



**August 16, 2010**

**NEWS RELEASE**

**GOLD CANYON INTERSECTS 217 METERS  
AT 1.57 GRAMS PER TONNE GOLD AT SPRINGPOLE GOLD PROJECT**

**Gold Canyon Resources Inc. (GCU: TSX-V)** (“Gold Canyon” or “the Company”) is pleased to announce results for the first two drill holes of its Summer 2010 Diamond Drill Program at its 100% controlled Springpole Gold Project, located in the Red Lake Mining District of Ontario, Canada. Results include 217.0 meters at 1.57 grams per tonne gold (712 feet at 0.046 oz per ton gold) in hole SP10-007 and 123.0 meters at 1.45 grams per tonne gold (404 feet at 0.042 oz per ton gold) in hole SP10-008.

- Hole SP10-007, 217.0 meters at 1.57 grams per tonne gold (712 feet at 0.046 oz per ton gold), was drilled at an azimuth of 220 degrees true north and inclination of -45 degrees and targeted a gap between the Portage and Camp Zones. This hole demonstrates that mineralization persists to depths of 180 meters below surface in this area and has a true width of at least 153 meters. Mineralization in this hole appears consistent with that of the Portage Zone which is hosted by intensely biotite altered trachytic porphyry. Gold is associated with a dense stockwork of biotite-pyrite-quartz-calcite veinlets that pervade the intrusive host rock.
- Hole SP10-008, 123.0 meters at 1.45 grams per tonne gold (404 feet at 0.042 oz per ton gold), was collared 550 meters SE of SP10-007. It was drilled at an azimuth of 212 degrees true north and an inclination of -45 degrees and targeted the south-eastern extension of the Portage Zone. The intercept above was preceded by an interval of 59.0 meters at 0.98 grams per tonne gold (194 feet at 0.029 oz per ton gold), but due to a zone of no core recovery between 316.0 meters and 328.0 meters, the two intervals cannot be combined with certainty. Not only does this hole clearly demonstrate that the Portage Zone continues in a southeasterly direction, it also shows that mineralization persists to depths of at least 320 meters below surface in this area. True width of this Zone is estimated to be at least 137 meters in this area. Amazingly, mineralization in this hole is strikingly similar in appearance and grade to that in SP10-007 even though they are 550 meters distant.
- Results from SP10-007 and -008, coupled with results from SP10-002, -005 and -006 drilled during the winter 2010 drill phase (*see press releases from April 6 and May 4, 2010*) and historic drilling, suggest that the Portage Zone is a northwest-trending, near-vertical body of mineralization approximately 600 meters long with true widths ranging from about 45 meters to 153 meters. It persists from lake bottom to depths of at least 220 meters at its northwest end and 320 meters at its southeast extension. The Portage Zone remains open to the southeast and at depth. Additional drill holes planned for this summer and the Winter 2011 campaign will further evaluate continuity.

- Eight holes have been completed since start of the Summer Program for a total of 2,675 meters. Holes SP10-015 and -016 are presently in progress. A total of approximately 6,000 meters are planned for Summer 2010. Half of the Summer 2010 Program will test the Portage Zone; the remaining half will test extensions of other gold zones on the property, including East Extension and Camp, and will twin historic holes to verify previous results.

“These results are very encouraging,” states Quinton Hennigh, technical advisor to Gold Canyon. “These results are better in terms of length and grade than most of the historic drill holes from the Portage Zone, and we believe this is a result of better core recovery than seen in the past. The Portage Zone is wide open for expansion to the southeast and at depth. Additional holes to be drilled this season could dramatically increase the size of this zone.”

Hole	From (meters)	To (meters)	Length (meters)	Gold (grams per tonne)	Length (feet)	Gold (oz per ton)
<b>SP10-007</b>	<b>33.0</b>	<b>250.0</b>	<b>217.0</b>	<b>1.57</b>	<b>712</b>	<b>0.046</b>
<i>includes</i>	46.0	57.0	11.0	3.47	36	0.101
<i>includes</i>	76.0	79.0	3.0	3.83	10	0.112
<i>includes</i>	101.0	102.0	1.0	8.15	3	0.238
<i>includes</i>	124.0	143.5	19.5	2.92	64	0.085
<i>includes</i>	172.0	181.0	9.0	4.01	30	0.117
<i>includes</i>	187.0	204.0	17.0	2.22	56	0.065
<i>includes</i>	209.0	221.0	12.0	3.23	39	0.094
<b>SP10-008</b>	141.0	160.0	19.0	0.53	62	0.015
	<b>257.0</b>	<b>316.0</b>	<b>59.0</b>	<b>0.98</b>	<b>194</b>	<b>0.029</b>
<i>includes</i>	280.0	282.0	2.0	11.26	7	0.329
<i>No recovery from 316-328 meters due to broken ground</i>						
	<b>328.0</b>	<b>451.0</b>	<b>123.0</b>	<b>1.45</b>	<b>404</b>	<b>0.042</b>
<i>includes</i>	350.5	360.0	9.5	2.40	31	0.070
<i>includes</i>	376.0	391.0	15.0	3.69	49	0.108

*All reported assay intervals are weighted*

*SP10-007 and SP10-008 both ended in mineralization; holes were terminated due to poor drilling conditions*

*Poor drill recovery was achieved over the last few meters of both holes*

*1 troy ounce = 31.103 grams*

*Conversion factor - grams per tonne to troy ounces per short ton: g/t divided 34.2857 or g/t multiply by 0.0292*

*1 meter = 3.28 feet*

The Summer 2010 Diamond Drill Program is part on an ongoing program of drilling and remodelling of the Springpole deposit to move it towards prefeasibility. Drilling is planned to continue through early 2011, at which time work will begin on revising the resource estimate for the deposit.

Springpole is an alkaline gold system sharing similarities with other such deposits such as the great Cripple Creek deposit in Colorado. The Portage Zone is hosted by a trachytic porphyry and displays remarkably uniform grades. Other zones including East Extension, Camp and Main, consist of high grade veins and pods hosted in diatreme breccias and country rocks surrounding the northwest and northern margins of the Portage Zone. These mineralized zones underlie an area of about 4 square kilometres.

Core was logged, then split using diamond saws, with one half sent for analyses and the other half stored for future reference. Quality control programs include the use of duplicates, standards and internal and external check assaying. Certified sample standards were submitted with the normal sample stream. Gold assays were completed by SGS Canada Inc. in Red Lake, Ontario using a 30 gram charge, fire assay, with an ICP finish. For over limit assay results, initial assays in excess of 10.0 gpt Au, a gravimetric finish is utilized.

Quinton Hennigh, Ph.D., P.Geo., is the Qualified Person pursuant to National Instrument 43-101 responsible for, and has reviewed and approved, the technical information contained in this news release. Dr. Hennigh is acting as a technical advisor to Gold Canyon.

In addition, the Company announces that its Special Meeting of shareholders was held August 12, 2010 in Vancouver, British Columbia, at which the resolution was approved to amend the authorized share capital of the Company to “Unlimited Common shares without par value” and altering the Company’s Notice of Articles accordingly.

### ***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)

### **Akiko Levinson, President & Director**

For further information, please contact:

*Tel:* (604) 682-3234 *Toll free:* 1 (888) 242-3234 *Fax:* (604) 682-0537 [info@goldcanyon.ca](mailto:info@goldcanyon.ca)  
*Investor Relations:* Leo Karabelas, *Tel:* (416) 543-3120 *Email:* [leo@frontlineir.com](mailto:leo@frontlineir.com)

*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.*

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.**