

VANCOUVER, BC--(Marketwired - July 19, 2016) - [Colombian Mines Corp.](#) (TSX VENTURE: CMJ) (FRANKFURT: X6C) ("Colombian Mines" or the "Company") is pleased to announce the Company has entered into a Purchase Option Agreement (Agreement) with a private party (the "Seller" or "Owner") for the high grade Pamlico gold project in Mineral County, Nevada for \$4 million USD, under terms described near the end of this news release.

Visible gold dominates the high grade mineralization which occurs in thoroughly oxidized and brecciated quartz veins. Numerous historic drill holes, including those in the table below, contain high grade gold intercepts. A more complete listing of historic drill intercepts, project maps and photos is available on the Company's website at www.colombianmines.com.

Select Historic High Grade Pamlico Drill Intercepts

Drill Hole	Year	From Drilled (feet)	To (feet)	Intercept (feet)	Length (meters)	Average opt (ounces / short ton)	Gold g/t (grams / metric tonne)
M10-04	2010	190.0	212.5	22.5	6.9	1.13	38.49
M10-05	2010	202.5	210.0	7.5	2.3	4.84	165.49
M10-06	2010	185.0	195.0	10.0	3.0	0.62	21.28
M10-17	2010	177.5	195.0	17.5	5.3	1.08	36.85
M10-18	2010	160.0	185.0	25.0	7.6	0.64	21.76
PAM99-01	1999	220.0	245.0	25.0	7.6	1.09	37.29
PAM99-03	1999	205.0	220.0	15.0	4.6	6.99	239.15
PRC-36	1993	180.0	200.0	20.0	6.1	0.44	15.05

Note: Intercepts are average of all samples in drilled intercept length with no grade capping applied. All intercepts are drilled length. True widths are unknown.

103 drill holes totaling 27,838 feet (8487 meters) have been completed on the property between 1993 and 2010, by three previous operators. Seventy-four of these holes were reverse circulation, while 29 holes were drilled as open hole rotary.

Recent work, completed between 2010 and 2013 by the Seller, includes completion of 29 rotary drill holes in the "Main Zone", a 615 foot (188 meter) long, nominal 10 X 12 foot (3 X 4 meter) decline, haul road, initial permitting, and all necessary surface and underground infrastructure including shops and office buildings. The decline, completed in 2013, was advanced to within 25 feet of high grade drill indicated mineralization. Two previously unknown gold zones were discovered while driving the decline. Both contain coarse visible gold in brecciated vein material with abundant iron oxides and will be independently sampled as a top priority of the Company going forward. Photos of the mineralization in these zones, including the coarse gold samples, may be seen on the Company's website.

Mineralized material recovered while driving the decline has undergone limited, initial gravity test work by the Seller. These results suggest significant recoveries may be readily achieved with conventional gravity methods. Third party determination of actual recovery rates remains to be completed by the Company, but the initial results suggest significant recoveries may be achieved through a low cost gravity concentration. The drilling to date, simple metallurgy, and access via the new decline, sets the stage for the Company's near term bulk sampling and processing of mineralized material from one or more high grade zones. Colombian Mines will then focus on evaluating the potential for achieving commercial production from known high grade mineralization and will conduct such economic and other studies as necessary in the opinion of management, while pursuing exploration of additional targets as better knowledge of the geology and mineralizing controls are developed.

Property

The Pamlico property is located 12 miles southeast of Hawthorne, Nevada and west of Nevada State Highway 95. Situated along the Walker Lane, one of Nevada's largest and most productive gold trends, the property consists of 116 unpatented lode mining claims covering the historic Pamlico group of underground mines, as well as the surrounding Good Hope, Central, Gold Bar and Sunset mines.

Exploration Potential

At Pamlico volcanic rocks are juxtaposed against sedimentary rocks in complex structural settings with numerous low angle and high angle faults mapped on the property. A series of high angle northwesterly to northeasterly trending faults host the majority of the better gold mineralization identified to date. Historic production focused on a group of north-northeast oriented mineralized fault zones, while recent work has largely focused on north-northeasterly trending Main Zone structures. No deep drilling has been completed to date and the vertical extent of oxidation is unknown, although a nearby water well suggests that favorable oxidized mineralization may extend at least 800 feet below the surface. An initial review of the data, suggests a series of drill targets remains, including: 1) the intersections of the northwest and northeast oriented vein zones, both at depth and along strike; 2) the deeper strike extensions of known high grade vein zones based on elevation and host rock controls; 3) open space at competency contrasts developed at the contact between volcanic and sedimentary host rocks, and 4) the discovery of entirely new mineralized

vein zones as demonstrated during the construction of the access decline in 2013.

Agreement Terms (All references to dollars are US dollars)

Colombian Mines has an agreement dated July 16, 2016 by which it has at its sole option the right to purchase a 100% undivided interest in the Pamlico property, by: (1) paying the owner \$4 million in cash, including Advance Minimum Royalties and Production Royalties (4% NSR) within 4 years, or (2) paying \$7.5 million in cash, including Advance Minimum Royalties and Production Royalties so long as annual payments are equal to or exceed \$250,000. Upon signing, the Company paid \$50,000 with a second payment of \$150,000 due within 6 months after signing. Payments of \$250,000 are due on each anniversary of the signing date thereafter until the total purchase price as per option (1) or (2) has been paid. The 4% NSR can be "bought down" to 1% by paying the owner \$1 million per percentage point. As is standard, the Company will maintain the claims in good standing and pay any associated maintenance fees.

Quality Assurance/Quality Control

Mr. Robert G. Carrington, P. Geo, a Qualified Person as defined by National Instrument 43-101, the President and CEO of the Company, has reviewed, verified, and approved for disclosure the technical information contained in this news release. Mr. Carrington has reviewed the historic data and is of the opinion that the samples were collected in accordance with accepted industry best practices, that acceptable levels of QA/QC were maintained by the historic operators, and that the drilling and assay results are reliable and relevant.

Terms of Reference

In this release all reference to grams per tonne are grams per metric ton of 1,000 kilograms (2,205 pounds). All references to ounces per ton are troy ounces per short ton of 2,000 pounds. All references to dollars in this release are US dollars.

About Colombian Mines Corporation: [Colombian Mines Corp.](http://www.colombianmines.com) is an aggressive exploration and development company focused on near to intermediate term production opportunities in favorable jurisdictions and one of Colombia's leading "prospect generators". Further information can be found on our website at www.colombianmines.com.

Signed: "Robert G. Carrington"
President & CEO

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statement:

Some of the statements in this news release contain forward-looking information that involves inherent risk and uncertainty affecting the business of [Colombian Mines Corp.](http://www.colombianmines.com). Actual results may differ materially from those currently anticipated in such statements.

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