



# Red Eagle Mining

November 2016

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*Colombia's Premier Emerging Gold Producer*



# 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.

*Currency expressed in Canadian Dollars, unless noted otherwise.*

# INVESTMENT HIGHLIGHTS

## High Quality Assets

- 100% owned Santa Rosa Gold Project
- Controls CB Gold which owns 100% of the Vetaz Gold and Santa Ana Silver Projects

## Low Cost and Risk

- High-grade, near surface, and technically simple with significant existing infrastructure
- Fully permitted and financed with production in 2016

## Exploration and Production Upside

- Additional satellite deposits identified and being drilled
- Plant with built-in capacity to double throughput without disruption

## Strong Shareholder Base

- Liberty Metals and Mining (19%), Stracon GyM (14%), Orion Mine Finance (11%), and Ross Beaty (5%)

## Proven Management Team

- Five years from discovery hole to first gold pour
- First permit under modern environmental legislation

## Opportunity for Imminent Re-Rating

- Initial production of 70,000 Au oz / year @ US\$500 / oz AISC generating US\$55m EBITDA (@ US\$1,300 Au)

**Building the premier Colombian focused gold producer and developer**

# KEY SENIOR MANAGEMENT AND DIRECTORS

Management		Board of Directors	
<b>Ian Slater</b> Co-Founder, CEO & Chairman	<ul style="list-style-type: none"> <li>Former Managing Partner of Arthur Andersen and Ernst &amp; Young's Mining Practices</li> <li>Chartered Accountant</li> </ul>	<b>Tim Petterson</b> Co-Founder & Director	<ul style="list-style-type: none"> <li>Former Head of Global Mining Research at HSBC and ABN AMRO</li> <li>Mining Engineer</li> </ul>
<b>Robert Bell</b> Co-Founder, COO & Director	<ul style="list-style-type: none"> <li>Previously developed and GM of numerous mines, having led seven projects from feasibility through construction</li> <li>Co-founder of Minproc Engineers' Mining Division</li> <li>Mining Engineer</li> </ul>	<b>Steve Dixon</b> Director	<ul style="list-style-type: none"> <li>Founder and CEO of Stracon GyM, a leading provider of mining and construction services throughout Latin America</li> <li>Mining Engineer</li> </ul>
<b>Chui Wong</b> CFO	<ul style="list-style-type: none"> <li>Former GM Finance at Luna Gold</li> <li>Previously held management positions at Methanex Corporation and VP SEC External and Financial Reporting at Bear Stearns</li> <li>Chartered Accountant</li> </ul>	<b>Jeffrey Mason</b> Director	<ul style="list-style-type: none"> <li>Former Partner and CFO with Hunter Dickinson</li> <li>Audit Committee Chair</li> <li>Chartered Accountant</li> </ul>
<b>Bruce Kennedy</b> General Manager	<ul style="list-style-type: none"> <li>Over 40 years of underground mining experience with over 9 years working in Latin America</li> <li>Mining Engineer</li> </ul>	<b>Rob Pease</b> Director	<ul style="list-style-type: none"> <li>Previously Founder and CEO of Terrane Metals, and GM Exploration Canada and Global Projects for Placer Dome</li> <li>Technical &amp; Sustainability Committee Chair</li> <li>Geologist</li> </ul>
<b>Mark Humphery</b> Project Manager	<ul style="list-style-type: none"> <li>Extensive experience concluding bankable feasibility studies and constructing process plants</li> <li>Has delivered several large scale gold projects</li> <li>Mechanical Engineer</li> </ul>	<b>Jay Sujir</b> Director	<ul style="list-style-type: none"> <li>Senior Partner at Farris, Vaughan, Wills &amp; Murphy LLP</li> <li>Lawyer</li> </ul>
<b>Rafael Silva</b> Country Manager	<ul style="list-style-type: none"> <li>Former Country and Exploration Manager at the Angostura gold deposit with over 20 years of experience in the Colombian mining industry</li> <li>Geologist</li> </ul>		

**Experienced development and mining team  
with first mover advantage in Colombia**



# MINING IN COLOMBIA

## Stable Economic and Political Environment

- One of Latin America's most economically & politically stable countries
- Latin America's top ranked country for investment protection with numerous bilateral investment treaties and free trade agreements

## Strong Support for Mining Investment

- Foreign individuals and corporations have same rights as Colombian individuals and corporations under mining law
- Government committed to expedite permit approvals and eliminate illegal mining

## Significant Geological Potential

- Largest nickel producer in South America, largest coal producer in Latin America and second largest emerald producer in the world
- Limited modern exploration in past four decades; potential for mining gold and copper remains underdeveloped

## Established Infrastructure and Access to Labor

- Substantial investment in transportation and telecommunications infrastructure, with nearly 90% national power coverage
- South America's second most populous country with 49 million people; qualified and cost competitive labor force

## Strategic Geographic Position

- Centrally located between North and South America
- South America's only country with coasts on the Pacific Ocean and Caribbean Sea

**Colombia is one of the most attractive countries for mining investment**

# TRADING AND CAPITALIZATION

## Historical Price and Volume



## Structure

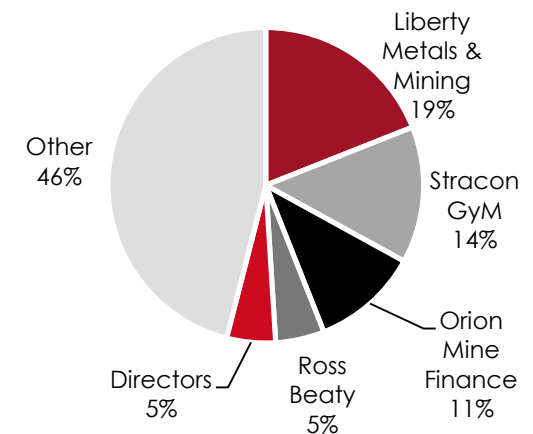
### Capitalization

Current Shares Outstanding	(m shares)	233
Shares Fully Diluted	(m shares)	253
Current Cash Position	(\$m)	\$19
Cash Fully Diluted	(\$m)	\$26
Credit Facility Outstanding	(US\$m)	\$60
Market Capitalization	(\$m)	\$248

### Market Data (Exchange: TSX Venture)

52-Week High	(\$/share)	\$0.98
52-Week Low	(\$/share)	\$0.25
30-Day VWAP	(\$/share)	\$0.84
3-Month Avg. Daily Vol	(k shares)	516
3-Month Avg. Daily Val	(\$k)	\$429

