RED EAGLE MINING CORPORATION

Unaudited interim condensed consolidated financial statements

Three months ended March 31, 2015

CONTENT

RED EAGLE MINING CORPORATION
Consolidated statements of financial position
(expressed in Canadian dollars)

As at	Notes	March 31, 2015	December 31, 2014
ASSETS			
Current assets			
Cash and cash equivalents	14	$ 118,110	$ 427,290
Subscription receivable	14	4,831,237	-
Other financial assets	5	70,000	160,000
Amounts receivable		116,934	84,216
Prepaid expenses		148,194	133,412
Deferred debt costs	8	249,484	-
		5,533,959	**804,918**
Non-current assets			
Equipment	6	202,054	267,101
Mineral properties	7	413,149	412,775
		615,203	**679,876**
Total assets		$ **6,149,162**	$ **1,484,794**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 1,866,507	$ 469,201
Mineral property obligations	7	853,335	639,485
		2,719,842	**1,108,686**
Non-current liabilities			
Mineral property obligations	7	1,087,693	1,144,410
		1,087,693	**1,144,410**
Total liabilities		**3,807,535**	**2,253,096**
SHAREHOLDERS' EQUITY	8		
Share capital		$ 43,060,788	$ 37,163,964
Warrants reserve		91,615	122,153
Share option reserve		1,094,603	1,082,453
Foreign exchange reserve		(299,463)	(310,142)
Deficit		(41,605,916)	(38,826,730)
Total shareholders' equity		$ **2,341,627**	$ **(768,302)**
Total shareholders' equity and liabilities		$ **6,149,162**	$ **1,484,794**
Segmented information	10		
Commitments	11		
Subsequent events	14		

On behalf of the Board of Directors:

(signed) "Jeffrey Mason"
Director

(signed) "Ian Slater"
Director

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

RED EAGLE MINING CORPORATION
Consolidated statements of loss and comprehensive loss
(expressed in Canadian dollars)

For the three months ended	Notes	March 31, 2015	March 31, 2014
Expenses			
Mineral property exploration costs	7	$ 1,960,655	$ 1,085,138
Office and administration		219,725	191,243
Salaries and benefits		151,752	121,142
Professional fees		139,906	114,520
Relations and business development		139,225	87,437
		2,611,263	**1,599,480**
Other expenses (income)			
Foreign exchange loss		171,571	51,254
Interest		916	(8,956)
Other expenses		25,974	-
Loss before tax		**2,809,724**	**1,641,778**
Deferred tax recovery		(3,970)	-
Net loss for the period		**$ 2,805,754**	**$ 1,641,778**
OTHER COMPREHENSIVE LOSS (OCL)			
OCL to be classified to profit and loss in subsequent periods:			
Foreign currency translation difference for foreign operations		(10,679)	(9,128)
Total comprehensive loss for the period		**$ 2,795,075**	**$ 1,632,650**
Net loss attributable to:			
Equity holders of the parent		2,805,754	1,623,243
Non-controlling		-	18,535
		$ 2,805,754	**$ 1,641,778**
Total comprehensive loss attributable to:			
Equity holders of the parent		2,795,075	1,616,537
Non-controlling		-	16,113
		$ 2,795,075	**$ 1,632,650**
Basic and diluted loss per share attributable to ordinary equity holders of the parent		$ 0.04	$ 0.03
Weighted average number of common shares outstanding		76,487,057	58,667,818

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

RED EAGLE MINING CORPORATION
Consolidated statements of changes in equity
(expressed in Canadian dollars)

