Colorado Resources Ltd.

COLORADO RESOURCES LTD.

(An Exploration Stage Company)

Unaudited Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2019 and 2018

COLORADO RESOURCES LTD.
(An Exploration Stage Company)
June 30, 2019 and 2018
(Expressed in Canadian Dollars)

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a) the accompanying unaudited condensed consolidated interim financial statements of the Company for the three months ended June 30, 2019 have been prepared by and are the responsibility of management in accordance with International Financial Reporting Standards applicable to unaudited condensed interim financial reporting.

The Company's independent auditor has not audited or performed a review of these financial statements, in accordance with standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

COLORADO RESOURCES LTD.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

As at June 30, 2019 and March 31, 2019

(Expressed in Canadian Dollars)

	Note		June 30 2019		March 31 2019
Assets					
Current					
Cash and cash equivalents	5	$	258,419	$	134,598
Receivables	6		27,272		26,950
Prepaids and advances			11,529		13,205
Marketable securities	7		56,880		57,060
Total current assets			354,100		231,813
Non-current					
Reclamation deposits	8		162,000		162,000
Property, plant, and equipment	9		137,944		12,057
Exploration and evaluation assets	10		22,676,882		22,676,882
Total non-current assets			22,976,826		22,850,939
Total Assets		$	23,330,926	$	23,082,752
Liabilities and Shareholders' Equity					
Current					
Trade and other payables	11	$	528,316	$	278,243
Loans payable	12		700,000		500,000
Total current liabilities			1,228,316		778,243
Long term Lease Liability	13		74,601		-
Total liabilities			1,302,917		778,243
Shareholders' equity					
Share capital	14		40,988,917		40,988,917
Contributed surplus	14,15		5,123,722		5,123,722
Accumulated deficit			(24,084,630)		(23,808,130)
Total shareholders' equity			22,028,009		22,304,509
Total Liabilities and Shareholders' Equity		$	23,330,926	$	23,082,752

Signed on behalf of the Board of Directors by:

"Cecil Bond" **Director**
Cecil Bond

"Bryan Wilson" **Director**
Bryan Wilson

COLORADO RESOURCES LTD.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

For the three months ended June 30

(Expressed in Canadian Dollars)

	Note		2019		2018
Expenses					
Administrative and general	16,17	$	225,719	$	1,699,081
Depreciation and accretion	9,13		15,921		5,434
Directors fees	17		25,000		13,040
Interest on loan payable	12		10,278		-
Pre-exploration expenditures			-		19,931
Gain loss on foreign exchange			(102)		(132)
Total expenses			(276,816)		(1,737,354)
Other income					
Interest and other income			496		13,419
Write-down on exploration and evaluation assets	10		-		(16,068)
Write-down on marketable securities	7		-		(6,340)
Unrealized loss on marketable securities	7		(180)		-
Net loss and comprehensive loss for the period		$	(276,500)	$	(1,746,343)
Loss per common share, basic and diluted	19	$	(0.00)	$	(0.01)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

COLORADO RESOURCES LTD.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)

For the three months ended June 30

(Expressed in Canadian Dollars)

	Note		Share Capital Amount		Contributed Surplus		Accumulated Deficit		Total
Balance March 31, 2018		$	40,678,462	$	5,255,716	$	(21,463,648)	$	24,470,530
Loss for the period			-		-		(1,746,343)		(1,746,343)
Shares issued for cash	15		48,000		-		-		48,000
Fair value of options exercised	15		46,586		(46,586)		-		-
Balance, June 30, 2018		$	40,773,048	$	5,209,130	$	(23,209,991)	$	22,772,187

	Note		Share Capital Amount		Contributed Surplus		Accumulated Deficit		Total
Balance, March 31, 2019		$	40,988,917	$	5,123,722	$	(23,808,130)	$	22,304,509
Loss for the period			-		-		(276,500)		(276,500)
Balance, June 30, 2019		**$**	**40,988,917**	**$**	**5,123,722**	**$**	**(24,084,630)**	**$**	**22,028,009**

The accompanying notes are an integral part of these condensed consolidated interim financial statements

COLORADO RESOURCES LTD.
(An Exploration Stage Company)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)
For the three months ended June 30
(Expressed in Canadian Dollars)

