



RED EAGLE EXPLORATION ANNOUNCES NEW HIGH-GRADE DISCOVERIES AT THE CALIFORNIA GOLD PROJECT

September 26, 2017 – Red Eagle Exploration Limited (TSX-V: XR) (“XR”) is pleased to announce new high-grade gold and silver discoveries at the Los Andes Zone of the California Gold Project in Santander, Colombia.

- Prospecting and sampling has identified three new exploration targets;
- Vein samples averaged 25.32 g/t Aueq over 0.39 meters at Mina Los Andes and 8.37 g/t Au, 1,081 g/t Ag (22.38 g/t Aueq) and 0.88% Cu over 0.85 meters at Los Andes Sur;
- Mineralization continues into the wallrock;
- Only tested with a single drill hole historically; and
- Located 450 metres southeast of Mubadala’s Soto Norte Project’s Pie De Gallo Zone and 700 metres southwest of their La Mascota Zone.

Table 1 - Results by Mineralization Style

Area	Style	Samples	Horizontal Width (m)	Au (g/t)	Ag (g/t)	Aueq*	Cu (%)	Zn (%)
Mina Los Andes	All	33	Unknown	3.30	149	5.24	NSR	0.23
	Vein	7	0.39	15.07	791	25.32	NSR	0.82
	Wallrock	26	Unknown	1.15	31	1.56	NSR	0.12
Los Andes Sur	All	11	Unknown	6.80	226	9.75	NSR	0.58
	Vein	2	0.85	8.37	1,081	22.38	0.88	1.11
Santa Catalina Sur	All	3	Unknown	4.41	61	5.21	NSR	NSR

*Aueq calculated assuming \$17.50 per ounce Ag and \$1,300 per ounce Au

At La Mina de Los Andes all underground channel sampling returned a length-weighted average grade of 5.24 g/t Aueq. Seven samples from zones of quartz veining returned an average grade of 25.32 g/t Aueq over 0.39 meters with the wallrock returning an average grade of 1.56 g/t Aueq. See [Figure 1](#) for sample locations. A previous operator, Galway Resources, may have intercepted the continuation of this zone along strike in drill hole GWY234 which returned 8.33 g/t Aueq over 5 metres at a depth of 224.5 metres. The true width of this reported intercept is unknown.

At Los Andes Sur sample results averaged 9.75 g/t Aueq. A composite of two channel samples across a sulphide bearing vuggy quartz-alunite vein returned average grades of 8.37 g/t Au, 1,081 g/t Ag (22.38 g/t Aueq) and 0.88% Cu over 0.85 meters. In addition, a surface chip sample returned 32.7 g/t Aueq. The gold mineralization is hosted in typical high-sulphidation epithermal veins.

Santa Catalina Sur was located by prospecting an area with known artisanal mine workings. Three chip samples averaged 5.21 g/t Aueq.

All three exploration targets are open along strike and at depth. XR is carrying out trenching and soil sampling to better define the mineralized zones, prioritizing targets for underground diamond drilling as soon as possible. The true thicknesses of the mineralized zones are unknown as insufficient work has been completed to interpret their geometry.

Underground and surface rock chip samples were collected in panels 15-20 centimetres wide and of variable vertical extent over areas determined by styles of mineralization (vein or silicified wall-rock breccia). Underground samples were collected from the vein material in the back of the underground drift with footwall and hangingwall samples collected on either side of the vein wherever possible.

Sample preparation was performed at the Asomineros sample preparation laboratory in Vetas, Colombia. The sample preparation laboratory has been audited by Actlabs and XR. Analytical work was performed by ActLabs of Medellin, Colombia a certified commercial laboratory. During sampling, quality control standards, field duplicates and blanks were inserted in to the sample batches to monitor analytical and sample preparation laboratory performance; all consistent with industry best practice. Rock chip samples have undergone sample preparation consisting of crushing to 80% passing 10 mesh, and pulverization to 85% passing 200 mesh. Gold analyses are conducted via Fire Assay Fusion with AA finish, and gravimetric analyses are completed for over-limit (> 5g/t) samples. Silver assays are conducted via Agua Regia digest with an ICP finish.

The technical information contained in this news release has been reviewed and approved by XR's Vice President Exploration, David G. Thomas, P. Geo., who is a "Qualified Person" as defined under NI 43-101.

About the California Gold Project

The California Gold Project comprises 250 hectares within the prolific California-Vetas Gold District, Santander, Colombia, which also contains the multi-million ounce La Mascota, La Bodega and Angostura gold deposits. The gold-silver-copper mineralization in the California Gold Project is part of the same large mineralizing system localized along a regional northeast-trending fault zone. Mineralization occurs in northeast, northwest and east-west striking, generally steeply dipping fault structures containing high grade veins up to two metres in width. Vein mineralogy includes enargite, pyrite, chalcopyrite and sphalerite. Elevation ranges from 2,400 to 2,700 metres above sea level, far below the Paramo boundaries.

The Machuca and Los Andes Zones are located approximately 300 to 450 metres south and southeast of the Pie De Gallo Zone which hosts an Indicated mineral resource of 2.4 Mt grading 5.5 g/t Au containing 425,000 ounces gold and an Inferred mineral resource of 3.85 Mt grading 5.4 g/t Au containing 670,000 ounces gold¹ and 700 to 850 metres southwest of the La Mascota zone which hosts an Inferred mineral resource of 18.7 Mt grading 4 g/t Au containing 2.4 million ounces of gold.² Both the Pie De Gallo and La Mascota Zones are part of Mubadala's Soto Norte Project which was originally purchased from Ventana Gold, Calvista Gold and Galway Resources.

XR is advancing the California Gold Project toward economic feasibility by the delineation of high-grade vein resources exploitable by modern underground mining methods. Underground mapping of existing mine workings and underground channel sampling are currently underway, prioritizing targets for underground diamond drilling as soon as possible.

¹ Technical Report "Resources California Gold-Silver Project" dated October 25, 2012 available under Galway Resources Ltd.'s SEDAR profile.

² Technical Report "Preliminary Assessment La Bodega Project" dated November 8, 2010 available under Ventana Gold Corp.'s SEDAR profile.

About Red Eagle Exploration

XR is a precious metals exploration and development corporation majority owned by gold producer Red Eagle Mining Corporation. XR has an experienced exploration and mine development team focused on building shareholder value through acquiring and de-risking high grade gold and silver projects with low costs and low technical risks in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration. XR owns 100% of the Vetas Gold, California Gold and Santa Ana Silver Projects, which consist of numerous historic and existing mines and where exploration is currently underway to delineate high-grade vein resources exploitable by modern underground mining.

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