



Santa Rosa Gold Project

September 2015

GOLD EXPLORATION  
& DEVELOPMENT  
IN COLOMBIA

# CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain statements included in this presentation are forward-looking statements within the meaning of Canadian securities laws, including the following statements regarding the Santa Rosa property: the ability of Red Eagle Mining Corporation ("Red Eagle" or the "Company") to acquire additional concessions with potential resources; the potential to develop resources and then further develop reserves; the anticipated economic potential of the concessions; the anticipated economic and political developments in Colombia; the availability of capital and finance for the Company to execute its commitments and strategy going forward. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and perception of current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances. Many factors could cause the Company's results, performance or achievements to differ materially from those expressed or implied by the forward looking statements, including: discrepancies between actual and estimated results from exploration and development and operating risks, dependence on early exploration stage concessions; political and foreign risks; uninsurable risks; competition; regulatory restrictions, including environmental regulatory restrictions and liability; currency fluctuations; defective title to mineral claims or property and dependence on key employees. Persons reviewing this presentation are cautioned not to place undue reliance on forward-looking statements due to inherent uncertainty therein. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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

Throughout this presentation currency used is Canadian Dollars, unless noted otherwise.

# RED EAGLE MINING CORPORATION



Developing Colombia's first modern gold mine

- TSX-V: RD, OTCQX: RDEMF, SSE-V: RDCL
- 100 km<sup>2</sup> Santa Rosa Gold Project in the Antioquia Batholith
- Four years from discovery hole to construction
- **Fully permitted** and **fully funded** with initial production in 2016
- US\$60M construction credit facility closed in April 2015
- US\$20M equity financing closed in April and July 2015
- Solid shareholder base: Liberty Mining & Metals (19.9%), Stracon GyM (19.9%) & Orion Mine Finance (16%)
- Construction has commenced at the San Ramon Gold Mine

Low capex, fully permitted, and fully funded deliverable project with low mining costs



# SENIOR MANAGEMENT

## Ian Slater – Co-Founder and Chief Executive Officer

Former Managing Partner of Arthur Andersen and Ernst & Young's Mining Practices  
Chartered Accountant

## Robert Bell – Co-Founder and Chief Operating Officer

Previously developed and GM of numerous mines, having led seven projects from feasibility through to construction. Co-founder of Minproc Engineers' Mining Division  
Mining Engineer

