

TAX ELECTION INSTRUCTIONS

PLEASE REVIEW THESE INSTRUCTIONS AND COMPLETE TWO COPIES OF THE ATTACHED FORM T2057 OR, IN THE EVENT THAT YOUR NEVADA PACIFIC SHARES WERE HELD BY A PARTNERSHIP, TWO COPIES OF FORM T2058 AND SEND THE COMPLETED FORMS TO:

**US Gold Canadian Acquisition Corporation
2900 Manulife Place
10180-101 Street
Edmonton Alberta T5J 3V5**

Attention: Corporate Secretary

Capitalized terms not defined in these instructions have the meaning assigned to them in the management information circular relating to the plan of arrangement involving the purchase by U.S. Gold Corporation (“U.S. Gold”) and US Gold Canadian Acquisition Corporation (“Canadian Exchange Co.”) of all of the outstanding common shares of Nevada Pacific Gold Ltd. (“Nevada Pacific”) (other than Dissent Shares and shares already owed by Canadian Exchange Co.) dated May 23, 2007 (the “Information Circular”).

These instructions are of a general nature only and are not intended to be (nor should they be construed to be) legal or tax advice to any particular shareholder of Nevada Pacific (“Shareholder”). Furthermore, apart from providing these materials to Shareholders for their convenience, neither U.S. Gold nor Canadian Exchange Co. will provide Shareholders with any advice on making the joint tax election. Accordingly, Shareholders should consult with their own tax advisors for specific advice in respect of whether to make a joint tax election, the making of the joint tax election and complying with the requirements for making such an election having regard to their own particular circumstances.

Please review the tax election forms very carefully and consult your tax advisor as to their proper completion and delivery and the applicable filing deadlines. You are also advised to review Information Circular 76-19R3 and Interpretation Bulletin IT-291R3 issued by the Canada Revenue Agency (“CRA”) for information in respect of the joint tax election under the *Income Tax Act* (Canada) (the “ITA”).

Entitlement to Make Election

A Shareholder may obtain a full or partial tax-deferred rollover by making a joint election with Canadian Exchange Co. under subsection 85(1) of the ITA, or in the case of a Shareholder that is a partnership, under subsection 85(2) of the ITA (in either case, a “Tax Election”). The procedure for making a Tax Election is set out herein and generally under the heading “Material Canadian Federal Income Tax Considerations” in the Information Circular.

Canadian Exchange Co. will make a Tax Election with a Shareholder only if the Shareholder:

- has properly completed and executed the required tax election forms (i.e., two copies of Form T2057 or, in the event that the Nevada Pacific shares were held by a partnership, two copies of Form T2058, and two copies of any applicable provincial tax election forms that may be required under the corresponding provincial tax legislation); and
- has ensured the receipt of the properly completed tax election forms by Canadian Exchange Co. on or before September 26, 2007 (the “Tax Election Deadline”) at:

US Gold Canadian Acquisition Corporation
2900 Manulife Place
10180-101 Street
Edmonton Alberta T5J 3V5

Attention: Corporate Secretary

Execution of Tax Election Forms

In order to make a Tax Election, the applicable Tax Election forms must be signed and properly completed with the necessary information, including the number of Nevada Pacific shares transferred, the number of shares of Canadian Exchange Co. received therefor and the applicable agreed amounts for the purposes of such elections and must be received by Canadian Exchange Co. at the address stated above not later than the Tax Election Deadline. Canadian Exchange Co. will execute any properly completed Tax Election forms submitted to it by a Shareholder in the time and manner specified herein, and will forward one copy of such election form to the relevant CRA office. **None of U.S. Gold, Canadian Exchange Co. or the Depository will be responsible or liable for taxes, interest, penalties, damages or expenses resulting from the failure by a Shareholder to complete properly any election form or to properly deliver it within the time prescribed and in the form prescribed under the ITA (or the corresponding provisions of any applicable provincial tax legislation).**

Canadian Exchange Co. will assume that any representative that signs a Tax Election form on behalf of a corporation, trust or estate has been duly authorized to do so and will not take any action to verify the validity of any such authorization. Shareholders that are corporations, trusts or estates should consult their own legal advisors in determining whether such authorization has been properly given.

