WEST KELOWNA, BRITISH COLUMBIA--(Marketwired - Mar 13, 2017) - Colorado Resources Ltd. (TSX VENTURE:CXO) ("Colorado" or the "Company") announces it has entered into a purchase agreement, (the "Agreement") with Firesteel Resources Ltd. ("Firesteel") (TSX VENTURE:FTR) to acquire a 100% interest in the ROK-COYOTE copper gold property (the "ROK-COYOTE Property")

The ROK-COYOTE Property is located approximately 10 km northwest of Imperial Metals Red Chris[1] mine development and within a district which hosts several significant gold-copper mines[1] and occurrences including Red Chris, North ROK[3], and GJ[1] (see Figure 1). The ROK-COYOTE property occurs immediately south and east on trend of Colorado's North ROK property and immediately north and west of Imperial Metals Red Chris property. The combined property doubles the prospective strike along the North ROK porphyry trend south easterly towards the border with Imperial Metals' Red Chris[1] property.

The ROK-COYOTE porphyry copper - gold prospect has been intermittently explored since the late 1960's. Work on the ROK portion of the property over the years 1976 - 1991 included geological mapping, geochemical surveys, grid-based geophysics (magnetics, IP, and VLF-EM), surface trenching (18 trenches totalling 1,184 m in length), 5 percussion drill holes totaling 293 m and a total of 1,533.7 m of diamond drilling in 17 holes. Work was concentrated on the Main and South Zone targets where trenching in 1990 returned values of 0.45% copper and 0.38 g/t gold over 114 m and diamond drilling in 1990 returned 1.03% copper and 1.54g/t gold over 38.37 m[4].

Little exploration was carried out from 1992-2013. Exploration activity increased in the area with the discovery of the North ROK porphyry in 2013. Five diamond drillholes (2582.15 m), an airborne magnetic survey and ground based I.P Surveys were completed in 2013 and 2014. The 2013 and 2014 drilling consisted of deep (up to 749 m) near vertical conceptual drillholes. This drilling did not test the obvious targets on trend of North ROK.

A review of the historic geophysical data[2] suggests that the North ROK sulphide system trends onto the ROK-Coyote Property for at least 1.2 km nearly doubling the immediate prospective strike. A number of other magnetic and induced polarization anomalies are noted along other separate historical grids and have not been drill tested.

Adam Travis, Colorado President and CEO states, "*While our focus continues on advancing KSP and reaching our 80% interest, we are very pleased prior to commencement of our 2017 field season to be able to consolidate the North ROK and ROK-Coyote Projects. This has significantly expanded the prospective trend between our North ROK porphyry discovery and Imperial Metals Red Chris mine development and maintains our belief in the opportunities in the Golden Triangle area. We believe that our technical team with our experience at North ROK is uniquely positioned to advance copper-gold exploration targets on this additional ground. Through our Communication Agreement with the Tahltan Nation and experience in the local area we will continue to ensure that exploration work is conducted to the highest standards and respect for local communities."*

The Agreement

Under the terms of the agreement, Colorado may acquire a 100% interest in the property, subject to underlying 2% NSR agreements to the underlying arm's length and non-arm's length original vendors (the "Original Vendors' NSR") for the following consideration:

1. 1,500, 000 units of Colorado ("Consideration Units") to be issued to Firesteel within 5 days of the TSX Venture Exchange ("Exchange") approval. Each Consideration Unit will consist of one common share and one common share purchase warrant (a "Warrant"). Each Warrant will entitle Firesteel to purchase a further common share at a purchase price of $0.45 per share for a period of 24 months.

The Underlying Vendors' NSR includes a 2% NSR agreement with arms-length parties on 3 claims ("ROK NSR"). The ROK NSR can be extinguished in its entirety for the purchase price of $2M. The Underlying Vendors' NSR also includes an agreement with arm's length and non-arm's length parties for a 2% NSR on 16 claims ("Real McCoy and Coyote NSR") of which 1% of the Real McCoy and Coyote NSR can be purchased for an aggregate $2M. Adam Travis, President and CEO hold a 50% interest in the Real McCoy & Coyote NSR.

The Consideration Shares issued in connection with the agreement will be subject to a four month hold period. The Agreement remains subject to Exchange approval.

Qualified Person

Dr. Jim Oliver, Ph.D, P. Geo., the Company's Chief Geoscientist, is the Qualified Person as defined by National Instrument 43-101 who reviewed the preparation of the technical data in this news release.

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 Nevada 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[1]; its 100% owned Kingpin property; its 100% owned North ROK property, located 15 km's northwest of the Red Chris[1] mine development, both located in northern central British Columbia; the Green Springs Property (Nevada) currently under option from Ely Gold & Minerals Inc.

ON BEHALF OF THE BOARD OF DIRECTORS OF Colorado Resources Ltd.,

Adam Travis, President and Chief Executive Officer

Cautionary Notes 1 - 4

[1] 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.

[2] *Historical information contained in this news releases maps or figures regarding the Company's project or adjacent properties are repeated for historical reference only and cannot be relied upon as the Company's QP, as defined under NI-43-101 has not prepared nor verified the historical information.*

[3] *Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.*

[4] *All drill intercepts are drill indicated lengths. Insufficient technical information exists to demonstrate the true widths of these intersections.*

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.

Contact

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