



RED EAGLE MINING ANNOUNCES FINAL PHASE TWO DRILLING RESULTS FOR SANTA ROSA

Vancouver, BC, July 31, 2012 – Red Eagle Mining Corporation (TSX-V: RD, OTCQX: RDEMF) is pleased to announce that all assay results have now been received from the 24 hole, 5,400m phase two core drill program at the San Ramon gold system located within the Santa Rosa gold project in Colombia. Highlights from the remaining four holes (SR-062 to SR-065) include intercepts in hole SR-064 of 0.8 metres at 41.50 grams gold per tonne and in hole SR-065 of 23.3 metres at 1.44 grams per tonne gold. These latest results continue to show strong gold mineralisation over good widths. The most significant intercepts from phase two were previously released:

- SR-042 - 66.9m at 3.06 g/t Au incl. 6.0m at 31.85 g/t Au
- SR-045 - 35.5m at 2.28 g/t Au incl. 1.5m at 28.26 g/t Au and 1.9m at 14.36 g/t Au
- SR-053 - 17.7m at 17.14 g/t Au incl. 7.0m at 41.53 g/t Au
- SR-060 - 11.4m at 16.04 g/t Au incl. 2.0m at 30.73 g/t Au and 3.5m at 29.29 g/t Au.

“Our phase two delineation drilling at San Ramon was successfully completed along the entire 1.8km strike and discovered new high grade mineralisation over significant intercepts. Phase two was focused on delineating the primary mineralisation that could potentially be mined in an open pit from approximately 100m to 200m in depth. The average grade of the drilling intercepts from all core drilling to date has increased to 2.1 g/t Au from 1.2 g/t Au”, comments Ian Slater, Chief Executive Officer. “We are now looking forward to releasing the results from this summer’s phase three delineation drilling program which will focus on the oxide and transitional mineralisation from surface to up to 100m in depth. Together with the existing results this shallow drilling will culminate in an initial NI 43-101 resource report by the end of 2012.”

The San Ramon structure trends east-west, dips 60°-70° to the north, extends over 1,800m, is up to 60m in width and is exposed at surface. Drilling intercepts to date average 2.1 g/t Au to a vertical depth of over 250m. The mineralisation extends to surface where oxide channel sampling has averaged approximately 1.0 g/t Au and is open at depth. The 2012 work program for San Ramon includes:

- Phase two core drill program (24 holes totaling 5,400m) – complete
- Phase three core drill program in the near surface oxides on 50m spacing (18 holes totaling 1,221m completed to date out of a 5,000m programme) – commenced in June
- Preliminary metallurgical test work - complete
- Scoping study level metallurgical test work
- Environmental base line studies; and
- NI 43-101 compliant measured and indicated resource.

