



GOLD CANYON RESOURCES INC.

TSX-V: GCU

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MANAGEMENT INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of July 1, 2010.

This Information Circular is being mailed by the management of Gold Canyon Resources Inc. (referred to as “we”, “our”, “the Company” or “Gold Canyon” herein) to everyone who was a shareholder of record of the Company on July 9, 2010, which is the date that has been fixed by the directors of Gold Canyon as the record date to determine the shareholders who are entitled to receive notice of the meeting. We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at the special meeting of the shareholders of the Company (the “Meeting”) that is to be held on Thursday, August 12, 2010. The solicitation of proxies will be primarily by mail. Certain employees or directors of Gold Canyon may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Gold Canyon.

Details of the time and place of that meeting are contained in the Notice of Meeting that accompanies this Information Circular.

Under our Articles, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

PART 1 - VOTING

HOW A VOTE IS PASSED

Pursuant to the requirements of the current Articles of the Company the proposed resolution authorizing and approving the amendment to Gold Canyon’s authorized share capital must be approved by a majority of not less than two-thirds (66-2/3%) of the votes cast by all shareholders present in person or represented by proxy at the Meeting and entitled to vote on the resolution.

WHO CAN VOTE?

If you are a registered shareholder of Gold Canyon as at July 9, 2010, you are entitled to attend at the meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the meeting. If you are a registered shareholder but do not wish to, or cannot, attend the meeting in person, you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions (see “Voting by Proxy”). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution), you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the meeting regardless of the number of shares you hold. If you will not be attending the meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

VOTING IN PERSON

If you are a registered shareholder and attend the meeting you can cast one vote for each share registered in your name on all resolutions put before the meeting.

VOTING BY PROXY

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy, or by telephone or Internet voting as described in the enclosed form of proxy.

What is a form of proxy?

A proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the meeting.

If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy (and pursuant to telephone and Internet voting) are appointed to act as your proxyholder. Those persons are directors and officers of Gold Canyon.

Your proxy vote

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the meeting as follows:

- ✓ **FOR the special resolution that the maximum number of Common shares without par value that the Company is authorized to issue be amended from "100,000,000 Common shares without par value" to "Unlimited Common shares without par value" and that the Notice of Articles be altered accordingly as more particularly described under the heading "Part 3 – The Business of the Meeting".**

For more information about these matters, see Part 3 – The Business of the Meeting. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting or other business that may properly be considered at the meeting. At the time of printing this Information Circular, the management of Gold Canyon is not aware of any other matter to be presented for action at the meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

In order for your proxy to be valid, you must return the completed form of proxy by mail or facsimile to our Transfer Agent, Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1; fax numbers: within North America 1-866-249-7775; outside North America (416) 263-9524; or vote by telephone or through the Internet following the instructions on the enclosed form of proxy, by **2:00 p.m. (Vancouver time) on Tuesday, August 10, 2010.**

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written

statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to Computershare Investor Services Inc. at the address indicated above; or (c) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Vancouver time) on the last business day before the day of the meeting, or any adjournment thereof, or delivered to the person presiding at the meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with our Transfer Agent, Computershare Investor Services Inc., before the deadline for returning a completed proxy, you can still vote your shares but to do so you must attend the meeting in person.

Non-registered shareholders

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. In many cases, Common shares beneficially owned by a person (a “non-registered shareholder”) are registered either (i) in the name of an intermediary that the non-registered shareholder deals with in respect of the Common shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) or (ii) in the name of a clearing agency such as The Canadian Depository for Securities Limited of which the intermediary is a participant. Regulatory policies require intermediaries to seek voting instructions from non-registered shareholders in advance of shareholder meetings. Non-registered shareholders have the option of not objecting to their intermediary disclosing certain ownership information about themselves to the Company (such non-registered shareholders are designated as non-objecting beneficial owners, or “NOBOs”) or objecting to their intermediary disclosing ownership information about themselves to the Company (such non-registered shareholders are designated as objecting beneficial owners, or “OBOs”). In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the Notice of Meeting, and this Information Circular (collectively, the “Meeting Materials”) directly to the NOBOs and indirectly through intermediaries to the OBOs. The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs.

The securityholder materials sent to non-registered holders who have not waived the right to receive meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder how to vote on behalf of the non-registered holder. VIFs, whether provided by the Company or by an intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his or her nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A non-registered shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its intermediary to revoke its proxy on its behalf.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Please return your voting instructions as specified in the VIF. Non-registered holders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Gold Canyon currently has an authorized capital of 100,000,000 Common shares. Each shareholder is entitled to one vote for each Common share registered in his or her name at the close of business on Friday, July 9, 2010, the date fixed by our directors as the record date for determining who is entitled to receive notice of the Meeting.

