RED EAGLE MINING INTERSECTS 11.5 METRES AT 7.25 GRAMS GOLD PER TONNE AND 0.8 METRES AT 169 GRAMS GOLD PER TONNE

***August 16, 2016* – Red Eagle Mining Corporation (TSX-V: RD, OTCQX: RDEMF, SSE-V: RDCL)** is pleased to announce results from ongoing ore production stope delineation drilling at the San Ramon Gold Mine, Santa Rosa Gold Project, Antioquia, Colombia. The results from the initial 5 holes (SRD-0001 to SRD-0005) were previously announced. An additional 18 holes have been completed (SRD-0006 to SRD-0023) with highlights including intersections:

- SRD-0010 **-** 11.48m at 7.25 g/t Au from 100.50m down hole (incl. 1.89m at 19.05 g/t Au)
- SRD-0017 **-** 5.10m at 12.27 g/t Au from 93.90m down hole (incl. 1.46m at 29.94 g/t Au)
- SRD-0018 **-** 1.35m at 50.11 g/t Au from 71.85m down hole
- SRD-0020 **-** 10.60m at 4.22 g/t Au from 36.70m down hole (incl. 3.40m at 6.36 g/t Au)
- SRD-0021 **-** 0.80m at 168.91 g/t Au from 92.60m down hole

Results from the delineation drilling continue to exceed expectations with intercepts significantly longer that the average mining width of 3m and grades significantly higher than the reserve grade of 5.2 g/t Au. For complete drilling results, please see Table 1 – Drill Hole Intersections, Table 2 – Drill Hole Specifications, Figure 1 and Figure 2 – Drill Hole Plans, Figure 3 – Long Section and Figure 4 and Figure 5 – Cross Sections. True widths are estimated to be 70-90% of the intersections and vertical depths are estimated to be 70-90% of the drilled depths reported below. Drill assays were composited by length-weighted averaging into intersections using a 2 g/t Au cut-off grade. Due to the mining method and mining selectivity contemplated for the deposit, internal dilution was included in some intersections where considered appropriate for mining continuity. For photographs of the drill core see Red Eagle Mining's photostream on flickr.

Quality Assurance and Quality Control

All technical information for Red Eagle Mining's Santa Rosa Project in Antioquia, Colombia is obtained and reported under formal quality assurance and quality control (QA/QC) procedures and guidelines. Red Eagle Mining's procedures are designed to meet or exceed C.I.M. "Best Practices Guidelines" and National Instrument 43-101 standards of disclosure. QA/QC protocols for drill core sampling and assaying include the insertion and monitoring of appropriate reference materials (certified standards, blanks and duplicates) to validate the accuracy and precision of the assay results.

All drilling samples were collected with a diamond core drilling rig using approximately one metre sample intervals following industry standard practice. Activation Laboratories Ltd. prepared and assayed the samples at their laboratory in Medellin, Colombia. Fire Assay for Au (using a 50 gram sample) with an AAS finish was carried out routinely on all samples submitted. For all samples which returned initial Au fire assays of greater than 5 g/t, a second Fire Assay for Au was performed (also using a 50 gram sample) with a gravimetric finish.

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

About Red Eagle Mining

Red Eagle Mining is a well-financed gold exploration and development corporation with an experienced mine development team. Management is focused on building shareholder value through discovering and developing gold projects with low costs and low technical risks in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration. Red Eagle Mining owns 100% of the Santa Rosa Gold Project, where construction is underway at the fully permitted and fully financed San Ramon Gold Mine with production expected to commence in the second half of 2016. Red Eagle Mining also controls CB Gold which owns 100% of the Vetas Gold and Santa Ana Silver Projects and is actively consolidating additional high grade precious metal deposits in Colombia.

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