



U.S. GOLD
— C O R P. —

CEO Update - January 2024
NASDAQ: USAU





U.S. Gold Corp. Provides CEO Update - January 2024

Cheyenne, WY -- January 10, 2024 - U.S. Gold Corp. (Nasdaq: USAU) (the “Company,” “we,” “us” or “our”), a gold development and exploration company, is pleased to provide the following update:

Highlights

CK Gold Project

- Anticipated Permit Approval H1 2024
- Finalized Feasibility Study H1 2024
- Shovel ready H2 2024 (pending Board of Directors’ approval)
- Robust Economics on Copper and Gold sales
- Significant upside on additional resource, and aggregate opportunity
- Well positioned to benefit from the rising gold and copper market
- A low impact project with significant potential environmental benefits
- Tax and employment benefits to the State of Wyoming

Exploration

- Largely unrecognized value of assets, held at minimal holding cost
- Keystone – a highly prospective 20-square mile exploration asset in Nevada, on trend with Nevada Gold Mines’ Cortez Complex
- Opportunity in Idaho with historic production

Company Valuation

- Anticipated to emerge de-risked from current low share price valuation
- Positioned to benefit from a bullish outlook for copper and gold
- \$4.0 million in treasury per recent quarterly statement

While the CK Gold Project (“CK”) occupied most of the Company’s time and resources in 2023, some important advances were made in the identification of further opportunities at Keystone in Nevada, which offers the prospect of a significant gold resource endowment south of Nevada Gold Mines’ Cortez Complex. We will pursue discovery at Keystone, and Challis in Idaho, as market conditions permit but for now CK is our focus for 2024.

At CK, we initially evaluated the economic potential of the copper and gold resource and released the prefeasibility study, published in December 2021, showing that the 1.01 million ounces of gold and 248 million pounds of copper reserves had robust economics with a net present value of \$323 million and a 39.4% internal rate of return, both pre-tax, assuming a \$1,625 and \$3.25 gold and copper price, respectively.

Publishing the feasibility study, now largely complete, has been delayed to recognize several important factors. Firstly, supply chain disruptions and demand for capital equipment post the COVID epidemic meant that lead-times and prices for key elements of the project equipment were distorted on the high side. We expect that both lead-times and prices have been reduced to pre-COVID levels. Given these market factors, and our expected permit approval time-line of H1 2024, we believe it is beneficial to publish our feasibility study concurrently in H1 2024.



U.S. Gold Corp.'s External Affairs Consultant Jason Begger, Chairman, Director and Co-Founder Luke Norman, and President and CEO George Bee join Wyoming Governor Mark Gordon at Cheyenne Frontier Days.

What we can say about the feasibility study, and its projected completion in H1 2024, is that we expect the copper and gold project economic performance will remain robust since we are now seeing gold prices comfortably exceeding \$2,000 per ounce and copper over \$3.75 per pound. We anticipate that the all-in-sustaining-cost, or AISC, stated in the prefeasibility study at \$800 per gold equivalent ounce, will have increased a little along with the capital cost. However, the margin on the metal produced is expected to remain at a similar level since increased costs are expected to be offset by increased revenue from higher metal prices. We believe that CK continues to be a robust economic proposition on the basis of the gold and copper that we have defined in our current reserve statement. That does not

include the upside represented by the opportunities associated with additional resources that extend beyond the current pit limit, and we feel confident that we can convert those resources to reserves. Furthermore, the opportunity to monetize some of the rock that we mine in order to extract the copper and gold is, as yet, unrealized.



President and CEO George Bee joins Wyoming U.S. Senator Cynthia Lummis, along with Vice President of Exploration and Technical Services Kevin Francis, External Affairs Consultant Jason Begger, and Wyoming State Representative Andrew Byron at a Wyoming Congressional Awards event.

