

REDSTAR GOLD CORP.

Management's Discussion & Analysis

FORM 51-102F1

For the Period Ended

September 30, 2009

The following management discussion and analysis of the financial position of Redstar Gold Corp. (“Redstar” or the “Company”) and results of operations of the Company should be read in conjunction with the unaudited consolidated financial statements ending September 30, 2009 and 2008 and the audited financial statements including the notes thereto for the year ended March 31, 2009.

The accompanying unaudited consolidated financial statements and related notes are presented in accordance with Canadian generally accepted accounting principles. These statements, together with the following management’s discussion and analysis dated November 25, 2009 (“Report Date”), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as potential future performance. The information in the MD&A may contain forward-looking statements. Please refer to the cautionary notices at the end of this MD&A, especially in regard to forward looking statements.

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Overall Performance

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

Activity of the Company is generally dependent on the sources of capital and access to funding in the capital markets. While the Company successfully maintained its business model as a “property generator” with four active programs on its Nevada properties, events in the financial and commodity markets in the latter part of 2008 has had a significant impact on the financial performance and exploration of the Company in 2009.

During the period ending September 30, 2009 the Company did not raise any funds through private placements but generated \$17,669 on the sale of marketable securities and \$15,000 on the exercise of stock options.

During the fiscal year ending March 31, 2009, the majority of exploration was completed in Nevada by joint venture partners International Tower Hill (“ITH”) (on the North Bullfrog and Painted Hills properties) and Gold Fields Netherlands Services BV (“Gold Fields”) (on the Richmond Summit and Dry Gulch properties) where \$2,495,136 of the \$2,794,578 (before recoveries) in exploration was spent. While Gold Fields notified the Company that it would not exercise its option on the Dry Gulch and Richmond Summit property, a \$2,000,000 work commitment on the North Bullfrog is anticipated by ITH. ITH also has elected not to exercise its option on the Painted Hills project.

During the period ending September 30, 2009, the Company signed a letter agreement with Fronteer Development Group Ltd (“Fronteer”) whereby Fronteer can earn a 70% interest in the Richmond Summit project in Nevada. In addition, the Company also signed an agreement for the sale of the North Bullfrog property in Nevada to International Tower Hill Mines Ltd. (“ITH”). Under the terms of the sale agreement ITH will pay the Company \$934,000 in cash and shares to earn 100% of Redstar's interest in the property. The payment includes \$250,000 in cash and 200,000 ITH shares (at a deemed value of \$3.42).

Subsequent to the period ending September 30, 2009, the Company signed a letter of intent setting forth the terms and conditions of a transaction whereby Central Resources Corp. (“Central”) can earn up to a 60% undivided interest in the Company’s 100% owned Newman Todd property in Red Lake, Ontario.

Administrative and other expenses for the period ended September 30, 2009 total \$208,245, a 45% decrease over the same period in 2008 (\$380,474). Exploration expenditures during the period ended September 30, 2009 were \$92,896 net of recoveries.. At September 30, 2009, \$2,699,241 has been spent on the Red Lake and Nevada properties net of recoveries.

Summary of Quarterly Results

The selected consolidated information set out below has been gathered from the previous eight quarterly financial statements for each respective financial period and is based on Canadian GAAP (in Canadian dollars):

	Income (Loss)	Net Income (Loss) per share	Revenue
	\$	\$	\$
September 30, 2009	(207,842)	0.00	-
June 30, 2009	(123,718)	0.00	-
March 31, 2009	(36,080)	0.00	-
December 31, 2008	(139,247)	0.00	-
September 30, 2008	(191,768)	0.00	-
June 30, 2008	(188,706)	0.00	-
March 31, 2008	(403,680)	(0.01)	-
December 31, 2007	(228,609)	0.00	-

Fluctuations in the Company's expenditures reflect the seasonal variations of exploration and the ability of the Company to raise capital for its projects. This fiscal quarter the Company had no exploration on its 100% owned Newman Todd project in Red Lake but considerable exploration and acquisition costs in Nevada. Correspondingly, general and administrative costs are also higher.

