



March 5, 2010

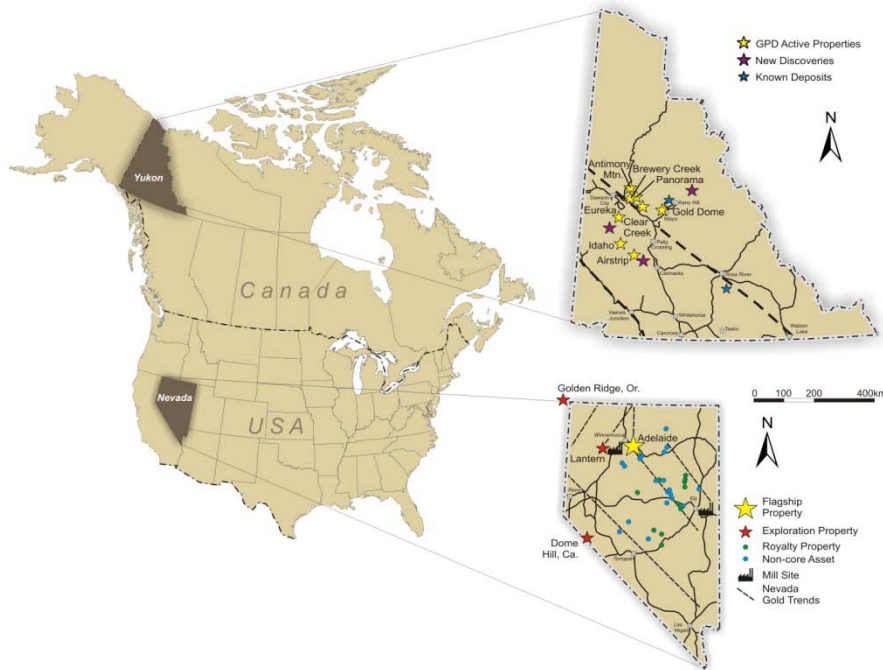
Dear Shareholders:

On behalf of the Board of Directors of Golden Predator Royalty & Development Corp., I write to provide a summary our 2009 activities and to outline our plans for 2010. Please note that all drill results provided below have been previously released, they are presented here in the context of the corporate summary.

2009 began with the reorganization of Golden Predator Mines Inc.'s gold assets into Golden Predator Royalty & Development Corp. We successfully completed this necessary but difficult restructuring in a weak economic environment, and secured financing in Q2 and Q3 2009. Through 2009 our management team worked to refine our corporate mandate to one concise statement: *"creating a self-funded gold company focused on Yukon"*.

All activities at Golden Predator are undertaken with the single purpose of becoming the leading gold explorer in what we view as the world's premier first world gold exploration jurisdiction. With our industry leading property position in Yukon, comprised of eight properties in total which we began to establish in July 2009, I believe we are well positioned for a significant discovery.

The political evolution of Yukon, with 11 of the 14 First Nations having signed land claim settlements, devolution of land management to the Yukon Government from the Canadian Federal Government, and the establishment of a one-window permitting process (YESAB) provides a sound base for business in the very fertile and promising geologic framework of the Tintina Gold Belt. With a healthy gold price and emerging discoveries in the region, we have what I view as ideal conditions for the long anticipated gold boom in Yukon. I intend to make sure our shareholders have the opportunity to participate in this boom.



Nevada Operations

All of our corporate activities outside of Yukon are dedicated to revenue production to facilitate our primary goal: to self-finance our on-going exploration programs for world class deposits, while preventing the anticipated dilution of your equity. To this end we have commenced development of a 200 ton per day Modular Mill at our Humboldt Mill Site near Winnemucca, Nevada.

We intend to feed the Humboldt Mill with ore derived from our Adelaide project on which we are conducting delineation drilling, and potentially from our Golden Ridge project.

