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Announcement

7 March 2025

Canyon to Acquire 9.1% Stake in CAMRAIL S.A

Strategic Investment Strengthens Logistics Pathway to Develop Minim Martap Toward Production

Canyon Resources Limited (**ASX: CAY**) ('**Canyon'** or the '**Company'**) is pleased to announce that the Board of CAMRAIL SA ('**Camrail**') has approved Total Energies Marketing Cameroun SA ('**Total Cameroon**') and Societe d'Exploitation des Bois du Cameroun ('**SEBC**') to enter into two share sale agreements with the Company's wholly owned in-country subsidiary Camalco Cameroon SA ('**Camalco**'). The agreements will see Camalco acquire a strategic 9.1% investment in Camrail as well as secure a position on the Camrail Board upon the completion of the two acquisitions.

Camalco acquired a 3.8% equity interest in Camrail from SEBC for an upfront cash consideration of XAF 575,700,000 (approximately A$1.4 million) and this unconditional acquisition was completed on the 28th of February 2025. Camalco will separately acquire a 5.3% equity interest in Camrail from Total Cameroon for an upfront cash consideration of XAF 812,850,000 (approximately A$2.0 million). Completion of this acquisition from Total Cameroon is subject to the remaining condition precedent of internal approval by the Apex Committee of Total Cameroon, which is expected to be completed by the end of March 2025. The total consideration of approximately A$3.4 million for the 9.1% holding in Camrail will be paid from the Company's existing cash reserves.

Establishing and accessing a transport network within the region, notably within the mine and from mine-to-port is a key focus area for Canyon, and the execution of these agreements and investment in Camrail which operates Cameroon's rail network (refer to Image 1), has further de-risked the Company's position in securing and optimising the logistics solution for its world-class, flagship Minim Martap Bauxite Project ('**Minim Martap**' or '**the Project**').

Minim Martap ranks among the world's richest bauxite deposits, with an Ore Reserve of 109Mt at 51.1% Al_2O_3 and 2.0% SiO_2 and a JORC Mineral Resource Estimate of 1,027Mt at 45.3% Al_2O_3.

Mr Jean-Sebastien Boutet, Canyon Chief Executive Officer commented: "*This investment in Camrail is a major milestone for Canyon, as we continue to work on establishing an optimal logistics plan for the Minim Martap Project*

"Minim Martap is a standout, tier-one bauxite project, which Canyon believes has all the required characteristics to become a long-term, low-cost operation, supplying a high-quality product into a growing and constrained market. To unlock the significant value potential of Minim Martap, Canyon has been focused on progressing and completing key discussions with with Ministry of Mines, Ministry of Transport, the Port Authority of Douala, Camrail and other relevant authorities to sign agreements for rail and port and secure logistics support.

"We welcome the Board of Camrail's approval of the 9.1% stake sale previously held by Total Energy and SEBC, to Camalco and look forward to working alongside the current shareholders in Camrail, State of Cameroon and Africa Global Logistics.

"This acquisition is a significant step forward in gaining access to rail infrastructure and delivering on our logistics objectives in the first half of 2025, and I would like to take the time to recognise the ongoing hard efforts of the Canyon team as we rapidly develop Minim Martap towards production."