Results of Operations

Newman Todd Property, Red Lake

In March, 2006, the Company announced a phase II drill program to follow-up on the high-grade results obtained from the previous drilling on the Newman Todd property. Previous drilling by the Company intersected wide zones of breccia with anomalous to high-grade gold mineralization. Results from this earlier drilling were released October 26, 2005 and were highlighted by 3.05 feet grading 2.0 opt gold (69.02 g/t over 1.0 metres) within a 9.14 foot zone grading 0.73 opt gold (24.89 g/t over 3.0 metres) (hole NT-031). The drilling confirmed the presence of wide spread gold mineralization associated with breccia zones. The phase II program was designed to further explore the area of the high-grade intercept as well as test additional targets on the property

During the fiscal year 2006, the Company completed six diamond drill holes on the Newman Todd property and released the final results May 11, 2006. Highlights of the program include drill hole NT-036 which collared in rhyolite with quartz veining containing values up to 6.67 g/t gold over 1.0 metre near the top of the hole. This hole was continued to a depth of 390 metres after intersecting wide zones of breccia mineralization with values up to 16.35 g/t gold over 1.0 metre within a 2.0 metre zone grading 12.08 g/t

gold at a vertical depth of 189 metres. This hole was drilled over 850 metres northeast of the high-grade mineralization intersected in 2005.

Additional drilling in the area of drill hole NT-031 continued to intersect wide zones of low-grade gold mineralization with occasional higher grade sections. These higher grade intercepts are hosted in an easterly dipping – north striking, massive to semi-massive sulphide replacement zone including pyrite, pyrrhotite and magnetite. In addition, the Company's technical staff has now identified west dipping, gold bearing structures which may be integral to localizing gold mineralization. Drill hole NT-038 intersected 6.20 g/t gold over 1.0 metre within one of these structures. The intersection of these structures with the sulphide replacement zone described above may be the key to localizing high-grade gold mineralization at Newman Todd.

On March 12, 2008, the Company announced results for two (NT-039 and NT-040) of the seven holes completed during the 2008 drill program. Both holes intersected wide zones of gold mineralization within a structural corridor defined by brecciation, iron-carbonate alteration and sulphide/magnetite replacement zones. Diamond drilling has traced the zone along strike for approximately 1,100 metres and to a depth of approximately 300 metres. The two holes reported are 790 metres apart and intersected identical breccia zones with sulphide replacement and quartz veining. Highlights: Hole NT-039 intersected 14.0 g/t gold over 1.0 metre and Hole NT-040 intersected 61.02 g/t gold over 1.0 meter; 15.0 g/t gold over 1.0 metre and 14.0 g/t gold over 1.0 metre, respectively.

The Company plans to perform additional follow up drilling in 2009, or will seek a joint venture partner.

On October 5, 2009, the Company announced it had signed a letter of intent (LOI) setting forth the terms and conditions of a transaction whereby Central Resources Corp. ("Central") can earn up to 60% undivided interest in the Company's 100% owned Newman Todd property. Under the terms of the LOI agreement Central can earn a 50% interest in the project over a four year period by funding \$4.5 million in exploration and development work and issuing 500,000 shares of Central to the Company. Central must spend \$1,000,000 on exploration by September 30, 2010 and an additional \$500,000 by December 31, 2010, followed by \$1,000,000 per year for three years starting in 2011. Central can earn an additional 10% interest in the project by funding \$2,000,000 in exploration and development work and issuing 750,000 shares of Central to the Company by December 31, 2014.

Pine Nut Property, Nevada USA

The Pine Nut project in the Walker Lane Belt of north western Nevada was acquired in July, 2005. The project represents the first property acquisition made as a result of an exploration partnership between the Company and AngloGold Ashanti North America Inc. (AngloGold Ashanti).

The Pine Nut property covers a large, under explored, epithermal gold system. Surface mapping has identified multiple gold bearing quartz veins within a zone that has been traced over an area approximately 3000 metres north-south by 300 metres east-west. Quartz stringer zones up to 30 metres wide have been mapped with individual veins up to 3.0 metres wide. Previous, wide spaced reverse circulation drilling, intersected gold values up to 11.5 g/t over 1.52 metres within quartz veins. Surface sampling identified numerous gold values over 10 g/t with the best value being 37.7g/t over 3.0 metres.

