

Mistango River Resources Inc.

President's Report to Shareholders

Dear Shareholders,

It is my pleasure to address you in advance of our annual meeting to summarize your Company's accomplishments in 2011. The year began with a clean slate of sorts after the consolidation of shares four-to-one approved at the March 17, 2011, Special Meeting of Shareholders, when we became henceforth known as Mistango River Resources Inc. with shares listed on the CNSX under the symbol MIS.

Back in 1979, the Company, then as Lenora Explorations, staked the Omega property and carried out some exploration until around 1985; since then, no meaningful exploration was carried out until the present day programs by Mistango.

Mistango's first priority is to explore and develop the Omega Gold Mine property and a great deal of progress was made last year. To date we have completed 90 drill holes consisting of 26,000 metres of drilling and expenditures of approximately \$2.6 million. We have asked for tenders from qualified mine engineering firms to complete our first NI 43-101 compliant resources study. It is anticipated to commence in June 2012.

The drill core assay results have been very encouraging because a substantial resource appears to be developing both with near surface open pit potential and at deeper levels within and below the old mine workings. Recent shallow drilling in the potential open pit area has returned very wide widths of gold mineralization. I urge you to visit our website to view all the Company data.

The past-producing Omega Gold Mine is situated on the Cadillac/Larder Lake fault structure and is 30 km east of the famous Kirkland Lake gold camp and approximately 6 km west of past producer, Kerr Addison, which produced in excess of 10 million ounces gold. Within the Kirkland Lake and Larder Lake area alone, over 55 million ounces gold has been produced and mining there continues at a steady pace.

To facilitate operations Mistango completed a number of financings during 2011: \$550,000 in June, \$1,550,000 in October and \$500,000 in December raised flow-through exploration funding; and \$150,000 in June and \$150,000 in October raised capital for general administrative and other expenses. We were very pleased to have one of our colleagues in exploration, and neighbours in Ontario, Queenston Mining Inc. (TSX: QMI), invest in Mistango and participate in all the 2011 financings. We welcome their participation and have granted Queenston Mining the right to maintain its percentage interest in the Company through any further financings.

We also completed considerable geochemical and geophysical work on our Sackville property located in the Thunder Bay mining division. The results are very reassuring and more exploration is warranted on this property in 2012.

Additionally, Mistango owns a 100% interest in several hectares of land west of Kirkland Lake along Ontario's Cadillac/Larder Lake fault structure, that includes one small past producer. Most of this land is either patent or has several years of work credits already logged. Mistango also owns a large block of land in the Casa Berardi area of Quebec 30 km east of the Aurizon mine. Similarly, there are several years of work credits on these claims so no exploration work will be needed this year. It is advantageous that our Company can sit on these assets while efforts are concentrated on the Omega and Sackville properties.

Outlook

The present market conditions, distracted by macroeconomic influences, pose some hindrance for financing junior companies, not just in the resource sector. Mistango will have to complete further financings in 2012 to carry out its planned exploration, currently budgeted at \$1.8 to \$2 million. I am reasonably confident we will be able to do so because of the location, quality and resource potential inherent to the Omega Gold Mine project alone. Also attractive for Mistango is the small share float, compared to most other comparable junior companies, which can facilitate share appreciation as we continue to progress our mineral projects. At year end, there were 27,371,481 shares outstanding, and 35,803,647 on a fully diluted basis. Management owns approximately 8% of the total shares outstanding.

Mistango holds a 2% net smelter interest on the HM claim under development by Kirkland Lake Gold Inc. (TSX: KGI), an active producer in the area. While, at the time of writing this letter, we have not been formally notified, we believe there is a possibility that Mistango may start to receive royalty payments from this property perhaps as early as 2013.

Meanwhile, another substantial gold company has made a big move near the Omega site and that is Gold Fields Limited (NYSE: GFI). This company is one of the world's largest unhedged gold producers from eight mines Australia, Ghana, Peru and South Africa. It was announced on April 10, 2012, that a 100% subsidiary of Gold Fields has optioned up to a 60% interest the Larder Lake Gold project from Bear Lake Gold Ltd. (TSXV: BLG). What should be of interest to Mistango shareholders and investors is the fact that the Larder Lake Gold project properties are located to the west, north and east of the historic Omega Gold Mine site and are exploring along the same geological structures that we are. Gold Fields entering so nearby, just like Queenston Mining's investment in Mistango, lends additional credibility and confidence to our Omega Gold Mine project.

Outlook for the price of gold, in my view, continues to be strong. Central banks are increasing their bullion holdings, led by countries like China, India and Russia. Against the backdrop of the current global financial challenges at managing debt, and with the US dollar in danger of collapsing, the markets are likely in for a bumpy ride which is likely to keep gold prices riding high.

We look forward to adding value in 2012 through the upcoming NI 43-101 compliant resource report for the Omega Gold Mine project, and furthering the exploration on the Sackville project. Hopefully, the equity markets will cooperate to facilitate raising the financing needed to pursue our agenda.

On a final note, I would like to extend my personal thanks to our staff and Board of Directors for their excellent work done last year.

Your shareholder support has been greatly appreciated and I look forward to sharing our progress with you through Company news releases, our website, and our email list, during the course of this year.

On Behalf of the Board,

A handwritten signature in black ink, appearing to read 'R. Kasner', followed by a long horizontal line extending to the right.

*Robert J Kasner
President & CEO*

May 8, 2012