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RED EAGLE MINING CLOSES BOUGHT DEAL FINANCING

February 21, 2017 – Red Eagle Mining Corporation (TSX: R, BVL: R, OTCQX: RDEMF) is pleased to announce today that it has closed its previously announced bought deal financing of 20,000,000 Common Shares (the “**Common Shares**”) at a price of \$0.75 per Common Share for aggregate gross proceeds of \$15,000,000. The underwriters also exercised the over-allotment option in full and purchased an additional 3,000,000 Common Shares for additional gross proceeds of \$2,250,000.

The Common Shares were issued by way of public offering in all of the provinces of Canada, other than Quebec, pursuant to a short form prospectus dated February 14, 2017, and were underwritten by a syndicate of underwriters led by BMO Capital Markets and including National Bank Financial Inc.

The net proceeds of the offering will be used to advance exploration of the Santa Rosa Gold Project and for working capital purposes.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Red Eagle Mining

Red Eagle Mining is a gold producer 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 the San Ramon Gold Mine has commenced production. Red Eagle Mining also controls CB Gold which owns 100% of the California Gold, Vetas Gold, and Santa Ana Silver Projects and is actively consolidating additional high grade precious metal deposits in Colombia.

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This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although Red Eagle Mining believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.