REDSTAR GOLD CORP.

Management's Discussion & Analysis

FORM 51-102F1

For the Three Months Ended June 30, 2014

(the "Period")

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Cautionary Notices

The Company's consolidated financial statements for the Period, and this accompanying Management's Discussion and Analysis ("MD&A") contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future exploration plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "Risks and Uncertainties Related to the Company's Business" in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "Risks and Uncertainties Related to the Company's Business" and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Introduction

The MD&A of Redstar Gold Corp. ("Redstar" or the "Company") has been prepared by management in accordance with the requirements under National Instrument 51-102 as at August 27, 2014 (the "Report Date"), and provides comparative analysis of the Company's financial results for the Period. The following information should be read in conjunction with the Company's audited consolidated financial statements for the year ended March 31, 2014 and the condensed consolidated interim financial statements, together with the notes thereto (collectively, the "Financial Statements"). Unless otherwise indicated, all dollar amounts in this document are in Canadian dollars.

The Financial Statements, together with this MD&A, are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as potential future performance, and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events. Please refer to the risks and cautionary notices of this MD&A. Additional information relating to the Company may be found on SEDAR at *www.sedar.com*.

Qualified Person

The Company's disclosure of a technical or scientific nature has been reviewed and approved Jesse C. Grady, MSc, CPG-11592, a Qualified Person under the definition of National Instrument 43-101.

Conversion Tables

For ease of reference, the following information is provided (www.onlineconversion.com):

Conversion Table

Imperial		Metric	
1 Acre	=	0.404686	Hectares
1 Foot	=	0.304800	Metres
1 Mile	=	1.609344	Kilometres
1 Ton	=	0.907185	Tonnes
1 Ounce (troy)/ton	=	34.285700	Grams/Tonne

Precious metal units and conversion factors

ppb	- Part per billion	1	ppb	=	0.0010	ppm	=	0.000030	oz/t
ppm	- Part per million	100	ppb	=	0.1000	ppm	=	0.002920	oz/t
oz	- Ounce (troy)	10,000	ppb	=	10.0000	ppm	=	0.291670	oz/t
oz/t	- Ounce per ton (avdp.)	1	ppm	=	1.0000	ug/g	=	1.000000	g/tonne
g	- Gram								
g/tonne	- gram per metric ton	1	oz/t	=	34.2857	ppm			
mg	- milligram	1	Carat	=	41.6660	mg/g			
kg	- kilogram	1	ton (avdp.)	=	907.1848	kg			
ug	- microgram	1	oz (troy)	=	31.1035	g			

Overall Performance

The Company is a mineral exploration organization engaged in the exploration and subsequent development of prospective mineral targets in Alaska and Nevada, USA and in the Red Lake region of northwestern Ontario, Canada.

Activity of the Company is generally dependent on the sources of capital and access to funding in the capital markets. The Company successfully maintains its business model as a gold explorer with active programs on its properties. A more detailed review of activities on the individual properties is covered under Mineral Properties of the Company in this MD&A.

During the Period, the Company:

- granted incentive stock options allowing for the purchase of up to 450,000 shares in the capital of the Company at $0.06 per share until April 30, 2019.
- closed, on May 27, 2014, a non-brokered private placement of 55,133,333 units (the "Units") at a price of $0.06 per unit for gross proceeds of approximately $3.31 million. Each Unit consists of one common share and two transferable ½ common share purchase warrants (Warrants A & Warrants B). Each whole Warrant A can be exercised into one common share of the Company at a price of $0.09 per share until May 27, 2015. Each whole Warrant B can be exercised into one common share of the Company at a price of $0.12 per share until January 27, 2017. If 18 months after closing the Company's common shares trade at a 33.3% premium to the warrant exercise price for 10 consecutive trading days, then the Company can force warrant holders to exercise their Warrants B into common shares of the Company. In connection with the private placement, the Company has paid finders' fees in the amount of $64,080 to finders who introduced subscribers to the placement.
- warrants allowing for the purchase of up to 2,681,830 shares at $0.25 per share expired on June 20, 2014.

Summary of Quarterly Results

The selected consolidated information set out below has been gathered from the current and previous seven quarterly financial statements for each respective financial period:

	Net Income (Loss)	Net Income (Loss) per Share	Revenue
	$	$	$
June 30, 2014	(168,399)	-	-
March 31, 2014	(290,702)	(0.01)	-
December 31, 2013	(311,255)	(0.01)	-
September 30, 2013	(415,476)	-	-
June 30, 2013	(361,666)	-	-
March 31, 2013	(444,760)	(0.01)	-
December 31, 2012	(481,297)	(0.01)	-
September 31, 2012	(440,893)	(0.01)	-

Results of Operations

The Company has no revenue from mineral sales, and losses are mainly costs associated with management of the Company. Losses are reduced from time to time by any gain on disposition of a property, which could include marketable securities received as payment. The following table sets forth a comparison of information for the eight quarters ending with June 30, 2014:

