



NEWS RELEASE
(TSX-V Symbol: UBR)

**URAGOLD COMPLETES ITS DIAMOND DRILLING PROGRAM ON
THE BEAUCE PLACER GOLD PROPERTY**

Montreal, Quebec, December 19, 2011: Uragold Bay Resources Inc. (TSX-V: UBR), Uragold is pleased to announce that it has completed its diamond drilling program, on the Beauce Placer Property located near Saint-Simon-les-Mines in the Beauce region of southern Quebec. The campaign encountered no interruption or significant technical problems and was successful in sampling the targeted sectors intersecting several occurrences of volcanoclastic beds which are considered favourable for gold discoveries.

Four NQ diameter diamond drill holes were sunk for a total length of 1,038 metres, including approximately 950 metres in bedrock. This short campaign tested various targets including (1) the immediate up ice area of the gold-rich buried till that was sampled from last spring's Sonic drill program (2) two magnetic lows and (3) an EM conductor axis, with both (2) and (3) known from a historical airborne geophysical survey. A quick in the field descriptive log of the cores was performed in the field. The holes intersect pyritic black slate and volcanoclastic beds of the Beauceville Formation with frequent quartz veining. Bedding variation along core and abundant quartz veins (up to 50%) suggest that a fold hinge was intersected in hole RG11-02 which corresponds to the magnetic low target. The volcanoclastic beds which represents a favourable unit for gold are present in hole RG11-01 to RG11-03 and remained to be confirmed in hole RG11-04. These are grey to light grey coloured rocks of heterogeneous granulometry. Visual examination revealed local pyrite, pyrrhotite or chalcopyrite mineralization within the volcanic beds. Visible alterations includes silicification, epidotization, quartz veining lixiviation and brecciation.

The cores will be brought to a dedicate space where they will be logged, split and sampled, after which the samples are to be submitted for assay. Assay results will be communicated to shareholders at a later date.

As previously reported, (Uragold press releases of April 18 and July 5, 2011) Uragold confirmed the existence of a buried orange-brown gold bearing till where analysis of recovered gold grains from Uragold's sonic drill program suggests a proximity to a bedrock source of gold, within the limits of the UBR Property

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

About the Beauce Placer Gold Property

The Beauce Placer property was the site of Canada's first gold rush in the 1850's, years before the Klondike gold rush. Two of Canada's largest gold nuggets, the Kilgour nugget at 52 ounces and the McDonald nugget at 45 ounces, came from the Gilbert River, which flows through the property. In the early 1960's, the property was the site of a

major placer gold mining operation. The Beauce Placer Mining Co. was the only commercial placer gold mining operation in eastern North America.

Uragold is currently working with GENIVAR Inc.'s Mining group to obtain the required permits from Quebec's MNR (Ministère des Ressources naturelles et de la Faune) and the MDDEP (Ministère du Développement durable, de l'Environnement et des Parcs) to allow an expanded bulk sampling program of 25,000 tonnes. The increased bulk sampling tonnage will provide a better understanding of the economic potential of the placer deposit and evaluate a potential future mining method.

About Uragold Bay Resources Inc.

Uragold Bay Resources is a junior exploration company trading on the TSX Venture Exchange under the symbol UBR. Uragold is a top claims holder in Southern Quebec's Appalachian belt. 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 gold 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.

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.

For further information contact

Bernard J. Tourillon, Chairman and CEO

Patrick Levasseur, President and COO

Tel: (514) 846-3271

www.uragold.com