Eight diamond drill holes totalling 7,145 feet were completed on the Pine Nut project in the summer of 2006. Highlights include the highest-grade intersection yet reported for the property, with hole PNR-4 returning 0.799 ounces per ton (opt) gold (Au) over an approximate true width of 2.1 feet, within a massive vein yielding a composite of 0.373 opt gold over 5.3 feet.

All eight core holes intersected multiple quartz veins and gold mineralization exceeding 0.010 opt gold. PNR-4 tested the middle of three northerly-trending veins, which form a vein system 6,200 feet (1,900 m) long by 1,300 feet (400 m) wide. The massive vein consists of multiple-finely-banded crustiform quartz and chalcedony with local fine-grained sulfides and bladed quartz.

The diamond drill program and land tenure was funded (\$544,411) by Strategic Nevada Resources (formerly Strategic Merchant Bancorp Ltd.) under the terms of an option agreement (January, 2006) whereby Strategic could earn up to a 70% interest in the Pine Nut project.

In January, 2007, Strategic Nevada Resources (formerly Strategic Merchant Bancorp Ltd.) withdrew from the option agreement on the Pine Nut property. The Company regained 100% ownership and control.

As at the date hereof, the Company no longer holds any claims on the Pine Nut property.

Dry Gulch Property, Nevada USA

The Dry Gulch project was acquired through staking in early October, 2005. The property is located six miles southeast of the northern Carlin trend deposits (e.g., Carlin and West Leeville deposit areas hosting greater than 9.7 million ounces of gold production and reserves) and six miles northeast of the Gold Quarry deposit area hosting greater than 15 million ounces gold production and reserves. The property is located at the junction of important ore controlling structures that can be traced back to the northern Carlin deposits and the Gold Quarry deposits. The project covers an uplifted structural block containing thinly-bedded, carbonaceous silty limestones similar to units that host the productive gold systems of the Carlin trend. The project is also surrounded by intrusive rocks of Late Eocene age, known to be the drivers to the gold systems along the Carlin trend. The position of the project with respect to these igneous centers is also considered favourable.

During the fiscal year, minor rock sampling and mapping was completed on the project. A gravity survey was completed on the project to help define potential ore controlling structures. Contingent on drill availability, a drill program is planned for 2007. All necessary permitting and bonding issues have been completed for the drill program.

The program and land tenure was funded (\$64,080) by Strategic Nevada Resources (formerly Strategic Merchant Bancorp Ltd.) under the terms of an option agreement (January 2006) whereby Strategic could earn up to a 70% interest in the Pine Nut project.

In January, 2007, Strategic Nevada Resources (formerly Strategic Merchant Bancorp Ltd.) withdrew from the option agreement on the Dry Gulch property. The Company regained 100% ownership and control.

On June 18, 2007, the Company announced that recent ground-based geophysical work at the Dry Gulch project has defined a favourable structural setting similar to the known gold deposits within the Carlin trend. Permitting has been completed for a phase-one drill program

On January 9, 2008, the Company announced that Gold Fields Netherlands Services BV, a subsidiary of Gold Fields Ltd. have optioned the Dry Gulch property. Under this option agreement Gold Fields can earn up to a 70% interest in the property. Gold Fields will incur a minimum work commitment of US \$400,000 by December 21, 2008.

After meeting the first year work commitments on the property, Goldfields elected not to exercise their option. The Company continues to find joint venture partners for the Dry Gulch project.

North Bullfrog Property, Nevada USA

The North Bullfrog project in the southern portion of the Walker Lane Belt of south western Nevada was acquired in February, 2006. Additional private lands were acquired by the Company in May and June, 2006. The project is located approximately six miles north of the Bullfrog mining district which produced approximately three million ounces of gold.

The project represents a large low-sulfidation, volcanic-hosted epithermal gold system. Gold mineralization at the Bullfrog mine was associated with a fault system that occurs in a valley bottom and did not out crop. Wide spread low-grade gold mineralization above the valley floors is a strong indicator of the potential for the under explored recessive valley corridors within the project area to host high-grade vein systems. There has apparently been no exploration since 1996, and previous drilling programs encountered significant low-grade mineralization in the project area.

Preliminary analysis indicates that there is opportunity to both expand the low-grade mineralization and identify and expand high-grade veins through additional exploration. Compilation of previous work has identified high priority targets for follow-up.

