



NEWS RELEASE

COLORADO AND DAMARA TERMINATE OPTION TO ACQUIRE KINASKAN-CASTLE PROPERTY

December 15, 2017

TSX-V: CXO, DMR

Colorado Resources Ltd ("Colorado") (TSX-V: CXO) and **DAMARA GOLD CORP. (TSX-V: DMR) ("Damara")** announce that, further to their joint news release of November 20, 2017, the parties have mutually agreed to terminate the letter agreement (the "**Agreement**") whereby Colorado granted Damara the option to acquire a 100% interest (the "**Transaction**") in Colorado's Kinaskan-Castle project (the "**K-C Property**") located in the Liard Mining Division within the "Golden Triangle Area" of northwestern British Columbia.

As described in the news release of November 20, 2016, Colorado had initiated a preliminary exploration program on the K-C Property, which includes the collection of 859 soil and 201 rock samples, 10 km² of geological mapping, an 11-line km I.P. survey and a 150-line km airborne magnetic survey, and will release the results of this work program once integrated into the geological, geochemical and geophysical databases and approved by Colorado's board of directors.

About Damara

Damara Gold Corp. is a TSX Venture listed Canadian public company with a Board of Directors seasoned in the mineral exploration industry and with a record of mineral deposit discovery worldwide

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 the "Golden Triangle" British Columbia and holds approximately 1,200km² of mineral claims in the Golden Triangle. The Company's main exploration projects within British Columbia include KSP and North ROK. Additionally the Company holds an option to acquire a 100% interest in the Greensprings project located in Nevada

ON BEHALF OF THE BOARD OF DIRECTORS DAMARA

"William Yeomans"
William Yeomans
Director

For additional information see
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ON BEHALF OF THE BOARD OF DIRECTORS OF COLORADO

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Statements Regarding Forward-Looking Information

Certain statements contained in this news release may contain forward-looking information within the meaning of Canadian securities laws. Such forward-looking information is identified by words such as "estimates", "intends", "expects", "believes", "may", "will" and include, without limitation, statements regarding the Colorado's or Damara's plans or business operations (including plans for progressing assets), estimates regarding mineral resources, projections regarding mineralization and projected expenditures. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, risks inherent in the mining industry, financing risks, labour risks, uncertainty of mineral resource estimates, equipment and supply risks, title disputes, regulatory risks and environmental concerns. Most of these factors are outside the control of Colorado and Damara. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, Colorado and Damara expressly disclaim any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.