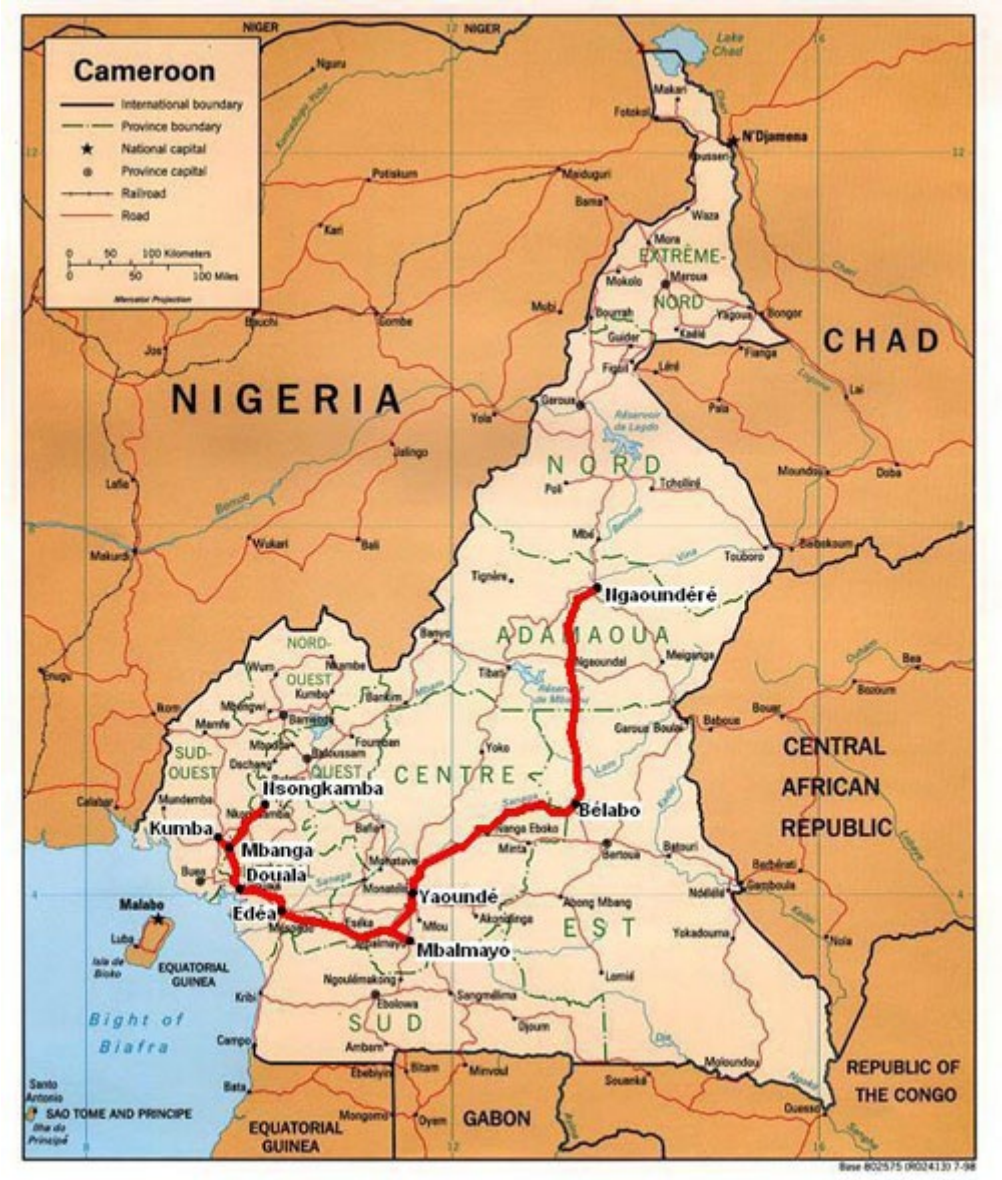


Image 1: *Camrail transport route (source: http://www.camrail.net/)*

ENDS

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

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Forward looking statements

This announcement contains forward-looking statements. These statements can be identified by words such as “anticipate”, “may”, “will”, “expect”, “intend”, “estimate”, “opportunity”, “plan”, “potential”, “project”, “seek”, “believe”, “could”, “future” 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 that could cause the Company’s actual results to differ materially from the results expressed or anticipated in these statements.

The Company 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. The Company does not undertake to update or revise forward-looking statements, regardless of whether any new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and ASX requirements.

Mineral Resources and Ore Reserves

The information in this announcement that relates to the Mineral Resources and Ore Reserves at the Minim Martap Bauxite Project has been extracted from the ASX releases by Canyon entitled ‘Minim Martap Mineral Resource Estimate upgrade adds Measured Resource’ dated 11 May 2021, and ‘Positive BFS for Canyon’s Minim Martap Bauxite Project’ dated 21 June 2022, available at www.canyonresources.com.au and www.asx.com (**Canyon Releases**). Canyon confirms that it is not aware of any new information or data that materially affects the information included in the Canyon Releases and that all material assumptions and technical parameters underpinning the estimates in the Canyon Releases continue to apply and have not materially changed.

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