## Shareholders



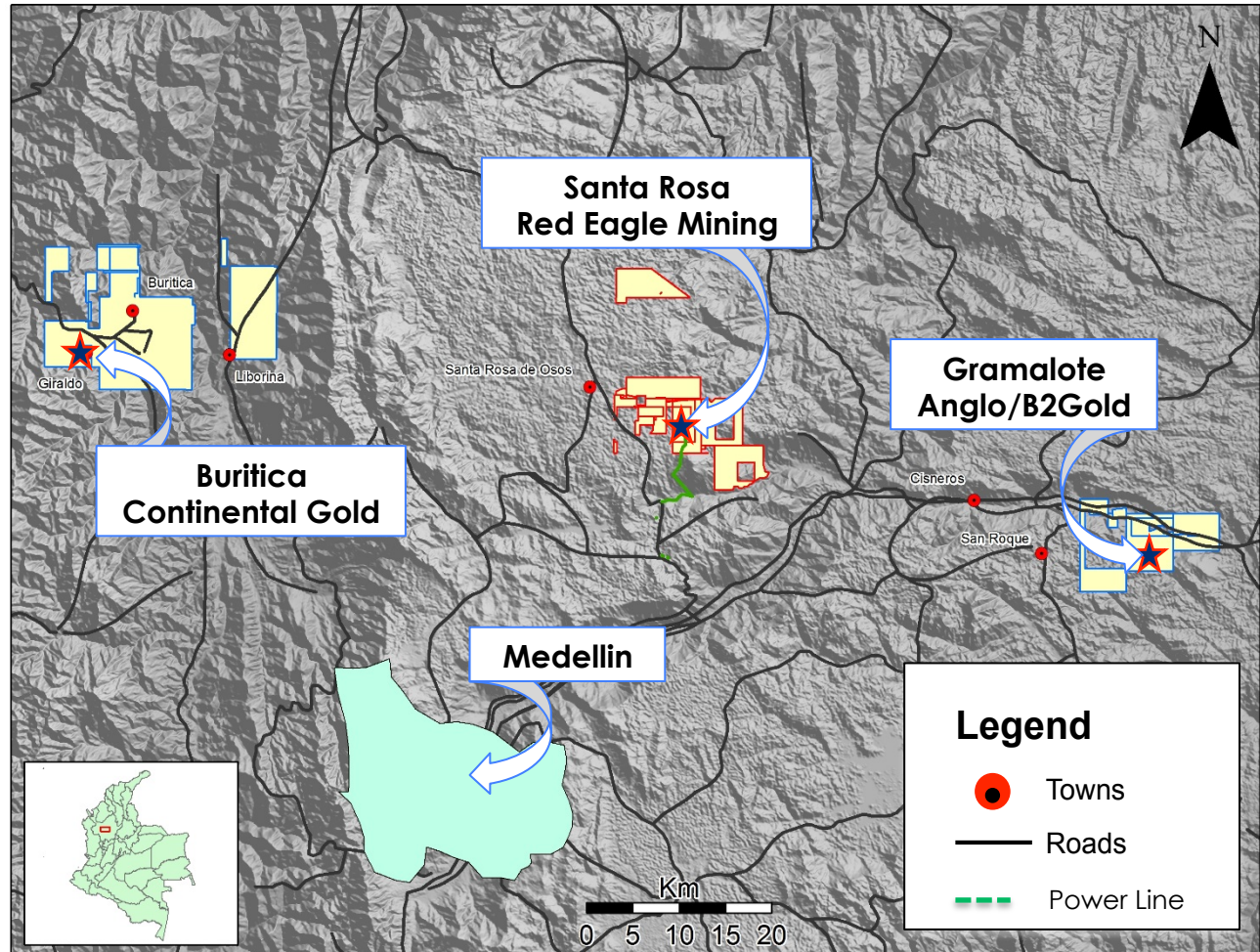
Source: FactSet



# SANTA ROSA PROJECT (100% OWNED)

## Infrastructure Highlights

- 70km NE from Medellin on the Pan-American highway
- Upgraded a 7km road from the highway to site
- Built a 44KV overhead powerline connecting a supply substation 12 km from mine site
- Town of Santa Rosa de Osos (30 minutes up the road) provides most unspecialized labor
  - Local labor and small camp footprint
- Abundant water supply



# 2014 FEASIBILITY STUDY – OVERVIEW

## Overview

- Initial production of 70,000 oz/year with built-in capacity to double throughput from 1,000 tpd to 2,000 tpd
  - 2x throughput -> 3 Leach tanks + Ball mill & Flotation circuits + Vertimill
  - Plant expansion capex ~ US\$12m
- Bottom 1/3 of global 2017E AISC curve
- Mining method
  - Cut & Fill
  - Mechanized Shrinkage with Delayed Fill
- Processing method
  - SAG mill (P80 125 micron)
  - Flotation and 11% float regrind (P80 20 micron)
  - CIL circuit
- Tailings management
  - Dry stacked tailings
  - 2x 1000 tpd filter presses
  - 60% of tailings used as backfill
  - Tailings storage facility capacity ~20 years

## Key Metrics

### Mining and Processing

Mine Life	(years)	8
Throughput	(tpd)	1,000
LOM Avg. Grade	(g/t)	4.57
LOM Avg. Recovery	(%)	96%
LOM Avg. Production	(k oz)	48
LOM Total Production	(k oz)	388

### Operating Costs

Mining	(US\$/t)	\$37
Processing	(US\$/t)	\$25
G&A	(US\$/t)	\$11
Royalty	(US\$/t)	\$11
LOM Avg. Cash Costs	(US\$/oz)	\$596
LOM Avg. AISC	(US\$/oz)	\$671

