A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Ontario, Alberta and British Columbia, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These 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. These securities will not be offered or sold to, or for the account or benefit of, persons within the United States or "U.S. persons", as such term is defined in Regulation S under the U.S. Securities Act unless the securities are registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws is available. See "Plan of Distribution".*

***Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Red Eagle at our head office located at Suite 920 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 (Telephone (604) 638-2545), and are also available electronically at www.sedar.com.*

New Issue March 21, 2014

PRELIMINARY SHORT FORM PROSPECTUS

RED EAGLE MINING CORPORATION

$4,000,000

12,121,212 Common Shares

This short form prospectus (this "**Prospectus**") qualifies the distribution (the "**Offering**") of 12,121,212 common shares (the "**Offered Shares**") of Red Eagle Mining Corporation ("**Red Eagle**" or the "**Company**") at a price of $0.33 per Offered Share (the "**Offering Price**"). The Offered Shares are being offered and sold pursuant to the terms of an underwriting agreement (the "**Underwriting Agreement**") dated March 21, 2014 between Red Eagle and Haywood Securities Inc. (the "**Lead Underwriter**"), National Bank Financial Inc. and PI Financial Corp. (together with the Lead Underwriter, the "**Underwriters**"). See "*Plan of Distribution*".

Price $0.33 per Share

	Price to the Public ($)	Underwriter's Fee(1) ($)	Net Proceeds to Red Eagle(2) ($)
Per Share	0.33	0.0198	0.3102
Total(3)	4,000,000	240,000	3,760,000

Notes:

(1) In consideration of the services rendered by the Underwriters in connection with the Offering, Red Eagle has agreed to pay the Underwriters a fee equal to 6% of the gross proceeds of the Offering (the "**Underwriters' Fee**").

(2) Before deducting the expenses related to the Offering, estimated at $300,000, which, together with the Underwriters' Fee, will be paid by Red Eagle from the proceeds of the Offering. See "*Use of Proceeds*".

(3) Red Eagle has granted to the Underwriters an over-allotment option (the "**Option**"), exercisable in whole or in part at any time until the date that is 30 days following the Closing Date, to purchase up to an additional 1,818,181 Common Shares (the "**Additional Shares**") on the same terms as set forth above solely to cover over-allotments, if any, and for market stabilization purposes. If the Option is exercised in full, the total Price to the Public, Underwriters' Fee and Net Proceeds to Red Eagle will be $4,600,000, $276,000 and $4,324,000 (before estimated expenses of $300,000), respectively.

This Prospectus also qualifies the distribution of the Option and the Additional Shares issuable upon the exercise of the Option. See "*Plan of Distribution*". A purchaser who acquires Additional Shares forming part of the

Underwriters' over-allotment position acquires those securities under this Prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Option or secondary market purchases.

The following table sets out the number of securities that may be issued by Red Eagle to the Underwriters pursuant to the Option.

Underwriter's Position	Maximum Size	Exercise Period	Exercise Price
Option	1,818,181 Shares	At any time, but not later than 30 days following the Closing	$0.33 per Additional Share

The Offering Price was determined by negotiation between the Company and the Lead Underwriter on behalf of the Underwriters. The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by Red Eagle and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*".

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares (as defined below) at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

In addition to the Offering, the Company intends to issue 3,043,684 Common Shares (up to 3,495,392 Common Shares if the Option is exercised in full by the Underwriters) to Liberty Metals & Mining Holdings, LLC ("**Liberty**") pursuant to the Participation Right (as defined below), on a private placement basis for aggregate gross proceeds of $1,003,844 (up to $1,152,908 if the Option is exercised in full by the Underwriters), concurrent with the closing of the Offering (the "**Concurrent Private Placement**"). See "*Plan of Distribution – Concurrent Private Placement*". No commission or other fee will be paid to the Underwriters in connection with the Concurrent Private Placement. The anticipated net proceeds from the Offering and the Concurrent Private Placement will be $4,763,843 ($5,476,907 assuming the exercise in full of the Option by the Underwriters and the Participation Right by Liberty). See "*Use of Proceeds*" and "*Plan of Distribution*".

The outstanding common shares of Red Eagle (the "**Common Shares**") are listed on the TSX Venture Exchange (the "**TSXV**") under the trading symbol "RD" and trade in the United States on OTCQX International under the trading symbol "RDEMF". On March 14, 2014, the last trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSXV and on the OTCQX International were $0.38 and US$0.3386, respectively, and on March 20, 2014, the last trading day prior to the filing of this Prospectus, the closing price of the Common Shares on the TSXV and the OTCQX International were $0.335 and US$0.327, respectively. Red Eagle has applied to list the Offered Shares on the TSXV. Such listing will be subject to Red Eagle fulfilling all of the listing requirements of the TSXV.

An investment in the Offered Shares should be considered speculative due to various factors, including the nature of the Company's business. The risk factors outlined or incorporated by reference in this Prospectus should be carefully reviewed and considered by prospective purchasers in connection with their investment in the Offered Shares. See "*Cautionary Note Regarding Forward-Looking Information*" and "*Risk Factors*".

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about April 8, 2014 or such later date as the Company and the Underwriters may agree (the "**Closing Date**"), but in any event, on or before a date that is not later than 42 days after the date of the receipt for the final short form prospectus. Except as may be otherwise agreed by the Company and the Underwriters, it is expected that the Company will arrange for an instant deposit of the Offered Shares to or for the account of the Underwriters with CDS Clearing and Depository Services Inc. ("**CDS**") on the Closing Date, against payment of the aggregate purchase price for the Offered Shares. Purchasers of Offered Shares will receive only a customer confirmation from the Underwriters or other registered dealer that is a CDS participant and from or through which a beneficial interest in the Offered Shares is purchased. See "*Plan of Distribution*".

The following persons are required to sign a certificate under Part 5 of National Instrument 41-101 – General Prospectus Requirements ("**NI 41-101**") or provide a consent under Part 10 of NI 41-101 and reside outside of Canada and have appointed the following agent(s) for service of process:

Name of Person	Name and Address of Agent
Robert Bell	Red Eagle Mining Corporation, Suite 920 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3
Ken Cunningham	Red Eagle Mining Corporation, Suite 920 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3
Thomas Dyer	
Michael Lindholm	
Carl Defilippi	
W. Joseph Schlitt	

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

Certain legal matters relating to the Offering will be passed upon by Anfield Sujir Kennedy & Durno LLP ("**ASKD**"), on behalf of the Company, and by Miller Thomson LLP, on behalf of the Underwriters.

In this Prospectus, references to "Red Eagle", the "Company", "we", "us" and "our" refer to Red Eagle Mining Corporation and/or, as applicable, one or more of its subsidiaries. Unless the context otherwise requires, references to "Common Shares" include all of the common shares of the Company, including the Offered Shares offered and qualified hereunder. Unless the context otherwise requires, references to "Offered Shares" include any Additional Shares issued on exercise of the Option. Unless otherwise stated, references to "dollars" and "$" in this Prospectus are to Canadian dollars. Red Eagle's head office is located at Suite 920 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 and our registered and records office is located at Suite 1600 - 609 Granville Street, Vancouver, British Columbia, V7Y 1C3.

Investors should rely only on the information contained in or incorporated by reference into this Prospectus. The Company has not authorized anyone to provide investors with different information. Neither the Company nor the Underwriters are making an offer of these securities in any jurisdiction where the offer is not permitted. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front of this Prospectus. The Company's business, operating results, financial condition and prospects may have changed since that date.

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ELIGIBILITY FOR INVESTMENT

In the opinion of Anfield Sujir Kennedy & Durno, LLP, counsel to Red Eagle, based on the current provisions of the *Income Tax Act* (Canada) including the regulations thereunder (the "**Tax Act**") and specific proposals to amend the Tax Act publically announced by or on behalf of the minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), and provided that the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act and which currently includes the TSXV), the Offered Shares will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered education savings plan, a deferred profit sharing plan, a registered disability savings plan and a tax-free savings account ("**TFSA**") (as those terms are defined in the Tax Act).

Notwithstanding the foregoing, if the Offered Shares are a "prohibited investment" for a particular RRSP, RRIF or TFSA for purposes of the Tax Act, the annuitant of the RRSP or RRIF or the holder of the TFSA, as the case may be, will be subject to a penalty tax under the Tax Act. The Offered Shares will generally not be a "prohibited investment" for these purposes unless the annuitant under the RRSP or RRIF or holder of the TFSA, as applicable, (i) does not deal at arm's length with Red Eagle for the purposes of the Tax Act, or (ii) has a "significant interest" (as defined in the Tax Act for purposes of the prohibited investment rules) in Red Eagle. In addition, the Offered Shares will generally not be a prohibited investment if the Offered Shares are "excluded property" as defined in the Tax Act for the purposes of the prohibited investment rule.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus, including the documents incorporated by reference herein, contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws (together, "**forward-looking information**") concerning the Offering, the Concurrent Private Placement, the use of proceeds of the Offering and the Concurrent Private Placement and the Company's projects, capital, anticipated financial performance, business prospects and strategies and other general matters. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in the forward-looking information. The use of words such as "intend", "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking information. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may constitute forward-looking information. Statements relating to mineral resources are also forward- looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral resources described can be profitably produced in the future. There is no certainty that it will be commercially viable to produce any portion of the mineral resources.

Forward-looking information contained in this Prospectus includes statements with respect to:

- the timing and closing of the Offering and the Concurrent Private Placement;
- the satisfaction of the conditions to closing of the Offering and the Concurrent Private Placement, including the receipt, in a timely manner, of regulatory and other required approvals;
- the proposed use of proceeds of the Offering and the Concurrent Private Placement;
- expectations regarding the potential mineralization, geological merit and economic feasibility of the Company's projects, including the Santa Rosa Project (as defined below);
- the Company's goals regarding development of the Santa Rosa Project and regarding raising capital and conducting further exploration and development of its properties;
- the Company's proposed plans for advancing its projects, including drilling and other exploration work;
- expectations regarding the continuity of mineral deposits, including in relation to adjacent or other properties (including producing or past-producing properties) that are in the vicinity or same region as the Company's projects;

- expectations regarding any environmental issues that may affect planned or future exploration programs;
- mineral exploitation and exploration program cost estimates;
- statements with respect to the future price of gold and other metals;
- timing and completion of geological studies and reports;
- receipt and timing of exploration and exploitation permits and other third party approvals;
- government regulation of mineral exploration and development operations in Colombia; and
- expectations regarding any social or local community issues in Colombia that may affect planned or future exploration and development programs.

