



**January 18, 2011**

**NEWS RELEASE**

**GOLD CANYON ANNOUNCES REMAINING SILVER ASSAYS FROM 2010  
DRILLING AT SPRINGPOLE GOLD PROJECT**

**Gold Canyon Resources Inc. (GCU: TSX-V)** (“Gold Canyon” or “the Company”) is pleased to announce the remaining silver assays from the Summer 2010 Diamond Drill Program at its 100% controlled Springpole Gold Project, 110 kilometres northeast of the Red Lake Mining Camp, Ontario, Canada. Silver assays from holes SP10-019, -022, -024, -025, -026, -028 and -029, all of which drilled across various parts of the Portage Zone, continue to demonstrate that appreciable silver accompanies gold in this large porphyry system.

- A summary of results includes:

**SP10-019: 307 meters at 1.44 grams per tonne gold and 5.48 grams per tonne silver**

**SP10-022: 223 meters at 1.45 grams per tonne gold and 5.03 grams per tonne silver**

**SP10-024: 225 meters at 1.48 grams per tonne gold and 4.73 grams per tonne silver**

**SP10-025: 38 meters at 1.53 grams per tonne gold and 2.55 grams per tonne silver**

**SP10-026: 353 meters at 1.17 grams per tonne gold and 3.86 grams per tonne silver**

**SP10-028: 108 meters at 1.75 grams per tonne gold and 9.30 grams per tonne silver**

**SP10-029: 132 meters at 2.30 grams per tonne gold and 10.80 grams per tonne silver**

- All intercepts drilled across various parts of the Portage Zone display appreciable silver with gold (*see table below*). Silver-to-gold ratios range from 1.1 : 1 to 10.8 : 1 and average about 4.4 : 1. Consistent gold and silver values in the Portage Zone reflect the disseminated and stockwork nature of mineralization in this large porphyry body, and although gold and silver values vary somewhat from place to place, no clear metal zonation has yet been recognized within the porphyry.
- Interestingly, silver values appear to be much lower in veins that are part of the Main Zone (*note two intercepts from hole SP10-025 in table below*) and situated peripheral to the porphyry body. For example, a one meter vein intercept that assayed 45 grams per tonne gold bears less than 0.3 grams per tonne silver. It is believed that this contrast, significant silver in the porphyry and little in adjacent veins, reflects either 1) a primary zonation associated with the original porphyry mineralizing event, or 2) that adjoining gold veins formed through late remobilization and deposition of gold during deformation and alteration but the fluids responsible did not carry appreciable silver.
- The table below summarizes drill intercepts from the Portage Zone from the 2010 Diamond Drill Program. Note that this table includes newly reported intervals from some earlier reported holes using a lower cut-off grade of 0.2 grams per tonne gold and internal dilution not exceeding core lengths of 12 meters.

- Presently, the strike length of the northwesterly-striking Portage Zone stands at approximately 950 meters. This zone remains open at depths in excess of 300 meters along its entire length. True widths of the zone generally range from 90 to 150 meters, but locally widen to as much as 250 meters. The zone remains open at depth, to the southeast and northwest where it appears to plunge underneath the Main Zone.
- The winter drill program is in progress. Two diamond core rigs are operating and a third is expected to start within a few days. Two holes testing shallow portions of the Portage Zone have been completed. Cold weather has settled in making conditions favourable for building up ice and making drill pads on the lake.

“In 2010, we drilled eighteen holes testing various parts along the strike of the Portage Zone,” comments Dr. Quinton Hennigh, technical advisor to Gold Canyon. “We now feel more confident about our understanding of this large gold-silver system. For example, we usually see gold and silver values gradually rise, peak, then gradually diminish as we drill across this zone. Seldom do we see values above 10 grams per tonne gold within the porphyry, so the intervals we report are not “carried” by a few high assays. The weighted average grade of Portage Zone intercepts from the eighteen holes drilled in 2010 is 1.36 grams per tonne gold and 5.95 grams per tonne silver, a silver-to-gold ratio of 4.4 : 1. The Portage Zone bifurcates in places, perhaps reflecting late structural displacement. Although we have a lot more work to do, our picture of the Portage Zone is quickly becoming clearer.”

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

Springpole is an alkaline intrusion hosting a gold system that represents a potentially new style of Canadian Archean Shield gold deposit. Springpole shares many similarities with deposits such as the Cripple Creek Gold deposit in Colorado. The Portage Zone is hosted by a trachytic porphyry intrusion displaying polyphase autolithic breccias that contain gold mineralization of remarkably uniform grade. Other zones including East Extension, Camp and Main consist of high grade veins and pods hosted in diatreme breccias composed of intrusive and country rocks. These diatreme breccias surround the northwest and northern margins of the Portage Zone. The known mineralized zones underlie a total known area of about 4 square kilometers representing only about 15 percent of the greater alkaline intrusive complex which remains yet to be explored.

