

REDSTAR GOLD CORP.
Management's Discussion & Analysis

FORM 51-102F1

**For the Period Ending
September 30, 2005**

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 and audited financial statements including the notes thereto for the periods ending September 30, 2005 and March 31, 2005, respectively.

The accompanying unaudited 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 24, 2005 ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the MD&A may contain forward-looking statements. These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

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

Overall Performance

The Company is a junior mining and 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. For the period ending September 30, 2005, the Company negotiated a private loan for the amount \$100,000. The terms of the loan agreement are for a period of one year bearing an interest rate of 12% per annum, compounded monthly. The Company has also agreed to pay the lender 200,000 shares at a deemed price of \$0.10 per share as consideration of the loan. The 200,000 shares pursuant to the loan were issued subsequent to the period.

Administrative expenses during the first six months of the fiscal year decreased approximately 13% to 214,527 (\$242,902 in 2004). Most of the decrease resulted from lower management fees, investor relations fees and rent. Management fees have been reduced to \$9,000 from \$40,300 over the same period as the Company has taken more direct control of its activities in Nevada and Red Lake. Stock based compensation, a non-cash charge, increased slightly to \$43,290 in the period (\$43,006 in 2004). Capitalized exploration costs for the period on all of the Company's properties increased to \$55,084, with \$46,246 spent on the Nevada properties and \$8,838 spent on the Red Lake properties.

Summary of Quarterly Results

	Income (Loss) before discontinued operations \$	Net Income (Loss) per share \$	Revenue \$
September 30, 2005	(110,584)	0.00	-
June 30, 2005	(105,417)	0.00	-
March 31, 2005	(353,877)	(0.01)	-
December 31, 2004	(96,845)	0.00	-
September 30, 2004	(58,352)	0.00	51,864*
June 30, 2004	(82,300)	(0.01)	31,383*
March 31, 2004	(188,651)	(0.01)	-
December 31, 2003	(85,736)	(0.01)	-

*Option income.

Summary of Quarterly Results (continued)

Fluctuations in the Company's expenditures reflect the seasonal variations of exploration and the ability of the Company to raise capital for its projects. For example in June 2005, the Company completed a staking and regional program in Nevada, which in turn, raised costs associated with promotion, travel, and general expenses. The loss in the quarter ending March 31, 2004 and March 31, 2005 is significantly higher due to stock-based compensation expense associated with the exercise of 671,834 options and mineral properties that have been written off. In fiscal 2004, the Company's Sobel Lake properties were written off and in fiscal 2005, the Atikokan properties were written off.

Results of Operations

Pine Nut Property, Nevada USA

The Company announced the acquisition of the Pine Nut project in the Walker Lane Belt of north western Nevada. 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.

The primary target at Pine Nut is high grade gold bearing quartz veins similar to the Midas (+5,000,000 ounces) or Bullfrog (+3,000,000 ounces) deposits. Redstar believes there is significant potential to develop numerous high grade ore shoots within the Pine Nut epithermal system. A program of detailed surface sampling, structural mapping and diamond drilling is planned. The quality of the AngloGold Ashanti database will allow the Company to progress to the drill ready stage very quickly.

The Pine Nut property consists of 53 staked mineral claims and six parcels (totalling approximately 1040 acres) of private land. The private land is held under six lease and lease to purchase arrangements with total payments in the first year of \$57,325. The lease to purchase agreements gives Redstar the ability to purchase both mineral and surface rights for some of the parcels.

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

Dry Gulch Property, Nevada USA (continued)

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.

The Dry Gulch property acquisition is based on the following criteria:

1. the location within the Carlin Trend and the proximity to over 24 million ounces of gold;
2. a new structural interpretation based on published data and proprietary geophysical data;
3. new geological mapping of the Dry Gulch area; and
4. the ability to acquire a significant land position in the area

Newman Todd Property, Red Lake

In September, the Company announced a small four hole drill program to validate the new structural interpretation and follow-up on the high-grade results obtained from the previous drilling on the Newman Todd property.

