



## **HIGH DESERT GOLD CORPORATION**

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**FOR IMMEDIATE RELEASE: 08-25**

#### **High Desert Gold Corporation Announces Mailing of Issuer Bid Circular**

**December 2, 2008**

**TSX: HDG, HDG.WT**

High Desert Gold Corporation (“HDG” or the “Company”) today announced that it has mailed to HDG shareholders an issuer bid circular, together with related documents, containing the terms and conditions of the previously announced substantial issuer bid (the “Offer”). Pursuant to the Offer, the Company is offering to purchase for cancellation a maximum of 36,000,000 common shares of the Company (“HDG Shares”) at a price of Cdn.\$0.27 per HDG Share. The purchase of HDG Shares will be financed from existing cash and will result in a distribution of a substantial majority of HDG’s cash.

The Offer is being made to afford HDG shareholders an opportunity to realize a cash return for all or a portion of their investment in HDG at a premium of 42.1% per HDG Share to the previously announced offer of Northern Financial Corporation dated October 30, 2008 of Cdn.\$0.19 per HDG Share .

In presenting the Offer, the HDG Board is effectively giving HDG shareholders a choice of (i) selling all or most of their equity interest in HDG, resulting in a cash return in the near term, or (ii) keeping their equity interest in HDG, resulting potentially in an increased proportionate equity interest in HDG following completion of the Offer.

Assuming the Offer is completed, HDG expects to continue its business and operations as an exploration company, however, for the near term on a substantially modified basis, including reductions in personnel and a suspension or substantial reduction of its exploration activities, given the expected resulting reduction in working capital as a result of the Offer. The Offer does not constitute, nor is it intended by HDG to be followed by, a going-private transaction. However, following completion of the Offer, HDG may not meet the continued listing requirements of the Toronto Stock Exchange and in such case may be placed under delisting review. HDG expects that it would have some time to correct the deficiencies that triggered any such review. However, if any such deficiencies cannot be remedied, then HDG may be delisted from the TSX. HDG cannot provide any assurance that its current plans for its business and operations, including completion of the Offer, will materialize or as to its continued listing on the TSX or elsewhere.

The HDG Board, in making the decision to present the Offer to HDG shareholders, makes no recommendation to any HDG shareholder as to whether to deposit or refrain from depositing HDG Shares to this Offer. Each HDG shareholder should make his, her or its own decision whether to deposit HDG Shares to this Offer and, if so, how many HDG Shares to deposit to this Offer. Each

HDG shareholder should carefully review and evaluate the Offer in order to make such decision and consult his, her or its own investment and tax advisors for assistance.

The Offer is not conditional upon any minimum number of HDG Shares being validly deposited, however, the Offer is subject to other customary conditions. Full details of the conditions are set out in the issuer bid circular mailed to HDG shareholders. HDG reserves the right to withdraw, terminate or amend the Offer unless such conditions are satisfied. If the number of HDG Shares validly deposited in response to the Offer is greater than the maximum of 36,000,000 HDG Shares, the HDG Shares deposited to the Offer shall be taken up on a *pro rata* basis, disregarding fractions, according to the number of HDG Shares deposited by each depositing HDG shareholder.

Full details of the Offer, including conditions and the procedure for depositing HDG Shares, and the accompanying issuer bid circular and other related documents (the "Offer Documents") have been mailed to HDG shareholders. The Offer Documents contain important information which should be read carefully before making a decision with respect to the Offer. The Offer is scheduled to expire at 9:00 p.m. (Toronto time) on January 7, 2009, unless withdrawn, extended or varied by HDG.

The description above of the Offer is qualified in its entirety by the Offer Documents, which will be available on SEDAR at [www.sedar.com](http://www.sedar.com) under the Company's profile.

**HDG Shareholders who have deposited HDG Shares to the Northern Offer of Cdn.\$0.19 will need to immediately withdraw their HDG Shares from such offer if they wish to deposit such shares to HDG's Offer of Cdn.\$0.27.**

The Company is a mineral exploration company that acquires and explores mineral properties, primarily gold, copper and silver, in North America. The three major properties held by HDG are the flagship Canasta Dorada gold property in Sonora, Mexico, the Gold Lake porphyry copper-gold-molybdenum property in New Mexico and the Monitor copper-silver property in Arizona.

Additional information concerning HDG may be obtained on HDG's website, [www.highdesertgoldcorp.com](http://www.highdesertgoldcorp.com), and on SEDAR at [www.sedar.com](http://www.sedar.com), under HDG's profile.

For further information, please contact:

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Certain statements contained herein constitute "forward-looking statements". These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. The material factors and assumptions that were applied in making the forward-looking statements in this release include but are not limited to assumptions regarding: HDG continuing to have sufficient financial resources and working capital to carry on its business and operations; the Offer not being expected to preclude HDG from pursuing its business and operations and other foreseeable opportunities; and that the Offer can be completed in accordance with applicable law. Material factors that could cause actual results to differ materially from the forward-looking statements in this release include risk and uncertainties relating to: the continued listing of HDG on the Toronto Stock Exchange, HDG's ability to implement its strategy or operate its business as HDG currently expects on a substantially modified basis; the fact that there is no assurance that the Offer conditions will be satisfied; the extent to

which HDG shareholders determine to tender their HDG Shares to any offer; and other factors discussed in HDG's filings with applicable Canadian securities regulatory authorities. Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company or its business, or if the Company's estimates or assumptions prove inaccurate. The Company cannot provide any assurance that forward-looking statements will materialize. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason. Additional information regarding risks and uncertainties that could affect the Company's business is contained in the Company's MD&A and in its Annual Information Form, which are available on SEDAR at [www.sedar.com](http://www.sedar.com).