	Notes		2019		2018
Cash flows from operating activities					
Loss for the period		$	(276,500)	$	(1,746,343)
Items not effecting cash					
Depreciation	9		11,791		5,434
Accrued interest	12		10,278		-
Write-down of marketable securities	7		-		6,340
Unrealized loss on marketable securities	7		180		-
Write-down on exploration and evaluation assets	10		-		16,068
Accretion of Lease Liability	13		4,130		-
Changes in non-cash working capital balances:					
Provision			-		126
Receivables	6		(322)		(74,872)
Trade and other payables	11		186,030		250,923
Prepaids and advances			1,676		(50,923)
Total cash outflows from operating activities			(62,737)		(1,593,247)
Cash flows from investing activities					
Buckingham Loan	12		200,000		-
Proceeds from the sale of marketable securities	7		-		146,600
Lease Payment	13		(13,442)		-
Purchase of property, plant and equipment	9		-		(1,154)
Resource property expenditures			-		(139,319)
Total cash outflows from investing activities			186,558		6,127
Cash flows from financing activities					
Exercise of options	14,15		-		48,000
Total cash inflow provided by financing activities			-		48,000
Decrease in cash during the period			123,821		(1,539,120)
Cash and cash equivalents, beginning of period			134,598		5,101,898
Cash and cash equivalents, end of period		$	258,419	$	3,562,778
Composition of cash, cash equivalents and restricted cash					
Cash		$	235,419	$	67,460
Cash equivalents	5		23,000		3,495,318
Cash, cash equivalents and restricted cash, end of the period		$	258,419	$	3,562,778

See Note 20 for Supplemental Cash Flow Information

1. CORPORATION INFORMATION

Colorado Resources Ltd. (the "Company") was incorporated on October 9, 2009 under the *Business Corporations Act* (British Columbia). The Company is in the exploration stage and its principal business activities include the acquisition, exploration and development of mineral properties. The Company's principal properties are located in British Columbia.

The Company is listed on the TSX Venture Exchange (the "Exchange"), having the symbol CXO.V as a Tier 1 issuer and its corporate office and principal place of business are located at 105 - 3500 Carrington Road, West Kelowna, B.C. V4T 3C1.

2. BASIS OF PREPARATION AND GOING CONCERN

Statement of Compliance and Accounting Policies

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting, are in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and are consistent with interpretations by the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed consolidated interim financial statements have been prepared using the accounting policies as set out in the audited annual financial statements for the year ended March 31, 2019, with the adoption of updated policies described in Note 3. The disclosures which follow do not include all disclosures required for the annual financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereon for the year ended March 31, 2019.

Effective April 1, 2019, the Company adopted IFRS 16 Leases ("IFRS 16"). IFRS 16 was adopted retrospectively with no restatement of comparative periods, as permitted by the transition provisions of the standard. As a result of the application of IFRS 16, the Company changed its accounting policies for leases thereon as described in Note 3.

The Board of Directors approved these condensed consolidated interim financial statements on August 28, 2019.

Basis of measurement

These condensed consolidated interim financial statements have been prepared on an historical cost basis, except for marketable securities which are valued at fair value on the reporting date. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed consolidated interim financial statements are presented in Canadian Dollars, which is the functional currency of the Company and its subsidiaries.

Significant accounting estimates and judgments

The preparation of these condensed consolidated interim financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting periods. Actual outcomes could differ from these estimates and judgments, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION AND GOING CONCERN (cont'd)

Basis of Consolidation

These consolidated financial statements include the accounts of the following subsidiaries:

	% of Ownership	Jurisdiction	Principal Activity
Colorado Gold S.A. de C.V. ("Colorado Gold")	100%	Mexico	Inactive
Colorado Exploration Inc.	100%	USA	Exploration

A subsidiary is an entity that the Company controls, either directly or indirectly. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All inter-company transactions and balances including unrealized income and expenses arising from intercompany transactions are eliminated in preparing the condensed consolidated interim financial statements.

Going Concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has not generated revenues from its operations to date. The Company incurred a net loss of $276,500 during the period ended June 30, 2019 (2018 - $1,746,343) and, as of that date, the Company's deficit was $24,084,630 (March 31, 2019 - $23,808,130) and is expected to continue to incur losses. The Company has working capital deficiency of $874,216 as at June 30, 2019 (March 31, 2019 - $546,430). These conditions indicate the existence of material uncertainties, which may cast significant doubt on the Company's ability to continue as a going concern. The Company will continue to have to raise funds beyond its current working capital balance in order to continue the development of its exploration properties and general operations and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. See Note 21 Events after the Reporting Date.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants.

No adjustments have been made to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

3. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

The IASB has issued a number of amendments to standards and interpretations, with one new standard affecting the Company, which is not yet effective during the Company's current fiscal year, and has not been applied in preparing these condensed interim consolidated financial statements. These amendments, as well as the one new standard, are not anticipated to have an impact on the Company's financial statements when they are adopted in future years.

The IASB has also issued several new standards which are effective January 1, 2019. The only new standard first adopted by the Company in the three-month period ended June 30, 2019 was IFRS 16 as noted below. Pronouncements that are not applicable to the Company have been excluded from this note.

(Expressed in Canadian Dollars)

3. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS (cont'd)

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. This standard was adopted by the Company on April 1, 2019.

The impact of adopting this new standard resulted in an additional right of use asset of $137,679 capitalized and a corresponding lease liability of the same amount included as a liability in the condensed consolidated interim statements of financial position. The assets will be amortized over the term of the remaining lease period.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss/income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments and estimates in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed in the annual financial statements for the year ended March 31, 2019. There have been no updates or changes to the significant account judgments, estimates and assumptions during the period ended June 30, 2019.