	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Expenses	$	$	$	$
Amortization	1,587	1,707	1,837	1,977
Consulting	39,868	89,744	65,067	82,560
Contract wages	20,274	40,501	53,997	80,613
Insurance	10,119	(4,758)	27,087	10,160
Investor Relations	7,143	24,715	29,159	30,174
Office operations	2,348	6,720	5,530	5,704
Audit and legal	8,947	37,568	11,493	43,375
Regulatory fees	17,565	6,178	7,689	21,365
Rent	22,956	32,573	31,017	31,358
Telephone	1,431	803	1,164	1,243
Transfer agent fees	1,587	1,556	2,324	2,301
Travel and promotion	24,186	2,739	20,971	7,609
	158,010	240,047	257,335	318,440
Share-based payments	24,619	60,713	60,262	60,577
	182,630	300,761	317,597	379,017
Other expenses (income)				
Interest income	(4,103)	-	-	(1)
Debt forgiveness		-	-	-
Loss (gain) on sale of marketable securities	(1,539)	-	-	(1,649)
Property interests written off	(8,589)	2,086	-	-
Loss (gain) on foreign exchange	-	(8,369)	(5,020)	40,168
	(14,231)	(6,282)	(5,020)	38,517
Loss before income tax	168,399	294,478	312,577	417,535
Future income tax recovery	-	(3,777)	(1,321)	(2,059)
Net loss for the period	168,399	290,702	311,255	415,476

Expenses	June 30, 2013 $	March 31, 2013 $	December 31, 2012 $	September 31, 2012 $
Amortization	2,128	3,168	2,578	2,578
Consulting	90,760	42,800	43,817	22,500
Contract wages	84,748	122,976	129,696	116,706
Insurance	11,056	9,104	9,050	8,105
Investor Relations	34,067	26,880	26,880	26,880
Office operations	7,994	8,309	9,691	9,459
Audit and legal	25,209	39,232	10,646	13,085
Regulatory fees	910	7,441	2,266	3,457
Rent	31,570	40,011	36,100	31,040
Telephone	1,149	1,237	1,379	1,402
Transfer agent fees	1,154	1,452	2,766	1,060
Travel and promotion	10,935	37,911	26,561	8,448
	301,681	340,521	301,430	244,720
Share-based payments	60,024	79,558	160,790	74,391
	361,705	420,079	462,220	319,111
Other expenses (income)				
Interest income	-	(48)	(1)	(23)
Debt forgiveness	-			
Loss (gain) on sale of marketable securities	(1,112)	-	6,774	9,226
Property interests written off and settlement on property abandonment costs	-	27,658	12,731	111,074
Loss (gain) on foreign exchange	(254)	(4,870)	974	2,675
	(1,367)	22,740	20,478	122,952
Loss before income tax	360,338	442,819	482,698	442,063
Future income tax recovery	1,328	1,941	(1,401)	(1,170)
Net loss for the period	361,666	444,760	481,297	440,893

Quarter Ended June 30, 2014 and 2013

Net Loss

The net loss for the quarter ended June 30, 2014 was $168,399 as compared to $361,666 for the comparative period ended June 30, 2013. Included in the expenses is a non-cash expense for share-based payments. Share-based payments is a non-cash item, resulting from the application of the Black-Scholes Option Pricing Model using assumptions in respect of expected dividend yield average risk-free interest rates, expected life of the options and expected volatility. This represents the fair value determined under the Black-Scholes model of the vested portion of existing options during the quarter, which was allocated to the Consolidated Statements of Operations and Comprehensive Loss, as to $24,619 in the quarter ended June 30, 2014 and $60,024 in comparative period ended June 30, 2013. Administrative expenditures, upon the exclusion of the non-cash expense for share-based payments, were $158,010 for the quarter ended June 30, 2014, as compared with $301,681 for the comparative quarter ended June 30, 2013, for a decrease of approximately 48%.

Contract wages, Consulting Rent, and Office operations

	3 Months Ended June 30		Increase(decrease)	
	2014 $	2013 $	$	%
Contract wages	20,274	84,748	(64,474)	(76)
Consulting	39,868	90,760	(50,892)	(56)
Rent	22,956	31,570	(8,614)	(27)
Office operations	2,348	7,994	(5,646)	(71)
	85,446	**215,072**	**(129,626)**	**(60)**

The Company has agreements with various parties and consultants for the provision of services, which agreements may change from time to time in response to the Company's needs. The Company is also party to agreements with an administration and exploration services contractor ("AESC") in which a director is a shareholder. Pursuant to these agreements, the Company is charged, on a cost sharing basis, for office space, general office operational costs, as well as office, administrative, and geological services used by the Company. For the quarter ended June 30, 2014, contract wages, consulting, rent and office operations decreased by 60%, based on utilization of space and resources, a reduction in services provided by various individuals, and the classification of expenditures.

Investor relations and Travel and promotion

Investor relations decreased by approximately 79% as agreements with independent consulting firms terminated. Travel and promotion costs increased by approximately 121% during the Period as compared with the comparative period ended June 30, 2013, due to the geographical location of the Interim President and Chief Executive Officer and the Chairman, and travel related to the financing completed in May, 2014.

Audit and legal and Regulatory fees

Audit and legal decreased to $8,947 as compared with $25,209 for the period ended June 30, 2013 as a result of reduced activity in negotiating agreements. Regulatory fees increased by $16,655 as a result of the financing completed in May, 2014.

Liquidity and Financial Condition of the Company

The Financial Statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to raise additional funds or the attainment of profitable operations. The Company will need to raise or borrow money for exploration and administration expenditures, and to settle current liabilities, and to ensure it maintains sufficient funds to keep its claims and property agreements in good standing. Current sources of funding are undetermined, and management continues to review potential financing options. Although the Company has been successful at raising funds in the past through the issuance of share capital, there is no guarantee it will be successful or able to continue to do so in the future.

