



## **RED EAGLE MINING ANNOUNCES US \$65,000,000 CONSTRUCTION FINANCING**

*Vancouver, BC, March 25, 2015* – Red Eagle Mining Corporation (TSX-V: RD, OTCQX: RDEMF) is pleased to announce a US \$65,000,000 construction financing with Orion Mine Finance (“Orion”). The financing includes a private placement (the “**Private Placement**”) of common shares (“**Shares**”) and a secured US \$60,000,000 credit facility (the “**Credit Facility**”).

Pursuant to the Private Placement, Red Eagle Mining will issue Shares in an amount equal to the lesser of US \$4,000,000 divided by the US dollar equivalent of CAD \$0.33 on the closing date and such number of Shares as would result in Orion owning 19.9% of the issued and outstanding shares. Orion also subscribed for a first tranche of US \$1,000,000 which closed on [February 3, 2015](#), as previously news released. Under the terms of the subscription agreement, so long as Orion owns at least 15% of the issued and outstanding shares, Orion shall have the right to appoint a director to the board of Red Eagle Mining and so long as Orion owns at least 5% of the issued and outstanding shares, Orion shall have the right to participate in any future equity financings in order to maintain Orion’s then current equity ownership in Red Eagle Mining.

The Credit Facility includes the following key terms:

- Draw down of the Credit Facility is subject to Red Eagle Mining completing an additional equity financing of at least US \$15,000,000 (“**Equity Financing**”);
- The Credit Facility will have a five year term with a principal holiday and capitalized interest for up to 18 months from the first advance;
- Advances under the Credit Facility will bear interest at LIBOR +7.5%;
- A Production Payment of US \$30 per ounce produced is payable on the first 405,000 ounces of gold produced;
- Granting of 5,000,000 warrants to purchase Shares to Orion exercisable for a five year term at a strike price determined in the context of the Equity Financing; and
- Amounts outstanding under the Credit Facility will be secured against all of Red Eagle Mining’s property and assets.

“San Ramon is now fully permitted and close to being fully financed to meet the planned capital expenditure of US \$74 million including contingencies,” comments Ian Slater, Chief Executive Officer. “Red Eagle is on track to commence construction by mid-2015 with production in 2016.”

Substantially all of the proceeds will be used for development and construction of the San Ramon Gold Mine. The Shares will be subject to a four month hold period from the date of issuance. The closing of the transactions are subject to the prior approval of the TSX Venture Exchange.

### ***About Orion Mine Finance***

The Orion Mine Finance Group is a mining focused business with approximately \$1.8 billion under management specializing in providing flexible capital investment solutions to junior mining companies in the base and precious metals sector. Orion has demonstrated capability in debt, equity, convertibles, off-take, streaming and royalty investments.

### ***About Red Eagle Mining***

Red Eagle Mining is a well-financed gold exploration and development company with an experienced mine-development team. Management is focused on building shareholder value through discovering and developing gold projects with low costs and low technical risks in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration. Red Eagle Mining is developing the 100 km<sup>2</sup> historic Santa Rosa Gold Project located in the Antioquia Batholith. Development will initially commence with the fully permitted San Ramon Gold Mine where a positive Feasibility Study supports project development. Construction is scheduled to commence by mid-2015 with production in 2016.

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