		Attributable to equity holders of the parent							
	Number of shares	Share capital	Warrants	Share option reserve	Foreign exchange reserve	Deficit	Total	Non-controlling interest	Total
Balance as at December 31, 2013	**58,667,818**	**$ 32,665,403**	**$ 122,153**	**$ 2,775,301**	**$ (111,194)**	**$ (32,203,324)**	**$ 3,248,339**	**$ 192,099**	**$ 3,440,438**
Share option based payments (*Note 8*)	-	-	-	12,838	-	-	12,838	-	12,838
Unexercised share options	-	-	-	(44,000)	-	44,000	-	-	-
Total comprehensive loss for the three months	-	-	-	-	6,706	(1,623,243)	(1,616,537)	(16,113)	(1,632,650)
Funding of NCI net of dilutions	-	-	-	-	-	(15,059)	(15,059)	15,059	-
Balance as at March 31, 2014	**58,667,818**	**$ 32,665,403**	**$ 122,153**	**$ 2,744,139**	**$ (104,488)**	**$ (33,797,626)**	**$ 1,629,581**	**$ 191,045**	**$ 1,820,626**
Balance as at December 31, 2014	**73,932,714**	**$ 37,163,964**	**$ 122,153**	**$ 1,082,453**	**$ (310,142)**	**$ (38,826,730)**	**$ (768,302)**	**$ -**	**$ (768,302)**
Shares issued (*Note 8*)	18,471,627	5,896,824	-	-	-	-	5,896,824	-	5,896,824
Share option based payments (*Note 8*)	-	-	-	12,150	-	-	12,150	-	12,150
Expiry of warrants	-	-	(26,568)	-	-	26,568	-	-	-
Tax charge on expiry of warrants	-	-	(3,970)	-	-	-	(3,970)	-	(3,970)
Total comprehensive loss for the three months	-	-	-	-	10,679	(2,805,754)	(2,795,075)	-	(2,795,075)
Balance as at March 31, 2015	**92,404,341**	**$ 43,060,788**	**$ 91,615**	**$ 1,094,603**	**$ (299,463)**	**$ (41,605,916)**	**$ 2,341,627**	**$ -**	**$ 2,341,627**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

RED EAGLE MINING CORPORATION

Consolidated statements of cash flows

(expressed in Canadian dollars)

For the three months ended	Notes	March 31, 2015	March 31, 2014
OPERATING ACTIVITIES			
Net loss for the three months		**$ (2,805,754)**	**$ (1,641,778)**
Adjustments for items not affecting cash:			
Foreign exchange loss		164,050	52,034
Depreciation		68,509	31,436
Deferred tax recovery		(3,970)	-
Share option based payments		12,150	12,838
		(2,565,015)	**(1,545,470)**
Net changes in non-cash working capital items:			
Amounts receivable		(32,718)	21,362
Prepaid expenses		(14,782)	(30,576)
Accounts payable and accrued liabilities		1,025,867	(27,379)
Net cash flows from (used in) operating activities		**(1,586,648)**	**(1,582,063)**
FINANCING ACTIVITIES			
Issuance of common shares, net of share issue cost		1,189,693	-
Deferred debt costs		(2,151)	-
Net cash flows provided by financing activities		**1,187,542**	**-**
INVESTING ACTIVITIES			
Proceeds on redemption of short-term investments		90,000	-
Net cash flows provided by investing activities		**90,000**	**-**
Net foreign exchange differences		(74)	(716)
Net decrease in cash and cash equivalents		**(309,180)**	**(1,582,779)**
Cash and cash equivalents, beginning of period		427,290	4,118,484
Cash and cash equivalents, end of period		**$ 118,110**	**$ 2,535,705**

Non-cash transaction – supplemental disclosure

On March 31, 2015 the Company issued 14,640,112 common shares for gross proceeds of $4,831,237, which were received on April 1, 2015. As at March 31, 2015, the Company recorded amounts receivable from the shareholder of $4,831,237, which was offset against increase of share capital in the consolidated statements of cash flows for the three months ended March 31, 2015.

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

The unaudited interim condensed consolidated financial statements of Red Eagle Mining Corporation and all of its subsidiaries (the "Company") for the three months ended March 31, 2015 were authorised for issue on June 1, 2015 in accordance with a resolution of the audit committee, to whom the authority was delegated by a resolution of the board of directors.

Red Eagle Mining Corporation was incorporated under the *Business Corporations Act* in British Columbia, Canada on January 4, 2010.

The address and domicile of the Company's registered office and its principal place of business is Suite 920 - 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

The Company is primarily engaged in the exploration, development and permitting of its mineral properties. The Company is considered to be in the exploration and development stage given that its mineral properties are not yet in production and, to date, have not earned any significant revenues. The recoverability of amounts shown for exploration and evaluation assets is dependent on the existence of economically recoverable reserves, obtaining and maintaining the necessary permits to operate a mine, obtaining the financing to complete development and future profitable production. These unaudited interim condensed consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern that assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. Management has carried out an assessment of the going concern assumption and has concluded that the Company has sufficient cash and cash equivalents to continue operating for the ensuing twelve months. These unaudited interim condensed consolidated financial statements do not give effect to any adjustment, which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different than those reflected in the unaudited interim condensed consolidated financial statements.