### Capital Costs

Initial Capital	(US\$m)	\$74
Sustaining Capital	(US\$m)	\$33

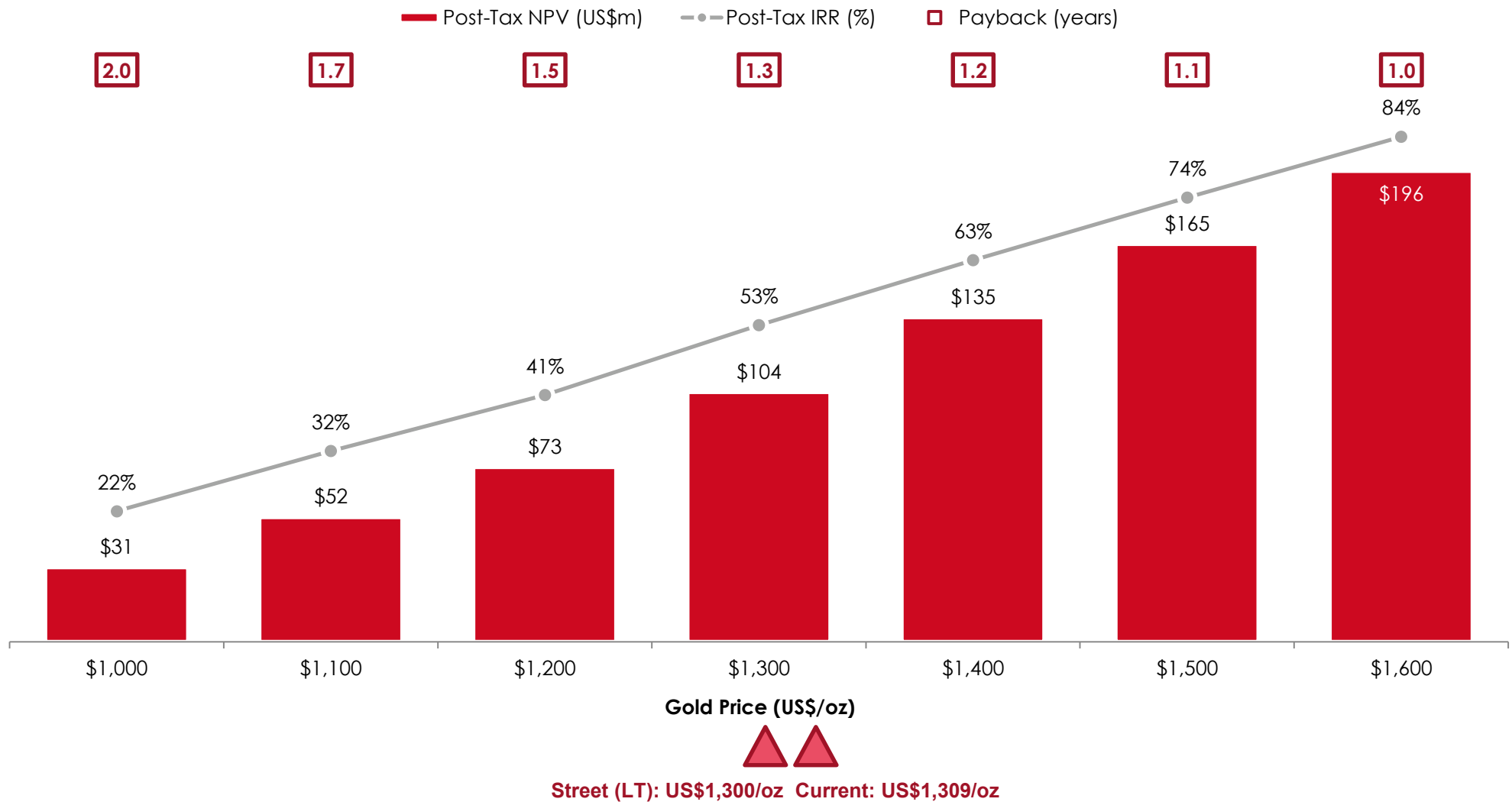
### Economic

Gold Price	(US\$/oz)	\$1,300
Colombian Peso per U.S. Dollar	(COP/US\$)	1,900
Post-Tax NPV <sub>5%</sub>	(US\$m)	\$104
Post-Tax IRR	(%)	53%
Payback Period	(years)	1.3

1. "NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.



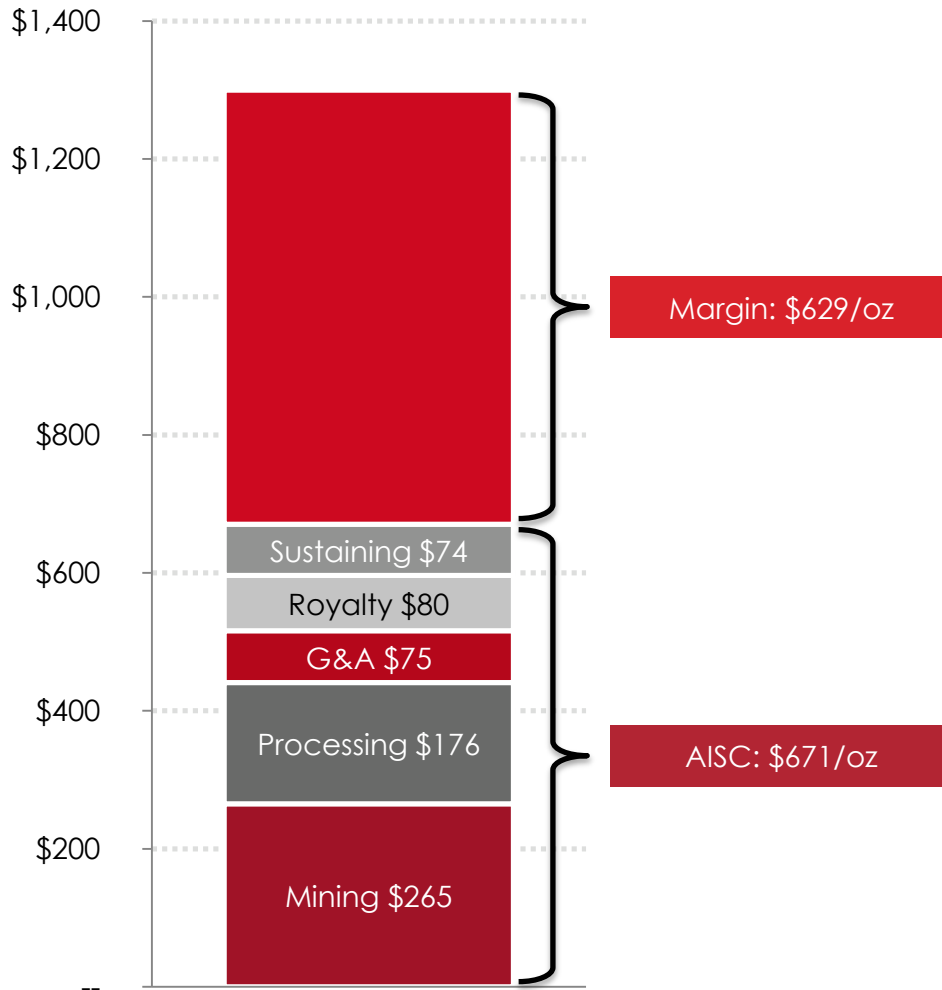
# 2014 FEASIBILITY STUDY – PROJECT ECONOMICS



