



NEWS RELEASE

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**PAYMASTER WEST DRILLING EXPANDS GOLD MINERALIZATION  
HIGHER GRADE AT DEPTH: 9.4 GPT OVER 4.6 M  
OPEN PIT POTENTIAL: 1.0 GPT OVER 44.2 M**

November 9, 2009, Toronto, Ontario, Canada VG Gold Corp., (TSX: VG), (FRANKFURT: VN3) is pleased to announce assays from five additional core holes at its Paymaster West Project in Timmins, Ontario. The result of these holes was to: 1) Expand the mineralization at depth, and 2) Target areas closer to surface with bulk tonnage, open pit potential. The Paymaster West Project is situated next to Goldcorp's Dome Mine that has produced over 17 million ounces of gold from underground and open pit mining.

"These results demonstrate that there is good potential to expand the mineralization at depth and closer to surface. We will continue to drill at depth in order to expand upon these results in addition to evaluating a potential open pit resource. With two drills operating, a good treasury and excellent projects we will strive to become the next significant junior gold explorer in Timmins," stated Tom Meredith President and CEO.

**Expanding the Mineralization at Depth**

*9.4 gpt (0.274 opt) over 4.6 metres (15.1 ft)*

Two core holes were drilled in order to expand the known mineralization at depth. The best result returned **9.4 grams per tonne (gpt) (0.274 ounces per ton (opt)) over 4.6 metres (m) (15.1 feet (ft.))** at a vertical depth of approximately 215 m (700 ft). VG Gold's geologists believe this result is important because it has successfully expanded the mineralization by 140 m (450 ft) down plunge of the historic mineralization and it remains open at depth and along strike (**Figure 1 – cross section**). Three additional core holes are currently planned to follow up on this encouraging result.

A second core hole was drilled 600 m (1,975 ft) further to the east (closer to Goldcorp's Dome Mine). This hole intersected **5.72 gpt (0.167 opt) over 1.4 m (4.6 ft)** at an approximate depth of 340 m (1,125 ft). This is deepest gold occurrence yet encountered by VG Gold since the company began exploring the project in August (**Figure 2 – cross section**).

**Looking for Large Open Pit Potential**

*1.0 gpt (0.029 opt) over 44.2 m (144.9 ft)*

After analyzing the historic Paymaster West data VG Gold believes that there is the potential to develop an open pit resource at the project. Previously released results from September and

October help confirm this theory: 1.40 gpt (0.041 opt) over 23.0 m (75.5 ft) and 5.25 gpt (0.153 opt) over 10.6 m (34.8 ft).

New Drilling by VG Gold continues to encounter wide intervals of gold mineralization. Recent drilling intersected **1.0 gpt (0.029 opt) over 44.2 m (144.9 ft)** starting approximately 120.0 m (390.0 ft) below surface. This hole expanded the mineralization 30 m (100) to the northeast. The upper portion of this hole encountered what appears to be a separate zone that returned **4.1 gpt (0.120 opt) over 2.3 m (7.5 ft)**.

Gold mineralization at the Paymaster West Project is hosted within and peripheral to strongly altered and well mineralized quartz feldspar porphyry. Alteration consists of pervasive ankerite and sericite alteration with local tourmaline, both disseminated and in veins. Pyrite mineralization is disseminated throughout, with local concentrations to 20%.

VG Gold has the option to earn a 60% interest in the Paymaster West Property from Goldcorp by making \$6.0 million in exploration expenditures by June 2012. Once VG Gold has given notice that it has earned its 60%, Goldcorp has six months to decide if it wishes to increase its ownership from 40% to 70% by paying VG Gold \$710,000 and spending \$8.25 million on the property within two years and also completing a feasibility study by the end of year three.

## **VG GOLD.....WE ARE GOLD!**

### **QUALIFIED PERSON**

All exploration work was conducted under Kenneth Guy, P. Geo., designated Qualified Person for VG Gold, who has reviewed this press release. All drilling was completed using NQ size core. Gold analysis of the samples collected by VG Gold was assayed by ALS Chemex. Analysis consisted of a fire assay of a 30-gram sample with an atomic absorption finish. Samples assaying over 10.0 gram per tonne Au are re-assayed with gravimetric finish. Samples noted to contain visible gold are analyzed via total metallic assay method. A rigorous Quality Control and Assurance program (QA/QC) is in place, using control samples such as Blanks and duplicate checks. In addition, duplicate analyses of 10% of the samples are corroborated by check assays performed at a third party Laboratory.

For further information contact Tom Meredith, President of VG Gold, 416 368 0099.  
To learn more about VG Gold (TSX: VG), visit our website: [www.vggoldcorp.com](http://www.vggoldcorp.com)

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

**Paymaster West Core Drill Results**

**Table 1  
Nov 09, 2009**

Hole #	East	North	length (ft)	length (m)	dip	az	from (m)	to (m)	width (m)	Au-gpt
VGP-09-22	5600	8975	1084.3	330.5	-45	175	no significant values			
VGP-09-23	5600	8975	912	278.0	-70	175	222.2	223.1	0.9	2.34
							239.3	243.9	4.6	9.40
VGP-09-24	5400	9000	1049.9	320.0	-45	175	138.8	143.0	4.2	1.46
VGP-09-31	6300	8900	1128	343.8	-50	180	146.7	152.6	5.9	2.4
							includes		2.3	4.1
							166.1	210.3	44.2	1.00
							includes		2.4	5.37
VGP-09-32	6300	8900	1532.2	467.0	-70	180	36.3	38.1	1.8	2.00
							198.1	204.4	6.3	1.79
							371.6	373.0	1.4	5.72
5 holes			1,739.3	m						

**Notes:**

- Lengths reported are core intersection lengths and do not represent true widths.
- It is anticipated that true width estimates will be made possible after additional drilling.





