January 28, 2010

NEWS RELEASE

EL GALLO EXPLORATION OFF TO EXCELLENT START IN 2010

18.6 OPT SILVER OVER 134 FT & 4.4 OPT SILVER OVER 239 FT! MINERALIZATION STARTS NEAR SURFACE

TORONTO, ONTARIO (January 28, 2010) **US GOLD CORPORATION (NYSE Amex: UXG) (TSX: UXG)** is pleased to announce results from two areas at the El Gallo Project in Sinaloa State, Mexico. These results represent the first four core holes drilled at El Gallo in 2010. Highlights include: ***18.6 ounces of silver per ton (opt) over 134.2 ft (feet)*** (638.0 grams per tonne (gpt) over 40.9 m (meters)) and ***4.4 opt silver over 239.2 ft*** (150.9 gpt silver over 72.9 m). Mineralization in both holes starts near-surface.

"A total of 340,000 ft (100,000 m) of drilling is planned for El Gallo this year and we are off to an excellent start! In addition to the results highlighted in this news release we have completed an additional 25 core holes this year. Results from these holes will be released shortly. US Gold's geologists have also identified two other separate prospects not related to El Gallo where surface sampling over a large area has yielded high-grade samples of gold and silver ***(Figures 6 & 7)***. US Gold is planning to drill these prospects during the second quarter," stated Rob McEwen, Chairman and CEO of US Gold.

1) Western Area – Main Zone
18.6 opt Silver over 134.2 ft (638.0 gpt over 40.9 m)

Two core holes were drilled in the western section of the *Main Zone* that successfully extended the mineralization 110 ft (33 m) to the south ***(Figure 2 & 3)***. Hole GAX-046 encountered excellent grades over very good widths and has opened up an exciting area for expansion drilling. The initial interpretation indicates this mineralization is the continuation along strike with hole GAX-010 (Released March 2, 2009), which returned: 31.6 opt Ag over 104 ft (1,082.4 gpt Ag over 31.7 m). GAX-046 also intersected a zone of good mineralization that starts at surface. Additional drilling will look to expand on these encouraging results. Highlights from these two holes are detailed below:

Hole #	Silver	Length	From	To		Hole #	Silver	Length	From	To
	(opt)	(ft)	(ft)	(ft)			(gpt)	(m)	(m)	(m)
GAX-044	3.1	25.8	128.0	153.7		GAX-044	106.2	7.9	39.0	46.9
GAX-046	7.5	22.0	0.0	22.0		GAX-046	256.2	6.7	0.0	6.7
Including	19.5	6.2	0.0	6.2		Including	667.0	1.9	0.0	1.9
And	18.6	134.2	108.6	242.8		And	638.0	40.9	33.1	74.0
Including	70.9	31.0	200.0	231.0		Including	2,432.1	9.5	61.0	70.4
Including	227.2	3.0	214.1	217.0		Including	7,790.0	0.9	65.3	66.2

*All depths indicated in table are down hole
**0.73 opt Ag (25 gpt Ag) cutoff
***Numbers may not add due to rounding

2) Eastern Area – Main Zone
4.4 opt silver over 239.2 ft (150.9 gpt silver over 72.9 m)

Two core holes were drilled in the eastern section of the *Main Zone.* Hole GAX-045 successfully extended the mineralization encountered in hole GAX-043 (Released August 5, 2009) by 65 ft (20 m) vertically. In addition to extending the mineralization at depth this hole intersected a wide zone of good grade consistent with other results in the area. GAX-047 encountered a narrow zone of high-grade silver at a vertical depth of approximately 400 ft (120 m), extending the mineralization by approximately 80 ft (25 m) vertically . This is important because *1)* it is one of the deepest high-grade occurrences discovered at El Gallo, showing there is good potential at depth, and *2)* this mineralization appears to correlate with other high-grade intercepts in the area that are potentially minable by underground methods. Highlights from these two holes are detailed below:

Hole #	***Silver***	***Length***	***From***	***To***		***Hole #***	***Silver***	***Length***	***From***	***To***
	(opt)	*(ft)*	*(ft)*	*(ft)*			*(gpt)*	*(m)*	*(m)*	*(m)*
GAX-045	*4.4*	*239.2*	*140.4*	*379.6*		*GAX-045*	*150.9*	*72.9*	*42.8*	*115.7*
Including	*44.5*	*10.7*	*293.3*	*304.0*		*Including*	*1,526.5*	*3.3*	*89.4*	*92.7*
GAX-047	*3.9*	*23.3*	*46.9*	*70.2*		*GAX-047*	*133.0*	*7.1*	*14.3*	*21.4*
Including	*14.2*	*4.8*	*58.6*	*63.3*		*Including*	*487.0*	*1.5*	*17.9*	*19.3*
And	*95.7*	*6.6*	*428.9*	*435.4*		*And*	*3,280.0*	*2.0*	*130.7*	*132.7*

*All depths indicated in table are down hole
**0.73 opt Ag (25 gpt Ag) cutoff
***Numbers may not add due to rounding

To review results from all 47 core holes drilled at El Gallo, please click below:
http://www.usgold.com/news/pdf/20090805_uxg_elgalloallholes.pdf

***ABOUT US GOLD* (www.usgold.com)**

US Gold Corporation is a Colorado incorporated gold and silver exploration company with a strong treasury, no debt and two significant land holdings, one in Nevada next to Barrick Gold's multi-million ounce Cortez project, and the other in Mexico where an exciting high-grade silver discovery has been made. US Gold's shares trade on the NYSE Amex and the Toronto Stock Exchange under the symbol UXG. US Gold has good market liquidity, trading 1.1 million shares daily, and is included in S&P/TSX and Russell indices.

QUALIFIED PERSON

This news release has been viewed and approved by Steve Brown, US Gold's 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.

Samples from the core drilling were split on-site at the Magistral Mine property. One quarter of the split drill core was shipped to ALS Chemex in Hermosillo for sample preparation and analysis by 4-acid digestion with ICP determination for silver and fire assay for gold. Samples returning greater than 1500 ppm silver or 10 ppm gold were re-analyzed using gravimetric fire assay. Standards and blanks were inserted every 25 samples. Rock chip samples shown in figures were analyzed by US Gold's internal lab, located at the Magistral Mine, Sinaloa Mexico, utilizing atomic absorption. Certain rock samples were also sent to ALS Chemex for further analysis and confirmation.

All holes were drilled with HQ bits utilizing a CS-1500 truck-mounted core drill. Samples were taken based on lithologic and/or mineralized intervals and vary in length. 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, 2008 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.

For further information contact:

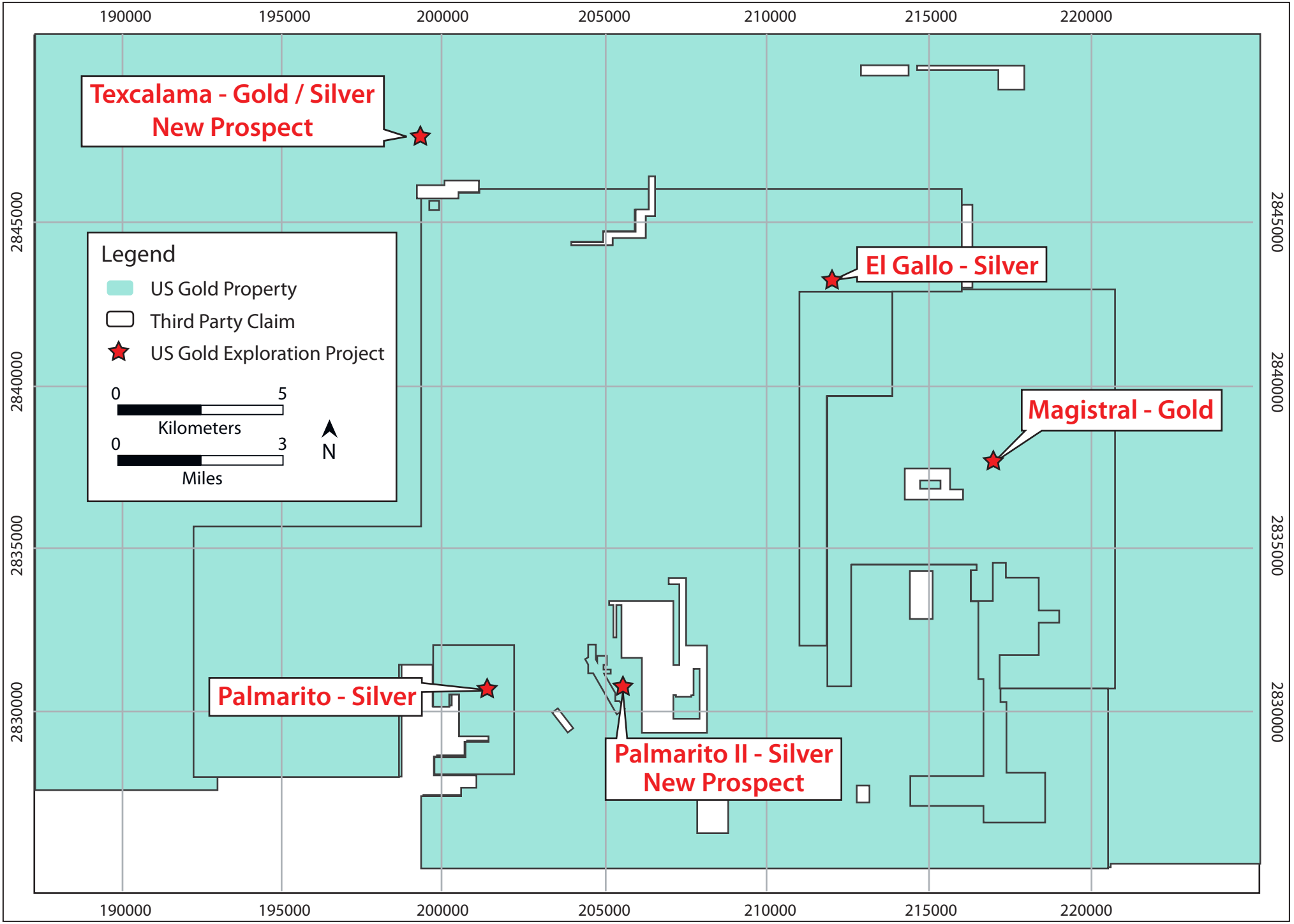
Ian Ball
VP, Mexico
Tel: (647) 258-0395
Toll Free: (866) 441-0690
Fax: (647) 258-0408

