

VANCOUVER, British Columbia, Nov. 15, 2017 (GLOBE NEWSWIRE) -- [Red Eagle Mining Corp.](#) (TSX:R) (BVL:R) (OTCQX:RDEMF) is pleased to announce financial results for the three and nine months ending September 30, 2017 and business highlights to date including:

- New discovery announced at the San Marcos Zone at Red Eagle Mining's controlled public subsidiary [Red Eagle Exploration Ltd.](#)'s California Gold Project (news release dated November 14, 2017). Mineralization has been mapped and sampled underground in multiple locations over a strike length of 750 metres and vertical distance of 350 metres. Highlights included 24.04 g/t Aueq over 0.60 metres, 136.11 g/t Aueq over 0.20 metres, 16.13 g/t Aueq over 1.30 metres, 15.29 g/t Aueq over 1.00 metres and 34.13 g/t Aueq over 0.50 metres;
- New discoveries announced at the Los Andes Zone at Red Eagle Mining's controlled public subsidiary [Red Eagle Exploration Ltd.](#)'s California Gold Project (news release dated September 26, 2017). Samples averaged 25.32 g/t Aueq over 0.39 meters at Mina Los Andes and 8.37 g/t Au, 1,081 g/t Ag (22.38 g/t Aueq) and 0.88% Cu over 0.85 meters at Los Andes Sur;
- Continued success with the underground delineation drilling program at the San Ramon Mine which continues to exceed expectations with many intercept grades significantly higher than the reserve grade of 5.2 g/t Au (news releases dated August 1, 2017 and September 18, 2017);
- Greenfields exploration discovery of multiple parallel high-grade veins at the Santa Rosa Gold Project within five kilometres from the completed Santa Rosa mill (news release dated July 10, 2017);
- Initial sampling announced from the Machuca Zone at Red Eagle Mining's controlled public subsidiary [Red Eagle Exploration Ltd.](#)'s California Gold Project (news release dated June 28, 2017). Sampling encountered a higher grade mineralized zone with a total strike length of 45 metres which is open in all directions. The average composite grades along the two metre width of the drift were 9.8 g/t Au and 221.1 g/t Ag;
- Closed C \$30 million rights offering to fund the add-on backfill plant and to provide working capital before gold production resumes. Monthly repayment of the credit facility deferred until April 1, 2018 (news releases dated June 26, 2017, June 29, 2017 and August 11, 2017); and
- Acquired the high-grade California Gold Project through Red Eagle Mining's controlled public subsidiary [Red Eagle Exploration Ltd.](#) (news releases dated February 15, 2017 and March 15, 2017).

Operations Update

Mine Development

Underground development at the San Ramon Gold Mine continues to advance according to plan with 1,756 metres completed in the third quarter, 438 metres in October and 4,493 metres completed year-to-date. Development has been primarily focused on secondary access ramps and advancing sixteen attack ramps on levels -125, -150, -175 and -200 metres, measured from surface.

During September four of these attack ramps crossed the mineralized shear zone defining economic ore headings with channel sampling averaging 7.35 grams per tonne gold over an average stope width of 3 metres. During October four additional attack ramps crossed the shear zone. Development ore will continue to be mined and stockpiled.

Stope mining operations resumed in October with 4,373 tonnes at 6.09 grams per tonne gold mined and stockpiled. Prior to the anticipated mill start-up in January 2018, Red Eagle Mining expects to have stockpiled 21,000 tonnes of ore. Upon completion, the additional development, infill drilling and back fill system will allow consistent production resulting in an estimated 50,000 ounces of gold produced during 2018.

Updated ground support, drilling and blasting procedures were successfully implemented following the recently completed geotechnical study that resulted in greatly improved ground conditions, lower costs and reduced dilution.

During October, twin primary ventilation fans were commissioned on top of the exhaust shaft providing 120,000 cubic feet per minute to the underground mine. Each fan can deliver 120,000 cubic feet per minute with one operating and one on standby.

Mill and Add-on Backfill Plant

The mill processing facility commissioning is complete. The mill has demonstrated the ability to exceed the nameplate design throughput by 20%, with the capability to process up to 1,200 tonnes per day.

Design of the proposed backfill plant was completed during October. Testing will continue through November. Construction is planned to commence before the end of the year and is expected to be completed during Q1 2018.

Delineation Drilling

The stope delineation underground drill program is ongoing, utilizing increased access to the ore body from the mine

development program. The program commenced in June 2017 with two underground diamond drill rigs and a third rig added during August 2017. As of October 31, 2017, 10,015 metres have been drilled in 123 delineation holes with assays pending on holes SRDU-0044 to SRDU-0123. Highlights from the 43 underground stope delineation holes released to date (SRDU-0001 to SRDU-0043) include intersections:

- SRDU-0003 – 0.60m at 44.14 g/t Au from 45.10m down hole
- SRDU-0008 – 2.25m at 10.04 g/t Au from 82.20m down hole
- SRDU-0008 – 4.75m at 5.38 g/t Au from 97.80m down hole (incl. 0.60m at 27.30 g/t Au)
- SRDU-0010 – 3.80m at 5.35 g/t Au from 58.35m down hole
- SRDU-0011 – 1.50m at 25.92 g/t Au from 85.90m down hole
- SRDU-0019 – 2.45m at 36.93 g/t Au from 59.05m down hole (incl. 0.50m at 108.54 g/t Au)
- SRDU-0020 – 1.60m at 19.10 g/t Au from 87.40m down hole
- SRDU-0038 – 1.35m at 63.38 g/t Au from 29.80m down hole
- SRDU-0042 – 0.50m at 108.64 g/t Au from 56.70m down hole

Selected Financial Data

The following selected financial data is derived from Red Eagle Mining's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2017, as prepared in accordance with interim standards under International Financial Reporting Standards (all amounts in thousands of US dollars, except per share amounts).

	For the three months ended		For the nine months ended	
	Sep 30, 2017	Sep 30, 2016	Sep 30, 2017	Sep 30, 2016
Net loss	\$ 5,010	\$ 568	\$ 11,940	\$ 1,204
Comprehensive loss (income)	\$ 4,819	\$ 235	\$ 10,307	\$ (291)
Basic & diluted loss per share	\$ 0.02	\$ 0.00	\$ 0.04	\$ 0.01
As at			Sep 30, 2017	Dec 31, 2016
Cash and cash equivalents			\$ 3,625	\$ 4,202
Total assets			\$ 153,547	\$ 122,020
Total liabilities			\$ 84,456	\$ 84,591
Shareholders' equity			\$ 69,091	\$ 37,429

For the three and nine months ended September 30, 2017, Red Eagle Mining reported a net loss of \$5 million (2016: \$0.6 million) and \$12 million (2016: \$1.2 million), respectively. The net loss increased compared to the 2016 period primarily due to increased expenses associated with the ramp up of the San Ramon Gold Mine and Mill during the 2017 period, which also resulted in the increased values of Total Assets and Shareholders' Equity.

This press release should be read in conjunction with the unaudited interim condensed consolidated financial statements and Management's Discussion and Analysis for the three and nine months ended September 30, 2017. These documents can be found on Red Eagle Mining's website or profile at www.sedar.com.

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

About Red Eagle Mining

Red Eagle Mining is a gold producer focused on building shareholder value through acquiring, developing and operating gold projects in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration. Red Eagle Mining owns 100% of the Santa Rosa Gold Project and controls [Red Eagle Exploration Ltd.](#) which owns 100% of the Vetás Gold, California Gold and Santa Ana Silver Projects and is actively consolidating additional high grade precious metal deposits in Colombia.

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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 Red Eagle Mining 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.