2. BASIS OF PRESENTATION

The unaudited interim condensed consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim financial reporting" and accordingly they do not contain all information and disclosures required for a complete financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Therefore, they should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2014, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies adopted in the preparation of these unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's consolidated financial statements for the year ended December 31, 2014, except for the adoption of the new standards as discussed in *Note 3*.

The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars.

Basis of consolidation

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Company as at March 31, 2015. The Company is the ultimate parent of the consolidated group of companies.

2. BASIS OF PRESENTATION (CONTINUED)

Basis of consolidation (continued)

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. The Company controls an investee if, and only if, the Company has all of the following:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting, or similar, rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Company's voting rights and potential voting rights.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies. All intercompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-Company balances, transactions, unrealised gains and losses resulting from intra-Company transactions and dividends are eliminated in full. Where the ownership of a subsidiary is less than 100%, and therefore a non-controlling interest exists, any losses of that subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in the statement of profit or loss and other comprehensive income; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Company had directly disposed of the related assets or liabilities.

2. BASIS OF PRESENTATION (CONTINUED)

Basis of consolidation (continued)

These unaudited interim condensed consolidated financial statements comprise the accounts of the Company and the following 100% owned subsidiaries of the Company:

- Red Eagle Mining de Colombia Limited, a company incorporated in Canada;
- REMDC Holdings Limited, a company incorporated in Canada;
- Red Eagle Mining de Colombia S.A.S., a company incorporated in Colombia; and
- Red Eagle Finance Limited, a company incorporated in the British Virgin Islands.

The comparative financial information for the three months ended March 31, 2014 includes the results of Rovira Mining Limited, a company incorporated in Canada, where the Company had a 70% share ownership interest.

Red Eagle Mining de Colombia Limited has a branch located in Colombia.

3. RECENTLY ADOPTED ACCOUNTING STANDARDS

The following accounting standards were adopted effective January 1, 2015:

IFRS 2 Share-based Payment

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions, which are vesting conditions, including:

- A performance condition must contain a service condition;
- A performance target must be met while the counterparty is rendering service;
- A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group;
- A performance condition may be a market or non-market condition; and
- If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

Adoption of the standard had no impact on the consolidated financial position and consolidated financial results of the Company.

IAS 24 Related Party Disclosures

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following accounting standards have been issued but not yet effective:

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments*, which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before February 1, 2015. The adoption of IFRS 9 will have an immaterial effect on the Company's consolidated financial statements.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

IFRS 15 Revenue from Contracts with Customers
IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2017 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

(amounts are in Canadian dollars, unless otherwise stated)

5. OTHER FINANCIAL ASSETS

Other financial assets consist of a one year guaranteed investment certificate ("GIC") of $70,000 placed with the Royal Bank of Canada maturing in February 2016 at 0.65% per annum (2014: $160,000 maturing in February 2015 at 0.8% per annum). The GIC is held as collateral for the Company's corporate credit cards.

6. EQUIPMENT

The following are details of equipment in the three months ended March 31, 2015 and for the year ended December 31, 2014:

	Computer hardware	Field equipment	Office equipment	Software	Vehicles	Total
Cost						
Balance, December 31, 2014	**90,978**	**170,801**	**142,951**	**101,865**	**247,077**	**753,672**
Foreign currency translation	824	866	1,493	-	2,489	5,672
Balance, March 31, 2015	**91,802**	**171,667**	**144,444**	**101,865**	**249,566**	**759,344**
Accumulated depreciation						
Balance, December 31, 2014	**(45,764)**	**(85,799)**	**(71,731)**	**(88,845)**	**(194,432)**	**(486,571)**
Depreciation charged	(15,544)	(16,640)	(20,345)	(503)	(15,477)	(68,509)
Foreign currency translation	(383)	(104)	(231)	-	(1,492)	(2,210)
Balance, March 31, 2015	**(61,691)**	**(102,543)**	**(92,307)**	**(89,348)**	**(211,401)**	**(557,290)**
Net book value, March 31, 2015	**30,111**	**69,124**	**52,137**	**12,517**	**38,165**	**202,054**

	Computer hardware	Field equipment	Office equipment	Software	Vehicles	Total
Cost						
Balance, December 31, 2013	**86,155**	**200,956**	**165,320**	**97,838**	**359,963**	**910,232**
Additions	15,987	-	-	4,027	2,219	22,233
Disposal	-	(18,574)	(2,256)	-	(83,439)	(104,269)
Foreign currency translation	(11,164)	(11,581)	(20,113)	-	(31,666)	(74,524)
Balance, December 31, 2014	**90,978**	**170,801**	**142,951**	**101,865**	**247,077**	**753,672**
Accumulated depreciation						
Balance, December 31, 2013	**(42,340)**	**(82,201)**	**(45,992)**	**(77,343)**	**(223,090)**	**(470,966)**
Depreciation charged	(15,338)	(2,457)	(41,363)	(11,502)	(56,341)	(127,001)
Disposal	-	2,050	1,156	-	64,633	67,839
Foreign currency translation	11,914	(3,191)	14,468	-	20,366	43,557
Balance, December 31, 2014	**(45,764)**	**(85,799)**	**(71,731)**	**(88,845)**	**(194,432)**	**(486,571)**
Net book value, December 31, 2014	**45,214**	**85,002**	**71,220**	**13,020**	**52,645**	**267,101**

(amounts are in Canadian dollars, unless otherwise stated)

7. MINERAL PROPERTIES

Santa Rosa

On April 15, 2011, the Company acquired 100% of the Santa Rosa Gold Project in Antioquia, Colombia, for US $9,600,000. Of this, US $9,150,000 ($9,402,956) has been paid with the remaining US $450,000 ($568,890) due on June 25, 2015. The Company also agreed to acquire certain adjacent concession contracts for US$780,000, of which US$40,000 ($40,600) has been paid and US$740,000 ($935,508) is due upon title transfer, which is expected after 2015. As at March 31, 2015 the outstanding balance relating to these acquisitions was US $1,190,000 ($1,504,398).

On October 22, 2012, concurrent with a private placement financing, the Company completed the sale of a 2% NSR royalty over the Santa Rosa property to Liberty Metals and Mining Holdings LLC, (“Liberty”) a 19.9% common shareholder of the Company, for gross proceeds of $8,333,333. The Company had the option to sell an additional 1% royalty for $4,166,667 at any time until December 31, 2013 and on December 20, 2013, the Company exercised this option. These transactions were recorded as a credit to the mineral property asset class, reducing the value of the property to nil and the excess was reflected as a gain of $1,415,704 in the statement of comprehensive loss. The Company has the option to repurchase a 1% royalty for $8,333,333 at any time during the first two years of commercial gold production. Liberty also has a participation right to maintain Liberty’s then current share ownership interest in the Company.

On October 24, 2012, the Company executed a purchase agreement with Bullet Holdings Corp. to acquire mineral concession contracts totaling 35,910 hectares adjacent to the Company’s Santa Rosa Gold Project. The consideration for the transaction was the issuance of 905,000 common shares, reimbursement of current year concession fees and the granting of a 1.5% NSR royalty over the properties acquired. Liberty’s royalty does not cover these new properties.

On May 28, 2014, the Company executed a purchase agreement with AngloGold Ashanti Colombia S.A. ("AGAC"), to acquire 100% of contiguous mineral concession contracts totaling 1,673 hectares within the Company’s Santa Rosa Gold Project. In consideration for the property, the Company has agreed to pay US$375,000 to AGAC and grant AGAC a 2% net smelter return royalty over the properties acquired. The cash payments completed and to be made, are as follows:

	US $
Within 10 days of execution of contract (paid)	25,000
Upon title transfer (paid April 2015)	100,000
March 18, 2016	125,000
March 18, 2017	125,000
	375,000

The Company paid the initial US $25,000 and has recorded the balance as a provision, discounted at the risk free rate of 1%. The fair value of total payments was $397,548 representing the initial $26,150 (US $25,000) and $371,398 relating to the outstanding US $342,268 (nominal value is US $350,000), and this was recorded as an increase in capitalized mineral properties. As at March 31, 2015 the mineral property obligation relating to this acquisition was $436,630, which represents the discounted value of the US$350,000 remaining to be paid. The Company has recorded an interest expense of $1,067 relating to the unwinding of the discount on the obligation in three months ended March 31, 2015.

Pavo Real

As Red Eagle Mining terminated its option agreement with Miranda Gold Corp. on the Pavo Real Project, the Company’s 70% interest in Rovira Mining Limited was transferred to Miranda Gold Colombia I Ltd. on December 31, 2014 for no consideration. The Pavo Real Project was dropped as exploration results to date did not merit further work and the Company is focused on developing the Santa Rosa Gold Project.