Deadline for Filing of Tax Elections

In order for the CRA to accept a tax election without a late filing penalty being paid by a Shareholder, the election form must be received by the CRA on or before the date that is the earliest of the day on or before which either Canadian Exchange Co. or the Shareholder is required to file an income tax return for the taxation year in which the exchange occurs. Canadian Exchange Co.’s 2007 taxation year is scheduled to end on December 31, 2007 although Canadian Exchange Co.’s 2007 taxation year could end earlier if Canadian Exchange Co. enters into certain transactions later in the 2007 calendar year. Canadian Exchange Co. (being a corporation resident in Canada) is required to file its income tax return under the Tax

Act within six months after the end of its taxation year. **However, since it is uncertain whether Canadian Exchange Co. will enter into any transactions which would cause its 2007 taxation year to end before December 31, 2007, Shareholders that wish to make the Tax Election are urged to file such election with the CRA as soon as possible. However, regardless of such deadline, the tax election forms of a Shareholder must be received by Canadian Exchange Co. in accordance with the procedures set out herein no later than the Tax Election Deadline (September 26, 2007).**

Provincial Elections

In order to achieve a deferral of tax in some provinces or territories (such as the Province of Québec) similar to that resulting from the Tax Election, it may be necessary to file a separate copy of the Tax Election with the taxing authority of such province or territory. Canadian Exchange Co. will also make such a provincial or territorial tax election with a Shareholder under the same conditions that it is willing to make the Tax Election. Shareholders are entirely responsible for determining whether any such provincial or territorial election is applicable and appropriate in their circumstances and (if so) obtaining, completing and forwarding the related forms to Canadian Exchange Co. (at the address listed above) for execution.

Procedure for Completing Tax Elections

Nevada Pacific Shares Co-owned or Held by a Partnership

Where the Nevada Pacific shares were held in joint ownership and two or more of the co-owners wish to make a Tax Election, one of the co-owners designated for such purpose must file one copy of Form T2057 (and where applicable, the corresponding provincial election form(s)) for each co-owner along with a list of all co-owners electing, which list should contain the address and social insurance number or business number of each co-owner.

Where the Nevada Pacific shares were held as partnership property, a partner designated by the partnership must file one copy of Form T2058 on behalf of (but not for) each member of the partnership (and where applicable, the corresponding form(s) with the provincial taxation authority), along with a list containing the name, address and social insurance number or business number of each partner. Such Form T2058 (and the corresponding provincial form(s), if applicable) must either be signed by each partner or accompanied by a copy of the document authorizing the designated partner to complete, execute and file the form on behalf of the other partners.

Completion of Form T2057

The description below illustrates the information required to be provided by a Shareholder completing Form T2057. In some cases, the required information will be provided by Canadian Exchange Co. as noted. The information should be typed or legibly printed on the prescribed Form(s) as noted. **Do not write the required information on this letter of instructions.**

Completion of Form T2058

Shareholders completing Form T2058 may refer to the instructions set out below regarding Form T2057, although the order of presentation of the information on Form T2058 may differ from that of Form T2057 and some of the required information may be different. Shareholders are urged to consult their own tax advisors.

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Complete the information in this first box for the Shareholder making the election:

Name of taxpayer (transferor) (print)							Social Insurance number or Business number	
Address							Postal Code	
Taxation year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office

The address inserted by the Shareholder is the mailing address that the Shareholder has previously provided to the tax authority.

Complete the information in this box if the Nevada Pacific shares were held in joint ownership; otherwise, enter "N/A":

Name of co-owner(s), if any (if more than one, attach schedule giving similar detail) (print)		Social insurance number	
Address		Postal Code	Tax services office

The next section will be completed by Canadian Exchange Co.:

Name of corporation (transferee) (print)							Business number	
Address							Postal Code	
DO NOT COMPLETE								
Taxation year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office

Complete the next section by filling in your name and telephone number or, if appropriate, the name and telephone number or your tax advisor.

Name of Person to Contact for Additional Information	Area Code	Telephone Number
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The last section on page 1 of Form T2057 relates to late filed elections and is to be completed by Shareholders who meet the deadline for receipt by Canadian Exchange Co. of their Tax Election(s) (i.e., they have submitted their Tax Election forms on or before the Tax Election Deadline) but whose election(s) will be filed late with the CRA (see the discussion above in the section entitled “Deadline for Filing of Tax Elections”).

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The answers to the first five questions should be completed on Form T2057 as follows:

- Is there a written agreement relating to this transfer?..... Yes No
- Does a price adjustment clause apply to any of the properties?
(See the Interpretation Bulletin IT-169 for details)..... Yes No
- Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of transferee?..... Yes No
- Does a non-arm’s length rollover exist between 2 or more corporations?..... Yes No
- (a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation?..... Yes N/A No

Shareholders should answer the following questions based on their particular circumstances:

- Is the taxpayer a non-resident of Canada?..... Yes No
- Are any of the properties transferred capital properties?..... Yes No

Whether the Nevada Pacific Shares were capital properties to a particular Shareholder is a mixed question of fact and law that must be determined by each Shareholder based on a consideration

of all of the relevant circumstances. Please consult your own tax advisor in this regard.