During the fiscal year, minor rock sampling, geological mapping and data compilation was completed. All available data has been compiled and incorporated into a GIS database. Three high-potential drill targets have been selected and all necessary permits and bonds are in place.

The program and land tenure was funded (\$119,977) by Strategic Nevada Resources (formerly Strategic Merchant Bancorp Ltd.) under the terms of an option agreement (February 2006) whereby Strategic could earn up to a 65% interest in the North Bullfrog project.

In March, 2007, the Company optioned the North Bullfrog property to International Tower Hill Mines Ltd. Under the terms of the agreement to earn a 60% interest in the property, International Tower Hill must make total payments of \$190,000 USD, total expenditures of \$4,000,000 USD and 20,000 shares over a four year period. International Tower Hill will have the right to earn an additional 10% interest by completing a feasibility study. The Company will act as operator for the project.

The 2007 drill program at the North Bullfrog project commenced on April 23, 2007.

On June 11, 2007, the Company announced that the first-phase, five-hole core drilling program will test 3 key targets in the project area. The drilling will test high grade gold veins and areas of broad disseminated gold mineralization.

On September 5, 2007, the Company announced that the first-phase drill program, consisted of six core holes totalling 1,305 metres (4,282 feet) had been completed by Talon Gold (U.S.) a 100% owned subsidiary of International Tower Hills Mines Ltd., who has the option to earn up to 70% interest in the project. This program partially tested three of the eight large target areas on the project. Significant results include: at the Pioneer target, 17.6 g/ton gold over 0.40 m (0.513 opt over 1.3 ft) and at the Sierra Blanca target 2.06 g/t gold over 3.00m (0.060 opt over 9.8 ft).

On December 10, 2007, the Company announced that a further 11 patented claims, covering the historic Mayflower Mine, have been staked expanding the North Bullfrog property to 172 claims and 5 mining leases. The high grade vein system at Mayflower is underexplored and will be one of the main focuses of a planned January 2008 drill program by International Tower Hills Mines Ltd.

On January 29, 2008, the Company announced the start-up of a Phase II drill program of approximately 4,500 metres of reverse circulation drilling. The focus of the program will be to follow up on historic results

from the past-producing Mayflower Mine, which is developed along a high-grade vein stockwork zone. The program will be funded and carried out by International Tower Hill Mines Ltd.

In December 2008, the Company announced results from the North Bullfrog program with the following highlights:

- The 2008 exploration program included trenching, a gravity survey, a ground magnetic survey and eight widely-spaced drill holes consisting of five reverse-circulation drill holes for 4,680 feet and 3 core holes for 3,868 feet.
- Geophysical surveys and drilling defined a dyke-filled, north-trending structural corridor extending the full length of the property (one mile); the structural zone is the southern extension of the Post fault system, which localizes world-class gold deposits of the northern Carlin trend about 7 miles to the north.
- Drilling in upper-plate rocks within the structural corridor intersected altered dykes with anomalous gold to 700 ppb and arsenic to 2600 ppm.
- At the main zone, where surface gold reaches 7.75 g/t, a strongly-argillized and pyritic dyke with anomalous gold-arsenic occupies a north-trending fault and is considered strong evidence of underlying Carlin-type gold mineralization; only one drill hole in the 2008 program tested the main zone and it was incompletely assayed.
- An historic drill hole approximately 500 metres west of the main zone intersected a thick sequence of carbonate rocks similar to lower-plate carbonates exposed within 300 metres of the property boundary.
- The intersection of the gold and arsenic bearing structures with the thick carbonate sequence has not been tested and provides a high priority target for future drilling.

On October 19, 2009, the Company announced it had closed the purchase and sale agreement with International Tower Hill Mines Ltd. (ITH). The Company received \$250,000 and 200,000 shares of ITH (at a deemed value of \$3.42) for the sale of the North Bullfrog project and at current market prices the total value of the transaction is approximately \$1,440,000.