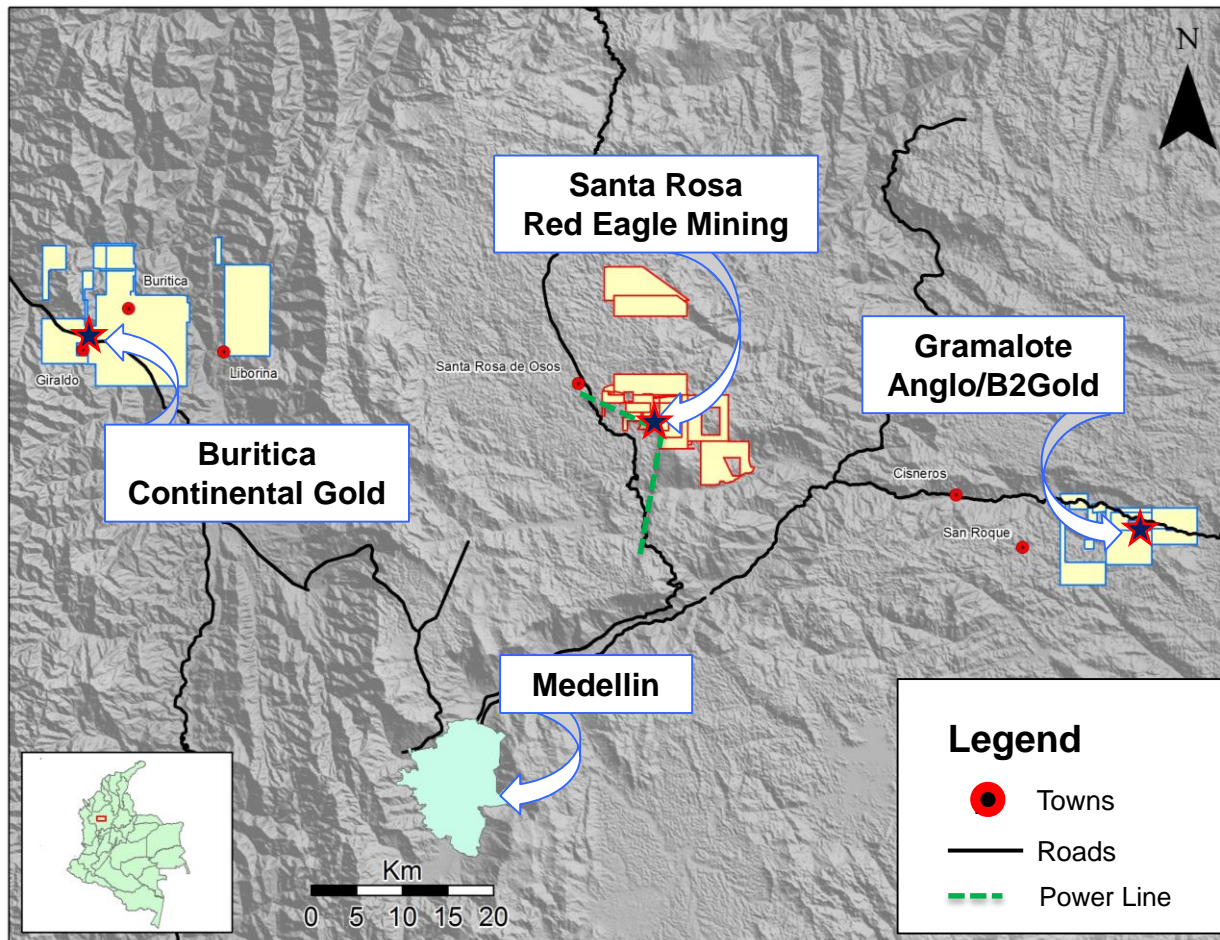
## Chui Wong – Chief Financial Officer

Former GM Finance at Luna Gold. Previously held management positions at Methanex Corporation and VP SEC External and Financial Reporting at Bear Stearns  
Chartered Accountant

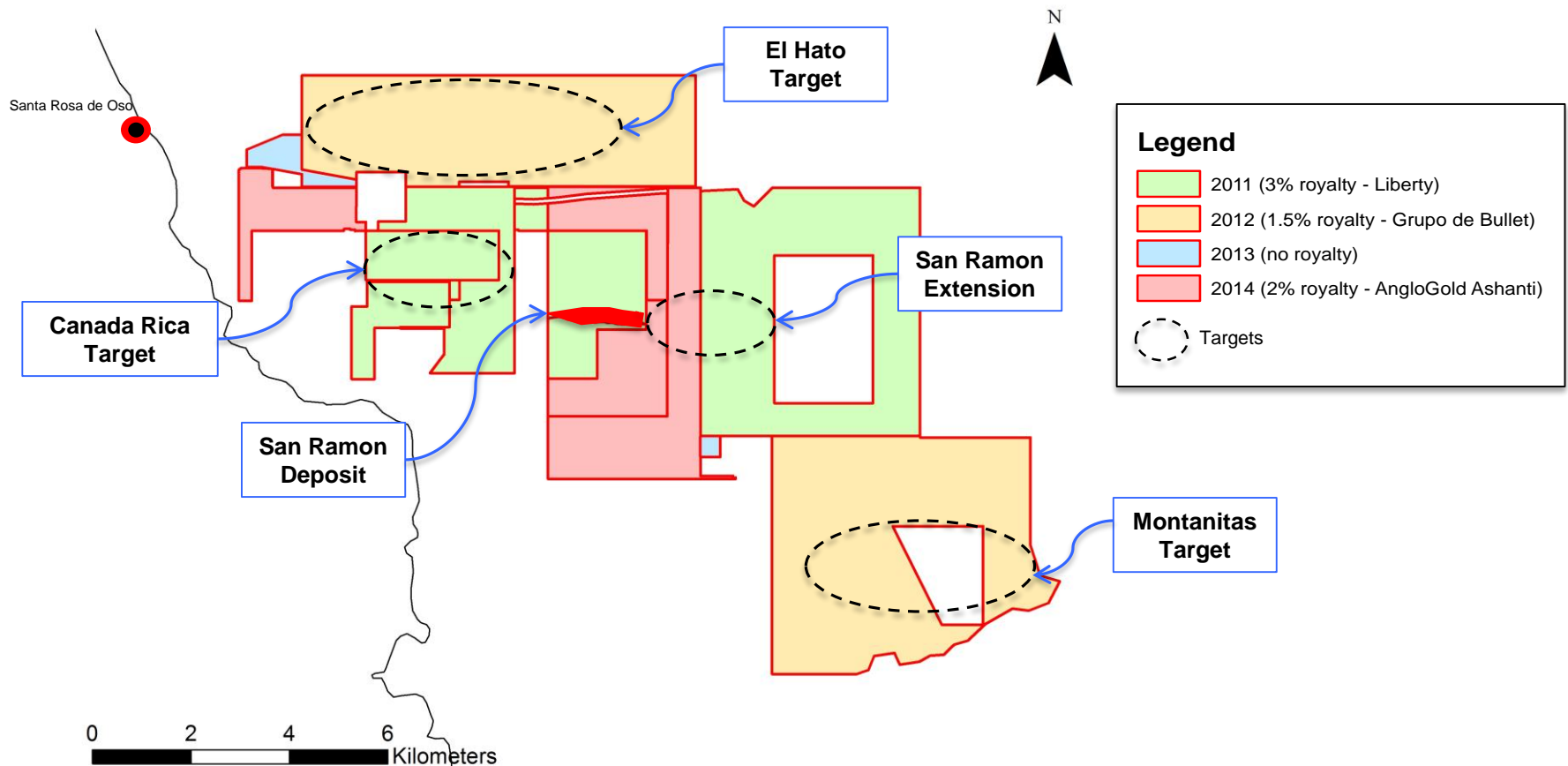
## Jeff Toohey – Vice President Exploration

Extensive experience with gold exploration in South America including 12 years with Teck and most recently VP Exploration of Peregrine Metals  
Geologist

