

**FORM 45-106F1  
REPORT OF EXEMPT DISTRIBUTION**

This is the form required under section 6.1 of Regulation 45-106 for a report of exempt distribution.

**Issuer information**

**Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.**

MGold Resources Inc. (the "Issuer")  
1 Place Ville Marie, Suite 4000  
Montréal, Québec H3B 4M4  
Tel: (416) 533-0323  
Fax: (416) 533-2890

**Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.**

The Issuer is a reporting Issuer in the provinces of Québec, Alberta and British Columbia.

**Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.**

- |   |   |
|---|---|
| <input type="checkbox"/> Bio-tech                       | <input type="checkbox"/> Mining                             |
| <input type="checkbox"/> Financial Services             | <input checked="" type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production                         |
| <input type="checkbox"/> mortgage investment companies  | <input type="checkbox"/> Oil and gas                        |
| <input type="checkbox"/> Forestry                       | <input type="checkbox"/> Real estate                        |
| <input type="checkbox"/> Hi-tech                        | <input type="checkbox"/> Utilities                          |
| <input type="checkbox"/> Industrial                     | <input type="checkbox"/> Other (describe) _____             |

**Details of distribution**

**Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.**

**Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.**

February 25, 2011.

**Item 6: For each security distributed:**

**(a) describe the type of security**

Units (the "**Units**"). Each Unit, at a price of \$0.11 per Unit, consists of one common share (each a "**Common Share**") and one common share purchase warrant (each a "**Warrant**") of the Issuer. Each Warrant entitles its holder thereof to purchase one additional common share at a price of \$0.17 for a period of a period ending on December 21, 2012.

Common shares. Each common share carries one vote. The holders of the Common Shares are entitled to receive, on a pro rata basis, such dividends as may be declared by the board of directors of the Issuer out of funds legally available therefore. Upon the liquidation, dissolution or winding-up of the Issuer, they are entitled to receive, on a pro rata basis, all the assets of the Issuer remaining after payment of all of the Issuer's liabilities.

**(b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date ; and**

4,500,909 Units.

Each Unit, at a price of \$0.11 per Unit, consists of one Common Share and one Warrant of the Issuer. Each Warrant entitles its holder thereof to purchase one additional common share at a price of \$0.17 for a period of a period ending on December 21, 2012.

Common shares. Each common share carries one vote. The holders of the Common Shares are entitled to receive, on a pro rata basis, such dividends as may be declared by the board of directors of the Issuer out of funds legally available therefore. Upon the liquidation, dissolution or winding-up of the Issuer, they are entitled to receive, on a pro rata basis, all the assets of the Issuer remaining after payment of all of the Issuer's liabilities.

**(c) state the exemption(s) relied on.**

Sections 2.3 of National Instrument 45-106 *Prospectus and Registration Exemptions* (*Regulation 45-106 respecting Prospectus and Registration Exemptions* in Québec) ("**NI 45-106**").

**Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.**

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Ontario	5	0.11 per Unit	\$304,100
British Columbia	8	0.11 per Unit	\$191,000
<b>Total number of Purchasers</b>	<b>13</b>		
<b>Total dollar value of distribution in all jurisdictions (Canadian \$)</b>			<b>\$495,100</b>

**Note 1:** If securities are issued at a different prices list the highest and lowest price the securities were sold for.

**Commissions and finder's fees**

**Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature.**

**Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.**

**If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.**

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
N/A					

**Item 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.**

**Certificate**

On behalf of the issuer, I certify that the statements made in this report are true.

Date: March 7, 2011

MGold Resources Inc.  
Name of issuer (please print)

Douglas Reeson, Chief Financial Officer, (705) 522-4439  
Print name, title and telephone number of person signing

(s.) Douglas Reeson  
Signature

**Item 10: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.**

**IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.**

**Notice - Collection and use of personal information**

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of the administration and enforcement of the securities legislation.

If you have any questions about the collection and use of this information, contact the securities regulatory authority or, where applicable, the regulator in the jurisdiction(s) where the form is filed, at the address(es) listed at the end of this report.

**Authorization of Indirect Collection of Personal Information for Distributions in Ontario**

The attached Schedule I contains personal information of purchasers and details of the distribution(s). The issuer hereby confirms that each purchaser listed in Schedule I of this report

- (a) has been notified by the issuer
  - i. of the delivery to the Ontario Securities Commission of the information pertaining to the person as set out in Schedule I,
  - ii. that this information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation,
  - iii. that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario, and
  - iv. the title, business address and business telephone number of the public official in Ontario, as set out in this report, who can answer questions about the Ontario Securities Commission's indirect collection of the information, and
- (b) has authorized the indirect collection of the information by the Ontario Securities Commission.