REDHAWK RESOURCES, INC.

Management Discussion & Analysis

March 31, 2009

Dated July 29, 2009

This discussion and analysis should be read in conjunction with the audited consolidated financial statements and related notes thereto for the years ended March 31, 2009 and 2008 (the "Financial Statements"), which have been prepared in accordance with Canadian generally accepted accounting principles. All amounts in the financial statements and this discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

FORWARD LOOKING INFORMATION

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to Redhawk Resources, Inc. ("Redhawk" or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

DESCRIPTION OF BUSINESS

The Company and its wholly-owned subsidiaries, Redhawk Copper, Inc. and Redhawk Resources (USA), Inc., are engaged in the acquisition, exploration and development of resources with a primary focus on the accelerated development of its advanced stage Copper Creek copper-molybdenum project in San Manuel, Arizona. The Company also has a gold/silver property of merit in Nevada.

The Company trades on the TSX Venture Exchange ("TSXV") under the symbol "RDK" and the Frankfurt Stock Exchange Open Market under the trading Symbol "QF7".

OFFICER/DIRECTOR APPOINTMENTS

A number of board and officer changes were made during the 2009 fiscal year. On October 1, 2008 the Company announced that J. Stephen Barley, a director of the Company was appointed as managing director of the Company. Concurrently Mr. Douglas Good resigned as Chairman and as a director of the Company. On December 12, 2008, the Company announced the appointment of Mr. R. Joe Sandberg, President of the Company to the Board of Directors and the resignation of Mr. Kalidas V. Madhavpeddi as a director of the Company.

RESULTS OF OPERATIONS - RESOURCE PROPERTIES

Resource property expenditures during the year ended March 31, 2009 as compared to March 31, 2008 are as set out below.

	Year ended March 31, 2009	Year ended March 31, 2008
Alien, Nevada, USA		
Acquisition	**$ 6,500**	$ 24,710
Permits and fees	**27,706**	31,693
	$ 34,206	$ 56,403

Ramona, Nevada, USA		
Acquisition	$ **42,039**	$ 42.003
Other	**5,442**	344
	$ **47,481**	$ 42,347
Copper Creek, Arizona, USA		
Acquisition	$ **259,952**	$ 2,478,586
Assaying and laboratory	**72,067**	62,091
Drilling	**500,335**	2,562,192
Engineering and consulting	**728,247**	760,075
Field Costs	**-**	73,858
Permits and fees	**78,798**	32,972
Stock based compensation	**63,947**	123,629
Other	**96,634**	24,612
	$ **1,799,980**	$ 6,118,015
Total deferred exploration cost for the year	**1,881,667**	6,216,765
Less: Spin off of ReMac Properties	**-**	(2,883,663)
Impairment loss	**(1,035,754)**	-
Balance - beginning of year	**12,337,838**	9,004,736
Balance - end of year	$ **13,183,751**	$ 12,337,838

COPPER CREEK

Redhawk's principal property is its seven square mile Copper Creek property located in the southwest porphyry copper belt in the State of Arizona, 75 miles northeast of Tucson and 15 miles northeast of San Manuel, in an area well situated in regard to existing general and copper mining infrastructure. Copper Creek hosts multiple breccia and porphyry copper deposits. Both deposit types include historical copper resources. Molybdenum is present in varying amounts in both the breccia and porphyry copper deposits and is expected to provide substantial credits to both deposit types. Gold and silver are also present in both deposit types and are expected to provide credits during mining.

The most significant of these deposits identified to date on the Copper Creek property are the Mammoth, Childs-Aldwinkle, Old Reliable, Copper Prince, and Globe breccias, plus the Keel zone and American Eagle porphyry. Prior to Redhawk's acquisition of the property there had been more than 407,000 feet (77 miles) of rotary and diamond drilling completed on the property. Since acquiring the Copper Creek property Redhawk has re-organized the historic data; conducted a review and analysis of the breccia's; the Keel zone; and the American Eagle porphyry; developed new geological models; completed an additional 51,000 feet of diamond and reverse circulation drilling; completed new NI 43-101 compliant resource estimates; completed environmental studies and applied for permits to allow for underground access; and commissioned and completed a detailed scoping study on the economic viability of the Copper Creek property.

