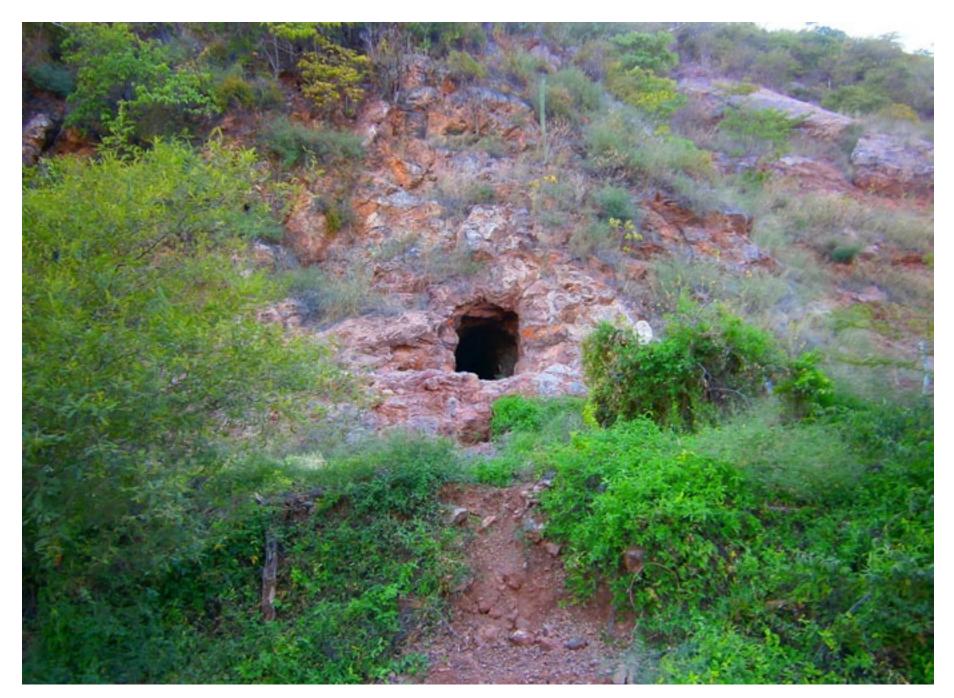


El Gallo Complex Development Photo Update

October 21, 2011



Front entrance to one of the historical silver mines at Palmarito. This previously mined area has been cleaned and sampled for reserve estimation purposes.



The versatility of our man portable drill rigs allows US Gold to operate on steep hill sides where traditional track or truck mount rigs could not. Picture taken from Palmarito deposit.



Mexico team: Building a platform to complete condemnation drilling at El Gallo, which are designed to minimize the environmental footprint and measure only 4 x 4 meters.



The main source of historical Palmarito production totalling: 15.5 Moz silver and 50,000 oz gold.



Tailings storage facility structural foundation investigation at El Gallo. Variable strength and permeability testing pending lab analysis.



Ongoing biotic studies for Environmental report which will be submitted as part of the phase 2 mine permit application.



Arrival of phase 1 El Gallo development equipment.



Caterpillar D9 Bulldozer being assembled to start haul road construction.



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