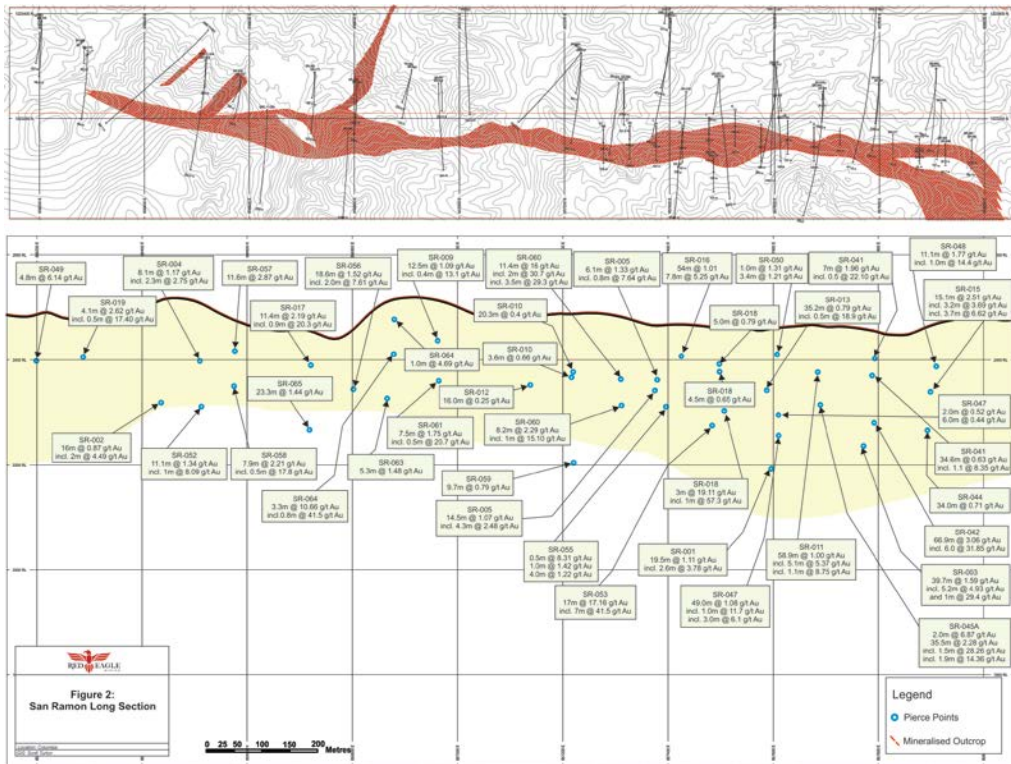
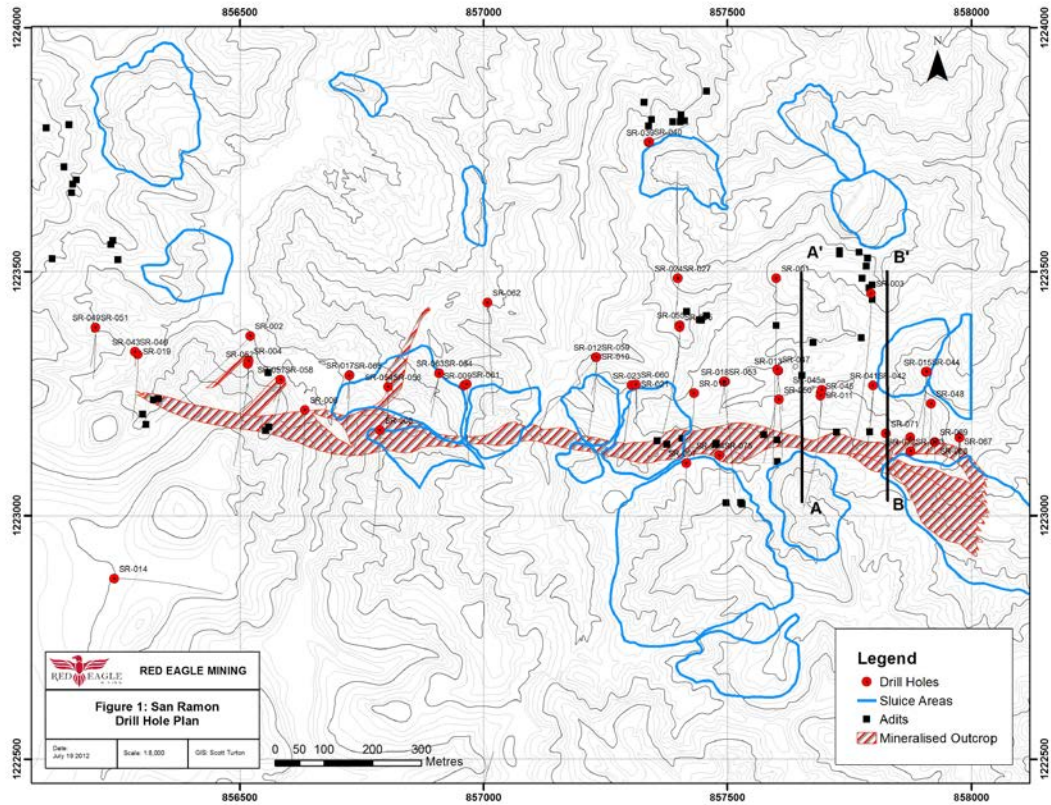


Table 1 – San Ramon Phase Two Drill Intercepts

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)
SR-041	68.4	75.4	7.0	1.96
incl.	74.9	75.4	0.5	22.10
	113.0	147.6	34.6	0.63
incl.	146.5	147.6	1.1	8.35
SR-042	138.7	205.6	66.9	3.06
incl.	184.0	190.0	6.0	31.85
SR-044	213.9	247.9	34.0	0.71
SR-045	115.6	117.6	2.0	6.87
	147.0	182.5	35.5	2.28
incl.	149.9	151.4	1.5	28.26
incl.	173.9	175.8	1.9	14.36
SR-047	162.0	168.0	6.0	0.44
	174.0	223.0	49.0	1.08
incl.	180.0	181.0	1.0	11.70
incl.	220.0	223.0	3.0	6.10
SR-048	114.8	125.9	11.1	1.77
incl.	116.8	117.8	1.0	14.40
SR-049	127.0	131.8	4.8	6.14
SR-050	95.2	98.6	3.4	1.21
SR-052	161.6	172.7	11.1	1.34
incl.	164.6	165.6	1.0	8.09
SR-053	52.5	54.5	2.0	2.37
	137.6	141.6	4.0	0.67
	162.8	166.7	3.9	1.00
	179.2	183.2	4.0	0.63
	198.3	216.0	17.7	17.14
incl.	204.0	211.0	7.0	41.53
SR-055	212.7	213.2	0.5	8.31
	370.5	374.5	4.0	1.22
SR-056	128.5	147.1	18.6	1.52
incl.	145.1	147.1	2.0	7.61
SR-057	64.2	75.8	11.6	2.87
	89.4	91.4	2.0	1.77

