

Redstar Gold Provides Corporate Update and A Preliminary Update On Drilling Activity on the Unga Gold Project

October 27, 2016: Redstar Gold Corp. (TSX.V: RGC, US: RGCTF, FRA: RGG) ("Redstar" or the "Company") is pleased to update the market on its drilling activities at the Unga Gold Project and also to provide a general corporate update. As of October 27th, 2016, the Company currently has approximately **CDN\$7.5 million** in its treasury and **no debt**.

Unga Gold Project – Drilling Program Update

On October 14th, 2016, the Company announced the commencement of a Phase 2 Drill Program, which will consist of approximately 1,500 metres of diamond drilling, focused on outlining additional high grade gold mineralization at the Shumagin Zone along strike and at depth.

The Company has now completed the first two holes of the drilling program, which were designed to target the expansion potential of high-grade vein/breccia mineralization below and to the southwest of the Main Zone at the Shumagin Gold Zone. Both drill holes successfully intercepted the targeted structure, with assays pending. Together, the first two expansion holes indicate the potential that high-grade mineralization may continue at depth and more importantly, the vein/breccia system is open along strike towards the southwest.

The first hole **16SH019**, was drilled below rhodochrosite-bearing high grade veins/breccias that occur along the southwest-most surface exposures of the Shumagin Gold Zone (see press release dated September 15th, 2016). This drillhole successfully intercepted the targeted structure at approximately 265 meters below the sampled surface exposures (-170 meters below sea level) and between 80 meters to 100 meters away from previously drilled intercepts. The Shumagin structure continues to remain open at depth and to the southwest. Assays are pending.

The second hole **16SH020**, was drilled to intercept the structure approximately 100 meters to the southwest of the deepest historic drill intercept at approximately 215 meters below sea level (BMS-01 5.49m @ 24.02 g/t Au). This second hole also successfully intercepted the target structure at 190 meters below sea level. Assays are pending.

Redstar's President & CEO, Peter A. Ball, commented, *"We are extremely pleased to continue to confirm our geological model by intersecting the Shumagin structure at depth in both of our first two holes. Hitting the structure nearly 875 ft (265 meters) in Hole 16SH019 directly below our surface high grade sampling is significant and is a clear indication of the strength of the system. The second hole, by also intersecting the system at depth, is another indicator of the system previously drilled which intersected 5.49m @ 24.02 g/t Au in hole BMS-*

01. Assays are pending and expected in late November or December, conditional on assay laboratory capacity.”

Both of these drill holes are currently being logged and sampled with results anticipated to be released in late November or December 2016, based on expected completion from the lab tests. The Company anticipates a larger expansive drill program in the spring of 2017, after all results from the Phase 2 program are received and modelled. Refer to the October 2016 Corporate Presentation on page 26 for approximate locations of the drill holes (www.redstargold.com/s/presentations.asp).

The second stage of the current drilling program continues and is focused on the Bunker Hill Gold Zone, which is located on the Shumagin Trend, and is approximately 750 meters to the NE of the recently completed Hole 16SH019. The Bunker Hill program will consist of 4 to 6 holes at an average depth of 150m.

GENERAL CORPORATE UPDATE:

NV Gold Investment:

On September 30th, 2016, the Company closed the Nevada transaction with NV Gold Corporation (TSXV: NVX), where NV Gold purchased 100% of the Nevada exploration profile. Redstar received 6,172,730 common shares (approximately 29.9%) of NV Gold and appointed two (2) board members to NV Gold’s board. NV Gold has since acquired strategic ground, named the SW Pipe Gold Project, containing historical drilling and adjoining property controlled by Barrick Gold and Newmont Mining and close to the world-class Pipeline Gold Mine. With NV Gold’s current share price of CDN\$0.35, The current market value of Redstar’s equity position in NV Gold is approximately CDN\$2.2 million.

