



## **RAE-WALLACE ANNOUNCES FILING OF FINAL PROSPECTUS FOR INITIAL PUBLIC OFFERING**

### **NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES**

TORONTO, ONTARIO, February 28, 2012 – Rae-Wallace Mining Company (“**Rae-Wallace**” or the “**Corporation**”) announces that it has obtained a receipt for its final long-form prospectus from the securities regulatory authorities in the Provinces of British Columbia, Alberta, and Ontario, in respect of an initial public offering (the “**Offering**”) of units of the Corporation (the “**Units**”) at a price of \$0.30 per Unit for gross proceeds of up to \$4,000,000. Each Unit will be comprised of one ordinary share in the capital of the Corporation (an “**Ordinary Share**”) and one-half of one ordinary share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to purchase one Ordinary Share for 24 months following the closing of the Offering at an exercise price of \$0.40 per Ordinary Share.

The Offering is being conducted on a commercially reasonable efforts basis by Raymond James Ltd. (the “**Agent**”) as exclusive agent to the Corporation. In consideration for the services to be provided by the Agent under the Offering, the Agent will receive a cash commission of 9% of the gross proceeds of the Offering, a corporate finance fee of \$20,000, 80,000 Ordinary Shares, and that number of broker warrants (“**Broker Warrants**”) equal to 9% of the Units sold under the Offering. Each Broker Warrant will be exercisable to acquire an Ordinary Share at an exercise price of \$0.30 per Ordinary Share for a period of 24 months from the Closing of the Offering.

The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange Inc. and other customary closing conditions. 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, United States 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 Offering is only made by prospectus. The prospectus contains important detailed information about the securities being offered. Copies of the prospectus may be obtained from Raymond James Ltd. at 925 West Georgia Street, Suite 400, Vancouver, BC V6C 3L2 and are also available electronically at [www.sedar.com](http://www.sedar.com). Investors should read the prospectus before making an investment decision.**

#### **About Rae-Wallace**

Rae-Wallace is a mineral exploration company, existing under the laws of the Cayman Islands, that plans to explore and develop properties to the mineral production stage. The Corporation is currently considered to be in the exploration stage and its principal assets and sole material properties are the 100% owned Liscay gold-silver project and the Toro Blanco gold project each located in southwest Peru.

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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.*

*Statements in this press release regarding the Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as estimates and statements that describe the Corporation's future plans, objectives or goals, including words to the effect that the Corporation or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.*