

U.S. GOLD NEWS RELEASE

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U.S. GOLD REPORTS 1ST QUARTER PROFITS; EXPLORATION ACTIVITY BEGAINS AT TONKIN SPRINGS

DENVER, COLORADO- U.S. Gold Corporation (USGL: OTC Bulletin Board) reported a \$7,764 profit on revenues of \$227,834 in the first quarter of 1999 which compares to a loss of (\$238,408) on revenues of \$5,713 in the first quarter of 1998.

U.S. Gold owns 40% of the Tonkin Springs Mine in Eureka County, Nevada where Sudbury Contact Mines (SUD: TSE), a subsidiary of Agnico-Eagle Mines (AEM: NYSE), is 60% owner and operator. Sudbury has informed U.S. Gold that an exploration team has been assembled and activity is underway to increase the approximately 1.4 million ounce gold resource drilled on only a small portion of the 33 square mile property. In addition, permitting is continuing.

“Though times are challenging in the gold business today, we are pleased to show a nominal profit in the first quarter and to have our key asset being explored and developed by a quality, well funded operator”, said William W. Reid, President of U.S. Gold.