Mailing Address
99 George Street, 3rd Floor
Toronto, ON M5A 2N4
E-mail: info@usgold.com

US GOLD

Magistral District Project Locations

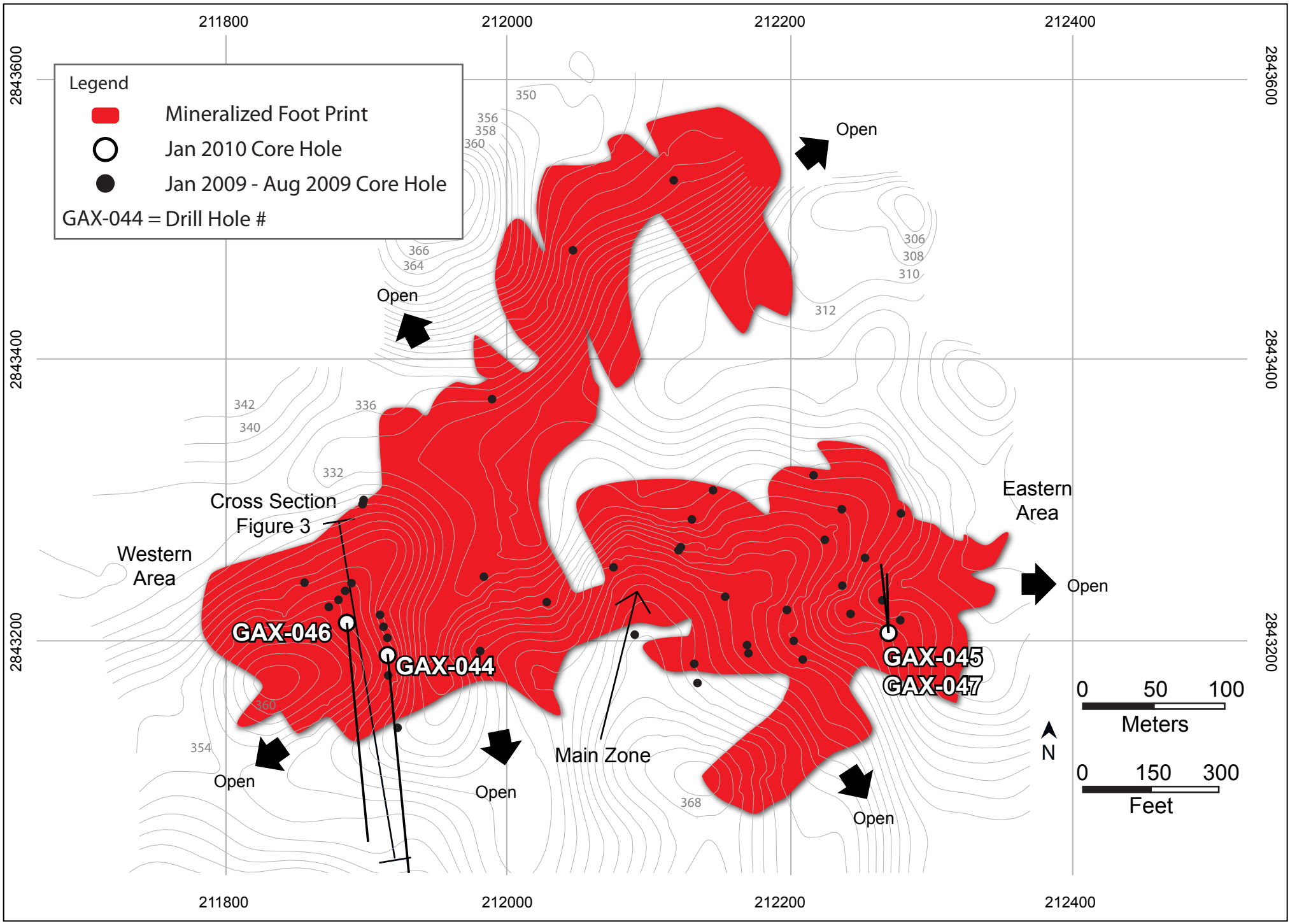
Figure 1
January 28, 2010



US GOLD

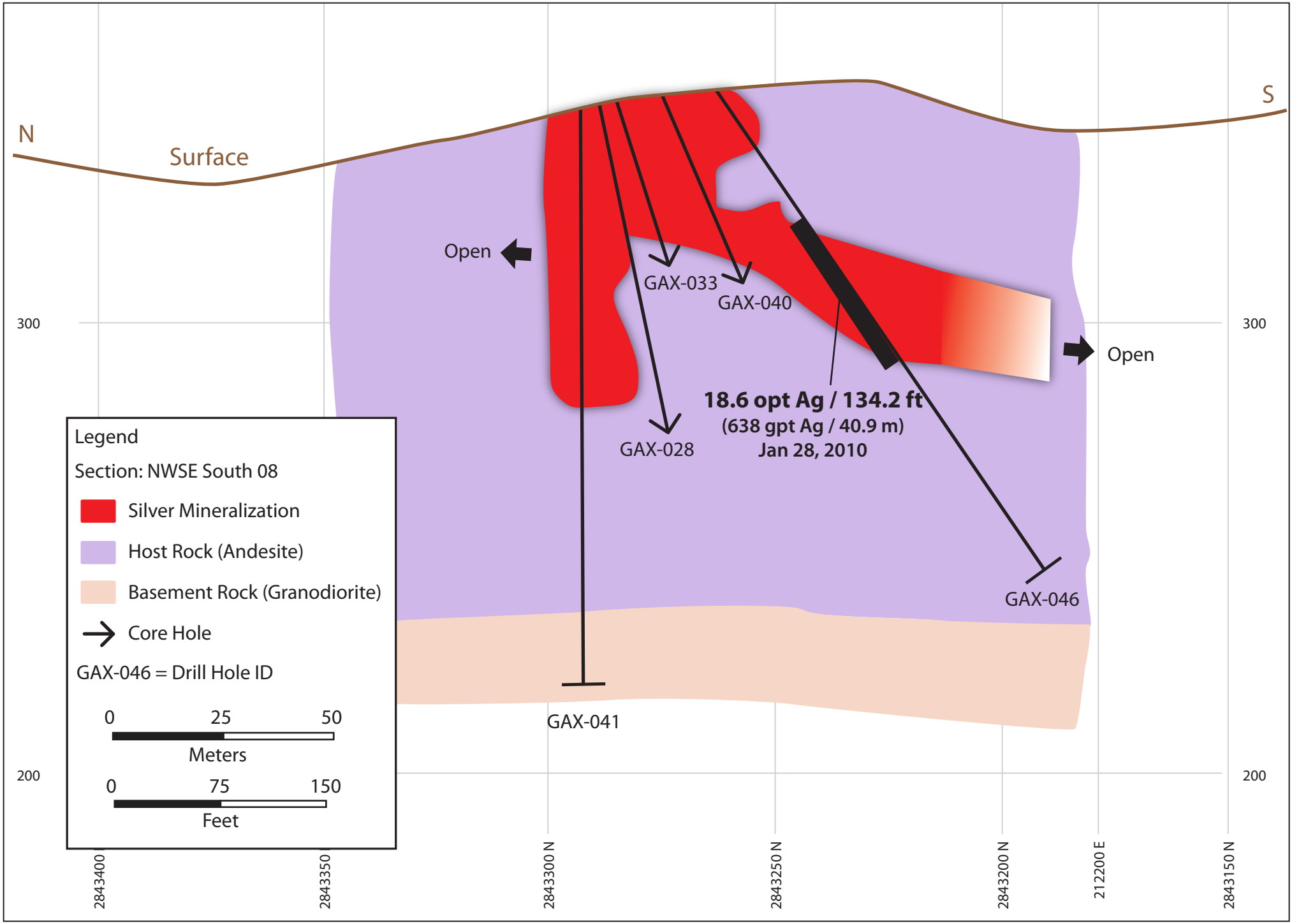
El Gallo Drill Hole Locations - Plan (Aerial) View