Eagle Basin Property, Nevada USA

The Eagle Basin project consists of seventy-two unpatented mineral claims staked by the Company September, 2006 and is located in central Nevada. The project lies along a northerly-trending corridor encompassing, with few exceptions, the largest gold (\pm silver) deposits in Nevada ($>>2$ million ounces gold). This corridor is believed by the Company to represent a major continental-scale crustal boundary along which mineralization has been focused. From south to north major gold systems/districts along this corridor include: Bullfrog, Goldfield, Tonopah, Manhattan, Round Mountain, Northumberland, Cortez-Pipeline, the Meikle-Goldstrike-Gold Quarry portion of the Carlin trend, and Jerritt Canyon. Eagle Basin lies between the Cortez-Pipeline and Northumberland portions of the corridor.

The extensive Eagle Basin alteration zone is known to cover at least 1.6 square miles (4.3 km²). Alteration consists of strong chalcedonic silicification and argillization with local quartz and chalcedony veins and disseminated sulfides. A series of northwest-trending silicified zones across a width of at least 3,300 feet occurs in the core of the system, with individual zones up to 500 feet in length and about 20 feet in width. Proprietary magnetic data indicates the Eagle Basin alteration system sits within a roughly circular feature about three miles in diameter. This feature is believed to be a caldera-like collapse feature caused by magmatic/volcanic activity. Samples collected to date indicate strongly anomalous trace elements consistent with a magmatic high-sulfidation epithermal gold system. Strongly-anomalous trace elements include arsenic, antimony, mercury and silver. Previous exploration has been limited to a single, shallow percussion drilling program in 1986-1987 by Dome Exploration. The strength and size of the alteration system, the trace-element signature and the limited drill testing present an opportunity for discovering a

high-sulfidation type epithermal gold deposit or a porphyry-style Cu-Au-Mo deposit similar to the gold deposits in the Paradise Peak district in west-central Nevada (1.6 million ounces of gold produced, 1986-1994). Minor mapping and sampling is planned to help define drill targets.

As at the date hereof, the Company continues to pursue possible joint venture partners for the Eagle Basin property.

Painted Hills Property, Nevada USA

The Painted Hills Project consists of fifty unpatented claims (1.6 square miles) staked by the Company in September, 2006 and is located in northwestern Nevada, 83 miles northwest of Winnemucca. The project has important geologic similarities to multi-million ounce, high-grade gold deposits of the northwestern Great Basin, notably the Sleeper (2.5 million ounces produced) and Midas (3.0 million ounces produced) deposits, and offers the potential for discovery of a new, high-grade gold vein system. The Sleeper deposit is about 50 miles to the southeast. The project lies along a regional northeast-trending fault that has localized gold mineralization at the Hog Ranch and Mountain View gold districts to the southwest, both similar in age and geologic setting to Sleeper and Midas.

Alteration and mineralization at Painted Hills are hosted in Middle Miocene volcanic rocks and are indicative of the shallow levels of an epithermal system similar to these other deposits. Mineralization and alteration exposed at Painted Hills include a mercury-bearing opal-chalcedony vein zone several hundred feet in width and strong kaolinite-opal alteration. Anomalous arsenic, antimony and gold are also present. All these features are consistent with the upper levels of an epithermal system. In these systems high-grade veins lie beneath the mercury-rich opaline alteration. This exploration model has been proven in several districts in Nevada, such as at Ivanhoe (Hollister) and Goldbanks. The Painted Hills veins and alteration are exposed along a range-front fault, and portions of the system may be concealed by the adjacent valley fill. This setting is very similar to the Sleeper deposit. There has been no previous gold-exploration drilling at Painted Hills.

In March, 2007, the Company optioned the Painted Hills property to International Tower Hill Mines Ltd. Under the terms of the agreement to earn a 60% interest in the property, International Tower Hill must make total payments of \$170,000 USD, total expenditures of \$2,500,000 USD and issue 20,000 shares over a four year period. International Tower Hill will have the right to earn an additional 10% interest by completing a feasibility study. The Company will act as operator for the project.

A geophysical program commenced in April, 2007, after which an exploration drilling program will follow.

On June 11, 2007, the Company announced that the mineralized structure at the Painted Hills project has been extended to over 5,000 feet through the recent geophysical survey. A follow-up drill program is planned to test this previously undrilled epithermal gold system.

On September 13, 2007, the Company announced that the first exploration drilling program was underway. No previous drilling has been conducted on the project. Two drill holes have been completed of a planned three hole, 1,000 metre phase-one drill program. The first two holes intersected wide zones of alteration, silicification and sulphide mineralization. As a result of these intercepts an additional 251 claims have been staked to cover the potential extent of the mineralized system.

