



20 Adelaide Street East, Suite 301, Toronto, ON M5C 2T6, Canada

March 16, 2011

Dear Shareholders,

Please find enclosed information and materials for the April 19<sup>th</sup> Annual General Meeting.

The 2010 fiscal year was one of major achievement, during which Shield Gold:

- Completed its Qualifying Transaction by entering into an option agreement with Eloro Resources Ltd to acquire a 50% interest in the Summit-Gaber property in the La Grande Greenstone Belt, north-western Québec.
- Graduated from being a Capital Pool Company to become a Tier 2 Mining Issuer on the TSX Venture Exchange.
- Entered into an option and joint-venture agreement with Virginia Mines Inc. to acquire a 50% interest in the La Grande Nord property in the James Bay region of Québec. The Gaber claims of La Grande Nord are contiguous with Summit-Gaber.
- In consultation with MRB & Associates of Val-d'Or, Québec, planned and conducted its first exploration program on both the Summit-Gaber property and the Gaber claims of La Grande Nord. The program included a B-horizon soil geochemical survey, based on the recommendations of the September 2009 NI43-101-Compliant Technical Report prepared by Jean-Pierre Bérubé, P.Eng.
- Initiated planning for the 2011 exploration program, based on priority targets identified by Dr. Rémi Charbonneau of Inlandsis Consultants from analysis of the 921 B-horizon samples collected in 2010.

In his final report, received in February 2011, Dr. Charbonneau notes that: *"...the high priority targets are more extensive than the geochemical response found in association with the known showings... the mineralizing system extends over a much larger area*

*than the trend formed by the known showings". In summary, he states that: "There are many significant signals for Cu, Ag, Pt, Pd and Au... resulting in the contouring of 80 anomalies, 18 of which are of high priority".*

2011 promises to be an exciting year for Shield Gold. With the successful transition from CPC to TSX-V mining issuer now behind us, together with underlying strength in the precious and base metals markets, we are looking forward to continuing our exploration programs on the Summit-Gaber and La Grande Nord properties. The 2011 program will include detailed work on the priority targets at Summit-Gaber, as well as preliminary ground exploration on remaining claim blocks of the La Grande Nord property.

The Technical Report and updated financial information for Shield Gold Inc. can be viewed at [www.sedar.com](http://www.sedar.com) . Additional information is available on the company website at: [www.shieldgold.com](http://www.shieldgold.com) .

On behalf of the Board,  
SHIELD GOLD INC.

Howard Sinclair-Jones  
President