On September 9, 2008 the results from the two completed drill programs were released in an updated NI 43-101 compliant mineral resources estimate authored by Independent Mining Consultants (IMC). The new estimate increased the total pounds of copper equivalents to 0.652 billion pounds in the combined measured and indicated categories and 2.745 billion pounds in the inferred category representing a significant increase from previous resource estimates which had totalled approximately 2.1 billion pounds of copper equivalents.

This increase is attributable to increased resources in the Keel deposit and two new breccia deposits known as the Globe and the Copper Prince which contributed to additional high grade near surface resources. The increase in the Keel zone does not include gold and silver credits as previous operators did composite assays over intervals conservatively considered too long to be included in the current resource calculations. The full resource report is posted on the Company's website as well as on www.sedar.com.

Redhawk believes that a combination of the higher-grade breccia deposits and the much larger porphyry deposits represented by the Keel and American Eagle deposits offer an opportunity for developing a large long life underground mining operation. Redhawk, through its consultants, completed the ground water monitoring, waste rock characterization studies, environmental and cultural studies required to submit an Aquifer Protection Permit (APP) with the Arizona Department of Environmental Quality being the principal permit required to allow an exploration decline to be driven. That permit application was submitted in October 2007 and approval is expected in August 2009.

KD Engineering of Tucson, AZ completed a detailed scoping study report examining the economic viability of underground mining using various extraction techniques for the Copper Creek project with contribution from Redhawk's other consultants, IMC (resources), Milne & Associates (mining costs and engineering), Golder Associates (hydrology and engineering), METCON (metallurgy), and WestLand Resources (permitting and environmental). The study was released in February, 2009.
The Base Case used in the scoping study is to begin production at a rate of 2,500 short tons per day (tpd) from the near surface breccia resources and increase the production rate to 10,000 tpd when the deeper Keel and American Eagle resources are accessed and developed. A two product (copper concentrate and molybdenum concentrate) conventional mill would be built on site beginning at 2,500 tpd and enlarging to 10,000 tpd as the mining rate is increased. Mining is anticipated to be blasthole stope and fill, with potentially some cut and fill, in the breccia deposits and room and pillar/post and pillar with engineered fill in the Keel and American Eagle deposits. Total mine, mill, and development capital costs are estimated at US$389 million. Mine and mill operating costs were also estimated. Mine operating costs, direct and indirect, in the breccia deposits are estimated at $US31.06/short ton to $US35.32/short ton depending upon the particular deposit and mining method and $US18.02/short ton for the bulk deposits mined with the room and pillar/post and pillar method. All mining methods include backfilling costs. Mill operating costs are estimated at $US14.31/short ton at 2,500 short tons per day throughput and $US9.15/short ton at 10,000 short tons per day throughput.

The pre-tax cash flow analysis over a 20 year operating period uses a copper price of $2.25/pound, molybdenum price of $15.00/pound, silver price of $10.00/troy ounce, and gold price of $600/troy ounce. The pre-tax economic analysis results indicate that an IRR of 11.0 percent is achievable. The corresponding pre-tax NPV is US$545.2 million at a zero discount rate, US$175.6 million at a 5 percent discount rate, and $US18.3 million at a 10 percent discount rate. Payback of capital invested is achieved after 9.5 years of operation. The breakeven copper price at a zero percent discount rate is $1.80 per pound. With a discount rate of 7.5 percent, a NPV of zero is produced at a copper price of $2.09 per pound. Sensitivity analysis shows a 10 percent increase in copper price, $2.475 per pound, results in an indicated IRR of 15.4 percent and a NPV of US$195.8 million using a 7.5 percent discount rate. Over the 20 year production life of the study more than 1.3 billion pounds of copper, 26.6 million pounds of molybdenum, and 528,900 troy ounces of silver are produced and recovered. Considerable unmined resources remain after the 20 year production period covered by the study and could be minable depending upon costs and metal prices at that time.

ALIEN AND RAMONA PROJECTS

The ***Alien Gold project*** is 100% owned and consists of approximately five square miles located 55 miles southeast of Tonopah, Nevada, along the Walker Lane Trend. On May 27, 2009, the Company cancelled its option to acquire a 100% interest in the Alien Gold project. The Company determined to focus its financial resources on the Copper Creek project due to the current economic downturn.

The 100% owned ***Ramona Gold project*** is also located along the Walker Lane Trend about 12 miles southwest of Hawthorne, Nevada, and immediately west of the Borealis Freedom Flats open pit deposit which is being developed

by Gryphon Gold Corp. Historic drill results from the Borealis include 180 ft of 0.66 oz/ton gold including 25ft of 2.03 oz/ton gold from hole FF-229 in the Graben area, and drill hole FF-125 which returned 50ft of 0.83 oz/ton gold from beneath the Freedom Flats pit.
The Company has not been actively developing the aforenoted Nevada properties during the year ended March 31, 2009 and has recorded an impairment loss of $1,035,754 reflecting the total amount recorded as acquisition and exploration costs for these properties.

The Qualified Person, under the meaning of Canadian National Instrument 43-101, responsible for the technical content of this Management Discussion & Analysis is R. Joe Sandberg, CPG, the president of the Company.

SELECTED ANNUAL FINANCIAL RESULTS

Fiscal years ended March 31, 2009, 2008 and 2007, in $000's except per share amounts:

	2009	2008	2007
Financial results			
Total revenue	**Nil**	Nil	Nil
Net loss for year	**2,556**	2,093	1,191
Basic and diluted loss per share	**($0.03)**	($0.03)	($0.02)
Expenditures on resource properties	**1,882**	6,217	3,458
Balance sheet data			
Cash and cash equivalents	**12**	158	1,192
Short-term investment	**221**	9	-
Term deposit in trust	**-**	-	3,000
Resource properties	**13,184**	12,338	9,005
Total assets	**13,504**	12,696	13,502
Long term liabilities	**2,714**	1,719	-
Shareholders' equity	**10,569**	9,874	12,714

	Year Ended March 31, **2009**	Year Ended March 31, 2008
Expenses		
Audit and accounting	**$ 95,065**	$ 162,553
Amortization	**15,084**	21,804
Filing fees	**8,020**	16,987
Insurance	**33,210**	35,908
Investor relations	**84,777**	210,096
Legal	**53,622**	112,421
Management fees and consulting	**187,520**	396,728
Office and sundry	**25,859**	49,217
Salaries and benefits	**108,435**	138,182
Rent	**35,849**	102,918
Stock based compensation expense	**252,954**	841,722
Transfer agent	**6,854**	39,768
Travel and accommodation	**37,859**	38,248
Operating Loss	**$ 945,108**	$ 2,166,552
Other Income (Expenses)		
Foreign exchange (gain) loss	**530,897**	(39,179)
Interest (income)	**(18,773)**	(83,693)
Interest expense	**5,792**	-
Financing costs	**-**	62,460
Resource property cost recovery	**-**	(12,967)

Loss on securities held for resale	**8,036**	-
Loss on write down of property and equipment	**49,158**	-
Impairment loss	**1,035,754**	-
Loss and comprehensive loss for the year	**$ 2,555,972**	$ 2,093,173

As an exploration company, there are no revenues being generated from operations. The Company incurred an operating loss of $945,108 for the year ended March 31, 2009 as compared to an operating loss of $2,166,552 for the prior fiscal year. The main reasons for the significant decrease from the previous year end are a result of cost saving overhead reductions and reduced activity in administration, legal, audit and accounting, and management fees and consulting. Stock based compensation of $252,954 in 2009 was $588,768 lower than in 2008 due to differences in stock option grants and vesting amounts from year to year.

The foreign exchange gain or loss reflects the effect that the fluctuations in foreign currency exchange rates, from year to year, have on the carrying value of foreign assets and liabilities held by the Company. An impairment loss on the Ramona and Alien projects of $1,035,754 was recognized in the fourth quarter of 2009. This impairment loss is equal to the total amount recorded as acquisition and exploration costs. *(See Results of Operations -Resource Properties*).

