



RED EAGLE MINING CONTINUES TO ADVANCE THE SAN RAMON GOLD DEPOSIT DURING 2014

Vancouver, BC, May 4, 2015 – Red Eagle Mining Corporation (TSX-V: RD, OTCQX: RDEMF, SSE-V: RDCL) is pleased to announce financial results for the year ending December 31, 2014 and business highlights to date, including advancements at Red Eagle Mining’s San Ramon Gold Deposit in Antioquia, Colombia. Highlights include:

- Key long lead items (SAG mill, tower mill and filter press) have been ordered for deliveries in accordance with the planned project schedule;
- Red Eagle Mining shares were dual-listed on the Santiago Stock Exchange Venture, allowing the company improved access to Latin American capital pools, while strengthening its visibility in the region (news release dated [April 27, 2015](#));
- Completed US \$65,000,000 construction financing with Orion Mine Finance, including a secured US \$60,000,000 credit facility and a US \$5,000,000 private placement of common shares, which results in Orion owning 19.9% of the issued and outstanding shares (news release dated [April 2, 2015](#));
- Awarded the engineering, procurement, and construction management (“EPCM”) contract to Lycopodium Minerals Canada Ltd. (“Lycopodium”) (news release dated [March 17, 2015](#));
- Corantioquia (Department of Antioquia Environmental Agency) granted an Environmental License in full, without conditions, in Resolution 160TH-1503-11577 dated March 9, 2015. This was the final permit required for construction and mining of the San Ramon Gold Mine for the life of the mine (news release dated [March 10, 2015](#));
- Recognized by the TSX Venture as one of the TSX Venture 50, a ranking of the top performing companies listed on the TSXV during 2014 (news release dated [February 12, 2015](#));
- Completion of a Feasibility Study for the San Ramon Gold Deposit. The Feasibility Study is based on San Ramon being a 1,000 tonnes per day underground mining operation using conventional shrinkage stoping mining methods with delayed backfill. The ore will be processed incorporating single-stage crushing, SAG milling and flotation with concentrate re-grinding followed by conventional carbon-in-leach processing of the combined flotation tails and reground concentrate to produce gold doré. Expected metallurgical recovery is 96%.

Initial capital costs are \$74 million (all amounts in US\$). Cash costs average \$596/ounce while all-in sustaining costs average \$763/ounce. Production in the first two years will average 71,000 ounces of gold per year at an average grade of 6.48 grams gold per tonne.

Table 1 – Summary of San Ramon Post-Tax Economic Results by Gold Price

Post-Tax	Alternative Case	Base Case	Alternative Case
Gold Price (ounce)	\$1,100	\$1,300	\$1,500
Net Cash Flow	\$70 million	\$132 million	\$205 million
Net Present Value (5%)	\$52 million	\$104 million	\$165 million
Internal Rate of Return	32%	53%	74%
Payback	1.7 years	1.3 years	1.1 years

The Feasibility Study was prepared by Lycopodium with the participation of Mine Development Associates (resource and reserve estimation and mine design) and Golder Associates (tailings management and geotechnical) in accordance with the definitions in Canadian National Instrument 43-101 ("NI 43-101") (news release dated [October 6, 2014](#));

- The Secretary of Mines of Antioquia formally approved the Mining Technical Work Plan (Programa de Trabajo y Obras), which was submitted in November 2013, in Resolution 121146, dated August 12, 2014. This is the final approval required subject to receiving the Environmental License (news release dated [September 3, 2014](#));
- Acquisition of contiguous Mineral Concessions totaling 1,673 hectares within the Santa Rosa Gold Project from AngloGold Ashanti. The acquisition includes a one kilometre extension directly on strike to the east of the two kilometre long San Ramon Gold Deposit (news release dated [June 3, 2014](#));
- Completed CDN\$5,000,000 equity financing including a CA \$4,000,000 bought deal financing underwritten by a syndicate of underwriters led by Haywood Securities Inc. and a CA \$1,000,000 private placement with Liberty Metals & Mining Holdings LLC who exercised their participation rights to maintain a pro rata 19.9% interest in Red Eagle Mining (news release dated [April 9, 2014](#));
- Completion and filing of a comprehensive Environmental Impact Assessment ("EIA") including an Environmental Management Plan ("EMP") on February 20, 2014 with Corantioquia (Department of Antioquia Environmental Agency). The EIA was prepared by Tetra Tech, a leading international engineering firm. Approval of the EIA and EMP by Corantioquia, which grants the Environmental License, is the final permit required for construction and mining of the San Ramon Gold Mine (news release dated [February 24, 2014](#)).

Selected financial data:

The following selected financial data is derived from our consolidated financial statements for the year ended December 31, 2014, as prepared in accordance with International Financial Reporting Standards (all amounts in CA\$).

For the year ended	December 31, 2014	December 31, 2013
Net loss for the year	\$ 8,943,130	\$ 9,783,583
Comprehensive loss for the year	9,176,726	9,870,274
Basic and diluted loss per share	0.13	0.17

As at	December 31, 2014	December 31, 2013
Cash and cash equivalents	\$ 427,290	\$ 4,118,484
Total assets	1,484,794	5,578,368
Total liabilities	2,253,096	2,137,930
Shareholders' equity	(768,302)	3,440,438
Cumulative exploration expense	32,952,725	26,771,965

For the year ended December 31, 2014 Red Eagle Mining reported a net loss of \$9.2 million (2013: \$9.8 million) with most significant contribution to the loss being the cost of ongoing exploration, engineering and permitting of \$6.2 million (2013: \$9.2 million). In the first quarter of 2015, Red Eagle issued 18,471,627 common share at \$0.33 per share for gross proceeds of CA \$6,095,637 and arranged an undrawn US \$60,000,000 credit facility.

This press release should be read in conjunction with the condensed consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2014. These documents can be found on [Red Eagle Mining's](http://www.sedar.com) website or profile at www.sedar.com.

The technical information contained in this news release has been reviewed and approved by Red Eagle Mining's Vice President of Exploration, Jeff Toohey P.Eng., who is a Qualified Person as defined under NI 43-101.

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 km² 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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