5. CASH AND CASH EQUIVALENTS, RESTRICTED CASH

Cash and cash equivalents and restricted cash consists of cash on hand, demand deposits with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. Cash at banks and on hand earns interest at floating rates based on daily bank deposit rates. Cash equivalents are held in cashable guaranteed investment certificates with maturity dates of July 2020 and interest rates of 1.25%.

6. RECEIVABLES

	June 30 2019	March 31 2019
Sales taxes receivable	$ 27,272	$ 25,375
Other	-	1,575
	$ 27,272	$ 26,950

Sales tax receivable represents input tax credits arising from sales tax levied on the supply of goods purchased or services received in Canada.

(Expressed in Canadian Dollars)

7. MARKETABLE SECURITIES

Marketable securities consist of an investment in 1,264,000 (June 30, 2018 – 4,200,000) common shares of Damara Gold Corp. ("Damara"). The fair value of the marketable securities has been determined by reference to published price quotations in an active market, a Level 1 valuation.

During the three months ended June 30, 2019, the Company recorded $180 as an unrealized loss on marketable securities. During the three months ended June 30, 2018, the Company recorded $6,340 as an unrealized loss on investment in marketable securities which was recorded as a write down on marketable securities in profit or loss on the basis of a prolonged decline in fair value of these securities.

During the period ended June 30, 2019 the Company did not sell any Damara shares (2018 - 2,932,000 sold) for gross proceeds of $Nil (2018 - $146,600).

8. RECLAMATION DEPOSITS

The Company is required to make reclamation deposits in respect of its expected rehabilitation obligations. The reclamation deposits represent collateral for possible reclamation activities necessary on mineral properties in connection with the permits required for exploration activities by the Company on its Hit, North ROK, Heart Peaks and KSP properties. The reclamation deposits are held with the Ministry of Energy and Mines in British Columbia. Reclamation bonds included guaranteed investment certificates with varying maturity dates and interest rates ranging from 1.25% - 1.35%.

9. PROPERTY, PLANT AND EQUIPMENT

	Vehicle	Furniture & Fixtures	Office Equipment	Field Equipment	Office Lease	Total
Cost						
Balance March 31, 2018	$ 10,528	$ 13,775	$ 57,233	$ 285,687	$ -	$ 367,223
Assets acquired	-	-	1,154	-	-	1,154
Disposition	(10,528)	-	-	-	-	(10,528)
Balance March 31, 2019	-	13,775	58,387	285,687	-	357,849
Assets acquired	-	-	-	-	137,679	137,679
Balance June 30, 2019	**$ -**	**$ 13,775**	**$ 58,387**	**$ 285,687**	**$ 137,679**	**$ 495,528**
Depreciation						
Balance March 31, 2018	$10,528	$ 12,212	$ 48,820	$ 271,980	$ -	$ 343,540
Depreciation for the year	-	381	4,242	8,157	-	12,780
Disposition	(10,528)	-	-	-	-	(10,528)
Balance March 31, 2019	-	12,593	53,062	280,137	-	345,792
Depreciation for the period	-	95	1,057	2,035	8,605	11,792
Balance June 30, 2019	**$ -**	**$ 12,688**	**$ 54,119**	**$ 282,172**	**$ 8,605**	**$ 357,584**
Carrying amounts						
Balance March 31, 2019	$ -	$ 1,182	$ 5,325	$ 5,550	$ -	$ 12,057
Balance June 30, 2019	**$ -**	**$ 1,087**	**$ 4,268**	**$ 3,515**	**$ 129,074**	**$ 137,944**

(Expressed in Canadian Dollars)

10. EXPLORATION AND EVALUATION ASSETS

	British Columbia					
	North ROK/ROK-Coyote	KSP	KingPin	Kinaskan-Castle	Other	Total
Costs						
Balance at March 31, 2018	$ 6,633,457	$11,267,321	$ 297,506	$ 751,282	$ 16,068	$18,965,634
Acquisition costs	-	9,000	-	302	-	9,302
Exploration costs	17,957	3,513,532	1,040	185,485	-	3,718,014
Provision	-	-	-	-	-	-
Write-down of exploration and evaluation assets	-	-	-	-	(16,068)	(16,068)
Balance at March 31, 2019 and June 30, 2019	**$ 6,651,414**	**$14,789,853**	**$ 298,546**	**$ 937,069**	**$ -**	**$ 22,676,882**

10. EXPLORATION AND EVALUATION ASSETS (cont'd)

British Columbia

North ROK-Coyote Property

Colorado holds a 100% interest in the North ROK and ROK-Coyote properties located in northern British Columbia (collectively the "North ROK Property") subject to certain net smelter return royalties "NSR".

The ROK-Coyote portion of the North ROK Property is subject to a 2% NSR agreement with previously arms-length parties on three claims ("ROK NSR"). The ROK NSR can be extinguished in its entirety for a purchase price of $2,000,000. An additional NSR also includes an agreement with an arm's length and a previously non-arm's length party for a 2% NSR on 16 claims ("Real McCoy and Coyote NSR") of which 1% of the Real McCoy and Coyote NSR can be purchased for an aggregate $2,000,000. Adam Travis, a former director of the Company (effective April 17, 2018, Mr. Travis ceased to be a director) holds a 50% interest in the Real McCoy & Coyote NSR.

