



## NEWS RELEASE

### **EL GALLO: TWO NEW HIGH-GRADE AREAS DISCOVERED**

**Best Result: 34.6 opt Silver, 0.51 opt Gold over 30 ft**

**Including: 81.1 opt Silver, 2.1 opt Gold over 5 ft**

Toronto, Ontario (January 6, 2009) - **US GOLD CORPORATION (NYSE.A: UXG - TSX: UXG - Frankfurt: US8)** announces more exciting results from its El Gallo project in Sinaloa, Mexico. High-grade mineralization has been encountered at four separate locations.

### **EI GALLO EXPLORATION HIGHLIGHTS**

- Drilling expands original discovery, El Gallo Zone 1 (**G1**), with the highest silver grades to date from this zone: **37.9 opt silver** (1300.0 gpt silver) **over 5.0 ft** (1.5 m), **within 21.3 opt silver** (730.5 gpt silver) **over 10.0 ft** (3.0 m).
- The second area discovered, El Gallo Zone 2 (**G2**), expands with significant high-grade: **13.0 opt silver** (446.9 gpt silver), **0.2 opt gold** (6.9 gpt gold) **over 45.0 ft** (13.7 m), **including 47.4 opt silver** (1625.0 gpt silver), **0.86 opt gold** (29.4 gpt gold) **over 5.0 ft** (1.5 m)
- Additional results from G2: **32.7 opt silver** (1121.5 gpt silver) **over 20.0 ft** (6.1 m), **including 55.4 opt silver** (1900.0 gpt silver) **over 10 ft** (3.0 m).
- Two additional discoveries, El Gallo Zone 3 (**G3**) and El Gallo Zone 4 (**G4**), with the best intersection returning **34.6 opt silver** (1187.3 gpt silver), **0.51 opt gold** (17.6 gpt gold) **over 30.0 ft** (9.1 m), **including 81.1 opt silver** (2780.0 gpt silver), **2.1 opt gold** (72.4 gpt gold) **over 5.0 ft** (1.5 m).

“Our exploration at El Gallo is getting much more exciting because: 1) significant high grade gold and silver assay values are being found over good widths; 2) these values have been found close to surface and to-date all of our drilling has been shallow, only testing to 150.0 ft (45.7 m) below surface; and 3) favorable gold and silver grades in soil samples (internal assay lab) are prompting us to rapidly expand the area and scope of our drilling,” stated Rob McEwen, Chairman and CEO of US Gold.

### **CONTINUING EXPLORATION SUCCESS!**

Two New Areas Deliver High-Grade Results

As a result of an ongoing rock and geochemical soil sampling program, US Gold geologists successfully identified two new areas (**Figure 2**). **G3** is located along the eastern edge of the project and it's believed to be part of the same mineral structure that controls the initial discoveries. The **G4** area, located to the southeast, is interpreted to be a separate zone. These exciting results demonstrate the effectiveness of our initial testing utilizing inexpensive conventional rotary drilling and the potential to expand the identified mineralization. Highlights are below:

<u>Hole #</u>	<u>Silver</u>	<u>Gold</u>	<u>Silver Eq.*</u>	<u>Length</u>	<u>From</u>	<u>To</u>
<i>(Imperial)</i>	<i>(opt)</i>	<i>(opt)</i>	<i>(opt)</i>	<i>(ft)</i>	<i>(ft)</i>	<i>(ft)</i>
<b>G3 Area</b>						
GABHA08-119	12.7	-	12.7	90.0	60.0	150.0
Including	39.5	-	39.5	10.0	85.0	95.0
GABHA08-120	8.1	<0.01	8.4	50.0	70.0	120.0
Including	27.6	0.01	28.2	5.0	75.0	80.0
And	3.8	0.01	4.1	10.0	130.0	140.0
<b>G4 Area</b>						
GABHAR08-070	34.6	0.51	62.4	30.0	0.0	30.0
Including	81.1	2.1	195.1	5.0	10.0	15.0
GABHA08-071	19.8	0.21	30.9	30.0	10.0	40.0
Including	33.8	0.38	54.3	15.0	15.0	30.0
Including	43.0	0.56	73.0	5.0	15.0	20.0
GABHA08-072	8.2	0.11	14.0	20.0	30.0	50.0
Including	19.5	0.31	36.3	5.0	45.0	50.0
GABHA08-076	11.0	0.15	18.9	15.0	0.0	15.0
Including	17.4	0.28	32.7	5.0	5.0	10.0
GABHA08-077	33.1	0.53	61.9	40.0	10.0	50.0
Including	67.1	1.2	132.8	15.0	15.0	30.0
Including	77.9	1.8	177.3	5.0	15.0	20.0