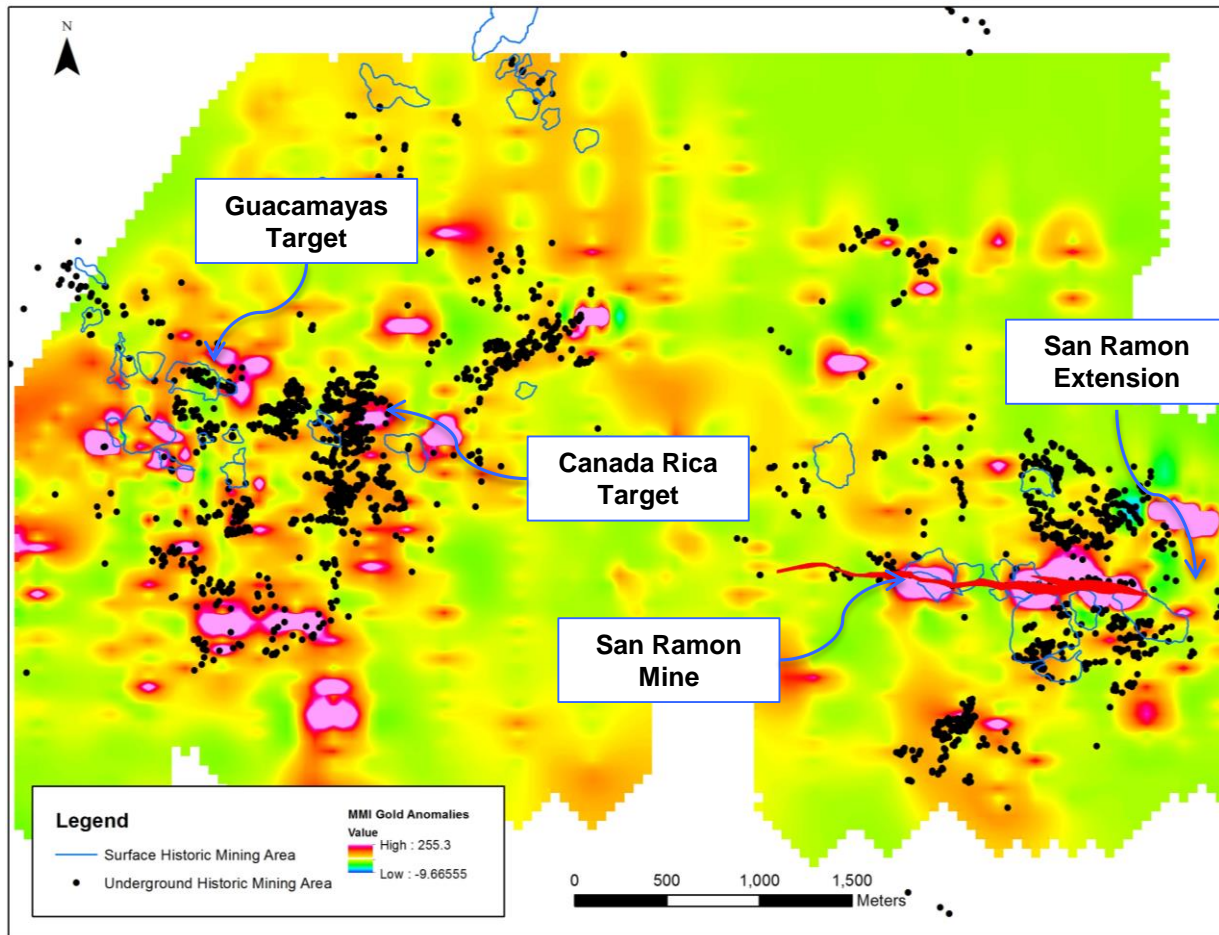
# SANTA ROSA GOLD PROJECT



# DISTRICT CONSOLIDATION



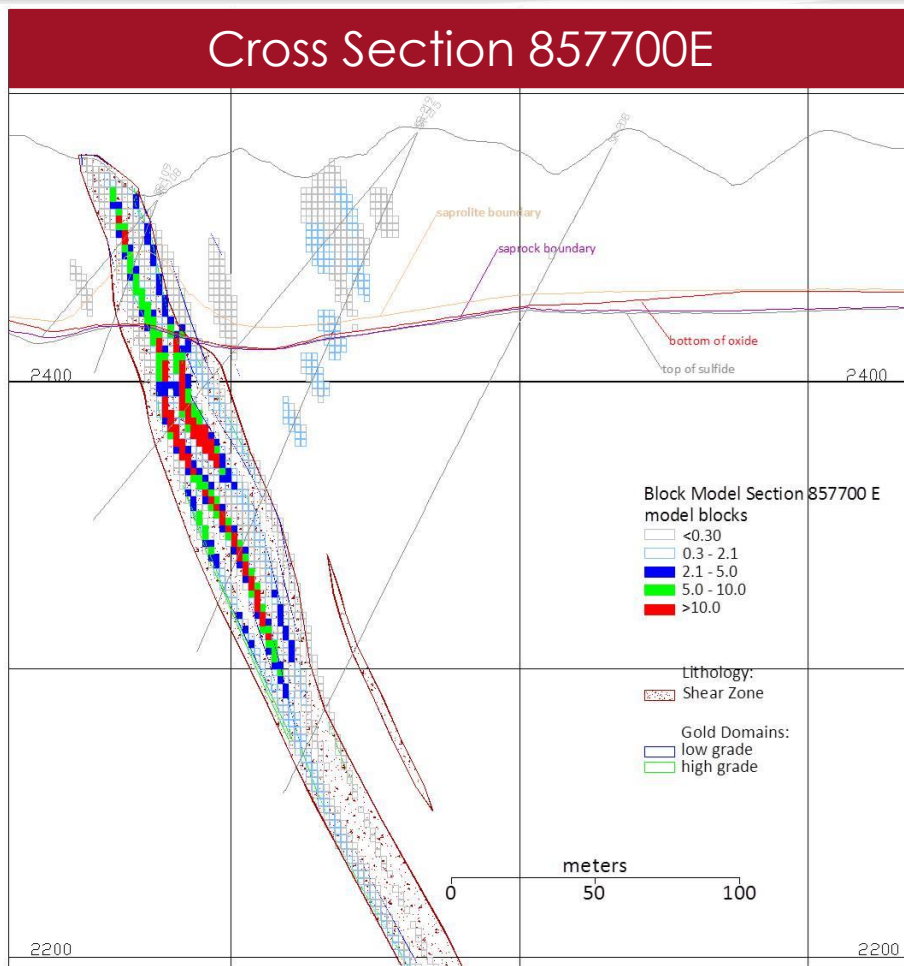
# EXPLORATION - NEAR MINE VALUE CREATION



