



July 31, 2012

Redstar Hits Bonanza Grade Intercept at Newman Todd

19.86 Ounces / t gold over 1.64 feet (681 g/t over 0.50 metres)

Vancouver, B.C. **Redstar Gold Corp. (TSX.V: RGC)**: (“Redstar” or the “Company”) is pleased to announce additional high-grade gold results from the 2012 diamond drill program holes at the Newman-Todd property in Red Lake, Ontario.

Redstar's Exploration Manager Bob Singh states "Hole 114 hits the highest grade intercept on the property to date, the hole intersects multiple high grade zones with the widest zone averaging 12.61 g/t gold over 31.0 metres. The bonanza grades occur at the margin of a wide silica-sulphide zone which contains arsenopyrite similar to the High Grade Zone of the Red Lake Mine 20 kilometres to the west. Although the silica-sulphide-arsenopyrite zone has been noted at Newman Todd in the past, it has not previously been associated with bonanza grade gold mineralization. Our ongoing drill program is focused on this new and exciting high-grade gold discovery in this emerging new Red Lake deposit".

Summary of Results of hole NT-114: (See table 1)

- 4.0 metres of 8.43 g/t gold including 1.0 metre of 19.0 g/t gold
- 31.0 metres of 12.61 g/t gold including 13.0 metres of 3.36 g/t gold and 0.50 metre of 23.0 g/t gold and including 0.50 metre of 681.0 g/t gold.

Table 1: Significant Results

Hole		From (m)	To (m)	Width* (m)	Au (g/t)
NT-114		153.00	173.00	20.00	1.12
NT-114	including	164.00	165.00	1.00	3.82
NT-114	and	205.00	215.00	10.00	3.87
NT-114	including	210.00	214.00	4.00	8.43
NT-114	and including	211.00	214.00	3.00	10.41
NT-114	and including	211.00	212.00	1.00	19.00
NT-114	and	303.00	334.00	31.00	12.61
NT-114	including	303.00	316.00	13.00	3.36
NT-114	and including	306.00	315.00	9.00	4.14
NT-114	and including	308.50	310.50	2.00	8.16
NT-114	and including	310.00	310.50	0.50	23.00
NT-114	and including	316.00	332.50	16.50	0.38
NT-114	and including	332.50	333.00	0.50	681.00
NT-114	and	393.00	400.00	7.00	1.12
NT-114	and	480.00	481.00	1.00	5.19
NT-114	and	488.00	489.00	1.00	4.02
NT-114	and	511.00	512.00	1.00	8.89
NT-114	and	525.00	529.00	4.00	2.23

*Width is calculated as core length and does not imply true width of the zone. Weighted average gold intervals apply a 0.20 g/t lower cut-off. Internal dilution within reported intervals does not exceed core lengths of three metres unless otherwise indicated.

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Discussion of Results:

Hole NT-114 was drilled on section 1725, targeting gold mineralization encountered in holes NT-112 and NT-113 (reported in a news release dated July 17, 2012, see plan map attached to this news release and posted on the Company's website at www.redstargold.com). The hole intersects several zones of gold mineralization with the highest grade occurring at the margin of a wide zone of silica-sulphide (including arsenopyrite) replacement at a vertical depth of 250 metres. NT-114 was targeted near the centre of the property in the Hinge Zone. This zone has returned some of the widest zones of gold mineralization on the property and continues to show continuity at the current 25 metre drill spacing. Technical staff have interpreted the Hinge Zone as a cross structure in the Newman Todd Structure ('NTS') where widespread hydrothermal fluid has completely replaced original rock textures and formed silica-sulphide and magnetite replacement zones often associated with high grade gold mineralization.

Exploration work at the Newman Todd project is funded by the operator, Confederation Minerals Ltd ("Confederation"). Pursuant to an option agreement with Redstar, Confederation can earn a 50% interest in the project by spending \$5.0 million on exploration, paying Redstar a total of \$250,000, and issuing Redstar 500,000 shares by November 2013. To date Confederation has spent in excess of \$5.0 million dollars on exploration of the project, paid Redstar \$100,000 and issued 200,000 shares. Confederation can earn an additional 20% interest by producing a Preliminary Economic Assessment (PEA) by November 2016.

Bob Singh P.Ge and Andrea Diakow P.Ge are the qualified persons as defined by National Instrument 43-101 and have reviewed this news release. Mr. Singh and Mrs. Diakow have been engaged through a third party service provider by Confederation Minerals Ltd. to manage the project.

About Redstar Gold

Redstar has fourteen gold projects in Nevada, the Unga project in Alaska and the Newman Todd project in the Red Lake District, Ontario. In Nevada, several projects are undergoing active exploration by partners including Newmont Mining and others. The Unga project in Alaska includes the high-grade Shumagin gold deposit, the Centennial disseminated bulk-tonnage gold deposit and the Apollo-Sitka high-grade gold vein system, which produced approximately 150,000 oz. of gold in the early 20th century. The Newman Todd project contains a 2 km-long corridor of high-grade gold mineralization that is similar to that at the nearby world-class Red Lake Mine and has been the focus of an aggressive drilling campaign in 2012.

On Behalf of the Board,

Redstar Gold Corp

"Scott Weekes"

Scott Weekes
President

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Forward-Looking Information This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that Redstar Gold Corporation (the "Company") expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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Figure 1: Plan Map