Our Nevada operations include a technical team with backgrounds well suited for our corporate plans including underground small tonnage high grade vein geology, mill operations, metallurgy and permitting:

NEVADA TECHNICAL TEAM

Clifford Nelson, BSc (Met Eng)
 Travis Schwertfeger, BSc, MAIG
 Robert Stepper, BSc (Met Eng)
 Cindi Burns, MSc, CEM
 Paul Spor, BSc
 Nancy McMillen, BSc
 Dave Hembree, BSc, PGeo
 Mark Shetty, BSc

VP Operations
 VP US Exploration
 Chief Metallurgist
 Environmental Manager
 Adelaide Project Manager
 Environmental Specialist
 Staff Geologist
 Geologist

Humboldt Mill

North Fringe Industrial Technologies Inc. has been selected as the contractor for fabrication, construction, assembly and installation of the 200 tpd Humboldt Modular Mill. We anticipate that the Humboldt Mill will be fully permitted in Q3, 2010 with the final funding decision to be made late in 2010, and on-site installation in the following 6 months.

Adelaide - 2009

Following our aggressive 2009 exploration and drilling season in which we evaluated seven projects, we have identified our Adelaide property as the leading candidate to feed the Humboldt Mill. The 2009 program consisted of 13 holes totaling 7350 ft. Drill highlights from the 2008 and 2009 drill programs are presented below:

Adelaide Project – 2009 Selected Drill Results⁽¹⁾							
Drill #	Hole	From ft	To ft	Drill Width ft (m)	True Width ft (m)	Au opt (gpt)	Ag opt (gpt)
GPA 004		120	125	5 (1.52)	4.4 (1.34)	0.325 (11.20)	0.58 (20.0)
GPA 008		120	130	10 (3.05)	8.7 (2.65)	0.129 (4.40)	2.11 (73.0)
GPA 012		350	355	5 (1.52)	4.5 (1.37)	0.283 (9.70)	0.38 (13.0)
GPA 012		385	390	5 (1.52)	4.5 (1.37)	0.261 (8.90)	0.41 (14.0)
GPA 019		485	510	25 (7.62)	18 (5.49)	0.781 (26.80)	1.74 (60.0)
including		485	500	15 (4.57)	10.8 (3.29)	1.219 (41.80)	2.42 (83.0)
GPA 027		80	110	30 (9.15)	28.0 (8.51)	0.799 (27.41)	2.42 (83.0)
including		80	95	15 (4.57)	14.0 (4.25)	1.555 (53.31)	4.18 (143.0)
GPA 033		120	125	5 (1.52)	2.3 (0.70)	0.230 (7.89)	0.82 (28.0)
GPA 033		175	200	25 (7.62)	11.4 (3.47)	0.078 (2.69)	0.38 (13.0)
GPA 033		320	340	20 (6.10)	9.1 (2.77)	0.230 (7.88)	0.28 (9.5)
including		320	325	5 (1.52)	2.3 (0.70)	0.703 (24.10)	0.64 (22.0)
GPA 034		95	115	20 (6.10)	15.5 (4.72)	0.060 (2.04)	3.16 (108.2)
GPA 035		420	460	40 (12.2)	24.8 (7.56)	0.130 (4.44)	0.42 (14.5)
including		420	425	5 (1.52)	3.1 (0.94)	0.290 (9.92)	0.23 (8.0)
GPA 036		425	465	40 (12.2)	25.4 (7.74)	0.650 (22.30)	0.83 (28.5)
including		425	430	5 (1.52)	3.2 (0.98)	1.970 (67.60)	1.17 (40.0)
including		450	460	10 (3.05)	6.4 (1.95)	1.360 (46.65)	2.04 (70.0)
GPA 037		310	335	25 (7.62)	20.4 (6.22)	0.330 (11.46)	1.02 (34.8)
including		310	315	5 (1.52)	4.1 (1.25)	1.550 (53.00)	2.39 (82.0)
GPA 042		355	380	25 (7.62)	19.4 (5.91)	0.080 (2.75)	1.59 (54.6)