These statements and information are only predictions based on current information and knowledge, some of which may be attributed to third party industry sources. Actual future events or results may differ materially. Undue reliance should not be placed on such forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking information will not be realized.

The following are some of the assumptions upon which forward-looking information in this Prospectus is based:

- that general business and economic conditions will not change in a material adverse manner;
- continuing demand for, and stable or improving price of, gold;
- receipt of regulatory and governmental approvals, permits and renewals in a timely manner;
- that the Company will not experience any material accident, labour dispute or failure of plant or equipment or other material disruption in the Company's planned exploration programs;
- the availability of financing for development and exploration activities on reasonable terms;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the proposed development of the Company's mineral projects will be viable operationally and economically and proceed as expected;
- that planned drilling at its mineral properties will be completed and that the results of such drilling will be sufficient to expand the existing resources consistent with management's expectations;
- that the estimates of the resources at the Santa Rosa Project are within reasonable bounds of accuracy (including with respect to size, grade and recovery);
- that the Company's current exploration and development programs and objectives can be achieved;
- the Company's ability to attract and retain skilled personnel and directors; and
- the accuracy of the Company's mineral resource estimates (including size, grade and recoverability) and the geological, operational and price assumptions on which these are based.

Actual results could differ materially from those anticipated in this forward-looking information as a result of the risks and uncertainties set forth below and elsewhere in this Prospectus:

- volatility in prices of, and demand for, gold;
- the Company is an exploration and development stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company's operations will be profitable in the future;

- risks inherent in mineral exploration and development;
- risks associated with political and/or economic instability in Colombia;
- uncertainties associated with estimating mineral resources and mineral reserves;
- uncertainties related to title to the Company's mineral projects;
- competition for, among other things, capital and skilled personnel;
- geological, technical and drilling problems;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- rising costs of labour and equipment;
- inherent uncertainties involved in the legal dispute resolution process, including in foreign jurisdictions;
- changes in income tax and other laws of foreign jurisdictions;
- tightening of the credit markets, global economic uncertainty and counterparty risk; and
- other factors discussed under "*Risk Factors*", as well as those risk factors discussed or referred to in the Annual Information Form and Annual MD&A (each as defined below).

Assumptions relating to the potential mineralization on the Santa Rosa Project are discussed in the most recent technical report in respect thereof which is available under the Company's profile on the SEDAR website at www.sedar.com.

Additional risks and uncertainties not currently known to the Company, or that the Company currently deems to be immaterial, may also materially and adversely affect the Company's business and prospects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The reader is cautioned not to place undue reliance on forward-looking information.

The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company's plans and objectives in making an investment decision and may not be appropriate for other purposes. This forward-looking information is expressly qualified in its entirety by this cautionary statement. Forward-looking information contained in this Prospectus is made as of the date of this Prospectus, and forward-looking information contained in documents incorporated herein by reference is made as of the dates specified in such documents. The Company disclaims any obligation to update any such forward-looking information to reflect events or circumstances after the date of such information, or to reflect the occurrence of anticipated or unanticipated events, except as required by law.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

Unless otherwise indicated, all references to "$" or "dollars" in this Prospectus refer to Canadian dollars and all references to "US$" in this Prospectus refer to United States dollars.

The following table sets forth the rate of exchange for the United States dollar expressed in Canadian dollars in effect at the end of the periods indicated, the average of exchange rates in effect on the last day of each month during such periods, and the high and low exchange rates during such periods based on the noon rate of exchange as reported by the Bank of Canada for conversion of United States dollars into Canadian dollars.

	12 months ended December 31, 2013	12 months ended December 31, 2012	nine months ended September 30, 2013
Average rate for period	$1.0299	$1.0031	$1.0235
Rate at end of period	$1.0636	$0.9949	$0285
High for period	$1.0697	$1.0487	$1.0576
Low for period	$0.9839	$0.9710	$0.9839

The noon rate of exchange on March 20, 2014 as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars was US$1.00 = $1.1251.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Red Eagle at Suite 920 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 (Telephone (604) 638-2545) and are also available electronically at www.sedar.com.

The following documents of Red Eagle filed with the securities commissions or similar authorities in Canada are incorporated by reference in this Prospectus:

1. the Company's annual information form dated April 5, 2013 (the "**Annual Information Form**") in respect of the fiscal year December 31, 2012, filed on SEDAR on April 9, 2013;

2. the audited consolidated financial statements of the Company and the notes thereto as at and for the years ended December 31, 2012 and December 31, 2011, together with the auditors' report thereon (the "**Annual Financial Statements**", filed on SEDAR on April 9, 2013;

3. the Company's management's discussion and analysis of financial conditions and operations for the year ended December 31, 2012 (the "**Annual MD&A**"), filed on SEDAR on April 9, 2013;

4. the unaudited condensed consolidated financial statements of the Company and the notes thereto as at and for the three and nine months ended September 30, 2013 and September 30, 2012 (the "**Interim Financial Statements**"), re-filed on SEDAR on March 21, 2014;

5. the Company's management's discussion and analysis of financial conditions and operations for the nine months ended September 30, 2013 (the "**Interim MD&A**"), re-filed on SEDAR on March 21, 2014;

6. the management information circular dated November 6, 2013 relating to the annual general meeting of shareholders of Red Eagle held on December 12, 2013 and filed on SEDAR on November 6, 2013;

7. the material change report dated January 22, 2013, in respect of a news release announcing an initial NI 43-101 resource estimate for the Santa Rosa Project, filed on SEDAR on January 22, 2013;

8. the material change report dated February 18, 2014, in respect of the results of the Santa Rosa Report, filed on SEDAR on February 24, 2014;

9. the material change report dated February 18, 2014, in respect the filing of the Santa Rosa Report, filed on SEDAR on February 24, 2014;

10. the material change report dated February 21, 2014, in respect of a news release announcing the sale of an additional 1% net smelter returns royalty in the Santa Rosa Project to Liberty for consideration of $4,166,666, filed on SEDAR on February 24, 2014;

11. the technical report of the Company entitled "Technical Report and Preliminary Economic Assessment, San Ramon Deposit, Santa Rosa Project, Colombia" dated October 10, 2013 and prepared for the Company by Thomas L. Dyer, P.E., Michael S. Lindholm, C.P.G., W. Joseph Schlitt, QP, MMSA and Carl Defilippi, C.E.M. (together, the "Santa Rosa Authors"), together with the accompanying certificates of qualified persons and consents of qualified persons, all of which were filed on SEDAR on October 29, 2013 and October 30, 2013 (the "**Santa Rosa Report**") ; and

12. the material change report dated March 20, 2014, in respect of a news release announcing the Offering and the Concurrent Private Placement, filed on SEDAR on March 20, 2014.

Any document of the type referred to in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of the distribution shall be deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus modifies or supersedes that statement. Any statement so modified or superseded shall not constitute a part of this Prospectus except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

THE COMPANY

CORPORATE INFORMATION

Red Eagle Mining Corporation was incorporated pursuant to the *Business Corporations Act* (British Columbia) (the "**BCBCA**") on January 4, 2010. The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Red Eagle currently has two subsidiaries, Red Eagle Mining de Colombia Limited (a wholly-owned British Columbia subsidiary) and Rovira Mining Limited (a 70% owned British Columbia subsidiary). The Company completed its initial public offering on June 24, 2011 and the Company's shares were listed on the TSX Venture Exchange under symbol "RD" on June 28, 2011.

OVERVIEW

The Company is a growth-oriented, Canadian-based gold company, focused on exploring and developing gold properties in Colombia. Through its subsidiaries, the Company currently has interests in two exploration and development properties in Colombia. These include: a 100% interest in the Santa Rosa Project, a gold property comprising a total area of 31,901 hectares located near Santa Rosa de Osos in the Department of Antioquia, Colombia (See "Santa Rosa Project") and a 70% interest in a gold exploration property comprising a total area of 18,138 hectares located approximately 20km south of Ibague, the capital of Tolima Province (the "**Pavo Real Property**"). The properties of the Company are in the exploration stage. The Santa Rosa Project is currently the Company's focus and is the host of the San Ramon gold deposit (the "**San Ramon Deposit**"). The Santa Rosa Project is the subject of the Santa Rosa Report (See "Santa Rosa Project – Santa Rosa Report").

RECENT DEVELOPMENTS

On February 24, 2014, the Company announced that it had submitted a comprehensive environmental impact assessment ("**EIA**") including an environmental management plan ("**EMP**") to Corantioquia (Department of Antioquia Environmental Agency). Approval of the EIA and EMP by Corantioquia, which grants the Environmental License, is the final permit required for construction and mining of the San Ramon Deposit. Permitting is expected to be completed during 2014.

On February 18, 2014, the Company announced that it had engaged Lycopodium to prepare a feasibility study in respect of the San Ramon Deposit.

On December 20, 2013, the Company announced that Liberty had completed the purchase of a further 1% net smelter return ("**NSR**") royalty on a portion of the Santa Rosa Project for $4,166,666. This is in addition to the 2% NSR royalty purchased by Liberty on October 22, 2012 on the same mineral concessions. For a period of two years from the date of first gold production, Red Eagle may repurchase 1% of the royalty for $8,333,333. The royalty does not apply to the mineral concessions comprising part of the Santa Rosa Project acquired from Grupo de Bullet on October 25, 2012 which are subject to a 1.5% NSR royalty.

In addition, on December 20, 2013, the Company announced the resignation of Noel Dunn as a director of the Company following his departure from Liberty. Mr. Dunn joined the Red Eagle board of directors as Liberty's nominee in connection with Liberty's acquisition of a 19.95% interest in the Company in October 2013. Liberty is entitled to nominate an individual to replace Mr. Dunn as its representative on the board, but had not done so as of the date of this Prospectus.

On October 30, 2013, the Company announced that it had filed the Santa Rosa Report which includes the results of a PEA. (See "Santa Rosa Project – Santa Rosa Report").

On September 19, 2013, the Company announced that it had received the result of the PEA included in the Santa Rosa Report. (See ""Santa Rosa Project – Santa Rosa Report").

SANTA ROSA PROJECT

On April 15, 2011 the Company acquired 100% of the Santa Rosa Project in Antioquia, Colombia, for US$9,600,000 of which US$8,900,000 has been paid to date. On August 6, 2013 the Company signed an agreement with the vendors deferring the remaining US$700,000 until November 2014. The Company also agreed to acquire certain adjacent concession contracts for US$780,000, of which US$40,000 has been paid and US$740,000 is due upon title transfer. As at the date of this Prospectus the outstanding balance relating to these purchases was US$1,440,000 ($1,539,680).

