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RED EAGLE EXPLORATION ANNOUNCES PRIVATE PLACEMENT

June 1, 2017 – **Red Eagle Exploration Limited (TSX-V: XR)** (“**XR**”) is pleased to announce a private placement of units (the “**Units**”) at a price of \$0.15 per Unit (the “**Issue Price**”) (the “**Offering**”). Each Unit will consist of one common share in the capital of XR (a “**Common Share**”) and one common share purchase warrant in the capital of XR (a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one common share (a “**Warrant Share**”) at a price of \$0.25 per Warrant Share for a period of five years following the closing date of the Offering. Closing of the Offering is anticipated to occur on or about June 21, 2017 and is subject to receipt of applicable regulatory approvals including approval of the TSX Venture Exchange.

The net proceeds of the Offering will be used to fund property option and acquisition costs, exploration and development programs at the Vetas Gold, California Gold and Santa Ana Silver Projects, and for general corporate and working capital purposes.

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

The marketed offering announced on April 19, 2017 and co-led by Haywood Securities Inc. and National Bank Financial Inc. has been terminated.

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 developing 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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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. Information set forth in this news release includes forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the terms and completion of the proposed sale transaction are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: failure to satisfy all conditions precedent to the transaction, including disinterested shareholder approval and stock exchange regulatory approval, and the additional risks identified in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with Canadian securities regulators. Forward looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.