

REDSTAR CLOSES \$2.5 MILLION PRIVATE PLACEMENT

Redstar Gold Corp. has closed its brokered private placement led by PowerOne Capital Markets Ltd. and including Pacific International Securities Inc. Under the brokered private placement, the company issued 12.5 million units at a price of 20 cents per unit for gross proceeds of \$2.5-million.

Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share until May 31, 2009, at a price of 30 cents.

As consideration for their services, PowerOne and Pacific International received commissions of \$26,250 cash, 743,750 units on the same terms as the units and 1.25 million compensation options. Each compensation option will entitle the agents to purchase one broker unit until May 31, 2009, at an exercise price of 20 cents. Each broker unit consists of one common share of the company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share until May 31, 2009, at a price of 30 cents.

Proceeds from the offering will be used to finance further exploration on the company's Newman Todd property in Red Lake, continued expansion of its Nevada property portfolio, and for general working capital.

All of the securities issued pursuant to this private placement (including common shares issuable upon exercise of the warrants and common shares and warrants issuable upon exercise of the compensation options) have a four-month hold period that expires on Oct. 1, 2007.