



Colossus Expands Land Holdings at Serra Pelada and Wins Mining License

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Those bold investors that bet on Colossus Minerals Inc (TSX: CSI) when MidasLetter.com first wrote them up two years ago, will be pleased but probably not surprised at the company's recent announcement of having received their mining license for their high-grade gold-platinum-palladium Serra Pelada project in Para State, Brazil, bringing them ever closer to production at this famed deposit.

This announcement comes fast on the heels of their recent purchase of 7 square kilometers of ground surrounding Serra Pelada owned by Vale S.A. (NYSE:VALE), Brazil's and one of the world's biggest mining companies. The company felt the additional acquisition necessary to maximize the mineral potential of this 'gold rush' area.

Colossus is a big and bold name for a young mineral company but based on the evidence so far, this is a company that achieves its goals and expects to be a gold producing giant worthy of such nomenclature sooner rather than later.

Colossus CEO, Ari Sussman, summed up the company's recent progress with confidence, stating "The granting of an Installation License concludes yet another major milestone on the road to production at Serra Pelada, The expeditious manner in which the project is being advanced is a testament to the strength of our joint venture with COOMIGASP and the talent of the representatives from both companies that are working very hard towards our common goal."

From highly promising initial drill core assay results in 2009, to the purchase of the Vale lands and now onto an installation license is an impressive story arc for a development-stage mining company and the next step will be giant one indeed.

A Bold Step Toward Production at Serra Pelada

Colossus has consistently proved themselves to investors by setting out ambitious goals and meeting them on time. In a relatively short span, they have developed their flagship project, Serra Pelada, into a real producing prospect, successfully acquiring all necessary permits to move into the next stage.

Along with joint venture partner COOMIGASP, Colossus have received the Installation License ("IL") for the Serra Pelada project in Para State, Brazil. This license authorizes the joint venture's Brazilian subsidiary, Serra Pelada Companhia de Desenvolvimento Mineral ("SPC") to proceed with construction of a mine and related facilities at the project.



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The IL was issued by the Para State environmental council, Secretaria Estadual de meio Ambiente ("SEMA"), further to the Preliminary Environmental License ("PEL") issued by SEMA on March 9, 2010 which determined that Serra Pelada is feasible from an environmental standpoint.

On May 7, 2010, Colossus successfully earned the mining license for Serra Pelada, completing the final step in the permitting stage to move the project to the next level.

Serra Pelada: A Genuine Gold Rush Property

Discovered in 1979, Serra Pelada is still spoken of in hushed and reverent tones by geologists and local miners alike, after all it isn't every mine that gets to be featured on 60 minutes. In the 1980s, the property witnessed a genuine Latin American gold rush with up to 80,000 garimpeiros (artisanal miners) producing an estimated 2 million ounces of gold plus platinum and palladium, from a 400 metre by 300 metre by 100 metre hand-dug open pit.

To say that this a property with colossal potential is an understatement and Colossus is moving forward with an aggressive drill program for 2010 as well as working toward the critical milestone of being granted an Operating License.

Serra Pelada: Gold-Platinum-Palladium Mineralization

The Serra Pelada deposit is hosted by Archaean metasediments of the Rio Fresco Group which unconformably overlain by greenstone belts and gneissic basement, intruded by several ages of mafic-ultramafic and granitoid plutons

High-grade gold-platinum-palladium mineralization is hosted mainly by fine-grained carbonaceous rocks, but also occurs in iron oxide-rich breccias and silicified zones (Grainger et al, 2002). The deposit is oxidized to depths of around 300m. Consequently, sulfides are lacking and gold and PGE's occur mainly as metals and alloys (Cabral et al, 2002).

The Central Mineralized Zone at Serra Pelada was mined along about 350m of strike length to depths of about 110m. Vale drilling in this area encountered some remarkable intersections. For example drill hole FD-0032, 43m. (from 40m) assaying 4709g/t gold, 204g/t platinum and 1174g/t palladium (Cabral et al, 2002).

Vale drilling confirmed that gold-platinum-palladium mineralisation extends under the pit and for more than 450m strike length to the western boundary of 850.425/90. In these areas, mineralisation has been encountered at depths of 150-350m and constitutes the prime target of the COLOSSUS-COOMIGASP joint venture.

The geochemical character of Serra Pelada mineralisation (Cabral et al, 2002; Grainger et al, 2002) is consistent with its deposition by progressive reduction of highly oxidized brine(s) in a structurally controlled hydrothermal plumbing system postdating the main regional deformation of the Rio Fresco Group.



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Program for 2010:

- Continued surface drilling to clarify very high-grade subzones, ore body extensions and other targets;
- Update 43-101;
- Complete metallurgical testing;
- Complete geotechnical, hydrological engineering and resource modeling;
- Approval of Environmental Impact Study;
- Approval of Preliminary Economic Assessment (PAE);
- Commence engineering and design of a mill facility;
- Mining license.

Team Experience, Committed Strategic Partners and a Precision Plan to Production

Colossus Minerals Inc. know that even with a fabled and famous property like Serra Pelada success will only come with a precision plan executed by a company team with deep international experience and with the aid of local partnerships on the ground. Although Brazil is a stable mining jurisdiction with a long history of successfully managing properties: making a mine a producing success depends as much on people as it does on the luck of geology.

This is why Colossus is committed to developing relationships with local garimpero groups, its venture partners including COOMIGASP, and local technical experts and companies.

“Working in partnership with COOMIGASP has provided me with a positive life altering experience,” commented Ari Sussman CEO. “We jointly look forward to beginning an aggressive exploration campaign on the surrounding 774 hectares with the aim of extending the known mineralization and finding new zones of mineralization.”

It is this combination of people and property that make the Colossus story unique: with the results and announcements coming thick and fast, bold investors will want to write themselves into the Colossus book as they look set to become a high-grade gold and platinum group metals producer of stature.

Follow The Company’s progress at <http://www.colossusminerals.com>

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