At June 30, 2014 and March 31, 2014, the Company had:

	June 30, 2014	**March 31, 2014**
	$	**$**
Cash and cash equivalents	3,008,604	30,198
Marketable securities	49,232	61,542
Accounts receivable	7,155	7,378
Receivable from related party	-	-
Prepaid expenses and advances	60,326	58,558
Accounts payable and accrued liabilities	80,037	105,849
Due to related parties	35,561	105,246
Deficit	16,195,229	16,026,830
Working capital (deficit)	3,009,718	(53,419)

Mineral Properties of the Company

The Company has a number of projects at various stages of exploration and partnership or joint venture participation. The discussion below provides summary information in respect of the Company's mineral properties and their activity thereon. Refer to the Company's news releases filed on www.sedar.com, for additional exploration results. The discussion on the properties in this document covers the period to date since the previous year end of March 31, 2014. MD&As previously filed on SEDAR cover prior periods and fiscal year ends. The commitments in respect of consideration to be paid or received on acquisition or disposition of the Company's properties, respectively, are detailed in the Company's Financial Statements, including the notes thereto. Details of mineral properties follow:

Property	Balance - March 31, 2014 $	Acquisition costs $	Acquisition costs recovered $	Exploration expenditures $	Exploration expenditures recovered $	Mineral property costs written off $	Balance - June 30, 2014 $
Newman Todd	**1,384,839**	-	-	6,000	-	-	**1,390,839**
Nevada General	**(41,407)**	-	-	2,675	-	-	**(38,732)**
Painted Hills	**44,122**	-	-	165	-	-	**44,287**
Richmond Summit	**39,622**	-	-	119	-	-	**39,741**
Root Spring	**(19,215)**	-	-	-	-	-	**(19,215)**
Cooks Creek	**58,483**	-	-	-	-	-	**58,483**
Oasis	**60,966**	-	-	119	-	-	**61,085**
Baker Spring	**5,553**	-	-	256	-	-	**5,809**
Seven Devils	**169,579**	-	-	809	-	-	**170,388**
Shumagin	**5,185,646**	6,670	-	-	-	-	**5,192,316**
Unga-Popof	**16,040**	5,517	-	2,409	-	-	**23,966**
	6,904,228	**12,188**	**-**	**12,551**	**-**	**-**	**6,928,967**

Nevada General include Queens, Larus, Long Island, and Gold Cloud

	Canada $	Nevada $	Alaska $	Total $
March 31, 2013	**1,493,589**	**438,638**	**3,535,609**	**5,467,836**
Acquisitions during the year				
Expenditures	-	15,463	1,623,421	**1,638,884**
Expenditures recovered	(108,750)	(165,369)	-	**(274,119)**
Net acquisition costs during the year	**(108,750)**	**(149,906)**	**1,623,421**	**1,364,765**
Exploration expenditures during the year				
Assaying	-	391	420	**811**
Geophysical	-	1,980	24,719	**26,699**
Camp and exploration support	-	-	1,365	**1,365**
Travel and accommodation	-	42,189	1,130	**43,319**
Equipment rental	-	4,825	7,272	**12,097**
Reclamation	-	-	7,751	**7,751**
	-	49,386	42,656	**92,041**
Expenditures recovered during the year	-	(18,329)	-	**(18,329)**
Net exploration expenditures during the year	**-**	**31,057**	**42,656**	**73,712**
Mineral property costs written off during the year	-	(2,086)	-	**(2,086)**
March 31, 2014	**1,384,839**	**317,703**	**5,201,685**	**6,904,228**
Acquisitions during the period				
Expenditures	-	-	12,188	**12,188**
Net acquisition costs during the period	**-**	**-**	**12,188**	**12,188**
Exploration expenditures during the period				
Geophysical	6,000	-	2,409	**8,409**
Travel and accommodation	-	2,149	-	**2,149**
Equipment rental	-	1,993	-	**1,993**
Net exploration expenditures during the period	**6,000**	**4,143**	**2,409**	**12,551**
June 30, 2014	**1,390,839**	**321,846**	**5,216,282**	**6,928,967**

Red Lake, Ontario, Canada

Newman Todd Property

In 2007, the Company acquired a 100% interest in the Newman Todd area properties. On November 2, 2009, the Company entered into an option agreement with Central Resources Corp. ("Central") whereby Central had the option to earn up to a 60% undivided interest in the property. On November 15, 2010 Central terminated the option on the property. On November 19, 2010, the Company entered into an option agreement with Confederation Minerals Ltd. ("Confederation") whereby Confederation can earn an initial 50% interest in the property by making cash payments to the Company, issuing shares in the capital of Confederation to the Company, and expending $5,000,000 on the property. All consideration having been received by the Company and all expenditures made, Confederation now holds a 50% undivided legal and beneficial interest in and to the Newman Todd property. Confederation may increase its initial 50% interest in the property to 70% upon completion of a Preliminary Economic Assessment by

November 2016, issuing 500,000 common shares in the capital of Confederation to Redstar and making minimum annual expenditures of $250,000 commencing on the third anniversary and until the earlier of (a) the full exercise of the second option, and (b) the expiry of the second option. In April, 2011 and on joint acquisition with Confederation, the Company acquired a 50% interest in 18 mineral claims adjacent to the Newman Todd project (the "Todd Property"), such that Confederation acquired an undivided 35% interest in the Todd Property (being 70% of vendor's interest) and the Company acquired an undivided 15% interest in the Todd Property (being 30% of the vendor's interest). Rubicon Minerals Corporation has retained the remaining 50% interest in the Todd Property

Gold mineralization at the property is focused in the Newman Todd Structure ("NTS"), which extends for over two kilometres across the property hosting broad zones of quartz veining and silica/sulphide/magnetite replacements within the widespread Iron-carbonate alteration. These zones are interpreted as near vertical to steeply plunging structurally controlled amoeba shaped bodies which extend from surface to at least 800 metres in depth. The zone remains open along strike and at depth.

