

**January 3, 2007****NEWS RELEASE****GOLD CANYON CLOSSES FIRST TRANCHE
OF PRIVATE PLACEMENT FOR US\$348,400****2007 WINTER PROGRAM PLANNED AT SPRINGPOLE**

Gold Canyon Resources Inc. (GCU: TSX-V) (“Gold Canyon” or “the Company”) is pleased to announce it has closed the first tranche of its non-brokered private placement originally announced on December 28, 2006. Today’s closing included 1,340,000 common share units (the “Units”) at US\$0.26 (Cdn\$0.30) per Unit for gross proceeds of US\$348,400 (Cdn\$402,000). Each Unit consists of one common share in the capital of the Company and one non-transferable common share purchase warrant, each whole warrant entitling the holder to acquire one additional common share at a price of US\$0.39 (Cdn\$0.45) per share until January 2, 2009. All securities will be subject to a four month hold period expiring on May 3, 2007 in accordance with applicable Canadian securities law and the policies of the TSX Venture Exchange. The securities have not been registered under the United States *Securities Act of 1933*, as amended or the securities laws of any state of the United States and may not be sold, transferred or assigned in the absence of an effective registration statement for the securities under applicable securities laws, or an available exemption from the registration requirements of those laws.

With respect to the first tranche closing, Gold Canyon paid a finders’ fee of Cdn\$4,560 in cash.

The net proceeds of the offering will be used for additional work on Gold Canyon’s Cordero Gallium Project, the Springpole Gold Project and for general corporate purposes.

Springpole 2007 Winter Drilling Program

A contract has been awarded to Major Drilling International for a minimum of 2,000 meters (6,562 feet) of drilling at the Company’s Springpole Gold Property in the Red Lake Area of north-western Ontario. Crews will be on-site early in January and drilling is expected to commence by the end of January. The program will focus on the north-west extension to the Core Area resource and also on the new Southwest Target Area several kilometres distant.

About Gold Canyon Resources Inc.:

Gold Canyon is engaged in the acquisition and exploration of mineral and precious metals properties. The Company controls a 100% interest in the Springpole Gold Project, the Favourable Lake Poly-metallic Project and Bear Head Uranium Project in the Red Lake Mining District of Ontario, Canada. Through its wholly owned U.S. subsidiary, Gold Canyon Resources USA Inc., the Company controls a 100% interest in the Cordero Gallium Project situated in Humboldt County, Nevada, U.S.A.

Additional information can be found on the Company’s website: <http://www.goldcanyon.ca>.

**Akiko Levinson,
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This news release includes certain forward looking statements in respect to various issues including upcoming events. These forward looking statements are based upon current expectations which involve risks and uncertainties that could cause actual outcomes and results to differ materially. Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge, and careful evaluation may fail to overcome. Exploration activities seldom result in the discovery of a commercially viable mineral resource. Exploration activities are also expensive. The Company will therefore require additional financing to carry on its business, and such financing may not be available when it is needed. The Company disclaims any obligation to revise any forward looking statements as a result of information received after the fact or regarding future events.

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