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)
SR-058	106.7	107.7	1.0	5.91
	125.1	133.0	7.9	2.21
incl.	131.1	131.6	0.5	17.80
SR-059	274.9	284.6	9.7	0.79
SR-060	143.3	154.7	11.4	16.04
incl.	143.3	145.3	2.0	30.73
incl.	151.2	154.7	3.5	29.29
	197.3	205.5	8.2	2.29
incl.	204.5	205.5	1.0	15.10
	217.5	218.5	1.0	3.43
SR-061	93.0	96.0	3.0	0.88
	180.0	187.5	7.5	1.75
incl.	185.1	185.6	0.5	20.70
	195.5	196.2	0.7	3.70
SR-063	238.2	243.5	5.3	1.48
SR-064	41.8	42.8	1.0	4.69
	136.7	140.0	3.3	10.66
incl.	138.2	139.0	0.8	41.50
SR-065	136.3	159.6	23.3	1.44

Table 2 – Drill Hole Specifications

Hole	Easting	Northing	Elevation (m)	Azimuth	Dip	EOH (m)
SR-041	857796	1223267	2445	180	-45	178
SR-042	857796	1223267	2455	180	-70	239
SR-043	856191	1223330	2462	na	-90	194
SR-044	857907	1223294	2470	180	-65	290
SR-045A	857694	1223258	2454	180	-75	199
SR-046	856191	1223330	2462	180	-80	162
SR-047	857604	1223297	2450	180	-70	264
SR-048	857918	1223229	2467	180	-45	151
SR-049	856204	1223390	2478	180	-45	148
SR-050	857605	1223231	2464	175	-45	169
SR-051	856204	1223390	2478	180	-75	227
SR-052	856516	1223311	2471	180	-75	209
SR-053	857493	1223275	2473	180	-75	250
SR-054	856804	1223264	2475	180	-45	133
SR-055	857402	1223391	2511	180	-70	404
SR-056	856804	1223264	2475	180	-75	216
SR-057	856583	1223279	2465	180	-45	111

Hole	Easting	Northing	Elevation (m)	Azimuth	Dip	EOH (m)
SR-058	856583	1223279	2465	180	-75	194
SR-059	857232	1223325	2486	180	-75	321
SR-060	857313	1223269	2510	180	-90	235
SR-061	856965	1223269	2538	175	-75	214
SR-062	857008	1223437	2507	170	-45	330
SR-063	856909	1223292	2522	185	-75	253
SR-064	856909	1223292	2522	190	-45	170
SR-065	856724	1223287	2463	180	-75	187

Table 1 summarizes the significant (+0.20 g/t) uncut gold intercepts from all phase two core drill holes (see [Figure 1](#) – Drill Hole Plan and [Figure 2](#) – Long Section). All results have been previously released except for SR-062 to SR-065, which are released herein. True widths are estimated to be 70-90% of the intercepts and vertical depths are estimated to be 70-90% of the drilled depths reported below. Internal dilution within intercepts is limited to the inclusion of runs of no more than 6m below cut-off. Holes SR-043, SR-046, SR-051, SR-054 and SR-062 did not intercept economic mineralisation. For pictures of the drill core see Red Eagle’s photostream on [flickr](#).

Quality Control and Assurance (QC/QA)

All drill samples were collected with diamond core drill rigs using approximately one metre sample intervals and following standard industry practice. Acme Analytical Laboratories prepped and screened samples in Medellin, Colombia and assayed samples 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 and approved by Michael Johnson 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 exploration and management team. Red Eagle Mining is currently developing the Santa Rosa gold project in Colombia. Santa Rosa is an intrusive hosted structurally-controlled quartz stockwork system within the prolific Cretaceous 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 50km west of AngloGold Ashanti’s Gramalote gold deposit (2.5 million ounce M&I resource grading 0.8 g/t Au) and 60km east of Continental Gold’s Buritica gold deposit (630,000 ounce M&I resource grading 17.8 g/t Au). Red Eagle Mining also holds an extensive package of exploration ground in Colombia, including the Pavo Real project in the Mid-Cauca gold belt. 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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