Nevada, USA

The Company owns eleven properties in Nevada all of which have been optioned to third parties.

January 24, 2014 Agreement – Nevada Projects

On January 24, 2014, the Company entered into an option-to-purchase agreement (the "January 24, 2014 Agreement") with True Grit, pursuant to which True Grit can acquire 100% of ten of the Company's properties in Nevada, comprised of Cooks Creek, Painted Hills, Richmond Summit, Oasis, Baker, Seven Devils, Long Island, Queens, Larus and Gold Cloud (the "Projects"), as well as the AngloGold-Ashanti database (the "Database") owned by the Company, in consideration for making the following staged cash payments and share issuances, and incurring in stages the following exploration expenditures:

	Cash payments to the Company ($)	Share issuances to the Company (#)	Exploration expenditures on the Projects ($)
within five (5) business days of the Effective Date [(1)]	50,000 [(2)]	500,000 [(2)]	-
on or before February 20, 2015	50,000	500,000	250,000
on or before February 20, 2016	50,000	500,000	250,000
on or before February 20, 2017	50,000	1,000,000	250,000
	200,000	2,500,000	750,000

(1) Effective date: February 20, 2014
(2) Received

The agreement also provides for additional cash and shares to be received on completion of any bankable feasibility in connection with the Projects, as well as a net smelter royalty ranging from 1% to 2.5%, of which True Grit can purchase 50% for $1,000,000 for a period of up to two years after the commencement of commercial production. The Agreement supersedes the prior option agreement in respect of the Cooks Creek Property.

During the Period True Grit did not do work on any on the Projects.

Root Spring Property

The Root Spring Property, now consisting of 61 staked claims, is located approximately 50 miles south of the city of Winnemucca and 16 miles east of the world-class open-pit Rochester silver mine operated by Coeur d'Alene Mines Corporation. On June 6, 2011, the Company entered into an option agreement, subsequently amended in October, 2012 and November, 2013 (the "Amended Agreement"), with Brocade Metals Corp. ("Brocade"), whereby Brocade has the option to earn a 70% interest in the property in consideration for the following:

	Cash payments to the Company ($)	Share issuances to the Company (#)	Exploration expenditures on the Projects ($)
On signing of the agreement	20,000 [1]	100,000 [1]	-
on or before December 31, 2011	30,000 [1]	100,000 [1]	100,000 [2]
on or before December 31, 2012	30,000 [1]	60,000 [1]	400,000 [2]
On execution of Amending Agreement	5,000 [1]	-	-
on or before December 31, 2013	-	60,000 [1]	-
on or before December 31, 2014	38,333	60,000	500,000
on or before December 31, 2015	38,333	60,000	750,000
on or before December 31, 2016	38,333	60,000	1,250,000
	199,999	500,000	3,000,000

[1] Received

[2] Incurred

During the year ended March 31, 2012, Brocade and the Company completed a staking program to add an additional 64 claims to the Root Spring property, to cover potential extensions to the mineralized system under alluvial cover that were identified by a recent geophysical survey. During September, 2012, the Company relinquished a number of claims on the property, such that the property now consists of 61 unpatented claims.

Mineralization at Root Spring consists of northwest-trending, low-angle southwest-dipping quartz veins and quartz-vein stockworks hosted within volcanic rocks which may be equivalent to the host Triassic volcanic section at the Rochester mine. The veins are exposed within a northwest-trending alluvial-filled valley corridor along a range front which may mark a major structural zone. The quartz-vein system is at least 1,200m long. Veins are up to 4.5m thick, with two parallel veins exposed, separated by about 100m. Surface rock-chip values in veins reach 9.36 ppm gold (0.273 ounces per ton, opt) accompanied by high silver values reaching 1500 ppm (44 opt). Veins locally contain secondary copper minerals and traces of tetrahedrite, galena and sphalerite. The two veins are surrounded by poorly-exposed silicified felsic volcanic rocks containing quartz-vein stockworks. The wallrocks locally contain low-grade gold reaching 0.862ppm. The vein system is partly concealed by alluvium and is likely to extend significantly along strike beyond the limited vein exposures. Further, the two parallel veins indicate the potential for additional veins at depth and in areas covered by alluvium.

Work by Brocade during the year ending March 31, 2012 included additional surface sampling that returned values as high as 1,420 g/t Ag and 7.91 g/t Au over 1.15 metres. Locally, well-developed quartz stockwork zones occur in the immediate hangingwall of the veins and carry bulk tonnage gold-silver grades (0.744 g/t Au and 73.7 g/t Ag). In late 2011, a Controlled Source Audio-Frequency Magnetotelluric (CSAMT) geophysical survey provided a fingerprint of the exposed vein system and identified linear, resistivity- high anomalies that are thought to represent extensions of the veins beneath a thin cover of alluvium. These features occur up to 600 m northwest of the exposed veins and up to 800 m southeast of the exposed veins, and suggest that the strike length of the system may be much greater than presently recognized. Additional resistivity high anomalies occur to the southwest of the trend of the exposed veins and suggest that additional veins or stockwork zones may exist beneath a veneer of alluvium and/or post-mineralization Tertiary volcanic rocks. Root Spring offers an opportunity to delineate gold-silver mineralization within large veins and surrounding wallrocks.

