



TSXV: CNC

## CANYON CLOSES OPTION AGREEMENT TO ACQUIRE SAMUELS LAKE PROPERTY

VANCOUVER, BC, October 19, 2016.

**Canyon Copper Corp.** ("Canyon") (TSX-V: CNC) is pleased to announce that the TSX Venture Exchange (the "Exchange") has closed the option agreement ("Option Agreement") with ProAm Explorations Corporation ("ProAm"), a company listed on the "Exchange", to earn a 71% interest in the Samuels Lake Property (the "Property") by paying \$50,000 and issuing 200,000 common shares to ProAm. The future obligations under the Option Agreement are set forth in Canyon's news release dated September 27, 2016.

Samuels Lake (the "Property") is located in the Rainy River District of Ontario, about 56 kms west southwest of Atikokan, a former mining centre that is 200 kms west of the port of Thunder Bay. The claim block covers a land area of 595.63 ha, (1,472 acres) with 5 mineral claims (36 units). This coverage encompasses all of the area of the Samuels Lake Intrusion.

The Property is host to Nickel, Copper, Cobalt and Platinum Group Elements ("PGE"). Ben Ainsworth, President and CEO of Canyon stated - "The advantage of having accumulations of nickel-copper sulphides, and the potential for cobalt as a by-product means Samuels Lake is an attractive exploration target for Canyon. Cobalt is an important component of lithium ion batteries electrode materials."

### Summary of Historical Work

The Property is an advanced exploration project, having had two significant work campaigns on it. Both campaigns lead to recommendations for further work, with geophysical targets for drilling. The first campaign was in 1998 - 2001, which started from a joint venture agreement between StarCore Resources Ltd and ProAm Explorations Corporation ("ProAm"). The program included property scale geophysical surveys, together with prospecting and trenching of the discovery area. This was followed up by a drill program of 12 NQ drill holes for 2,748 m. to test some of the electromagnetic and magnetic anomalies identified by the surface geophysical surveys.

Drill hole SM 99-3 one of the early drill holes attempted, intersected 45.74 meters of 0.82 % copper, 0.64% nickel, with 0.8g/t Pt+Pd+Au and up to 0.08% cobalt. This mineralization was associated with wehrlite alteration which has a high magnetic susceptibility and can also present magnetic anomalies. Six subsequent holes were used to carry out a downhole Crone Pulse EM Survey which identified 3 conductive targets for further testing.

The second work program was completed in 2007 and 2008, by Teck/Cominco who optioned the property from ProAm. Further ground geophysical surveys, UTEM and ground magnetics followed by a 7 diamond drill hole program, which intersected interesting nickel, copper and cobalt mineralization, including:

Hole SL 08-13	0.39% Ni, 0.85%Cu, 0.075% Co over 14.3m from 234.7m to 249.0m
Hole SL 08-14	0.21% Ni, 0.30% Cu, 0.03% Co over 33.5m from 167.0m to 200.5m
Hole SL 08-15	0.23% Ni, 0.52% Cu, 0.034% Co over 15.2m from 107.4m to 122.6m
Including:	0.57% Ni, 1.299% Cu, 0.066% Co over 3.1m from 107.4m to 110.5m

The principal host rocks for the intrusions that host the sulphide mineralization discovered at Samuels Lake are the meta-sedimentary rocks of the Quetico belt of rocks. Bodies of early mafic and ultramafic intrusions are the host rocks for this style of sulphide mineralization, which intrude the principal host rocks. As these intrusions cool they may go through a process of settling out crystals, solidifying in the magma chamber, and forming layered reefs or pods of sulphides that may contain concentrations of copper, nickel, cobalt and PGE.

Activity in the area, focuses on the mine of North American Palladium Ltd (NAPL) at Lac Des Iles, 180 km to the northeast. Lac Des Iles is regarded by many as a similar type of deposit to Samuels Lake. NAPL and several junior exploration companies are currently and actively exploring for Cu, Ni, PGMs and Co in the area between Lac des Iles and Samuels Lake.

## Proposed Exploration Program

The first priority is to rework all of the Teck Cominco and ProAm drill hole data to position the holes in a 3D plot of their relative positions. A review of drill core will also be undertaken to assure that all the most prospective sections have been assayed. These activities on the earlier data sets will allow Canyon with targeting extensions of the higher grade, copper-nickel mineralization with associated cobalt coproduct and PGE. From these targets Canyon will plan a three to five hole drill program in early 2017, subject to obtaining sufficient financing.

## Qualified Person

Benjamin Ainsworth, P. Eng, BC, with Licence #8648 and CEO of Canyon, is a Qualified Person as defined by NI 43-101 and has reviewed and approved the contents of this news release.

On behalf of the Board of Directors,

*"Benjamin Ainsworth"*

**CANYON COPPER CORP.**  
Benjamin Ainsworth, President

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## **Cautionary Statement Regarding Forward Looking Information**

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