(amounts are in Canadian dollars, unless otherwise stated)

7. MINERAL PROPERTIES (CONTINUED)

The following are the changes to mineral property in three months ended March 31, 2015 and in twelve months ended December 31, 2014:

	Santa Rosa	Pavo Real	Total
Balance, December 31, 2014	**$ 412,775**	**$ -**	**$ 412,775**
Foreign currency translation	374	-	374
Balance, March 31, 2015	**$ 413,149**	**$ -**	**$ 413,149**

	Santa Rosa	Pavo Real	Total
Balance, December 31, 2013	**$ -**	**$ 649,651**	**$ 649,651**
Acquisition cost	415,610	112,524	528,134
Disposal of subsidiaries	-	(869,979)	(869,979)
Foreign currency translation	(2,835)	107,804	104,969
Balance, December 31, 2014	**$ 412,775**	**$ -**	**$ 412,775**

Mineral property obligations represent the Company's outstanding payables to the following parties:

As at	March 31, 2015	December 31, 2014
Santa Rosa		
Individuals	$ 1,504,398	$ 1,383,613
AngloGold Ashanti Colombia S.A.	436,630	400,282
Total obligations	**1,941,028**	**1,783,895**
Non-current portion of obligations	(1,087,693)	(1,144,410)
Current obligations	**$ 853,335**	**$ 639,485**

The following are changes in mineral property obligations during the three months ended March 31, 2015 and twelve months ended December 31, 2014:

	2015	2014
Balance, as at January 1,	**$ 1,783,895**	**$ 1,539,980**
Foreign exchange translation loss	156,066	153,607
Interest charge	1,067	2,217
Acquisitions	-	371,398
Repayments	-	(283,307)
Balance, as at March 31/ December 31,	**$ 1,941,028**	**$ 1,783,895**

(amounts are in Canadian dollars, unless otherwise stated)

7. MINERAL PROPERTIES (CONTINUED)

Following is a summary of the Santa Rosa and Pavo Real exploration costs:

For the three months ended March 31, 2015	Santa Rosa	Pavo Real	Total
Field and camp	$ 638,641	$ -	$ 638,641
Salaries and consulting	627,740	-	627,740
Geological and geochemical	298,791	-	298,791
Legal and office administration	87,283	-	87,283
Technical studies	81,438	-	81,438
Travel and transportation	69,596	-	69,596
Depreciation	67,990	-	67,990
Metallurgical	38,940	-	38,940
Training	33,880	-	33,880
Concession fees	8,490	-	8,490
Assays and sampling	7,866	-	7,866
	$ 1,960,655	**$ -**	**$ 1,960,655**
Cumulative costs as at March 31, 2015	**$ 29,488,527**	**$ -**	**$ 29,488,527**

For the three months ended March 31, 2014	Santa Rosa	Pavo Real	Total
Field and camp	$ 114,338	$ 14,462	$ 128,800
Salaries and consulting	426,274	32,663	458,937
Legal and office administration	52,003	4,871	56,874
Technical studies	282,074	-	282,074
Travel and transportation	43,154	2,408	45,562
Depreciation	25,330	6,104	31,434
Metallurgical	45,974	-	45,974
Assays and sampling	11,328	3,003	14,331
License and permits	21,152	-	21,152
	$ 1,021,627	**$ 63,511**	**$ 1,085,138**
Cumulative costs as at March 31, 2014	**$ 22,908,816**	**$ 4,948,287**	**$ 27,857,103**

(amounts are in Canadian dollars, unless otherwise stated)

8. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued during the three months ended March 31, 2015

During the three months ended March 31, 2015 the Company issued 18,471,627 common shares at $0.33 per share for gross proceeds of $6,095,636 (including share issue cost of $198,812) in two tranches to Orion Mine Finance ("Orion"). As a result, Orion has become a 19.9% holder of the issued and outstanding shares of the Company and has a participation right to maintain Orion's then current share ownership interest in the Company.

