

VANCOUVER, March 25, 2015 /CNW/ - [Red Eagle Mining Corp.](#) (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 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

SOURCE [Red Eagle Mining Corp.](#)

on [Red Eagle Mining Corp.](#) contact Ian Slater, Chief Executive Officer, or: Patrick Balit, Director Corporate Development, [Red Eagle Mining Corp.](#), Suite 920 - 1030 West Georgia Street, Vancouver, BC, V6E 2Y3, +1 604 638 2545, info@redeaglemining.com, www.redeaglemining.com; James Beesley, Investor Relations, james@sequoiapartners.ca, +1 604 682 4600, +1 855 682 4600 toll free, +1 778 389 7715 mobile