

NEWS RELEASE

Shares: 140,154,764

VG GOLD CORP.

FOR IMMEDIATE RELEASE, October 5 2009, Toronto, Ontario.

VG Gold Corp., TSX: VG, FRANKFURT: VN3, is pleased to announce that the company has appointed John Drake to the board of directors effective October 5, 2009. Mr. Drake is the nominee of Lexam Explorations Inc.

John Drake is the President and co-founder of Drake Goodwin Corporation, an investment firm with interests in financial services, real estate development and manufacturing. Mr. Drake is the Chairman of Critical Outcome Technologies Inc., a TSX-Venture listed company. Mr. Drake is the co-owner of Redtail Golf Course, an exclusive golf course located outside of Port Stanley, Ontario. Mr. Drake was appointed an Honorary Colonel of the 1st Hussars of the Royal Canadian Armored Corps. in 1999. Mr. Drake obtained his B.A. and LL.B degrees from the University of Western Ontario and remains a member of the Law Society of Upper Canada.

The Company also announces that 800,000 options have been granted to management and directors, with an exercise price of \$0.40 per share, having a five year term. The options are subject to a three year vesting period, with one third of the number of options granted vesting at the end of each of the three years.

VG Gold is exploring and developing four gold projects in Timmins, Ontario, Canada. The Company is currently carrying out exploration drilling of the Paymaster West Porphyry deposit situated immediately east of the Dome Mine.

To find out more about VG Gold Corp. (TSX: VG), visit our website at www.vggoldcorp.com

For further information contact Tom Meredith, President of VG Gold Corp, 416 368 0099 x 4100.
Website: www.vggoldcorp.com

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.