- All drilling to date in the San Ramon Gold Mine
- Over 2,000 historic adits and 100 surface mines mapped
- San Ramon eastern extension acquired from AngloGold to be drilled
- Guacamayas and Canada Rica targets to be drilled



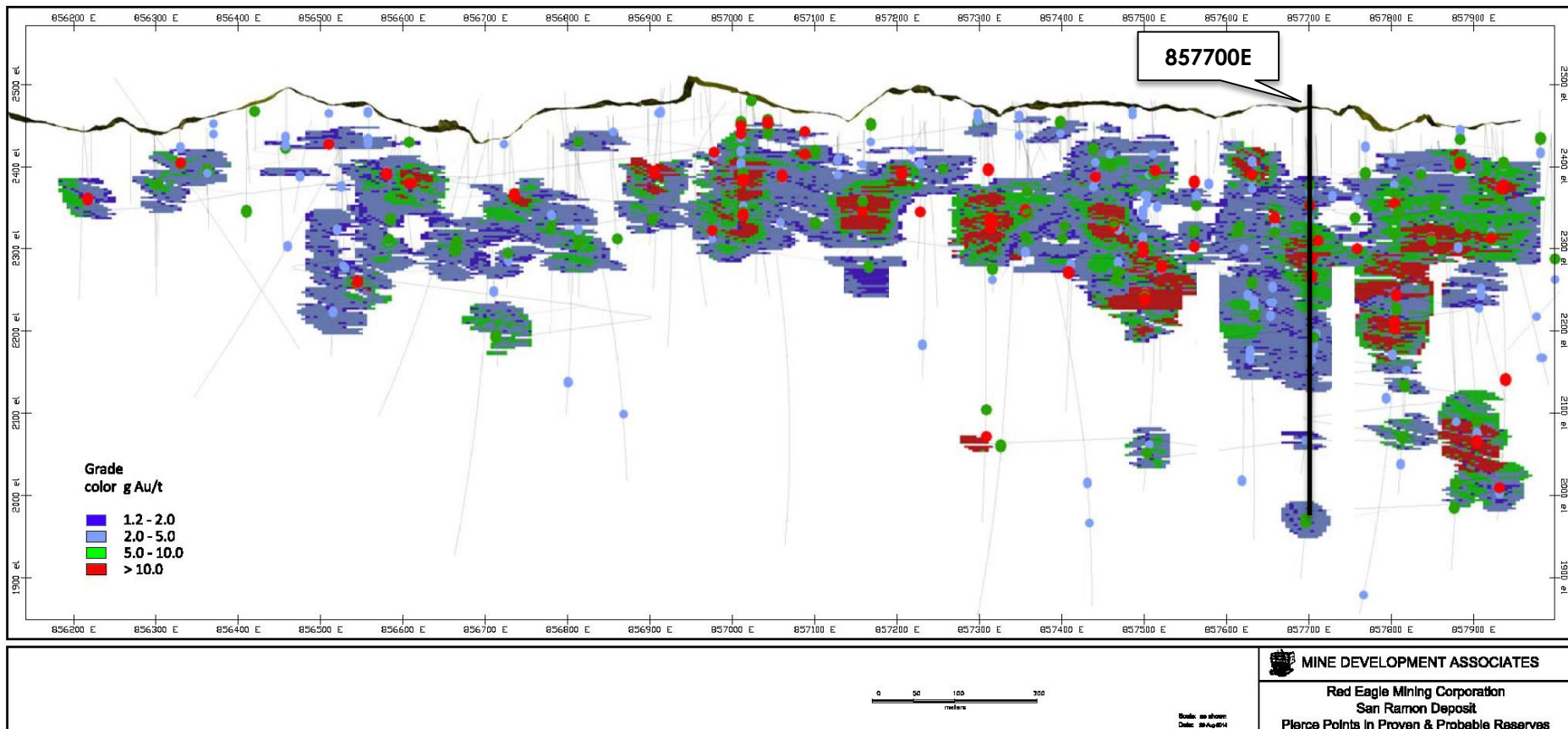
# SAN RAMON RESERVES



- Well defined E/W shear zone – open ended down dip to the east
- Parallel high grade domains defined along the entire strike length and continuing at depth
- Current reserves of 405,000 ounces at 5.2 g/t Au within 200m of surface
- 2.0 g/t Au cut-off
- 3m average mining width
- Long mine life