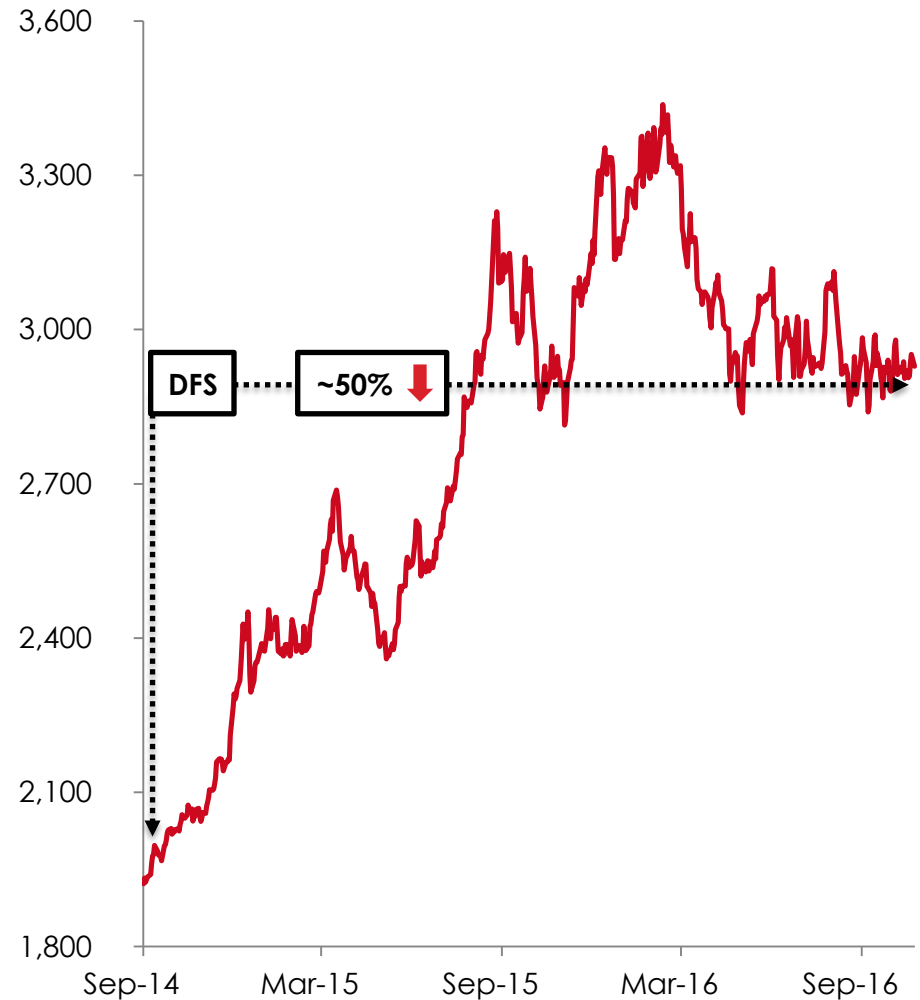
**Highly attractive project economics at current gold prices...**

# 2014 FEASIBILITY STUDY – COST STRUCTURE

All-In Sustaining Cost Margins (US\$/oz)



Colombian Peso per U.S. Dollar Devaluation



... with significant upside driven by Colombian peso devaluation

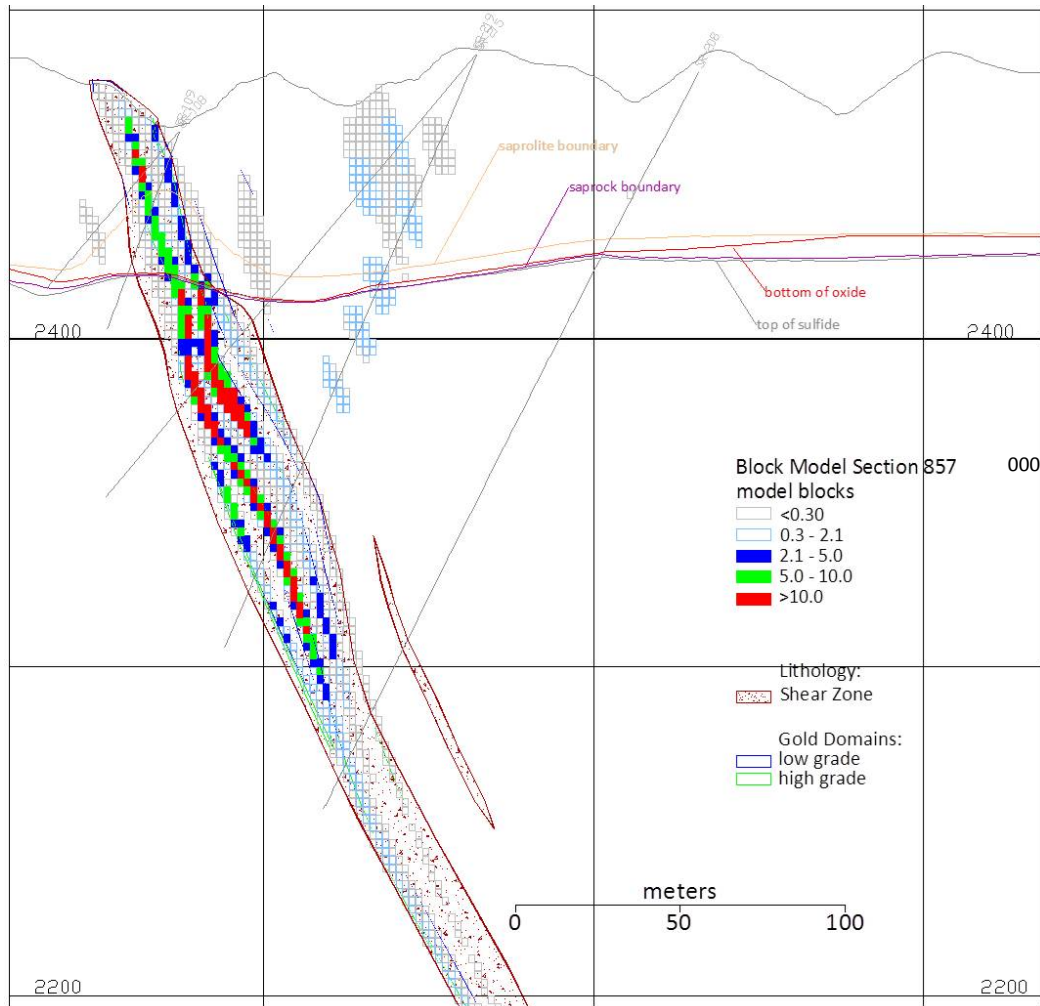
Source: Bloomberg, FactSet

1. "NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.