On October 22, 2012, concurrent with a private placement financing, the Company entered into an investment agreement with Liberty (the "**Liberty Investment Agreement**") providing for the Liberty Participation Right, and for the sale of a 2% NSR royalty over portions of the Santa Rosa Project to Liberty for gross proceeds of $8,333,333. The Company had the option to sell an additional 1% NSR royalty to Liberty for $4,166,667 at any time until December 31, 2013 and on December 20, 2013, the Company exercised this option and Liberty acquired the further NSR royalty. The Company has the option to repurchase this additional 1% NSR royalty for $8,333,333 at any time during the first two years of gold production.

On October 24, 2012 the Company executed an agreement with Bullet Holdings Corp. to acquire additional mineral concession contracts totaling 35,910 hectares adjacent to the Santa Rosa Project. The consideration for the transaction was the issuance of 905,000 common shares, reimbursement of current year concession fees and the granting of a 1.5% NSR royalty over the properties acquired. The Company has decided to drop one concession contract and two applications, reducing this recently acquired area from 35,910 hectares to 30,097 hectares.

Jeff Toohey, P. Eng, the Company's Vice-President Exploration, is the qualified person, within the meaning of NI 43-101, who has reviewed and verified the accuracy of the foregoing technical information relating to the Santa

Rosa Project (other than technical information related to engineering) and has approved the written disclosure of such information.

SANTA ROSA REPORT

On October 29, 2013, the Company filed the Santa Rosa Report on its SEDAR profile at www.sedar.com. The Santa Rosa Report provides updated mineral resource estimates and a preliminary economic assessment for the Santa Rosa Project. The information below is derived from the Santa Rosa Report. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described below and reference should be made to the full text of the Santa Rosa Report, which is incorporated by reference herein except to the extent that its contents are modified, updated or superseded by a statement contained in this Prospectus (which does not need to state that such statement has modified, updated or superseded such contents). **The disclosure contained in the Santa Rosa Report and this Prospectus supersedes the disclosure relating to the Santa Rosa Project in the Annual Information Form, the Annual MD&A and the Interim MD&A.**

The Santa Rosa Report was prepared by the independent qualified persons, within the meaning of NI 43-101, identified in "*Interests of Experts*" below. The scientific and technical information contained in the Santa Rosa Report, including the summary section reproduced below, has been reviewed and approved by such qualified persons (in each case reviewing and approving only those portions of the scientific and technical information that relates to the applicable sections of the Santa Rosa Report for which the particular qualified person was responsible for preparing).

SUMMARY

Mine Development Associates ("**MDA**") has prepared the Santa Rosa Report on the San Ramon Deposit that is part of the larger Santa Rosa Project in the Department of Antioquia, northern Colombia, at the request of Red Eagle.

The purpose of the Santa Rosa Report is to support the public disclosure of a Preliminary Economic Assessment ("**PEA**") for the San Ramon Deposit. A PEA is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. The updated resource estimate on which this PEA is based was previously described in a Technical Report by MDA (Lindholm and Schlitt, 2013b). The Santa Rosa Report, the resource estimate, and the PEA have been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101"), Companion Policy 43-101CP, and Form 43-101F1, as well as with the Canadian Institute of Mining, Metallurgy and Petroleum's "CIM Definition Standards - For Mineral Resources and Reserves, Definitions and Guidelines" ("**CIM Standards**") adopted by the CIM Council on November 27, 2010.

The effective date of the mineral resource estimate is August 5, 2013. The effective date of the PEA is September 19, 2013. The effective date of the Santa Rosa Report is October 1, 2013.

Property Description and Ownership

The Santa Rosa Project is located approximately 5km southeast of the town of Santa Rosa de Osos in the Department of Antioquia, 70km north of the department capital Medellín in northern Colombia. The project is accessible from Medellín via a paved highway for about 65km, then via an unpaved road for approximately 8km.

Red Eagle's property covers a total area of approximately 31,901 hectares and consists of: 1) six concession contracts, 2) 12 concession-contract applications for which the technical study has been approved and free areas have been declared, and 3) one application recently filed. Red Eagle holds a 100% interest in the project, subject to completing payments of $700,000 to the underlying owners and subject to royalty obligations described below. The San Ramon gold deposit is located entirely on concession contract B7560005.

There is a government-imposed royalty on gold and silver production that is effectively 3.2%.

Liberty holds a 3% NSR royalty on four concession contracts numbered B7560005, B7171005, H5791005, and H5790005 and two concession contract applications numbered LDM-08061 and LKA-08004. Red Eagle may buy back 1% of the royalty for $8,333,333 for a period of two years from the date of the first gold production. This royalty applies to the concession in which the resource is located, B7560005.

Bullet Holding Corp. holds a 1.5% NSR royalty on those concession contracts and applications that Red Eagle acquired from them in 2012 and still holds. This royalty does not apply to the concession in which the resource is located.

Exploration and Mining History

The gold potential of the Santa Rosa area was recognized around the year 1600, with gold production from upland placers reaching a peak in the 18th century and mining from high-grade oxide ores peaking in the 1940s. Based on the existence of the extensive abandoned mine workings, past gold production appears to have been significant, but actual historic gold production is unknown. Although small-scale mining by artisanal miners continues outside the San Ramon Deposit resource area, the first known modern mineral exploration activity was begun by Red Eagle in July 2010. Since that time, Red Eagle has undertaken the following exploration activities in the San Ramon Deposit area:

- Mapping and sampling historic workings and adits;
- Grab, channel, and panel sampling of quartz veins and diorite-granodiorite wall rock;
- Auger saprolite sampling;
- Soil sampling with mobile-metal-ion ("MMI") analysis, covering over 20 square kilometers;
- Helicopter-borne magnetic and radiometric surveying;
- Induced-polarization surveying; and
- Drilling of 238 core holes totaling 45,609m since September 2011.

Recently Red Eagle undertook stream-sediment, rock-chip and trench, and MMI geochemical sampling in the newest concessions that were acquired in 2012 beyond the area of the San Ramon Deposit resources with the objective of identifying potential targets for mineralization that may become future satellite feed to the San Ramon Project.

Geology and Mineralization

The northwestern margin of South America, including the project area, is comprised of a mosaic of Paleozoic and younger autochthonous and allochthonous terranes that were accreted to the South American continent. Subduction-related magmatic arcs now represented by plutonic batholiths, sub-volcanic intrusions, and associated volcanic rocks, were superimposed on these terranes during the Jurassic, Cretaceous, Eocene to late Miocene, and Late Miocene to Recent.

The Santa Rosa Project is located within the Cajamarca-Valdivia terrane that includes a metamorphic basement complex and the Antioquia Batholith. Lower greenschist- to lower amphibolite-grade metasedimentary units and oceanic ophiolitic volcanic and intrusive rocks were accreted to the continental margin in the Ordovician-Silurian. These rocks were onlapped by volcanic-sedimentary units during the Mesozoic. During the Cretaceous, both the Paleozoic basement rocks and Mesozoic volcanic-sedimentary units were intruded by the Antioquia quartz-diorite, diorite, and granodiorite batholith.

Monotonous diorite and quartz diorite dominate the geology of the project area, with isolated roof pendants of amphibolites and metasedimentary rocks, as well as dikes of microdiorite and dacite porphyries. Red-brown saprolite is widespread and often deep (up to 50m). Soils are generally about 50cm thick and rarely up to 2m. Schistose fault-zone mylonite was observed at several locations in outcrop and adits.

Hypogene gold mineralization within the Santa Rosa Project is generally associated with the shear zones developed in homogeneous diorite country rock, with higher grades occurring in sulfide-mineralized quartz veins. Exploration by Red Eagle has identified a strongly mineralized shear zone (San Ramon shear zone) trending about east-west and containing mineralized quartz veins, sheeted veins, and anastomosing vein networks. Besides gold, the mineralization contains some silver, significant quantities of sphalerite, and minor amounts of galena. Sulfides range from 1% to 5% but can reach 10%, and there appears to be a direct correlation between sulfide content and gold grade. The upper portions of the mineralized shear zone are oxidized and heavily weathered to saprolite. Historically, gold has been extracted on the property from these saprolitic, as well as colluvial, gold deposits, by artisanal miners from underground workings and from hydraulically mined areas known locally as "*baticiones*."

Metallurgical Testing and Mineral Processing

Kappes, Cassiday & Associates ("**KCA**") in Reno, Nevada conducted a comprehensive testing program during the first half of 2013. Direct cyanide leaching of the sulfide material (which compromises 92% of the total) at a 75-micron grind yielded an average recovery of 93% gold.

Although the KCA gold extractions for direct leaching were encouraging, the sodium cyanide consumptions were inconsistent and covered a wide range of values from 0.2 to 5kg NaCN per tonne. Therefore, a confirmatory testing program was undertaken at McClelland Laboratories, Inc. ("**MLI**") in Sparks, Nevada. Splits from five of the sulfide composites tested for direct leaching at KCA were retested by MLI. The MLI protocol replicated KCA's in all respects, except for dissolved oxygen. This parameter was significantly higher in the MLI tests. Comparable gold extractions obtained by KCA and MLI were virtually identical, confirming a recovery of at least 93% for direct leaching of the sulfides. However, cyanide consumption in the MLI tests was significantly lower at 0.5kg NaCN per tonne, with lime consumption generally unchanged. The average value for the combined test programs is 1.47kg NaCN per tonne, which has been used until additional confirmatory test results are available. These tests are now underway and are expected to confirm lower cyanide consumption.

In both tests conducted by KCA and MLI, sodium cyanide consumption increased continuously throughout each leach test, and values reported are those determined at the end of the 96-hour tests. However, a 48-hour leach cycle has been selected, which will result in lower sodium cyanide consumption. Additionally, there is the potential to significantly reduce the leach cycle further as most of the gold is recovered within 24-hours.

Sample composite grades to date have been primarily representative of open-pit mining average grades. Testing is being extended to higher-grade material which would be expected for an underground mining operation. Appropriate high-grade samples have already been delivered to MLI for these tests. These may result in some improvement in recovery, as current testing has suggested a positive head grade-recovery relationship.

