

# ***U. S. GOLD CORPORATION***

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## **NEWS RELEASE**

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### **U.S. Gold Affiliate Begins Drilling Program at Zimapán, Mexico**

Denver, Colo. – May 9, 2002 – U.S. Gold Corporation (OTC BB: USGL) announced today its affiliate, Gold Resource Corporation (GRC), has begun its initial exploration drilling program at GRC's Zimapán Project in the Zimapán Mining District in Mexico. Gold Resource Corporation is a private company whose largest shareholder is USGL (currently 30%). USGL is managing all activities and GRC is responsible for funding the project located in the state of Hidalgo, Mexico.

Gold Resource has raised over \$400,000 to begin this drilling program and is expected to raise an additional \$600,000. Of the funds raised to date, approximately half have been arranged by RMB Resources Limited (RMB), a unit of Rand Merchant Bank, a South African based financial institution.

“We are very pleased that the evaluation of our Zimapán Project by RMB concluded that it warranted an equity investment,” said William W. Reid, President of USGL and GRC.

First discovered in the early 17<sup>th</sup> Century, the Zimapán Mining District was mined by the Spanish for its high-grade silver veins. Over the last 50 years, Industrias Peñoles, Mexico's leading natural resource company and the world's largest silver producer, has been mining the areas surrounding the Zimapán Project's property and the area has become well-known for its large, high-value, underground silver-lead-zinc ore bodies. Peñoles is mining within 300 meters immediately to the east of GRC's property and has an extensive exploration/drilling program immediately to the south of GRC's property. Geologic indications on GRC's property suggest the potential for similar deposits as those being mined nearby.

GRC has 100 percent leasehold interest in the Zimapán Project encompassing approximately 47 hectares subject to a five percent net smelter return royalty with certain advance royalty payments to the mineral concession owner. The Zimapán Mining District is an active district with all infrastructure in place including the availability of contract mining and milling services.

#### Forward-Looking Statements

The United States Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for certain forward-looking statements. Operating, exploration and financial data, and other statements in this press release are based on information that the Company believes reasonable, but involve significant uncertainties as to future metal prices, costs, ore grades and tonnages, mining and processing conditions, and regulatory and permitting matters. Actual results and timetables could vary significantly.