As at June 30, 2019, the Company has incurred $6,651,414 in acquisition and exploration costs (March 31, 2019 - $6,651,414), net of BCMET recoveries.

KSP Property

Colorado holds a 100% interest (subject to certain NSR's) in the KSP property located to the southeast of the past-producing Snip Mine, British Columbia.

KSP Option

Pursuant to an option agreement dated December 19, 2013 (the "KSP Option") between the Company and SnipGold Corp. ("SnipGold") Colorado had the right to acquire up to an 80% interest in the southeastern portion of SnipGold's Iskut Property and an adjoining area acquired by Colorado through staking (collectively referred to as the "KSP Property"). On June 21, 2016, Seabridge Gold Inc. ("Seabridge") acquired SnipGold and has assumed all obligations of SnipGold. SnipGold remains a wholly owned subsidiary of Seabridge.

In consideration for the KSP Option, the Company made aggregate cash payments of $500,000 and incurred exploration expenditures of $6,000,000 over a four-year period to earn an initial 51% interest ("Initial Interest").

On May 10, 2017, the Company provided notice pursuant to the KSP Option to exercise the Initial Interest and acquired a 51% interest in the Property.

On August 3, 2017 Colorado entered into an amending agreement with SnipGold wherein the parties amended the KSP Option, wherein Colorado purchased the outstanding 49% interest remaining. The Company received Exchange approval and completed the payment of $1,000,000 in cash and issued 2,000,000 Colorado shares at $0.38 per share for $760,000. SnipGold retains a 2% NSR on the KSP Property (half of which can be purchased at any time for $2,000,000).

KSP Other

The KSP Property includes several additional claims and mineral leases acquired through staking or purchase agreements wherein:

- one mineral tenure is subject to a 2% NSR to an individual of which the NSR may be purchased in its entirety for $1,000,000;
- one mineral tenure is subject to a 1% NSR to an individual of which the NSR may be purchased in its entirety for $500,000; and
- two mineral tenures are subject to a 2% NSR to Teck Resources Limited.

10. EXPLORATION AND EVALUATION ASSETS (cont'd)

British Columbia (cont'd)

KSP Property (cont'd)

KSP Option (cont'd)

As at June 30, 2019, the Company has incurred $14,789,853 in acquisition and exploration costs (March 31, 2019 - $14,789,852), net of BCMET recoveries.

Hit Property

Colorado holds a 100% interest in mineral tenures located in the Similkameen Mining Division of British Columbia forming the Hit Property, acquired through staking and pursuant to various agreements and subject to certain NSR's as follows:

Aspen Option

On April 23, 2012, the Company entered into an option agreement, as amended on January 13, 2014 and October 24, 2014 ("Aspen Option") to acquire mineral claims in the Aspen Grove area of south-western British Columbia. The Company exercised the Aspen Option and acquired a 100% interest subject to a 2.5% NSR, of which 2% of the NSR may be purchased for $4,000,000.

Hit Other

On September 16, 2011, the Company acquired a 100% interest in additional mineral tenures referred to as the Aspen Grove South Property, located in southern British Columbia, from two private individuals (the "Vendors") forming part of the Hit Property. The Vendors retained a 2.5% NSR, of which the first 1.5% of the NSR may be purchased for $1,000,000, and the remaining 1% NSR for $3,000,000.

During the year ended March 31, 2018, the Company wrote-off the Hit Property in the amount of $1,380,042. The impairment was determined in accordance with level 3 of the fair value hierarchy.

KingPin Property

The Company acquired a 100% interest in several mineral claims located in the Golden Triangle area in northwestern British Columbia through staking (collectively referred to as the "KingPin Property").

On April 20, 2016, the Company entered into a purchase agreement with a third party (the "Vendor"), to acquire a 100% interest in the Max Property, subject to a retained 2% NSR for the following consideration:

1. $20,000 cash payment to the Vendor upon signing (paid); and
2. 200,000 common shares of Colorado to be issued to the Vendor within 10 days of Exchange approval (issued).

The Company has the option to purchase from the Vendor 1% of the NSR for $1,000,000 within 240 days of commercial production and at any time thereafter the remaining 1% for $5,000,000. The Max Property forms part of the KingPin Property.

As at June 30, 2019, the Company has incurred $298,546 (March 31, 2019 - $298,546) in acquisition and explorations costs.

(Expressed in Canadian Dollars)

10. EXPLORATION AND EVALUATION ASSETS (cont'd)

British Columbia (cont'd)

Kinaskan-Castle Property

Colorado holds a 100% interest (subject to a 2% NSR) in the Kinaskan-Castle property located in the Liard Mining District of British Columbia. The underlying original vendor holds a 2% NSR, which the Company has the option to purchase for $4,000,000.

As at June 30, 2019, the Company has incurred $937,069 (March 31, 2019 - $937,069) in acquisition and explorations costs.

Other

"Other" properties held included the GJ Key property, the GS property, and the Stu property and Iskut claims, located near Stewart, British Columbia.

During the year ended March 31, 2019 the Company wrote-off the Other properties in the aggregate amount of $16,068 as the Company no longer intends to pursue these properties. The impairment was determined in accordance with level 3 of the fair value hierarchy.

During the year ended March 31, 2018 the Company wrote-off the Hit property and the Green Springs property in the aggregate amount of $2,605,780 as the Company no longer intends to pursue these properties. The impairment was determined in accordance with level 3 of the fair value hierarchy.

Nevada, US

Green Springs

On December 6, 2016, Colorado entered into a definitive agreement with Ely Gold & Minerals Inc. ("ELY") wherein ELY granted the exclusive option to Colorado to acquire ELY's 100% interest in and to the Green Springs Property. After making the following payments and share issuances:

- Initial - US$50,000 cash (paid) and the issuance of 300,000 common shares (issued) upon Exchange approval (*received on December 13, 2016);*
- Year 1 Anniversary - US$100,000 cash (paid) and the issuance of 500,000 common shares (issued),

On May 9, 2018, the Company provided notice to Ely to terminate the option and as at March 31, 2018, the Company wrote-off the Green Springs property in the amount of $1,225,738. The impairment was determined in accordance with level 3 of the fair value hierarchy.

11. TRADE AND OTHER PAYABLES

		June 30 2019		March 31 2019
Trade payables	$	279,196	$	112,968
Accrued Liabilities		19,939		2,871
Due to related party - Note 17		229,181		162,404
Total	$	528,316	$	278,243

12. LOANS PAYABLE

Goldcorp Loan

On September 13, 2018, the Company obtained a secured loan of $500,000 (the “Loan”) from Goldcorp Inc. (“Goldcorp”). Terms of the Loan include interest at a rate of 8% per annum compounded monthly, a maximum term of twelve months, maturing on September 13, 2019 (the "Maturity Date") with early repayment provisions, and is secured against the Company's KSP, Kinaskan-Castle and North ROK properties.

Additional terms include the Company’s option to pay interest in cash or, subject to the approval of the TSX Venture Exchange in shares (the “Interest Shares”). The issue price of any Interest Shares will be the lower of the 10-day volume weighted average price and the closing price of Colorado's common shares on the last trading day prior to payment.

As a condition for providing the Loan and subject to the approval of the Exchange, the Company has agreed to issue to Goldcorp common shares as a bonus (the "Bonus Shares”), as follows:

i. 250,000 Bonus Shares were issued upon receipt of Exchange approval; at a value of $21,250 being the market price of the shares of $0.085 on the date of issuance; and
ii. an additional 250,000 Bonus Shares if the Loan is not fully repaid before the six-month anniversary (issued subsequent to the period end, see Note 21).

As of June 30, 2019, the principle amount of $500,000 (March 31, 2019 - $500,000) remained outstanding. Included in trade payables is interest payable of $32,790 (March 31, 2019 - $22,512).

Subsequent to the period end, the Company settled the loan and interest in full. See Note 21.

Buckingham Loan

In May 2019, the Company entered into a binding arrangement agreement (the “Arrangement Agreement”) with Buckingham Copper Corp. (“Buckingham”) pursuant to which the Company will acquire all of the issued and outstanding common shares of Buckingham, with Buckingham Shareholders receiving 0.50 of a common share of the Company for each Buckingham common share held, resulting in 12,049,053 Colorado common shares to be issued. The completion of the Arrangement Agreement was subject to the completion of the Company’s private placement of flow-through and non-flow-through subscriptions receipts for gross proceeds no less than $2,500,000, arranged by Buckingham.

In order to provide the Company with bridge financing, Buckingham has provided a $200,000 non-recourse subordinated loan to the Company. As at June 30, 2019, the full amount of the loan remains outstanding.

Subsequent to the period end, the Company and Buckingham closed the Arrangement Agreement, resulting in Buckingham being a wholly-owned subsidiary of the Company and the becoming an intercompany balance. See Note 21.

(Expressed in Canadian Dollars)

13. OFFICE LEASE LIABILITY

On May 27, 2017 the Company entered into a five-year lease with Vintage Commercial Ltd. effective July 1, 2017 at an annual rent of $53,766 until June 30, 2022.

On April 1, 2019, the Company recognized a lease liability on its office lease, resulting from the adoption of the new accounting standard IFRS 16 (Note 3).

Balance at March 31, 2019	$	-
Office Lease Liability recognized on adoption of IFRS 16		137,679
Office Lease payments		(13,442)
Accretion		4,130
Balance at June 30, 2019	**$**	**128,367**

Current lease liability (included in accounts payable and accrued liabilities)	$	53,766
Long-term lease liability		74,601
Total office lease liability at June 30, 2019	**$**	**128,367**

14. SHARE CAPITAL AND RESERVES

Authorized Share Capital

The Company's authorized share capital consists of an unlimited number of common shares with no par value.