GPA 042	395	405	10 (3.05)	7.8 (2.36)	0.876 (30.05)	3.06 (105.0)
GPAD 03	275	294	19 (5.79)	13.3 (4.05)	0.359 (12.31)	0.45 (15.5)
including	280	294	14 (4.27)	9.8 (2.99)	0.450 (15.42)	0.51 (10.0)
GPAD 06	130	145	15 (4.57)	6.8 (2.08)	0.122 (4.17)	0.28 (9.7)
including	140	145	5 (1.52)	2.3 (0.69)	0.214 (7.34)	0.50 (17.0)
GPAD 06	336.7	349.8	13.1 (3.99)	5.9 (1.81)	0.143 (4.91)	1.30 (44.7)

⁽¹⁾ Reported in 10 November 2009 and 17 December 2009 News Releases

Adelaide 2010

We intend to commence on a decline at Adelaide in Q2, 2010 to allow access for underground drilling to further define the deposit down dip, avoiding the lengthy holes from surface (over 1,000' to reach the target) dictated by the topography. The decline will also provide access by year end to the heart of the known high grade zone, facilitating bulk sampling which we anticipate will be processed at the Humboldt Mill. The permitting process for the decline is well underway.

Golden Ridge, California

To ensure a pipeline of projects for the future, we will also be continuing accelerated exploration activities at our Golden Ridge Project, and conducting more limited exploration at our Lantern and Dome Hill properties.

We drilled 30 RC holes and 5 core holes at Golden Ridge in 2009 totaling 11,703 ft. The highlight of the drilling program was the discovery hole GPGR-29 which reported 29.7 m of 13.3 gpt Au (97.5 ft of 0.388 opt Au) beginning at a depth of 15.75 m (52.5 ft). This hole was offset with four core holes which have provided the attitude and orientation of two distinctly separate parallel epithermal veins which will be targeted during our 2010 exploration campaign. The discovery remains open along strike and at depth.

Royalty Income

We continue to receive advance royalty payments from our royalty package as well as payments for properties we have optioned out. These payments amount to over \$1 MM per annum, and most are indexed to the price of gold. In addition, we have received the first production royalty payments from Barrick Gold Corporation on our 1% gross value royalty on the N-Selox claim block, which covers portions of the Saga Pit currently being mined by Barrick.

Yukon Operations

Our Yukon operations, with an industry leading gold property position, is focused on exploring for and developing world class bulk tonnage gold deposits amenable to open

pit mining. We are aggressively exploring 5 of our 8 projects: our Gold Dome, Clear Creek, Antimony Mountain and Brewery Creek projects in the Tombstone Gold area and our Eureka Project in the White Gold area, all 5 of which are located within the prolific Tintina Gold Belt. We also plan to selectively expand our portfolio within these two emerging gold camps and further our leading land position in the Yukon Territory.

During 2009 we established a permanent field office in Whitehorse, evaluated numerous project submittals, conducted limited reconnaissance, acquired the company's project portfolio, and drilled three of our projects: Brewery Creek, Gold Dome, and Antimony Mountain.

Brewery Creek - 2009

At Brewery Creek, we are earning a 75% interest (excluding known Barite deposits) from Alexco Resources Ltd. by spending \$6mm before 2015. We published a NI 43-101 compliant resource calculation in September, 2009 showing an indicated resource of 3.98 MM tonnes Au @ 1.135 gpt (0.038 opt) and an inferred resource of 2.20 MM tonnes Au @ 2.01 gpt (0.059 opt) using a cut-off grade of 0.5 gpt Au (Simpson, 2009). Brewery Creek is fully permitted through 2021 as a result of previous mining which occurred between 1996 and 2002 and produced 278,484 oz Au. We have a two pronged focus at Brewery Creek, with one third of our drilling directed toward an expansion of the known oxide resource, and two thirds of our drilling directed towards a possible larger, deeper target such as those discovered at Livengood and Donlin Creek in Alaska. Our oxide expansion program builds on the fact that 95% of previous drilling at Brewery Creek was limited to a depth of 50 m. We drilled 17 oxide expansion core holes in late 2009 with solid success. Select drill results appear below:

Brewery Creek Project Oxide Expansion Program - 2009 Selected Drill Results⁽²⁾					
Drill Hole #	From (m)	To (m)	Interval (m)	Au (gpt)	Au (opt)
BC09-146	28.96	36.28	7.32	1.13	0.033
BC09-147	46.05	54.35	8.30	6.07	0.177
BC09-151	39.27	44.40	6.73	1.80	0.053
BC09-153	30.90	34.90	4.00	3.41	0.099
BC09-156	37.85	41.85	4.00	1.06	0.031
BC09-156	43.10	46.20	3.10	1.90	0.055
BC09-156	48.20	50.29	2.09	0.94	0.027
BC09-159	42.03	44.86	2.83	6.79	0.198
BC09-160	26.42	30.31	3.89	2.41	0.070
BC09-156	54.86	62.00	7.14	3.24	0.095
BC09-161	28.32	36.45	8.13	1.59	0.046
BC09-156	57.77	60.82	3.05	2.47	0.072

⁽²⁾ Reported in 15 October 2009, 10 December 2009 and 27 January 2010 News Releases

We also completed 13 deeper holes with significant results posted below:

Brewery Creek Project Deeper Exploration - 2009 Selected Drill Results⁽²⁾					
Drill Hole #	From (m)	To (m)	Interval (m)	Au (gpt)	Au (opt)
BC09-132	116.4	122.6	6.2	2.5	0.08
including	116.4	118.1	1.7	5.5	0.18
BC09-133	110.9	112.9	2.0	3.5	0.11
BC09-133	155.0	160.1	5.1	2.6	0.08
BC09-133	172.1	176.8	4.7	3.2	0.10
BC09-134	215.3	217.3	2.0	1.9	0.06
BC09-134	221.3	223.3	2.0	5.4	0.17
BC09-136	172.5	174.8	2.3	3.5	0.11
BC09-137	243.6	245.5	1.9	20.2	0.59
BC09-138	149.3	151.0	1.7	2.1	0.06
including	212.3	214.6	2.3	2.9	0.08
BC09-139	263.9	273.6	9.7	4.7	0.14

⁽²⁾ Reported in 15 October 2009, 10 December 2009 and 27 January 2010 News Releases

Gold Dome - 2009

At Gold Dome (formerly known as Scheelite Dome) we completed 17 core holes on three separate targets in 2009. The property boasts 14 known drill targets within a 30 km² gold soil geochemical anomaly. Only 65 holes have ever been drilled on this project since its discovery in 1980: all of which have anomalous gold in one or more intervals. The multi-target project sits at the headwaters of a significant placer district with continuous production since its discovery in 1906. We reported the best intercept to date with our discovery hole GD09-007 where we intercepted 25.4 m of 11.12 gpt Au. Other significant results are summarized below:

Gold Dome Project - 2009 Selected Drill Results⁽³⁾						
Drill Hole #	From (m)	To (m)	Interval (m)	Interval (ft)	Au (gpt)	Au (opt)
GD09-004	5.18	7.16	1.98	6.49	10.87	0.32
GD09-005	21.34	30.92	9.58	31.42	2.56	0.07
including	27.44	30.92	3.48	11.41	5.39	0.16
including	30.01	30.92	0.91	2.98	12.59	0.37
GD09-005	55.70	57.63	1.93	6.33	2.46	0.07
GD09-006	13.62	15.54	1.92	6.30	11.55	0.34
including	13.62	14.65	1.03	3.38	21.64	0.63
GD09-007	10.25	35.65	25.4	83.31	11.12	0.32
including	13.00	15.70	2.70	8.86	52.35	1.53
GD09-013	48.68	50.39	1.71	5.61	2.29	0.07

