

## Coronado Announces Sale Transaction

**Vancouver, B.C., July 21, 2016 - Coronado Resources Ltd. (TSX-V: CRD) and (OTCQX: CRDAF)** (“Coronado” or the “Company”) announces that its wholly owned subsidiary, Coronado Resources USA LLC (“Coronado USA”), has entered into a definitive asset purchase agreement with Carolina Capital Corp. (“Carolina”), dated July 21, 2016 (the “APA”), pursuant to which Coronado USA would sell its copper and gold mining property located in Silverstar, Montana and related assets (the “Transaction”), in exchange for the following:

- 1) \$250,000 (less a US\$25,000 non-refundable deposit) on the closing date;
- 2) 1,000,000 common shares of Carolina as follows:
  - i. 500,000 shares upon the first anniversary of the closing date; and
  - ii. 500,000 shares upon the second anniversary of the closing date; and
- 3) the sum of \$100,000, within 30 days of the commencement of commercial production as described in the APA payable.

Upon extensive analysis and discussion of the options available to the Company, management and the Board determined that the Transaction is the best course of action for the Company and its shareholders.

The value of the Madison property and related assets has been determined by arm’s length negotiations between Coronado and Carolina. The APA contains covenants, representations and warranties that are typically included in asset purchase agreements of this nature. The Transaction is expected to close in September, 2016 as all requisite approvals have been received by the parties to the APA, accordingly.

For further information:

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*Completion of the Transaction is subject to a number of conditions, including Exchange acceptance. There can be no assurance that the Transaction will be completed as proposed or at all.*

*Investors are cautioned that any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Coronado should be considered highly speculative.*

*The TSX-V has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.*

*Neither TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.*

### **Cautionary Note Regarding Forward-Looking Statements:**

*Statements contained in this news release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of Coronado. Such statements can generally, but not always, be identified by words such as “expects”, “plans”, “anticipates”, “intends”, “estimates”, “forecasts”, “schedules”, “prepares”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur.*

*Forward-looking statements and information concerning anticipated financial performance are based on management’s assumptions using information currently available. Forward-looking statements in this news release include Coronado’s expectations regarding the ability to complete, and the anticipated results of the Transaction and the funds that will be available to Coronado upon completion of the Transaction.*

*In making the forward-looking statements in this news release, Coronado has applied certain factors and assumptions that are based on information currently available to Coronado as well as Coronado's current beliefs and assumptions made by Coronado, including that Coronado will be able to complete the Transaction. Although Coronado considers these beliefs and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Although Coronado has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Coronado does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*