

WEST KELOWNA, BRITISH COLUMBIA--(Marketwired - Dec. 29. 2016) - [Colorado Resources Ltd.](#) (TSX VENTURE:CXO) ("Colorado" or the "Company") announces it has completed its previously announced non-brokered private placement (see news release December 21, 2016) for an aggregate of \$950,000 through the issuance of 3,800,000 common shares of the Company that qualify as flow-through shares for purposes of the *Income Tax Act* (Canada) (the "Flow-Through Units") at an issue price of \$0.25 per Flow-Through Unit (the "Offering").

Each Flow-Through Unit will consist 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 "NFT Warrant"). Each NFT Warrant will entitle the holder thereof to purchase one additional common share of the Company (a "NFT Warrant Share") at an exercise price of \$0.40 per NFT Warrant Share until December 29, 2017.

All of the FT Shares issued in connection with the Offering and any NFT Warrant Shares issued on exercise of the NFT Warrants will be subject to a restricted resale period that expires on April 30, 2017.

Finders acting in connection with the Offering received aggregate cash fees of \$13,625.

The 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: the KSP property currently under option with [Seabridge Gold Inc.](#), located 15 km's along strike to the southeast of the past producing Snip Mine*; its 100% owned Kingpin property; its 100% owned North ROK property, located 15 km's northwest of the Red Chris* mine development, both located in northern central British Columbia; the Greensprings property (Nevada) currently under option from Ely Gold and Minerals Inc.

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

Adam Travis

President and Chief Executive Officer

NR 16-22

Cautionary Note

*This news release contains information about adjacent properties on which Colorado has no right to explore or mine. Readers are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on the Company's properties.

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.

The FT Shares have not been, and will not be, registered under 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.

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