The Company also executed a secured US $60,000,000 credit facility (the "Credit Facility") with Orion on the following key terms:

- Draw down of the Credit Facility is subject to the Company completing an additional equity financing of at least US $15,000,000;
- The Credit Facility will have a five year term with a principal holiday and capitalized interest for up to 18 months from the first advance;
- Advances under the Credit Facility will bear interest at LIBOR +7.5%;
- A Production Payment of US $30 per ounce produced is payable on the first 405,000 ounces of gold produced;
- Granting of 5,000,000 warrants to purchase Shares to Orion exercisable for a five year term at a strike price determined in the context of the Equity Financing;
- Reimburse Orion US $600,000 for legal and engineering due diligence costs if the Credit Facility is not drawn down.

Amounts outstanding under the Credit Facility, to which there are none as at both March 31, 2015 and June 1, 2015, will be secured against all of Red Eagle Mining Corporation's property and assets. The Company incurred $249,484 of legal fees to execute the Credit Facility, which was recorded as deferred debt costs as at March 31, 2015.

c) Issued during the three months ended March 31, 2014

No shares were issued during the three months ended March 31, 2014.

d) Warrants

No warrants were issued during the three months ended March 31, 2015 and 2014.

On February 12, 2015, 1,125,000 warrants expired unexercised.

The following summarizes the share purchase warrants outstanding at March 31, 2015:

Expiry date	**Warrants outstanding**	**Weighted average exercise price**	**Weighted average remaining contractual life** (years)
June 28, 2016	3,375,000	$ 0.25	1.25
	3,375,000	**$ 0.25**	**1.25**

(amounts are in Canadian dollars, unless otherwise stated)

8. SHARE CAPITAL (CONTINUED)

e) Options and Share Purchase Option Plan

On April 27, 2011, the Board of Directors adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with (TSX-V) regulations, grant to directors, officers, employees and service providers to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of grant. Such options will be exercisable for a period of up to 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

During the three months ended March 31, 2015, no options were issued, exercised or cancelled except for the expiration of 87,500 options. The outstanding number of options was 4,260,000 as at March 31, 2015 (December 31, 2014: 4,347,500).

During the three months ended March 31, 2014 100,000 options that were granted to a director expired unexercised following his resignation.

The following summarizes information about share options outstanding and exercisable at March 31, 2015:

Expiry date	**Options outstanding**	**Options exercisable**	**Exercise price**	**Weighted average remaining contractual life** (years)
December 6, 2017	2,155,000	2,155,000	$ 0.55	2.69
April 9, 2019	2,105,000	1,790,000	0.33	4.03
	4,260,000	**3,945,000**	**$ 0.44**	**3.35**

The Company has calculated the fair value of options granted using the Black-Scholes option valuation model with the following variables:

Grant date	**April 9, 2014**	**December 6, 2012**
Share price on measurement date	$ 0.31	$ 0.46
Exercise price	$ 0.33	$ 0.55
Risk free interest rate	1.15% - 1.71%	1.08% - 1.26%
Expected annual volatility	100-117%	100%
Expected life (years)	2.5 - 5.0	2.5 - 5.0
Expected dividends (yield)	0%	0%
Fair value at measurement date	**$ 0.18 - 0.23**	**$ 0.25 - 0.33**

8. SHARE CAPITAL (CONTINUED)

e) Options and Share Purchase Option Plan (continued)

Volatility is estimated based on actual volatility for the Company since its initial public offering and a review of comparable exploration stage Colombia focused TSXV listed companies.

The expense for the three months ended March 31, 2015 was $12,150 (2014: $12,838) and has been recorded in the statement of comprehensive loss as follows:

For the three months ended March 31, 2015	Canada	Santa Rosa	Total
Salaries and benefits	$ 3,960	$ -	$ 3,960
Mineral property exploration cost	-	3,510	3,510
Office and administration	3,330	-	3,330
Investor relations	1,350	-	1,350
	$ 8,640	**$ 3,510**	**$ 12,150**

For the three months ended March 31, 2014	Canada	Santa Rosa	Total
Salaries and benefits	$ 4,832	$ -	$ 4,832
Mineral property exploration cost	-	6,263	6,263
Office and administration	1,743	-	1,743
	$ 6,575	**$ 6,263**	**$ 12,838**

Amounts recorded as mineral property expenditures are all sub-categorized as salaries and consulting fees.

f) Reserves

Stock Option Reserve
Share option based payments are recognized in the Stock option reserve until exercised. Upon exercise, common shares are issued from treasury and the amount in share option reserve is reclassified into share capital, adjusted for any consideration paid. Expired, forfeited or cancelled options are reclassified to deficit.

