

Eagle Hill Third Quarter Financial Results

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct 1, 2013) - [Eagle Hill Exploration Corp. \(TSX VENTURE:EAG\)\(OTCQX:EHECF\)](#) ("Eagle Hill" or the "Company") has released the results of its third quarter ended July 31, 2013. Details of the Company's financial results are described in the unaudited condensed consolidated interim financial statements and Management's Discussion and Analysis ("MD&A"), which are available on the Company's website at www.eaglehillexploration.com and on SEDAR at www.sedar.com. All amounts are in Canadian dollars unless otherwise stated.

FINANCIAL SNAPSHOT

Selected financial information for the nine months ended July 31, 2013 and the years ended October 31, 2012 and 2011 are as follows:

	July 31, 2013	October 31, 2012	October 31, 2011
Net loss before other items	(\$1,618,939)	(\$3,221,554)	(\$2,688,853)
Comprehensive loss for the period	(\$1,549,743)	(\$2,924,564)	(\$2,973,117)
Net loss per common share	(\$0.01)	(\$0.02)	(\$0.03)
Total assets	\$21,196,288	\$18,899,190	\$11,197,750
Total long-term liabilities	\$3,039,821	\$2,530,716	\$837,711

As at the date of this MD&A, the Company has working capital of approximately \$5.0 million.

RECENT EVENTS

On August 15, 2013, Eagle Hill's shareholders approved a private placement whereby Southern Arc and Dundee together invested an aggregate of \$12 million to each hold a 26.14% interest in Eagle Hill. Southern Arc invested \$7,324,050 to acquire 97,654,000 units of Eagle Hill and Dundee invested \$4,675,950 to acquire an additional 62,346,000 units at a price of \$0.075 per unit. Each unit comprises one common share of Eagle Hill and one half share purchase warrant, with each whole warrant entitling the holder to acquire a further common share of Eagle Hill at a price of \$0.10 per share for a period of four years.

Following completion of the \$12 million private placement, Eagle Hill finalized the acquisition of Noront's 25% interest, as well as Noront's royalty interests and rights associated with the property. The Company paid to Noront a cash consideration of \$5,000,000 and issued 25 million Eagle Hill common shares, subject to a hold period of four months. This transaction gave Eagle Hill 100% of the Main Zone, which hosts the majority of the mineral resource, and also removed Noront's buy-back option, royalties and a future preferential payment from Eagle Hill of \$11.9 million from potential production cash flow.

From the \$12 million private placement, the Company used \$5,000,000 to purchase Noront's 25% interest, as described above, and paid a finder's fee consisting of \$180,000, 1,600,000 common shares and 800,000 warrants exercisable for one year at \$0.10 per share. The Company paid \$552,500 as termination payments to three former officers and a Director of the Company. Approximately \$5,000,000 has been budgeted for the current exploration program and resource update. Remaining funds will be used for costs related to the private placement and for general corporate purposes.

Since the private placement, the Board of Directors of the Company has been reconstituted. Eagle Hill's Board of Directors comprises six directors: John Proust - Chairman, Dr. Michael Andrews, David Christie, Carl Calandra and Robert Parsons, who were appointed on August 15, and Daniel Racine, who was appointed on September 16. The Board of Directors promoted Jean-Philippe Desrochers, PhD, to the position of Vice President Exploration and appointed new executive officers to the Company. The Board of Directors appointed John Proust as Interim CEO, Dr. Michael Andrews as Interim President and Brian Richardson as Interim CFO, and is conducting an executive search to permanently fill these senior positions.

On September 12, Eagle Hill commenced a 25,000-metre drill program with the objective of expanding the existing mineral resource. Following completion of this program in December, Eagle Hill plans to release an updated resource estimate in early 2014.

WINDFALL PROPERTY REVIEW AND OUTLOOK

The Company's flagship property is its Windfall Lake Property, which covers approximately 12,400 hectares in the prolific Abitibi Greenstone Belt of northeast Quebec. The property formerly consisted of 362 claims, but claim boundaries have been reorganized and updated into a new configuration of 285 contiguous claims covering the same area. Eagle Hill obtained ownership of the property by optioning different claim blocks from Noront, Murgor and Cliffs. The recent purchase of Noront's remaining interest in certain claims has given the company 100% control of the Main Zone, which hosts the majority of the mineral resource. A total of 54,000 ounces of inferred mineral resource are from the F-51 and F-15 gold zones, located on the Murgor-Cliffs claims immediately adjacent the Main Zone.

