

# CORONADO RESOURCES LTD.

## INITIAL PHASE OF UNDERGROUND DIAMOND DRILLING AT MADISON GOLD\COPPER PROJECT IN MONTANA USA PROVES SUCCESSFUL!

### NEWS RELEASE

**Date: January 25<sup>th</sup>, 2010**

Coronado Resources Ltd. TSX.V-CRD has completed its initial phase of the underground diamond drill program at the Madison Gold/Copper Project located near Butte in Montana, USA. Gold highlights from the program are as follows:

Hole	Intercept	Feet	Au oz/t	Au gm/mt
<b>09-U1</b>	<b>12.5-42.5</b>	<b>30</b>	<b>.313</b>	<b>10.74</b>
<b>Including</b>	<b>12.5-27.5</b>	<b>15</b>	<b>.528</b>	<b>18.11</b>
<b>09-U2</b>	<b>22-58</b>	<b>36</b>	<b>.468</b>	<b>16.05</b>
<b>Including</b>	<b>26.5-44</b>	<b>17.5</b>	<b>.607</b>	<b>20.82</b>
<b>09-U3</b>	<b>25-70</b>	<b>45</b>	<b>.741</b>	<b>25.44</b>
<b>Including</b>	<b>25-47</b>	<b>22</b>	<b>1.274</b>	<b>43.68</b>
<b>09-U4</b>	<b>48-73</b>	<b>25</b>	<b>.588</b>	<b>20.95</b>
09-U5	0-21	21	.191	6.55
09-U6	0-18.5	18.5	.153	5.25
09-U7	158-163	5	.308	10.56
<b>10-U1</b>	<b>29-94</b>	<b>65'</b>	<b>.560</b>	<b>19.20</b>
<b>Including</b>	<b>36-64.5</b>	<b>30.5'</b>	<b>.881</b>	<b>30.21</b>

The main purpose of the underground drill program was to confirm the downward extension of the mineralized gold zone at the bottom of the decline. The program established that without a doubt the zone does extend below the current level with excellent gold grades. **The most significant results were from hole 09-U3 of a 22 foot intercept running 1.274 oz/ton au and from hole 10-U1 a 30.5 foot intercept that ran .881 oz/ton au.** Holes 09-U1 through U4 and 10-U1 were concentrated below the current gold zone.

An internal resource calculation is being prepared. We will commence the next phase of the underground drilling once all the data is obtained and assessed. Drill holes 09-U5 through U7 were drilled to test different zones identified on the property.

**About Coronado:** Coronado Resources Ltd. is a Canadian based mineral exploration and development company that is focused on its 100% owned Madison Gold/Copper property in Montana, USA. Madison is a former producer that is now producing cash flow from high grade copper and gold shipments which commenced in 2008. The company remains focused on expanding the Madison project with continued

exploration and development drilling being funded from the cash flow. Our proven management team is actively pursuing new mining opportunities for its shareholders.

Assay work was completed by Norris Labs, a local Montana lab using the dry assay method. Norris Labs is not registered by the international standards organization and are used due to proximity and quick turnaround results. Eugene Larabie, P. Eng. is the “qualified person” overseeing the project.

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On Behalf of the Board

“Eugene Larabie”

Eugene Larabie, P. Eng., President

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