Warrants Reserve
The fair value of warrants issued is recognized in the Warrants reserve until exercised. Upon exercise, common shares are issued from treasury and the amount in Warrants reserve is reclassified into share capital, adjusted for any consideration paid.

Foreign Exchange Reserve
The exchange difference recognized on translating foreign operations from their functional currency (Colombian Peso) into the presentation currency (Canadian dollars) is recorded within other comprehensive income and recognized in the Foreign Exchange Reserve.

(amounts are in Canadian dollars, unless otherwise stated)

9. RELATED PARTY TRANSACTIONS

The Company's executive management received the following salaries and benefits:

For the three months ended		March 31, 2015		March 31, 2014
Short-term employee salaries and benefits	$	137,666	$	115,815
Share option based payments		1,980		5,377
	$	**139,646**	**$**	**121,192**

The following table provides outstanding balances and the total amount of transactions, which have been entered into by the Company with related parties during three month periods ended March 31, 2015 and 2014:

For the three months ended		March 31, 2015		March 31, 2014
Purchases during the three months				
Rent, salary and related costs recharged from a company controlled by certain directors in common	$	125,000	$	162,500
Legal fees to a partnership in which one of the directors of the Company is a partner	$	91,227	$	86,670

As at		March 31, 2015		December 31, 2014
Amounts owed to				
A partnership in which one of the directors of the Company is a partner	$	91,227	$	19,558
Consulting services from a company controlled by certain directors in common	$	12,500	$	15,821

Related party transactions are measured at the amounts agreed upon by the parties.

(amounts are in Canadian dollars, unless otherwise stated)

10. SEGMENT INFORMATION

The Company has one operating segment, which is the exploration and development of mineral properties. The Company's net assets are distributed in two geographic regions, Canada and Colombia, as follows:

As at March 31, 2015	Canada	Colombia	Total
Cash and cash equivalents	$ 32,948	$ 85,162	$ 118,110
Subscription receivable	4,831,237	-	4,831,237
Other financial assets	70,000	-	70,000
Amounts receivable	75,700	41,234	116,934
Prepaid expenses	116,373	31,821	148,194
Deferred debt costs	199,217	50,267	249,484
Equipment	11,963	190,091	202,054
Mineral properties	371,398	41,751	413,149
	5,708,836	**440,326**	**6,149,162**
Accounts payable	(1,315,045)	(551,462)	(1,866,507)
Mineral properties obligations	(1,941,028)	-	(1,941,028)
	$ 2,452,763	**$ (111,136)**	**$ 2,341,627**
Net loss for the three months ended March 31, 2015	**$ 1,619,427**	**$ 1,186,327**	**$ 2,805,754**

As at December 31, 2014	Canada	Colombia	Total
Cash and cash equivalents	$ 117,146	$ 310,144	$ 427,290
Other financial assets	160,000	-	160,000
Amounts receivable	42,691	41,525	84,216
Prepaid expenses	116,608	16,804	133,412
Equipment	13,306	253,795	267,101
Mineral properties	371,398	41,377	412,775
	821,149	**663,645**	**1,484,794**
Accounts payable	(282,361)	(186,840)	(469,201)
Mineral properties obligations	(1,783,895)	-	(1,783,895)
	$ (1,245,107)	**$ 476,805**	**$ (768,302)**
Net loss for the three months ended March 31, 2014	**$ 563,258**	**$ 1,078,520**	**$ 1,641,778**

11. COMMITMENTS

The Company has a number of short term operating leases and equipment rental leases. The total minimum lease payments under these contracts are as follows:

	Less than 1 year	More than 1 year
Office and camp rental	$ 77,985	$ -
Equipment rental	6,081	-
	$ 84,066	**$ -**

The Company has to make certain cash payments in order to meet the terms of the mineral property acquisition agreements as described *(Note 7)*.

(amounts are in Canadian dollars, unless otherwise stated)

12. CAPITAL MANAGEMENT

The Company's capital consists of common shares and all other equity reserves attributable to shareholders of the Company. The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares, or sell assets to reduce debt. In addition the Company is cognizant of the impact of diluting equity shareholders and so considers this when planning the timing and amount of equity financings or other changes to the group's capital structure.

13. FINANCIAL INSTRUMENTS

The Company has designated its cash and cash equivalents and receivables as loans and receivables; short-term investments as held-for-trading and accounts payable as other financial liabilities.

a) Fair value

Management assessed that the fair values of cash and other financial assets, amounts receivable and payable and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs that are not based on observable market data.