# SAN RAMON RESERVES LONG SECTION

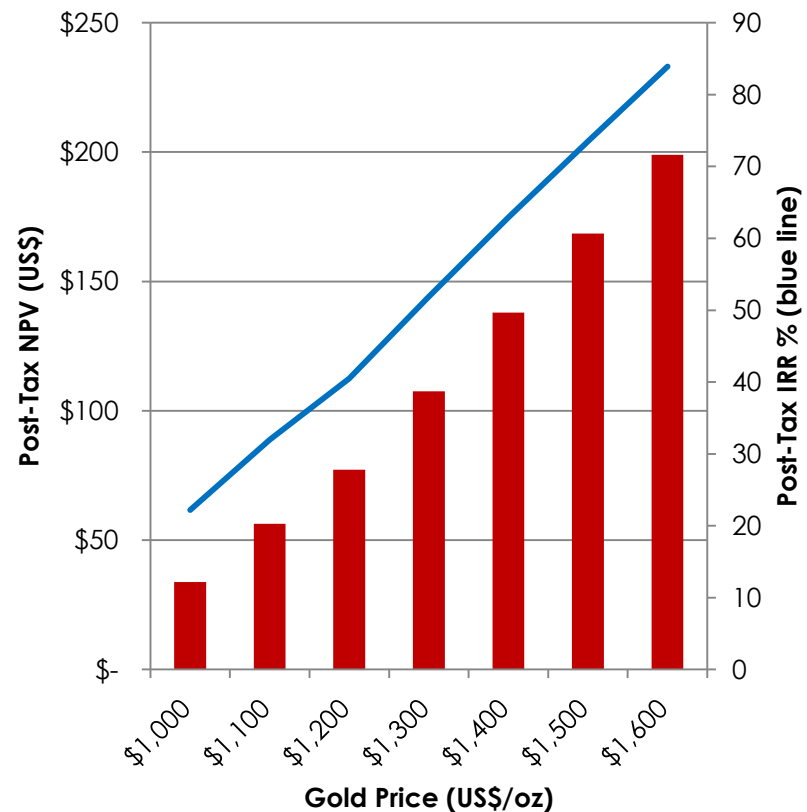


# 2014 FEASIBILITY STUDY

## Project Economics (post tax)

- Assuming US\$1,100 per ounce gold:
  - NPV (5%) US\$52M
  - IRR 32%
  - Payback 1.7 years
- Assuming US\$1,300 per ounce gold:
  - NPV (5%) US\$104M
  - IRR 53%
  - Payback 1.3 years

## Project Sensitivity (post tax)



# 2014 FEASIBILITY STUDY

## Overview

- Production of 1,000tpd (built-in capacity to double throughput) with 70,000 oz/year production
- Underground mining method: shrinkage stoping with delayed fill
- SAG mill (P<sub>80</sub> 125 micron), floatation and CIL circuit with 96% recoveries
- Grid power and local staffing
- First permit under modern environmental legislation

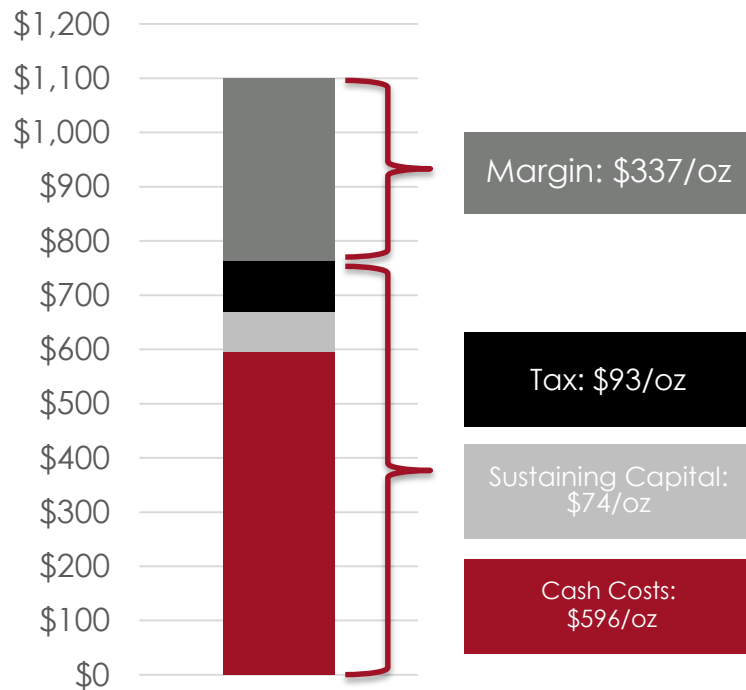
## Operating Costs

	\$/tonne	\$/ounce
Mining Cost	\$37	\$265
Processing Cost	\$25	\$176
G&A	\$11	\$75
Royalty	\$11	\$80
<b>Cash Costs</b>	<b>\$84/t</b>	<b>\$596/oz</b>
Sustaining Capital		\$74
Tax		\$93
<b>AISC</b>		<b>\$763/oz</b>