Mineral Resource Estimate

The two resource estimates performed for Red Eagle at the San Ramon Deposit have defined an east-west-trending, shear-zone-hosted gold deposit that extends over approximately 2,000m and that predominantly dips 70° to the north. The deposit is open at depth. A significant outcome of Red Eagle's most recent work is the further development of a comprehensive geologic model, now based on 238 core holes totaling 45,609m, which provided the basis of the most recent resource estimate update. Approximately 75% of the resource is Measured and Indicated, with the remainder Inferred; classification is primarily a function of drill-spacing. The upgraded classification in the current resource is the result of increased drill density with substantial infill drilling, as well as improvements in QA/QC procedures, additional metallurgical test work, and more comprehensive density and geotechnical data. The reported estimate, presented in Table 1.1, was performed using inverse distance to the third and fourth power for estimation of low- and high-grade domains, respectively. MDA reports resources at cutoffs that are reasonable for deposits of this nature given anticipated mining methods and plant processing costs, while also considering economic conditions, because of the regulatory requirements that a resource exists "in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction."

The initial resource was reported at a single cutoff grade of 0.3g Au/t. The current resource on which the PEA is based is reported as a combination of open-pit mineable material at a cutoff grade of 0.3g Au/t and underground mineable material at a cutoff of 1.2g Au/t. The change in reporting cutoff was necessary because deeper material beyond the limits that can be considered open-pit mineable was delineated by new drilling. Because of the change in cutoff, the current resource cannot be directly compared to the initial resource estimate.

Table 1.1 Mineral Resources

Total Reported - Measured

Cutoff g Au/t	Tonnes	g Au/t	oz Au
Variable	**1,771,000**	**2.00**	**114,100**

Total Reported - Indicated

Cutoff g Au/t	Tonnes	g Au/t	oz Au
Variable	**8,577,000**	**1.77**	**487,000**

Total Reported - Measured & Indicated

Cutoff g Au/t	Tonnes	g Au/t	oz Au
Variable	**10,348,000**	**1.81**	**601,100**

Total Reported - Inferred

Cutoff g Au/t	Tonnes	g Au/t	oz Au
Variable	**2,966,000**	**1.69**	**161,000**

Preliminary Economic Assessment

The PEA is preliminary in nature. It includes Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized.

A PEA has been completed for the San Ramon Deposit based on an underground only operation. MDA completed the underground design, production and development schedules, processing schedules, and financial analysis for the PEA. KCA has completed recovery methods, infrastructure, and process capital and operating cost sections in support of the PEA.

Mining Methods

The San Ramon Deposit mine has been planned as an underground operation. The primary reasons for selection of underground methods as opposed to open-pit mining are:

- Underground mining helps to reduce the footprint of the mine and its environmental impacts;

- The San Ramon Deposit is a high-grade, narrow vein deposit, and open-pit mining would cause excessive dilution from the mining process; and

- Underground selectivity will help to control dilution.

The mine will be accessed through a portal entrance. Development will include construction of a decline, main haulage levels, and sublevels. Ventilation will require raises to the surface. The decline and the primary haulage levels will be utilized to intake air, while the ventilation raises will be used as exhaust.

All of the development has been designed on the footwall side of the deposit. Cross-cuts will connect the development with production locations, and in some circumstances, may be driven beyond the deposit and into the hanging wall so that additional exploration / delineation drilling may be done from the hanging-wall side of the deposit.

Minable resources were developed using the modeled high-grade domains along with undiluted resource grade estimates. The high-grade domains were used as a basis for stope designs. The domains were trimmed based on economic parameters and then expanded to ensure a minimum mining width of 2m. An economic evaluation of stope blocks assumed that a minimum length of 10m and a minimum height of 10m could be mined.

The undiluted resource grade estimates were diluted based on the proportion of the high-grade zones, low-grade zones, and unestimated material within each block. Blocks that were classified as resource were allowed to dilute the minable model with an average grade of 1.51g Au/t, and blocks that were not classified as resource diluted the minable model with zero grade. Total dilution to the minable resources is 26%. The net diluted minable resource includes 2,722,000 tonnes of Measured and Indicated resource grading 5.10g Au/t and 832,000 tonnes of Inferred resource grading 4.16g Au/t.

Ore loss is accounted for by removing areas that will not be mined because either they are too remote from other potential ore to pay for additional development or the potential value has been diluted to a point where the material is eliminated from consideration. No other ore loss has been considered.

Table 1.2 shows the total diluted mineable resource used for the PEA.

Table 1.2 Total Diluted Mineable Resource

	Resources Mined as Ore			Classified Internal Dilution			Total Diluted Material to Process		
	Tonnes	g Au/t	Ozs	Tonnes	g Au/t	Ozs	Tonnes	g Au/t	Ozs
Measured	377,000	6.95	84,300	113,000	1.40	5,100	490,000	5.67	89,400
Indicated	1,792,000	5.82	335,300	440,000	1.51	21,400	2,232,000	4.97	356,700
Measured and Indicated	2,169,000	6.02	419,600	553,000	1.49	26,500	2,722,000	5.10	446,100
Inferred	718,000	4.56	105,300	114,000	1.61	5,900	832,000	4.16	111,200
				Non-Classified Internal Dilution			88,000		
						Total	3,642,000	4.76	557,300

Two stoping methods have been considered for mining the San Ramon deposit: long-hole stoping and cut-and-fill. Long-hole stoping provides a lower cost and will be used in the areas where veins are thicker or multiple veins can be mined together. In order to maximize selectivity and reduce dilution, cut-and-fill will be the predominant mining method. Approximately 73% of the minable resource has been planned for mining by cut-and-fill.

The stopes will be filled with dry processed tailings, with a layer of mine-development waste placed on the top. Where necessary, cemented rock fill will be added to consolidate stope floors or walls.

Yearly development, mining, and process schedules were developed to achieve 360,000 tonnes per year of processing (1,000 tonnes per day 360 days per year). Schedules were developed to concentrate on higher-grade zones in the early years to maximize value and reduce the payback period.

The mining and processing schedule is shown in Table 1.3.

Table 1.3 Mine and Process Production

		Yr -1	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Total
Total Diluted Material	K Tonnes	40	320	360	360	360	361	360	360	360	361	360	39	3,641
	g Au/t	11.46	7.69	6.46	4.88	3.95	3.48	3.93	4.32	4.08	5.31	3.15	4.12	4.76
	K ozs Au	15	79	75	57	46	40	45	50	47	62	36	5	557
Mined as Cut & Fill	K Tonnes	38	193	260	246	252	230	237	312	326	296	247	36	2,673
Mined as Long Hole	K Tonnes	1	127	100	114	108	131	123	48	34	65	113	3	968
Total Mined	K Tonnes	40	320	360	360	360	361	360	360	360	361	360	39	3,641
Material Processed	K Tonnes	-	360	360	360	360	361	360	360	360	361	360	39	3,641
	g Au/t	-	8.11	6.46	4.88	3.95	3.48	3.93	4.32	4.08	5.31	3.15	4.12	4.76
	K ozs Au	-	94	75	57	46	40	45	50	47	62	36	5	557
	K Ozs Rec	-	87	70	53	42	38	42	47	44	57	34	5	518
	Net Rec	0.0%	92.9%	93.0%	93.2%	93.0%	93.1%	92.9%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%
Payable Gold	K Ozs Au	-	87	69	52	42	37	42	46	44	57	34	5	516

Some discrepencies between tables may be noticed due to rounding issues.

Recovery Methods

The San Ramon Deposit proposed processing facilities include a complete circuit to process gold-bearing material from the underground mining operation. The facilities consist of a carbon-in-leach ("**CIL**") precious-metals recovery plant to produce a gold dorè product, including primary and secondary crushing, crushed-ore storage, ball-mill grinding, thickening, agitated leaching (CIL), an elution recovery system, cyanide destruction, tailings filtration, and a combination of tailings disposal with approximately one-half placed underground, and the other half as dry stack tailings placed in a surface impoundment. The criteria used for the design of the agitated leach processing circuit are summarized in Table 1.4.

Table 1.4 Process Design Criteria Summary

ITEM	DESIGN CRITERIA
Annual Tonnage Processed	360,000 (1,000 tpd)
Crushing Operation	12 hours/shift, 1 shift/day, 7 days/week
Crushing Area Availability	75%
Crushing Production Rate (Design)	133 tph
Mill Operation	12 hours/shift, 2 shifts/day, 7 days/week
Mill Availability	92.5%
Milling Production Rate (Design)	50 tph
Grinding Product Size	80% passing 75 µm

Leaching Retention Time	48 hours
Leach % Solids	45 wt. % solids
Gold Recovery	93% (@ 48 hours leaching)
Carbon Loading	7,500 g (Au + Ag) / tonne
Recovery Plant Configuration	Elution (Zadra) / Electrowinning / Smelting
Elution Circuit Size	2 t/d carbon
Cyanide Destruction Method	INCO/SO_2
Tailings Handling	Pressure filtration / disposal in surface impoundment (50%) and UG backfill (50%)

Infrastructure

The infrastructure and services necessary to support the Santa Rosa Project operation include the following major areas:

- Access roads, including upgrades to existing roads and construction of new roads
- Construction of an 8km, 44kV power transmission line to supply power for mining and mill operations. Connected loads of 5.8MW and 3.0MW are estimated for the process and mine areas, respectively.
- Construction of a 2km, 13.2kV auxiliary power line to supply emergency backup power
- Process water supply and distribution, including a fire water system
- Sewage system
- Project buildings, including:
  - Administration
  - Refinery
  - Process area shop and warehouse
  - Laboratory
  - Mine area warehouse
  - Guard house
  - Reagent storage
- Natural gas storage and distribution for certain recovery plant equipment
- Diesel fuel storage systems for both process and mining mobile equipment
- Miscellaneous site services such as:
  - First aid
  - Communications
  - Employee transport
  - Solid-waste disposal

Capital and Operating Costs

Process capital and operating costs have been estimated by KCA. All other capital and operating costs were estimated by MDA with input by Red Eagle included for definition drilling, general and administrative, and reclamation costs. Table 1.5 shows the capital cost estimate for the San Ramon Deposit. The summary is broken down into the exploration and mining phases. Note that sustaining working capital is negative and reflects the recovery of working capital charged to initial project capital.

Table 1.5 Capital Cost Summary

	Units	Exploration Phase	Mining Phase		
			Initial	Sustaining	Total LOM
Mine Development	K USD	$ 5,983	$ 11,752	$ 51,225	$ 62,977
Pre-Production	K USD	$ 1,540	$ 4,992	$ -	$ 4,992
Mine Capital	K USD	$ 1,125	$ -	$ -	$ -
Process Capital	K USD	$ -	$ 54,962	$ 367	$ 55,329
Working Capital	K USD	$ -	$ 1,964	$ (1,964)	$ -
Contingency	K USD	$ 200	$ 10,992	$ -	$ 10,992
Total Capital Cost	K USD	$ 8,847	$ 84,663	$ 49,628	$ 134,291
Recoverable VAT	K USD	$ 148	$ 6,783	$ 820	$ 7,603
Total Capital Cost	K USD	$ 8,995	$ 91,447	$ 50,447	$ 141,894

Mine operating costs were based on estimation guides taking into account local salaries for mine personnel and capital recovery for a contractor. Process costs were estimated by KCA. MDA estimated general and administrative and reclamation costs based on inputs from Red Eagle.

The total operating cost is estimated to be $278,481,000 for the life of the project. This is exclusive of refining, transportation, and insurance for gold sales and royalties (Liberty and Colombian government) that are charged off of revenues. Table 1.6 shows a summary of the operating cost.

Table 1.6. Operating Cost Summary

	Operating Cost		
	K USD	$/tonne	$/oz Au
Mining	$ 140,014	$ 38.45	$ 272
Expensed Development	$ 12,552	$ 3.45	$ 24
Definition Drilling	$ 5,051	$ 1.39	$ 10
Processing	$ 99,531	$ 27.33	$ 193
General & Administrative	$ 20,333	$ 5.58	$ 39
Reclamation	$ 1,000	$ 0.27	$ 2
Total Operating Cost	$ 278,481	$ 76.48	$ 540

Economic Analysis

MDA completed an economic analysis for the San Ramon Deposit using the production schedule along with operating and capital costs and projected revenues based on a $1,300 per ounce gold price. Note that the PEA is preliminary in nature. It includes Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The economic analysis presented assumes that the exploration phase is completed, which will establish the portal and a portion of the primary development, and that those costs are sunk costs. Thus, the economic analysis is for the mining phase only.

Financial highlights for the mining only project are shown in Table 1.7.

Table 1.7 San Ramon Mining Project Financial Model Results

	Pre-Tax	After Tax	Units
Undiscounted Cash Flow	$ 210,227	$ 158,566	K USD
NPV (5%)	$ 152,398	$ 112,586	K USD
Internal Rate of Return	47%	37%	
Payback Period	1.4	1.7	Years
Cash Cost	$ 540		$/oz Au
Total Cost		$ 982	$/oz Au

Conclusions and Recommendations

The San Ramon Deposit is a mesothermal, shear-hosted gold deposit within the Cretaceous Antioquia Batholith in northern Colombia. The known deposit, roughly 2,000m in strike length, is well defined at the east and west ends but is open-ended down dip, even after drilling extended known mineralization at depth.

The San Ramon Deposit is a narrow vein deposit, and to provide mining access, it will require mining at widths greater than the width of veins in some areas. This creates project risks in these areas of over-diluting ore, and even though the mineable resource has been diluted to a minimum mining width of 2m, care must still be taken to ensure that this dilution is managed.

This PEA demonstrates that the San Ramon Deposit is a project of merit that warrants both further exploration and development work. Recommendations include:

- additional metallurgical test work on higher-grade samples commensurate for an underground mining scenario;
- commencement of an exploration decline from the surface to depths to access representative mineralized zones, which will also be used as the infill-drilling platform in the future;
- completion of a geotechnical study covering all aspects of the project;
- completion of a site-wide water balance;
- completion of the Environmental Impact Assessment and project permitting; and
- completion of a Definitive Feasibility Study.

The estimated total budget for these recommendations is $10,436,000. Red Eagle has already allocated budgets for all of these activities and is in the process of implementing many of the recommendations.

CONSOLIDATED CAPITALIZATION

Other than the change in the share capital of the Company that will result from the issuance of the Offered Shares and Common Shares pursuant to the Concurrent Private Placement, there has been no material change in the share and loan capital of the Company, on a consolidated basis, since September 30, 2013, being the date of the Company's most recently filed financial statements.

The following table sets forth the Company's share and loan capital, on a consolidated basis, as at September 30, 2013, adjusted to give effect to the Offering. The following table should be read in conjunction with the Interim Financial Statements and Interim MD&A, which are incorporated herein by reference:

	As at September 30, 2013	**As at September 30, 2013 after giving effect to the Offering and Concurrent Private Placement [(1)]**
Share Capital	$32,665,403 (58,667,818 Common Shares)	$37,129,247 (73,832,714 Common Shares)
Loan Capital	Nil	Nil

Notes:

(1) Includes Common Shares issued pursuant to the Offering and the Concurrent Private Placement but does not include any Common Shares issuable pursuant to the Option.

As at the date of this short form prospectus, and after giving effect to the intended issuance of securities under this short form prospectus and assuming full exercise of the Option, the Company will have 76,102,603 Common Shares issued and outstanding, and outstanding stock options and warrants to acquire a further 5,115,000 Common Shares and 4,500,000 Common Shares, respectively.

USE OF PROCEEDS

The estimated net proceeds from the Offering and the Concurrent Private Placement, after payment of the Underwriters' Fee and estimated expenses of the Offering of $300,000, will be approximately $4,463,843 ($5,176,907 if the Option and the Participation Right are exercised in full).

Red Eagle currently intends, subject to discretion to change such allocation after the date of this Prospectus, to use the net proceeds to fund development and further exploration of the Santa Rosa Project and for the other purposes set forth below through to the end of 2014:

Activity or Nature of Expenditure	**Approximate use of Net Proceeds($)**
Development of the Santa Rosa Project[(1)]	2,963,843
Permitting of the Santa Rosa Project	500,000
Exploration activities at the Santa Rosa Project[(2)]	700,000
Exploration activities at the Pavo Real Property[(3)]	300,000
Total (assuming no exercise of the Option)	4,463,843

Notes:

(1) Jeff Toohey, P.Eng, the Company's Vice-President, Exploration, is the qualified person, within the meaning of NI 43-101, who has reviewed and confirmed the foregoing use of net proceeds relating to the development of the Santa Rosa Project as reasonable.

(2) The planned 2014 exploration program for the Santa Rosa Project has been designed to advance regional exploration in preparation for drilling.

(3) The proposed 2014 exploration program at the Pavo Real Property has been designed to expand the identified mineralized zones and prepare for a drill programme.

In the event that the Option is exercised in full, the additional estimated net proceeds from the exercise of the Option and the related issuance of Additional Shares pursuant to the Participation Right will be $713,064 (determined after deducting the Underwriters' Fee of $36,000 on the Additional Shares issued under the Option) and such additional net proceeds will be used for general working capital.

The Company's objectives for the Santa Rosa Project are set out in the Santa Rosa Report. The net proceeds of the Offering and the Concurrent Private Placement will allow the Company to progress with the development of the Santa Rosa Project, and will provide the flexibility to continue to undertake further exploration at the Santa Rosa Project and the Pavo Real Property.

The Company intends to spend the available funds as set forth above based on annual budgets approved by the Company's board of directors, consistent with established internal control guidelines and, the Santa Rosa Report, as applicable. However, there may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary or desirable. The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under "*Risk Factors*".

The Company generates no operating revenue from the exploration activities on its property interests and has negative cash flow from operating activities. The Company incurred the following operating losses over its two most recently completed financial years for which audited annual financial statements have been filed: (i) $10.1 million for the year ended December 31, 2011; and (ii) $12.2 million for the year ended December 31, 2012. In addition, the Company incurred an operating loss of $9.1 million for the nine months ended September 30, 2013. As of September 30, 2013, the Company had an accumulated deficit of $31,616,760. The Company anticipates that it will continue to have negative cash flow until such time that commercial production is achieved at a particular project. To the extent that the Company has negative operating cash flows in future periods in excess of the amounts disclosed above in the use of proceeds, it may need to deploy a portion of its existing working capital to fund such negative cash flow. See "*Risk Factors — Negative Operating Cash Flow*".

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Offering consists of Common Shares of the Company.

COMMON SHARES

The authorized capital of Red Eagle is an unlimited number of Common Shares and an unlimited number of preferred shares. As at March 20, 2014, Red Eagle had 58,667,818 Common Shares and no preferred shares issued and outstanding. There are no limitations contained in the notice of articles or articles of Red Eagle or the BCBCA on the ability of a person who is not a Canadian resident to hold Common Shares or exercise the voting rights associated with Common Shares. Other than pursuant to the Participation Right, the Common Shares do not carry any pre-emptive, subscription, redemption, retraction, surrender or conversion or exchange rights, nor do they contain any sinking or purchase fund provisions. A summary of the rights attached to the Common Shares is set forth below.

DIVIDENDS

Holders of Common Shares are entitled to receive on a pro rata basis dividends if, as and when declared by the Company's board of directors (the "**Board**") in respect of the Common Shares. The BCBCA provides that a corporation may not declare or pay a dividend if there are reasonable grounds for believing that the Company is insolvent or the payment of the dividend would render the Company insolvent. The Board has no current intention to declare dividends on the Common Shares. See "*Risk Factors*".

LIQUIDATION

The holders of Common Shares are entitled to share rateably in any distribution of the assets of Red Eagle upon liquidation, dissolution or winding-up, after satisfaction of all debts and other liabilities, and subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares with respect to liquidation.

VOTING

The holders of Common Shares are entitled to one vote for each share on all matters submitted to a vote of shareholders and do not have cumulative voting rights.

PLAN OF DISTRIBUTION

GENERAL

Under the terms of the Underwriting Agreement between Red Eagle and the Underwriters, Red Eagle has agreed to sell, and the Underwriters have severally agreed to purchase or arrange for the purchase from Red Eagle, on the Closing Date, subject to the terms and conditions contained in the Underwriting Agreement, 12,121,212 Offered Shares at the Offering Price, payable in cash to Red Eagle against delivery of the Offered Shares. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion upon the occurrence of certain stated events, including, among other things, events that would reasonably be expected to have a material adverse effect on the business, affairs or financial prospects of the Company, or on the market price or the value of the securities of the Company, and events of national or international consequence that would reasonably be considered to materially adversely affect or will materially adversely affect the financial markets in Canada or the United States or the business operations or affairs of the Company. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about April 8, 2014 or such later date as the Company and the Underwriters may agree (the "**Closing Date**"), however the Offered Shares are to be taken up by the Underwriters, if at all, on or before a date that is not later than 42 days after the date of the receipt for the final short form prospectus.