If the Nevada Pacific shares were held as capital property, you should answer no to the next question as indicated as neither Nevada Pacific shares nor its predecessors were in existence on Valuation Day:

a) have they been owned continuously since Valuation Day (V-Day)?..... Yes No

Shareholders who held their Nevada Pacific shares as capital property and acquired their Nevada Pacific shares in an arm's length transaction within the meaning of the ITA, check "No" to the following question. Shareholders who are uncertain as to whether their Nevada Pacific shares were acquired by them in an arm's length transaction should consult with their own tax advisors with respect to this question.

b) have they been acquired after V-Day in a transaction considered not to be at arm's length?..... Yes No

Shareholders should enter "N/A" to the next four questions:

c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non- arm's length transaction received any subsection 83(1) dividends for transferred shares?
(If yes, provide details of amounts and dates received and attach a schedule.)..... Yes N/A No

Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day?..... Yes N/A No

If "Yes" does a formal documented V-Day value report exist?..... Yes N/A No

Has an election under subsection 26(7) of the Income Tax Application Rules (Form T2076) been filed by or on behalf of the taxpayer?..... Yes N/A No

Shareholders should complete the next section as follows:

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:		
Name of corporation (print)	Business Number	Paid-up capital of shares transferred
N/A		

Shareholders must complete the information in the boxes below as follows:

Number of share transfers received	Class of shares	Redemption Value per share	Paid-up capital	Voting or non-voting	Are shares retractable?*
→	exchangeable shares of US Gold Canadian Acquisition Corporation	Not known – Dependent upon value of shares of U.S. Gold Corporation at the time of redemption	Not known – Dependent upon elections filed by other shareholders	Voting in limited circumstances	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Retractable means redeemable at the option of the holder.					

Enter the number of exchangeable shares of Canadian Exchange Co. (“Exchangeable Shares”) received by the Shareholder.

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The date of sale or transfer of the properties is June 28, 2007, being the effective date of the purchase and sale. Shareholders should enter this date in this section.

PARTICULARS OF ELIGIBLE PROPERTY DISPOSED OF AND CONSIDERATION RECEIVED

Date of sale or transfer of all properties listed below:	Year	Month	Day

Complete the information in this section according to the following instructions:

	Property Disposed of			Agreed Amount	Amount to be reported B-A (if > 0 see note 4)	Consideration Received		
	Description	Elected Amounts	Limits			Non-share	Share	Fair Market Value of Total Consideration
		Fair Market Value	A		Number and Class			
	(Brief legal)	\$	\$	\$	\$	\$	\$	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Capital Property Excluding Depreciable								

Complete this section if the Nevada Pacific shares were capital property. If the Nevada Pacific shares were inventory, complete the section with the sidebar entitled “Inventory Excluding Real Property” in a similar manner.

- (1) Enter the number of Nevada Pacific shares disposed of and their description as “common shares of Nevada Pacific Resources Ltd.”. For example, if the Shareholder owned 1,000 Nevada Pacific shares, enter “1,000 common shares of Nevada Pacific Resources Ltd.”
- (2) Enter the total fair market value of the Nevada Pacific shares at the time of their disposition.
- (3) Enter the adjusted cost base (or cost amount in the case of inventory) of the Nevada Pacific shares disposed of.
- (4) See the rules described below with respect to calculation of the agreed amount.
- (5) Compute B-A (i.e., the difference between the amounts referred to in (4) and (3)).
- (6) Enter “nil” since no non-share consideration was received on the disposition of the Nevada Pacific shares.
- (7) Enter the number of Exchangeable Shares received on the disposition of the Nevada Pacific shares and their description as “exchangeable shares”. (This should be 0.23 x the number of Nevada Pacific shares disposed of rounded up to the nearest whole Canadian Exchange Co. share if the Shareholder would otherwise be entitled to a fractional share representing 0.5 or more of a Canadian Exchange Co. share and rounded down to the nearest whole Canadian Exchange Co. share in any other circumstance.)
- (8) Enter the total fair market value, at the time of the disposition of the Nevada Pacific shares, of the Exchangeable Shares received. The total should equal the total fair market value determined in (2) above.

Rules with Respect to Calculation of Agreed Amount

The agreed amount must be determined in accordance with the following rules:

- (1) The agreed amount may not be less than the lesser of the adjusted cost base (or cost amount, if the Nevada Pacific shares were inventory) to the holder of the Nevada Pacific shares disposed of, determined at the time of the disposition, and the fair market value of the Nevada Pacific shares at that time.
- (2) The agreed amount may not exceed the fair market value of the Nevada Pacific shares at the time of disposition.

Shareholders should consult their tax advisors regarding the selection of the agreed amount in respect of the Nevada Pacific shares disposed of.

