



RED EAGLE MINING COMMENCES PRELIMINARY ECONOMIC ASSESSMENT AND ENVIRONMENTAL BASELINE STUDY AT SANTA ROSA

Vancouver, BC, September 11, 2012 – **Red Eagle Mining Corporation (TSX-V: RD, OTCQX: RDEMF)** is pleased to announce that Mine Development Associates has commenced working on a NI 43-101 compliant resource estimate to be followed by a Preliminary Economic Assessment for the San Ramon gold system, Santa Rosa project, Colombia. The NI 43-101 compliant Technical Report supporting disclosure of the resource estimate is planned for release by the end of 2012, while the Preliminary Economic Assessment is planned for release in the first quarter of 2013.

Red Eagle Mining is also pleased to announce that an Environmental Baseline Study commenced this summer in preparation for the completion of an Environmental Impact Assessment and the permitting process for its planned mining operations at San Ramon. The Baseline Study was awarded to the two Colombian universities which had the most extensive relevant experience – the Universidad de Antioquia and the Universidad Catolica de Santa Rosa. The Baseline Study will continue over the coming twelve months.

The Universidad de Antioquia is a public university located in Medellin, only 70km away. Founded in 1803, it is Colombia's oldest public university and the second largest and most prestigious of Colombia's universities. Research is one of the principal specialties of the University of Antioquia and the considerable natural and social diversity of the region has allowed the university to develop deep expertise in environmental studies and the social sciences. It is recognized as one of the three best Colombian research Universities and has the highest percentage of excellence in research groups according to the National Board of Science and Technology (Colciencias). The Universidad de Antioquia was awarded the air quality, noise, hydrology and water quality modules.

The Universidad Catolica de Santa Rosa is operated by the Diocese of Santa Rosa de Osos, only 15km away. The university has a strong network and knowledge of the community, farmers and industry throughout the region. The university also has a very close relationship with the Mayoralty, City Council and the Community Action Board, which are directly involved in the land use plan of the Santa Rosa region. Universidad Catolica de Santa Rosa was awarded the fauna and flora, geotechnical, soil, landscape, community, public health and leadership modules.

“We are very pleased to be able to take San Ramon to the next stage of development in an orderly timely process”, comments Ian Slater, Chief Executive Officer. “Partnering with local universities and utilising their high quality professionalism and experience will enable Red Eagle to develop San Ramon in an environmentally responsible manner acceptable to all stakeholders.”

The San Ramon structure trends east-west, dips 60°-70° to the north, extends over 1,800m, is up to 60m wide and is mineralised from surface. Phase One and Two drilling intercepts in the primary (unoxidised) mineralisation averaged 2.1 g/t Au (0.20 g/t Au cut off, uncut) to a vertical depth of over 250m. The mineralisation is open at depth. The Phase Three 5,000m core drill programme is delineating the oxide mineralisation on 50m centres from surface to approximately 50m depth. 48 holes totaling 3,331m have been completed to date. Assays are pending on 37 holes (SR-077 to SR-113).

The scientific and technical information contained in this news release has been reviewed and approved by Michael Johnson P.Geo., who is a “Qualified Person” as defined under National Instrument 43-101.

About Red Eagle Mining

Red Eagle Mining Corporation is a well-financed gold exploration and development company with an experienced exploration and management team. Red Eagle Mining is currently developing the San Ramon gold system in the Santa Rosa project in Colombia. Santa Rosa is an intrusive hosted structurally-controlled quartz stockwork system within the prolific Cretaceous Antioquia Batholith. Gold mining within the Santa Rosa project pre-dates the 16th century when an estimated 30 million tonnes were mined. Santa Rosa is located 70km north of Medellin near the town of Santa Rosa de Osos in a region characterized by gently rolling hills and excellent infrastructure. Santa Rosa is also located 50km west of AngloGold Ashanti’s Gramalote gold deposit (2.5 million ounce M&I resource grading 0.8 g/t Au) and 60km east of Continental Gold’s Buritica gold deposit (630,000 ounce M&I resource grading 17.8 g/t Au). Red Eagle Mining also holds an extensive package of exploration ground in Colombia, including the Pavo Real project in the Mid-Cauca gold belt.

For further information on Red Eagle Mining please refer to our website www.redeaglemining.com, contact Ian Slater, Chief Executive Officer, or contact:

James Beesley
Sequoia Partners - Investor Relations
james@sequoiapartners.ca
+1 604 682 4600
+1 855 682 4600 toll free
+1 778 389 7715 mobile

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. 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 the Company 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.