Red Eagle has granted to the Underwriters the Option, which is exercisable in whole or in part at any time until the date that is 30 days following the Closing Date and pursuant to which the Underwriters may purchase up to 1,818,181 Additional Shares on the same terms as set forth above solely to cover over-allotments, if any, made in connection with the Offering and for market stabilization purposes. This Prospectus qualifies the distribution of the Option and the issuance of the Additional Shares on the exercise of the Option. A purchaser who acquires Additional Shares forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Option or secondary market purchases.

The obligations of the Underwriters under the Underwriting Agreement are several, and not joint, nor joint and several. In the event that any Underwriter does not purchase its applicable percentage of Offered Shares, the remaining Underwriters shall not be obligated to purchase Shares; however, the remaining Underwriters shall have the right, exercisable at their option, to purchase on a pro rata basis (or on such other basis as may be agreed to by the remaining Underwriters) all, but not less than all, of the Offered Shares which would otherwise have been purchased by the defaulting Underwriter or Underwriters. Red Eagle has agreed to indemnify the Underwriters against certain liabilities, including liabilities under applicable Canadian securities legislation, and to contribute to payments that the Underwriters may be required to make in respect thereof. The Offering Price was determined by negotiation between the Company and the Lead Underwriter on behalf of the Underwriters.

The expenses of the Offering, not including the Underwriters' Fee, are estimated to be $300,000 and are payable by Red Eagle. The aggregate Underwriters' Fee will be $240,000 ($0.0198 per Offered Share or 6% of the gross proceeds and assuming no exercise of the Option). If the Option is exercised in full, the aggregate Underwriters' Fee will be $276,000.

Except for the Concurrent Private Placement, the Company has agreed pursuant to the Underwriting Agreement that it will not, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares or any securities convertible into or exchangeable for Common Shares, other than issuances: (i) pursuant to the exercise of the Option; (ii) under existing director or employee stock options, bonus or purchase plans or similar share compensation arrangements as detailed in the Company's most recently-filed management discussion and analysis; (iii) under director or employee stock options at an exercise price not less than the Offering Price or bonuses granted subsequently in accordance with regulatory approval; (iv) upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date; or (v) previously scheduled property payments and/or other corporate acquisitions, for a period of 90 days from the Closing Date without the prior written consent of the Lead Underwriter, such consent not to be unreasonably withheld or delayed.

In addition, the directors and officers of the Company have agreed not to sell, or agree to sell (or announce any intention to do so), any Common Shares or securities exchangeable or convertible into Common Shares without the prior written consent of the Lead Underwriter, such consent not to be unreasonably withheld for a period of 90 days from the Closing Date.

Red Eagle has applied to list the Offered Shares on the TSXV. Such listing will be subject to Red Eagle fulfilling all of the listing requirements of the TSXV.

Pursuant to policy statements of the relevant securities commissions, the Underwriters may not, throughout the period of distribution under this Prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of such Common Shares. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSXV including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made on behalf of a client where the client's order was not solicited during the period of distribution. The Company has been advised by the Underwriters that, in connection with the Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Offered Shares will be delivered at the closing of the Offering to the Underwriters in "book- based" form and must be purchased or transferred through a CDS participant so long as they are held through CDS. It is expected that the Company will arrange for an instant deposit of the Offered Shares to or for the account of the Underwriters with CDS on the Closing Date, against payment of the aggregate net purchase price for the Offered Shares. So long as the Offered Shares are held through CDS, rights of holders must be exercised through, and all payments or other property to which such holder is entitled will be made or delivered by, CDS or the CDS participant through which the holder holds such Offered Shares, as the case may be. Each person who acquires Offered Shares under the Offering will receive only a customer confirmation of purchase from the Underwriter or registered dealer who is a CDS participant from or through whom the Offered Shares are acquired in accordance with the practices and procedures of that Underwriter or registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS is responsible for establishing and maintaining book-entry accounts for its CDS participants having interests in the Offered Shares.

OFFERING IN THE UNITED STATES

The Offered Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state. The Offered Shares may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) without registration under the U.S. Securities Act unless an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws is available. The Underwriters may, through their qualified U.S. broker-dealer affiliates, offer and sell Offered Shares to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in transactions that comply with the exemption from registration provided by Rule 144A.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Offered Shares in the United States or to, or for the account or benefit of, U.S. persons unless made by means of a U.S. private placement memorandum of Red Eagle that incorporates this Prospectus by reference.

The Underwriters have agreed that, except in accordance with the Underwriting Agreement in transactions that are exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A thereunder and in compliance with applicable U.S. state securities laws, they will not offer or sell within the United States or to, or for the account or benefit of, U.S. persons, the Offered Shares in the United States as part of their distribution. The Underwriters have further agreed that all other offers and sales of Offered Shares will be made in compliance with Rule 903 of Regulation S under the U.S. Securities Act.

In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Shares within the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in a transaction that is exempt from registration under the U.S. Securities Act.

CONCURRENT PRIVATE PLACEMENT

Pursuant to the Liberty Investment Agreement, for so long as Liberty and its affiliates collectively hold at least 7.5% of the outstanding Common Shares (on a fully-diluted basis, excluding Common Shares underlying convertible securities issued after the date of the Liberty Investment Agreement pursuant to certain equity compensation plans ("**Excluded Securities**")), in the event that Red Eagle proposes to issue Common Shares or securities convertible or exchangeable into Common Shares (collectively, "**New Securities**"), Liberty has the right (the "**Participation Right**"), subject to the receipt of all required regulatory approvals, to subscribe for and purchase such number of New Securities as would result in Liberty and its affiliates collectively maintaining, following completion of the offering of New Securities, their percentage shareholding in the Company (on a fully-diluted basis, excluding Excluded Securities) (the "**Percentage Shareholding**") immediately prior to the completion of such offering, at the same price and on the same terms at which such New Securities are offered for sale to other purchasers.

On March 14, 2014, Red Eagle notified Liberty that a Participation Right would arise in connection with the Offering and Liberty delivered its acceptance notice to the Company providing notice of its intention to subscribe, at the Offering Price, for such number of Common Shares as would result in Liberty and its affiliates collectively maintaining their Percentage Shareholding immediately prior to the closing of the Offering, plus such number of additional Common Shares as would result in Liberty and its affiliates collectively maintaining their Percentage Shareholding in the event the Option is exercised by the Underwriters. On March 21, 2014, the Company and Liberty entered into a subscription agreement governing the issuance of Common Shares pursuant to the Concurrent Private Placement. Subject to obtaining regulatory approval, closing of the Concurrent Private Placement is expected to occur concurrently with the closing of the Offering and is conditional upon closing of the Offering; however, closing of the Offering is not conditional upon closing of the Concurrent Private Placement.

In connection with the Concurrent Private Placement, the Company intends to issue 3,043,684 Common Shares to Liberty (3,495,392 Common Shares if the Option is exercised in full). No commission or other fee will be paid to the Underwriters in connection with the issuance of Shares under the Concurrent Private Placement.

PRIOR SALES

The following table summarizes the issuances by Red Eagle of Common Shares and securities convertible or exchangeable into Common Shares within the 12 months prior to the date of this Prospectus.

Date	**Type of Security**	**Price per Security**	**Number of Securities**
June 24, 2013[(1)]	Common Shares	$0.28	100,000

Notes:

(1) Issued to Miranda Gold Corp. pursuant to an agreement entered into in June, 2010 for the acquisition by Red Eagle of the Pavo Real Property.

TRADING PRICE AND VOLUME

Red Eagle's outstanding Common Shares are listed for trading on the TSXV under the symbol "RD". The following table sets forth the high and low trading price and trading volumes of the Common Shares as reported by the TSXV for the periods indicated:

COMMON SHARES			
Month	**High($)**	**Low($)**	**Volume**
March 1 - 20, 2014	0.40	0.335	799,541
February , 2014	0.41	0.255	1,436,452
January, 2014	0.30	0.195	1,032,471
December, 2013	0.21	0.16	1,521,768
November, 2013	0.30	0.17	1,231,101
October, 2013	0.40	0.20	732,491
September, 2013	0.35	0.18	1,277,570
August, 2013	0.28	0.17	732,786
July, 2013	0.25	0.18	771,771
June, 2013	0.33	0.21	900,028
May, 2013	0.30	0.23	444,081
April, 2013	0.42	0.25	213,277
March, 2013	0.50	0.33	263,150

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Anfield Sujir Kennedy & Durno LLP, counsel to the Company the following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations generally applicable to persons who acquire Offered Shares pursuant to the Offering and who, for the purposes of the Tax Act and at all relevant times, beneficially own such Offered Shares as capital property, deal at arm's length with the Company and the Underwriters, and are not affiliated with the Company or any of the Underwriters ("**Holders**"). The Offered Shares will generally be considered to be capital property to a Holder unless the Holder holds such Offered Shares in the course of carrying on a business or the Holder has acquired such Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" as defined in the Tax Act for the purposes of the mark-to-market rules; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act; (iv) that has elected to report its "Canadian tax results" in a currency other than Canadian currency pursuant to the "functional currency" reporting rules, as all those terms are defined in the Tax Act; (v) that has or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", as defined in the Tax Act, in respect of any of the Offered Shares; or (vi) that is a Canadian resident corporation which is, or becomes as part of a transaction or event or a series of transactions or events that includes the acquisition of the Offered Shares, controlled by a non-resident corporation for the purposes of section 212.3 of the Tax Act. Any such Holder should consult its own tax advisor with respect to an investment in the Shares.

This summary is based upon the provisions of the Tax Act in force as of the date hereof, all Proposed Amendments and counsel's understanding of the current published administrative practices of the Canada Revenue Agency (the "**CRA**"). This summary assumes that the Proposed Amendments will be enacted in the form proposed; however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed, if at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein or take into account any changes in the administrative practices or assessing policies of the CRA.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any Holder are made. The relevant tax considerations applicable to the acquiring, holding and disposing of Offered Shares may vary according to the status of the Holder, the jurisdiction in which the Holder resides or carries on business and the Holder's own particular circumstances. Accordingly, Holders should consult with their own tax advisors with respect to the income tax consequences to them of acquiring, holding or disposing of the Offered Shares.

RESIDENTS OF CANADA

The following section of this summary is generally applicable to a Holder who, for the purposes of the Tax Act, is or is deemed to be resident in Canada at all relevant times (a "**Canadian Holder**"). Certain Canadian Holders whose Offered Shares might not otherwise constitute capital property may make, in certain circumstances, an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Shares, and every other "Canadian security" as defined in the Tax Act, held by such persons in the taxation year of the election and all subsequent taxation years to be capital property. Canadian Holders should consult their own tax advisors regarding this election.