Common Shares

The following is a summary of changes in common share capital from April 1, 2018 to June 30, 2019:

	Notes	Number	Price	Total
Balance - March 31, 2018		122,791,646	-	$ 40,678,462
Exercise of options	15	1,700,000	$0.080	136,000
Bonus shares issued on loan	12	250,000	$0.085	21,250
Fair value of stock options transferred on exercise	15	-	-	131,994
Shares issued for settlement of trade payables	15	395,498	$0.055	21,752
Share issue costs	15	-	-	(541)
Balance - March 31, 2019 and June 30, 2019		**125,137,144**	-	**$ 40,988,917**

During the period ended June 30, 2019, the Company had no common share activity.

During the year ended March 31, 2019 the Company issued the following:

i) The Company issued an aggregate 1,700,000 common shares pursuant to the exercise of stock options at an exercise price of $0.08 per common share, for cash proceeds of $136,000. The fair value of options of $131,944 was transferred from contributed surplus to share capital. The weighted average share price of the Company's common shares on exercise was $0.16.

ii) The Company issued 250,000 common shares pursuant to the Loan as described in Note 12 hereinabove. The common shares were valued at $21,250 as determined by the market price when issued being $0.085 per share.

iii) The Company issued 395,498 common shares pursuant to the settlement of $23,730 in trade payables valued at $21,752 as determined by the market price when issued being $0.055 per share. Share issuance costs of $541 was incurred during the year.

(Expressed in Canadian Dollars)

14. SHARE CAPITAL AND RESERVES (cont'd)

Share Purchase Warrants

The following is a summary of changes in share purchase warrants from April 1, 2018 to June 30, 2019:

	Number	Weighted Average Exercise Price
Balance as at March 31, 2018	31,268,596	$0.48
Expired	(15,446,096)	$0.53
Balance as at March 31, 2019 and June 30, 2019	**15,822,500**	**$0.46**

At June 30, 2019, 15,822,500 (March 31, 2019 - 15,822,500) share purchase warrants were outstanding and exercisable with a weighted average remaining contractual life of 0.54 (March 31, 2019 – 0.79) years. Each warrant entitles the holders thereof the right to purchase one common share as follows:

Share Purchase Warrants

Number	Exercise Price	Expiry Date
4,090,000	$0.50	17-Sep-19
372,500	$0.50	17-Sep-19
11,360,000	$0.45	29-Feb-20
15,822,500		

Agents Purchase Warrants

The following is a summary of changes in Agent's Warrants from April 1, 2018 to March 31, 2019:

	Number	Weighted Average Exercise Price
Balance as at March 31, 2018	678,739	$0.41
Exercised	(195,739)	$0.40
Balance as at March 31, 2019 and June 30, 2019	**483,000**	**$0.41**

As at June 30, 2019, 483,000 (March 31, 2019 – 483,000) share purchase warrants were outstanding and exercisable with a weighted average remaining contractual life of 0.22 (March 31, 2019 – 0.47) years. Each Agent Warrant entitles the holders thereof the right to purchase one common share as follows:

Agent's Warrants	Exercise Price	Expiry Date
441,300	$0.42	17-Sep-19
41,700	$0.32	17-Sep-19
483,000		

15. SHARE-BASED PAYMENTS

Option Plan Details

The Company adopted a stock option plan (the "Plan") to grant options to directors, senior officers, employees and consultants of the Company. The aggregate outstanding options are limited to 10% of the outstanding common shares. The option price under each option shall be not be less than the discounted market price as defined in the policies of the Exchange on the grant date. All options vest when granted unless otherwise specified by the Board of Directors.

(Expressed in Canadian Dollars)

15. SHARE-BASED PAYMENTS (cont'd)

The following is a summary of changes in options for the period ended June 30, 2019:

Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Expired	Closing Balance	Vested and Exercisable
1-May-14	1-May-19	$0.265	385,000	-	-	(385,000)	-	-
7-May-15	7-May-20	$0.150	310,000	-	-	-	310,000	310,000
30-Dec-15	30-Dec-20	$0.080	145,000	-	-	-	145,000	145,000
6-Jun-16	6-Jun-21	$0.440	450,000	-	-	-	450,000	450,000
6-Jun-17	6-Jun-22	$0.260	852,500	-	-	-	852,500	852,500
16-Feb-18	16-Feb-23	$0.150	500,000	-	-	-	500,000	500,000
			2,642,500	**-**	**-**	**(385,000)**	**2,257,500**	**2,257,500**
Weighted Average Exercise Price			**$0.25**	**-**	**-**	**$0.265**	**$0.24**	**$0.24**
Weighted Average Life remaining			**2.37**	**-**	**-**	**-**	**2.51**	**2.51**

The following is a summary of changes in options for the year ended March 31, 2019:

Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Expired	Closing Balance	Vested and Exercisable
30-Oct-13	30-Oct-18	$0.290	100,000	-	-	(100,000)	-	-
1-May-14	1-May-19	$0.265	895,000	-	-	(510,000)	385,000	385,000
12-Sep-14	12-Sep-19	$0.250	210,000	-	-	(210,000)	-	-
7-May-15	7-May-20	$0.150	810,000	-	-	(500,000)	310,000	310,000
30-Dec-15	30-Dec-20	$0.080	1,995,000	-	(1,700,000)	(150,000)	145,000	145,000
6-Jun-16	6-Jun-21	$0.440	1,035,000	-	-	(585,000)	450,000	450,000
6-Jun-17	6-Jun-22	$0.260	2,607,500	-	-	(1,755,000)	852,500	852,500
16-Feb-18	16-Feb-23	$0.150	500,000	-	-	-	500,000	500,000
			8,152,500	**-**	**(1,700,000)**	**(3,810,000)**	**2,642,500**	**2,642,500**
Weighted Average Exercise Price			**$0.22**	**-**	**$0.08**	**$0.07**	**$0.25**	**$0.25**
Weighted Average Life remaining			**3.09**	**-**	**-**	**-**	**2.37**	**2.37**

There were no options granted during the period ended June 30, 2019, or the year ended March 31, 2019.

The weighted average remaining contractual life of stock options as at June 30, 2019 is 2.51 years (March 31, 2019 – 2.37 years).

(Expressed in Canadian Dollars)

16. ADMINISTRATIVE AND GENERAL EXPENSES

	Note		For the three months ended June 30 2019		2018
Administrative and General Expenses:					
Accounting and legal		$	**130,408**	$	515,372
Consulting	17		**9,706**		183,540
Investor relations, website development and marketing			**296**		2,431
Office and administration fees			**26,539**		64,589
Penalties and other interest			**1,176**		-
Regulatory fees			**733**		7,020
Shareholder communication and annual general meeting			**(2,406)**		831,133
Transfer agent fees			**691**		4,608
Travel			**4,725**		11,618
Wages	17		**53,851**		78,770
		$	**225,719**	$	1,699,081

17. RELATED PARTY TRANSACTIONS

Transactions with related parties were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Key Management Compensation

		June 30 2019		June 30 2018
Administration and labour	$	**6,513**	$	12,500
Consulting fees		**4,481**		178,540
Wages		**43,462**		56,000
	$	**54,456**	$	247,040

a. Wages of $34,000 (2018 - $56,000) were paid or accrued to Robert Shaw ("Shaw) the Company's President and Chief Executive Officer. Mr. Shaw was appointed on February 26, 2018 and resigned on August 20, 2019.

b. Consulting fees of $Nil (2018 - $5,000) capitalized to exploration and evaluation assets were paid or accrued to Cazador Resources Ltd. ("Cazador"), a company controlled by Adam Travis, the Company's former President and Chief Executive Officer. Mr. Travis was terminated as CEO effective February 26, 2018;

c. Consulting fees of $4,481 (2018 - $169,890) were paid or accrued to Minco Corporate Management Inc. ("Minco"), a company controlled by Terese Gieselman, the former Chief Financial Officer and Corporate Secretary of the Company.

d. Administration fees of $6,513 (2018 - $12.500) were paid or accrued to Minco in relation to providing administrative and accounting services.

e. Wages of $9,462 were accrued to Eric Casey, the Company's Chief Financial Officer and Corporate Secretary. Mr. Casey was appointed on June 19, 2019 and provided consulting services prior to his appointment.

(Expressed in Canadian Dollars)

17. RELATED PARTY TRANSACTIONS (cont'd)

Minco Contract

On April 19, 2018, Terese Gieselman resigned effective June 19, 2018 and gave notice of termination of the consulting agreement dated October 31, 2014 between the Company and Minco (the "Minco Contract"). Pursuant to the terms of the Minco Contract an amount of $137,926 (the "Settlement Amount") was due and payable on June 19, 2018. The Company entered into an agreement with Minco (the "Minco Settlement Agreement") effective June 19, 2018 wherein the Company agreed to pay Minco the Settlement Amount (paid on July 20, 2018) and Minco agreed to release the Company from any and all future claims. Additionally, the Company and Minco entered into a consulting agreement (the "New Minco Contract") for a period of 12 months to provide services as required by the Company. Effective June 19, 2019, the New Minco Contract expired.

Travis Settlement

On April 10, 2018 the Company and Adam Travis entered into a settlement agreement (the "Travis Settlement Agreement"). The Travis Settlement Agreement included provisions with respect to the composition of the Company's board of directors and nominees ("Dissident Proxy") that were to be elected at Colorado's annual meeting of shareholders held on April 17, 2018. Pursuant to the terms of the Travis Settlement Agreement the Company agreed to reimburse Mr. Travis and Cazador certain expenditures to a maximum of $650,000 for costs incurred in relation to the Dissident Proxy and other expenditures associated with Travis Settlement Agreement.

