

VANCOUVER, BC--(Marketwired - March 15, 2017) - Red Eagle Exploration Limited (TSX VENTURE: XR) is pleased to announce the acquisition of an additional two exploitation mining concessions totalling 124 hectares in the prolific California-Vetas Gold District located in Santander, Colombia. These two concessions are adjacent to the strategic block of six concessions Red Eagle Exploration recently acquired (news release dated February 15, 2017). The now eight properties, which collectively comprise the California Gold Project, are adjacent to and along strike from concessions which contain La Bodega gold deposit currently being developed by Mubadala Development. The last public NI 43-101 Technical Report for La Bodega was issued by Ventana Gold dated effective November 8, 2010 and reported an Inferred resource of 3.47M ounces of gold.¹

Transaction

Red Eagle Exploration has an option to purchase 100% of two additional exploitation mining concessions for consideration of US \$7,493,250 of which 50% is payable in cash and 50% is payable in shares of Red Eagle Exploration. Initial payments of US \$62,444 and \$62,444 payable in shares of Red Eagle Exploration are due upon closing. The balance of the payments are due over a two year period subsequent to title transfer. An additional payment is due three years from the date of title transfer equivalent to 1.5% of the value of gold and silver Measured and Indicated resources included in a NI 43-101 Technical Report. The transactions are subject to the approval of the TSX Venture Exchange.

About the California Gold Project

The California Gold Project comprises 250 hectares within the prolific California-Vetas Gold District, which also contains the multi-million ounce La Bodega and Angostura gold deposits. Elevation ranges from 2,400 to 2,700 metres above sea level, far below the Paramo boundaries.

California is situated in the Santander Massif of the eastern cordillera of the Andes Mountains. The massif is comprised of Precambrian gneisses, schists, quartzites and migmatites of the Guyana Shield. Intermediate to granitic intrusives of the Santander Plutonic Group were emplaced during a period of uplift in the Jurassic/Triassic era. Porphyry intrusive stocks and dikes in the immediate areas of mineralization may be as young as Tertiary in age. Regional faulting parallels the topographic fabric with the crustal-scale northwest trending Bucaramanga-Santa Marta wrench fault and the northeast trending Rio Cucutilla fault zone defining the principal structural trends.

The gold-silver-copper mineralization in the California Gold Project is part of the same, large mineralizing system localized along a regional northeast-trending fault zone that also hosts the adjacent La Bodega deposit. Mineralization occurs in northeast, northwest and east-west striking, generally steeply north-dipping faulted structures containing high grade veins up to two metres in width. Vein mineralogy includes pyrite, chalcopyrite and sphalerite.

Red Eagle Exploration plans to advance the California Gold Project toward economic feasibility by the delineation of high-grade vein resources exploitable by modern underground mining methods. This work will initially involve compiling existing data, detailed underground mapping of existing mine workings, detailed underground channel sampling, and prioritizing targets for subsequent drifting along with surface and underground diamond drilling as soon as possible.

The California Gold Project is located approximately ten kilometres from Red Eagle Exploration's existing Vetas Gold Project, potentially resulting in operational synergies including processing at a central mill.

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

About Red Eagle Exploration

Red Eagle Exploration is a well-financed precious metals exploration and development corporation majority owned by gold producer [Red Eagle Mining Corp.](#) Red Eagle Exploration has an experienced exploration and mine development team focused on building shareholder value through acquiring and developing high grade gold and silver projects with low costs and low technical risks in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration. Red Eagle Exploration owns 100% of the California Gold, Vetas Gold and Santa Ana Silver Projects, which consist of numerous historic and existing mines and where exploration is currently underway to delineate high-grade vein resources exploitable by modern underground mining methods.

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. Information set forth in this news release includes forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the terms and completion of the

proposed sale transaction are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: failure to satisfy all conditions precedent to the transaction, including disinterested shareholder approval and stock exchange regulatory approval, and the additional risks identified in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with Canadian securities regulators. Forward looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

¹ See the Technical Report titled "Preliminary Assessment La Bodega Project" dated effective November 8, 2010 available under [Ventana Gold Corp.](#)'s SEDAR profile.

Contact

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