DIVIDENDS

Dividends received or deemed to be received on the Offered Shares will be included in computing the Canadian Holder's income.

In the case of a Canadian Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (as each term is defined in the Tax Act), including the enhanced gross-up and dividend tax credit in respect of any dividends designated by the Company as "eligible dividends" for purposes of the Tax Act.

Dividends received by a Canadian Holder that is a corporation must be included in computing its income but generally will be deductible in computing its taxable income. A Canadian Holder that is a "private corporation" (as defined in the Tax Act) and certain other corporations controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) generally will be liable to pay a 33⅓% refundable tax under Part IV of the Tax Act on dividends received or deemed to be received to the extent such dividends are deductible in computing taxable income. A Canadian Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay a refundable tax of 6⅔% on its "aggregate investment income", which will include any dividends received or deemed to be received on the Offered Shares to the extent that such dividends are not deductible in computing such Holder's taxable income.

DISPOSITION OF SHARES

A disposition or deemed disposition by a Canadian Holder of Offered Shares will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition are greater (or less) than such Canadian Holder's adjusted cost base of such Offered Shares and any reasonable costs of disposition. A Holder's adjusted cost base of any particular Offered Shares will be determined by averaging the adjusted cost base of such Shares with the adjusted cost base of all other Offered Shares and Common Shares (if any) held by the Holder as capital property at that time.

One-half of any capital gain (a "**taxable capital gain**") realized by a Canadian Holder in a taxation year must be included in the Canadian Holder's income in that year, and one-half of any capital loss (an "**allowable capital loss**") realized by a Canadian Holder in a taxation year will be deducted from the Canadian Holder's taxable capital gains in that year. Allowable capital losses in excess of taxable capital gains generally may be carried back and deducted in any of the three preceding taxation years, or carried forward indefinitely and deducted in any subsequent taxation year, against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of an Offered Share by a Canadian Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such share to the extent and in the circumstances described by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Shares directly or indirectly through a partnership or a trust.

A Canadian Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax of 6⅔% on its "aggregate investment income" (as defined in the Tax Act) for the year which will include taxable capital gains.

ALTERNATIVE MINIMUM TAX

Capital gains realized and taxable dividends received or deemed received by a Canadian Holder who is an individual (other than certain specified trusts), may give rise to alternative minimum tax under the Tax Act. Canadian Holders should consult with their tax advisors to determine the impact of alternative minimum tax.

TAXATION OF NON-RESIDENT HOLDERS

The following section of this summary is generally applicable to a Holder who, at all relevant times, and for the purposes of the Tax Act and any applicable income tax treaty, (i) is neither a resident nor deemed to be a resident of Canada, (ii) does not use or hold and is not deemed to use or hold the Shares in carrying on business in Canada, and (iii) is not a " registered non-resident insurer" or "authorized foreign bank" as each term is defined for the purposes of the Tax Act (a "**Non-Resident Holder**").

DIVIDENDS

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company are subject to Canadian withholding tax at a rate of 25% unless reduced by the terms of an applicable tax treaty. The rate of withholding tax applicable to a dividend paid on Offered Shares to a Non-Resident Holder who is a resident of the U.S.A. for purposes of the *Canada-United States Income Tax Convention (1980)* as amended (the "**Treaty**"), beneficially owns the dividend and qualifies for the benefits of the Treaty will generally be reduced to 15% or, if the Non-Resident Holder is a corporation that owns at least 10% of the voting stock of the Company, to 5%. Not all persons who are residents of the U.S.A. for purposes of the Treaty will qualify for benefits of the Treaty. A Non-Resident Holder who is a resident of the U.S.A. is advised to consult its tax advisor in this regard. The rate of withholding tax on dividends may also be reduced under certain other bilateral income tax treaties to which Canada is a signatory.

DISPOSITIONS OF SECURITIES

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Share, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Security constitutes "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Provided the Shares are listed on a "designated stock exchange" (as defined in the Tax Act and which currently includes the TSXV), the Offered Shares generally will not constitute taxable Canadian property of a Non-Resident Holder at the time of disposition, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are satisfied: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, partnerships in which the Non-Resident Holder or persons with whom the Non-Resident Holder did not deal at arm's length held a membership interest directly or indirectly through one or more partnerships, or the Non-Resident Holder together with all such persons and partnerships, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) at such time, more than 50% of the fair market value of the Offered Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act) or options in respect of, or interests or civil law rights in, such property, whether or not such property exists. Notwithstanding the foregoing, the Shares may otherwise be deemed to be taxable Canadian property. If Offered Shares are considered taxable Canadian property of a of a Non-Resident Holder, an applicable income tax treaty may exempt that Non-Resident Holder from income tax under the Tax Act in respect of the disposition or deemed disposition thereof. A Non-Resident Holder should consult its tax advisor for specific advice regarding applicability of income tax treaty benefits.

In the event Offered Shares are or are deemed to be taxable Canadian property to a Non-Resident Holder and a capital gain realized on the disposition of such Shares is not exempt from tax under the Tax Act by virtue of the terms of an applicable tax treaty, such Non-Resident Holder will realize a capital gain (or capital loss) generally in the manner described above under the heading "*Residents of Canada – Disposition of Shares*". A Non-Resident Holder whose Offered Shares are taxable Canadian property may be required to file a Canadian income tax return reporting the disposition of such Offered Shares. A Non-Resident Holder should consult its tax advisor for specific advice if its Shares are taxable Canadian property.

RISK FACTORS

An investment in the Shares involves a high degree of risk and must be considered speculative due to the nature of the Company's business and present stage of exploration and development of its mineral properties. ***Before making an investment decision, prospective purchasers should carefully consider the risks and uncertainties described below, as well as the other information contained in or incorporated by reference in this Prospectus, including without limitation the risk factors described on pages 3 to 10 of the Annual Information Form, pages 16 to 23 of the Annual MD&A, pages 36 to 37 of the Annual Financial Statements and pages 16 to 23 of the Interim MD&A .*** *These risks and uncertainties are not the only ones facing the Company. Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in quantity or quality to return a profit from production. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's business and operations. If any such risks actually occur, the Company's business, financial condition and operating results could be materially harmed.*

RISKS RELATING TO THE OFFERING

Loss of Entire Investment

An investment in the Offered Shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Discretion in the Use of Proceeds

Red Eagle currently intends to apply the net proceeds received from the Offering as described above under the heading "*Use of Proceeds*". However, management of the Company will have discretion concerning the use of the net proceeds of the Offering and the Concurrent Private Placement as well as the timing of their expenditures. As a result, an investor will be relying on the judgment of management for the application of the net proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and the effectiveness of the application of proceeds are uncertain. If the proceeds are not applied effectively, the Company's results may suffer.

Use of Proceeds

The Company currently intends to allocate the net proceeds received from the Offering as described under "Use of Proceeds". However, management will have discretion in the actual application of the net proceeds, and may elect to allocate net proceeds differently from that described under "Use of Proceeds" if they believe it would be in the Company's best interests to do so. Shareholders may not agree with the manner in which management chooses to allocate and spend the net proceeds. The failure by management to apply these funds effectively could have a material adverse effect on the Company's business.

Market Price of Securities

The trading price of the Company's Common Shares may be subject to large fluctuations. The trading price of the Common Shares may increase or decrease in response to a number of events and factors, including:

- the price of metals and minerals;
- the Company's operating performance and the performance of competitors and other similar companies;
- exploration and development of the Company's properties;
- the public's reaction to the Company's press releases, other public announcements and the Company's filings with the various securities regulatory authorities;
- changes in earnings estimates or recommendations by research analysts who track the Common Shares or the shares of other companies in the resource sector;
- changes in general economic conditions;
- the number of Common Shares to be publicly traded after the Offering;
- the arrival or departure of key personnel; and
- acquisitions, strategic alliances or joint ventures involving the Company or its competitors.

In addition, the market price of the Company's Common Shares is affected by many variables not directly related to the Company's success and not within the Company's control, including developments that affect the market for all resource sector shares, the breadth of the public market for the Company's Common Shares, and the attractiveness of alternative investments. In addition, securities markets have recently experienced an extreme level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. As a result of these and other factors, the Company's share price may be volatile in the future and may decline below the Offering Price. Accordingly, investors may not be able to sell their securities at or above the Offering Price.

Dilution

Additional financing needed to continue funding the development and operation of the Santa Rosa Project and other properties of the Company may require the issuance of additional securities of the Company. The issuance of additional securities and the exercise of Common Share purchase warrants, stock options and other convertible securities will result in dilution of the equity interests of any persons who are or may become holders of Common Shares. In addition, as of the date of this Prospectus, there are outstanding 58,667,818 Common Shares, options to acquire 5,115,000 Common Shares and warrants to acquire 4,500,000 Common Shares. The

Company also has securities issuable under certain property agreements. The exercise of all of the existing options and the issuance of securities under certain property agreements would result in percentage ownership dilution to the existing shareholders.

RISKS RELATING TO THE COMPANY

Exploration, Development and Operations

Exploration and development of mineral deposits involves a high degree of risk which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing properties. Any potential determination as to whether a mineral deposit will be commercially viable can be affected by such factors as: deposit size, grade, unusual or unexpected geological formations and metallurgy; proximity to infrastructure; metal prices which are highly cyclical; environmental factors; unforeseen technical difficulties; work interruptions; and government regulations, including regulations relating to permitting, prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted.

The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that any such deposit will be commercially viable or that the funds required for development can be obtained on a timely basis.

Mining operations generally involve a high degree of risk. The Company's operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of gold and copper, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although appropriate precautions to mitigate these risks are taken, operations are subject to hazards such as equipment failure or failure of structures which may result in environmental pollution and consequent liability. Even though the Company intends to obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Risks with Title to Mineral Properties

The Company's interest in the Santa Rosa Project is subject to a purchase agreement pursuant to which the Company must make one final cash payment of US$700,000 on or before November 30, 2014 in order to retain its interest in the property. If the Company fails to make this payment, it may lose its interest in the property. Any failure by the Company to retain title to properties which comprise its projects could have a material adverse effect on the Company and the value of the Common Shares.

The Company does not maintain insurance against title. Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has diligently investigated and continues to diligently investigate and validate title to its mineral claims; however, this should not be construed as a guarantee of title. The Company is continuously in the process of establishing the certainty of the title of mineral concessions which it holds either directly or through its equity interest in its subsidiaries or will be seeking to consolidate those titles through a government-sanctioned process. The Company cannot give any assurance that title to properties it acquired individually or through historical share acquisitions will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties.

