



RED EAGLE MINING COMMENCES ENVIRONMENTAL IMPACT ASSESSMENT AND AUGMENTS MINE DEVELOPMENT TEAM

Vancouver, BC, January 16, 2013 – Red Eagle Mining Corporation (TSX-V: **RD**, OTCQX: **RDEMF**) is pleased to announce that Conestoga-Rovers & Associates (CRA) have commenced a NI 43-101 compliant Environmental Impact Assessment (EIA) and Kappes Cassiday and Associates (KCA) have commenced a Detailed Metallurgical Testwork and Process Design Program for the San Ramon deposit, Santa Rosa gold project, Colombia. In order to manage the transition to development Red Eagle Mining is also very pleased to announce the appointment of Alan Baker - Project Director, Jeff Toohey - Vice President Exploration and Bob Bell - Chief Operating Officer.

CRA is an internationally recognized environmental consulting group which employs 3,000 people in over 90 offices – principally in the Americas. The EIA will rely on the Environmental Baseline Study being conducted by the Universidad de Antioquia and the Fundacion Universitaria Catolica del Norte (news release dated [September 11, 2012](#)) of which the first stage was completed in December 2012.

KCA are a world-class process metallurgical consulting group with extensive laboratory facilities specializing in gold extraction technology in Reno, Nevada. The testwork program will evaluate the possible process options for the San Ramon ore, including heap leaching, carbon-in-pulp (CIP), carbon-in-leach (CIL), and floatation concentration processing. Additionally, tailings disposal options will be evaluated. As this testwork program progresses, results will be incorporated into the Preliminary Economic Assessment (PEA) being prepared by Mine Development Associates (MDA) (news release dated [September 11, 2012](#)).

“We are very pleased to be able to continue taking the San Ramon deposit towards our goal of development in a timely process”, comments Ian Slater, Chief Executive Officer. “We are also delighted with the addition of both Alan Baker and Jeff Toohey and their wealth of responsible mine development experience.”

Mr. Baker has over 35 years of experience in design and construction of gold projects including surface and underground mining and process plants. Earlier in his career Mr. Baker was Senior Manager – Projects for AngloGold Ashanti in Ghana. Mr. Baker joins Red Eagle Mining from Eldorado Gold Corp. Mr. Baker is responsible for the design, permitting and construction of Red Eagle Mining’s San Ramon gold deposit and is based in Medellin, Colombia.

Mr. Toohey has over 38 years of experience in mineral exploration and development in South America. Mr. Toohey was a Senior Geologist for twelve years with Teck Resources Limited in Chile, Argentina and Peru. Most recently Mr. Toohey was Vice President Exploration for Peregrine Metals Ltd which was purchased by the Stillwater Mining Company in 2011. Mr. Toohey was responsible for the acquisition, exploration, drilling delineation and PEA of Stillwater’s flagship Altar copper and gold project in Argentina. Mr. Toohey replaces Mr. Mike Johnson as Vice President Exploration. The board would like to thank Mr. Johnson for his service and wish him well in his future endeavours.

Mr. Bell, a founding director of Red Eagle Mining, has been appointed Chief Operating Officer. Mr. Bell has worked internationally in the mining industry for over 40 year. Mr. Bell was a founding partner of Minproc Engineers' Mining Division and responsible for a large number of feasibility studies and mine construction projects. Prior to co-founding Red Eagle Mining, Mr. Bell was General Manager of the Chelopech Mine in Bulgaria. Mr. Bell is a graduate Mining Engineer from the Western Australian School of Mines.

The San Ramon structure trends east-west, dips 60°-70° to the north, extends over 1,800m, is up to 60m wide and is mineralised from surface. 23,000m have been drilled to date to a vertical depth of approximately 250m with mineralisation remaining open at depth. Anticipated news flow over the coming months will include:

- Initial NI 43-101 resource estimate (January 2013);
- Results from the current 17,000 metre Phase Four drill programme (Q1 2013);
- Updated NI 43-101 resource estimate (Q2 2013);
- Preliminary Economic Assessment (Q2 2013);
- Environmental Impact Assessment (Q2 2013); and
- Feasibility and permitting (Q1 2014).

The scientific and technical information contained in this news release has been reviewed and approved by Jeff Toohey P.Geo., who is a "Qualified Person" as defined under National Instrument 43-101.

About Red Eagle Mining

Red Eagle Mining Corporation is a well-financed gold exploration and development company with an experienced mine development team. Red Eagle Mining is currently developing the 390 km² Santa Rosa gold project located in Colombia. Santa Rosa is an intrusive hosted structurally-controlled quartz stockwork system within the prolific Antioquia Batholith. Gold mining within the Santa Rosa project pre-dates the 16th century when an estimated 30 million tonnes were mined. Santa Rosa is located 70km north of Medellin near the town of Santa Rosa de Osos in a region characterized by gently rolling hills and excellent infrastructure. Santa Rosa is also located approximately 30km west of AngloGold Ashanti's Gramalote gold deposit (2.5 million ounce M&I resource grading 0.8 g/t Au) and 40km east of Continental Gold's Buritica gold deposit (1.6 million ounce M&I resource grading 13.6 g/t Au). Red Eagle Mining also holds an extensive package of exploration ground in Colombia, including the Pavo Real project.

For further information on Red Eagle Mining please refer to our website www.redeaglemining.com, contact Ian Slater, Chief Executive Officer, or contact:

James Beesley
Sequoia Partners - Investor Relations
james@sequoiapartners.ca
+1 604 682 4600
+1 855 682 4600 toll free
+1 778 389 7715 mobile

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.