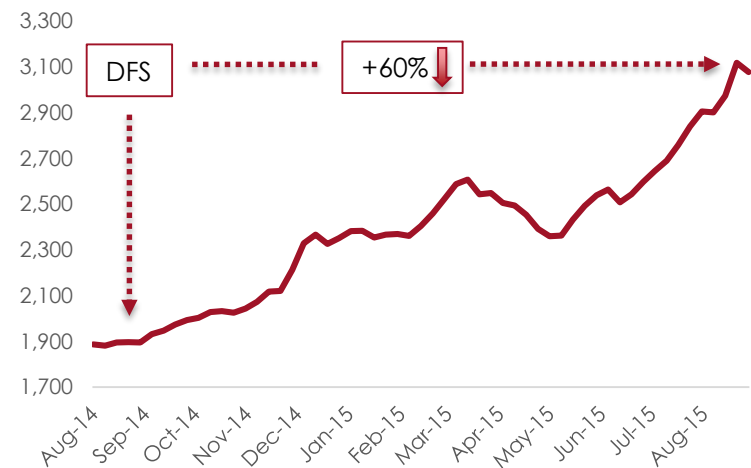


# COST STRUCTURE

## Margins (US\$)



## Colombian Peso (COP) Devaluation



### ➤ COP Capital & Operating Costs: 30% – 40%

- **Cash Costs:** US\$596 per ounce
- **All-In Sustaining Costs:** US\$768 per ounce
- **Capex:** US\$74 million

# POISED FOR PRODUCTION

## Comprehensive support in achieving production

### Stracon GyM

Mine Construction and Operation

Leading Latin American contract mine builder and operation

Clients include Tahoe, First Quantum, Hudbay and Buenaventura

### Lycopodium

Process and Plant Design, Feasibility, Detailed Engineering, Construction and EPCM

Premier global CIL plant design and construction contractor

Clients include Newmont, Barrick, Endeavour Mining, Goldfields, AngloGold Ashanti

