

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

[Colorado Resources Ltd.](#) (TSX VENTURE:CXO) ("Colorado" or the "Company") announces that, further to its news releases of December 14, 2015, the Company has received TSX Venture Exchange ("Exchange") approval and completed the non-brokered private placement by issuing 6,255,000 flow-through units in the capital of the Company ("FT Units") at an issue price of \$0.08 per unit, for gross proceeds of \$500,400 (the "Offering"). Each FT Unit consisted of one flow-through common share in the capital of the Company (a "FT Share") and one-half of one non-transferable non-flow through common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional common share of the Company (a "Warrant Share") at an exercise price of \$0.13 per Warrant Share for 24 months expiring on December 18, 2017. The Warrant terms will contain an acceleration provision such that if, commencing on April 19, 2016, the closing price of the Common Shares on the Exchange is higher than \$0.20 for 20 consecutive trading days then, on the 20th consecutive trading day (the "Acceleration Trigger Date"), the expiry date of the Warrants may be accelerated to the date that is 20 trading days after the Acceleration Trigger Date by the issuance, within two trading days of the Acceleration Trigger Date, of a news release announcing such acceleration.

All of the Units issued in connection with the Offering and Common Shares issued on exercise of the Warrants will be subject to a restricted resale period that expires on April 19, 2016.

Finders acting in connection with the Offering received aggregate cash fees of \$35,712.

The net proceeds will be used by the Company for exploration activities on its Canadian properties.

About Colorado

[Colorado Resources Ltd.](#) is currently engaged in the business of mineral exploration for the purpose of acquiring and advancing mineral properties located in British Columbia and is also seeking opportunities in Southwest USA and Latin America.

Colorado's current exploration focus is to continue to advance its North ROK property, located 15 km's northwest of the Red Chris mine development, and its KSP property optioned from SnipGold, located 15 kms along strike to the southeast of the past producing Snip Mine, both located in northern central British Columbia.

ON BEHALF OF THE BOARD OF DIRECTORS OF COLORADO RESOURCES LTD.

Adam Travis, President and CEO

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release, constitute "forward-looking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions, including: that the Company's financial condition and development plans do not change as a result of unforeseen events, that the Company obtains required regulatory approvals, that the Company continues to maintain a good relationship with the local project communities. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, which could result in delays, or cessation in planned work, that the Company's financial condition and development plans change, delays in regulatory approval, risks associated with the interpretation of data, the geology, grade and continuity of mineral deposits, the possibility that results will not be consistent with the Company's expectations, as well as the other risks and uncertainties applicable to mineral exploration and development activities and to the Company as set forth in the Company's Management's Discussion and Analysis reports filed under the Company's profile at www.sedar.com. There can be no assurance that any forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. The Company undertakes no obligation to update forward-looking information or statements, other than as required by applicable law.

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 does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States

of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.

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