Figure 2
January 28, 2010

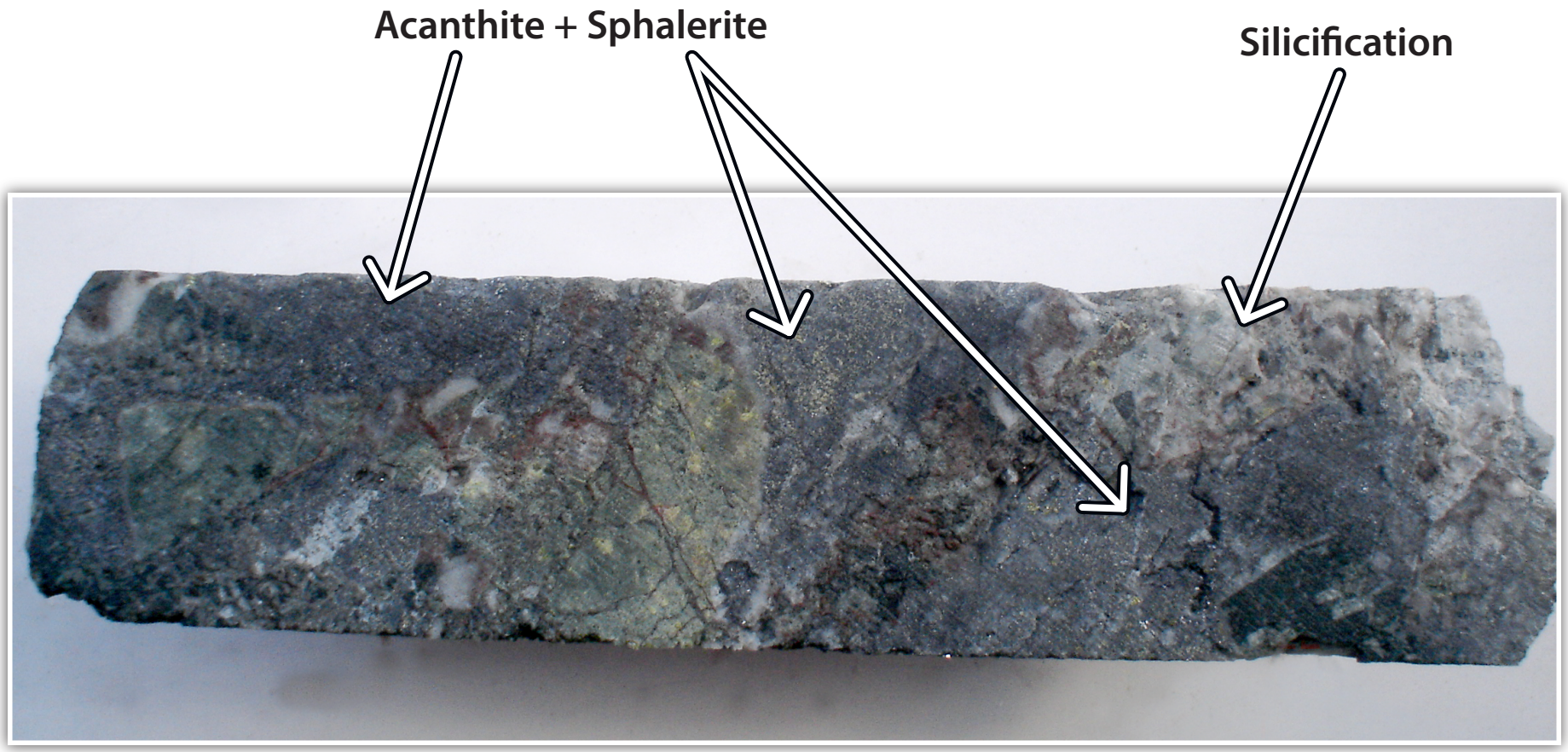


El Gallo Cross Section - Expansion Drilling

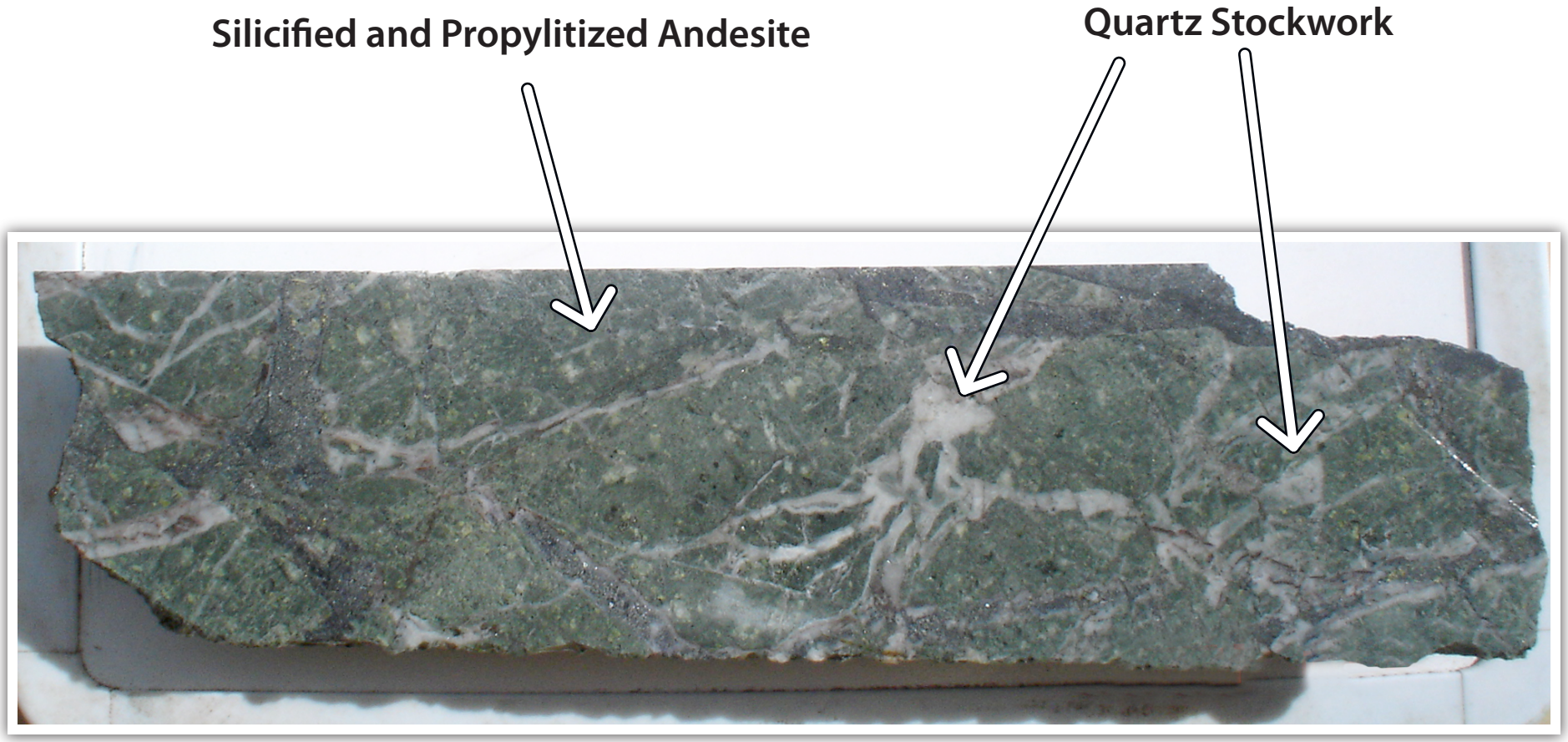
Figure 3
January 28, 2010



Sample Interval: Selected from 214.1 ft (65.25 m) to 217.0 ft (66.15 m)
Grade: 227.2 opt Ag (7,790 gpt Ag)