SELECTED QUARTERLY FINANCIAL RESULTS

In $000's except per share amounts, for the last eight fiscal quarters ended:

	March 31, 2009	Dec 31, 2008	Sept 30, 2008	June 30, 2008	March 31, 2008	Dec 31, 2007	Sept 30, 2007	June 30, 2007
Financial results								
Net Revenue	**Nil**	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss for period, excluding impairment loss	**241**	587	384	308	596	548	487	462
Impairment loss	**1,036**	-	-	-	-	-	-	-
Basic and diluted loss per share	**0.017**	0.008	0.005	0.004	0.01	0.01	0.01	0.01
Expenditures on Resources properties	**242**	255	468	917	1,756	1,035	547	2,879
Balance sheet data								
Cash and cash equivalents	**12**	329	835	1,403	158	1,912	2,832	99
Short- term investments	**221**	1	1	9	9	9	9	9
Term deposit in trust	**-**	-	-	-	-	-	-	3,000
Resource properties	**13,184**	13,978	13,723	13,255	12,338	10,583	9,547	9,000
Total assets	**13,504**	14,424	14,711	14,814	12,696	2,090	12,574	12,671
Long term liabilities	**2,714**	2,566	1,838	1,734	1,719	1,623	1,620	1,722
Share holders' equity	**10,569**	11.475	11,992	12,277	9,874	10,330	10,261	10,202

Fourth Quarter Results

The 2009 fourth quarter loss of $1,276,842 compared to $573,863 for the 2008 fourth quarter was affected by the timing of the write off of resource properties, the changes in stock option grants and vesting amounts from period to period, and the recognition of foreign exchange gains and losses. General and administrative expenses have decreased due to the reduction in overheads and administrative activities.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and working capital position as at March 31, 2009 compared to March 31, 2008 is as follows:

		March 31, 2009		March 31, 2008
Cash and cash equivalents and short-term investment	$	**232,751**	$	167,204
Working capital (deficiency)		**70,970**		(834,355)

The Company has made an appropriate response to the current severe market conditions in order to protect its capital resources. The Company with the cooperation of various parties has renegotiated all property and advance royalty payments in order to defer the payments and pay them over a longer time frame. The San Manuel operations office has been closed and the use of consultants has been reduced to a minimum. The Vancouver corporate office has been assigned to a third party for the balance of the term of the lease. All employees in Vancouver have been let go and consulting fees for all senior officers have been reduced by an average of 60%. All expenditures are being closely monitored.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going-concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company for the year ended March 31, 2009 incurred a loss of $2,555,972, had working capital of $70,970 and an accumulated shareholders' deficit of $14,078,508 at year end. Included in the loss, is a non-cash charge of $1,035,754.
The Company's current financial position and forecast cash flow requirements for the next year to meet its resource property requirements and corporate requirements indicated that there is significant doubt about the ability of the Company to continue as a going concern.
Management will pursue additional financing but believes that with the reduction in overhead and expenditures noted above, its current cash and short-term investment on hand including the $454,000 net proceeds from the most recent private placement of approximately $550,000 will sustain the Company's reduced operations until the end of November 2009. There can be no assurance that financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.
These consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumptions inappropriate. Such adjustments could be material.

CONTRACTUAL OBLIGATIONS

The Company entered into a purchase agreement to acquire mining claims in the Copper Creek District from Freeport-McMoRan. On October 17, 2008 an amended agreement was executed by the parties to reduce the US$500,000 promissory note payment due October 1, 2008 to US$125,000 paid on January 14, 2009 with the balance of US$375,000 added as payments on the back end of the promissory note. The US$500,000 promissory note payment due April 1, 2010 has been reduced to US$375,000 with the balance of US$125,000 also added as payments at the back end of the promissory note. All of the conditions subsequent to the amending agreement have been fulfilled.

Additional property payments of $62,500 are payable in Fiscal 2010 to third parties for advance royalties.

