

MATERIAL CHANGE REPORT

FORM 51-102F3

National Instrument 51-102

This is a Material Change Report Under Section 7.1 of National Instrument 51-102.

ITEM 1: NAME AND ADDRESS OF COMPANY

Radius Gold Inc.
200 Burrard Street, Suite 650
Vancouver, BC V6C 3L6

ITEM 2: DATE OF MATERIAL CHANGE

December 8, 2011

ITEM 3: NEWS RELEASE

December 9, 2011, via CNW.

ITEM 4: SUMMARY OF MATERIAL CHANGE

The Company completed a spin-out Plan of Arrangement with Rackla Metals Inc.

ITEM 5: FULL DESCRIPTION OF MATERIAL CHANGE

The Company completed a Plan of Arrangement effective December 8, 2011 whereby it spun-out to Rackla Metals Inc. ("Rackla") the Company's Yukon property interests, \$1.0 million cash, and marketable securities previously acquired by the Company pursuant to its Yukon property option agreements. Under the Plan of Arrangement, the shareholders of the Company received one common share and one common share purchase warrant of Rackla for every three shares of the Company held.

ITEM 6: RELIANCE OF SUBSECTION 7.1(2) of NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7: OMITTED INFORMATION

Not applicable.

ITEM 8: EXECUTIVE OFFICER

Simon Ridgway, Chairman & CEO
Telephone: 604-801-5432

ITEM 9: DATE OF REPORT

December 8, 2011