

Dear Fellow Shareholder,

I am pleased to highlight a number of key events which in my view made 2007 an important and exciting year for Vista, with long-term positive implications for our shareholders. First, there was the completion of the Arrangement that resulted in the formation of Allied Nevada Gold Corp., a new Nevada pure gold company, which was done largely with contributions of Vista's Nevada mineral properties and cash, and resulted in the distribution to our shareholders of approximately 0.8 Allied Nevada share for each Vista share held. Second, we decided during the year to shift our strategic focus by advancing our key projects to the point where production decisions can be made. We are making significant advances with this strategy, working towards achieving our goal of becoming a mid-tier gold producer over the next few years.

During the first nine months of 2007, the gold price continued at similar levels to 2006 but in the last three months rose considerably, ending the year at approximately US\$830 per ounce. The price of gold, as well as the expectation of inflation, a weak US dollar and flat to diminishing new mine gold supply, together with general economic uncertainty, led us to believe that higher gold prices would be sustained or go higher. This view of the gold price, which we took early in the year, convinced us that we should adopt a new strategy, which would result in our ceasing to be a gold "hoarder" and the commencement of us advancing our core projects to the point where production decisions can be made. Our goal is to become a mid-tier producer over the next few years, with strong cash flow from production and an improved valuation as a result of our new status as a producer. As I write this in a period of considerable volatility in gold price and gold equities, I don't believe Vista is being appropriately valued in the market place. But I am hopeful that we can achieve our goal of becoming a gold producer, building further confidence in the investing community with a resulting increase in our valuation that would be in line with those for gold producers.

In May 2007, we successfully completed transactions that led to the formation of Allied Nevada. Vista distributed most of the shares of Allied Nevada we received from the transaction to our shareholders, who initially owned approximately 70% of the new company and thereby benefited with the opportunity to participate in the upside potential of a pure Nevada gold play. We are well underway to implementing our new strategic focus by advancing our key projects to the point where production decisions can be made. Our most advanced project is our Paredones Amarillos Project in Mexico. Accordingly, the first move in Vista's plan to become a producer is to complete the preparation of a definitive (bankable) feasibility study. This project, had previously had more than US\$35 million invested in various drilling, feasibility and engineering programs and we believe would have been put into production if the gold price had remained above US\$400 per ounce. However, this price was not sustained at the time, leading to our acquisition of the project in 2002. In the fourth quarter of 2007, we contracted engineering firms and consultants to begin the preparation of a definitive feasibility study and we expect the study to be completed by July 2008. As the price of gold strengthened during the second half of 2007, our confidence that the project could be profitably developed grew and, as a result, we examined key issues that would allow us to commence production quickly following the completion of a definitive feasibility study. We recognized that, unlike many developments where permitting is uncertain, one of the biggest risks for us was long lead time in the delivery of major processing equipment. To minimize this risk, we located used mill equipment which, when refurbished, we believe will meet our needs in a timely manner. We agreed to purchase used mill equipment in January 2008 and expect the last loads of this equipment to be shipped during the first week of April 2008. We plan to start the detailed engineering in the second quarter of 2008. If we receive a favorable definitive feasibility study result, construction would be expected to commence at Paredones Amarillos in the fourth quarter of this year.

We are also focusing significant efforts on our Mt. Todd Project in Northern Territory, Australia. We believe that this project would be next after Paredones Amarillos to be advanced to a production decision. We acquired this project in 2006 and since then we have moved forward very deliberately, searching for an approach that will allow the project to be redeveloped successfully, with minimum risk. We are undertaking a comprehensive metallurgical test program to confirm a new method for processing the Mt. Todd ore and are pleased with the results to date. We also recognized the need for a sizeable mineral resource base to justify a new mining operation. In 2007 we completed a 10,000 meter drilling program, which, as announced in our press release dated February 27, 2008, resulted in a new resource estimate.

While Paredones Amarillos and Mt. Todd have been the focus of our activities in 2007, Vista has also worked to advance the other projects in its portfolio. At Awak Mas in Indonesia and Long Valley in California, we completed preliminary assessments. We consolidated ownership of the Guadalupe de los Reyes district in Mexico in January 2008, which means we now control all the known mineral resources and the majority of exploration potential in the district. We plan to move ahead to assess the exploration potential at Guadalupe de los Reyes and determine the potential to expand the resources in the district as well as define the production potential.

These are challenging times to be in the gold mining industry, for although gold prices are much higher, there is considerable uncertainty in the investment community and gold mining company valuations are reflecting this uncertainty. We will continue to focus on activities we believe will deliver real value to the shareholders in this gold bull market. This means we will endeavor to execute our programs well, at the same time building confidence in the investment community so that VGZ shares could be valued at higher levels. In the meantime, much as we did in connection with the recent transaction involving Allied Nevada, we continue to search for transactions with the objective of providing increased value for our shareholders. For more information please go to our website www.vistagold.com or call us at 720-981-1185.

Sincerely,



Michael B. Richings
Executive Chairman and CEO
March 31, 2008

This letter contains forward-looking statements within the meaning of the U.S. Securities Act of 1933 and U.S. Securities Exchange Act of 1934 and forward-looking information within the meaning of Canadian securities laws. All statements, other than statements of historical facts, included in this letter that address activities, events or developments that Vista expects or anticipates will or may occur in the future, including such things as the performance and results of feasibility studies including the ongoing bankable feasibility study for the Paredones Amarillos Project; and timing for starting and completion of drilling and testing programs at the Paredones Amarillos Project; anticipated timing of commencement of construction and commencement of production at the Paredones Amarillos Project; results of drilling programs and prospects for exploration and conversion of resources at the Mt. Todd Project and plans for a feasibility study at the Mt. Todd Project; Vista's future business strategy, competitive strengths, goals, operations, plans, potential project development, future share price and valuation; future gold prices; Vista's potential status as a producer including plans, timing and targeted initial production levels; and other such matters are forward-looking statements and forward-looking information. When used in this letter, the words "will", "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements and forward-looking information. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Vista to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, the performance and results of feasibility studies including the ongoing bankable feasibility study for the Paredones Amarillos Project; risks relating to delays in commencement and completion of construction at the Paredones Amarillos Project; risks of shortages of equipment or supplies; risks that Vista's acquisition, exploration and property advancement efforts will not be successful; risks relating to fluctuations in the price of gold; the inherently hazardous nature of mining-related activities; uncertainties concerning reserve and resource estimates; potential effects on Vista's operations of environmental regulations in the countries in which it operates; risks due to legal proceedings; risks relating to political and economic instability in certain countries in which it operates; and uncertainty of being able to raise capital on favorable terms or at all; as well as those factors discussed in Vista's latest Annual Report on Form 10-K and other documents filed with the U.S. Securities and Exchange Commission and Canadian securities commissions. Although Vista has attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Except as required by law, Vista assumes no obligation to publicly update any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise.