

Redhawk Resources, Inc.
Form 51-102F1
Management Discussion and Analysis
For the Period Ended December 31, 2006

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 Redhawk. 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 Redhawk’s exploration properties. Such statements reflect the current views of Redhawk 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 Redhawk to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The Quarter in Review (October 1, 2006– December 31, 2006)

This past quarter has been one of significant achievement for Redhawk at both of our base metal projects, Copper Creek in Arizona and ReMac in British Columbia.

At Copper Creek a surface drilling program was initiated, aimed at expanding the recently developed resource estimate and exploring for other favourable breccia targets. Drilling commenced in mid November and had completed 1564 feet by the end of the period. In addition, an agreement in principal was reached with Phelps Dodge Corporation to acquire 27 mining claims covering 520 acres of land located within Redhawk’s overall land holdings in the district. This consolidates the Copper Creek assets under one ownership and potentially adds significant mineral resources to Redhawk’s existing resource base.

At ReMac the plan to spin off the project into a separate company culminated in Redhawk entering into an Arrangement Agreement with OMC Capital Corporation in which OMC would acquire the ReMac Zinc project in exchange for shares in its capital. The closing of the Arrangement Agreement is expected to occur by the end of April, 2007. By year end Redhawk’s wholly owned subsidiary ReMac Zinc Corp (RMZ) completed a private placement of 4,000,001 flow through shares for gross proceeds of \$3,000,000 to be used in advancing the exploration and development of the ReMac project. An independent technical report was completed on the ReMac project, the conceptual mining studies were nearing completion at year end and the metallurgical test work was still in progress.

The Copper Creek and ReMac projects are discussed in more detail below.

Gold Projects

There has been no activity to report on the company’s epithermal gold deposits, Alien Gold and Ramona Gold, along the Walker Trend in Nevada, due to the focus of attention being on the Copper Creek project.

The Alien Gold Project is still considered a property of merit, based on work by Redhawk and others, and the company will continue to seek third party interest in its next stage of development.

Similarly, with Ramona Gold, which lies adjacent to the Borealis project of Gryphon Gold, Redhawk will seek opportunities to fund future exploration work through a joint venture partnership.

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Gold Projects –continued

More information on the Alien and Ramona projects can be found on the company's website at www.redhawkresources.com.

Copper Creek Project

The seven square mile Copper Creek project is located in Pinal County, Arizona, 75 road miles northeast of Tucson and 15 miles northeast of San Manuel. Copper Creek is situated in the southwest copper porphyry belt in an area of exceptionally well-developed general and copper mining infrastructure. The property is a Laramide age "porphyry copper" system and hosts numerous copper mineralized breccia pipes and deep "porphyry copper style" copper and molybdenum mineralization. Several of the deposits have been extensively explored by previous operators. There has been more than 407,000 feet (77 miles) of rotary and diamond drilling completed on the property.

The most significant of these deposits are the Mammoth, Childs-Aldwinkle(CA), Old Reliable(OR) and American Eagle breccias, plus the Keel zone and American Eagle and Lower Mammoth porphyrys. Since acquiring the Copper Creek property Redhawk has re-organized the historic data, conducted review and analysis of the Mammoth, CA and OR breccias and the Keel zone, developed new geological models and completed a new resource estimate. The work has included logging and re-logging of core from previous drilling campaigns and check assaying of historic pulp samples. By the end of the quarter almost 93,000 feet of core and RC chip logging had been completed in 59 drill holes, with further re-logging planned to continue in areas of interest and/or areas of poor initial logging.

The main activity at the Copper Creek project site was the surface diamond drill program, which commenced in October with the contractor, Frontier Drilling, mobilizing equipment, setting up water supply and preparing drill sites. The first hole on the Mammoth deposit started in mid November and was drilled to a depth of 323 feet, with mineralized breccia being encountered between 152 and 244 feet. Hole #2 was completed to 404 feet with mineralization in the breccia being intersected from 146 to 354 feet, which confirmed the mineralized breccia in the resource model. Similar to hole #1, the upper part of the breccia has good chalcopyrite mineralization while the lower portion was mainly pyrite. Hole #3 had drilled 837 feet by the end of the quarter, with breccia being encountered at 176 feet and good chalcopyrite present in the breccia. The hole was subsequently completed to a depth of 1154 feet, remaining in breccia to 1040 feet, then quartz sericite alteration with copper mineralization to 1125 feet. The initial holes in the program all encountered breccia intervals similar to, or slightly larger than, those predicted by the resource model.

All new drill holes are being geologically and geotechnically logged before the core is split and sent for assay. Initial guidance on geotechnical logging was provided by geotechnical consultants Call and Nicholas, who are also conducting mechanical tests on a selection of core samples. Prior to the end of the quarter samples from the first two holes were sent to ALS Chemex in Nevada for sample preparation and then on to Chemex in Vancouver for assaying.

Drilling progress by the contractor in the period was slower than forecast, as operations were restricted to a single shift basis due to a shortage of drill operators. The contractor had planned to have additional crews available after the Christmas break to speed up the program and also bring in a second, smaller, drill to drill some additional shallower holes.

Redhawk's geology staff began to evaluate other near surface breccia targets, particularly in the American Eagle area, that are potential targets for building mineral resources with surface drilling. The work is based on existing geology, geochemistry and geophysics with new sampling, mapping and ground evaluation. Six breccias have been identified so far as prime targets. The new work shows a wide variety of the breccias and variation within some of the breccias.

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Copper Creek Project – *continued*

Redhawk's environmental consultant, Westland Resources Inc. continued to work on the APP (Aquifer Protection Permit) requirements for the proposed underground exploration program. In collaboration with Golder Associates, monitoring well sites were established and the locations approved by the regulatory authorities. Bids for drilling of the wells were received and under review at year end. A contract was subsequently awarded and the drilling commenced at the end of January. WestLand and Golder commenced work on developing an air/weather monitoring plan, a waste rock characterization program, and plans for the waste rock and water/runoff containment. This is all pre-requisite for the APP application.

A preliminary conceptual development study on the Copper Creek was completed by independent consultants and presented to Redhawk management for review early in the quarter. The objective of the study was to permit management to assess the potential economic viability of underground mining in the three main breccias plus the Keel zone, based on IMC's resource estimate. The basic concept developed in the study was a 3,000tpd underground mine with an on-site concentrator. During the course of the review several revisions were made and various alternative concepts were evaluated, such as contractor mining and off-site custom milling.

A significant achievement for Redhawk was obtaining a purchase agreement in principal to acquire mining claims in the Copper Creek District, from Phelps Dodge Corporation. The agreement was announced on February 26, 2007. The purchase price for the property is US \$3.2 million, payable by a deposit of US \$500,000 (paid), and delivery of a promissory note for US \$2.7 million which is payable over 12 years. The property is subject to a 1% net smelter return royalty in favour of Phelps Dodge.

The twenty-seven claims acquired consist of twenty-six patented claims totaling 504 acres and one internal unpatented mining claim of 16 acres for a total of 520 acres. The claims acquired adjoin patented claim groups currently owned by Redhawk on the northwest and are internal to Redhawk's land holdings in the district. With this acquisition Redhawk now controls more than 5,100 acres in the district.

The acquired lands complete the strategic consolidation of the Copper Creek area for the development potential of the resources identified on Redhawk's Copper Creek property. The Phelps Dodge property has had limited deeper level exploration and potential exists for deeper level mineralization similar to that currently identified on Redhawk's property to the south. The acquired property straddles the two major breccia body trends of the district and hosts at least 55 breccia bodies identified from surface exploration. Three breccia clusters on the acquired lands have received exploration drilling by previous operators. The breccias were explored through underground workings, underground sampling, surface drilling, and one by underground drilling. Two of the breccia clusters have had minor historical production of copper and molybdenum. The drilling data in the form of assays and, for most holes, geologic drill logs are available for 55 drill holes totaling 50,830 feet. Core is available for 20,100 feet of the drilling total. Additionally, there are considerable surface data in the form of rock sampling, geophysical surveys, and geologic mapping.

ReMac project

The ReMac Zinc project comprises 164 contiguous mineral claims and is located in southeastern British Columbia 25 kms southeast of Teck Cominco's zinc-lead smelter complex at Trail, and 16 kms north of Teck Cominco's Pend Oreille zinc sulphide mine and concentrator. Redhawk holds an option to acquire the past producing Reeves MacDonald zinc-lead-silver sulphide mine and owns the mineral rights to approximately 30 square kms in the adjoining property to the west, which hosts the continuation of the favourable zinc-lead-silver mineralized Reeves limestone unit stratigraphy.

The area is marked by very good infrastructure including a good transportation network, local heavy industry services, two major electrical power dams just south and west of the property, the Cominco zinc smelter at Trail, and the Pend Oreille mine and concentrator in Washington State. The former Reeves-MacDonald Mine operated between 1949 and 1977 and processed 7,254,000 tons with recovered grades of

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ReMac – continued

3.50% zinc, 1.39% lead and 8 g/t silver. Many other zones of zinc mineralization were tested by underground and surface workings since the 1920s.

Late last year, in preparation for developing a more aggressive exploration program in 2006, Redhawk extended the area of mapping and sampling of the favourable stratigraphy another five km to the west from the area drilled in 2004. This work achieved its objectives and will assist in developing additional surface drill targets for the next program.

In order to realize the potential value of ReMac, and provide a structure to access financing for advancing the project without additional dilution to shareholders, Redhawk developed a plan to spin off the ReMac project into a separate company. To this end Redhawk announced on December 18, 2006 that it had entered into a definitive Arrangement Agreement with OMC Capital Corp whereby OMC would acquire the ReMac project from Redhawk in exchange for the issuance to Redhawk of 15,000,000 post consolidated common shares in its capital. These shares would be distributed on a pro rata basis to Redhawk's shareholders who would, as a result of this transaction, own approximately 90% of the shares of OMC Capital.

The ReMac project, including its interest in the 164 mineral claims and the Reeves-MacDonald mining leases and surface rights, were transferred by Redhawk to its wholly-owned subsidiary, ReMac Zinc Corp. ("RMZ") in contemplation of the sale of RMZ to OMC. The parties anticipate the closing of the Arrangement Agreement will occur by the end of April 2007 and remains subject to shareholder and regulatory approvals. The Arrangement Agreement was approved by the Redhawk Board of Directors after receiving an independent report indicating the transaction was fair to Redhawk shareholders.

As part of the transaction, ReMac Zinc Corp. ("RMZ") completed, by the end of the quarter, a non-brokered private placement of an aggregate of 4,000,001 "flow-through" warrants at a price of \$0.75 per warrant for gross aggregate proceeds of \$3,000,000. These warrants are exercisable for one common share of RMZ per warrant and will be convertible on a one-for-one basis into post-consolidated shares of OMC on closing of the acquisition by OMC of all of the issued and outstanding shares of RMZ. The warrants may not be exercised prior to the earlier of July 31, 2007 and the date of closing of the proposed acquisition. The funds raised will be used to advance the exploration and development program at ReMac in 2007.

Wardrop Engineering developed a conceptual mining plan to evaluate the project based on its resource potential, for both the oxide and the sulphide zones. Preliminary metallurgical tests on the oxide mineralization will continue at SGS Lakefield in order to evaluate the feasibility of producing a concentrate of high enough grade and quality that it can be treated at Teck Cominco's Trail smelter.

A 43-101 technical report on the ReMac property was prepared by Wardrop to be issued in March, will include a proposed work program of surface mapping, sampling and drilling. The proposed program will follow up on the work carried out in 2005 and will be designed to test known zones of mineralization, with the objective of establishing mineral resources and identifying new target areas for future exploration and development

Investor Relations

Information on Redhawk and its projects including project photos, detailed technical reports and executive summaries, etc is available on the Company's website at www.redhawkresources.com or by calling Bruce Briggs at 604-633-5088 or Robert McAllister, the Company's Investor Relations consultant at 250-870-2219.

During the quarter the Company engaged 314 Finance Corp. and its principal Tasso Baras of Vancouver, B.C. to assist in providing investor relations and communication services to Redhawk. The agreement is

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effective Oct. 1, 2006 and expires on Sept. 30, 2007, and thereafter is renewable upon mutual agreement of the parties. The agreement can be terminated by either party after Dec. 31, 2006 upon 30 days notice. In consideration 314 Finance will be paid \$5,000 per month plus pre-approved expenses. In addition the Company granted 314 Finance an option to acquire up to 250,000 common shares at an exercise price of \$0.48 per share exercisable up to Oct. 1, 2011.

Risk Factors

Exploration and Development

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is also no assurance that if commercial ore is discovered that the ore body would be economical for commercial production. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit is also dependent upon a number of factors beyond the Company's control. Some of these factors are the attributes of the deposit, commodity prices, government policies and regulation and environmental protection.

The Company is earning an interest in certain of its key properties through option agreements and acquisition of title in the properties is only completed when the option conditions have been met. These conditions include making property payments, incurring exploration expenditures on the properties, and satisfactory completion of certain pre-feasibility studies and third party agreements. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-down its previously capitalized costs related to that property.

Financial Discussion and Analysis

Summary of Quarterly Results (Canadian \$)

Quarter/ Fiscal Year ending in	Net Revenues	Net Loss	Net Loss per Share	Fully diluted Net Loss Per Share	Total Assets	Total Long- term Liabilities
3 rd Quarter 2007	0	557,235	0.01	0.01	13,493,555	0
2 nd Quarter 2007	0	569,673	0.01	0.01	9,292,476	0
1 st Quarter 2007	0	431,314	0.01	0.01	9,302,092	0
4 th Quarter 2006	0	437,492	0.01	0.01	9,234,924	0
3 rd Quarter 2006	0	177,075	0.01	0.01	5,999,741	0
2 nd Quarter 2006	0	314,533	0.01	0.01	6,251,612	0
1 st Quarter 2006	0	175,310	0.01	0.01	3,819,868	0
4 th Quarter 2005	0	198,925	0.01	0.01	3,897,063	0
3 rd Quarter 2005	0	193,099	0.01	0.01	4,059,309	0
2 nd Quarter 2005	0	156,312	0.01	0.01	4,059,064	0

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Results of Operations

Period ended December 31, 2006

Administrative costs for the quarter were \$579,475 up from \$178,266, in 2005 or \$1,625,883 for the nine months (2005-\$662,650). The largest increase, was related to stock based compensation, and represents the "value" ascribed to stock options granted and vested during the period. In 2006 for this quarter it was \$165,644 or year to date of \$552,207, compared to \$154,973 for the first nine months in 2005. The increase is a reflection of the granting of 1,335,000 options in August at \$0.60 and 250,000 options in October at \$0.48.

The approximate \$192,000 increase in management fees and consulting reflects the fees related to services provided by West Point consulting and services provided by certain management personnel.

Audit and accounting fees for the current quarter were \$57,818 (2005 \$ 3,000) and \$103,829 (2005 - \$8,000) for the nine months. The increase was due to the additional regulatory requirements, and the increased of activity of the Company, including certain advice related to the possible reorganization of the Company. We expect continued pressure on these fees over the next year.

Investor relations for the 9 months period have increased by \$51,563 reflecting the current consulting contracts that the company has entered into. This amount is expected to increase for the balance of 2006-2007 fiscal periods as part of the Company's ongoing program to educate the investment community about the Copper Creek and ReMac projects.

Legal fees for the nine months as expected, again were substantial, totalling \$184,684 compared to \$155,240 last year. While regulatory requirements are creating higher costs these fees were primarily related to the financings, management reorganization and property acquisitions completed during the period. Transfer agent fees and filing fees increased accordingly from \$25,382 to \$53,506.

Office and sundry, office services and rent increased by \$121,331 a reflection of the increased activity of the company over the last year and the subsequent requirements for additional staff and space.

Travel and accommodation increased to a total of \$43,955, of which \$8,985 was incurred in the third quarter. This related to familiarization of the board and new management with the ongoing activities of the company.

Other items included interest income (for the nine months period) of \$72,679 (2005-\$3,007) and a write-down on the disposal of certain furniture and equipment in the move to the new facilities.

Liquidity and Capital Resources:

Working capital at the end of the period was \$5,322,464 compared to \$ 600,116 at December 31st, 2005.

During the first nine months the Company issued 75,000 shares at an ascribed value of \$38,000 for property option payments and recorded the issuance of a further 5,875,000 shares for \$1,852,500 with the exercise of certain outstanding warrants and a further 905,000 shares for \$331,043 with the exercise of certain stock options.

ReMac Zinc Corp. a wholly owned subsidiary of Redhawk issued 4,000,001 flow through share warrants at a price of \$0.75 per unit to be converted upon completion of the proposed transaction with OMC into 4,000,001 shares of post consolidated shares of OMAC. Net proceeds after related costs were \$2,770,618.

Total resource property expenditures for the year to date were \$1,786,777 (2005-\$2,299,894) the majority of which, \$1,469,482 (2005 - \$2,162,167) was related to the Copper Creek project in Arizona.

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Transactions with related parties

During the nine months ended December 31, 2006, fees in the amount of \$143,133 (2005 -\$94,500) were paid to three directors (and one former director) of the Company, which are shown as management fees on the statement of operations.

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

Share Capital

a) Details are as follows:

Authorized: Unlimited common shares without par value

	Number		Amount
Balance, March 31, 2005	21,058,820	\$	6,855,980
Shares issued for resource properties	75,000		20,000
Share purchase warrants exercised	1,725,000		727,500
Private placements	23,167,000		5,275,050
Finder's fee	1,140,000		243,000
Share issue costs	-		(379,509)
Balance, March 31, 2006	47,165,820		12,742,021
Shares issued for resource properties	25,000		6,000
Share purchase warrants exercised	1,125,000		427,500
Stock options exercised	875,000		317,925
Balance, September 30, 2006	49,190,820	\$	13,493,446
Shares issued for resource properties	50,000		32,000
Share purchase warrants exercised	4,750,000		1,425,000
Stock options exercised	30,000		13,118
Balance, December 31, 2006	54,020,820	\$	14,963,564

- i. For the nine months ended December 31, 2006 share capital was increased by \$92,425 and \$4,119 from a transfer of contributed surplus resulting from the exercise of 385,000 and 30,000 options previously calculated for the Black-Scholes rule on stock options.
- ii. During the three month period ended December 31, 2006, 4,750,000 shares were issued for proceeds of \$1,425,000 on the exercise of 4,750,000 warrants at \$0.30.
- iii. During the three month period ended December 31, 2006, 30,000 shares were issued for proceeds of \$9,000 on the exercise of 30,000 warrants at \$0.30.
- iv. During the three month period ended December 31, 2006, 50,000 shares were issued at a deemed price of \$0.64/share for a value of \$32,000 as a payment under the Alien property agreement.

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Share Capital - *continued*

b) Contributed Surplus

Balance, March 31, 2005	\$	371,376
Fair value of stock options issued		297,561
Balance, March 31, 2006		<u>668,937</u>
Fair value of stock options issued		<u>86,147</u>
Balance, June 30, 2006		755,084
Fair value of stock options issued		300,417
Transferred to share capital on options exercised		<u>(92,425)</u>
Balance, September 30, 2006		<u>963,076</u>
Fair value of stock options issued		165,644
Transferred to share capital on options exercised		<u>(4,119)</u>
Balance, December 31, 2006	\$	<u>1,124,601</u>

c) Share Purchase Warrants

Number Outstanding March 31, 2006	Granted	Exercised	Cancelled	Expired	Number Outstanding December 31, 2006	Exercise Price Per Share	Expiry Date
600,000	-	-	-	600,000	-	\$ 0.50	July 8, 2006
600,000	-	600,000	-	-	-	\$0.45	April 14, 2006
17,742,000	-	5,275,000	-	-	12,467,000	\$0.30	Sept 26, 2007
6,000,000	-	-	-	-	6,000,000	\$ 0.65 to Mar 24, 07 \$0.85 to Mar 24, 08	Mar 30, 2008
24,942,000	-	5,875,000	-	600,000	18,467,000	\$ 0.30-\$0.85	Sept 26, 2007 – March 30, 2008

Share Purchase Options

The Company has established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant. Options shall be exercisable ("vested") as to 25% on the date of grant of the Option and 12.5% every quarter thereafter.

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Share Purchase Options - *continued*

a) A summary of the Company's options at December 31, 2006 and the changes for the period are as follows:

Number Outstanding March 31, 2006					Number Outstanding December 31, 2006		Exercise Price Per Share	Expiry Date
Granted	Exercised	Cancelled	Expired					
-	540,000	-	-	680,000	\$ 0.25	March 5, 2008		
-	265,000	-	-	975,000	\$ 0.30	January 19, 2009		
-	100,000	-	-	-	\$ 0.20	May 12, 2009		
-	-	-	-	50,000	\$ 0.25	June 28, 2009		
-	-	-	-	150,000	\$ 0.35	March 17, 2010		
-	-	-	-	50,000	\$ 0.30	April 13, 2010		
-	-	-	-	420,000	\$ 0.16	July 8, 2010		
-	-	-	-	425,000	\$ 0.22	July 21, 2010		
-	-	-	-	1,250,000	\$ 0.60	February 27, 2011		
1,335,000	-	-	-	1,335,000	\$0.60	August 1, 2011		
250,000	-	-	-	250,000	\$0.48	October 1, 2011		
					\$ 0.16-	March 5, 2008 –		
4,905,000	1,585,000	905,000	-	5,585,000	\$0.60	October 1, 2011		

Outstanding Share Data

The following common shares and convertible securities of the Company were outstanding at Feb 28, 2007:

	No. of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares at Feb 28, 2007	54,560,820		
Employee stock options	680,000	\$ 0.25	March 5, 2008
	935,000	\$0.30	January 19, 2009
	50,000	\$0.25	June 28, 2009
	150,000	\$ 0.35	March 17, 2010
	50,000	\$ 0.30	April 13, 2010
	420,000	\$0.16	July 8, 2010
	425,000	\$ 0.22	July 21, 2010
	1,250,000	\$ 0.60	February 27, 2011
	1,335,000	\$ 0.60	August 1, 2011
	250,000	\$ 0.48	Oct 1, 2011
Warrants	11,967,000	\$0.30	Sept. 26, 2007
	6,000,000	\$0.65/\$0.85	Mar.24./o7 Mar.30/08
Fully Diluted at Feb 28, 2007	78,072,820		

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Changes in Accounting Policies

The consolidated financial statements for the period ended December 31, 2006 followed the same accounting policies and methods of application as those of the most recent audited financial statements.

Off-balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments and Other Instruments

Redhawk's financial instruments consist of cash and short-term deposits, restricted cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that Redhawk is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

Subsequent Events

Subsequent to the end of the quarter, the Company acquired mining claims in the Copper Creek District, from Phelps Dodge Corporation. The purchase price for the property is US \$3.2 million, payable by a deposit of US \$500,000 (paid), and delivery of a promissory note for US \$2.7 million which is payable over 12 years. The property is subject to a 1% net smelter return royalty in favour of Phelps Dodge

The twenty-seven claims acquired consist of twenty-six patented claims totaling 504 acres and one internal unpatented mining claim of 16 acres for a total of 520 acres. The claims acquired adjoin patented claim groups currently owned by Redhawk on the northwest and are internal to Redhawk's land holdings in the district. With this acquisition Redhawk now controls more than 5,100 acres in the district.

The acquired lands complete the strategic consolidation of the Copper Creek area for the development potential of the resources identified on Redhawk's Copper Creek property. The Phelps Dodge property has had limited deeper level exploration and potential exists for deeper level mineralization similar to that currently identified on Redhawk's property to the south. The acquired property straddles the two major breccia body trends of the district and hosts at least 55 breccia bodies identified from surface exploration. Three breccia clusters on the acquired lands have received exploration drilling by previous operators. The breccias were explored through underground workings, underground sampling, surface drilling, and one by underground drilling. Two of the breccia clusters have had minor historical production of copper and molybdenum. The drilling data in the form of assays and, for most holes, geologic drill logs are available for 55 drill holes totaling 50,830 feet. Core is available for 20,100 feet of the drilling total. Additionally, there are considerable surface data in the form of rock sampling, geophysical surveys, and geologic mapping.

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Approval

The Board of Directors of Redhawk has approved the disclosure contained in this interim MD&A. A copy of this interim MD&A will be provided to anyone who requests it.

Additional Information

Additional information relating to Redhawk is on SEDAR at www.sedar.com

On behalf of the Board of Directors,

February 28, 2007

“Bruce M. Briggs ”
President