Prior to Eagle Hill acquiring the property, more than \$25 million was spent by previous owners on data collection, sampling and drilling, with the majority of expenditures focused on expanding known gold zones at the Windfall Lake Property. The acquisition came with over 71 kilometers of drill core, surface samples, geophysics data, a 58-person camp, a core logging and splitting shack, and a 1,450-metre-long 5-metre by 5-metre underground ramp (vertical depth 100 metres). The property was logged in the 1990s and is accessible year-round by gravel logging roads.

Mineralization at Windfall Lake consists primarily of pyrite stockwork that forms large gold-bearing lenses up to 35 metres wide. The majority of the mineral resource is hosted in the Main Zone, comprising the 27, Caribou, Mink and Mallard Gold Lenses. The bulk of mineralization averages approximately 10 g/t over 5 metres, with very high-grade pockets up to 248 g/t over 12.4 metres in some areas. The distribution of the mineralized lenses together with the average grade of the deposit suggest that the Windfall Gold deposit could be amenable to underground mining. Preliminary metallurgical tests, completed by G&T Metallurgical Services Ltd. of Kamloops, BC, indicate that as much as 91.7% of the gold recoverable using a standard gravity and flotation circuit, followed by cyanidation of the flotation concentrate.

Over 640 holes have been drilled to date at the property for a total of 162,100 metres. Holes in the gold zones demonstrate good grade distribution along the entire mineralized interval. High-grade mineralization has been identified in multiple zones, yet only a small portion of the 12,400 hectare property has been tested to date. The deposit is well defined from surface to a depth of 500 metres, and remains open along strike and at depth. Mineralization has been identified only 30 metres from surface in some areas and as deep as 870 metres in others, with significant potential to extend mineralization up- and down-plunge.

The fall 2013 drill program will focus on expanding the deposit by drilling new zones and testing extensions to zones that have demonstrated higher grade and thicker gold mineralization. With three drill rigs commencing exploration on September 12, Eagle Hill expects to complete 25,000 metres of drilling by year-end 2013. Eagle Hill will have more than 50,000 metres of new drilling to incorporate into an updated resource estimate in early 2014, with 106 holes totalling 29,208 metres drilled since the 2012 resource estimate and the addition of 25,000 metres in the current program.

The first 4,300 metres of drilling will be focused to the west of the Main Zone, where geophysical characteristics and previous drilling identified mineralization similar to that hosted in the Main Zone. Drilling by Noront intersected 11.2 g/t gold over 5.5 metres, approximately 150 metres west of the Main Zone at a depth of 700 metres and on strike with Lense 27. Eagle Hill plans to drill 11 holes in this area to test the potential to extend the strike of the Main Gold Zone by another 500 metres to the west.

The next 17,000 metres of drilling will focus on expanding the strike length of the 27, Caribou, Mink and Mallard Gold Lenses. Lense 27 has more than 700 metres strike length of continuous gold mineralization, with highlight intersections including 23.8 g/t gold over 25.0 metres (hole EAG-12-318), 14.2 g/t gold over 52.0 metres (hole EAG-10-196) and 12.22 g/t gold over 21.0 metres (hole EAG-11-259). The Company plans to drill 14 holes in Lense 27 to test lateral extensions of the higher grade and thicker gold shoots, along with limited infill drilling. Eagle Hill plans to drill an additional 32 holes in the Caribou, Mink and Mallard Gold Lenses to test their lateral strike extensions.

Additional drilling will be completed at depth below the Red Dog intrusion in the Main Zone. Previous drilling in this area identified 15.34 g/t gold over 11.0 metres at a depth of 870 metres. Down-hole geophysics and four deep drill holes will allow the Company to plan a comprehensive deep drilling program.

All drill results have been previously released and are available on SEDAR at www.sedar.com and on the Company's website at www.eaglehillexploration.com.