RELATED PARTY TRANSACTIONS

During the year ended March 31, 2009, the Company incurred:

a) Consulting fees totalling $31,000 (2008- $27,000) for services provided by the Chief Financial Officer of the Company. The balance owing at March 31, 2009 is $2,000, with no specific terms or conditions.
b) Consulting fees totalling $32,500 (2008 - Nil) were paid to a Company controlled by the managing director of the Company. The balance owing at March 31, 2009 is $5,000, with no specific terms and conditions.
c) Management fees totalling $120,000 (2008-$212,400) were accrued to a Company controlled by two directors of the Company. The balance owing at March 31, 2009 is $145,000 with no specific repayment terms or conditions.
d) Consulting fees totalling US$120,750 (2008- US$147,515) were paid to the president and director of the Company. The balance owing at March 31, 2009 is US$5,000, with no specific terms or conditions. An option payment for the Ramona property in the amount of US$15,000 (2008-US$12,500) and 12,500 (2008-12,500) shares were paid and issued to the president and director of the Company.
e) On April 16, 2008, and on May 12, 2008 short term loans of $350,000 and $15,000 respectively were advanced to the Company by directors or parties related to the directors. The promissory notes were interest bearing at 12% per annum and due on demand. The promissory notes and interest in the amount of $5,792 were repaid on May 28, 2008.
f) Salaries, rent and office supplies totalling $73,157 (2008- Nil) was charged to a company with common management. The amount receivable at March 31, 2009 is $5,535, with no specific terms or conditions.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the consideration established and agreed to by the related parties.

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the Board of Directors.

CRITICAL ACCOUNTING ESTIMATES

The Company is a venture issuer and is not required to provide critical accounting estimates.

CHANGES IN ACCOUNTING POLICIES

New Accounting Policies

Effective April 1, 2008, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"):

Section 3862, "Financial Instruments – Disclosures". This section describes the required disclosure to evaluate the significance of financial instruments for the entity's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks.

Section 3863, "Financial Instruments – Presentation". This section establishes standards for presentation of financial instruments and non-financial derivatives. These sections detail the presentation of standards described in Section 3861, "Financial Instruments – Disclosure and presentation".

Section 1535, "Capital Disclosures". This section establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The section seeks to determine if the entity has complied with capital requirements and if not, the consequences of such noncompliance.

The CICA amended Handbook Section 1400 to include requirements for management to assess and disclose an entity's ability to continue as a going concern.

Future Accounting Policies

The CICA issued a new accounting standard, Handbook Section 3064 – "Goodwill and Intangible Assets". This section replaces CICA Handbook Section 3062 – "Goodwill and Intangible Assets" and Section 3450 – "Research and Development Costs", and establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. On adoption of this new Standard, EIC 27 – "Revenues and Expenditures During the Pre-operating Period" is withdrawn and so various preproduction and start-up costs may be required to be expensed as incurred. This Standard will be applicable to the Company for annual and interim accounting periods beginning on October 1, 2009. The Company does not expect that this Standard will have a material impact on its consolidated financial statements.
The CICA issued three new accounting standards in January 2009: Section 1582 – Business Combinations, Section 1601 – Consolidated Financial Statements and Section 1602 – Non-Controlling Interests, these sections are harmonized with International Financial Reporting Standards. Section 1582 specifies a number of changes, including: an expanded definition of a business combination, a requirement to measure all business acquisitions at fair value, a requirement to measure non-controlling interests at fair value, and a requirement to recognize acquisition-related costs as expenses. Section 1601 establishes the standards for preparing consolidated financial statements. Section 1602 specifies that non-controlling interests be treated as a separate component of equity, not as a liability or other item outside of equity. These Standards will be applicable to the Company for annual and interim accounting periods beginning on January 1, 2011.

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended March 31, 2010.