# SAN RAMON RESERVES<sup>1</sup>

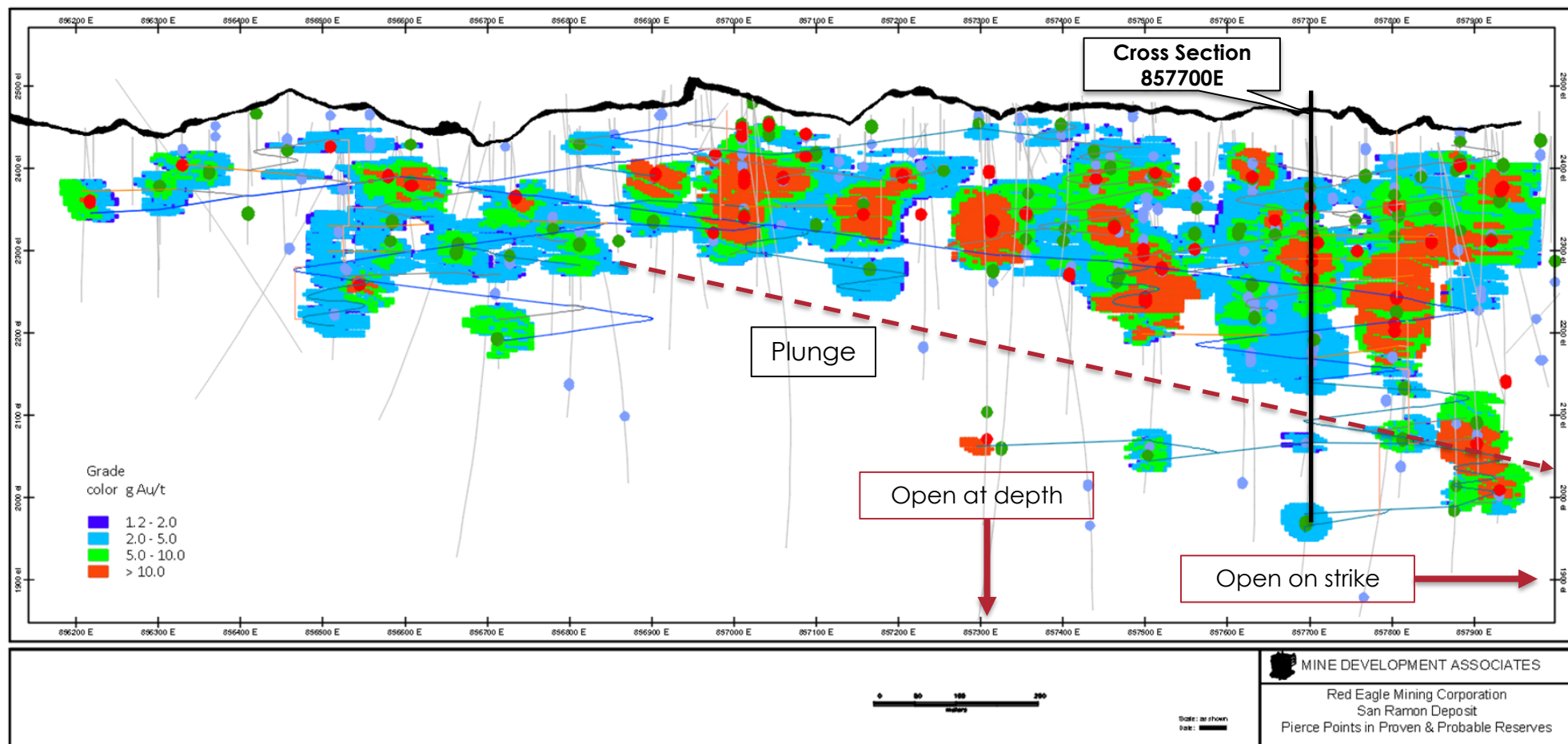
## Cross Section 857000E



- Well defined E/W shear zone dipping 70° to the North
- Shear zone is open ended down dip and to the east
- Parallel high grade domains defined along the entire strike length and continuing at depth
- Deepest drill hole 650m encountered similar mineralization
- Current reserves of 405,000 ounces at 5.2 g/t Au within 250m of surface
- 2.0 g/t Au cut-off
- 3m average mining width
- 2.5m Minimum mining width
- Long mine life

1. "Amended NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.

# SAN RAMON RESERVES LONG SECTION<sup>1</sup>



**San Ramon deposit remains open at depth and on strike**

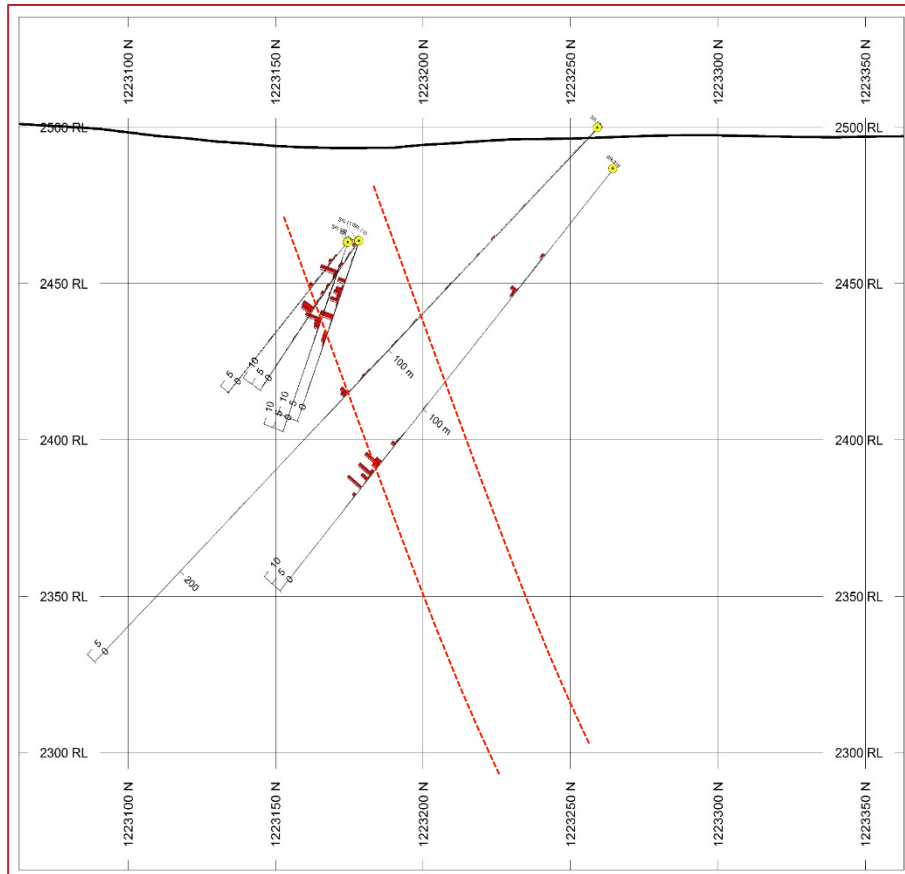
1. "Amended NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.