As at July 31, 2013, the Company had commitments to spend \$1,821,329 on mineral exploration within Quebec and a further \$2,499,700 on mineral exploration within Canada before December 31, 2013.

The Company has fostered a solid relationship with the local aboriginal community, specifically the Waswanipi Cree community that holds the trapline rights on the Windfall Lake Property. In November 2012, the Company signed an exploration agreement for the Windfall Lake Property with the Grand Council of the Crees (Eeyou Istchee), the Cree Regional Authority and the Cree First Nation of Waswanipi. The agreement provides for the completion of a comprehensive Business and Employment Capacity Study to assess the full potential for Cree business and employment opportunities, and for the best interests of all stakeholders in seeing continued exploration at the Windfall Lake Property.

NET LOSS AND COMPREHENSIVE LOSS FOR THE THREE AND NINE-MONTH PERIODS

For the three months ended July 31, 2013, the Company had a net loss of \$545,230 or \$0.00 per share (2012: \$834,984 or \$0.01 per share) and a comprehensive loss of \$545,230 or \$0.00 per share (2012: \$857,921 or \$0.01 per share).

For the nine months ended July 31, 2013, the Company had a net loss of \$1,549,743 or \$0.01 per share (2012: \$2,158,377 or \$0.02 per share) and a comprehensive loss of \$1,549,743 or \$0.01 per share (2012: \$2,266,508 or \$0.02 per share).

COMPARATIVE QUARTERLY RESULTS

The following table sets out selected financial information for the most recent eight fiscal quarters ending July 31, 2013.

	Fiscal 2013			Fiscal 2012
	Q3 \$	Q2 \$	Q1 \$	Q4 \$
Total assets	21,196,288	20,483,057	19,223,152	18,899,190
Long-term liabilities	(3,039,821)	(2,974,557)	(1,993,982)	(2,353,0716)
Net loss	(545,230)	(521,587)	(482,926)	(1,052,844)
Net loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)

	Fiscal 2012			Fiscal 2011
	Q3 \$	Q2 \$	Q1 \$	Q4 \$
Total assets	16,895,227	16,462,785	11,280,851	11,197,750
Long-term liabilities	(1,896,795)	(1,434,250)	(806,662)	(837,711)
Net loss	(834,984)	(711,018)	(612,377)	(877,415)
Net loss per share, basic and diluted	(0.01)	(0.00)	(0.01)	(0.01)

Note: The Company had no revenue and paid no dividends during the above periods

On Behalf of the Board of Directors

John Proust, Chairman and Interim CEO

About Eagle Hill Exploration Corporation

[Eagle Hill Exploration Corp.](#) is a Canadian mineral exploration company focused on the exploration and development of the high-grade Windfall Lake Gold Deposit, located between Val-d'Or and Chibougamau in Quebec. Southern Arc Minerals and Dundee Corporation each hold a 26.14% interest in Eagle Hill and recently invested an aggregate of \$12 million to consolidate ownership of the property and fund an aggressive exploration program. More information is available at www.eaglehillexploration.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Qualified Person

The technical information in this document has been reviewed by Eagle Hill's Vice President Exploration, Jean-Philippe Desrochers, PhD, PGeo, who has sufficient experience relevant to the style of mineralization under consideration and qualifies as a Qualified Person as defined by National Instrument 43-101.

Cautionary Note Regarding Forward-looking Statements

This document contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). The use of any of the words "will", "plans", "objective", "expand", "potential" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such forward-looking statements should not be unduly relied upon. This document contains forward-looking statements and assumptions pertaining to the following: uncertainty involving resource estimates and the ability to extract those resources economically, or at all; uncertainty involving drilling programs and the Company's ability to expand and upgrade existing resource estimates; the regulatory process and actions; the need to work with local communities and authorities to advance the properties; the need to work with Dundee and Southern Arc to advance the property; technical issues; new legislation; competitive factors and conditions; uncertainties resulting from potential delays or changes in plans; the occurrence of unexpected events; and the Company's ability to execute and implement future plans. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors, including uncertainty related to drill results and the inclusion of drill results in future resource estimates for the property. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct.

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