



**COMPANY SUMMARY**

Location:	British Columbia
Flagship:	KSP Project
Ownership:	80-100%
Commodity:	Gold, copper
Status:	Exploration, resource
Resources:	North Rok inferred 142 M t @ 0.22% Cu + 0.26 g/t Au
Catalysts:	Exploration results

**MARKET DATA**

Price:	\$0.46
Market Cap:	\$35 M
Common Shares:	75 M
Fully Diluted:	99 M
52 Wk Range:	\$0.05 - \$0.71
3 Month Avg Vol:	365,813



**RECENT FINANCINGS**

June 2016: 9.3 M units @ \$0.35/unit (1 share + 1 warrant @ \$0.50 for 2 years), 3.5 M units @ \$0.42/unit (1 flow-through share + ½ warrant @ \$0.60 for 2 years)

December 2015: 6.3 M units @ \$0.08/unit (1 flow-through share + ½ warrants @ \$0.13 for 2 years), 7.9 M units @ \$0.065/unit (1 share + ½ warrant @ \$0.13 for 2 years)



**Company Update**

September 13, 2016

**Colorado Resources Ltd.**  
**V-CXO**

**Heart of the  
Golden Triangle**

Colorado Resources (CXO) is a Vancouver-based exploration and development company led by President and Chief Executive Officer Adam Travis.

The company has numerous projects in northern and southern BC, as well as the Yukon, although it is heavily focused in the Golden Triangle of northern British Columbia. CXO controls over 1,000 square kilometres of ground, more than double the landholdings of the next junior explorer in the region.

Management is currently focused on the KSP Project, located in the heart of the Golden Triangle. KSP is 15 kilometres to the southeast of the past producing Snip Mine and 30 kilometres west of Seabridge Gold's (T-SEA) KSM Project, one of the largest undeveloped gold projects in the world, and Pretium Resource's (T-PVG) Brucejack Project.

CXO recently completed a 37 hole, 5,000 metre drill program at the Inel target on the KSP Project. Highlights from assays announced to date include:

- 6 m of 32.02 g/t Au + 30.2 g/t Ag + 2.6% Zn at 48 m down-hole depth
- 11 m of 6.12 g/t Au + 45.74 g/t Ag + 2.18% Zn at 72 m down-hole depth
- 8 m of 9.99 g/t Au + 14.25 g/t Ag + Zn at 103 m down-hole depth
- 1 m of 138.5 g/t Au + 1.3% Zn from 45 m down-hole depth

An expanded program will continue to be focused on Inel as well as first pass drilling on the Khyber target located two kilometres to the south of Inel.

At the 100% owned KingPin project immediately to the southeast of KSP, management is currently conducting early-stage exploration.

CXO's HP project is located approximately 45 kilometers northeast of the past-producing Golden Bear Mine in the northern part of the Golden Triangle. The project is under option to Centerra Gold (T-CG) who can earn a 70 % interest in the project. Centerra recently commenced a 2,000 metre drilling program to initially target the high grade gold Midas Zone.

CXO's 100% owned North ROK project is located 15 kilometres northwest of the Red Chris mine and 85 kilometres north of Dease Lake in northern British Columbia. The project hosts an inferred resource estimate of 142 million tonnes grading 0.22% Cu and 0.26 g/t Au with CXO management noting that less than one half of the sulphide and alteration zones tested to date.

CXO had over \$6 million in cash at June 30, 2016.

## MANAGEMENT

CXO is led by President and Chief Executive Officer Adam Travis. He has over 24 years of experience in mineral exploration. Mr. Travis started his career with the Ron Netolitzky group of companies on a number of exploration projects including Snip and Eskay Creek in the Golden Triangle and Brewery Creek in Yukon. In 2004 he joined the Hunter Dickinson Group of companies where he was in part responsible for the field management of Northern Dynasty's Pebble Project and Continental Mineral's Xietongmen Project in Tibet, then managed the exploration program at Taseko Mines' Gibraltar Mine in 2007. Mr. Travis then started a private company that focused primarily on the acquisition of exploration projects in British Columbia and subsequent optioning to junior exploration companies.