### Mine Development Associates

Mine Design and Resource and Reserve Estimation

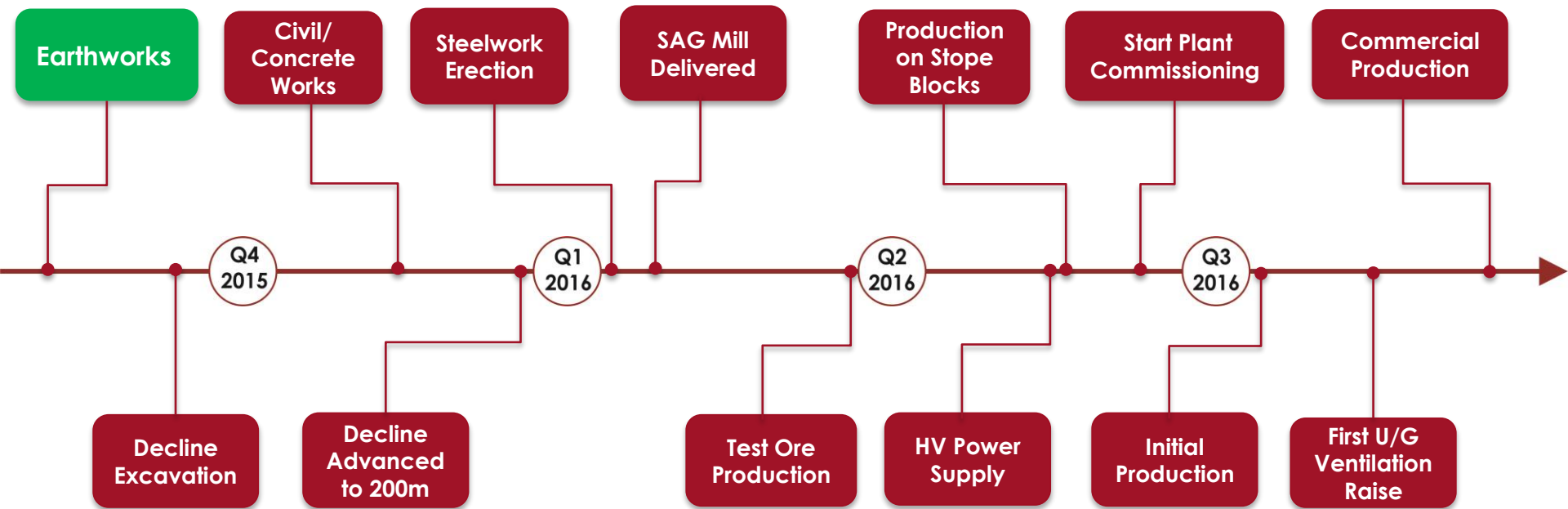
### Golder Associates

Geotech, Tailings Management and Hydrology

### Universidad de Antioquia and the Fundacion Universitaria Catolica del Norte

Environmental Baseline Study and Impact Assessment

# SAN RAMON UNDER CONSTRUCTION





# PROGRESS TO DATE

Access into Plant Site Platform



Filling in the Valley



# SOCIAL RESPONSIBILITY



**INICIE Program  
Computer Education**



**Primary and Secondary  
Education for Adults**



**Rural Connectivity**



**Children Sports**



**Children Park**



**Sports Facility**

# COMPARABLE OPERATING MINES

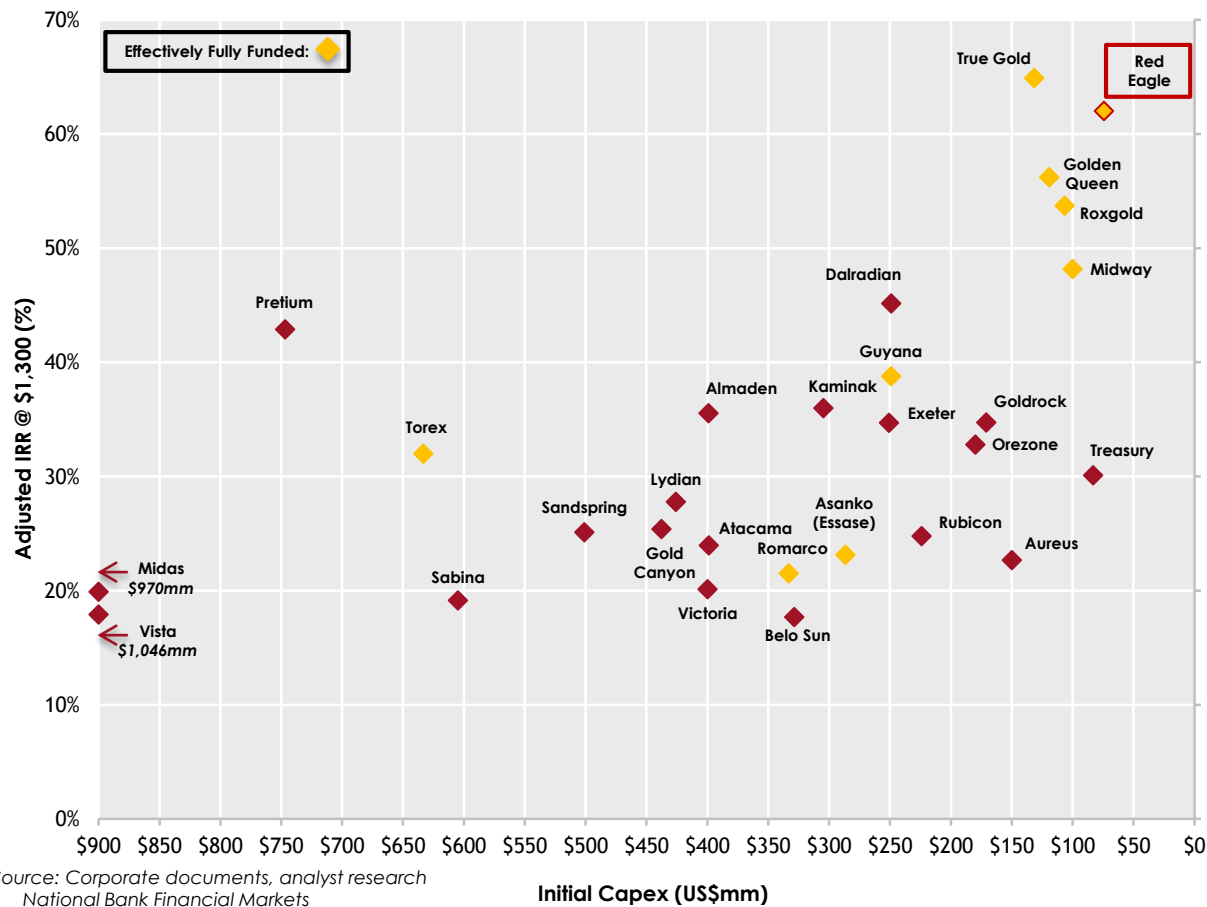
	Red Eagle Mining <sup>1</sup>	B2Gold	Primero	Eldorado Gold	Lake Shore Gold
<b>PROJECT</b>					
Project Name	San Ramon	El Limon	Black Fox	White Mountain	Timmins West
Location	Colombia	Nicaragua	Canada	China	Canada
<b>RESERVES</b>					
Proven & Probable Reserves (oz)	405,000	289,000	393,000	571,000	510,000
Grade (g/t)	5.20	5.03	4.00	3.13	4.28
<b>OPERATING METRICS (2014)</b>					
Throughput (tpd)	1,000	1,300	2,300	2,300	2,700
CIL Recoveries (%)	96%	92%	95%	87%	96%
Head Grade (g/t)	6.21 <sup>1</sup>	3.38	3.00	3.47	5.26
Annual Gold Production (oz)	68,000 <sup>1</sup>	49,700	63,900	85,300	142,000
Annual Cash Costs	US\$455 <sup>1</sup>	US\$844	US\$837	US\$617	US\$703

<sup>1</sup>estimated 2016



# GLOBAL DEVELOPMENT PROJECTS

Gold Projects Owned by Non-Cash Flowing Companies – Initial Capex vs. Adjusted IRR @ US\$1,300



# SHAREHOLDERS AND CORPORATE STRUCTURE

Shareholders		Structure	
Liberty Metals and Mining	19%	Current Shares Outstanding	168m
Stracon GyM	19%	Shares Fully Diluted	183m
Orion Mine Finance	16%	Current Cash Position	\$15m
Management	7%	Cash Fully Diluted	\$20m
Ross Beaty	5%	Undrawn Credit Facility	US\$60m
		Market Capitalization	\$50m

