



**RED EAGLE MINING ANNOUNCES POSITIVE PRELIMINARY METALLURGICAL RESULTS OF 93% GOLD RECOVERIES FOR SANTA ROSA**

*Vancouver, BC, August 8, 2012* – Red Eagle Mining Corporation (TSX-V: RD, OTCQX: RDEMF) is pleased to announce that it has received positive results for its metallurgical testwork on material from the San Ramon gold system in the Santa Rosa gold project in Colombia. Results to date show gold recoveries of 73% to 85% for conventional heap leach of the oxide material and 93% for carbon in leach (CIL) of the primary material.

Oxide samples with grades of 7.4 g/t Au (48 kg) and 2.4 g/t Au (120 kg) produced leach results over six days of between 65% and 86% gold recovery depending on the crush size from 1.00 inch to 0.25 inch (see Tables 1 and 2). The optimum result is likely a 0.5 inch crush size (giving recoveries of between 73% and 85%) which is easily achievable as the material is friable. Reagent consumptions are within the bounds of conventional heap leach operations. The samples were taken from near surface adits and trenches. The second larger sample was taken as the gold grade of the initial sample (news release dated [June 19, 2012](#)) was unexpectedly high.

Table 1 – San Ramon Oxide Leach Results 7.4 g/t Au Sample

Top Size (inch)	Au Recovery 144 Hours (%)	Ca(OH) <sub>2</sub> Addition (kg/t)	NaCN Consumption (kg/t)
1.00	73.2	10.6	0.5
0.50	85.3	11.7	0.6
0.25	86.3	11.5	0.6

Table 2 – San Ramon Oxide Leach Results 2.4 g/t Au Sample

Top Size (inch)	Au Recovery 144 Hours (%)	Ca(OH) <sub>2</sub> Addition (kg/t)	NaCN Consumption (kg/t)
1.00	65.8	9.5	0.4
0.50	72.8	10.3	0.4
0.25	77.7	11.3	0.4

The primary (non-oxidised) sample with a grade of 0.9 g/t (54 kg) showed that over 25% of the gold could be recovered by gravity concentration. The flotation process was able to recover 95.6% of the Au in 12.5% of the mass. Cyanide leaching of the concentrate for 48 hours recovered 97.8% of the Au from the concentrate product. The overall process shows that high intensity cyanide leaching of the flotation concentrate is able to extract 93.5% of the Au. The cyanide and lime consumptions in the concentrate were 4.36 kg/t and 4.92 kg/t respectively. The sample was taken from a recently mined crosscut in fresh rock which exposed the shear.

Table 3 – San Ramon Primary Leach Results

Product	Au (g/t)	Distribution (%)
Pregnant Solution	2.48	93.5
Leach Residue	0.12	2.1
Flotation Concentrate	5.58	95.6
Flotation Tailings	0.04	4.4

“Based on the positive metallurgical results to date Red Eagle has commenced a bulk sampling program for a PEA level gold recovery study”, comments Ian Slater, Chief Executive Officer. “These preliminary test results indicate that the processing routes will likely be heap leach for the oxidised material and flotation followed by gravity concentration and CIL for the primary material.”

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 (open at depth). The mineralisation extends to surface where oxide channel sampling has averaged approximately 1.0 g/t Au to a depth of 50m. The 2012 work program for San Ramon includes:

- Phase two core drill programme (24 holes totaling 5,400m) – complete
- Phase three core drill programme in the near surface oxides on 50m spacing (25 holes totaling 1,922m completed to date out of a 5,000m programme) – commenced in June with all assays pending
- Preliminary metallurgical test work - complete
- PEA level metallurgical test work; and
- NI 43-101 compliant measured and indicated resource.

Environmental base line studies and a Preliminary Economic Assessment (PEA) will commence during 2012 and be released during 2013.

The tests were conducted at the Acme Metallurgical Laboratory in Vancouver, Canada. The scientific and technical information contained in this news release has been reviewed and approved by Michael Johnson P.Geol., 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 San Ramon gold system in the Santa Rosa 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 16<sup>th</sup> 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](http://www.redeaglemining.com), contact Ian Slater, Chief Executive Officer, or contact:

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