As of July 1, 2010, there were 72,580,270 Common shares outstanding. To the knowledge of our directors and officers, the only persons or companies who or which beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of our Common shares on that date were:

Name	Number of Common shares ⁽¹⁾	Percentage of issued shares
Pinetree Capital Ltd.	7,780,500	10.7%

Notes:

⁽¹⁾ Information as to ownership of shares has been obtained from the Company's registered shareholder list or has been extracted from the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

PART 3 - THE BUSINESS OF THE MEETING

ALTERATION OF AUTHORIZED CAPITAL

Effective March 29, 2004 Gold Canyon became subject to new corporate legislation in British Columbia as the *Business Corporations Act* was brought into force to replace the antiquated British Columbia *Company Act*. Under the new *Business Corporations Act*, British Columbia incorporated companies were permitted, for the first time, to designate their authorized share capital (being the maximum number of shares permitted for issuance) as unlimited. At the time the Board of Directors of Gold Canyon determined to increase the authorized capital of Gold Canyon from 30,000,000 to 100,000,000 Common shares without par value and, in connection with the adoption of the *Business Corporations Act* (British Columbia), a special resolution to that effect was presented and approved by the shareholders of the Company.

Gold Canyon's issued share capital is, as of the date of this Information Circular, 72,580,270 Common shares and Gold Canyon's fully diluted share capital, assuming exercise of outstanding stock options and warrants, is 92,130,986 Common shares. As the maximum number of Common shares that the Company is authorized to issue pursuant to its current Notice of Articles is 100,000,000 Common shares, the Company is limited in its ability to raise funds for exploration and operations, or to acquire further properties. In light of this, the Board of Directors of Gold Canyon are proposing a special resolution to amend the Company's authorized share capital as set out in Gold Canyon's Notice of Articles from "100,000,000 Common shares without par value" to "Unlimited Common shares without par value" as was contemplated but not pursued at the time of implementation of the British Columbia *Business Corporations Act*.

The purpose of the resolution is to ensure that the Company has a sufficient number of Common shares authorized to allow the Company to raise funds or acquire assets through future share issuances. Gold Canyon has limited financial resources and has financed its operations primarily through the sale of Common shares and/or warrants to purchase Common shares. Gold Canyon will need to continue its reliance on the sale of such securities for future financing. Gold Canyon may also, from time to time, issue stock options to purchase additional Common shares in accordance with the policies of the TSX Venture Exchange. Therefore, at the meeting, shareholders will be asked to pass a resolution in the following form:

"RESOLVED THAT the authorized share capital of the Company be amended from "100,000,000 Common shares without par value" to "Unlimited Common shares without par value" and that the Company's Notice of Articles be altered accordingly."

Gold Canyon's management recommends that shareholders vote in favour of the resolution to amend the authorized share capital of Gold Canyon. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the increase.**

PART 4 - OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the its most recently completed financial year ended November 30, 2009 and as at the date of this Circular, no director, executive officer or employee or former director, executive officer or employee of Gold Canyon, nor any nominee for election as a director of Gold Canyon, nor any associate of any such person, was indebted to Gold Canyon or its subsidiary for other than "routine indebtedness" as that term is defined by applicable securities law; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Gold Canyon or its subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No proposed nominee for election as a director, and no director or executive officer of Gold Canyon who has served in such capacity since the beginning of the last financial year of Gold Canyon, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company's outstanding Common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with Gold Canyon or in any proposed transaction since the beginning of the last completed financial year that has materially affected Gold Canyon or is likely to do so.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

None of the directors or executive officers of Gold Canyon, none of the persons who have been directors or executive officers of Gold Canyon since the commencement of Gold Canyon's last completed financial year, none of the other insiders of Gold Canyon and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting.

MANAGEMENT CONTRACTS

The management functions of the Company or its subsidiaries are not, to any substantial degree, performed by persons other than by the directors or executive officers of Gold Canyon.

AUDITOR

The auditor of Gold Canyon is Davidson & Company, Chartered Accountants, Suite 1200, 609 Granville Street, Vancouver, British Columbia.

OTHER MATTERS

Management of Gold Canyon is not aware of any other matters to come before the meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

You may obtain additional information about Gold Canyon in our audited consolidated financial statements and Management's Discussion and Analysis for the year ended November 30, 2009, which may be obtained without charge upon request to us at Suite 810 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G5 - telephone (604) 682-3234; fax (604) 682-0537. You may also access our disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.