Newman-Todd:

The Newman Todd Project, located in the Red Lake are of Ontario, is 30% owned by Redstar Gold and 70% by Confederation Minerals (TSXV:CFM), a junior exploration company. As Redstar prioritizes the advancement of its 100% controlled Unga Gold Project, the Company continues to explore various ways and means to surface the value of the highly prospective Newman Todd Gold Project for Redstar’s shareholders. As part of this objective, the Company is exploring various possible options, with numerous interested groups, on its 30% ownership of the Newman Todd Gold Project. Nearly CDN\$15 million has been spent on the project over the years, with significant high grade gold mineralization intersected at depth and near surface in the world famous Red Lake Gold Camp. The property, is 22km west from the Campbell Red Lake mine owned by Goldcorp. West Red Lake Gold Mines (TSXV: RLG) continues to explore on its property, which adjoins the Newman Todd Gold Project.

Unga 2017 Exploration Program:

Redstar is currently building a plan for a more significant drilling program on the Unga Gold Project for the spring of 2017. Redstar's first drilling success on Unga was at the Shumagin Gold Zone, which we will continue to confirm and expand. However, there remains a very large number of highly prospective exploration targets on the ~9.5km Shumagin Trend. Additionally, there are an equal number of highly prospective exploration targets on the parallel ~9.5km Apollo-Sitka Trend, which is located 3km to the south of the Shumagin Trend. Additionally, the Centennial Gold Zone on the nearby Popof Island, which we believe is part of the same geological system, will benefit from some preliminary exploration efforts. Zachary Bay, ~3.5 km to the north of the Shumagin trend, where preliminary exploration efforts indicate a potential copper porphyry system, will also benefit from of a preliminary assessment.

Financials:

On October 24th, Redstar announced the exercising of approximately 35,897,000 warrants, with an exercise price of CDN\$0.10, that matured on October 21, 2016. This resulted in gross proceeds of approximately CDN\$3.6 million of net new cash coming into the treasury. **Redstar's cash position as of October 27, 2016, is approximately CDN\$7.5 million and has no debt.** In addition, Redstar's market capitalization is now approximately CDN\$35 million. The Company is now also focused on ensuring that the CDN\$0.12 warrants, which expire on November 27, 2016, are fully exercised. The full exercise of this series of warrants would yield additional new cash of CDN\$3.3 million. With the full exercise of these warrants, potentially our working capital position could approach \$13.0 million by December 2016.

The Company recently on October 25th, 2016 completed the upgrade of its United States listing the OTCQB[®]. This should improve the Company's share liquidity, assist to further broaden our shareholder base, while increasing our visibility as the United States.

About The Unga Gold Project

The 100% controlled Unga Gold Project covers key strategic portions of adjacent Unga and Popof Islands, approximately 950 kilometers southwest of Anchorage, Alaska. Redstar controls a 240 square kilometer land package that is host to numerous structurally controlled, volcanic hosted intermediate-sulfidation epithermal high-grade vein, breccia, stockwork and disseminated gold-silver occurrences.

The Unga Project has excellent infrastructure, including direct daily flights from Anchorage, a deep-sea port and a temperate climate. The former Apollo-Sitka gold mine, located on the southern Apollo-Sitka Trend, was Alaska's first underground gold mine and the site of historic high-grade gold production.

Jesse C. Grady, MSc, CPG-11592, is a Qualified Person as defined by NI 43-101. Mr. Grady has prepared and approved the technical information contained within this release.

About Redstar Gold Corp

Redstar is well financed junior exploration company, with a very strong institutional shareholder base, no debt, and is focused on advancing its high-grade Unga Gold Project in Alaska. The 100% controlled Unga Gold Project is known as an intermediate sulfidation epithermal high grade gold project on a district scale, with the property encompassing approximately 240 km², and containing multiple high grade gold zones drilled or identified at surface. Unga Island also hosted the first underground gold mine in Alaska's history, has extensive infrastructure with daily flights from Anchorage and a deep-water port on neighboring Popof Island, and a moderate climate noting it resides at the 57 degree latitude and next to the ocean. In addition, Redstar recently sold its Nevada portfolio to NV Gold Corp. (TSXV: NVX), in return for two (2) board seats and 29.9% of NV Gold Corp. Redstar also owns 30% of the Newman Todd Gold Project, in Red Lake, Ontario, Canada.

On Behalf of the Board of Directors,

Peter A. Ball, President and CEO

For additional information please contact:

T: +1.604.245.5861

Toll Free: 877.310.3330

E: pball@redstargold.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.