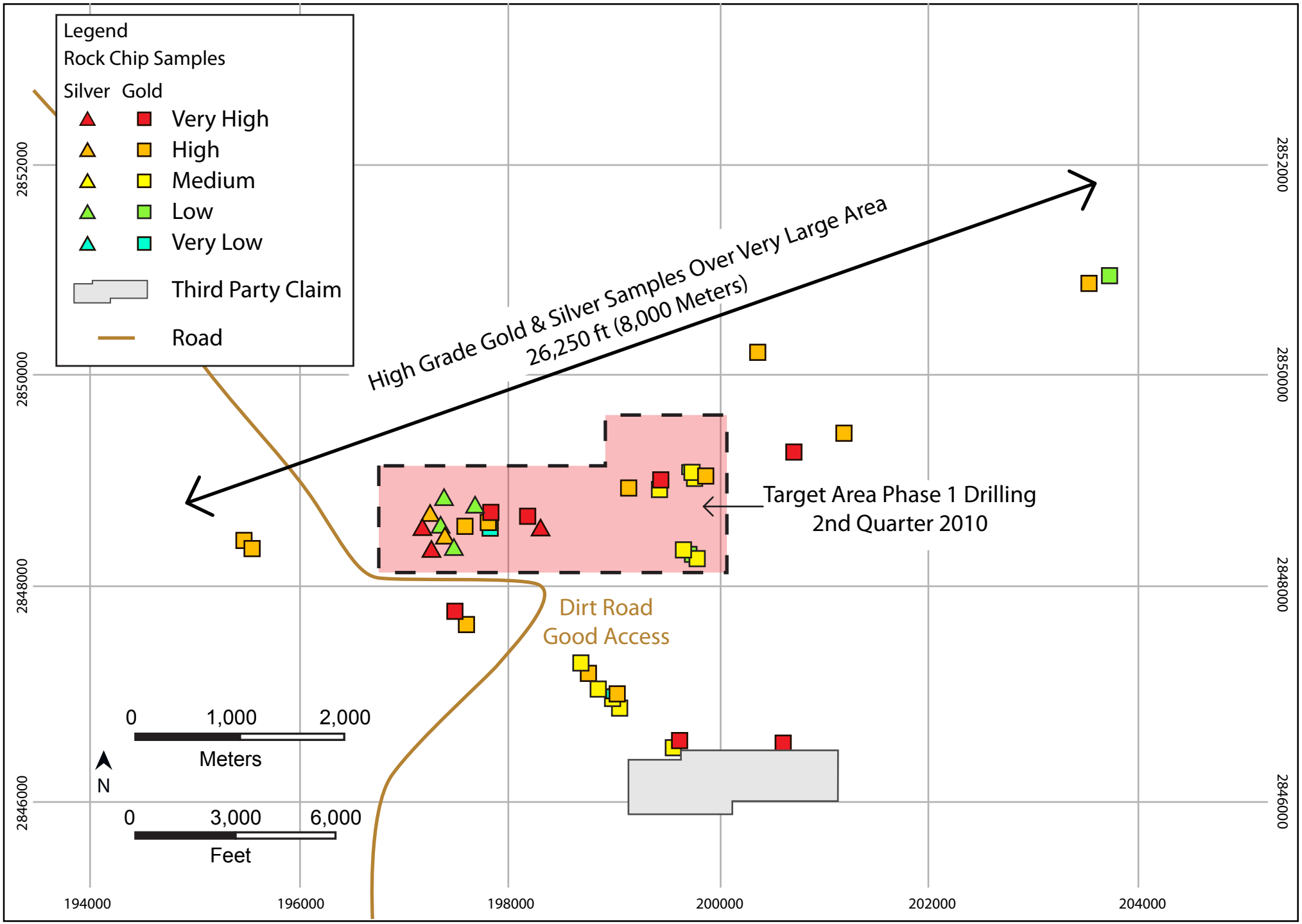
Sample Interval: Selected from 206.1 ft (62.83 m) to 209.6 ft (63.90 m)
Grade: 142.6 opt Ag (4,890 gpt Ag)

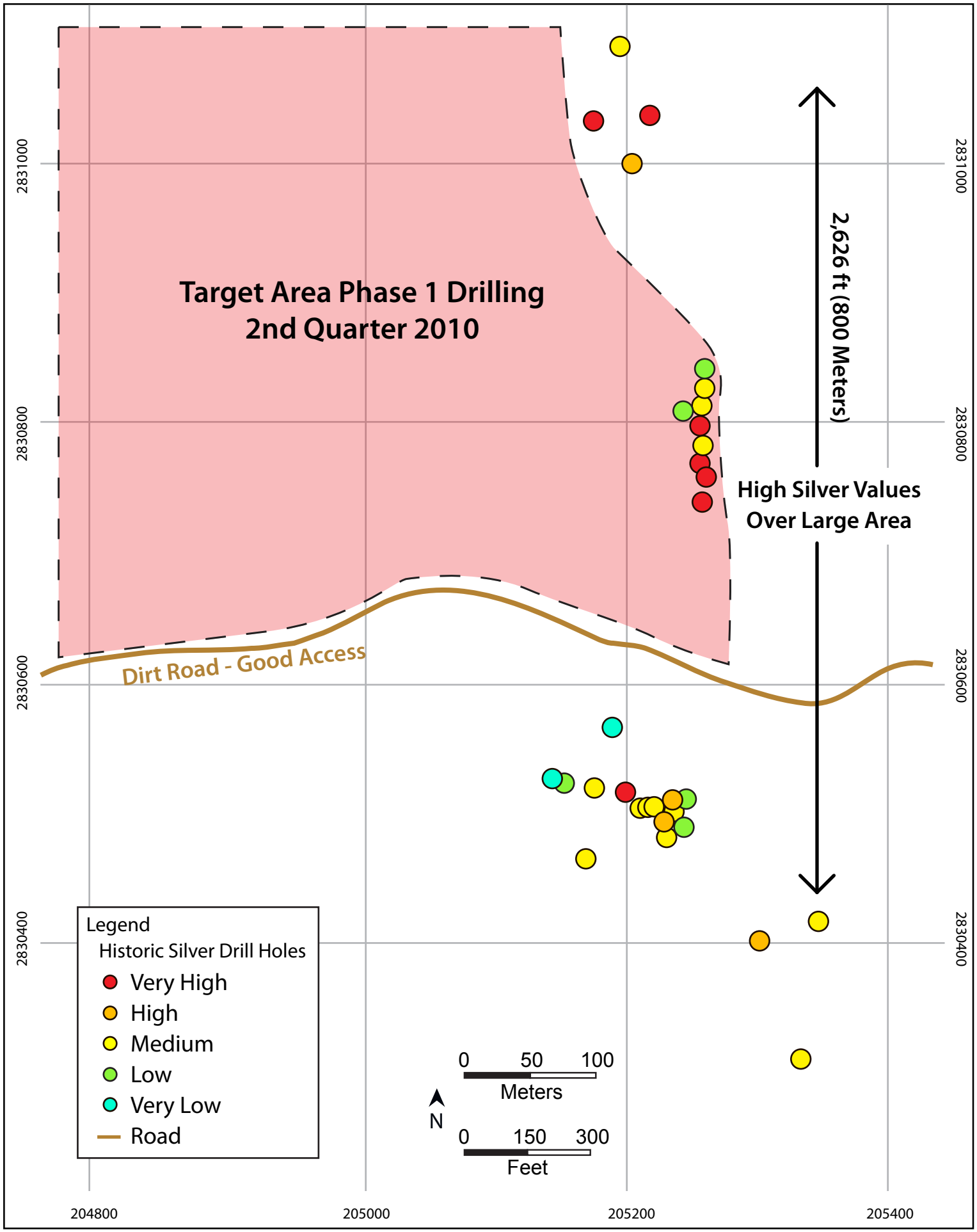


US★GOLD

Texcalama Project Area - Plan (Aerial) View
High Grade Gold & Silver Rock Chip Samples

Figure 6
January 28, 2010




Target Area Phase 1 Drilling
2nd Quarter 2010
2,626 ft (800 Meters)
High Silver Values
Over Large Area
Dirt Road - Good Access
2831000
2830800
2830600
2830400
204800
205000
205200
205400
Legend
Historic Silver Drill Holes
Very High
High
Medium
Low
Very Low
Road
0 50 100
Meters
N
0 150 300
Feet