International Financial Reporting Standards ("IFRS") Implementation Plan

The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. While an analysis will be required for all current accounting policies, the initial key areas of assessment will include:

- Exploration and development expenditures
- Property and equipment (measurement and valuation);
- Stock-based compensation;
- Accounting for income taxes
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of the Company's IFRS implementation plan will also be addressed, including: the implication of changes to accounting policies and processes and financial statement note disclosure. The table below summarizes the expected timing of activities related to the Company's transition to IFRS:

Initial analysis of key areas for which changes to accounting policies may be required	In progress now
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives	Throughout 2009
Assessment of first-time adoption (IFRS 1) requirements and alternatives	Throughout 2009
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	By December 31, 2009
Resolution of the accounting policy change implications on the accounting processes	By December 31, 2009
Quantification of the Financial Statement impact of changes in accounting policies	Throughout 2010

RISK AND UNCERTAINTIES

Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The recovery of the Company's investment in resource properties and the attainment of profitable operations is dependent upon the discovery and development of economic ore reserves and the ability to arrange sufficient financing to bring the ore reserves into production. The ultimate outcome of these matters cannot presently be determined because they are contingent on future events including but not limited to:

Metal Price Risk: Redhawk's properties have exposure to copper, molybdenum, silver and gold, the prices of which greatly affects the value of and the potential value of its properties. This, in turn greatly affects its ability to form joint ventures, negotiate option agreements and raise equity capital.

Financial Markets: Redhawk is dependent on the equity markets as its sole source of operating working capital and Redhawk's capital resources are largely determined by the strength of the resource markets and the status of Redhawk's projects in relation to these markets, and its ability to compete for the investor support of its projects.

Competition: The Company competes with other exploration and mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, as well as for the recruitment and retention of qualified personnel.

Environmental, Health and Safety: Environmental laws and regulations may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore the permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. The Company intends to minimize these risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to international environmental standards.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements.

FINANCIAL INSTRUMENTS

The carrying value of cash and cash equivalents, short term investments, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturity of these financial instruments.
Financial assets that may be exposed to credit risk consist primarily of cash and cash equivalents, which are placed with a major Canadian financial institution, primarily in guaranteed investment certificates. None of the funds were, or are, invested in assets backed commercial paper type securities.

The Company's functional currency is the Canadian dollar, and the Company has assets in the United States, which could give rise to exposure to market risk from foreign currency rate changes.

SUBSEQUENT EVENTS

On June 15, 2009 the Company completed a non-brokered private placement for 5,000,000 units at a price of $0.10 per unit for gross proceeds of $500,000 and net proceeds of $454,000. Each unit consists of one common share and one transferable common share purchase warrant, each warrant entitling the holder to acquire one additional common share until June 16, 2010 at a price of $0.15 per share.

On April 6, 2009 the Company granted 2,695,000 employee and consultant stock options, 1,045,000 at $0.25 exercise price and 1,650,000 at $0.17 exercise price, the options expire on April 6, 2014.

On April 28, 2009 the TSX Venture Exchange accepted amendments as to the exercise price only for various employee and consultant incentive stock options granted between August 1, 2006 and December 10, 2007 at an exercise price of $0.60. The incentive stock options exercise price was amended to $0.17 for 291,000 stock options and to $0.25 for 194,000 stock options.

On May 27, 2009, the Company cancelled its option to acquire a 100% interest in a long-term mineral lease of 16 unpatented mining claims located in Nye County, Nevada, known as the Alien Gold project.

LEGAL CLAIMS AND CONTINGENT LIABILITIES

At July 29, 2009, there were no material legal claims or contingent liabilities outstanding.

INVESTOR RELATIONS

Information on Redhawk and its projects, including project photos, detailed technical reports and executive summaries is available on the Company's website at www.redhawkresources.com or by calling J. Stephen Barley, managing director at 604-633-5088.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

Outstanding Share Data

As at July 29, 2009, the Company had 78,010,820 common shares outstanding. There were 14,733,000 warrants outstanding, 5,733,000 exercisable at $0.65 which expire on May 26, 2010; 4,000,000 exercisable at$0.15 which expire on February 25, 2010; and 5,000,000 exercisable at $0.15 which expire on June 16, 2010. In addition 6,000,000 stock options were outstanding at exercise prices ranging from $0.16 to $0.65 per share.

Information Available on SEDAR

Additional information relating to the Company is available on the SEDAR website at www.sedar.com

On behalf of the Board of Directors,

July 29, 2009

"R. Joe Sandberg"
President