On November 15, 2007, the Company announced results from the first-phase drilling program at the Painted Hills project. Four core holes totalling 1,852 metres were completed by International Tower Hill Mines Ltd. All holes intersected anomalous gold, including a number of 3-9 metre intervals in the 0.10-0.20 g/t range (including 9.5 metres at 0.20 g/t gold). While no high-grade veins were intersected, the results are considered very encouraging, as they confirm the exploration model of increasing gold with depth as the inferred boiling zone is approached (gold values are absent at surface).

ITH has elected not to continue work on the Painted Hill project however the Company continues to find a new joint venture partner for the property.

Richmond Summit Property, Nevada USA

In February, 2006, the Company staked claims covering an area of gold mineralization on the central Carlin trend in Nevada.

The Richmond Summit project covers approximately two square miles and lies 4 miles northwest of the Mike deposit (8.5 M oz gold) in the Gold Quarry district and 5.5 miles south of the Carlin - West Leeville gold deposit (>10 M oz gold production plus reserves). Both mines are operated by Newmont Mining Corporation and the Richmond Summit project is surrounded by lands largely controlled by Newmont. The Richmond Summit project is reported to contain several areas of sediment-hosted, Carlin-type gold mineralization with surface values to 0.125 opt Au. Lower-plate carbonate rocks, which host most of the gold mineralization along the Carlin trend, have been mapped in the project area, although the known gold mineralization reportedly occurs in upper-plate rocks. In addition to the exposed gold mineralization, other geologic features indicate that the project is prospective. Late Eocene intrusive rocks are exposed on the project and in surrounding areas; these intrusions are known to be genetically and spatially related to gold deposits along the Carlin trend. The project lies at the southern corner of the Lynn Window of lower-plate carbonate rocks; gold deposits of the Carlin trend commonly occur along the margins of these lower-plate carbonate windows. The project also occurs on the southern projection of the Post fault, a structure which localizes significant gold mineralization in the Goldstrike/Meikle area of the northern Carlin trend.

A drill program targeting lower plate rocks will be planned once all historical data has been compiled.

On June 18, 2007, the Company announced that recent surface sampling at the Richmond Summit project has confirmed near surface gold mineralization at two locations on the claim block. At the Main Zone the surface assays returned values to 1.74 ppm Au (0.051 opt) and in a second zone 400 metres from the Main Zone the surface assays returned values to 0.69 ppm Au (0.19 opt). These results are an indication of the possible widespread nature of the gold mineralization at the Richmond Summit project.

On January 9, 2008, the Company announced that Gold Fields Netherlands Services BV, a subsidiary of Gold Fields Ltd. have optioned the Richmond Summit property. Under this option agreement Gold Fields can earn up to a 70% interest in the property. Gold Fields will incur a minimum work commitment of US \$1,000,000 by December 21, 2008.

On February 26, 2008, the Company announced that plans are underway for surface exploration program to begin in March and will include geophysical surveys, alteration mapping, trenching and sampling. Once results are received from the initial surface work, a drill program is planned. The program will be funded and carried out by Gold Fields. In July and August, Goldfields completed seven holes totalling 2,800 metres.

While there remains a number of significant untested anomalies, Goldfields has elected not to exercise their option on the Richmond Summit property.

On July 22, 2009, the Company announced the signing of a letter agreement with Fronteer Development Group Ltd ("Fronteer") whereby Fronteer can earn a 70% interest in the Richmond Summit project in Nevada. Under the terms of the agreement Fronteer can earn a 70% interest in the project by completing USD \$3.25 million in work expenditures and paying USD \$250,000 in cash over four years. Fronteer will act as operator and will commit USD \$500,000 in work expenditures in the first year.

Root Spring Property, Nevada USA

In June, 2007, the Company staked claims consisting of a block of 62 unpatented claims covering a mineralized quartz-vein system that can be traced for at least 1300 metres. Surface rock-chip values reach 8.40 g/t gold (0.248 ounces per ton, opt) accompanied by high silver values reaching 854 g/t (24.9 opt). The project lies about 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.