CFO Terese Gieselman has 28 years of financial experience with junior mining and exploration companies listed on various North American stock exchanges

Greg Dawson, VP Exploration, has over 27 years of experience in exploration, including President of Redtail Metals Corp. and several years with Teck in Central Asia and South America.

Larry Nagy, Executive Chairman and Director, is a co-founder of Keewatin Engineering, a Vancouver based geological consulting company. He worked for 16 years with Cominco in Western Canada and Australia. As a director of Delaware Resources, he was involved in the acquisition and development of the Snip property. He also served as a Director of Calpine Resources Ltd., the company that optioned the Eskay Creek gold property. While serving as president and CEO of Oliver Gold Corporation, he led the team that discovered the SEGALA gold deposits in Mali, West Africa. Mr. Nagy was also the president and CEO of Solomon Resources that co-discovered the Bomboré gold deposits in Burkina Faso.

## PROJECTS

The CXO has numerous projects in northern and southern British Columbia, as well as the Yukon.

**Location of CXO's Projects**



Source: Company reports

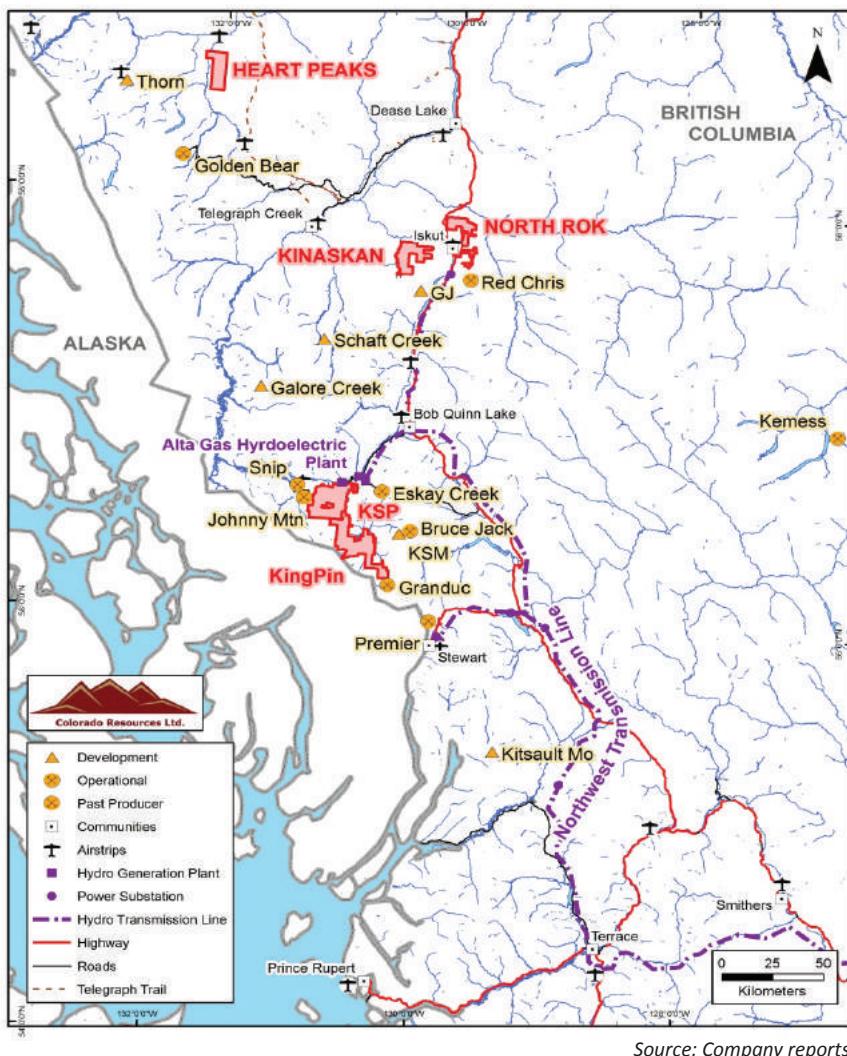


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The company is focused in the Golden Triangle of northern BC, an area that includes Eskay Creek, the highest-grade past producing gold mine in Canada.

CXO controls over 1,000 square kilometres of ground, more than double the landholdings of the next junior explorer in the region.

#### CXO's Projects in Northern BC's Golden Triangle Region



#### KSP PROJECT

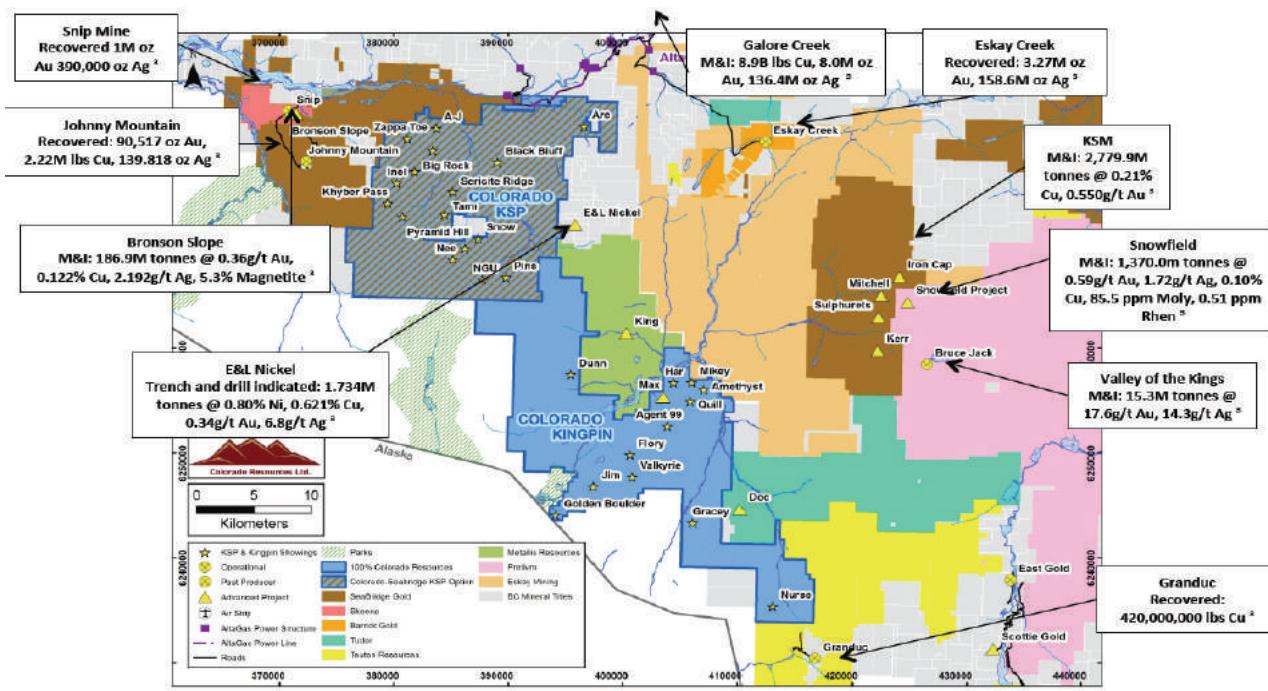
The KSP Project is located in the heart of the Golden Triangle, covering over 300 square kilometers and bordering the road accessible McClymont Creek hydroelectric project, which is five kilometres southwest of the Bronson airstrip.

It is approximately 15 kilometres along strike to the southeast of the past producing Snip Mine which, from 1991-1999, produced over 1 million ounces of gold at a recovered head grade of 24.5 grams per tonne gold (g/t Au). Seabridge Gold's (T-SEA) KSM Project, one of the largest undeveloped gold projects in the world, is located 30 kilometres to the east. Pretium Resources' (T-PVG) Valley of the Kings gold project is 30 km to southeast.



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## KSP Project in the Heart of the Golden Triangle



Source: Company reports

In December 2013, CXO signed an agreement to acquire up to an 80% interest in the southeastern quarter of SnipGold's Iskut Property (SnipGold was later acquired by Seabridge) for cash payments of \$500,000 (\$50,000 on signing) and exploration work commitments of \$6 million (\$500,000 in the first year), over a four year period to earn an initial 51% interest ("Initial Interest"). CXO may earn an additional 29% interest by making further work commitments of \$4 million. Upon CXO acquiring an Initial Interest, the companies will form a joint-venture under which should either party dilute their interest below 15%, that party's interest will be reduced to a 1.5% net smelter return (NSR) royalty, one-half of which can be purchased for \$2 million.

The optioned ground includes the Inel, Khyber Pass, Sericite Ridge and Pyramid Hill copper-gold mineral occurrences that are the current focus of management. These mineralized occurrences occur within a series of Early Jurassic (195-190 Ma) plutons, stocks and dikes of the Lehto plutonic suite that cut Stuhini Group (Upper Triassic) and Hazelton Group (Upper Triassic to Lower Jurassic) volcanic rocks. Quartz + sericite + pyrite alteration zones and gold + silver veins and stockworks are spatially associated with the intrusives.

The prospective corridor is bounded to the southwest by the Sky fault system, a 20 kilometre-long set of normal faults and reactivated post-mineral reverse faults.

Notable among the reverse faults is the Khyber fault that strikes northwest-southeast, dips 40 degrees to the northwest and forms the hanging wall to alteration and mineralization at the Inel and Khyber prospects. These two prospects represent an area of approximately 10 square kilometres.

The Khyber fault truncates the northeast-southwest striking trending, southeast-dipping (75 to 85 degrees) Boundary fault that divides Inel from Khyber.

The Boundary fault zone hosts fine-grained mafic sills and dikes plus quartz + chlorite + sulphide stockworks and sheeted veins that are associated with gold + silver + zinc mineralization.



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Historical drilling at Inel was completed from 1984 to 1991 and consisted of both underground and surface drill holes. Highlights include 3.5 m of 423.8 g/t Au at the Inel Creek Zone, 7.4 m of 20.9 g/t Au at the AK Zone and 4 m of 30.3 g/t Au at the Discovery Zone. Approximately only 40 % of the drill core recovered during this period sampled.

A compilation of 1,215 soil samples (including 492 taken by CXO) in a 8.5 square kilometre area at Inel averaged 0.8 g/t Au 800, with a 1,000 metre by 1,500 metre sub-area containing 628 soil samples averaging 1.27 g/t Au. Numerous gold in soil anomalies occur more than 500 metres from, and often uphill of, historical drilling.

Surface geological work and management's review of historical drill logs indicate that at Inel there are at least three, north-trending, more than one kilometer long, gently dipping, stacked target zones within the 1.5 square kilometer soil anomaly that are associated with the margins of mafic intrusions. These favorable trends have only been drill tested over approximately one quarter of their combined three kilometer-plus prospective strike lengths.

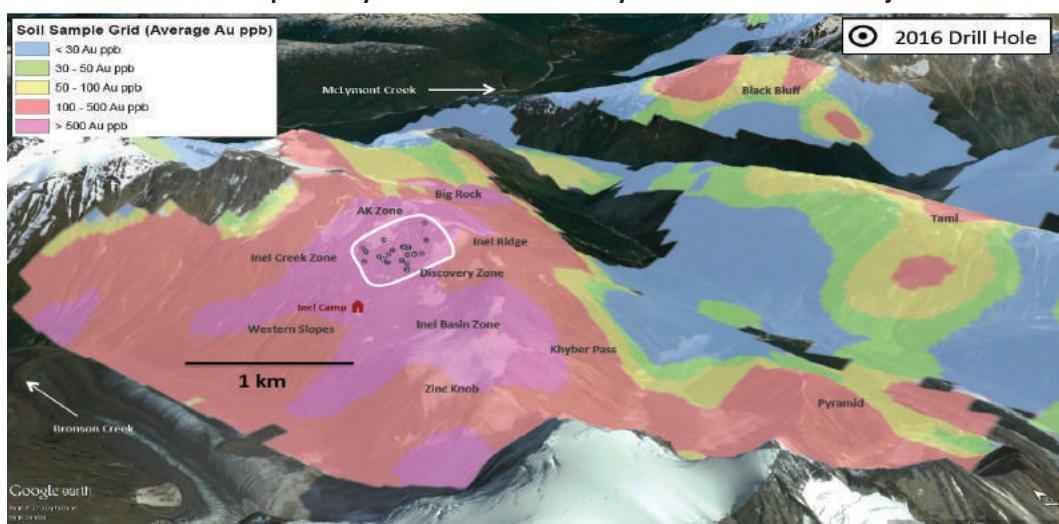
CXO recently completed a 37 hole, 5,000 metre drill program at Inel. Highlights from assays announced to date include:

- 6 m of 32.02 g/t Au + 30.2 g/t Ag + 2.6% Zn at 48 m down-hole depth
- 11 m of 6.12 g/t Au + 45.74 g/t Ag + 2.18% Zn at 72 m down-hole depth
- 5.6 m of 6.27 g/t Au at 122.4 m down-hole depth
- 8 m of 9.99 g/t Au + 14.25 g/t Ag + Zn at 103 m down-hole depth
- 1 m of 138.5 g/t Au + 1.3% Zn from 45 m down-hole depth
- 3.7 m of 8.58 g/t Au + 1.3% Zn from 51 m down-hole depth
- 2 m of 14.27 g/t Au + 70.3 g/t Ag + 3.4% Zn from 113 m down-hole depth
- 5.4 m of 5.7 g/t Au + 10.11 g/t Ag + 1.53% Zn at 25.6 m down-hole depth

Management has met this year's work commitment and elected to expand the drill program. The expanded program will continue to be focused on Inel as first pass drilling tested only about 13% of the soil anomaly on a very broad pattern. As well, the company will also commence drilling on the Khyber target located two kilometres to the south of Inel.

Initial drill testing at Khyber will focus on a 500 metre by 1,500 metre gold in soil anomaly averaging greater than 0.5 g/t Au that coincides with the volcanic – sediment contact that is also present at Inel.

#### Soil Sample Assays from the Inel and Khyber Area at the KSP Project



Source: Company Reports

Weather should allow drilling to continue till the end of October. At this point, CXO will be at the 51% earn-in level expenditures, more than a year ahead of schedule. Upon declaring that it has satisfied the 51% earn in requirement, CXO would then have the right to earn up to 80% in this portion of the KSP Project by incurring a further \$4 million in work commitments within one year.

Management has also been active in other areas of the KSP Project.

At the Tami prospect, the 2015 field program consisted of the collection of 109 rock chip, channel and grab samples, detailed geological mapping and prospecting, 12.5 kilometres of ground magnetometer surveying and compilation of historical data

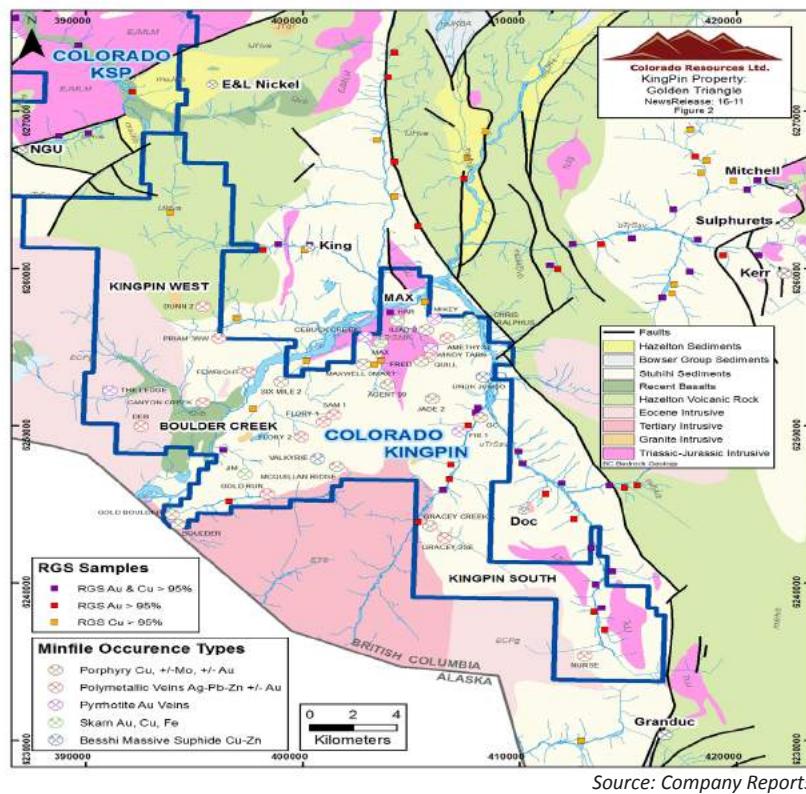
Geological mapping indicates that the Tami Zone occurs in the central portion of the three kilometer by eight kilometer Sericite Ridge alteration zone where a series of east- west trending monzonitic intrusive dykes (with quartz and magnetite stockwork and sheeted veins) are associated with the gold in soil anomaly. Although historical drill holes completed in 1987 did not test the main showing, results included 208.2 m of 0.323 g/t Au from just 1.8 m down-hole depth, indicating the potential for bulk tonnage gold. Historical soil geochemical samples taken from 1982 to 1987 and recently incorporated into CXO's digital database indicate an easterly trending 250 metre by 800 metre long, greater than 0.35 g/t gold in soil anomaly with the Tami Zone located at the far western end.

In the Pins Area, the 2015 field program consisted of the collection of 79 rock chip, channel and grab samples, 10 soil samples, detailed geological mapping and prospecting, 17.5 kilometres of ground magnetometer surveying and compilation of historical data. Rock, chip and channel samples within a 500 metre area returned up to 2.44% copper and 1.13 g/t Au in grab samples, and up to 0.93% copper and 0.28 g/t Au across one metre in limited channel, at the NGU Porphyry target that is within a greater than five kilometer thrust panel and adjacent to the two kilometer by three kilometer Pins alteration system.

## KINGPIN

The KingPin Project is located between the KSP Property to the northeast and the past producing Granduc copper mine to the southwest.

**Location of the KingPin Project**



In April 2016, management announced it had acquired a 100% interest in 32,825 hectare property through a combination of staking (29,425 hectares) and the purchase of the Max claims (3,400 hectares) from a third party for 200,000 common shares, a \$20,000 cash payment and a 2% net smelter return (NSR) royalty of which half can be bought back for \$5 million.

The KingPin property package covers thirty-five provincial government Minfile (mineral) occurrences, including copper skarns, copper +/- gold porphyries, polymetallic veins and gold veins. Previous exploration in the 1970s focused on the copper potential. Later work in the 1980s was intermittent and complicated by numerous property boundaries that have now been consolidated by CXO.

Management's review of historical data has outlined number of zones.

The Max Area contains 15 mineral occurrences within four kilometres of the Max Minfile occurrence and consists of porphyry, veins and skarn targets. The Windy Tarn- Golden Jade zone reported a previous historical grab sample with a value of 45 g/t Au.

The KingPin South area contains three polymetallic +/- gold vein mineral occurrences in areas that have undergone significant glacial retreat since last worked.

The Boulder Creek area has nine mineral occurrences in an area between the Boulder Creek and the Unuk River in the southwest portion of the KingPin Property. Gold potential of the vein and skarn targets is highlighted by a historical grab sample with a reported value of 64 g/t Au,

The KingPin West area has over 15 square kilometres of favourable geology on trend from the KSP property and contains gossans and at least give mineral occurrences.

Management is currently conducting early-stage exploration on the KingPin Property.

#### **HEART PEAKS (HP) PROJECT**

The HP project is located approximately 45 kilometers northeast of the previously producing Golden Bear Mine in the northern part of the Golden Triangle.

The 8,809 hectare property is accessible via helicopter out of Atlin or Dease Lake.

In September 2015, CXO signed an agreement with Centerra Gold (T-CG) in which Centerra can earn a 70 % interest in the project by making exploration expenditures totaling \$8 million by the end of 2019. Once Centerra earns its 70% interest, a conventional joint venture will be formed. Should either company be diluted to a 10% interest or less, their joint venture interest will be converted to a 2% NSR royalty of which one half can be purchased for \$2 million.

Geologically, HP consists of felsic volcanic rocks (rhyolitic volcanic centres, breccias and flow domes) with various alteration events (widespread argillic, local silicification and opalization) and associated anomalous levels of gold, silver, antimony, mercury and arsenic within a three kilometre wide by five kilometer long graben structure.

At least seven surface gold showings have been found to date. Gold values in surface grab samples as high as 126 g/t Au indicate the potential for high grade, low sulphidation, epithermal mineralization. As well, historical drill testing that intersected up to 0.51 g/t Au over 115 metres demonstrates the potential for high sulphidation, bulk tonnage style gold mineralization.

A fall 2015 exploration program included the collection of over 400 rock, silt and soil samples, 46 square kilometres of detailed drone aerial photography, 13 line kilometres of induced polarization geophysical surveys and 70 square kilometres of geological mapping. Gold mineralization was found to be focused along two lithologically and structurally defined corridors: the west-northwest trending two kilometer long Top Zone to Midas Zone corridor and the north trending, four kilometre long corridor bounded by the Mogul East and Mogul West fault systems that includes the Mogul, End, Steep and Crater Zones. Significant gold values in surface grab samples were reported from the Midas (151.2 g/t Au + 195 g/t Ag), Top (12.1 g/t Au + 2,786 g/t Ag), Mogul (5.2 g/t Au + 45 g/t Ag) and End Zones (3.7 g/t Au + 26.7 g/t Ag).



Centerra recently commenced a 2,000 metre drilling program at HP to initially target the high grade gold Midas Zone.

### **NORTH ROK**

The 100% owned North ROK project is located 15 kilometres northwest of Imperial Metals' (T-III) Red Chris copper + gold mine and 85 kilometres north of Dease Lake in northern British Columbia. Access to the 5,194 hectare project is obtainable from Highway 37 which passes through the western portion of the property.

The porphyry copper + gold North Rok deposit was discovered only in 2013 by CXO.

Highlights of a 29 hole, 11,448 metre drilling program included

- 333 m of 0.51 % Cu + 0.67 g/t Au from 2 m down-hole depth
- 402.2 m of 0.28 % Cu + 0.27 g/t Au from 162.6 m down-hole depth
- 177.1 m of 0.30 % Cu + 0.39 g/t Au from 272 m down-hole depth.

In 2014, management announced a maiden resource estimate for North Rok, just nine months after announcing the discovery hole

**North Rok Inferred Resource Estimate**

<b>Cut-off CuEq %</b>	<b>Tonnes &gt; Cut- off (tonnes)</b>	<b>Grade &gt; Cut-off</b>			<b>Contained Metal</b>	
		<b>Cu (%)</b>	<b>Au (g/t)</b>	<b>Cu Eq (%)</b>	<b>Cu (lbs)</b>	<b>Au (ozs)</b>
0.15	205,060,000	0.18	0.21	0.31	813,883,140	1,384,494
<b>0.20</b>	<b>142,300,000</b>	<b>0.22</b>	<b>0.26</b>	<b>0.37</b>	<b>690,297,300</b>	<b>1,189,512</b>
0.25	96,600,000	0.26	0.31	0.44	553,807,800	962,786
0.30	68,620,000	0.29	0.37	0.51	438,790,590	816,288
0.35	51,240,000	0.33	0.41	0.57	372,847,860	675,435
0.40	39,870,000	0.36	0.46	0.63	316,488,060	589,651

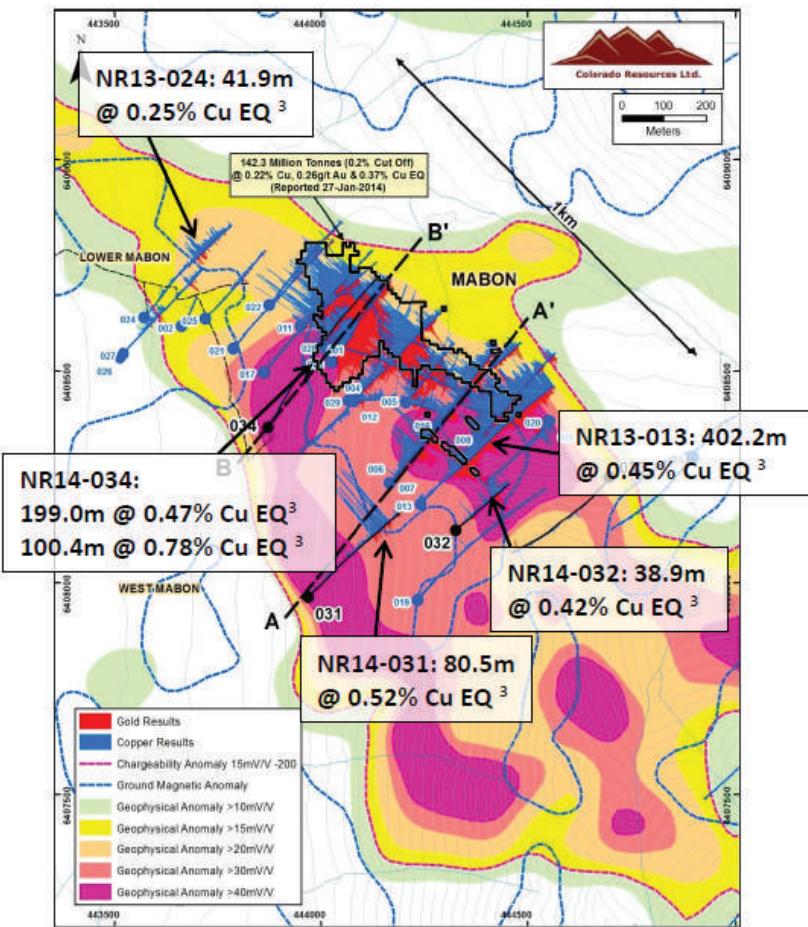
*Source: Company reports*

Of the 29 drill holes completed to date over a two kilometre strike length, a total of 18 holes over a strike length of 700 metres intersect the mineralized solid used to estimate the resource.

Note that only approximately a quarter of the priority geophysical targets on the property have been drill tested to date and significant mineralized hits have been intersected outside the resource.



## Geophysical Anomalies and Intersections Outside the Current Resource at North Rok



Source: Company reports

**HIT PROJECT**

The Hit Project is located in southeastern British Columbia, approximately 45 kilometres north of the Copper Mountain Mine in Princeton. The 23,339 hectare property is owned 100% by CXO and is accessible by an ever expanding network of forestry roads.

Previous work from the 1960s to 1980s focussed on the copper potential of the property. Historical channel sampling in 1990 reported an average grade of 12.3 g/t Au and 119 g/t Ag over an average width of 1.4 metres.

In 2015, management conducted 15 line kilometres of induced polarization (IP) geophysical surveys, the compilation of hundreds of kilometres of historical geophysical surveys and both field mapping and rock sampling.

CXO's 2015 sampling at the Coke occurrence, where historical values of 0.41 % Cu over 25 metres were reported, returned 15.5 metres of 0.29 g/t Au + 0.36 % Cu and six metres of 0.55 g/t Au + 0.54 % Cu from chip sampling.

Compilation of geophysical surveys has highlighted a greater than one kilometre wide by four kilometre long, north-trending belt of anomalous IP chargeability highs. These IP anomalies are often associated with known mineral occurrences and anomalous copper +/- gold soil geochemistry. Large portions of the chargeability anomalies have seen little to no exploration and are covered by glacial till which may be masking the full surface geochemical expression of potentially mineralized underlying rocks.



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Ticker	Company	1	2	3	4	5	6
V-CXO	Colorado Resources Ltd.			X		X	

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