GD09-014	14.20	27.43	13.23	43.39	1.40	0.04
GD09-015	24.35	25.81	1.46	4.79	2.81	0.08
GD09-015	36.35	38.87	2.52	8.27	5.17	0.15
GD09-015	92.77	94.37	1.60	5.25	2.34	0.32
GD09-004	5.18	7.16	1.98	6.49	10.87	0.35

⁽³⁾ Reported in 16 November 2009 News Release

Antimony Mountain - 2009

We acquired the Antimony Mountain project late in the 2009 exploration season, and with a limited drill season undertook a helicopter supported short core drilling effort on the AJ vein. There are at least 10 identified veins identified in the property area lying distal to the central anomaly of Golden Wall. We were successful in demonstrating continuous mineralization over a minable width with potentially economic gold values as shown in the table below. Drilling in 2010 will concentrate on the central anomaly at the Golden Wall discovery.

Antimony Mountain Project - 2009 Selected Drill Results⁽⁴⁾						
Drill Hole #	From (m)	To (m)	Interval (m)	Interval (ft)	Au (gpt)	Au (opt)
AJ09-016	70.70	75.58	4.88	16.0	12.45	0.364
including	70.70	73.15	2.45	8.0	28.81	0.841
including	71.15	72.53	1.38	4.5	32.78	0.957
AJ09-018	42.97	43.53	0.56	1.8	14.56	0.425
and	73.65	77.01	3.36	11.0	7.61	0.222
including	76.41	77.01	0.60	2.0	33.50	0.978
AJ09-019	49.66	63.54	13.88	45.5	2.30	0.067
including	60.90	63.54	2.64	8.7	8.58	0.251
AJ09-020	74.44	79.79	5.35	17.6	3.37	0.098
including	78.22	78.91	0.69	2.3	9.96	0.291
AJ09-021	66.28	69.43	3.15	10.3	25.06	0.732
including	67.00	67.51	0.51	1.7	112.43	3.283
including	68.75	69.06	0.31	1.0	20.58	0.601
AJ09-022	79.10	80.85	1.75	5.7	22.22	0.649
including	79.10	79.85	0.75	2.5	48.09	1.404
AJ09-025	32.24	33.05	0.81	2.7	4.73	0.138

⁽⁴⁾ Reported in 5 November 2009 and 5 January 2010 News Releases

Yukon - 2010

Having acquired several additional projects subsequent to the 2009 exploration season, we will focus on our five main properties (Gold Dome, Clear Creek, Antimony Mountain, Brewery Creek and Eureka) to maximize our potential for discoveries, with an emphasis

on Gold Dome. We anticipate spending approximately \$5,000,000 in Yukon in 2010.

In recognition of the immense size of each of our properties, ranging from 26 km² at Clear Creek to over 80 km² at Antimony Mountain we have taken the initiative to bring “Nevada Style” exploration to Yukon. Considering these properties all have multiple drill targets, some with gold in soil geochemical anomalies extending over ten km², core drilling is not a practical method of evaluation.

Core drilling has been the traditional approach to exploration throughout Canada and, while it does provide superior geological information it does so at a significant cost both in terms of time and money. However, most of the major deposits discovered in Nevada over the past 40 years have been found using predominantly reverse circulation (RC) drilling. RC drilling is much faster than core drilling and can be implemented at a fraction of the cost on a per meter basis. RC drilling also typically returns a much larger sample size than core.

RC drilling has been totally absent from Yukon for many years but we are in the process of contracting up to 5 RC rigs for our projects this year. By bringing “Nevada Style” exploration to Yukon we will be able to rapidly assess and advance all of our projects in an economical fashion. Core drilling will be utilized to a much lesser extent as a geological tool to twin select RC holes for sample value verification and to provide specific detailed geologic data.

