

For Immediate Release



**Yukon Gold Corporation, Inc. Announces Negotiation to Acquire Zinc Project in the Mayo Mining District, Yukon Territory**

**Toronto, Canada, July 12th, 2006,** Yukon Gold Corporation, Inc. (Yukon Gold), (TSX: YK, OTCBB: YGDC) announced today that it has entered into negotiations with a Yukon based prospector to acquire a 100% interest in the Andrew zinc property, located in the Mayo Mining District of the Yukon Territory, Canada. The Andrew property is made up of 148 contiguous quartz mineral claims totalling 2550 hectares. The property is 110 kilometres north of Ross River and approximately 200 kilometres southeast of Yukon Gold's copper-lead-zinc deposit.

Previous work on the property was carried out by Noranda from 2001 to 2002 which included 26 diamond drill holes. The data derived from this drilling program is contained in an internal Noranda report that is not 43-101 compliant.

Commenting on the proposed transaction, Vice President of Business Development Paul Gorman stated; "The Andrew acquisition would be a very nice fit for the Company to expand and diversify our operating base in the Mayo Mining District. Our corporate objective to acquire quality projects that possess great potential holds true with this opportunity."

The transaction is subject to a formal agreement and certain performance obligations of both parties being met. The transaction must also meet all regulatory approvals. The company believes it will be successful in acquiring this Yukon based zinc property.

**About Yukon Gold**

Yukon Gold Corporation, Inc. is an active and progressive public exploration and development company. The Company's main focus is its recently acquired VMS deposit (Marg Property) and its Mount Hinton gold and silver exploration project in the Central Yukon Territory of Canada. These properties lie within the Tombstone Gold Belt, world renowned for the discovery of major gold and base metal deposits. The Company recently listed its shares on the TSX and raised sufficient capital to carry out its 2006 property work programs. Currently, there are approximately 16.3 million of the Company's common shares outstanding.

For More Information,

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FORWARD-LOOKING STATEMENTS: This news release contains certain "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. Except for statements of historical fact relating to the company, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan," "expect," "project," "intend," "believe," "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other ecological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.