Mineralization at Root Spring consists of northwest-trending low-angle quartz veins and quartz-vein stockworks hosted within a poorly-exposed section of volcanic rocks which may be equivalent to the host volcanic section at the Rochester mine. The gently west-dipping veins and host volcanics are adjacent to a Triassic granitic pluton and within a northwest-trending alluvial-filled valley corridor along a range front which may mark a major structural zone. The vein system is partly concealed by alluvium and is likely to extend significantly along strike beyond the limited vein exposures. Individual veins are up to 5 metres thick, with two parallel veins exposed, separated by about 90 metres. Larger veins are surrounded by poorly-exposed silicified rocks containing quartz-vein stockworks. The highest gold/silver grades occur within thick veins, but poorly exposed wallrocks also carry mineralization. Given the limited exposures, it is possible that additional massive veins exist in the system.

As at the date hereof, the Company continues to pursue possible joint venture partners for the Root Spring property.

Cooks Creek Property, Nevada USA

In November, 2007, the Company staked claims consisting of a block of 168 unpatented claims covering approximately 5 square miles of an area of outcropping sediment-hosted gold mineralization about 8 miles west of the Pipeline Mine. The Cooks Creek property lies along the Battle Mountain-Eureka mineral belt, also referred to as the Cortez trend. The main gold zone at Cooks Creek covers an area of at least 2900 by 2500 feet with surface rock-chip assays reaching 1.26 g/t gold. The project lies about 27 miles south of the town of Battle Mountain in central Nevada.

As at the date hereof, the Company continues to pursue possible joint venture partners for the Cooks Creek property.

Additional Property Holdings

The following properties have been acquired by the staking:

Oasis Property, Esmeralda Count, Nevada – 50 claims
Rosebush Property, Lander County, Nevada – 16 claims
Seven Devils Property, Pershing County, Nevada – 54 claims
Baker Spring Property, Elko County, Nevada – 22 claims

Liquidity

As at September 30, 2009, the Company had a working capital deficit of \$864,533 (2008 – \$364,499) and an accumulated deficit of \$10,094,610 (2008 - \$9,587,724). The Company also had 49,133,341 shares outstanding and share capital of \$10,830,765.

As at the date hereof, the Company has 50,228,341 shares outstanding and a share capital of \$10,940,265.

As at September 30, 2009, the Company also had the following share purchase warrants and incentive stock options available for exercise:

Warrants

Number of Warrants	Exercise Price	Expiry Date
Nil	-	-

Options

Outstanding Number of Options	Exercisable Number of Options	Expiry Date	Exercise Price
1,095,000	1,095,000	October 1, 2009 *	\$ 0.10
500,000	500,000	February 25, 2010	\$ 0.20
840,000	840,000	January 4, 2011	\$ 0.18
1,025,000	1,025,000	May 4, 2012	\$ 0.25
485,000	485,000	January 18, 2013	\$ 0.20
1,500,000	375,000	September 16, 2014	\$0.15
5,445,000	4,320,000		

* These options were exercised on October 1, 2009

Outstanding obligations include rent of office space, which is in the third year of a six-year lease ending March 31, 2013. The cost of the premises is shared primarily between the Company and four other companies. The Company's proportionate share of minimum annual rental payments under this arrangement as well as the minimum annual rental payments for its wholly-owned integrated subsidiary is as follows: 2010 - \$48,594, 2011 - \$28,676, 2012 – 26,597 and 2013 - \$26,597.

Capital Resources

The Company's primary capital assets are mineral property assets. The company capitalizes all costs related to the mineral properties until the properties are abandoned and written-off.

All of the Company's mineral property agreements are non-binding and to date, the Company has spent \$2,699,242 including acquisition costs of \$288,305, net of recoveries.

Transactions with Related Parties

- (a) The Company conducts the majority of its exploration activities through an exploration services contractor in which a director is a principal. The Company paid or accrued amounts payable to that contractor of \$25,705 (2008 - \$80,384) for exploration costs, \$181,738 (2008 - \$199,359) to reimburse office and administrative costs. . An operating loan was advanced to the Company by the contractor during the period in the amount of \$132,057 (2008 - \$nil). As at September 30, 2009, the Company owed \$841,557 (2008 - \$389,719) to that contractor.
- (b) As at September 30, 2009, the Company owed \$2,146 (2008 - \$2,146) to a company with two directors in common.