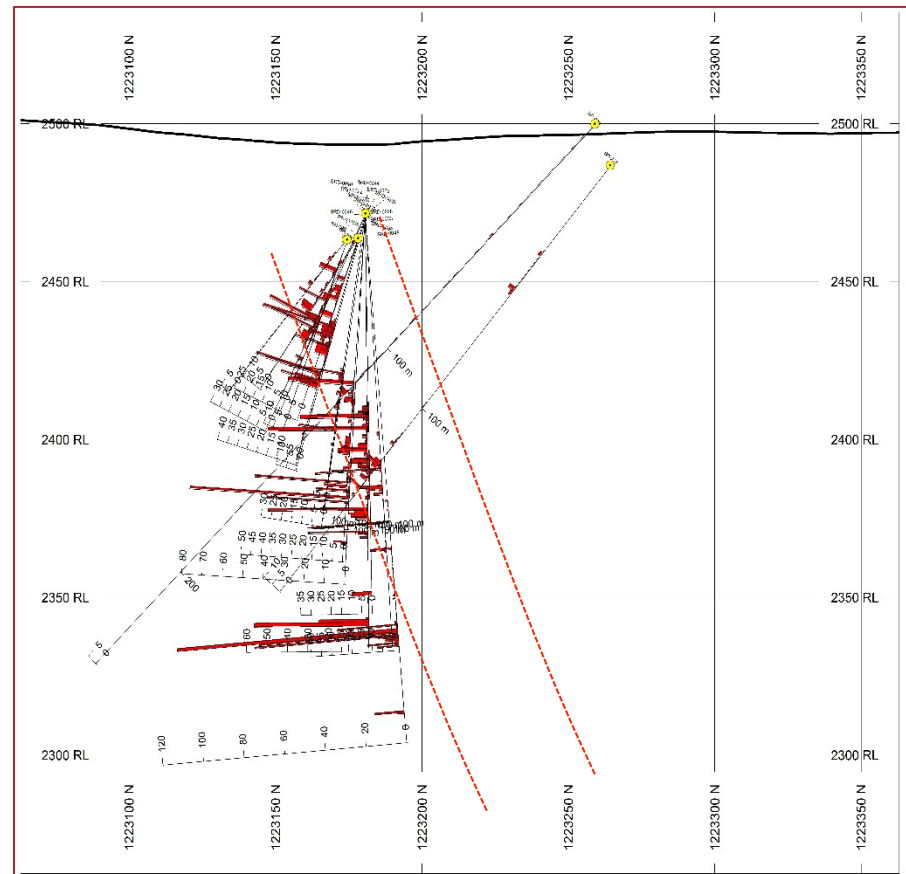
# SAN RAMON INFILL DRILL CAMPAIGN

## SECTION 857000E DRILL PAD #7

### Feasibility Drilling



### Feasibility and Delineation Drilling



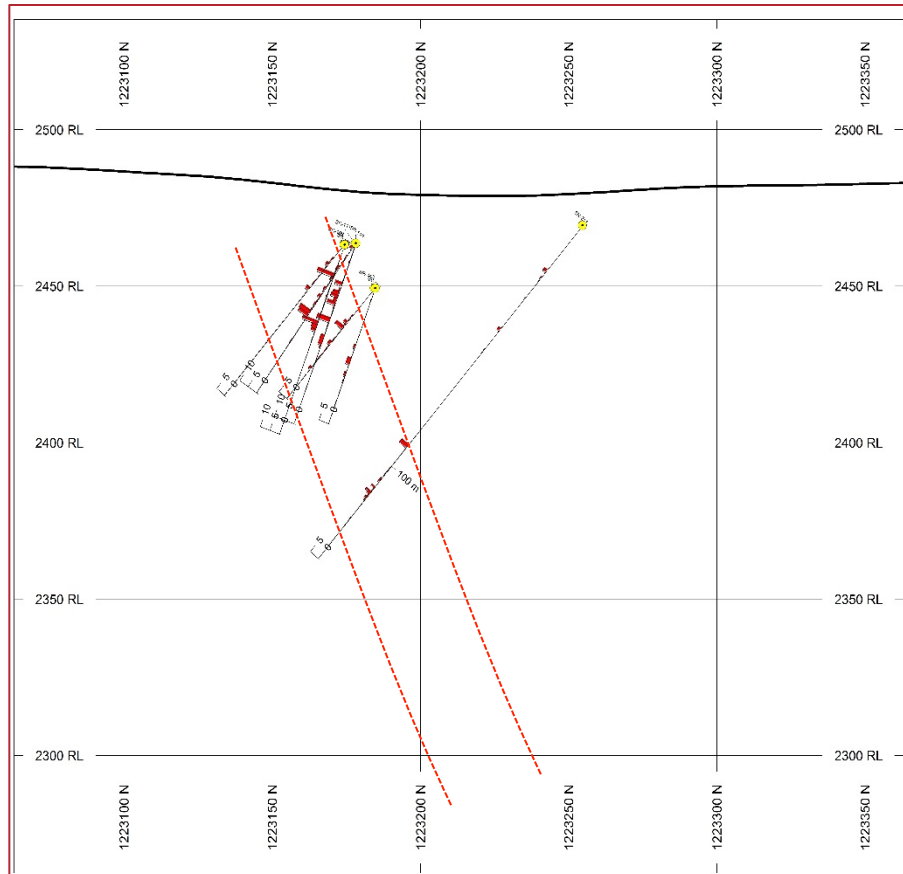
**San Ramon Infill – wider widths and higher grades**

1. "Amended NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.

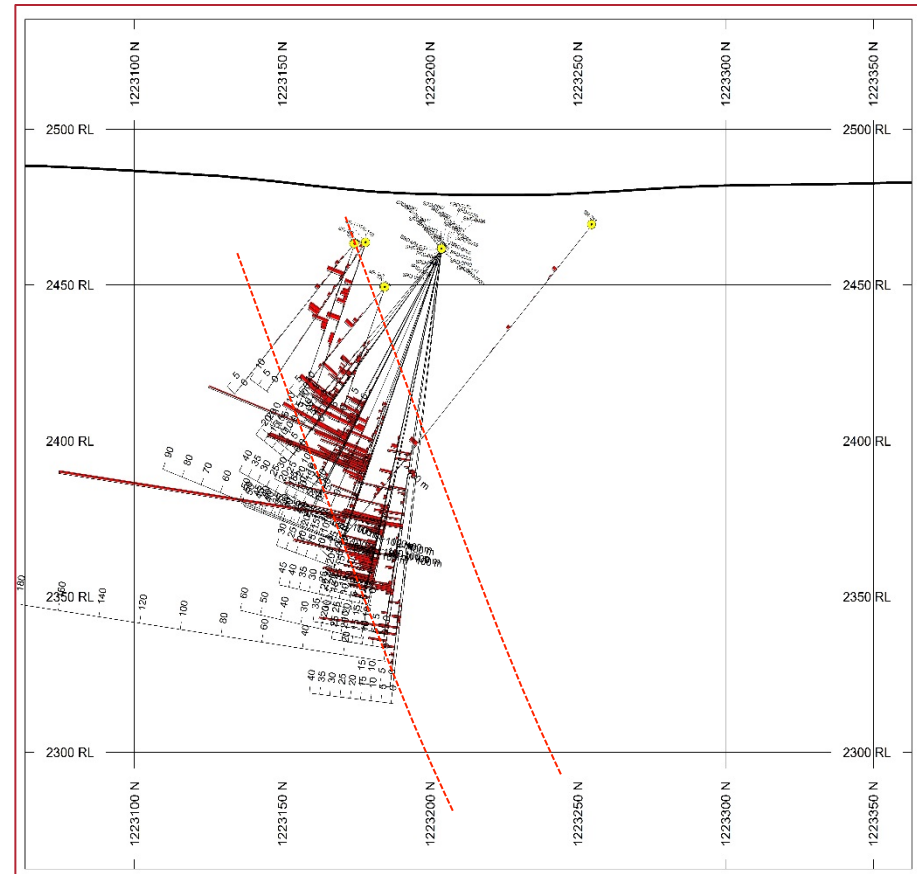
# SAN RAMON INFILL DRILL CAMPAIGN

## SECTION 857050E DRILL PAD #9

Feasibility Drilling



Feasibility and Delineation Drilling



**San Ramon Infill – wider widths and higher grades**

1. "Amended NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.