A key to unlocking the wealth at CK are the State permits allowing the Company to develop the project. One of which, the Industrial Siting Permit, we already have in hand. The Industrial Siting Permit is part of the statutory permitting process in Wyoming wherein the State can make funds available to facilitate communities and local authorities to accommodate large capital investments.

Effectuated authorities can petition for State funds for things such as assistance with improvements to emergency services to help accommodate an influx of people or help build out infrastructure. By unanimous approval, the Environmental Council approved the CK Project's Industrial Siting Permit in May 2023, awarding approximately \$1 million in total to Laramie County and the City of Cheyenne, should the project proceed. This relatively modest sum corroborates that there are minimal negative impacts on the local communities.

The second major permit is the Mine Operating Plan and Closure Plan. This permit application, submitted to the Wyoming Department of Environmental Quality – Land Quality Division (WDEQ-LQD) in September 2022 was the culmination of two years of environmental baseline monitoring and permit preparation covering potential impacts on fauna, flora, cultural resources, communities, surface and sub-surface water, and long-term effects of the proposed activities. Being on State and private land, the WDEQ-LQD is the lead agency with the likely Federal government involvement being the US Army Corp of Engineers (USACE), overseeing waters of the United States. The CK Project does not impact waters of the U.S. so we do not anticipate any permit requirements from USACE.

In April 2023, we received comments from the WDEQ-LQD on the proposed plan for CK as a result of filing our permit application in September 2022. We made some changes to the proposed plan for CK, enhancing an already very robust design for the containment of water and waste streams. The revised permit application has been resubmitted to the WDEQ-LQD and we are optimistic that approval can come in the first half of the year. Visibility on the permit approval will trigger the final steps to complete the feasibility study, which requires updated quotes for major capital equipment and quotes on key operating costs before the study can be finalized.

While the permitting work has been ongoing, potential opportunities to provide substantial upside to CK are currently being investigated. While these potential opportunities are in their early stages, and would also require permit amendment, there exists the potential to significantly impact the economic potential of the project and find environmental benefits to what is currently envisioned. Perhaps the most significant example of this is putting the rock mined to release the copper and gold, to beneficial use. Some of the non-copper and gold bearing rock is utilized around the site to stabilize the facilities for the long-term, however more than 30-million tons of rock under the current closure proposal will be regraded and reclaimed as pasture and wildlife habitat. With the quality of this rock being as good as or better than that produced at a nearby quarry, the potential of putting this rock to beneficial use is a huge environmental benefit not typically afforded to mining operations. Having consumed the energy associated with mining the rock, the ability to sell it and pay a royalty to the state, not only offers additional revenue for CK but reduces the footprint of the project and the reclamation cost. The nearby quarry sells crushed rock in the range of \$15 to \$25 per ton.



The CK Gold Project is unique with its proximity to the Curt Gowdy State Park. The park is established around two reservoirs, Crystal and Granite Lakes, which store water from the west before being transferred to the City of Cheyenne's treatment plant. This water, along with well water meets the needs of the city, however the city is growing and water demand is increasing. In a similar timeframe as the life of the CK project, an independent study in April 2021 suggested that additional water storage would be needed for the city.

While there are many investigations to be done, the potential for post mining land use of the CK project could include additional water storage without the need for costly civil works and disruptions to the current State park. The Company hopes to not only create opportunities in the short term that include jobs, tax payment, significant royalty payment earmarked for education, but also leave a lasting beneficial legacy.

Looking forward to 2024, the Company expects to finalize a feasibility study and obtain permit approval for CK in the first half of the year. The Company has already engaged with many of the entities that assist with financing and once the feasibility study and permit are obtained, or close to finalization, funding can be sought. The final detailed engineering and project development can commence as soon as the latter part of 2024, with the potential to put the operation into production in 2026. A number of avenues exist to finance CK including equipment financing, debt, and some initial forward metal sales, all aimed at avoiding to the extent possible dilution to our current shareholders, with founders and management being among those interested parties.

