

TORONTO - Desert Gold Ventures Inc. (TSX-V: DAU) (the "**Company**" or "**Desert Gold**") announces that the asset purchase agreement (the "**Purchase Agreement**") it entered into with Winnemucca Gold Corp. ("**Winnemucca**") on July 10, 2012 to sell the Company's 50% participating interest in the Goldbanks mineral exploration project located in Pershing County, Nevada, USA (the "**Goldbanks Project**") has been amended. The Purchase Agreement now provides for a total purchase price to Desert Gold of \$3,500,000. \$3,000,000 of the purchase price will be in cash, of which \$500,000 will be payable on closing, \$1,000,000 payable six months after closing and \$1,500,000 payable 12 months after closing. \$500,000 of the purchase price will be satisfied by Winnemucca issuing to Desert Gold common shares of Winnemucca, 12 months after closing, at Winnemucca's most recent equity financing price, or if listed on a stock exchange, at the 20-day volume weighted average market price. In the event that Winnemucca purchases any or all of Kinross Goldbanks Mining Company's ("**Kinross**"), the other 50% owner of the Goldbanks Project, 50% participating interest in the Goldbanks Project within 60 days of closing, Winnemucca shall pay to Desert Gold an additional \$500,000 in cash. If any of the post-closing payments are not made, all legal and beneficial title to the Goldbanks Project will revert to Desert Gold.

Desert Gold has provided notice of the amended terms to Kinross. Kinross will have a preemptive right to purchase Desert Gold's interest on the same terms, such right being exercisable until September 24, 2012. If Kinross does exercise its pre-emptive right, the Purchase Agreement will be terminated and Desert Gold will pay Winnemucca a break fee of 8% of the aggregate value of the consideration agreed to be received by Desert Gold for its interest in the Goldbanks Project.

Closing is scheduled for the earlier of (i) September 26, 2012 or (ii) within 5 days of Kinross waiving its pre-emptive right. Closing is subject to certain conditions, including Kinross not exercising its pre-emptive right.

This sale will allow the Company to focus its resources and efforts on its core properties in Africa.

About Desert Gold Ventures Inc.

Desert Gold Ventures Inc. is an advanced exploration and development company which holds a portfolio of advanced mineral projects located in Rwanda, Mali and Senegal together with a 50% participating interest in a joint venture agreement with Kinross Goldbanks Mining Company (a subsidiary of Kinross Gold Corporation of Toronto, Ontario) in respect of the Goldbanks Mining property located in Pershing County, Nevada, USA.

This news release has been prepared on behalf of the Board of Directors of Desert Gold, which takes full responsibility for its contents.

FOR ADDITIONAL INFORMATION CONTACT:

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For further information on Desert Gold Ventures Inc. please visit our website at:
www.desertgold.ca

FORWARD-LOOKING STATEMENTS

This press release includes certain "forward-looking statements". All statements that are not historical facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, are "forward-looking statements". All statements regarding the ability of the Company to successfully complete this transaction, the anticipated closing date, the anticipated expiry date of the Kinross' pre-emptive right, the anticipated post closing payments and consequences of non-payment, and the Company's strategy to focus on properties in Africa are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. We caution you that such "forward looking statements" involve known and unknown risks and uncertainties that could cause actual results and future events to differ materially from those anticipated in such statements. For additional information on such risks, please consult "Risks and Uncertainties" found on page 14 of the Company's Management Discussion and Analysis for the year ended December 31, 2011. The Company expressly disclaims any obligation to update any forward-looking statements except as may be required by law.

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.