

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 that, further to its news release of August 4, 2017, the Company has closed the non-brokered private placements (the "Placements") of 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 for aggregate gross proceeds of \$7,052,528.

Each Unit consisted 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") entitles the holder to acquire an additional Common Share at an exercise price of \$0.45 until February 29, 2020.

Each FT Unit consisted of one common share in the capital 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.

The Company has paid aggregate cash finder's fees in connection with the Placements of \$190,268.

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.

In connection with the Placements, [Goldcorp Inc.](#) ("Goldcorp") received 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's right to participate in future financings will terminate if its equity interest falls below 7.5% of the issued and outstanding common shares of Colorado. Goldcorp will also have a right to match 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.

Colorado has been advised that Goldcorp has acquired beneficial ownership of 16,960,000 Units at \$0.26 per Unit for a total purchase price of \$4,409,600. Accordingly, Goldcorp will be acquiring beneficial ownership of: (i) 16,690,000 Common Shares, representing approximately 14.0% of the issued and outstanding Common Shares; and (ii) 8,480,000 Warrants representing approximately 25.48% of the issued and outstanding warrants of the Company. Should Goldcorp exercise all of the Warrants, Goldcorp would hold 25,440,000 Common Shares representing approximately 19.61% of the issued and outstanding Common Shares (on a partially diluted basis). Prior to this acquisition Goldcorp did not own any securities of Colorado. Goldcorp is acquiring the beneficial interest in the securities for investment purposes. Goldcorp will evaluate its investment in Colorado from time to time and may, based on such evaluation, market conditions and other circumstances, increase or decrease shareholdings as circumstances require. The exemption relied on by the Company for the sale of the FT Units and the Units to Goldcorp was Section 2.3 of National Instrument 45-106 - *Prospectus Exemptions*. Goldcorp will be filing an early warning report in connection with the acquisition which will be filed on Colorado's SEDAR profile. Goldcorp's head office is located at Suite 3400 - 666 Burrard St. Vancouver, BC, V6C 2X8.

All securities issued in the Placements are subject to a statutory hold period ending January 1, 2018.

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 100% owned KSP property, 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.

Contact

[Colorado Resources Ltd.](#)

Adam Travis
President & CEO
(250) 768-0849
(250) 768-1511 or TF (855) 768-1511

[Colorado Resources Ltd.](#)

Terese Gieselman
CFO
(250) 768-0849
(250) 768-1511 or TF (855) 768-1511
www.coloradoresources.com