

# Drilling Starts at Springpole Lake

By Gary Worrall  
The Northern Sun News

After a short delay due to mild weather conditions, Gold Canyon Resources Inc., (TSX-V:GCU) has announced that its 2006 drilling campaign has commenced at the Springpole Gold Project located in the Birch Lake area, northeast of Red Lake.

The current exploration program will consist of 10,000 metres of drilling focused on two main objectives. The first is to conduct additional work to fill in gaps in the existing drill coverage identified during 3D modeling. This program will include drilling in the Main, Vein and Camp Zones as well as the East Extension Bonanza. The second objective will be to explore new targets identified through work carried out during the 2005 field season and exploration modeling of the property.

Prior to the start of actual diamond drilling on February 27th, Gold Canyon crews along with the company's contractor had been busy preparing the winter camp and access road necessary to complete the winter drill campaign. A major component of this work was the preparation of a 35 kilometer winter road which connects the property to South Bay Road and ultimately to Highway 105 and Red Lake.

Gold Canyon CEO, Robert Carrington affirmed that while two weeks behind schedule, the program should have ample time to complete the required tasks. "We now have sufficient ice to complete

the planned work program, a good portion of which is land based and it therefore is somewhat independent of ice conditions," assured Carrington.

Carrington confirmed that crews from Major Drilling (using one drill) are currently working in the Vein Zone under the direction of Garry Smith, P Geo and consulting geologist.

The Springpole property has been under active exploration for a number of years by Gold Canyon and its predecessors. Exploration expenditures on the property topped CAD\$14 million by January 2004 resulting in 293 diamond drill core holes totaling 74,535m. In the 2005, \$2.1 million was spent in the winter/spring exploration program which consisted of diamond drilling in the Core Area, Sandy Point and Southwest Target Area.

When asked about the prospect of underground work at the property, Robert Carrington commented that the company would have to reach a certain *critical mass* to undertake an underground exploration or bulk sampling program. "The results of this winters drilling will have a direct influence on what we will be doing in the near term in this regard," says Carrington. "An underground program consisting of drifting and crosscutting through the mineralized zones is clearly a high priority for the company for a number of reasons. Perhaps the two most important being firstly, the confirmation of drill indicated grades indicated in the drilling, and secondly,

confirmation of continuity of the high grade zones. In addition we would also have a "bulk" sample for metallurgical test purposes and important information as to the rock mechanics," added Carrington.

While there is no all-weather road access to the property and the nearest hydro line is 30 kilometers to the south, Carrington remains optimistic on the prospects for the Springpole Gold Project. "This clearly has increased costs related compared to a project next to an existing road, however a company rarely has an opportunity to acquire 100% control of a potential World Class Project such as Springpole next to a road," explained Carrington.

"I would suggest that if Springpole were situated next to a road, it would already, in my personal opinion, be a mine."

Gold Canyon Resources is a Canadian mineral resource exploration company with its corporate head office in Vancouver. The company is traded on the Toronto Stock Exchange Venture Exchange under the symbol GCU. In addition to the Springpole Gold Project, the company also has a 100 percent interest in the Cordero Gallium project situated in Humboldt County, Nevada. Also in the company's portfolio of properties is the Favourable Lake silver-gold-base metal property located 120 miles north of Red Lake.

## GOLD CANYON - SPRINGPOLE GOLD PROJECT

The property covers approximately 20,000 acres located 115 east-northeast of Red Lake, south of Birch Lake. Gold Canyon has invested CAD\$3.6 million on exploration activities over the past two years.

An independent resource assessment completed in 1991 and used for a preliminary economic feasibility review in 1996 placed from 875,000 to 1,500,000 ounces in a drill-indicated resource category. The studies showed that at 1996 prices (\$387/oz gold) and conditions the resource was not economic.

Past work generally focused on "large, low grade", bulk mining scenarios, typical of industry standards common in large companies during the 1980's and 1990's, when high grade, selective mining operations were out of favor with management. Preliminary re-interpretation of existing data strongly suggests the real potential at Springpole is, for just such a high grade, selective mining scenario. As stated in a News Release dated April 4, 2002.

Table 1. Representative High-grade assays from previous drill programs

Hole #	Footage		Core Length (Feet)	Assay Gold oz/t
	From	To		
BL-8	143	146	3.0	2.020
BL-12	166.9	171	4.1	3.160
BL-33	1061	1065	4.0	6.610
BL-157	124	135.6	11.6	2.257
	199	204	5.0	6.030
BL-160	63.9	80.2	16.3	0.755
Including	68	71	3.0	2.031
BL-172	85	96	11.0	1.471
BL-205	147	154.7	7.7	2.470
BL-225	210	217	7.0	1.680
BL-254	114	122.5	8.5	1.542