

For Immediate Release

For More Information:

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Coastal Banking Company Inc. Shareholders Approve Slate of Directors, Appoint Lead Independent Director

BEAUFORT, S.C., May 31, 2016 – Coastal Banking Company Inc. (OTCQX:CBCO), the holding company of CBC National Bank, which operates branches in Fernandina Beach, Ocala and The Villages, Fla, and Beaufort and Port Royal, S.C., announced that at its May 25th shareholders' meeting in Beaufort, shareholders approved a slate of directors and appointed a new lead independent director.

The Coastal shareholders elected Kenneth Ausley, Suellen Garner, Mark Heles, and Ladson Howell Class II Directors with terms expiring in 2019 and John Adams II and Charles Wagner Class III Directors with terms expiring in 2017.

The Coastal Board, at the behest of the Governance Committee, elected Ladson Howell as Lead Independent Director and Vice Chairman of the Board. Howell previously held the title of Vice Chairman.

About Coastal Banking Company Inc.

Coastal Banking Company Inc., headquartered in Beaufort, S.C., is the \$474.8 million-asset bank holding company of CBC National Bank, headquartered in Fernandina Beach, Fla., which provides a full range of consumer and business banking services through full-service banking offices in Fernandina Beach, Ocala and The Villages, Fla, Beaufort and Port Royal, S.C. The company's residential mortgage banking division, headquartered in Atlanta, includes traditional retail and wholesale lending, as well as a National Retail Group that has lending offices in Arizona, Florida, Georgia, Maryland, Michigan, North Carolina, Indiana, Illinois and Ohio. The company's government guaranteed lending division originates SBA loans primarily in Jacksonville, Ft. Myers, Tampa and Vero Beach, Fla., Greensboro, N.C., Atlanta and Beaufort. The company's common

stock is publicly traded on the OTCQX Markets under the symbol CBCO. The company was been named to the OTCQX® Best 50 in both 2015 and 2016, an annual ranking of the top 50 US and international companies traded on the OTCQX Best Market, based on the combined one-year total return on market value and average growth in daily dollar trading volume. For more information, please visit the company's website, www.coastalbanking.com.

About CBC National Bank

CBC National Bank, headquartered in Fernandina Beach, Fla., provides a full range of consumer and business banking services through full-service banking offices in Fernandina Beach, Ocala and The Villages, Fla., and Beaufort and Port Royal, S.C. The company's residential mortgage banking division, headquartered in Atlanta, includes traditional retail and wholesale lending, as well as a National Retail Group that has lending offices in Arizona, Florida, Georgia, Maryland, Michigan, Indiana, Illinois and Ohio. The company's government guaranteed lending division originates SBA loans primarily in Jacksonville, Ft. Myers, Tampa and Vero Beach, Fla., Greensboro, N.C., Atlanta and Beaufort. For more information, please visit CBC National Bank's website, www.cbcnationalbank.com.

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