



News Release

DAWSON GOLD ANNOUNCES TORO PROJECT SUMMER 2011 PROGRAM PREPARATIONS COMPLETE

May 16, 2011 - Dawson Gold Corp (TSX.V: DYU) (“Dawson Gold” or the “Company”) announces the completion of preparations for the upcoming summer exploration program on the Toro Property, Dawson Range, White Gold District Yukon.

Anticipating an aggressive summer 2011 exploration campaign, Dawson Gold contracted the activation of the permitted Toro winter road to more cost-effectively mobilize in required equipment and supplies. Re-activation of the winter road was completed in late March and subsequently all fuel needs, camp upgrade requirements, and diamond drilling supplies and materials were mobilized into site during April. In addition, a Hitachi 330 excavator and Caterpillar D6 bulldozer are now on the Toro Property, both of which will be utilized to support historic trail re-activation, new access construction, planned trenching programs and on-site diamond drill rig transportation.

“Every dollar saved on the movement of people and materials allows for a greater component of the budget to be effectively spent on the ground where we can continue to make discoveries” commented Dawson Gold CEO Paul D. Gray, P.Ge. *“Preparations made ahead of the summer 2011 season will allow the Company to efficiently use all available resources in a thorough and systematic exploration of the Toro Property including further geochemical delineation, trenching, geophysics and diamond drilling. Dawson Gold is excited to get into the Toro Property early in the 2011 season and execute a lengthy, successful program this year”.*

The Toro Project comprises 412 contiguous Quartz Mining Claims covering 83 km² of prospective ground along the Big Creek Fault in the Dawson Range. The Project area is host to the same geology, a similar structural environment and Au-in-soil anomalies comparable to Kaminak’s Coffee Gold Project approximately 45 km to the northwest. The Toro Project also contains a large body of the ~74 million year-old quartz monzonite lithology which hosts Western Copper’s Casino Au-Cu-Ag project approximately 40 km to the northwest. A deep-penetration Quantec Geophysics Titan-24 survey to assess the porphyry potential of this monzonite body is planned for the early summer 2011 and additional work will further investigate and delineate the two significant geochemical anomalies and a mineralized hydrothermal breccia newly discovered in 2010 by Dawson Gold (See Dawson News Release dated January 26, 2011).

Historic* assay results at the Toro Property include **8.23 m of 1.03 g/t Au** (DDH T69-02) and **7.0 m of 1.75 g/t Au** (DDH T70-14). Gold assay results from drilling in 2010 were released in December, 2010 (See Dawson News Release dated December 17, 2010). Dawson Gold has recently re-examined these assays with respect to the silver values from these previously released intersections. Based on this work management has re-calculate a gold-equivalent value based on a 40:1 valuation of silver to gold. The results from this re-assessment are presented below:

**While the above historical results on the Main zone and Nit occurrence are considered relevant, the reliability of the historic work is unknown. Dawson Gold intends to verify the above results, and confirmation work may produce results that differ substantially from the historic results.*

2010 Diamond Drilling Summary Table with Ag Credit†

TT-101						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)**	Au Eq (g/t)** ICP Au + Ag
23.6	25.9	2.3	1.39	1.39	64.3	3.12
TT-102						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)	Au Eq (g/t) ICP Au + Ag
146.5	148.4	1.9	0.408	0.582	1.3	0.617
TT-103						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)	Au Eq (g/t) ICP Au + Ag
147.5	149	1.5	1.41	1.42	64.3	3.16
TT-104						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)	Au Eq (g/t) ICP Au + Ag
73	164.5	91.5	0.316	0.330	7.45	0.523
<i>Including</i>						
73	92.5	19.5	0.432	0.433	11.8	0.753
137	149.5	12.5	0.553	0.677	11	0.980
137	138.5	1.5	1.13	2.54	3.4	2.63
147.6	149.7	2.1	1.64	1.41	34.9	2.32
148.7	149.7	1	2.73	2.28	56.9	3.75
137	164.5	27.5	0.427	0.476	2.1	0.640
TT-105						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)	Au Eq (g/t) ICP Au + Ag
70	72	2	0.599	0.511	35	1.46
111.2	112.1	0.9	0.927	0.813	10.2	1.09
TT-106 - No significant results						
TT-107						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)	Au Eq (g/t) ICP Au + Ag
164.6	166.1	1.5	0.960	0.896	2	0.950
TT-108						
From	To	Width	Au (g/t) ICP	Au (g/t) Fire	Ag (g/ t)	Au Eq (g/t) ICP Au + Ag
79.2	93	13.8	0.453	0.442	6.94	0.629
<i>including</i>						
79.2	82.3	3.1	1.02	1.02	5.45	1.17
<i>Including</i>						
79.2	80.8	1.6	1.47	1.49	5.3	1.64

**Previously unreleased data

†All core and soil samples were processed and analyzed by Acme Analytical Labs of Vancouver, B.C. an ISO 9001 certified laboratory. The samples were all analyzed by ACME ICP-MS package 1DX15. In addition, a 30 gram Fire Assay for Gold ACME package 3B was run on each of the soil and core samples from the 2010 program.

Dawson Gold also announces that Mr. Michael Collins, P.Geo. has resigned as President and from the Board of Directors effective immediately. The Board of Directors wishes to acknowledge the many contributions that Mr. Collins has made to the Company, and wants to thank him for his participation and wish him success in his future endeavors. Until a new President can be named, Paul D. Gray, P.Geo. and CEO will assume the responsibilities of President of the Company.

The Technical data contained in this news release has been reviewed and approved by Dawson Gold CEO Paul D. Gray, P.Geo., a qualified person under NI 43-101.

ON BEHALF OF THE BOARD OF DIRECTORS

Paul D. Gray, P.Geo. CEO

DAWSON GOLD CORP.

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