Approval was received in April, 2012, from the Bureau of Land Management (BLM) for a drilling program at the property. Thirty drill sites were approved by the BLM

Brocade began the first phase of a core drilling program on June 15, 2012, which continued into the second quarter of FY2013. The program was designed to test the down dip potential of the exposed parts of the vein system, several of the prominent resistivity high anomalies that underlie a cover of alluvium along strike and to the southwest of the exposed veins, and the bulk tonnage potential of the hangingwall and footwall rocks that host the discrete, well mineralized veins. On October 24, 3012, the Company announced the results from the first phase of drilling. Eighteen widely-spaced shallow holes were completed, for 1,232 metres, with the longest hole at 136 metres. The program targeted the down-dip projection of a gently-dipping silver-gold vein system. A significant finding of the initial phase is that the host-rock sequence, containing disseminated tourmaline, has been determined to be the same as that at Coeur d'Alene Mines Corporation's Rochester-Spring Valley mine, where average silver grades were reported at 20 g/t silver. Hole 2 intersected 9.4 metres grading 16.47 g/t silver and 0.527 g/t gold. Hole 7 ended in 0.33 metres grading 120 g/t silver and 0.022 g/t gold. Hole 11 intersected 2.0 metres grading 89.4 g/t silver and 0.250 g/t gold. Hole 12 intersected 12.12 metres grading 14.02 g/t silver and 0.157 g/t gold, including 2 metres grading 38.2 g/t silver and 0.250 g/t gold. Hole 13 intersected 10.7 metres grading 17.23 g/t silver and 0.140 g/t gold, including 3.1 metres grading 46.9 g/t silver and 0.241 g/t gold. The drill program was extended into a second phase, where additional drilling is planned to test deeper and to continue step outs along strike and in other areas concealed by alluvial cover.

Alaska, USA

Unga Project

The Unga project covers portions of Unga and Popof Islands, 900km southwest of Anchorage Alaska, near the town of Sand Point, which has a commercial airport and port facilities. The Unga Project covers approximately 250 square- kilometres and consists of sixteen patented claims ("Shumigan Zone") and six Alaska state mining claims on Unga Island and Native corporation lands on Unga and Popoff islands ("TAC Lands").

Redstar is the first exploration company to consolidate the land comprising the Unga Project, allowing for comprehensive district-scale exploration for the first time. The Unga Project contains high-grade gold-silver vein systems and disseminated gold mineralization within an island-arc volcanic sequence of Late Eocene age.

Shumigan Zone

The Company purchased the 16 patented claims in September 2013 from NGAS Production Co. ("NGAS"), a subsidiary of Magnum Hunter Resources Corp. ("Magnum") subject to underlying advance royalty payments.

Pursuant to the terms of the agreement, NGAS elected to be paid US$1,000,000 in cash on September 1, 2012 (paid) and US$500,000 in cash on or before September 1, 2013 (paid) (collectively, the "Payments"). With respect to the US$1,000,000 due September 1, 2012, NGAS granted the Company an extension of 180 days from and after September 1, 2012 to make the US$1,000,000 payment due to NGAS, in consideration for making cash payment to NGAS of US$100,000 on signing of the extension agreement (paid), and issuing in stage an aggregate of 875,000 shares in (issued).

In respect of the US$1,000,000 originally due on September 1, 2012 and subsequently extended to February 28, 2013, NGAS granted the Company a second extension of 180 days to September 1, 2013, to make the US$1,000,000 payment due to NGAS, in consideration for making:

Cash payment to NGAS:

- US$100,000 on signing of the extension agreement (paid)

Share issuances to NGAS, until such time as the Payments are made:

- 125,000 shares on the TSX approval of the extension agreement (issued);
- 125,000 shares on or before March 31, 2013 (issued);
- 125,000 shares on or before April 30, 2013 (issued);
- 125,000 shares on or before May 31, 2013(issued);
- 125,000 shares on or before June 30, 3013 (issued);
- 125,000 shares on or before July 31, 2013 (issued);
- 125,000 shares on or before August 30, 2013 (not required).

The Shumagin Zone contains a northeast-trending, high-grade (>10 g/t gold) gold-silver vein system. . Mineralization along the Shumagin Zone is known for at least 1.3km and is part of a district-scale mineralized fault system, the Shumagin trend, which includes other high-grade gold vein systems along its 9km strike length that lie on the TAC lands.

Shumagin Vein System
The Shumagin vein system, which has had no historic production, contains a non-compliant 43-101 resource of 254,000 tonnes (280,000 tons) grading 27.4 g/t (0.80 ounces per ton) gold and 127 g/t (3.7 opt) silver (SRK Consulting, 2000[*]). The resource is based on shallow drilling in the 1980's that was within about 150m (500 feet) of surface and one hole which intersected 5.5 metres of 16.1 g/t gold at a vertical depth of 335m. Results of this drilling included 365.2 g/t gold and 190.6 g/t Ag over 1.22m in hole 46 and 33.26 g/t Au over 3.2 m in hole 57. The vein system is at least 1.3km long but remains open for exploration along strike and at depth. Limited drilling along strike from the resource block intersected locally high grades, including 37.7 g/t (1.1 opt) gold over 0.76m (2.5 feet). Mineralization occurs in a network of closely-spaced, multiple, steeply-dipping veins across widths of up to 70m, and there is potential for multiple ore shoots.