<u>Hole #</u>	<u>Silver</u>	<u>Gold</u>	<u>Silver Eq.*</u>	<u>Length</u>	<u>From</u>	<u>To</u>
<i>(Metric)</i>	<i>(gpt)</i>	<i>(gpt)</i>	<i>(gpt)</i>	<i>(m)</i>	<i>(m)</i>	<i>(m)</i>
<b>G3 Area</b>						
GABHA08-119	434.1	-	434.1	27.4	18.3	45.7
Including	1355.0	-	1355.0	3.0	25.9	29.0
GABHA08-120	277.7	0.16	286.4	15.2	21.3	36.6
Including	946.0	0.39	966.8	1.5	22.9	24.4
And	129.5	0.19	140.0	3.0	39.6	42.7
<b>G4 Area</b>						
GABHAR08-070	1187.3	17.6	2138.6	9.1	0.0	9.1
Including	2780.0	72.4	6689.6	1.5	3.0	4.6
GABHA08-071	678.5	7.0	1059.1	9.1	3.0	12.2
Including	1160.0	13.0	1860.6	4.6	4.6	9.1
Including	1475.0	19.1	2503.7	1.5	4.6	6.1
GABHA08-072	281.1	3.7	479.6	6.1	9.1	15.2
Including	668.0	10.7	1245.8	1.5	13.7	15.2

GABHA08-076	<b>375.7</b>	<b>5.1</b>	<b>648.7</b>	<b>4.6</b>	0.0	4.6
Including	<b>597.0</b>	<b>9.7</b>	<b>1119.7</b>	<b>1.5</b>	1.5	3.0
GABHA08-077	<b>1133.6</b>	<b>18.3</b>	<b>2121.2</b>	<b>12.2</b>	3.0	15.2
Including	<b>2300.0</b>	<b>41.7</b>	<b>4551.8</b>	<b>4.6</b>	4.6	9.1
Including	<b>2670.0</b>	<b>63.1</b>	<b>6077.4</b>	<b>1.5</b>	4.6	6.1

\*Gold:Silver Ratio 3 year average (1:54); Cut-off grade 2.9 opt silver (100 gpt silver)  
 Metallurgical Recoveries and Net Smelter Returns are based on 100%  
 Numbers may not balance due to rounding

### Single Mineral Zone Emerging?

Drilling at El Gallo began just three months ago and has outlined four mineralized areas (labeled G1, G2, G3 and G4) containing good grades of gold and silver. These four mineralized areas are contained in a larger area measuring approximately 800.0 ft (245.0 m) long and 600.0 ft (180.0 m) wide. The objective of our recent conventional rotary drilling around **G1** and **G2** was to **1)** expand the area of high-grade mineralization, and **2)** test to see if these areas connect. Although more work is required to connect these two areas, the high-grade mineralization was successfully extended.

Drilling at G1 expanded the strike length of the mineralization by 65.0 ft (19.8 m) to 490.0 ft (150.0 m). In addition, the highest silver grades yet encountered from this zone were returned, indicating more favorable grades might be located west of our current drilling. Significant intercepts are stated below:

<b><u>Hole #</u></b>	<b><u>Silver</u></b>	<b><u>Gold</u></b>	<b><u>Silver Eq.*</u></b>	<b><u>Length</u></b>	<b><u>From</u></b>	<b><u>To</u></b>
<i>(Imperial)</i>	<i>(opt)</i>	<i>(opt)</i>	<i>(opt)</i>	<i>(ft)</i>	<i>(ft)</i>	<i>(ft)</i>
<b>G1 Area</b>						
GABHA08-057	<b>11.5</b>	<b>0.01</b>	<b>12.0</b>	<b>25.0</b>	30.0	55.0
And	<b>3.5</b>	-	<b>3.5</b>	<b>15.0</b>	105.0	120.0
GABHA08-060	<b>3.8</b>	<b>0.07</b>	<b>7.7</b>	<b>5.0</b>	5.0	10.0
And	<b>21.3</b>	-	<b>21.3</b>	<b>10.0</b>	25.0	35.0
Including	<b>37.9</b>	-	<b>37.9</b>	<b>5.0</b>	25.0	30.0
And	<b>5.7</b>	-	<b>5.7</b>	<b>30.0</b>	70.0	100.0
And	<b>3.6</b>	-	<b>3.6</b>	<b>5.0</b>	140.0	145.0

<b><u>Hole #</u></b>	<b><u>Silver</u></b>	<b><u>Gold</u></b>	<b><u>Silver Eq.*</u></b>	<b><u>Length</u></b>	<b><u>From</u></b>	<b><u>To</u></b>
<i>(Metric)</i>	<i>(gpt)</i>	<i>(gpt)</i>	<i>(gpt)</i>	<i>(m)</i>	<i>(m)</i>	<i>(m)</i>
<b>G1 Area</b>						
GABHA08-057	<b>395.0</b>	<b>0.3</b>	<b>413.1</b>	<b>7.6</b>	9.1	16.8
And	<b>120.2</b>	-	<b>120.2</b>	<b>4.6</b>	32.0	36.6
GABHA08-060	<b>131.0</b>	<b>2.5</b>	<b>263.8</b>	<b>1.5</b>	1.5	3.0
And	<b>730.5</b>	-	<b>730.5</b>	<b>3.0</b>	7.6	10.7
Including	<b>1300.0</b>	-	<b>1300.0</b>	<b>1.5</b>	7.6	9.1
And	<b>194.8</b>	-	<b>194.8</b>	<b>9.1</b>	21.3	30.5
And	<b>125.0</b>	-	<b>125.0</b>	<b>1.5</b>	42.7	44.2

Drilling at G2 successfully expanded the mineralization to the north (150.0 ft) (45.0 m), east (100.0 ft) (30.0 m) and west (100.0 ft) (30.0 m). Drilling in the south, to the 150.0 ft (45.0 m) depth capability of our conventional rotary drills, did not encounter any significant mineralization.

Results to date show that some of the best intersections are at the edge of our drilling, indicating that the high-grade has excellent potential to expand further (**Figure 4**).