# INVESTMENT HIGHLIGHTS

## High Quality Deposit

Technically simple gold development project currently under construction and in production in 2016

## Low Cost & Risk

US\$596 per ounce cash costs, 53% IRR  
Fully permitted and financed

## Exploration & Production Upside

Additional deposits identified and plant designed with built-in capacity to double throughput without disruption

## Strong Shareholders

Long term strategic mining focused investors: Liberty (19%), Stracon GyM (19%), and Orion (16%)

## Imminent Re-Rating

During first two years estimated 150,000 ounces of production and US \$100M gross free cash flow



# APPENDIX - NON-EXECUTIVE DIRECTORS

## Tim Petterson

CEO of Black Eagle Mining and former Head of Global Mining Research at HSBC and ABN AMRO – Mining Engineer

## Steve Dixon

CEO Stracon GyM, a leading provider of mining and construction services throughout Latin America – Mining Engineer

## Jeffrey Mason

CFO and Director of Wellgreen Platinum. Former Partner and CFO with Hunter Dickinson – Chartered Accountant

## Rob Pease

Previously Founder and CEO of Terrane Metals and GM Exploration Canada and Global Projects for Placer Dome – Geologist

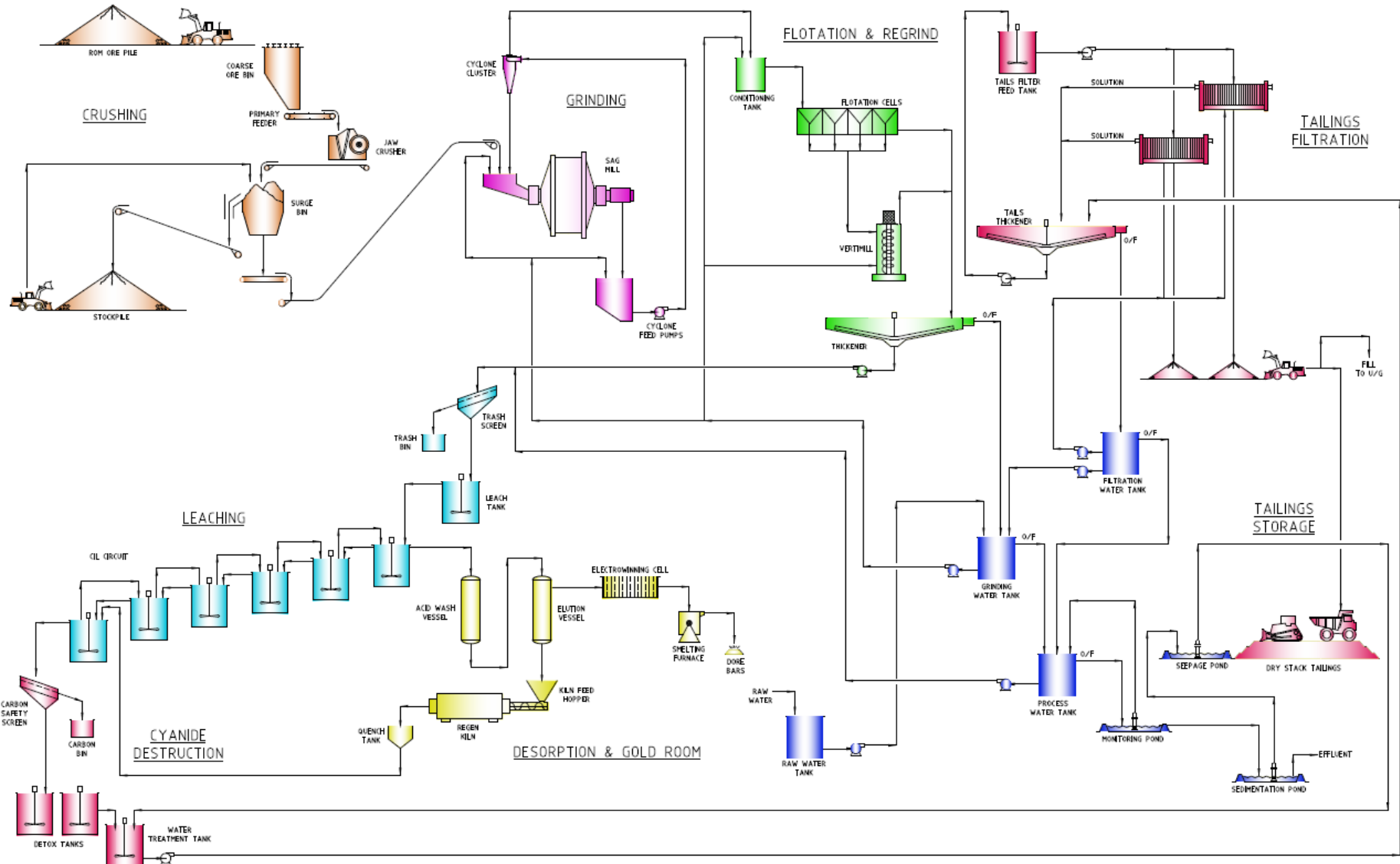
## Jay Sujir

Securities and mining lawyer. Managing partner of Anfield, Sujir, Kennedy and Durno – Lawyer

# APPENDIX – VIEW OF PROJECT SITE



# APPENDIX - PROCESSING FLOWSHEET





# CONTACTS

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