

# Gold Canyon moving ahead with gold & gallium

by Ellsworth Dickson

**Gold Canyon Resources Inc.** [GCU-TSXV] is currently exploring the Cordero Gallium Project in Nevada and the Springpole Gold project in the Red Lake District of northwest Ontario. The company recently received a NI 43-101 compliant Technical Report and resource estimate for its 100% controlled Cordero Gallium project located in Humboldt County, north-central Nevada, just south of the Oregon border.

Gallium, which sells in the range of US \$500 to \$600 per kilogram, is an unusual metal that is in increasing demand for high-tech applications. As a useful comparison, one kilogram of gallium has roughly the same value as an ounce of gold.

Gallium compounds including gallium arsenide (GaAs) and gallium nitride (GaN) are among the most important of the semiconductor compounds. Depending how the semiconductor is configured, it can make your cell phone work or light your way with an LED (light emitting diode).

One important characteristic of gallium nitride is its ability to produce white light while using very little electricity as compared to other light sources. About 34% of gallium usage is destined for LEDs (light emitting diodes), cell phones, computers, photodetectors, optoelectronic devices and solar cells, to name a few. Research is also underway at the University of California, Santa Barbara, to develop a gallium-based fuel cell.

The U.S. is the world's second largest consumer of gallium after Japan, consuming 21,000 kg of the metal annually. There are no stand-alone gallium mines in North America or anywhere else in the world. Gold Canyon's Cordero deposit, which remains open along strike and to depth, is the largest known primary gallium deposit in North America.

Based on 82 drill holes, the independent report estimates resources at Cordero as follows:

Mineral Resources above 30 ppm* Gallium (Rounded)			
Category	Metric Tonnes	Gallium PPM	Gallium Metal Kilograms
Total Indicated	6,450,400	52.3	337,360
Total Inferred	7,811,400	49.2	384,640

\* Parts per million



Robert Carrington, Geologist, CEO, examines a rock outcrop mineralized with gallium and other rare metals at the Cordero Gallium project in north-central Nevada. Photo courtesy Gold Canyon Resources Inc.

The mineralized zones used to calculate the gallium resources were limited to an "envelope" based on areas with drill hole spacings of 100 to 120 feet and composite gallium grades in excess of 30 ppm. Gold Canyon has planned a program of in-fill exploratory drilling to provide a nominal spacing of 100 feet to further delineate, evaluate and potentially expand the deposit.

Metallurgical studies by Chelatech of Alameda, California have recently been confirmed by McClelland Labs of Reno, Nevada. The studies found that in addition to gallium, other metals were extracted, including scandium and rare earth elements – metals that are potentially valuable by-products.

Gold Canyon is arranging a private placement to fund a 28,000-foot reverse circulation drilling program this summer to test for gallium, associated minor metals and various rare earths.

In northwest Ontario, at the 100% controlled Springpole Gold Project, Gold Canyon continues to receive encouraging drill results. A couple of the better Springpole assays include 3.0 oz. gold/ton over 19.6 feet in hole BL-319 and 1.518 oz. gold/ton over 8.0 feet in hole BL06-356 in the Core Area. In addition, preliminary exploration drilling within the 2.5-km long Southwest Target Area has identified mineralization assaying 0.449 oz. gold/ton over 3.0 feet, within a larger 12.0-foot interval averaging 0.172 oz/ton was returned in hole BL06-357.

Gold Canyon is currently preparing for its summer Springpole exploration program following the favourable winter drilling results that were designed to test for the locations of extensions to known mineralized zones, discovering off-sets and identifying new prospective zones. The summer program, scheduled to start in June, will include additional 3D computer modelling of all known mineralization, field sampling of these zones, MMI soil geochemistry in new areas targeted by the alteration model and exploration of newly-acquired claims. ■