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**PRESS RELEASE**

**U.S. GOLD CORPORATION**

**U.S. GOLD CORPORATION ANNOUNCES CLOSING  
OF PRIVATE PLACEMENT FOR US\$75.15 MILLION**

For Immediate Release

Denver, Colorado (February 22, 2006) - U.S. Gold Corporation (**OTCBB: USGL**) is pleased to announce that it has closed the previously announced private placement of 16,700,000 subscription receipts (the "Subscription Receipts"), including an over-allotment, at a price of US\$4.50 for aggregate gross proceeds of US\$75.15 million.

Each Subscription Receipt is automatically convertible into one Unit, subject to adjustment and dilution penalties in certain instances, upon the satisfaction of certain stated conditions (the "Escrow Conditions"). Each Unit is comprised of one share of the Company's common stock (a "Common Share") and one-half of one Common Share purchase warrant (a "Warrant"). Each whole Warrant will entitle the holder thereof to purchase one Common Share (a "Warrant Share") for a period of 5 years at a price of US\$10.00. The Escrow Conditions include, among other items, the filing and effectiveness of a resale registration statement in the United States, a receipt for a (final) prospectus in Canada qualifying the securities underlying the Subscription Receipts and the listing of the Common Shares on the Toronto Stock Exchange.

The net proceeds from the Offering will be used for the exploration of the Tonkin Springs gold project in Nevada and for general corporate and working capital purposes. 50% of the net proceeds of the offering are being held in escrow pending the satisfaction of the Escrow Conditions. In the event that the Escrow Conditions are not satisfied within 12 months of the closing of the Offering, the escrowed proceeds shall be returned to the holders of the Subscription Receipts in exchange for the 50% of the outstanding Subscription Receipts held by each holder. The remaining 50% of the Subscription Receipts will be converted into Units not later than 18 months after the closing of the offering.

If all the Subscription Receipts are converted into Units and all Warrants and securities issued or to be issued as compensation in the offering are exercised, a total of 26,553,000 Common Shares will be issued in this transaction.

**The securities have not been registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act of 1933, as amended, and applicable state laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.**

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 are sometimes identified by words such as "intends," "anticipates," "believes," "expects" and "hopes" and include, without limitation, statements regarding the Company's plan of business operations, potential contractual arrangements, receipt of working capital, anticipated revenues and related expenditures and involve a number of risks and uncertainties that could cause actual results to differ materially from projected results. Such

factors include, among others, the willingness and ability of third parties to honor their contractual obligations, the decisions of third parties over which the Company has no control, commodity prices, environmental and government regulations, availability of financing, judicial proceedings, *force majeure* events, and other risk factors as described from time to time in the Company's filings with the Securities and Exchange Commission. Many of these factors are beyond the Company's ability to control or predict. 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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