<b><u>Hole #</u></b>	<b><u>Silver</u></b>	<b><u>Gold</u></b>	<b><u>Silver Eq.*</u></b>	<b><u>Length</u></b>	<b><u>From</u></b>	<b><u>To</u></b>
<i>(Imperial)</i>	<i>(opt)</i>	<i>(opt)</i>	<i>(opt)</i>	<i>(ft)</i>	<i>(ft)</i>	<i>(ft)</i>
<b>G2 Area</b>						
GABHA08-063	<b>12.4</b>	<b>&lt;0.01</b>	<b>12.6</b>	<b>110.0</b>	40.0	150.0
Including	<b>39.7</b>	<b>&lt;0.01</b>	<b>39.9</b>	<b>5.0</b>	45.0	50.0
GABHA08-065	<b>8.0</b>	-	<b>8.0</b>	<b>110.0</b>	10.0	120.0
Including	<b>27.2</b>	-	<b>27.2</b>	<b>10.0</b>	90.0	100.0
And	<b>3.4</b>	-	<b>3.4</b>	<b>5.0</b>	140.0	145.0
GABHA08-103	<b>32.7</b>	-	<b>32.7</b>	<b>20.0</b>	40.0	60.0
Including	<b>55.4</b>	-	<b>55.4</b>	<b>10.0</b>	45.0	55.0
GABHA08-108	<b>13.2</b>	-	<b>13.2</b>	<b>55.0</b>	30.0	85.0
Including	<b>29.5</b>	-	<b>29.5</b>	<b>10.0</b>	50.0	60.0
GABHA08-109	<b>14.8</b>	<b>0.01</b>	<b>15.3</b>	<b>20.0</b>	50.0	70.0
And	<b>4.3</b>	-	<b>4.3</b>	<b>10.0</b>	80.0	90.0
And	<b>3.0</b>	<b>0.02</b>	<b>4.0</b>	<b>5.0</b>	100.0	105.0
GABHA08-110	<b>8.1</b>	<b>0.03</b>	<b>9.8</b>	<b>30.0</b>	10.0	40.0
GABHA08-111	<b>8.7</b>	-	<b>8.7</b>	<b>45.0</b>	0.0	45.0
Including	<b>22.2</b>	<b>0.01</b>	<b>22.6</b>	<b>5.0</b>	5.0	10.0
And	<b>6.8</b>	-	<b>6.8</b>	<b>5.0</b>	85.0	90.0
GABHA08-121	<b>15.5</b>	-	<b>15.5</b>	<b>45.0</b>	60.0	105.0
GABHA08-122	<b>13.7</b>	-	<b>13.7</b>	<b>45.0</b>	65.0	110.0
Including	<b>30.9</b>	<b>&lt;0.01</b>	<b>31.1</b>	<b>5.0</b>	80.0	85.0
And	<b>4.7</b>	-	<b>4.7</b>	<b>5.0</b>	125.0	130.0
GABHA08-125	<b>13.0</b>	<b>0.20</b>	<b>23.9</b>	<b>45.0</b>	10.0	55.0
Including	<b>47.4</b>	<b>0.86</b>	<b>93.7</b>	<b>5.0</b>	15.0	20.0
And	<b>4.9</b>	<b>0.01</b>	<b>5.3</b>	<b>5.0</b>	65.0	70.0
And	<b>8.8</b>	-	<b>8.8</b>	<b>15.0</b>	130.0	145.0
GABHA08-127	<b>9.1</b>	<b>0.17</b>	<b>18.4</b>	<b>5.0</b>	115.0	120.0
GABHA08-129	<b>17.5</b>	<b>0.21</b>	<b>28.9</b>	<b>15.0</b>	135.0	150.0

<b>Hole #</b>	<b>Silver</b>	<b>Gold</b>	<b>Silver Eq.*</b>	<b>Length</b>	<b>From</b>	<b>To</b>
<i>(Metric)</i>	<i>(gpt)</i>	<i>(gpt)</i>	<i>(gpt)</i>	<i>(m)</i>	<i>(m)</i>	<i>(m)</i>
<b>G2 Area</b>						
GABHA08-063	<b>426.2</b>	<b>0.1</b>	<b>433.0</b>	<b>33.5</b>	12.2	45.7
Including	<b>1360.0</b>	<b>0.1</b>	<b>1366.8</b>	<b>1.5</b>	13.7	15.2
GABHA08-065	<b>272.6</b>	-	<b>272.6</b>	<b>33.5</b>	3.0	36.6
Including	<b>931.5</b>	-	<b>931.5</b>	<b>3.0</b>	27.4	30.5
And	<b>118.0</b>	-	<b>118.0</b>	<b>1.5</b>	42.7	44.2
GABHA08-103	<b>1121.5</b>	-	<b>1121.5</b>	<b>6.1</b>	12.2	18.3
Including	<b>1900.0</b>	-	<b>1900.0</b>	<b>3.0</b>	13.7	16.8
GABHA08-108	<b>451.2</b>	-	<b>451.2</b>	<b>16.8</b>	9.1	25.9
Including	<b>1012.5</b>	-	<b>1012.5</b>	<b>3.0</b>	15.2	18.3
GABHA08-109	<b>507.3</b>	<b>0.3</b>	<b>525.3</b>	<b>6.1</b>	15.2	21.3
And	<b>146.0</b>	-	<b>146.0</b>	<b>3.0</b>	24.4	27.4
And	<b>104.0</b>	<b>0.6</b>	<b>135.6</b>	<b>1.5</b>	30.5	32.0
GABHA08-110	<b>276.3</b>	<b>1.1</b>	<b>335.9</b>	<b>9.1</b>	3.0	12.2
GABHA08-111	<b>297.3</b>	<b>0.1</b>	<b>302.7</b>	<b>13.7</b>	0.0	13.7
Including	<b>762.0</b>	<b>0.3</b>	<b>776.2</b>	<b>1.5</b>	1.5	3.0
And	<b>234.0</b>	-	<b>234.0</b>	<b>1.5</b>	25.9	27.4
GABHA08-121	<b>532.2</b>	-	<b>532.2</b>	<b>13.7</b>	18.3	32.0
Including	<b>1410.0</b>	-	<b>1410.0</b>	<b>1.5</b>	21.3	22.9
GABHA08-122	<b>471.1</b>	-	<b>471.1</b>	<b>13.7</b>	19.8	33.5
Including	<b>1060.0</b>	<b>0.1</b>	<b>1060.0</b>	<b>1.5</b>	24.4	25.9
And	<b>160.0</b>	-	<b>160.0</b>	<b>1.5</b>	38.1	39.6
GABHA08-125	<b>446.9</b>	<b>6.9</b>	<b>819.4</b>	<b>13.7</b>	3.0	16.8
Including	<b>1625.0</b>	<b>29.4</b>	<b>3212.6</b>	<b>1.5</b>	4.6	6.1
And	<b>167.0</b>	<b>0.3</b>	<b>181.1</b>	<b>1.5</b>	19.8	21.3
And	<b>301.0</b>	-	<b>301.0</b>	<b>4.6</b>	39.6	44.2
GABHA08-127	<b>312.0</b>	<b>5.9</b>	<b>632.2</b>	<b>1.5</b>	35.1	36.6
GABHA08-129	<b>601.7</b>	<b>7.2</b>	<b>992.2</b>	<b>4.6</b>	41.1	45.7