The Company currently has no financial instruments measured at fair value:

The Company uses the Bank of Canada prime rate in assessing the fair value of level 2 instruments.

The following table discloses the carrying value, which approximates fair value for mineral property obligations as at March 31, 2015 and December 31, 2014:

As at	March 31, 2015	December 31, 2014
Level 3		
Mineral property obligations	$ 1,941,028	$ 1,783,895

13. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management

Credit risk

The Company is exposed to credit risk with respect to its cash and cash equivalents and other financial assets. Other financial assets are short term investments that have been placed on deposit with major Canadian financial institutions. All cash and cash equivalents are on deposit with major Canadian or Colombian financial institutions. The short term investment recorded as other financial assets is a GIC with a 12 month maturity that has been placed on deposit with a major Canadian institution.

The risk arises from the non-performance of counterparties of contractual financial obligations. The Company manages credit risk, in respect of cash and cash equivalents, by purchasing highly liquid, short-term investment-grade securities held at major Canadian financial institutions.

Concentration of credit risk with respect to the Company's cash, cash equivalents and short term investments is mitigated since the amounts are held at several major Canadian financial institutions. The Company's concentration of credit risk and maximum exposure thereto is as follows:

As at	March 31, 2015		December 31, 2014	
Held at major Canadian financial institutions				
- cash and cash equivalents	$	32,948	$	117,146
- other financial assets		70,000		160,000
	$	**102,948**	**$**	**277,146**
Held at major Colombian financial institutions				
- cash and cash equivalents		85,162		310,144
	$	**188,110**	**$**	**587,290**

The credit risk associated with cash and cash equivalents and other financial assets is minimized by ensuring the majority of these Canadian financial assets are held with major Canadian financial institutions with strong investment-grade ratings by a primary rating agency. The amounts held in Colombia are with a major Colombian financial institution.

Interest rate risk

The Company is not exposed to significant interest rate risk.

Foreign currency risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk.

Certain of the Company's cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities are in Colombian Peso ("COP"), while mineral property obligations are in US dollars; therefore, COP and US dollar amounts are subject to fluctuation against the Canadian dollar (CAD).

(amounts are in Canadian dollars, unless otherwise stated)

13. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management (continued)

Foreign currency risk (continued)

The Company had the following balances in foreign currency as at March 31, 2015 and December 31, 2014:

As at March 31, 2015	USD	COP	Equivalent in CAD
Cash and cash equivalents	121	169,699,401	$ 84,872
Amounts receivable	-	82,596,000	41,234
Accounts payable and accrued liabilities	-	(1,104,622,869)	(551,462)
Mineral properties obligations	(1,535,380)	-	(1,941,028)
	(1,535,259)	**(852,327,468)**	**$ (2,366,384)**

As at December 31, 2014	USD	COP	Equivalent in CAD
Cash and cash equivalents	9,582	626,859,823	$ 321,285
Amounts receivable	-	117,895,404	58,329
Accounts payable and accrued liabilities	-	(546,430,237)	(270,352)
Mineral properties obligations	(1,534,269)	-	(1,783,895)
	(1,524,687)	**198,324,990**	**$ (1,674,633)**

The Company also has transactional currency exposures. Such exposures arise from purchases in currencies other than the respective functional currencies, typically the US dollar. The Company manages this risk by matching receipts and payments in the same currency and monitoring.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to significant other price risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company anticipates that there is sufficient capital and liquidity to meet liabilities when due.

As at March 31, 2015	On demand	Up to 1 year	More than one year	Total
Accounts payable and accrued liabilities	$ 1,866,507	$ -	$ -	$ 1,866,507
Mineral properties obligations	-	853,335	1,093,533	1,946,868
	$ 1,866,507	**$ 853,335**	**$ 1,093,533**	**$ 3,813,375**

14. SUBSEQUENT EVENTS

On April 1, 2015 the Company received gross proceeds of $4,831,237 from the issue of 14,640,112 common shares, which was recorded as a subscription receivable as at March 31, 2015.

On April 7, 2015 the Company paid USD 100,000 ($ 124,681) in accordance with the purchase agreement with AngloGold Ashanti Colombia S.A. *(Note 7)*.

On May 6, 2015, the Company announced the grant of 3,160,000 incentive stock options exercisable at a price of $0.33 until May 6, 2020 to directors, officers and employees.