

ALTERNATIVE MONTHLY REPORT UNDER  
PART 4 OF NATIONAL INSTRUMENT 62-103

**Reporting Issuer:** Sargold Resource Corporation (the "Issuer")

**Report for the end of:** June 2007

*(a) Name and address of the eligible institutional investor:*

RAB Special Situations (Master) Fund Limited ("Special Situations")  
P.O. Box 908 GT  
Walker House Mary Street  
George Town, Cayman Islands

*(b) Net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor's securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements:*

Since the last report filed by Special Situations under Part 4 for the Issuer, there is a net increase in Special Situations' holdings of 7,500,000 common shares ("**Shares**") and 7,500,000 warrants ("**Warrants**") of the Issuer representing a net increase of 9.92% in Special Situations' securityholding percentage for that class of the Issuer's securities.

*(c) Designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made:*

Special Situations holds 18,692,166 Shares and 10,225,000 Warrants of the Issuer (collectively the "**Securities**"). The Securities represent approximately 32.99% of the issued and outstanding Shares of the Issuer on a partially diluted basis (assuming exercise in full of all convertible securities of the Issuer held by Special Situations) ("**Partially Diluted Basis**").

*(d) Designation and number or principal amount of securities and the percentage of outstanding securities referred to in paragraph (c) (above) over which:*

*(i) the eligible institutional investor, either alone or together with any joint actors, has ownership and control:*

Special Situations and its joint actors, if any, have ownership of and control over 19,012,166 Shares and 10,225,000 Warrants representing approximately 33.35% of the issued and outstanding Shares on a Partially Diluted Basis.

William Philip Seymour Richards ("**Philip Richards**"), who may be considered a joint actor with Special Situations, has ownership of 320,000 Shares, representing approximately 0.41% of the issued and outstanding Shares on a Partially Diluted Basis.

*(ii) the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by other entities other than the eligible institutional investor or any joint actor:*

Not applicable.

(iii) *the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:*

Not applicable.

(e) *Purpose of the eligible institutional investor and any joint actors in acquiring or disposing of ownership of, or control over, the securities, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:*

Special Situations acquired the Securities for investment purposes only and not with the purpose of influencing the control or direction of the Issuer. Special Situations may in the future, subject to market conditions, make additional investments in or dispositions of the Issuer's securities.

(f) *General nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the eligible institutional investor, or any joint actor, and the issuer of the securities or any other entity in connection with any transaction or occurrence resulting in the change in ownership or control giving rise to the report, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:*

Special Situations subscribed for a total of 7,500,000 units ("Units") of the Issuer at a price of CAD\$0.20 per Unit pursuant to the terms and conditions of a subscription agreement made between itself and the Issuer. Each Unit consists of one (1) Share in the capital of the Issuer and one (1) share purchase Warrant of the Issuer. Each whole Warrant entitles Special Situations to acquire one (1) additional Share of the Issuer ("Warrant Share") at a price of CAD\$0.25 per Warrant Share for a period of two (2) years from the closing date. The transaction took place off the market by way of private placement and closed on June 12, 2007.

(g) *Names of any joint actors required in connection with this report:*

Philip Richards may be considered to be a joint actor with Special Situations as a result of his position as investment manager of Special Situations, a Cayman Islands corporation.

However, the filing of this report is not an admission that Philip Richards is a joint actor with Special Situations.

(h) *Description of any change in any material fact set out in a previous report by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities:*

Not applicable.

(i) *Eligibility to file reports under Part 4 in respect of the reporting issuer:*

Special Situations is eligible to file reports under Part 4 - Alternative Monthly Reporting System of National Instrument 62-103.

DATED this 10<sup>th</sup> day of July 2007.

**RAB SPECIAL SITUATIONS (MASTER) FUND LIMITED**

By: (signed) "Benjamin Hill"

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**Name:** Benjamin Hill

**Title:** Legal Counsel