From September 6th to October 4th, 2011, the Company completed its first round of drilling at the Shumagin vein, with ten holes totaling 2,062 metres. The results confirmed a high-grade, bonanza type gold system and included 21 metres of 4.02 g/t gold containing a bonanza-grade interval of 1.0 metre of 43.90 g/t gold in hole 7, and 30 metres of 14.98 g/t gold containing 738 g/t gold over 0.55 metres in hole 10; visible gold is common.

Apollo-Sitka Vein System
The Apollo-Sitka vein system is about three kilometres to the south of the Shumigan Zone and lies along the approximately seven kilometre long Apollo trend. Historic mining from 1891-1922 on the Apollo-Sitka vein system produced approximately 150,000 ounces of gold at an average grade of 10.3 g/t (0.3 opt) gold, and mineralization is known to cover a vertical extent of at least 400m. There were inadequate methods for recovering gold from base-metal bearing sulfidic ore encountered at deeper levels, and mining was terminated. There has been very limited modern exploration along the trend. In 2011, Redstar collected several samples from the area of the historic Sitka shaft and obtained high-grade Au-Ag values across the vein of 13.2 g/t Au and 398 g/t Ag over 2 metres in outcrop that includes a sulfide vein separate which assayed 94.7 g/t Au and 1840 g/t Ag. There was minimal historic mining at Sitka owing to the presence of shallow sulfides. The width of vein mineralization at Apollo was up to 12m wide in the mined zones, and evidence at Sitka indicates a vein system that may be as wide as 50m. At Sitka, historic reports document shallow high-grade gold mineralization, including 2,000 tons grading 18.6 g/t gold above the 60-foot level and 8,150 tons grading 4 g/t gold between the 150 and 250 foot levels. These tonnages are based upon limited drifting of less than 750 feet along the vein. The width of the mineralization is not known; however, an extensive quartz-stockwork vein zone is exposed in a series of trenches indicating a minimum width of at least 50 metres. Modern exploration work at Sitka is limited to an early 1980's program which reported high-grade mineralization, including 31.82 g/t gold over 1.8 metres on the 150 level, 15.08 g/t gold over 1 metre in one of the trenches and 22.63 g/t gold over 0.6 metres in a drillhole from the 150 level (*The Mining Record*, July 7, 1982 and September 7, 1983). The Company has not been able to verify these results, but they are consistent with the Company's limited sampling completed in 2011. Gold-bearing veins with historic sampling to 147 g/t gold also occur at the California prospect 1.5 km southwest of the Apollo mine.

TAC Lands
On June 9, 2011, the Company entered into an agreement with Full Metal to acquire 60% of Full Metal's interest in the TAC Lands in consideration for making staged cash payments, staged share issuances and incurring minimum exploration expenditures on the property. The Company had the option of earning an additional 15% interest by producing a Bankable Feasibility Study and issuing additional shares of the Company to Full Metal. The property is subject to three underlying agreements, as to mineral and surface rights. Mineral rights are held by Full Metal under a lease agreement with Aleut Corporation ("TAC") (an Alaska Native Regional Corporation), and the surface rights are held by the Unga Corp. and Shumagin Corp. (both native village corporations).

On July 29, 2013, the agreement entered into with Full Metal on June 9, 2011 was amended to extend payment dates (all other terms of the agreement remain the same), such that the Company maintains the right to acquire 60% of Full Metal's interest in the Unga-Popof Property in consideration for the following:

	Cash payments to Full Metal US$		Share issuances to Full Metal [2] #	Incur expenditures on the Property US$
On signing of the agreement	5,000	(paid)	-	-
Within 5 business days of completion of the Underlying Agreements [1]	70,000		250,000	-
On or before one year after completion of the Underlying Agreements	75,000		250,000	500,000
On or before 2 years after completion of the Underlying Agreements	75,000		250,000	1,000,000
On or before 3 years after completion of the Underlying Agreements	75,000		250,000	1,500,000
On or before 4 years after completion of the Underlying Agreements	-		-	2,000,000

(1) The Unga-Popof Property is subject to three underlying agreements (the "Underlying Agreements"), all of which had been executed prior to June 30, 2014.
(2) Subject to regulatory approval of the agreement.

On February 18, 2014, the Company signed a Letter of Intent ("LOI") with Full Metal, to take an assignment of Full Metal's interest in its agreement with TAC, which agreement is subject to force majeure due to the inability of Full Metal to finalize the last Underlying Agreement. Under the terms of the LOI, the Company may acquire a 100% undivided interest in the property, upon issuance of 4,000,000 shares and payment of a total of US$50,000 (US$10,000 paid) to Full Metal, subject to regulatory approval, completion of a definitive agreement including the consent of TAC to the assignment, and satisfying the Underlying Agreements. The LOI supersedes all other agreements with Full Metal in respect of the property. Parties are negotiating a definitive agreement to replace the LOI.

The TAC Lands includes the extensions of the Shumagin and Apollo-Sitka high-grade vein systems as well as other gold and copper-gold occurrences.

Shumagin Trend Veins
Numerous gold occurrences have been identified along the Shumagin trend within the TAC Lands beyond the Shumagin vein. For example, the Aquila vein field is approximately 6 km along strike from the Shumagin vein and has been traced through trenching and drilling for over 2 km with a width of up to 700m. Shallow exploration in the early 1980's identified high-grade gold, including 11.5 g/t over 3.6m in a trench and 113 g/t over 0.45m at the base of a 49m core hole (hole terminated due to broken ground). There has been no drilling since 1981. The Bloomer Ridge target closer to the Shumagin Vein contains surface samples in veins to 5.3 g/t.

