

# Notice to Participating Organizations

November 19, 2010

2010-038

## Restrictions concerning Trading of Xtra-Gold Resources Corp. (XTG.S) Stock

This Notice contains important information that should be read carefully by all Participating Organizations.

On approximately November 23, 2010, 41,885,623 common shares of **Xtra-Gold Resources Corp.** ("Xtra") will begin trading on Toronto Stock Exchange ("TSX") under the symbol XTG and XTG.S. Xtra is a U.S. corporation. The common shares offered under the initial public offering ("Offered Shares") have not been registered with the U.S. Securities and Exchange Commission ("SEC") and have been sold in Canada under exemptions from SEC registration provided by Regulations S ("Regulation S") and D under the United States Securities Act of 1933 (the "1933 Act"). This exemption is available only if certain trading restrictions are complied with.

The Offered Shares trading under the symbol XTG.S are subject to these Regulation S trading restrictions. In particular, during what is referred to as the "distribution compliance period" (a period of at least 6 months from the date of the first sale), the Offered Shares may not be offered or sold to persons in the United States or to U.S. persons (as defined in Regulation S and attached as an exhibit to this Notice), and there can be no selling efforts directed at the United States, unless the offer and sale has been registered under the 1933 Act.

Therefore, while the trading symbol for the Offered Shares contains ".S", you must restrict your trading activities in the Offered Shares as follows:

1. You may not execute a trade in the Offered Shares if you know that the buyer is in the United States, or is a U.S. person, or is acting for the account or benefit of a U.S. person. For the purpose of this Notice, a buyer means not only your customers but any customer of a broker who is not a Participating Organization but for whom you execute trades.
2. You must make reasonable efforts to ascertain whether a buyer is in the United States, or is a U.S. person, or is acting for the account or benefit of a U.S. person. If you determine that a buyer is in the United States, or is a U.S. person, or is acting for the account or benefit of a U.S. person, you may not execute the trade.
3. You must implement measures designed to assure reasonable compliance with the above requirements.
4. If you have direct market access clients who are in the United States, or are U.S. persons, you must notify such clients that they may not place an order to buy the Offered Shares and that, if they do, the trade will be reversed. **In addition, if you place trades for brokers who are not Participating Organizations you must notify such brokers that they may not place an order to buy the Offered Shares for any of their clients**

**who are in the United States or are U.S. persons, and that if such a trade occurs, it will be reversed.** Furthermore, you must adopt procedures to permit purchases for such accounts to be blocked, or to be identified and reversed.

5. Confirmation notices sent out in connection with trades of the Offered Shares must include a legend to the effect that “Sales in the U.S. or to U.S. persons are prohibited.”

Questions may be directed to Shane Szeto, Senior Manager, Listed Issuer Services, Toronto Stock Exchange at (416) 947-4237 or [shane.szeto@tsx.com](mailto:shane.szeto@tsx.com).

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## **EXHIBIT A**

### Definition of U.S. Person

**“U.S. person” means:**

Any natural person resident in the United States;

Any partnership or corporation organized or incorporated under the laws of the United States;

Any estate of which any executor or administrator is a U.S. person;

Any trust of which any trustee is a U.S. person;

Any agency or branch of a foreign entity located in the United States;

Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

Any discretionary account or similar account (other than an estate or trust) held by a

Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if: