

Colorado Resources Ltd.

News Release

COLORADO IDENTIFIES TWO HIGH GRADE EPITHERMAL GOLD ZONES AT HEART PEAKS

November 1, 2011

TSX-V: CXO

COLORADO RESOURCES LTD. (TSX-V: CXO) ("Colorado" or the "Company") is pleased to announce the results of the 2011 exploration programs on its 100% owned Heart Peaks Property in northern British Columbia. The 14,396 hectare Heart Peaks property is located 45 kilometres northeast of the past producing Golden Bear Mine.

Work completed on the Heart Peaks property includes:

- **The collection of 209 rock samples and 11 soil/silt samples**
- **Preliminary geological mapping and detailed prospecting**
- **Re-logging and sampling of historic drill core**
- **977 kilometres of Helicopter-borne EM/Magnetic surveying**
- **Detailed PIMA alteration studies of historic drill core**
- **Aster Imagery study**
- **Acquisition of 5,588 hectares of new mineral tenures added**

The Heart Peaks Property covers rhyolitic volcanic centres, phreatic breccias and flow domes that occur along a north trending three kilometre wide by five kilometre long graben structure. Widespread argillic alteration with pyrophyllite occurs over a 3 kilometres square area and includes local areas of silicification, opalization and the presence of alunite with associated anomalous levels of gold, silver, antimony, mercury and arsenic.

The Heart Peaks property hosts both low and high sulphidation epithermal gold mineralization occurring both in high grade quartz veins in a geological setting similar to Newmont's Midas Mine in Nevada and in lower grade bulk tonnage environments, such as at Newmont's Yanacocha Deposit in Peru.

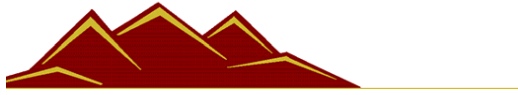
Two areas of high grade epithermal gold and silver mineralization have been located on the property. Rock grab sample results from the Top Zone reported assay values up to 31.6 g/t gold and 4282 g/t silver. A second previously unknown zone, located 1.2 km southeast of the Top Zone returned grab sample values of 4.7 g/t, 8.5 g/t and 10.4 g/t gold, with 23 g/t, 60 g/t and 32 g/t silver, respectively.

Preliminary evaluation of the 2011 airborne geophysical data indicates that the two known gold and silver mineralized zones are associated with a 700 m x 2500 m long resistivity feature that extends beyond the areas of known mineralization. Several additional, strong resistivity features occur on this large property and require additional follow up work to evaluate their potential.

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Aster Imagery completed by Ward Kilby, P.Geo. of Cal Data Ltd. for Colorado on the Heart Peaks property identified several distinct colour anomalies described as indicating the presence of jarosite, kaolinite and quartz and will also require detailed follow up.

PIMA alteration studies by Kim Heberlein, P.Geo. on 11 select samples of historic drill core and 34 grab samples identified the presence of illite, smectite, kaolinite, dickite, jarosite, NH₄ species and probable silica. This suite of minerals confirms that the property is in a favourable geological environment for the development of epithermal gold mineralization and will help to vector subsequent exploration.

Adam Travis, Colorado Resources President & CEO states, "I am very pleased that we were able to acquire this large alteration system in northern British Columbia by staking. Through a multi-faceted approach of airborne geophysics, alteration mapping and good old-fashioned boots on the ground prospecting we were able to identify areas which are returning values up to 1 oz/t Au and have also found new areas of mineralization. I believe this type of target has been overlooked in northern BC and if it were located in Nevada, it would have had hundreds of drillholes into it by now. I'm looking forward to an exciting program next year culminating in drilling".

Qualified Person

Mr. Greg Dawson, P.Geo., is the Qualified Person as defined by National Instrument 43-101 who supervised the preparation of the technical data in this news release.

About Colorado

Colorado is currently engaged in the business of mineral exploration for the purpose of acquiring and advancing mineral properties located in British Columbia and the Yukon and is also aggressively seeking properties in Latin America. Colorado's primary focus is on the Oro Property located in the MacMillan Pass area of the Yukon, in which it has the option to acquire a 100% interest.

ON BEHALF OF THE BOARD OF DIRECTORS OF

COLORADO RESOURCES LTD.

"Adam Travis"

Adam Travis
President and Chief Executive Officer

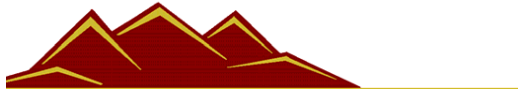
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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding proposed exploration activities. Although the Company believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various factors, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the market for gold or other minerals that may be produced generally, recent market volatility; variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's ability to obtain any necessary permits, consents or authorizations required for its activities, to raise the necessary capital or to be fully able to implement its business strategies and other risks associated with the exploration and development of mineral properties. The reader is referred to the Company's prospectus dated September 16, 2010 for a more complete discussion of such risk factors and their potential effects, a copy of which may be accessed through the Company's page on SEDAR at www.sedar.com.

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