The Company Has No Mineral Properties in Production or Under Development

The Company does not currently have mineral properties under development. The future development of properties found to be economically feasible, and the development of which is approved by the Board, will require the construction and operation of mines, processing plants and related infrastructure. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new mining operations, including:

- the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- the availability and cost of skilled labour and mining equipment;
- the need to obtain necessary environmental and other governmental approvals and permits and the
- timing of the receipt of those approvals and permits;
- the availability of funds to finance construction and development activities;
- potential opposition from non-governmental organizations, environmental groups or locals;
- groups which may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of fuel, power, materials and supplies.

The costs, timing and complexities of developing the Company's projects may be greater than anticipated because the majority of such property interests are not located in developed areas, and, as a result, the Company's property interests may not be served by appropriate road access, water and power supply and other support infrastructure. Cost estimates may increase as more detailed engineering work is completed on a project. It is common in new mining operations to experience unexpected costs, problems and delays during construction, development and mine start-up. In addition, delays in the early stages of mineral production often occur. Accordingly, the Company cannot provide assurance that its activities will result in profitable mining operations at its mineral properties.

Metal Price Volatility

The Company's business is strongly affected by the world market price of gold. If the world market price of gold were to drop and the prices realized by the Company on gold sales were to decrease significantly and remain at such a level for any substantial period, the Company's profitability and cash flow would be negatively affected.

Gold prices can be subject to volatile price movements, which can be material and can occur over short periods of time and are affected by numerous factors, all of which are beyond the Company's control. Industry factors that may affect the price of gold include: industrial and jewellery demand; the level of demand for gold as an investment; central bank lending, sales and purchases of gold; speculative trading; and costs of and levels of global gold production by producers of gold. Gold prices may also be affected by macroeconomic factors, including: expectations of the future rate of inflation; the strength of, and confidence in, the U.S. dollar, the currency in which the price of gold is generally quoted, and other currencies; interest rates; and global or regional, political or economic uncertainties.

Depending on the market price of gold, the Company may determine that it is not economically feasible to continue some or all of its operations or the development of some or all of the its projects, as applicable, which could have an adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Mining Risks and Insurance Risks

The mining industry is subject to significant risks and hazards, including environmental hazards, industrial accidents, unusual or unexpected geological conditions, labour force disruptions, civil strife, unavailability of materials and equipment, weather conditions, pit wall failures, rock bursts, cave-ins, flooding, seismic activity, water conditions and gold bullion losses, most of which are beyond the Company's control. These risks and hazards could result in: (i) damage to, or destruction of, mineral properties or producing facilities; personal injury or death;

environmental damage; (ii) delays in mining; and (iii) monetary losses and possible legal liability. As a result, production may fall below historic or estimated levels and the Company may incur significant costs or experience significant delays that could have a material adverse effect on the Company's financial performance, liquidity and results of operation.

The Company does not maintain insurance to cover these risks and hazards. The lack of, or insufficiency of, insurance coverage could adversely affect the Company's cash flow and overall profitability.

Permitting Approvals

The operations of the Company and the exploration agreements into which it has entered require approvals, licenses and permits from various regulatory authorities, governmental and otherwise (including project specific governmental decrees) that are by no means guaranteed. The Company believes that it holds or will obtain all necessary approvals, licenses and permits under applicable laws and regulations in respect of its main projects and, to the extent that they have already been granted, believes it is presently complying in all material respects with the terms of such approvals, licenses and permits. However, such approvals, licenses and permits are subject to change in various circumstances and further project-specific governmental decrees and/or legislative enactments may be required. There can be no guarantee that the Company will be able to obtain or maintain all necessary approvals, licenses and permits that may be required and/or that all project-specific governmental decrees and/or required legislative enactments will be forthcoming to explore and develop the properties on which it has exploration rights, commence construction or operation of mining facilities or to maintain continued operations that economically justify the costs involved.

Changes in Legislation

The mining industry in Colombia is subject to extensive controls and regulations imposed by various levels of government. All current legislation is a matter of public record and the Company will be unable to predict what additional legislation or amendments may be enacted. Amendments to current laws, regulations and permits governing operations and activities of mining companies, including environmental laws and regulations which are evolving in Colombia, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenditures and costs, affect the Company's ability to expand or transfer existing operations or require the Company to abandon or delay the development of new properties.

Economic and Political Factors in Colombia

Although Colombia has a long-standing tradition respecting the rule of law, which has been bolstered in recent years by the present and former government's policies and programs, no assurances can be given that the Company's plans and operations will not be adversely affected by future developments in Colombia. The Company's property interests and proposed exploration activities in Colombia are subject to political, economic and other uncertainties, including the risk of expropriation, nationalization, renegotiation or nullification of existing contracts, mining licenses and permits or other agreements, changes in laws or taxation policies, currency exchange restrictions, and changing political conditions and international monetary fluctuations. Future government actions concerning the economy, taxation, or the operation and regulation of nationally important facilities such as mines, could have a significant effect on the Company. Colombia is home to South America's largest and longest running insurgency. While the situation has improved dramatically in recent years, there can be no guarantee that the situation will not again deteriorate. Any increase in kidnapping, gang warfare, homicide and/or terrorist activity in Colombia generally may disrupt supply chains and discourage qualified individuals from being involved with the Company's operations.

Additionally, the perception that matters have not improved in Colombia may hinder the Company's ability to access capital in a timely or cost effective manner. Any changes in regulations or shifts in political attitudes are beyond the Company's control and may adversely affect the Company's business.

Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income and/or mining taxes, expropriation of property, environmental legislation and mine and/or site safety.

Changes to Environmental Laws

The Company's operations are subject to the extensive environmental risks inherent in the gold mining industry. The current or future operations of the Company, including development activities, commencement of production on its properties, potential mining and processing operations and exploration activities require permits from various governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Existing and possible future environmental legislation, regulations and actions could cause significant additional expense, capital expenditures, restrictions and delays in the activities of the Company. Although the Company believes that it is in substantial compliance in all material respects with applicable material environmental laws and regulations, there are certain risks inherent in its activities such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability. In addition, the Company cannot assure that the illegal miners operating on its properties are in compliance with applicable environmental laws and regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Enforcement of Civil Liabilities

Substantially all of the Company's assets are located outside of Canada and certain of the directors and officers of the Company are resident outside of Canada. As a result, it may be difficult or impossible to enforce judgments granted by a court in Canada against the assets of the Company or any of the Company's directors and officers residing outside of Canada.

Stress in the Global Economy

Reduction in credit, combined with reduced economic activity and the fluctuations in the United States dollar, may adversely affect businesses and industries that purchase commodities, affecting commodity prices in more significant and unpredictable ways than the normal risks associated with commodity prices. The availability of services such as drilling contractors and geological service companies and/or the terms on which these services are provided may be adversely affected by the economic impact on the service providers. The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Company’s business, operating results, and financial condition.

Negative Operating Cash Flow

The Company is an exploration and development stage company and has not yet commenced commercial production on the Santa Rosa Project or any other property and, accordingly, has not generated cash flow from operations. The Company is devoting significant resources to the development of the Santa Rosa Project, however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it enters into commercial production and will not generate consolidated revenues sufficient to fund the development of the Santa Rosa Project.

The Company has negative operating cash flows from operations to date, reporting an operating loss of approximately $12.3 million for the year ended December 31, 2012 and approximately $9.1 million for the nine months ended September 30, 2013. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow.

Uncertainty of Additional Funding

The Company's activities do have scope for flexibility in terms of the amount and timing of expenditure, and expenditures may be adjusted accordingly. Further operations will require additional capital and will depend on the Company's ability to obtain financing through debt, equity, or other means. The Company's ability to meet its obligations and maintain operations is contingent upon successful completion of additional financing arrangements. Although the Company has been successful in raising funds to date, there is no assurance that the Company will be successful in obtaining the required financing in the future or that such financing will be available on terms acceptable to the Company. In addition, any future financing may also be dilutive to existing shareholders of the Company.

INTERESTS OF EXPERTS

Information of a scientific or technical nature in respect of the Santa Rosa Project contained in this Prospectus, including the documents incorporated by reference herein, is based on the Santa Rosa Report prepared by Michael S. Lindholm, C.P.G., Thomas L. Dyer, P.E., W. Joseph Schlitt, Q.P. MMSA and Carl Defilippi, C.E.M., each of whom is a "qualified person" and "independent" of the Company within the meaning of NI 43-101.

Information of a scientific or technical nature under the headings "General Development of the Business of the Corporation" and "Business of the Corporation" contained in the AIF, which is incorporated by reference into this short form prospectus was reviewed and approved by Jeff Toohey, P.Eng., Vice-President, Exploration of the Company who is a "qualified person" within the meaning of NI 43-101.

None of the aforementioned persons or firms, or designated professionals thereof, owns, received or will own a registered or beneficial interest in the securities or other property of the Company or of any associate or affiliate of the Company. As at the date hereof, the aforementioned persons and firm beneficially own, directly or indirectly, less than one percent of the securities of the Company.

Certain legal matters in connection with this Offering will be passed upon by Anfield Sujir Kennedy & Durno LLP, on behalf of the Company, and by Miller Thomson LLP on behalf of the Underwriters. As at the date hereof, the designated professionals of Anfield Sujir Kennedy & Durno LLP, as a group, and the designated professionals of Miller Thomson LLP, as a group, each beneficially own, directly or indirectly, less than one percent of the securities of the Company.

Ernst & Young LLP, Chartered Accountants, the Company's auditors, report that they are independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

PURCHASER'S STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of British Columbia, Alberta and Ontario provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a Prospectus and any amendment. In the provinces of British Columbia, Alberta and Ontario, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: March 21, 2014

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Ontario, Alberta and British Columbia.

"Ian Slater"	*"James Howson"*
Ian Slater, Chairman and Chief Executive Officer	James Howson, Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Tim Petterson"	*"Jay Sujir"*
Tim Petterson, Director	Jay Sujir, Director

CERTIFICATE OF THE UNDERWRITERS

Dated: March 21, 2014

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Ontario, Alberta and British Columbia.

HAYWOOD SECURITIES INC.

"Kevin Campbell"
Kevin Campbell
Managing Director, Investment Banking

NATIONAL BANK FINANCIAL INC.

"Dan Barnholden"
Dan Barnholden
Managing Director, Global Mining & Metals Investment Banking

PI FINANCIAL CORP.

"J.W. Mustard"
J. W. Mustard
VP Investment Banking, Mining