# PEER COMPARISON – RE-RATING IMMINENT

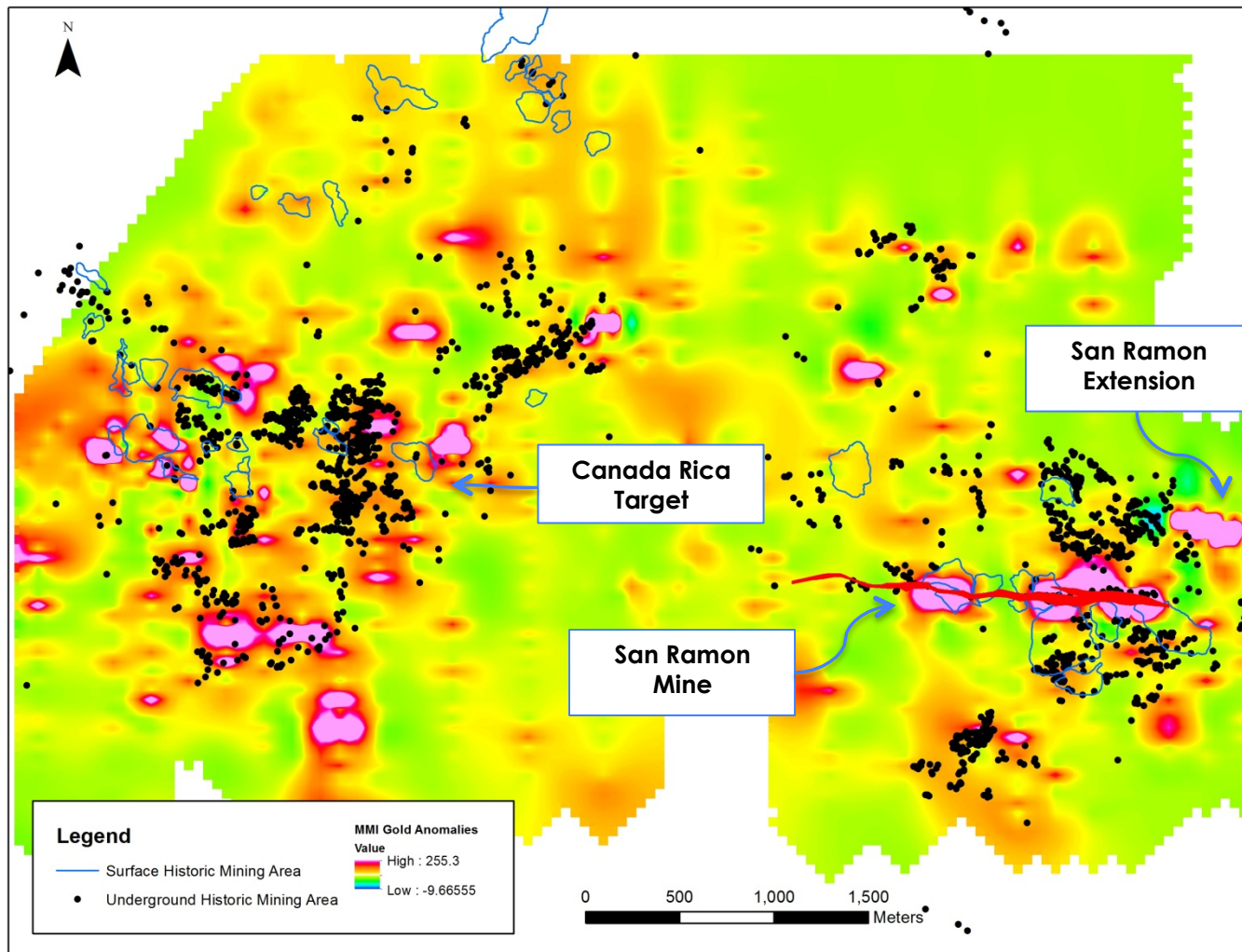
P / 2017E CF	11.2x	7.7x	7.4x	7.3x	6.5x	6.1x	3.2x
	Median: 7.3x						
Company	Richmont	Wesdome	Klondex	Guyana	Beadell	Roxgold	Red Eagle
Status	Production	Production	Production	Production	Production	Production	Late Build
Location	Canada	Canada	U.S.	Guyana	Brazil	Burkina Faso	Colombia
Market Capitalization (US\$m)	\$617	\$277	\$1,053	\$1,039	\$392	\$434	\$186
Enterprise Value (US\$m)	\$546	\$257	\$887	\$1,043	\$411	\$439	\$229
Mine Life (years) <sup>(1)</sup>	6	n.a.	2	20	10	7	8
2017E Production (k oz Au)	104	67	211	211	148	99	68
2017E By-Pdt AISC (US\$/oz Au)	\$898	\$1,039	\$777	\$764	\$845	\$729	\$490
Reserve Grade (g/t Au Eq.)	8.0	4.6	19.1	2.9	1.6	11.8	5.2
EV / 2017E EBITDA	8.5x	13.1x	5.4x	6.9x	4.9x	5.0x	4.0x

Source: Company filings, FactSet, street research

Note: Red Eagle metrics based on "NI 43-101 Technical Report, Feasibility of the Santa Rosa Gold Project", dated October 27, 2014.

1. Calculated as main producing asset reserves divided by 2016E production guidance; LOM average annual production used if 2016E production guidance not available.

# EXPLORATION POTENTIAL



- All drilling to date in the San Ramon shear zone
- Over 3,000 historic adits and 100 surface mines mapped
- San Ramon eastern extension acquired from AngloGold to be drilled from surface
- Canada Rica target currently being drilled
- Road access to satellite targets



# CB GOLD (69% OWNED) – ACCRETIVE ACQUISITIONS

## Vetas Gold Project

- 100% Owned
- 45km NE from Bucaramanga with good Infrastructure – roads & grid power
- Social License – Vetas is a mining community
- \$68m in sunk costs with over 71,000 meters of diamond drilling
- Over 177 drill intercepts with gold grades over 5 g/t, averaging 30 g/t Au over 1.03 metres, including:
  - 325 g/t (9.5 oz/t) Au over 2.09 metres;
  - 507 g/t (14.8 oz/t) Au over 0.74 metres;
  - 370 g/t (10.8 oz/t) Au over 0.82 metres;
  - 228 g/t (6.7 oz/t) Au over 1.13 metres;
  - 104 g/t (3.0 oz/t) Au over 2.45 metres;
  - 235 g/t (6.9 oz/t) Au over 1.03 metres