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 and silver assays were completed by SGS Canada Inc. in Red Lake and Toronto, Ontario using a 30 gram charge, fire assay, with an ICP finish. For over limit assay results, initial assays in excess of 10.0 grams per tonne Au, a gravimetric finish is utilized.

Quinton Hennigh, Ph.D., P.Geo. and Alan Roberts, M.Sc., P.Geo. are the Qualified Persons pursuant to National Instrument 43-101 responsible for, and have reviewed and approved, the technical information contained in this news release. Dr. Hennigh is acting as a technical adviser to Gold Canyon and Alan Roberts is the Senior Geologist of Alaska Earth Sciences, Inc. and Project Manager at Springpole.

### Summary of Gold and Silver Assays from 2010 Drill Holes from Portage Zone

New Silver results are shown in **bold** in the table below

Hole	From (meters)	To (meters)	Length (meters)	Gold (grams per tonne)	Silver (grams per tonne)	Length (feet)	Gold (oz per ton)	Silver (oz per ton)	Silver-to-Gold Ratio	
SP10-001	12.5	64	51.5	0.93	1.03	169	0.027	0.030	1.11	*
SP10-002	242	335	93	2.40	11.23	305	0.070	0.328	4.68	*
SP10-004	31	182	151	0.72	2.60	495	0.021	0.076	3.61	*
SP10-005	202	268	66	1.88	6.14	216	0.055	0.179	3.27	*
SP10-006	278	363	85	0.93	6.68	279	0.027	0.195	7.18	
SP10-007	33	250	217	1.57	7.44	712	0.046	0.217	4.74	
SP10-008	257	451	194	1.22	7.63	636	0.036	0.223	6.25	*
Zone of no recovery from 316-328 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-009	3	167	164	1.02	2.68	538	0.030	0.078	2.63	
	214	322	108	1.38	8.06	354	0.040	0.235	5.84	*
Zone of no recovery from 238-244 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-011	0	36	36	1.58	6.26	118	0.046	0.183	3.96	
	73	128	55	0.50	4.44	180	0.015	0.130	8.88	
	229	323	94	2.51	10.69	308	0.073	0.312	4.26	
SP10-012	275	408	133	0.79	8.55	436	0.023	0.250	10.82	
Zones of no recovery from 314-317, 329-332 and 362-365 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-016	206	511	305	1.03	4.71	1000	0.030	0.138	4.57	
Zones of no recovery from 247-250 and 445-448 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-019	182	489	307	1.44	<b>5.48</b>	1007	0.042	<b>0.160</b>	3.81	
Zones of no recovery from 418-421 and 430-442 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-022	155	378	223	1.45	<b>5.03</b>	731	0.042	<b>0.147</b>	3.47	
Poor to no core recovery was experienced from 378 to the end of the hole at 396 m where the hole was lost in broken ground										
SP10-024	166	391	225	1.48	<b>4.73</b>	738	0.043	<b>0.138</b>	3.20	
Zones of no recovery from 205-208 and 210.6-211 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-025	14	23	9	6.36	<b>2.34</b>	30	0.186	<b>0.068</b>	0.37	**
	35	36	1	45.00	<b>&lt;0.30</b>	3	1.314	<b>&lt;0.009</b>	N/A	**
	215	253	38	1.53	<b>2.55</b>	125	0.045	<b>0.074</b>	1.67	
SP10-026	54	407	353	1.17	<b>3.86</b>	1158	0.034	<b>0.113</b>	3.30	
SP10-028	361	469	108	1.75	<b>9.30</b>	354	0.051	<b>0.272</b>	5.31	
Zones of no recovery from 394-400 and 439-445 meters given a grade of 0 gpt when calculating weighted average for interval										
SP10-029	301	433	132	2.30	<b>10.80</b>	433	0.067	<b>0.315</b>	4.70	
Zones of no recovery from 337-340, 364-370 and 418-421 meters given a grade of 0 gpt when calculating weighted average for interval										

Reported intervals apply a 0.2 gram per tonne gold (0.006 oz per ton gold) cutoff.

Internal dilution within reported intervals does not exceed core lengths of 12 meters.

\* indicates new interval calculated using lower cut-off grades (above) than applied in previous news releases.

\*\* indicates intercept of Main Zone-type vein

Weighted averages were used to calculate all reported intervals.

1 troy ounce = 31.103 grams

Conversion factor – grams per tonne to troy ounces per short ton; g/t divided by 34.2857 or g/t multiplied by 0.0292

1 meter = 3.28 feet

***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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