



# COLOMBIAN MINES CORPORATION

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## NEWS RELEASE

### **Colombian Mines Corporation To Acquire Rocky Mountain Mining**

**VANCOUVER, BRITISH COLUMBIA, July 14, 2016 (TSX-V: CMJ, Frankfurt: X6C) - Colombian Mines Corporation** ("Colombian Mines" or the "Company") is pleased to announce that the Company has entered into a binding letter of intent to acquire privately held Rocky Mountain Mining (RMM) of Aurora, Colorado. In an all-stock deal, the Company will obtain all of the issued and outstanding shares of RMM with an initial payment of 200,000 common shares. CMJ will also grant RMM shareholders warrants to purchase up to 1,700,000 additional shares at escalating prices over a five year period. With the RMM acquisition, Colombian Mines obtains a group of patented mining claims in the Leadville Mining District of Colorado together with an extensive data base on those properties.

#### **Agreement**

CMJ will issue 200,000 common shares and an additional 1,700,000 share purchase warrants to the current shareholders of RMM. The warrants will allow the holder to purchase one full share of CMJ per warrant and may be exercised in whole or in part at any time within five (5) years of granting. During an initial term up to 24 months after the grant the warrants may be exercised at a price of CDN \$0.15 per share. During the period of 24 to 48 months after grant warrants may be exercised at a price of CDN \$0.30 per share, or during a final period of 48 to 60 months from the date of grant at a price of CDN \$0.45 per share.

#### **Leadville Mining District**

The Leadville District is one of the premier historic and modern mining districts in the United States. Since 1860, the district has produced over 3.25 million ounces of gold and 256 million ounces of silver<sup>1</sup>, although it is better known for its lead-zinc production. By 1915, a new use for molybdenum as a steel hardener and its critical need in World War I, initiated development of what became the largest underground mine in the world with peak production reaching 75% of the world supply.

#### **Property**

The property is located in an area of the district known for its high gold values, including the presence of coarse visible gold. According to S. F. Emmons and his seminal 1886 USGS report on the District<sup>2</sup>, the two most productive host rock horizons are present and mineralized in the property area. Early exploration on the property resulted in the discovery iron sulfide orebodies. The lower portions of the main iron ore zone as reported by Emmons was "impregnated with very coarse gold" and one 400 to 500 ton quartzite orebody averaged 1.5 ounces per ton gold (opt Au) and 4.0 ounces per ton silver (opt Ag)<sup>3</sup>.

#### **Company Focus**

Further information on the Company's newly acquired Leadville property position is currently being consolidated. The RMM acquisition commences the Company's program of acquiring gold and silver focused high grade assets in favorable jurisdictions, while continuing to advance its properties in Colombia. The RMM acquisition is highly accretive to CMJ's shareholders, minimizes dilution and builds shareholder value. The Company is currently reviewing other more advanced acquisition opportunities.

## Colombian Properties

### El Dovio-

The Company's work has identified a zone ranging from 10 to 68 meters wide by 1 kilometer long that has been drill tested more than 200 meters down dip. Previously reported drill holes by the Company include hole D13-01A: 4.9 meter averaging 4.9 g/t Au, 11.7 g/t Ag, 1.23% Cu and 2.0% Zn and hole D13-05 : 6.9 meter averaging 5.9 g/t Au, 34.3 g/t Ag, 5.9% Cu and 1.3% Zn.

Metallurgical tests indicate mineralization at El Dovio responds very well to conventional froth flotation, yielding recoveries of 96.4% for gold, 97.8% for copper, 91.1% for silver and 96.8% for zinc.

### Yarumalito-

At Yarumalito, the company is exploring successfully for both high grade gold-silver vein mineralization (Culebra shear zone) and copper-gold porphyry mineralization (La Escuela and Balastreras zones).

#### Culebra shear zone

As demonstrated by historic mine workings, outcrop and drilling, the zone extends over a 5 kilometer strike length with a vertical development in excess of 1000 meters. Sampling in historic mine workings has returned individual samples to 2.8 meters assaying 18.9 g/t Au and 64.8 g/t Ag within a larger 12 meter zone averaging 5.8 g/t Au and 26.7 g/t Ag. Initial drilling by the Company (drill hole YAR-11) also returned 1.9 meters (from 138.1 meters to 140.0 meters) assaying 33.8 g/t Au.

#### La Escuela- Balastreras

The presence and extent of gold porphyry style alteration and mineralization has been mapped and characterized with multiple programs of geophysical, surface rock chip and soil sampling. To date more than 18,000 meters of drilling has been completed, much of this in and around the Escuela target zone, resulting in the identification of a significant volume of mineralization exemplified by drill hole YAR 24 that contains a 151 meter intercept from surface grading 0.64 g/t Au in an outcropping mineralized body roughly 1,000 meters long by 400 meters wide and more than 800 meters down dip. Metallurgical work on 1.5 metric tonnes of mineralized drill core composited from the Escuela zone achieved 91.6% recovery of gold on oxidized material crushed to ½ inch (12.5 mm), and recoveries of 80.6% and 63.0% on mixed and sulfide material respectively when crushed to 10 mesh (1.5 mm).

**Mercedes-** The 4,995 hectare Mercedes Property covers a high grade, volcanic hosted, intermediate sulfidation epithermal type system with outcropping high grade gold-silver-copper mineralization, where select surface rock sampling of mineralized structures include samples assaying from 2 to 50 g/t Au, 60 to 1,021 g/t Ag and 2% to 26.5% Cu. Historically, artisanal mining exploited high grade gold and copper mineralization, as well as high purity barite. Property wide airborne magnetic and radiometric surveys identify 31 high priority targets for follow up.

### Quality Assurance/Quality Control

The Company's samples are collected in accordance with accepted industry best practices. All core sample intervals are marked by company geologists and diamond saw cut by trained technicians. After collection, samples are double bagged, sealed individually, and delivered ISO certified laboratories for analysis. The Company maintains rigid QC-QA through insertion of a series of blanks, duplicates and certified standards at a rate of 1:30 or higher.

Mr. Robert G. Carrington, P. Geo, a Qualified Person as defined by National Instrument 43-101, the President and CEO of the Company, has reviewed and verified the technical information contained here-in.

### References

<sup>1</sup>Thompson, T. B., 1990, Precious Metals in the Leadville Mining District, Colorado *in* Gold-bearing Polymetallic Veins and Replacement Deposits—Part II; U.S. Geological Survey Bulletin 1857, Geology and Resources of Gold in the United States, pgs. F32-F49.

<sup>2</sup>Emmons, S. F., 1886, The geology and mining industry of Leadville, Colorado; U.S. Geological Survey Monograph 12, 720 p.

<sup>3</sup>Emmons, S.F., Irving, J.D., and Loughlin, G.F., 1927, Geology and ore deposits of the Leadville Mining District, Colorado: U.S. Geological Survey Professional Paper 148, 368 p.

**About Colombian Mines Corporation:** Colombian Mines Corporation is an aggressive exploration and development company focused on near to intermediate term production opportunities in favorable jurisdictions and one of Colombia’s leading “prospect generators”. Further information can be found on our website at [www.colombianmines.com](http://www.colombianmines.com).

Signed: “Robert G. Carrington”  
President & CEO

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***Forward-Looking Statement:***

*Some of the statements in this news release contain forward-looking information that involves inherent risk and uncertainty affecting the business of Colombian Mines Corporation. Actual results may differ materially from those currently anticipated in such statements.*