



REDSTAR GOLD CORP.

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE THREE MONTHS ENDED JUNE 30, 2017**

OVERVIEW AND INTRODUCTORY COMMENT

Redstar Gold Corp. (“Redstar” or the “Company”) is an exploration stage company engaged in the acquisition, exploration and development of mineral properties in North America. The Company is incorporated and domiciled in Canada under the Business Corporations Act (British Columbia), and its registered office is Suite 1710, 1177 West Hastings Street, Vancouver, BC, V6E 2L3. The Company is focused on High-Grade Gold Projects in the Americas with low geo-political risk, and currently advancing the Unga Gold Project in Alaska, USA. The Company is listed on the TSX Venture Exchange under the symbol “RGC”.

This MD&A is dated August 16, 2017 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the three months ended June 30, 2017 and the Company’s audited consolidated financial statements for the year ended March 31, 2017 and the related notes thereto.

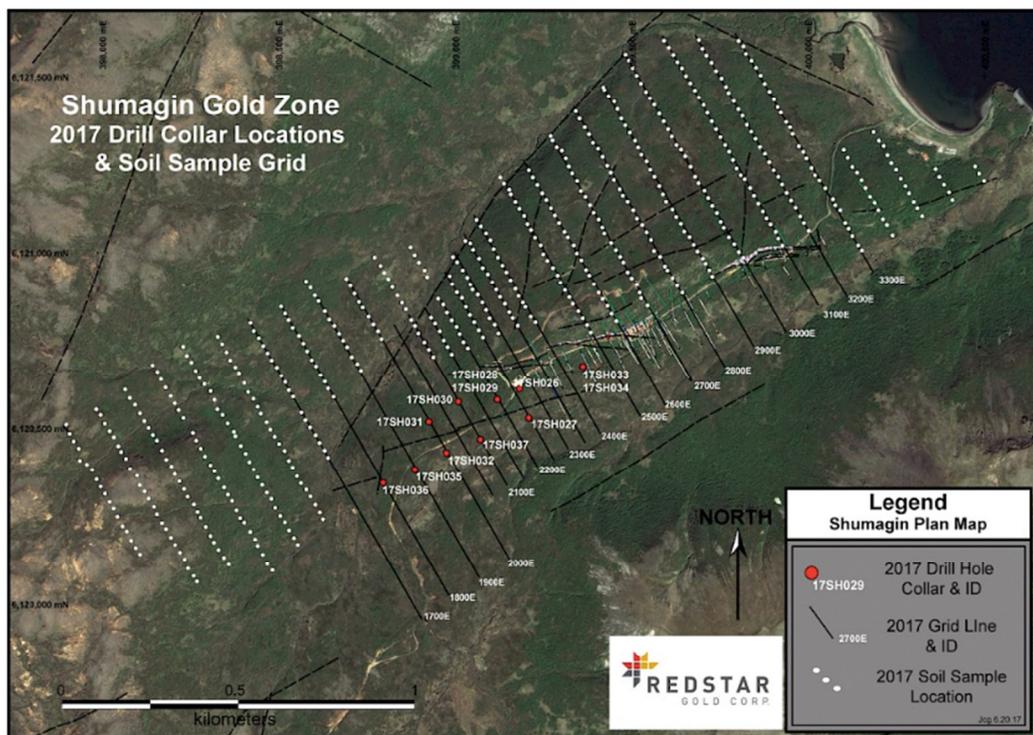
Additional information relevant to the Company and the Company’s activities can be found on SEDAR at www.sedar.com, and/or on the Company’s website at www.redstargold.com.

MAJOR INTERIM PERIOD OPERATING MILESTONES

Unga Gold Project

2017 Spring Drill Program

On May 4, 2017, the Company announced that the geophysical surveys performed over the Shumagin gold zone in April 2017 have defined multiple hidden/blind structures with significant potential to host high-grade gold mineralization. The newly defined approximate 1.6-kilometre trace of the Shumagin fault, a new footwall splay and the discovery of an additional parallel footwall structure/anomaly strengthens the exploration potential along this long-lived structure that has experienced multiple epithermal mineralizing events.



Geological highlights of the Shumagin gold zone and trend

- The Shumagin gold zone is currently defined over a strike length of approximately 1.6 km by surface mapping and sampling and newly acquired geophysical surveys.
- Geological mapping and sampling toward the southwest from Shumagin indicate a very strong expansion potential along strike for an additional three km toward Orange Mountain, the interpreted hydrothermal centre along the Shumagin trend.
- The Shumagin trend is approximately 9.5 km long and is a major regional structure responsible for the localization of epithermal mineralization and associated alteration exposed about its strike length.
- Results from the 2016 fall drill program at the Shumagin gold zone indicate that high-grade gold-silver mineralization occurs at depth for approximately 950 m of tested strike length, is vertically extensive (to approximately 330 m at depth) and remains open at depth across the entire strike length.

INTERIM PERIOD FINANCIAL CONDITION

Capital Resources

During the three months ended June 30, 2017, 700,000 options were exercised for gross proceeds of \$55,000. Subsequent to June 30, 2017, 500,000 options were exercised for gross proceeds of \$28,000.

These funds will be used to continue the execution of the Company's program at the Unga Gold Project as well as for general and administrative costs.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from equity issuances and the potential



exercise of warrants and options, along with the planned developments within the Company will allow its efforts to continue throughout fiscal 2018. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

Liquidity

As at June 30, 2017, the Company had working capital of \$4,488,533 (March 31, 2017 – \$6,246,506). As at June 30, 2017, cash totaled \$345,439, a decrease of \$1,069,532 from \$1,414,971 as at March 31, 2017. The decrease was due to (a) operating activities of \$1,116,403 including exploration expense of \$1,585,267 and (b) acquisition of exploration assets of \$8,129, while being offset by \$55,000 cash received from the exercise of options.

Operations

For the three months ended June 30, 2017 compared with the three months ended June 30, 2016:

During the three months ended June 30, 2017, the Company incurred \$1,585,267 (2016 - \$187,498) in resources property expense as the Company had a spring drill program in its Unga Gold Project in fiscal 2018.

Excluding the non-cash depreciation of \$2,898 (2016 - \$1,604) and share-based compensation of \$321,284 (2016 - \$970), the Company's general and administrative expenses amounted to \$256,112 (2016 - \$111,897), an increase of \$144,215. The change in the expenses was mainly due to increases in: (a) audit and legal \$35,507 (2016 - \$11,024) and (b) investor relations \$69,566 (2016 - \$13,015). All such increases are a result of supporting the Company's exploration program in its Unga Gold Project during fiscal 2018.

During the three months ended June 30, 2017, the Company reported a loss of \$2,148,470 (2016 – \$304,916), an increase of \$1,843,554. This is a result of the Company's spring drill program in its Unga Gold Project during fiscal 2018.

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of the MD&A, the Company has no outstanding commitments.

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR July 27, 2017 in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Redstar. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.



DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data:

	Issued and Outstanding	
	June 30, 2017	August 16, 2017
Common shares outstanding	297,650,293	298,150,293
Stock options	18,790,000	17,890,000
Warrants	19,565,200	19,565,200
Fully diluted common shares outstanding	336,005,493	335,605,493

QUALIFIED PERSON

Jesse C. Grady, MSc, CPG-11592, is the Company's qualified person, reviewing the exploration projects described throughout the MD&A and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

Cautionary Statements

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.