Project development is never easy, and we find ourselves at the low-point in the famous “Lassonde Curve,” ready to emerge in what we believe is a rising gold and copper market. There is no better time to be a shareholder of U.S. Gold Corp. as we de-risk the CK Gold Project and start to realize the value, with our market capitalization currently sitting at about 10% of net asset value on the basis of just the gold and copper value. Furthermore, this valuation does not appear to recognize the value of our highly prospective 20-square mile Keystone asset in Nevada, or exploration potential at Challis in Idaho.



As the investment community understands, gold exploration and development can oftentimes be a high-risk business, but the potential rewards can be substantial when discoveries are found and promising projects are moved toward production. Our entire team is working daily as hard as we can, with a sole focus on moving all of our projects forward to enhance shareholder value. 2024 is shaping up to be a busy year, with lots of value-creating catalysts for U.S. Gold Corp. On behalf of

the entire management team and Board of Directors, we would like to thank you for your support as we continue to advance the company.

Sincerely yours,

George Bee

George Bee
President and Chief Executive Officer
U.S. Gold Corp.

For more information, I encourage you to contact the Company at ir@usgoldcorp.gold or visit the website at www.usgoldcorp.gold.

U.S. Gold Corp. periodically sends news via email to its shareholders and interested investors. If you would like to receive these communications, please sign up to receive U.S. Gold Corp. news releases at: <http://ir.usgoldcorp.gold/>.

About U.S. Gold Corp.

U.S. Gold Corp. is a publicly traded, U.S.-focused gold exploration and development company. U.S. Gold Corp. has a portfolio of exploration properties. The CK Gold Project is located in Southeast Wyoming and has a Preliminary Feasibility Study technical report, which was completed by Gustavson Associates, LLC. Keystone is an exploration property on the Cortez Trend in Nevada. The Challis Gold Project is located in Idaho. For more information about U.S. Gold Corp., please visit www.usgoldcorp.gold.

Safe Harbor

Certain statements in this shareholder letter are forward-Looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-Looking words such as "anticipate," "believe," "expect," "forecast," "estimated," and "intend," among others. These forward-looking statements are based on U.S. Gold Corp.'s current expectations, and actual results could differ materially from such statements. These forward-looking statements include statements relating to anticipated permit approvals and publication of feasibility study; expected timing of the readiness of the CK Gold Project; expected copper and gold prices; expected increases in the valuation of the Company; expected reduction of supply chain lead-times and project equipment prices to pre-COVID-19 levels; copper and gold project economic performance; anticipated increase in all-in-sustaining-cost of gold equivalent ounce production and capital costs; increased revenue from higher metal prices;

opportunities to monetize rock that were mined to extract copper and gold from the CK Project; the CK Project's lack of impact on waters of the U.S. and the resulting absence of USACE permitting requirements for the project; potential permit amendments to accommodate additional opportunities and environmental benefits; the potential for post mining land use of the CK Project for water storage; the projected timing of detailed engineering and project development and potential production at the CK Project; and potential avenues to finance the CK Project, including equipment financing, debt, and initial forward metal sales. There are a number of factors that could cause actual events to differ materially from those indicated by such forward-looking statements. These factors include, but are not limited to, risks arising from: the prevailing market conditions for metal prices and mining industry cost inputs, environmental and regulatory risks, COVID-19 risks, risks faced by junior companies generally engaged in exploration activities, whether U.S. Gold Corp. will be able to raise sufficient capital to implement future drilling programs, the success or failure of future drilling programs, changes to assumptions contained in the PFS, and other factors described in the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed with the Securities and Exchange Commission, which can be reviewed at www.sec.gov. The Company has based these forward-looking statements on its current expectations and assumptions about future events. While management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory, and other risks, contingencies, and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control. The Company makes no representation or warranty that the information contained herein is complete and accurate and we have no duty to correct or update any information contained herein.

For further information

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