All four holes drilled by Redstar intersected wide zones of breccia with anomalous to high-grade gold mineralization. Results from the first three holes were released October 26 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 fourth hole, NT-032, was drilled 75 metres south of NT-031 and confirmed the presence of wide spread gold mineralization associated with breccia zones. This hole bottomed in 25 metres of breccia with highly anomalous gold values but stopped short of the main structure intersected in hole NT-031. NT-031 intersected 117 metres of breccia with highly anomalous gold values (identical to the breccia intersected in NT-32) before intersecting the one metre section of 69.02 g/t gold at a vertical depth of 180 metres. NT-032 was only drilled to a vertical depth of 115 metres. Redstar's technical team believes if this hole was extended it would intersect the high-grade zone from hole NT-031.

The four holes completed by Redstar partially outline a large, near surface alteration and breccia zone that hosts multiple, parallel, north-south trending, gold bearing structures. This is similar to the Goldcorp mine where multiple, steep dipping, parallel structures are currently being mined to a depth of over 2000 metres. The high-grade intercepts within the Newman Todd breccia zone remain open along strike and at depth.

Liquidity

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. As at September 30, 2005, the Company had a working capital deficiency of \$108,659 and an accumulated deficit of \$5,862,962. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise additional funds or the attainment of profitable operations.

The Company also has the following share purchase warrants and incentive stock options as at the date hereof available for exercise:

Liquidity (continued)

Warrants		
Number of Shares	Exercise Price	Expiry Date
3,260,000	\$0.25 and \$0.30	February 23, 2007
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3,260,000		
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Options		
Number of Shares	Exercise Price	Expiry Date
130,000	\$0.20	June 12, 2007
680,000	\$0.12	April 4, 2008
712,500	\$0.18	September 11, 2008
1,500,000	\$0.10	October 1, 2009
600,000	\$0.20	February 25, 2010
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3,622,500		
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The Company has no long-term liabilities. Outstanding obligations include rent of an office premise, which is in the second year of a six-year lease.

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.

Red Lake Properties

Subject to regulatory approval, the Company renegotiated their letter option agreement to acquire a 51% interest in 51 mineral claims located in the Red Lake District of Ontario. To exercise the option the Company must make, in stages, cash payments of \$200,000, issue 250,000 common shares, and issue \$75,000 of common shares at market value to the optionor and incur \$1,100,000 in exploration expenditures on the property as follows:

- (i) Shares and cash payments
 - 250,000 common shares on regulatory approval and \$25,000 on or before February 28, 2005
 - \$25,000 worth common shares at market value and \$25,000 on or before February 28, 2006
 - \$25,000 worth common shares at market value and \$50,000 on or before February 28, 2007
 - \$25,000 worth common shares at market value and \$100,000 on or before February 28, 2008

Red Lake Properties (continued)

(ii) Work expenditures

- \$200,000 on or before February 28, 2007
- \$500,000 (aggregate) on or before February 28, 2008
- \$1,100,000 (aggregate) on or before February 28, 2009

An additional 9% interest can be earned by incurring \$3,000,000 in exploration expenditures on the property on or before February 28, 2013.

Certain of the mineral claims are subject to a 2% net smelter return royalty.

Biron Bay Property

The Company signed a letter option agreement to acquire a 100% interest in 48 mineral claims located in Ball Township, Red Lake District of Ontario. To exercise the option the Company must make staged cash payments of \$50,000 and issue 100,000 common shares to the optionor as follows:

- 50,000 common shares within 5 days of and \$15,000 upon regulatory approval (issued and paid)
- 25,000 common shares (issued in 2004) and \$25,000 on or before May 14, 2004
- 25,000 common shares (issued in 2005) and \$10,000 on or before May 14, 2005
- 100,000 additional common shares if the mine is put into production.

The mineral claims are subject to a 1% net smelter royalty that may be purchased back for \$1,000,000.

The Company has defaulted on some of the payments but is in the progress of negotiating a new agreement.

