to maintain control over schedules and costs.

"The locomotives and wagons account for around 50% of the CAPEX from the 2022 Bankable Feasibility Study, so to secure an attractive funding solution for the purchase of these long-lead items is a very exciting and monumental step forward for the Company and Minim Martap. I would like to thank our major shareholder EEA for their ongoing support of Canyon and Minim Martap. The impact Eagle Eye has and continues to have on the growth and success of the Company is significant and I look forward to continuing to work with them and delivering on our vision.

"The execution of this underwriting agreement reflects the confidence of both our management team and EEA in the Project's success, even ahead of finalising the DFS. By securing the financing for these critical long-lead items, we are reinforcing our commitment to efficiently advancing the project into production and delivering long-term value to our shareholders."

ENDS

This announcement has been approved for release by the Canyon Resources' Board of Directors.

Enquiries:

Jean-Sebastien Boutet
Chief Executive Officer
Canyon Resources Limited
T +61 8 6385 2263
E: info@canyonresources.com.au

Cameron Gilenko
Investor Relations & Media
Sodali & Co
T +61 6160 4909
cameron.gilenko@sodali.com

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Schedule 1 – Key Terms

Loan Amount	US$123,956,539
Underwriting Fee	3% of the Loan Amount, i.e., US$3,718,696
Interest Rate	12% per annum
Loan Term	60 months (including a 12-month moratorium period) from the date of the first draw down.
Moratorium Period	12 months from the date of the first draw down, during which no principal repayments or interest payments shall be required.
Repayment Structure	Following the Moratorium Period, repayments of amounts outstanding under the Loan together with interest shall be made by Camalco in equal installments every six (6) months over a period of 48 months. The first principal and interest repayment shall be due 18 months from the date of first draw down, being 6 months after the end of the Moratorium Period.
Early Repayment Option	Camalco may make early repayments at any time without penalties or premium.
Security	Camalco has agreed with EEA by way of a negative covenant that it will not encumber or otherwise create a security interest over the rolling stock. Canyon has agreed that it will not without the written consent of EEA which will not be unreasonably withheld, create a security interest over any of its assets or undertakings or sell any of its assets if to do so impairs Camalco's obligation to repay the loan nor enter into any agreement which affects Camalco's ability to create a security interest over its assets.
Draw down	As and when Camalco is required to pay for rolling stock, it will, if a third-party debt facility is not in place, draw down on the underwriting it has received from EEA.
Equity contribution	Canyon has an obligation to pay any money it receives under any fundraising towards paying down the total loan amount by 30% although there is no obligation to undertake such a raising.
Collar and cap	If Camalco borrows funds from a third-party debt provider to fund the purchase of the rolling stock or repay EEA, then where the interest cost of that facility is either: (a) greater than the interest charge being underwritten, EEA shall pay the interest under the Underwriting Agreement; or (b) less than the interest being underwritten, EEA shall be paid the difference between what it is paying under the Underwriting Agreement and that being paid to the third-party provider.