



RED EAGLE MINING ANNOUNCES DRILL RESULTS AT SANTA ROSA INCLUDING 1.00 G/T GOLD OVER 58.9 METRES

Vancouver, BC, January 17, 2012 – Red Eagle Mining Corporation (TSX-V: **RD**, OTCQX: **RDEMF**), is pleased to announce drill results from its brownfield Santa Rosa gold project in Colombia. In the first of four major targets, 23 core drill holes totaling 6,811m have now been completed in the South East Sector (see [Figure 1](#) – Drill Hole Plan). Included in the latest drilling results are some of the most significant intercepts to date from the San Ramon shear zone:

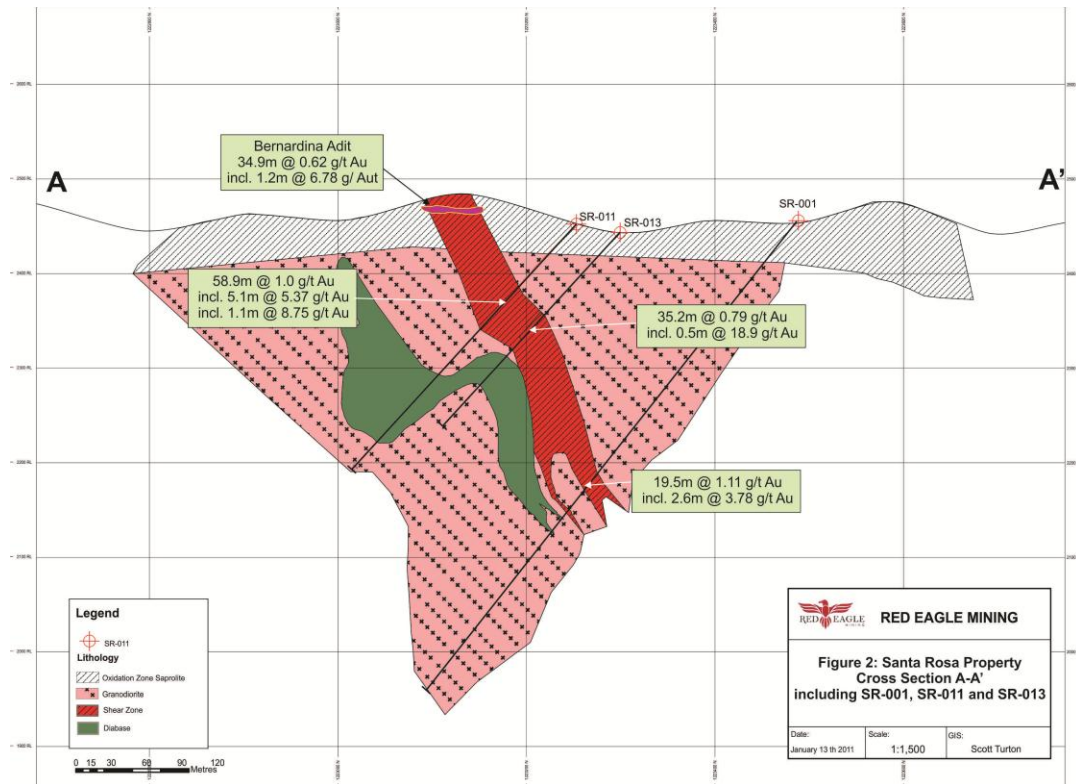
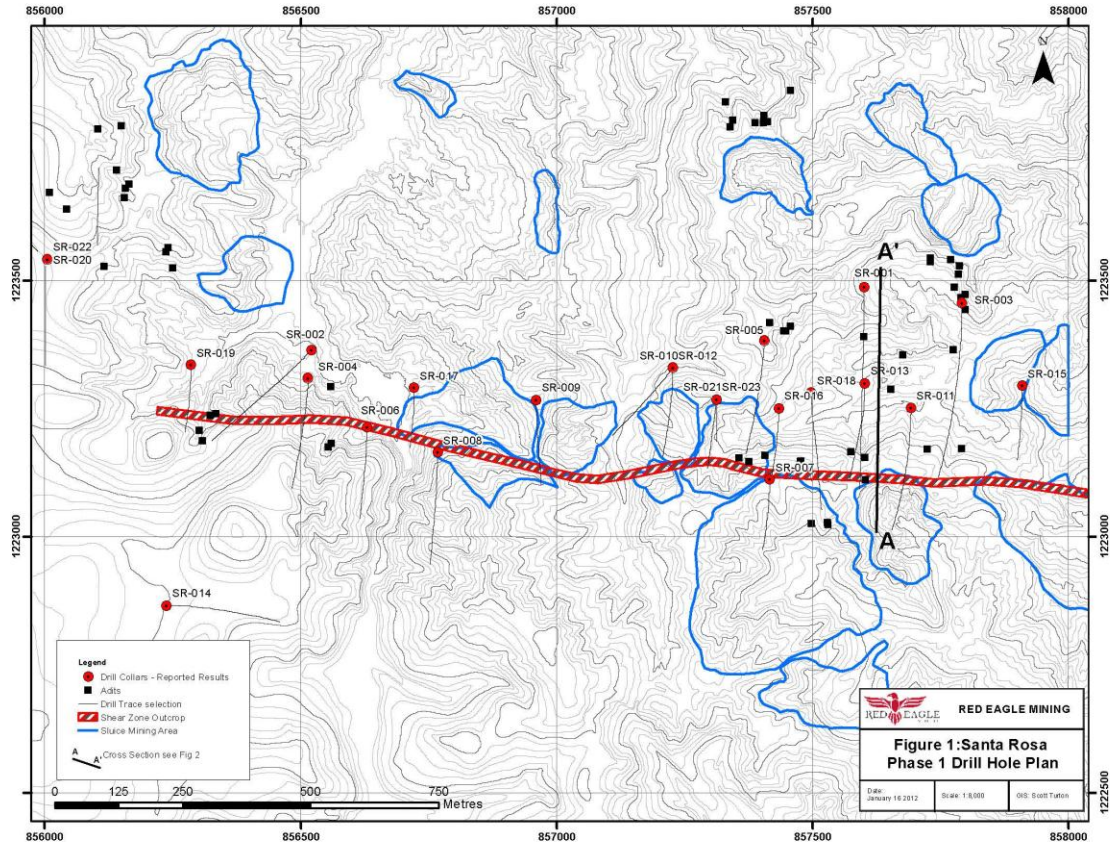
- SR-003 - 39.7m at 1.59 g/t Au incl. 5.2m at 4.93 g/t Au (previously reported)
- SR-011 - 58.9m at 1.00 g/t Au incl. 5.1m at 5.37 g/t Au
- SR-015 - 15.1m at 2.51 g/t Au incl. 3.7m at 6.62 g/t Au
- SR-016 - 54.0m at 1.01 g/t Au incl. 7.8m at 5.25 g/t Au

