



**May 20, 2009**

**NEWS RELEASE**

**GOLD CANYON AND SHOREHAM FORM JOINT VENTURE  
ON FAVOURABLE LAKE PROPERTY**

**Gold Canyon Resources Inc. (GCU: TSX-V)** (“Gold Canyon” or “the Company”) is pleased to announce the exercise of the option to acquire a 60% undivided interest in the Company's Favourable Lake property, by Shoreham Resources Ltd., pursuant to a mineral property option agreement between Gold Canyon and Shoreham dated December 22, 2005.

The Favourable Lake Property consists of 27 multi-unit contiguous mining claims (428 units) with an approximate surface area of 17,120 acres (6,928 ha), situated in the Red Lake Mining Division, north-western Ontario. The claims are located in the area of Favourable and Borland Lakes, approximately 200 km north of the town of Red Lake.

Shoreham acquired its interest by paying Gold Canyon a total of \$50,000 in cash, issuing an aggregate of 1,000,000 common shares in the capital of Shoreham to Gold Canyon and incurring expenditures in the aggregate of \$1,000,000 on the Favourable Lake property over the last four years. Each of Gold Canyon and Shoreham have formed a joint venture on terms set out in the joint venture agreement between Gold Canyon and Shoreham, dated April 20, 2009, with respective joint venture interests equal to the initial interest of each party in the Favourable Lake property, subject to adjustment in accordance with the terms of the joint venture. Shoreham shall act as the initial operator and the two entities will form a management committee of three persons to oversee future exploration and development on the Favourable Lake property.

***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 - Horseshoe Island Gold, Platinum, Palladium Project and Favourable Lake Poly-metallic property currently under option to Shoreham Resources Inc. pursuant to an option and joint venture agreement entered into in December 2005 - all 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.

Gold Canyon entered into a Joint Exploration Agreement with the Japan Oil, Gas and Metals National Corporation (JOGMEC) in January 2009.

Additional information can be found on the Company's website: [www.goldcanyon.ca](http://www.goldcanyon.ca)

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*Certain statements contained in this news release using the terms “may”, “expects to”, “project”, “estimate”, “plans”, and other terms denoting future possibilities, are forward-looking statements in respect to various issues including upcoming events based upon current expectations which involve risks and uncertainties that could cause actual outcomes and results to differ materially. The future conduct of the Company’s business and the feasibility of its mineral exploration properties are dependent upon a number of factors and there can be no assurance that the Company will be able to conduct its operations as contemplated and the accuracy of these statements cannot be guaranteed as they are subject to a variety of risks that are beyond our ability to predict or control and which may cause actual results to differ materially from the projections or estimates contained herein. The risks include, but are not limited to, the risks described in the above press release; those risks set out in the company’s disclosure documents and its annual, quarterly and current reports; the fact that exploration activities seldom result in the discovery of a commercially viable mineral resource and are also significant amounts of capital to undertake and the other risks associated with start-up mineral exploration operations with insufficient liquidity, and no historical profitability. 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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