## Santa Ana Silver Project

- 100% Owned
- 190 km ENE from Bogota
- Colombia's most prolific historic Silver Camp within the Mariquita Silver District
- Historic reported average smelter return for Ag ore approximately 17kg/t over widths exceeding 4.5 feet
- Down-dip extension of vein mineralization below the historic Santa Ana mine tunnels drilled, including:
  - 1,751 g/t (51 oz/t) AgEq over 3.04m
  - 1,465 g/t (43 oz/t) AgEq over 1.82m
  - 2,545 g/t (75 oz/t) AgEq over 1.34m

**Acquired 69% of CB Gold at market bottom for \$5m in RD equity;  
current market capitalization of ~\$60m**

# RESPONSIBLE MINING

## Strengthening the Social Fabric in Santa Rosa de Osos



- Implemented social programs targeting education, culture, sports and healthcare

## Information, Communication and Participation



- Hosted town hall forums to exchange information and suggestions
- Average 3 community meetings per month

## Primary & Secondary Education



- Collaborated with local institutions to organize online education certification program for adults and youth
- 72 students enrolled in 2016

## Computer Education



- Established computer education program to enhance computer literacy
- 373 participants in 2015

## Gastronomy School



- Collaborated with local institutions to develop gastronomy program to provide participants with essential employment skills
- 211 people currently enrolled

## Rural School Connectivity



- Provided internet connectivity to local schools to enhance quality of learning
- More than 230 users in 2015

## Promoting Sports and Culture



- Promoted sports and constructive leisure time activities with local organizations

## Improving Community Infrastructure



- Enhanced community infrastructure including construction and improvement of sport facilities, playgrounds, roads and water supply

**Red Eagle Mining is committed to sustainable development of Santa Rosa de Osos and neighboring municipalities**

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# PROGRESS TO DATE

Wet Plant





# PROGRESS TO DATE

Milling Circuit



First Ore Heading to Mill





# PROGRESS TO DATE

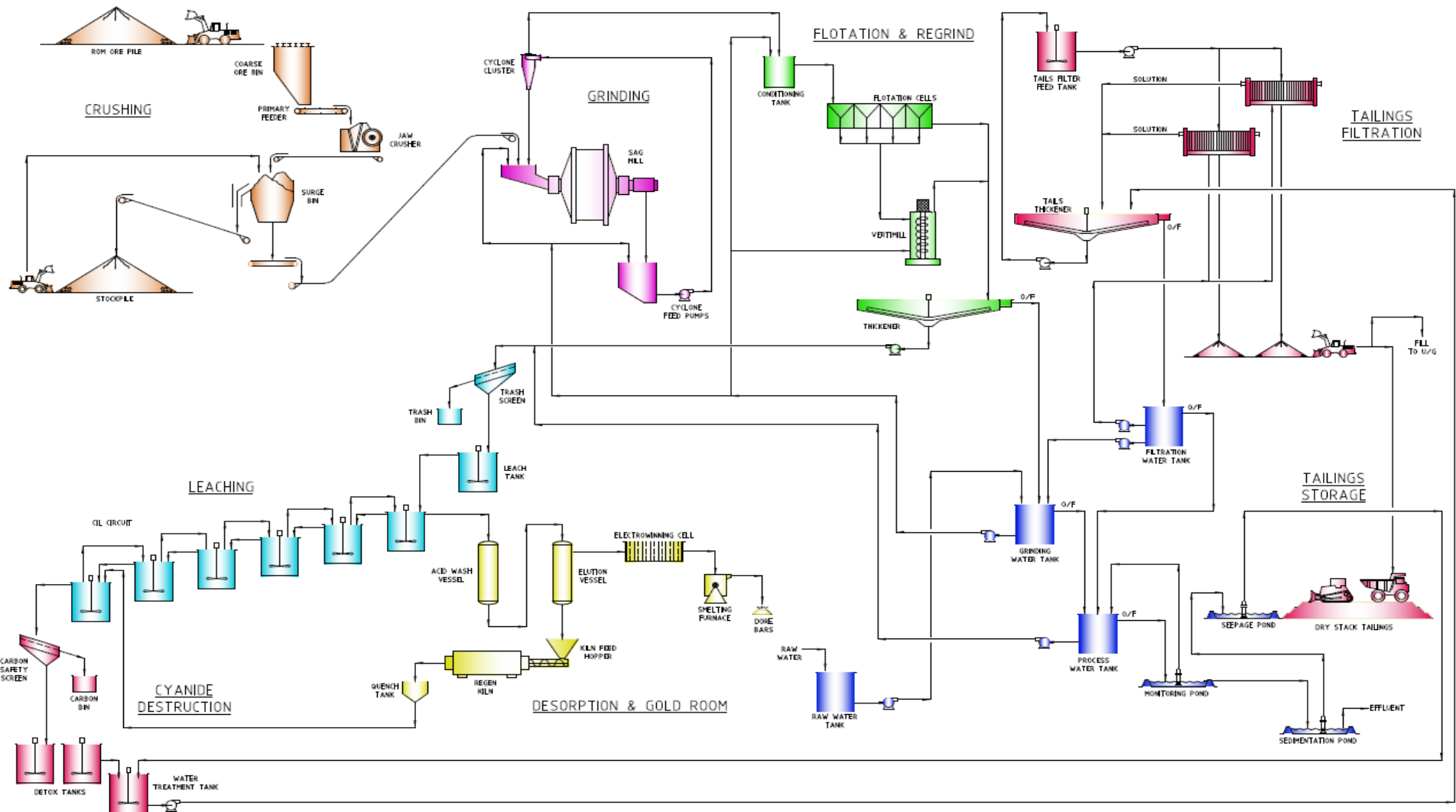
Crushing First Ore



Main Ramp Development



# FLWSHEET





# PROJECT LOCATIONS



# SANTA ROSA MINERAL RESERVES AND RESOURCES<sup>(1,2,3)</sup>

	Tonnage	Grade	Contained
	<b>Ore</b>	<b>Au</b>	<b>Au</b>
	(k tonnes)	(g/t)	(k oz)
Proven	429	5.95	82
Probable	1,995	5.04	323
<b>Total P&amp;P Reserves</b>	<b>2,424</b>	<b>5.20</b>	<b>405</b>
Measured	678	4.27	93
Indicated	3,475	3.45	386
<b>Total M&amp;I Resources</b>	<b>4,153</b>	<b>3.59</b>	<b>479</b>
Inferred	1,524	2.71	133
<b>Total Resources</b>	<b>5,677</b>	<b>3.35</b>	<b>612</b>

1. All mineral reserves or mineral resources have been estimated in accordance with the CIM Definition Standards.
2. All mineral resources are reported inclusive of mineral reserves.
3. Methodology: ID4, Capping high grade domains at 50 g/t



# CONTACTS

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