On November 28, 2018 the Company and Mr. Travis resolved all matters that were in dispute and paid all outstanding expenses in the amount of $688,421, and severance fees in the amount of $225,000 pursuant to the Travis Settlement Agreement.

Consulting Fees to Non-Executive Directors

- Consulting fees of $Nil (2018 – $650) were paid or accrued to 43983 Yukon Inc, a company controlled by Larry Nagy, a former director of the Company. Mr. Nagy resigned as director effective April 17, 2018;
- Consulting fees of $Nil (2018 - $8,000) were paid or accrued to William Lindqvist, a former director of the Company. Mr. Lindqvist resigned as a director effective April 17, 2018.
- Director fees of $6,250 (2018 - $7,625) were accrued to Cecil Bond, a director of the Company.
- Director fees of $6,250 (2018 - $8,125) were accrued to Bryan Wilson, a director of the Company.
- Director fees of $6,250 (2018 - $7,625) were accrued to Alastair Still, a director of the Company.
- Director fees of $6,250 (2018 - $7,125) were accrued to Patrick Soares, a former director of the Company. Mr. Soares resigned as a director effective August 20, 2019.

Related Party Liabilities Included in Trade and Other Payables:

Amounts due to:	Service for:	June 30 2019	March 31 2019
Minco	Consulting Fees	$ -	$ 6,904
Patrick Soares	Directors' fees	32,250	26,000
Cecil Bond	Directors' fees	32,250	26,000
Bryan Wilson	Directors' fees	32,750	26,500
Alastair Still	Directors' fees	32,750	26,500
Robert Shaw	Wages	84,500	50,500
Eric Casey	Wages	14,681	-
		$ 229,181	$ 162,404

(Expressed in Canadian Dollars)

18. SEGMENT REPORTING

The Company operates in one industry segment, the mineral resources industry, and in one geographical segment, Canada .

	June 30 2019	March 31 2019
	Canada	
Reclamation Deposits	$ 162,000	$ 162,000
Property, Plant and Equipment	137,944	12,057
Exploration and evaluation assets	22,676,882	22,676,882
Total	$22,976,826	$22,850,939

19. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing the net loss for the year by the weighted average number of common shares outstanding during the period.

	June 30 2019	June 30 2018
Net loss attributable to common shareholders	($276,500)	($1,746,343)
Weighted average number of common shares	125,137,144	123,220,217
Basic and diluted loss per share	($0.00)	($0.01)

20. SUPPLEMENTAL CASH FLOW INFORMATION

Investing and financing activities that do not have a direct impact on cash flows are excluded from the consolidated statements of cash flows. During the period ended June 30, 2019 and 2018 the following transactions were excluded from the consolidated statements of cash flows:

i) As a result of the adoption of IFRS 16 (Note 3), on April 1, 2019, a new lease asset and lease liability were recognized, The lease asset recognized is presented in Note 9. The current portion of the lease liability is presented in Note 13 and is split between accounts payable and accrued liabilities ($53,766 at June 30, 2019) and long term lease liability ($74,601 at June 30, 2019).

ii) During the years ended March 31, 2019 and 2018, no cash was paid for interest or income taxes.

21. EVENTS AFTER THE REPORTING DATE

Subsequent to the quarter ended June 30, 2019, on August 20, 2019, the Company completed a plan of arrangement with Buckingham, which resulted in the acquisition of Buckingham, with Buckingham shareholders receiving one half of a common share of the Company for each Buckingham common share held, resulting in 12,049,053 Colorado common shares issued. The acquisition also resulted in the 4,200,000 outstanding Buckingham warrants being converted to Colorado warrants at the same terms as the common shares, resulting in an additional 2,100,000 Colorado warrants outstanding exercisable at $0.12 until August 20, 2022.

Concurrently, the Company completed a private placement financing (the "Financing") of 15,267,855 flow-through units at a price of $0.12 per unit, and 22,069,928 non flow-through units at a price of $0.085, for aggregate gross proceeds of $3,708,086. Each flow-through unit consists of one flow-through common share and one half of one common share purchase warrant, with each whole warrant exercisable at $0.15 for three years. Each non flow-through unit consists of one common share and one half of one common share purchase warrant, with each whole warrant exercisable at $0.12 for three years.

In connection with the Financing, Newmont Goldcorp Corp. has agreed to exercise its pre-emptive right and subscribed for 6,336,717 units of Colorado at a price of $0.085 per unit for aggregate proceeds of $538,612, with each unit consisting of one common share and one half of one common share purchase warrant exercisable at $0.12 for three years, thereby extinguishing the Company's loan amount $500,000 plus related interest. In addition, the Company issued 250,000 Bonus Shares at a deemed value of $0.115 per share pursuant to the Loan Agreement. See Note 12.

Colorado paid finder's fees in the amount of $82,140 and issued an aggregate of 688,885 warrants to certain finders arm's length to Colorado. Each finder's warrant is exercisable for one common share at a price of either $0.12 or $0.15 per share for a period of three years.