



News Release

COLORADO RESOURCES CONFIRMS EFFECTIVE DATE OF SHARE CONSOLIDATION

August 20, 2020

TSX-V: CXO

COLORADO RESOURCES LTD. (TSX-V: CXO) ("Colorado" or the "Company") announces, further to its press release dated July 22, 2020, that it has received final TSX Venture Exchange ("TSX-V") approval, and the consolidation of its common shares on the basis of one post-consolidation common share for every ten pre-consolidation common shares (the "Consolidation") will be effected at 12:01 a.m. on Friday, August 21, 2020. The Company's post-consolidation common shares will be posted for trading on the TSX-V at the opening of trading on Friday, August 21, 2020, under the same symbol "CXO" but with new CUSIP number 19654L508.

Tony Barresi, Colorado's recently appointed President, comments "Colorado has vigorous new management and technical teams, and an outstanding portfolio of properties. With this share consolidation, we now have a capital structure that can support substantial future financings, the funds from which will be deployed into the ground, unlocking the value contained in our enviable property portfolio. We consider this a launching point, with our new team, new capital structure, and soon, a new name."

The Consolidation will result in the number of issued and outstanding common shares of the Company being reduced from 211,170,915 common shares to 21,117,091 common shares on a non-diluted basis, and each shareholder will hold the same percentage of common shares outstanding immediately after the Consolidation as such shareholder held immediately prior to the Consolidation. The exercise price and number of common shares of the Company issuable upon the exercise of outstanding stock options and share purchase warrants will be proportionately adjusted to reflect the Consolidation.

Letters of transmittal have been mailed to the registered holders of the Company's common shares who hold physical share certificates, requesting that they forward their pre-consolidation share certificates to the Company's transfer agent, Computershare Investor Services Inc., in exchange for new share certificates representing their common shares on a post-consolidation basis. No fractional shares will be issued in connection with the Consolidation. Shareholders who hold their shares through a securities broker or dealer, bank or trust company, will not be required to take any action with respect to the Consolidation.

We seek safe harbor.

About Colorado

Colorado Resources Ltd. is exploring for high-grade gold and copper with a focus on the Golden Triangle and Toodoggone areas of British Columbia. The property portfolio includes the Company's flagship Castle property, a porphyry copper-gold project located in the Red Chris mining district of the Golden Triangle neighbouring GT Gold's Tatogga property, and Newcrest Mining's GJ property. Other properties include KSP, North ROK, ROK-Coyote, and Kingpin in the Golden Triangle, Sofia in the Toodoggone district, and Heart Peaks and Hit in other strategic districts within British Columbia. These assets are being advanced by a newly assembled technical and management team with experience in exploration, permitting and discovery.

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

"Joseph Mullin"

Joseph Mullin

Chief Executive Officer and Director



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Cautionary Note Regarding Forward-Looking Statements

All statements, trend analysis and other information contained in this press release about anticipated future events or results constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. All statements, other than statements of historical fact, included herein, are forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since the Company can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in the Company's periodic filings with Canadian securities regulators as well as the risk that the ongoing COVID-19 pandemic may have on the Company's business. Important factors could cause actual results to differ materially from Colorado expectations. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Colorado does not undertake any obligation to update forward-looking statements except as required by applicable securities laws. Investors should not place undue reliance on forward-looking statements.

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.