Centennial Disseminated Gold
Centennial is a shallow, bulk tonnage gold system on Popof Island which is adjacent to Unga Island. In the late 1980's, Battle Mountain Gold Corp completed 59 drill holes and defined a non 43-101 compliant resource of 4.8 million tons with an average grade of 1.5g/t gold to a depth of 50m. The disseminated replacement-style low-grade gold mineralization contains local high-grade (+3 g/t gold) zones/structures that have yet to be fully explored. Historic drillholes were very shallow (94m average length) and steep, thereby not allowing for an opportunity to intersect steeply-dipping higher-grade structures. Analysis of the historic results indicates that the disseminated mineralization is open for expansion and that there is potential to delineate high-grade mineralized feeder structures. Results from the historic trenches include: 1.82 g/t over 72.5m containing 7.53 g/t over 10.8m (containing 18.1 g/t over 3m) in Trench 5, and 0.83 g/t over 36.6m in Trench 10. Results from historic drillholes include: 1.07 g/t over 61.3m containing 3.17 g/t over 5.6m in CENT-1, 0.74 g/t over 39.6m in CENT-34 and 1.52 g/t over 10.7m containing 4.45 g/t over 3m in CENT-20.

Other Vein Occurrences
Numerous other mineralized veins occur on the Unga-Popof property on both Unga and Popof Islands and have seen minimal historic exploration.

Unga Project: Company's Plans and General Comments

The Company has initiated an exploration program that will include geological mapping, sampling, trenching, channel sampling and structural analysis. A five person field crew is currently on site in a camp on Unga Island.

The Unga Project is an extremely important acquisition, giving the Company control of an entire underexplored epithermal district with multiple high-grade vein fields and disseminated mineralized systems capable of producing significant resources. In particular, high grade gold systems are extremely attractive targets because they tend to have very low operating costs per ounce and smaller environmental footprints.

** Note that a qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves that is compliant with NI 43-101. The Company is not treating the historical estimate as current mineral resources or mineral reserves and the historical estimate should not be relied upon or understood to indicate the existence of reserves or resources.*

Capital Resources

The Company's primary capital assets are mineral property interests. The company capitalizes all costs related to the mineral properties. The Board of Directors is responsible for a quarterly review of the properties and any decisions toward impairment. If the property is considered impaired, accumulated costs are expensed at that time.

Off Balance Sheet Transactions

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The Company's related parties consist of directors, executive officers, and companies controlled or influenced by them. The Company incurred certain fees and expenses in the normal course of operations in connection with companies owned by such parties for the periods ended June 30, 2014 and 2013.

The Company conducts the majority of its exploration activities through agreements with an administration and exploration services contractor ("AESC") in which a director is a shareholder. For the periods ended June 30, 2014 and 2013 the Company was charged for exploration costs and to reimburse office and administrative costs as follows:

	June 30, 2014 $	June 30, 2013 $
Contract and consulting*	14,207	162,061
Travel and promotion	-	17,372
Rent	21,884	27,264
Office operations	1,766	5,077
	37,857	211,774
* includes fees to June 24, 2014 for services of:		
Chief Executive Officer ("CEO") and President	(3,387)	63,000
	(3,387)	63,000

At June 30 2014, the Company owed $20,912 (March 31, 2014: $61,623) to AESC. During the year ended March 31, 2014, the Company settled an amount owing to AESC of $829,176 by way of issuance of 10,364,701 shares.

<u>Compensation of key management personnel</u>

Key management personnel consists of Ken Booth (Interim CEO, Interim President and a Director of the Company), Jacques Vaillancourt (Chairman of the Board of Directors and a Director of the Company), Jeannine Webb (Chief Financial Officer ("CFO")) and the Directors of the Company (Douglas Fulcher (executive Director), Jeffrey Pontius (Director) and Michael McInnis (Director)).

Compensation of key management personnel, excluding shares-based payments on vesting of incentive stock options, for the periods ended June 30, 2014 and 2013 is summarized as follows:

	June 30, 2014	June 30, 2013
	$	$
CEO and President	19,275	63,000
Chairman of the Board of Directors	12,480	-
Chief Financial Officer ("CFO")	9,000	9,000
	40,755	72,000

Key management personnel were not paid post-retirement benefits, termination benefits, or other long-term benefits during the periods ended June 30, 2014 and 2013. At June 30, 2014, the Company owed:

- $7,332 (March 31, 2014: $Nil) to a company whose principal is the interim CEO and interim President of the Company
- $4,167 (March 31, 2014: $Nil) to the Chairman of the Company for services, and $Nil (March 31, 2014: $1,247) for expenses incurred on behalf of the Company
- $3,150 (March 31, 2014: $7,875) to a company whose principal is the CFO of the Company

$Nil (March 31, 2014: $2,612) to a Director, in respect of expenses incurred on behalf of the Company.

Proposed Transactions

The Company does not have any proposed transactions that have been approved by the board of directors. It continues to review and evaluate potential exploration properties.

Subsequent events

There are no events subsequent to June 30, 2014 as at the date of the Report.

Disclosure Controls and Procedures

Current securities policies in Canada require that management of the Company certify that it has assessed the effectiveness of the Company's disclosure controls and procedures at period ends. Management has concluded that the disclosure controls as at the end of the Period were effective in ensuring that all material information required to be filed has been provided to it in a timely manner, and that the information was recorded, processed and reported within the time period necessary to prepare the filings.