The amounts due to related parties are without interest and are due on demand.

These transactions were made in the normal course of operations and are recorded at the exchange amount, being the amount agreed upon by the related parties.

Subsequent Events

On October 1, 2009, 1,095,000 stock options were exercised at a price of \$0.10.

On October 23, 2009, the Company announced it had reached a settlement agreement with one creditor to re-structure \$400,000 in outstanding debt. The Company will settle the outstanding amount through the issuance of 2,000,000 units of the Company at a price of \$0.20 per unit. Each unit will consist of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to acquire one common share exercisable for a period of two years from the date of closing at a price of \$0.25.

Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

Second Quarter Adjustments

Significant adjustments include stock based compensation costs of \$63,796, and mineral property recoveries of \$206,847.

Outstanding Share Capital

As at November 25, 2009, the Company had the following common shares, stock options and warrants outstanding:

Common shares	50,228,341
Stock options	4,350,000
Agent compensation options	-
Warrants	-
Fully Diluted shares outstanding	54,578,341

Disclosure Controls and Internal Controls Over Financial Reporting

The Company's President & Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company.

In accordance with the requirements of Multilateral Instrument 52-109, Certification and Disclosure in the Company's annual and interim filings, evaluations of the design and operating effectiveness of disclosure controls and procedures and the design effectiveness of internal control over financial reporting were carried out under the supervision of the CEO and CFO as of the end of the period covered by this report.

The CEO and CFO have concluded that the design and operation of disclosure controls and procedures were adequate and effective to provide reasonable assurance that material information relating the Company would have been known to them and by others within those entities. The CEO and CFO have also concluded that the Company's internal controls over financial reporting are designed effectively, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

While there were no changes that occurred for the most recent fiscal period that have materially affected the Company's internal control procedures, the CEO and CFO will continue to attempt to identify areas to improve controls and intend to incorporate such improvement over the next fiscal period.

Financial Instruments & Other Instruments

The Company has designated its cash as held-for-trading; marketable securities as available for sale; accounts receivable as loans and receivables; deposit as held-to-maturity; and accounts payable and accrued liabilities and due to related parties as other financial liabilities.

(a) Fair value

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

(b) Credit risk

The Company is exposed to credit risk with respect to its cash and accounts receivable. The credit risk associated with cash is minimal as cash has been placed with major financial institutions. The Company is not exposed to significant credit risk with respect to accounts receivable as the amount due is from a joint venture partner. Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution and a single major American financial institution. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	2009	2008
Cash	\$ 32,487	\$ 61,069
Accounts receivable	9,182	10,021
	\$ 41,669	\$ 71,090

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. At September 30, 2009, the cash balance of \$32,487 (2008 - \$61,069) is insufficient to meet the business requirements for the coming year. Therefore, the Company will be required to raise additional capital or sell one or more mineral property interest in order to fund its operations in 2010. At September 30, 2009, the Company had accounts payable and accrued liabilities and due to related parties of \$941,091 (2008 - \$456,098) which are due in the third quarter of fiscal 2010.

(c) Market risk

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

(i) Interest rate 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

The Company is not exposed to significant foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign exchange risk. The Company is exposed to other price risk on its marketable securities to the extent of fluctuations in the current market prices of those securities.

Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements

Other Requirements

Additional disclosure of the Company's technical reports, material change reports, news releases, and other information can be obtained on SEDAR.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish ore reserves.

The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's mineral exploration may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

International Financial Reporting Standards ("IFRS")

The Company is completing a preliminary diagnostic and developing an IFRS conversion implementation plan, which includes a detailed assessment of the impact of the conversion on the consolidated financial statements and related disclosures. The plan also considers the impact of the conversion of the Company's information technology systems, internal controls over financial reporting, performance measurement systems, disclosure controls and procedures and other business activities that may be influenced by GAAP measurements.

The Company is currently performing an analysis of the significant IFRS-GAAP differences with respect to the Company's financial statements and disclosures. The Company will quantify the potential effect of these differences as part of the conversion implementation plan.

Cautionary Notices

The Company's consolidated financial statements for the period ended September 30, 2009, and this accompanying 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” 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” 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.

On Behalf of the Board,
REDSTAR GOLD CORP.

“Scott Weekes”

Scott Weekes
President