Newman Todd Property

The Company has signed a letter agreement with AngloGold Ashanti giving the Company the option to earn a 100% interest in all of AngloGold Ashanti's Red Lake properties. The properties consist of 26 patented claims and 13 staked claims in the West Red Lake area of northern Ontario and include the Newman Todd property where previous work has outlined 3 zones of gold mineralization.

Under the terms of the agreement, Redstar will issue 700,000 shares to AngloGold Ashanti over a three-year period as well as a retained royalty. In addition, Redstar will convey to AngloGold Ashanti \$1,000,000 worth of shares if a mine is put into production within the property. An additional \$1,000,000 worth of shares will be issued once production exceeds 250,000 ounces of gold.

Nevada Geological Database

The Company and AngloGold Ashanti North America Inc. ("AngloGold Ashanti") have signed a letter agreement outlining the terms of an exploration partnership to explore within Nevada. The terms are subject to the completion of a formal agreement.

Nevada Geological Database (continued)

The agreement will give the Company exclusive rights to the AngloGold Ashanti database for a period of 18 months in exchange for 100,000 shares of the Company. AngloGold Ashanti will retain a back-in right on any property interest Redstar acquires in Nevada. Once Redstar has spent a total of \$750,000 on any particular project AngloGold Ashanti will have the one time right to back into the project for a 60% interest by spending \$1,500,000 within three years. The agreement is renewable on both parties consent for additional one-year terms. Once Redstar has spent \$2,000,000 on Nevada exploration they will acquire a full copy of the database and the agreement will be terminated.

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 that contractor \$26,213 (2004 - \$84,350) for exploration costs and \$69,198 (2004 - \$101,501) to reimburse office and administrative costs. As at September 30, 2005, the Company had advanced \$56,953 to that contractor.
- (b) Management fees of \$9,000 (2004 - \$15,000) and \$14,813 (2004 - \$15,776) for rental of shared office premises was paid to a company in which a director is a principal; as at September 30, 2005, the Company owed that company \$9,718.
- (c) September 30, 2005, the Company owed \$2,354 to a company with two directors in common.

Changes in Accounting Policies and Initial Adoption

Effective April 1, 2003, the Company adopted CICA 3870 "Stock-Based Compensation and Other Stock-Based Payments" for accounting for stock-based compensation expense. Under this standard, stock-based payments to non-employees and employee awards that are direct awards of stock, call for settlement in cash or other assets, or stock appreciation rights that call for settlement by issuance of equity instruments, granted on or after April 1, 2003, are accounted for using the fair value based method and are recorded as an expense in the period the stock-based payment are vested or the awards or rights are granted.

During 2003, the CICA released amendments to Section 3870, which require an expense to be recognized in the financial statements for all forms of employee stock-based compensation, including stock options, commencing on January 1, 2004. The Company has elected for the early adoption of the amendments during the fourth quarter of fiscal 2004. Prior to the adoption, no compensation expense was recognized when stock options were granted to directors and employees if the exercise price of the stock options granted were at market value. However, the effects of accounting for stock-based compensation to directors and employees as compensation expense, using the fair-value based method, was disclosed as pro-forma information in the notes to the financial statements.

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.

Subsequent Events

Subsequent to the period ending June 30, 2005, the Company announced the appointment of Jacob (Jake) Margolis to the position of Exploration Manager USA. Jake will spearhead Redstar's exploration efforts in Nevada and the rest of the Great Basin and will be responsible for project development and acquisitions.

Jake has over twenty years of experience in gold exploration, mostly in Nevada and the Great Basin. He has worked as an exploration manager and district geologist for AngloGold Ashanti in Nevada, and has an intimate knowledge of the AngloGold Ashanti database acquired by Redstar through an exploration partnership agreement (January 13, 2005). Jake was one of the geologists responsible for compiling the database and utilizing it to develop projects.

Jake has experience in both the senior and junior exploration and mining sectors including work for Corona Corporation, Homestake Mining Company and AngloGold Ashanti. Most recently Jake was Vice President of Exploration for Bullion River Gold Corp.

On Behalf of the Board,
REDSTAR GOLD CORP.

Scott Weekes,
President