

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") is pleased to announce it will complete non-flow through and flow-through non-brokered private placements (the "Placements") that will include up to 10,000,000 units (the "Units") at an issue price of \$0.26 per Unit and 12,720,000 flow-through units (the "FT Units") at an issue price of \$0.365 per FT Unit. Following completion of the Placements Colorado expects to raise up to \$7,242,800.

Each Unit will consist of one common share in the capital of the Company (a "Common Share") and one half of one non-transferable Common Share purchase warrant. Each whole warrant (a "Warrant"), will entitle the holder thereof to acquire an additional Common Share at an exercise price of \$0.45 for 30 months after the date of issuance (the "Closing Date").

Each Flow-Through Unit will consist of one flow-through common share of the Company that qualifies as a flow-through share for purposes of the *Income Tax Act* (Canada) (a "FT Share") and one half of one Warrant on the same terms as described herein. The FT Units are part of a donation arrangement structured by PearTree Securities Inc. through which Goldcorp is expected to be the ultimate holder of the FT Units. Goldcorp will also purchase 4,240,000 Units directly from Colorado. The Placements are expected to close on or before August 31, 2017, following which Goldcorp will own approximately 14.25% of the issued and outstanding shares of Colorado.

The Company may pay finder's fees in accordance with the rules and policies of the TSX Venture Exchange (the "Exchange"). The Placements remain subject to the approval of the Exchange. All securities issued in the Placements will be subject to a statutory hold period of four months from the Closing Date of the Placement.

On completion of the Placements, Goldcorp will have the right to maintain its pro-rata ownership percentage in Colorado during future financings. This right will entitle, but not obligate Goldcorp to participate in any future equity financings by Colorado to the extent necessary for Goldcorp to maintain a 19.95% equity ownership interest in the issued and outstanding common shares of Colorado. Goldcorp will also have a right of first refusal in respect of any non-equity financing and tolling arrangements related to future exploration or development on the KSP property and any BC properties Colorado expends the Goldcorp use of proceeds.

Proceeds from the FT Units will be used by Colorado to incur eligible Canadian exploration expenditures to expand the 2017 exploration program. Colorado will renounce the qualifying expenditures to subscribers of the FT Units for the fiscal year ended December 31, 2017. Proceeds from the sale of Units will be used for general corporate purposes.

Concurrently, further to Colorado's news release of May 11, 2017 wherein Colorado earned a 51% interest in KSP and outlined the exploration spending that would vest a further 29%, Colorado has entered into an amending agreement with [SnipGold Corp.](#) a wholly owned subsidiary of [Seabridge Gold Inc.](#) ("Seabridge") wherein the parties will amend the original Option and Colorado will purchase the outstanding 49% interest currently held by Seabridge in Colorado's flagship KSP project immediately. The transaction is subject to TSX Venture Exchange approval and will result in Colorado owning a 100% interest upon payment to Seabridge of \$1,000,000 in cash, 2,000,000 Colorado shares and a 2% NSR on the property (half of which can be repurchased at any time for \$2,000,000).

Adam Travis, President and CEO of Colorado stated "This is one of the most important milestones in Colorado's 8 year history. The Company's 2016 exploration focused on the Inel zone at KSP and highlighted significant results (see News Release date December 19, 2016). Goldcorp's investment will not only allow us to increase our ownership of KSP to 100%, it will also provide additional funding to expand our 2017 exploration program and drill-test targets we would not otherwise be able to explore this year. We look forward to welcoming both Goldcorp and Seabridge as shareholders and now have the opportunity to advance KSP with significant support on all levels."

Colorado's financial advisor with respect to the strategic investment was Minvisory Corp.

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.

Colorado's main BC exploration projects include the KSP property currently under option with [Seabridge Gold Inc.](#), the 100% owned Kingpin property and the 100% owned North ROK property. Additionally Colorado holds an option on the Green Springs Property (Nevada) from Ely Gold & Minerals Inc.

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

Adam Travis, President and Chief Executive Officer

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.

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.

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