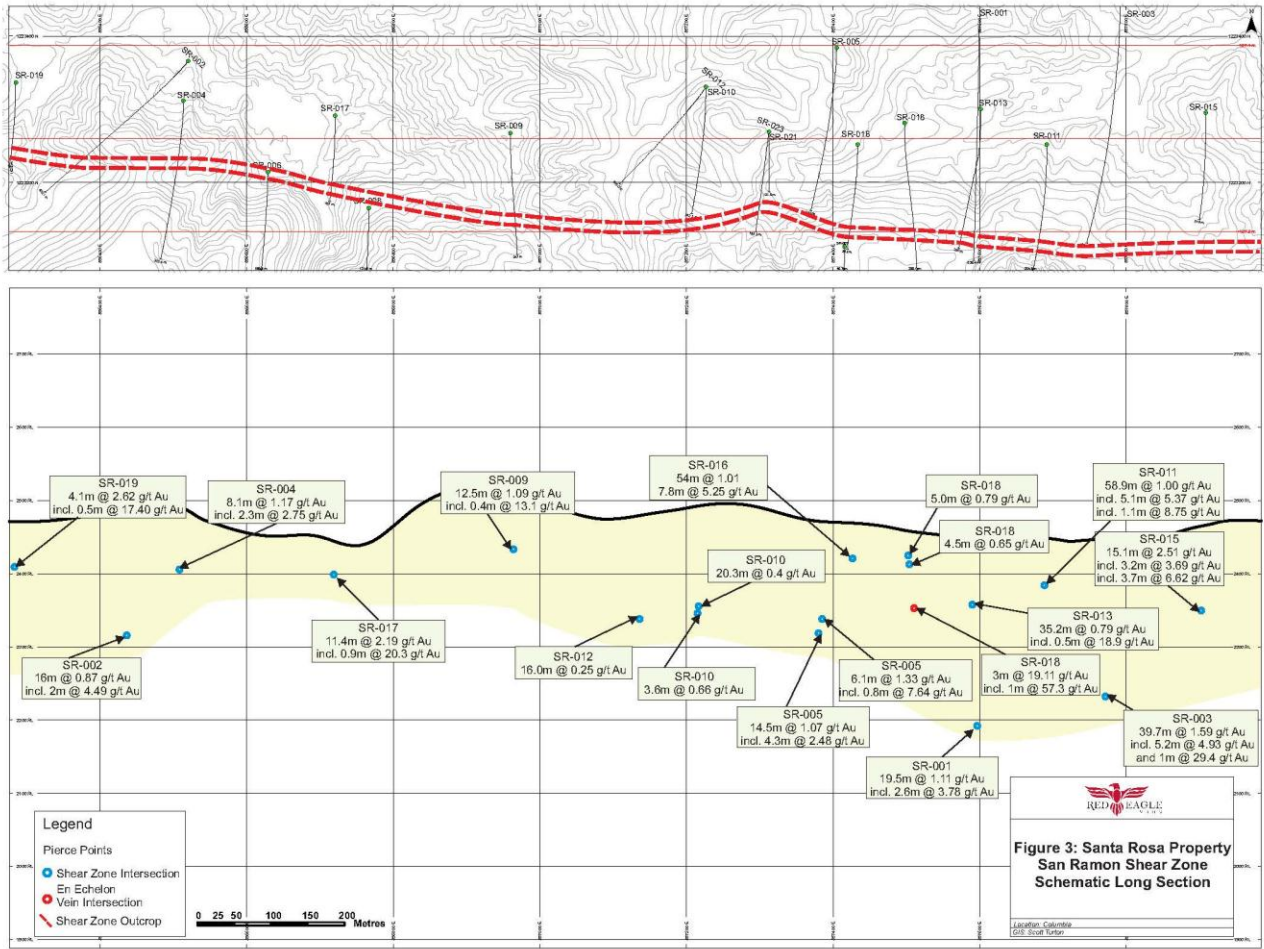
The San Ramon shear zone trends east-west, dips 65-70° to the north, is up to 60m in width (averaging 19m) and is exposed at surface (see [Figure 2](#) – Cross Section A-A'). Wide-spaced drilling intercepts to date in the shear zone average approximately 1 g/t Au. The shear zone has been interpreted to extend over 5km on Red Eagle Mining's concessions and has been drill tested to a vertical depth of over 250m. To date only 1.8km of the shear zone has been drill tested with all holes intersecting gold mineralization (see [Figure 3](#) – Schematic Long Section). The identified shear zone extends to surface where channel sampling has also averaged approximately 1 g/t Au. In addition to the disseminated mineralisation there are en echelon high grade veins within the shear zone, as indicated in the following intercepts:

- SR-003 - 1.0m at 29.40 g/t Au
- SR-017 - 0.9m at 20.30 g/t Au
- SR-018 - 1.0m at 57.30 g/t Au

“Our initial fifteen successful drill holes into the San Ramon shear zone have identified a major mineralised horizon that is exposed at surface, extends over a strike length of almost 2km and continues at depth to encompass a potential open pit extending to a depth of at least 200m. Metallurgically we are encouraged as the gold appears to be associated with quartz and pyrite and historically fine gold has been recovered by gravity techniques”, comments Ian Slater, Chief Executive Officer. “In December we completed access roads and moved our rigs to drill test our next targets - the prospective Central and Northwest Sectors.”

The San Ramon shear zone is open to the east and extends onto the newly granted concession contract LDM-08061. Red Eagle Mining completed airborne magnetic, radiometric and geochemistry surveys over the new area in December, extending the current strike length of the San Ramon shear zone from 1.8km to potentially over 5km and identifying prospective drill targets over the additional 3km. The 2012 work program for the San Ramon shear zone includes extending the core drill program to the east along strike, an extensive rotary air blast drill program in the near surface oxide zones along the entire strike of the shear zone and a preliminary metallurgical test work program.





The following table summarizes all significant (+0.20 g/t) gold intercepts in the first phase of the San Ramon shear zone drilling program. For pictures of the drill core see our photostream on [flickr](#). True widths are estimated to be 90% of the intercepts and vertical depths are estimated to be 70% of the drilled depths reported below. All results are uncut. Holes SR-001 to SR-005 were previously reported in a news release dated November 30, 2011. Holes SR-006-008, SR-014 and SR-020-023 targeted anomalies outside of the shear zone and did not return significant results.