\*Gold:Silver Ratio 3 year average (1:54); Cut-off grade 2.9 opt silver (100 gpt silver)

\*\*Angle Hole

Metallurgical Recoveries and Net Smelter Returns are based on 100%

Numbers may not balance due to rounding

## **Q1 Exploration Program**

*Mexico, Utah and Nevada*

With the recent exploration success in Mexico, US Gold is currently designing a diamond drill program for El Gallo and Palmarito's South West Zone. The objective will be to confirm our current work and establish a baseline for future resource estimates and to test for additional mineralization at depth.

In November 2008 US Gold acquired the rights to explore key claims inside of its Bat Ridge property, which was acquired through the takeover of Nevada Pacific Gold in 2007. Historical exploration on the property returned very encouraging values. Reverse circulation drilling is scheduled to begin in the coming weeks. Drilling in Nevada is scheduled to resume in late spring and will look to build upon the resource estimates that were published in 2008.

For a complete list of results from El Gallo please visit [www.usgold.com](http://www.usgold.com).

## **ABOUT US GOLD**

US Gold Corporation is a United States based gold exploration company exploring in northeastern Nevada and north-central Mexico. US Gold's shares trade on the NYSE Alternext and Toronto Stock Exchanges under the symbol UXG and on the Frankfurt Exchange under the symbol US8.

## **QUALIFIED PERSON**

This news release has been viewed and approved by Steve Brown, Chief Geologist, who is a Qualified Person as defined by National Instrument 43-101 and is responsible for program design and quality control of exploration undertaken by the Company at its Mexican exploration properties. Conventional rotary drill samples were analyzed by ALS Chemex utilizing a 4 acid digestion with ICP finish for silver and fire assay for gold. Samples from the geochemical survey were analyzed by US Gold's internal lab, located at the Magistral Mine, Sinaloa Mexico, utilizing atomic absorption.

All holes were drilled with conventional rotary drilling. Samples were taken every 5.0 ft (1.5 m). The true width of the mineral zone has not yet been determined.

Certain statements contained herein and subsequent oral statements made by and on behalf of the Company may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by words such as "intends," "anticipates," "believes," "expects" and "hopes" and include, without limitation, statements regarding the Company's results of exploration, plan of business operations, potential contractual arrangements, receipt of working capital, anticipated revenues and related expenditures. Factors that could cause actual results to differ materially include, among others, those set forth in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007 and other filings with the Securities and Exchange Commission, under the caption "Risk Factors". Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking statements. Except as otherwise required by applicable securities statutes or regulations, the Company disclaims any intent or obligation to update publicly these forward looking statements, whether as a result of new information, future events or otherwise.

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