Risks Related to the Company's Business

Overview

Resource exploration is a speculative business and involves a high degree of risk. There is a significant probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to attain commercial production stage are also very substantial. The following sets out the principal risks faced by the Company.

Exploration. The Company is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price. The Company's exploration projects are primarily related to exploration for gold and other precious metals in Canada and the USA. While these minerals have recently been the subject of significant price increases from levels prevalent earlier in the past, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

Title Although the Company has exercised the usual due diligence with respect to title to properties in which it has interests, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or land claims, and title may be affected by undetected defects. In addition, certain of the mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties. Before a number of claims under option can be recorded in the Company's name, the underlying title holder must assign title to the Company once the Company satisfies its option agreement obligations. There are no assurances that the underlying title holder will assign title.

Aboriginal land claims. Canadian and US Aboriginal rights may be claimed on properties or other types of tenure with respect to which mining rights have been conferred. The Company is aware of the mutual benefits afforded by cooperative relationships with indigenous people in conducting exploration activity and is generally supportive of measures established to achieve such cooperation. The risk of unforeseen aboriginal title claims also could affect existing exploration activities as well as potential development projects and possible future acquisitions and transfer of properties. While there is, to the Company's knowledge, no existing claim in respect of any of its properties, the advent of any future aboriginal land claims and the outcome of any aboriginal land claims negotiations cannot be predicted.

Financing. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Key personnel. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Foreign Countries and Regulatory Requirements. Currently, the Company's only non-Canadian properties are located in the United States. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, and political risk. Mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety. The Company maintains the majority of its funds in Canada and only forwards sufficient funds to meet current obligations.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

Credit risk. Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to its cash and cash equivalents, accounts receivable, other than Goods and Services Tax ("GST"), receivable from related party, and prepaid expenses and advances. The maximum exposure to loss arising from accounts receivable is equal to their carrying amounts. The Company manages credit risk with respect to its cash by maintaining deposits with a major Canadian financial institution; however, this exposes the Company's cash to concentration of credit risk as all amounts are held at a single institution.

Liquidity risk. Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company will need to raise or borrow money for exploration and administration expenditures. Current sources of funding are undetermined, and management continues to review potential equity and other financing options.

Market risk. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk
Interest rate risk consists of two components:
   (a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and
   (b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk. The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

(ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to foreign currency risk as its monetary assets and liabilities are denominated in Canadian dollars.

(iii) Other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

There were no changes in the Company's approach to managing the above risks.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. The Company has not yet had any revenue from the exploration activities on its properties, nor has the Company yet determined that commercial development is warranted on any of its properties. Even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsurable. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion and other risks against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Critical Accounting Estimates. In the preparation of financial information, management makes judgments, estimates and assumptions that affect, amongst other things, the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment in value. Management's estimates of exploration, operating, capital and reclamation costs, if any, are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties. The Company also uses the Black-Scholes Option Pricing Model in relation to share based payments. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the period.

Legal proceedings. As at the Period end and the Report Date, there were no legal proceedings against or by the Company.

Other MD&A Disclosure Requirements

Information available on SEDAR

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website http://www.sedar.com.

New Accounting Policies

Standards, Amendments and Interpretations Affecting the 2014 and Future Year-Ends

The adoption of the following new IFRS pronouncements did not have an effect on the Company's financial statements:

- IAS 32, "Financial Instruments: Presentation" was effective for annual periods beginning on or after January 1, 2014.
- IAS 36, "Impairment of Assets" was effective for annual periods beginning on or after January 1, 2014.
- IFRIC 21, "Levies" was effective for annual periods beginning on or after January 1, 2014.

New accounting standards not yet adopted:

- IFRS 9, "Financial Instruments: Classification and Measurement" is effective for annual periods beginning on or after January 1, 2018.

The Company is currently evaluating the impact of any new or amended standards on its financial statements. The impact is not expected to have a material impact on the statements of financial position or results of operations.

Financial Instruments & Other Instruments

The Company has classified its cash as fair value through profit or loss (using level 1 of the fair value hierarchy); receivables (excluding tax arrangements) as loans and receivables; and accounts payable and accrued liabilities and loans as other financial liabilities.

(a) Fair value

The carrying values of cash, receivables, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

(b) Credit risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to its cash, receivables, other than Goods and Services Tax ("GST"). The maximum exposure to loss arising from accounts receivable is equal to their carrying amounts.

The Company manages credit risk with respect to its cash by maintaining demand deposits with a major Canadian financial institution; however, this exposes the Company's cash to concentration of credit risk as all amounts are held at a single institution.

There were no changes in the Company's approach to risk during the Period.

Disclosure by venture issuer without significant revenue

An analysis of the material components of the Company's general and administrative expenses is disclosed in the financial statements to which this MD&A relates. An analysis of the material components of the acquisition and deferred exploration costs of the Company's mineral properties is disclosed in the Financial Statements.

Outstanding Share Data

Common shares, stock options and share purchase warrants issued and outstanding as at the quarter end are described in detail in the consolidated financial statements for the Period, which as of the Report Date are as follows:

	At Report Date
Common shares	180,078,093
Stock options	7,785,000
Warrants	94,516,695
Fully diluted	282,379,788

On Behalf of the Board,
REDSTAR GOLD CORP.

"*Ken Booth"*
Ken Booth, Interim President and Interim CEO