Table 1 – San Ramon Shear Zone Gold Intercepts (*previously reported)

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)
SR-001*	343.8	363.3	19.5	1.11
incl.	343.8	346.5	2.6	3.78
SR-002*	166.0	182.0	16.0	0.87
incl.	166.0	168.0	2.0	4.49
SR-003*	297.3	337.0	39.7	1.59
incl.	317.0	322.2	5.2	4.93
incl.	332.0	333.0	1.0	29.40
SR-004*	87.9	96.0	8.1	1.17
incl.	87.9	90.3	2.3	2.75
SR-005*	213.0	219.1	6.1	1.33
incl.	218.3	219.1	0.8	7.64
and	238.0	252.5	14.5	1.07
incl.	238.0	242.3	4.3	2.48
SR-009	109.0	121.5	12.5	1.09
incl.	115.4	115.8	0.4	13.10
SR-010	141.0	161.3	20.3	0.40
and	172.5	176.1	3.6	0.66
SR-011	80.2	139.1	58.9	1.00
incl.	112.0	117.1	5.1	5.37
incl.	138.0	139.1	1.1	8.75
SR-012	191.0	207.0	16.0	0.25
SR-013	119.8	155.0	35.2	0.79
incl.	139.0	139.5	0.5	18.90
SR-015	179.0	194.1	15.1	2.51
incl.	181.9	185.0	3.2	3.69
incl.	190.5	194.1	3.7	6.62
SR-016	56.0	110.0	54.0	1.01
incl.	83.1	90.8	7.8	5.25
SR-017	85.0	96.4	11.4	2.19
incl.	94.0	94.9	0.9	20.30
SR-018	104.5	109.5	5.0	0.79
and	120.0	124.5	4.5	0.65
and	228.0	231.0	3.0	19.11
incl.	229.2	230.2	1.0	57.30
SR-019	78.9	83.0	4.1	2.62
incl.	80.8	81.3	0.5	17.40

Table 2 – Drill Hole Specifications

Hole	Easting	Northing	Elevation (m)	Azimuth	Dip	EOH (m)
SR-001	857600	1223488	2468	180	-50	636
SR-002	856520	1223365	2453	220	-50	409
SR-003	857792	1223457	2450	180	-45	472
SR-004	856514	1223311	2469	180	-45	302
SR-005	857405	1223383	2491	180	-45	310
SR-006	856629	1223214	2467	180	-45	250
SR-007	857416	1223112	2495	180	-45	209
SR-008	856767	1223165	2490	180	-45	315
SR-009	856960	1223267	2520	180	-45	241
SR-010	857227	1223330	2472	180	-45	242
SR-011	857692	1223252	2463	180	-45	353
SR-012	857227	1223330	2472	215	-45	246
SR-013	857602	1223300	2464	180	-45	280
SR-014	856237	1222866	2534	90	-55	401
SR-015	857909	1223295	2481	180	-45	210
SR-016	857434	1223251	2481	180	-45	202
SR-017	856721	1223291	2461	180	-45	167
SR-018	857498	1223281	2500	180	-45	329
SR-019	856285	1223336	2465	180	-45	184
SR-020	856004	1223542	2500	320	-70	443
SR-021	857313	1223269	2510	180	-45	122
SR-022	856004	1223542	2510	180	-45	296
SR-023	857313	1223269	2510	187	-45	194

The South East Sector which hosts the San Ramon shear zone, is only one of four initial targets on the Santa Rosa property (see drill target [map](#)). One drill rig has now been relocated to each of the Central and Northwest Sectors. The Central Sector contains a strong northwest trending magnetic and radiometric anomaly, while the Northwest Sector contains the largest concentration of historic workings. Five holes have been drilled to date with assays pending.

Quality Control and Assurance

All drill samples were collected with two diamond drill rigs using approximately one metre sample intervals and following standard industry practice. Samples were prepped and screened by Acme Analytical Laboratories in Medellin, Colombia for metallic fire assay and multi-element IC-MS analysis in Santiago, Chile. Gold values were determined by fire assay of a 30g charge with an AA finish, or if over 10 g/t Au, were re-assayed and completed with a gravimetric finish. QC/QA included the insertion and continual monitoring of standards and blanks into 10% of the sample stream batches, along with check assays conducted at alternate accredited laboratories.

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

About Red Eagle Mining Corporation

Red Eagle Mining Corporation is a well-financed Colombian gold exploration and development company with an experienced exploration and management team. Red Eagle Mining is currently drilling two properties in Colombia, Santa Rosa (20,000m) and Pavo Real (5,000m). Santa Rosa is an intrusive hosted structurally-controlled quartz stockwork system within the prolific Cretaceous Antioquia Batholith. Gold mining within the brownfield 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. The project is well served by existing transportation and power infrastructure and a skilled workforce. Santa Rosa is also located some 50km west of AngloGold Ashanti's Gramalote gold deposit (74.375 million tonnes grading 1 g/t Au for a total of 2.39 million ounces). Pavo Real is a sedimentary hosted gold system located within the Mid-Cauca gold belt which is host to numerous porphyry and epithermal gold deposits. For further information on Red Eagle Mining please refer to our website www.redeaglemining.com, contact Ian Slater, Chief Executive Officer or contact:

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