Uragold Issues a Permitting and Exploration Update for the Beauce Placer Gold Property

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MONTREAL, June 7, 2012 - Uragold Bay Resources Inc (TSX VENTURE:UBR) is pleased to announce that the MDDEP (Ministère du Développement durable, de l'Environnement et des Parcs) has replied to Uragold's permitting application for its bulk-sampling project on the Beauce Placer Gold property. While no objections were received, the MDDEP has requested a few minor clarifications regarding the application. Genivar is currently working on preparing a reply to MDDEP's clarification request. Uragold anticipates receiving the permit shortly after the submission of the reply.

Beauce Gold Placer exploration update: As part of the real estate acquisition of the land formally owned by the Beauce Placer Mining Company, was an obligation of the vendor to transfer to Uragold all archived documents of the Company dating back to 1958. Included in these documents were never published reports that show that between 1959 to 1961, the Beauce Placer Mining Company mined 56,000 oz of gold from an area representing less than 20% of the placer channel near St-Gustave road, vs. the public domain information that mentioned a production of only 4,378 oz of gold in 1962.

These never published report documents also confirmed that Beauce Placer Company stopped gold production in 1962 due to two major problems. Firstly, they underestimated the depth of the overburden due to a westward dip of the bedrock. Therefore, the bucket-lined dredge of the Yuba dredge could no longer reach the auriferous pay zone. After modify the dredge by extending the bucket-lined boom, production-changed location to mine from west to east. Secondly, the Yuba dredge was designed to mine placer gold from sand and gravel. The pay zone in the western part of the channel consisted of clay (auriferous basil till). The dredge wasn't equipment to separate gold from clay.

This new information requires a rethinking of the exploration model, and the Corporation has therefore mandated Remi Charbonneau PhD (P. Geo) of Inlandsis Consultants SENC to prepare a 43-101 compliant technical report. The preparation of this definitive exploration document, that will encompass all the exploration done on the property to date, is almost finished.

Salient points of the report are:

- Sonic Drilling during 2011 reveals that the gold bearing unit correspond to a brown clayey diamict of glacial origin, rather than an alluvial gravel;

- Sedimentological observations and characteristics of the gold grains extracted from this unit suggest a close proximity to a bedrock source;

- Diamond drilling carried out in the fall of 2011 cored sediments and volcanics of the Beauceville Formation under and immediately up ice from the known placer;

- Core descriptions revealed intense quartz carbonate veining, local sulphide mineralization accompanied by silicification, epidotization, quartz veining lixiviation and brecciation;

- Analysis of selected mineralized segments along drill hole RG11-01 emplaced below the known placer returned slightly anomalous values from 10 to 75 ppb Au. Subsequent re-sampling of intervening segment from this hole returned undetected gold values.

Inference on the Beauce Placer Exploration Targets:

The recently obtained historical production data has a strong inference on the exploration target discussed in the press release of June 21st, 2011 by UBR.

The drag line and dredging operation of 1959 to 1961 records the extraction of 56,000 oz Gold from a total volume of 8.6 million cubic yards, with an average gold content of 0.2 g Au / cubic yard. This volume presumably includes the treatment of the younger, overlying barren units. If the recovered gold is assumed to be sourced from the basal gold bearing units, then this corresponds to a gold concentration around 2 g Au /

cubic yard. Production data also included pictures of the gold produced that show a predominance of gold nuggets (5 to 20 mm). If we assume that these pictures show a representative population of the extracted gold, it may significantly increase the gold content for the previously reported exploration targets, which was ranging from 9,000 contained oz (930,000 Cu M @ 0.3 G/Cu M) to 12,000 oz (100,000 Cu M @ 3.69 G/Cu M) (UBR press release of June 21st, 2011).

Using the new constraint on gold content given by historical production data and considering a more conservative conceptual volume for the gold bearing basal units, we reevaluate an exploration target ranging from 12 000 contained oz (385,000 m3 @ 1 g/ m3) to 25 000 contained oz of gold (407,000 m3@ 2 g/ m3) (i) for the Chaussegros Range (claim # 6001590)., This remains to be tested by bulk sampling.

A large bulk sample is clearly required to better evaluate the size distribution and concentration of gold in the buried auriferous unit characterized by the dominance of coarse nugget on the Beauce Placer Property.

(i) Potential quantity and grade are conceptual in nature, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will results in the discovery of a mineral resource.

The auriferous layer of the Chaussegros Range remains open laterally. Additionally, according to historical work, the UBR Beauce Placer property has a northeast extension (claims # 2165255, 2165256 and 2179342), which has a comparable size to the Chaussegros Range and also contains visible gold grains.

Other Corporate information

Uragold Board of Directors has approved the issuance of 1,600,000 Units at the deemed price of $0.05 per unit to settle an outstanding debt of $80,000 for services rendered by a service provider to the Corporation. Each Unit is comprised of one common share and one half warrant. Each full warrant will allow its owner to subscribe to one common share at price of $0.10 for a period of 24 months. This settlement is subject to the approval of the TSX Venture Exchange.

Note: Mr. Remi Charbonneau PhD (P. Geo), a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the information in this news release.

Patrick Levasseur, president and COO of Uragold stated. "The Beauce Placer property is really an exciting property, and with the work planned for this year, it could potentially be an operating mine in the near future. While present market conditions have impacted our capacity to develop our projects under an appropriate time line, the new information combined with the news about the licensing should give a new life to our project."

About Uragold Bay Resources Inc.

Uragold Bay Resources is a junior exploration company trading on the TSX Venture Exchange under the symbol UBR. Uragold holds gold properties in Southern Quebec's Appalachian belt and also holds the Asbury Graphite Mine property in the Laurentians of Quebec. The properties benefit from extensive historical exploration work and from well-established infrastructure thereby helping to reduce exploration risks. Uragold's business model focuses on developing, a series of potential small scale low-cost mining operations for their potential in generating cash flow while simultaneously exploring core properties that hold the potential for the discovery of blue sky gold deposits like the MacDonald project.

Shares outstanding: 167,390,532

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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