Each of our 2010 projects will have its own lead geologist, drawn from our wealth of in-house technical personnel. Our “Gold Medal” Yukon team for 2010 includes:

Mr. Corwin Coe, AScT, BSc, PGeo	Manager, Technical Services
Ms. Joanna Hodge, BSc, MSc (Hons)	Yukon Exploration Manager
Mr. Bruce Otto, BSc, MSc, PGeo	Senior Structural Geologist
Mr. Ken Galambos, BE, PEng	Senior Geological Consultant
Mr. Fredy Marino, BSc, MS, MSc	Project Geologist
Ms. Erin O'Brien, BSc, MSc, PGeo	Project Geologist

Although all of our projects are already road accessible (with the exception of Antimony Mountain), we intend to improve access to Gold Dome and Eureka so that we may continue activities at these sites year round, without seasonal interruption, complementing our existing year round access to Brewery Creek. Seasonal interruptions have historically been a severely limiting factor on the exploration and development of promising properties throughout Yukon, and one that we intend to minimize or eliminate in order to more aggressively explore our promising portfolio of advanced exploration projects.

ASSET MONETIZATION - SILVER PREDATOR MINES INC.

During 2009 we identified that our silver assets are undervalued or unrecognized by the market, and are forming, together with two other companies, a new entity to realize on the value of these assets, to be named Silver Predator Mines Inc. Projects that we have agreed to contribute include Taylor, Silver Bow and Treasure Hill, as well as a joint venture option on our 1,320 tpd Taylor Mill near Ely, Nevada.

The two other companies (Strategic Metals Ltd. and Rockhaven Resources Ltd.) will be contributing a total of 16 silver projects all located in Yukon. Silver Predator's combined asset base will anchor a uniquely focused silver investment vehicle working in two of the world's premier metallogenic jurisdictions, which also enjoy stable and favorable geopolitical environments.

The Silver Predator transaction is subject to several conditions precedent, including the execution of definitive agreements and the completion of a financing of not less than \$5,000,000. Golden Predator anticipates holding approximately 45% of the shares of Silver Predator, pre-financing. The ultimate disposition of any of the company's interest in Silver Predator is subject to the discretion of the Board of Directors but may include limited sales into the market, distribution to Golden Predator shareholders, retention as an investment for growth, or a combination of these...



Golden Predator is a founding member of the Yukon Gold Mining Alliance (YGMA). We have joined forces with other companies including: Copper Ridge Explorations Inc., Alexco Resource Corp., Capstone Mining Corp., Northern Freegold Resources Ltd., Victoria Gold Corp., and Western Copper Corporation to promote awareness of investment opportunities in gold, silver and copper companies that are located in the Yukon.

YGMA is a non-profit organization with a current membership of seven gold, silver, and copper companies working on Yukon mineral exploration and development. The goals for YGMA include:

- liaising between the mining industry and investors
- Promoting awareness of and strengthen investment in member companies and the Yukon
- Building awareness of established companies who are committed to mineral

exploration and development in the Yukon

To be a member of the Alliance each company must have an established NI 43-101 compliant resource or have spent \$2.5 million in drilling programs in the Yukon in five of the last seven years.

SUMMARY

We aim to position ourselves as unique among exploration companies by achieving the capacity to be self-funded in 2011. However, we are not waiting for this target to be realized to continue with our expansive Yukon exploration campaign.

As of January 31, 2010, the company is in good financial health with cash and equivalents of \$8,400,000, no debt and 51.5MM shares issued. The company has a strong shareholder base with more than 45% of its shares held by 10 institutions and another 7% percent held by management.

I would like to conclude by thanking my fellow board members, as well as our talented professionals and our staff for their efforts throughout 2009, and by thanking our shareholders, without whose ongoing support, our 2009 accomplishments would not have been possible.

Sincerely,

William M. Sheriff, Chairman