

Canyon Resources

Minim Martap remains on track

Project update

Energy and resources

11 December 2025

Canyon Resources confirmed it remains on track to commission the Minim Martap bauxite project in line with previous expectations, as Cameroon returns to 'business as usual' following the presidential elections. It continues to aim for first production in early 2026 and first shipment around mid-2026. The company remains well capitalised, having completed a first tranche of the A\$205m funding package, with the remainder expected to close in Q1 CY26. We maintain our project level valuation of A\$735m, which adjusted for corporate overheads and pro forma net cash implies a value of A\$0.35/share, before accounting for the project's vast residual resource.

Year end	Revenue (AUDm)	EBITDA (AUDm)	PBT (AUDm)	EPS (AUC)
6/23	0.0	(4.5)	(5.0)	(0.54)
6/24	0.0	(10.1)	(9.5)	(0.80)
6/25	0.0	(11.6)	(10.9)	(0.72)
6/26e	0.0	(22.0)	(30.6)	(1.36)

Note: PBT and EPS as reported by the company.

Project update: Moving into production

In its latest update, Canyon noted that Minim Martap is on track for first bauxite production in February 2026 and first shipment in June 2026, in line with previous guidance and our modelling. More specifically, the inland rail facility (IRF) is due for completion by May and the road haulage of first ore from the mine to the IRF is scheduled for March, with first mining equipment arriving on site in January and mining commencing in February. Rolling stock is due to be delivered in Q1 CY26, while port access dredging will commence in January. The company is currently reviewing final tenders for transshipping. Importantly, rail access from the IRF to the port of Doula will be available from Q2 CY26, targeting initial capacity of 2Mpta and up to 10Mpta once the PQ2 rail upgrade is completed. The company is currently evaluating a further increase in capacity to up to 15Mpta.

Well funded to first production and beyond

Canyon ended Q126 with A\$31m in cash (A\$10m net debt) and has subsequently raised A\$10m via an option exercise with its core shareholder EEA and another A\$36m by completing the institutional tranche of the A\$205m funding package, improving pro forma cash to c A\$68m at 24 November. The second tranche consisting of the investments from Afriland (A\$70m) and EEA (A\$100m) is expected to close in Q1 CY26. While these funds and available debt will fund the project beyond initial production, Canyon is looking to increase its stake in Camrail from 9.1% to c 35%, which should afford it more influence over the crucial rail upgrade.

Valuation: Not reflecting the advanced stage

We retain our project level valuation of A\$735m, or A\$0.35/share when adjusted for corporate overheads and net cash, plus A\$271m for residual resources. We will look to revisit our valuation shortly, once we get better visibility on actual costs and product pricing, and to account for the project's advanced stage. With political uncertainty in Cameroon subsiding, the project being largely financially de-risked and the company taking further steps to de-risk the most sensitive rail leg of the project infrastructure, we believe Canyon shares remain significantly undervalued.

Price	AUD0.180
Market cap	AUD371m
Net cash/(debt), pro forma at 24 November	AUD28.0m
Shares in issue	2,062.1m
Code	CAY
Primary exchange	ASX
Secondary exchange	N/A

Share price performance



	1m	3m	12m
Abs	(2.7)	(32.1)	5.9
52-week high/low	AUD0.3	AUD0.2	

Business description

Canyon Resources is a development and exploration company focused on expediting the development of the high-grade bauxite Minim Martap project in central Cameroon, through its in-country subsidiary Camalco.

Next events

Project commissioning Q1 CY26

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Exhibit 1: Financial summary

Year end 30 June, A\$'000	FY22	FY23	FY24	FY25	FY26e
Income statement					
Revenue	0	0	0	0	0
Exploration and evaluation	(4,462)	(795)	(5,919)	(6,505)	(7,000)
Employee costs	(2,027)	(2,303)	(2,417)	(2,940)	(5,000)
Other operating costs	(6,195)	(1,446)	(1,717)	(2,109)	(10,000)
EBITDA	(12,683)	(4,543)	(10,053)	(11,554)	(22,000)
D&A, impairments	(96)	(610)	(98)	(100)	(100)
EBIT	(12,778)	(5,154)	(10,151)	(11,654)	(22,100)
Interest	4	167	612	731	(8,500)
PBT	(12,775)	(4,987)	(9,539)	(10,923)	(30,600)
Tax	0	0	0	0	0
Net income	(12,775)	(4,987)	(9,539)	(10,923)	(30,600)
EPS, c	(1.84)	(0.54)	(0.80)	(0.72)	(1.36)
Shares outstanding, m	806	1,016	1,374	1,648	2,849
Balance sheet					
Cash and equivalents	4,478	10,726	22,166	11,478	193,481
Other	444	584	493	493	493
Total current assets	4,923	11,311	22,658	11,970	193,973
Exploration expenditure	16,424	18,074	20,350	27,276	35,276
PP&E, project investment	239	197	1,529	5,299	75,199
Total non-current assets	16,663	18,271	21,878	32,574	110,474
Total assets	21,586	29,581	44,537	44,545	304,448
Trade and other payables	1,061	709	638	638	638
Other	121	33	29	29	29
Total current liabilities	1,183	742	668	668	668
Debt	0	0	0	0	40,542
Total liabilities	1,183	742	668	668	41,210
Issued capital	76,733	89,004	113,523	124,454	374,415
Reserves	5,690	6,841	6,891	6,891	6,891
Accumulated losses	(62,019)	(67,006)	(76,545)	(87,468)	(118,068)
Total equity	20,403	28,839	43,869	43,877	263,238
Cash flow statement					
Net cash from operating activities	(7,976)	(4,552)	(9,574)	(10,823)	(30,500)
PP&E payments	(8)	(41)	(1,124)	(148)	(70,000)
Exploration payments	(260)	(1,340)	(2,380)	(6,926)	(8,000)
Investments	0	0	0	(3,722)	0
Net cash from investing activities	(127)	(1,380)	(3,504)	(10,796)	(78,000)
Net proceeds from issued shares	10,134	12,181	24,429	18,515	249,961
Debt and debt related costs		0	0	(7,154)	40,542
Net cash from financing activities	10,134	12,181	24,429	11,361	290,503
Net increase in cash	2,032	6,249	11,352	(10,258)	182,003
Forex	(237)	(1)	88	(430)	0
Opening cash	2,684	4,478	10,726	22,166	11,478
Closing cash	4,478	10,726	22,166	11,478	193,481

Source: Canyon Resources, Edison Investment Research

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