CORONET METALS INC.

MANAGEMENT DISCUSSION & ANALYSIS

FORM 51-102F1

For the year ended March 31, 2014

July 25, 2014

This management's discussion and analysis provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the year ended March 31, 2014, compared to the corresponding period last year. This report prepared as at July 25, 2014 intends to complement and supplement our consolidated financial statements (the "financial statements") as at March 31, 2014 and should be read in conjunction with the financial statements and the accompanying notes. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "Coronet", we mean Coronet Metals Inc. and/or its subsidiary, as it may apply.

OVERVIEW AND DESCRIPTION OF BUSINESS

Coronet Metals Inc. ("the Company") was incorporated pursuant to the Business Corporations Act (British Columbia). The Company is a listed issuer on the TSX-V under the symbol "CRF", the Frankfurt Stock Exchange under the symbol FWB: 2CM and on the United States OTC stock market's premier tier, OTCQX, under the symbol CORMF.

The Company is engaged in the business of acquiring, exploring and developing natural resource properties, with a focus on precious mineral properties. The Company's strategy and focus is to build a substantial junior gold mining and exploration Company by acquiring advanced, near production, low cost assets in the Americas. Coronet Metals Inc. is currently re-evaluating the focus of the Company with emphasis on its White Caps Gold Project. The makeup of the Board and management team is being evaluated based on this new focus of the Company. Coronet's head office is located in Vancouver, British Columbia and it has subsidiary offices in Lima, Peru and Nevada, USA. The Company is considered to be in the exploration stage as it has not placed any mineral properties into production. Commercial operations have not yet commenced at the Liberty Processing Facility.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES

White Caps Gold Project Purchase- Nevada, USA

On October 31, 2012 the Company acquired 100% of the outstanding shares of White Caps Gold Mining Company, Inc. ("WCGM") for US $630,000 cash and 6,428,862 of Coronet common shares at a price of $0.08 per share, the closing price of the Company's shares on the TSX-V on the closing date of the transaction. In addition to the shares purchased, Coronet acquired other rights, titles and interests in the Manhattan Mining District for US $100,000 from a former WCGM shareholder. The transaction was accounted for as an asset acquisition and the cost was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

The acquisition consists of the White Caps Mill, historic mine dumps/tailings and 2,800 acres of patented and unpatented mining and millsite claims in the Manhattan Mining District of Nevada. There are historical references indicating up to 300,000 tonnes of gold-bearing tailings and dumps with an average grade of about 3 g/t of gold. Coronet has initiated a NI 43-101 Exploration Technical Report which is on hold until land tenure evaluations and metallurgical testing is completed. Coronet has plans of upgrading the Technical Report to a Preliminary Economic Assessment when financially possible.

The White Caps acquisition is in line with Coronet's strategy of acquiring precious metals mining projects which have the potential for both near-term cash flow and significant exploration upside potential. Since closing, Coronet has been working on the White Caps land tenure, water well refurbishment, water rights, hydrology/ground water modeling report, cultural report, habitat report, processing plant refurbishment plans, new tailings impoundment design and other studies, evaluations and estimates required for preparation of the submittal of the Bureau of Land Management Plan of Operations permit application in conjunction with the Nevada Department of Environmental Protection. This permit application was submitted on June 7, 2013.

At the time of submission the Company anticipated that the permits could be obtained in 10 to 16 months at which time refurbishment of the mill to a capacity of 250 tons per day and construction of an expanded tailings impoundment can begin. Once construction is complete, production of approximately 6,000 ounces of gold per annum for about 3 years is forecasted. All timelines are dependent on receipt of the permit and as of the date of this report there is no firm update on timing of the permit.

Coronet also contemplates using the White Caps mill to toll process gold ore from mining operations within trucking distance. Coronet is evaluating other Manhattan area acquisitions or joint ventures which could have the potential for additional White Caps Mill feed and/or exploration upside potential.

A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves nor does Coronet treat the historical estimate as current mineral resources or mineral reserves.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES (CONTINUED)

Liberty Precious Metals Testing & Processing Facility Lease/Option Agreement- Nevada, USA.

On February 6, 2013, the Company, through its wholly owned US subsidiary, Coronet Metals (US) Inc., entered into a Lease Agreement (the "Lease") with the Ofiesh 2005 Family Trust with an option to purchase the fully permitted, 50 tons per day, Liberty Precious Metals Testing and Processing Facility (the "Liberty Facility") located in the Amargosa Valley, 2 hours north-west of Las Vegas, Nevada, on 40 acres of private land. The Liberty Facility is permitted to process up to 50 tons per day of precious metals feed including high grade ore and flotation/gravity concentrates from Nevada and out-of-state facilities. Coronet invested circa $2.5 million, to date, into construction of the processing circuit at the Liberty Facility to treat gold concentrates.

The Company has been unable to achieve sustainable commercial recovery of gold from the feed material and is continuing to evaluate options for the project, including alternative sources of feed material, partnering with operating mines or the possible sale of the Lease and operating agreement. During this evaluation, operations have been suspended and the Company's is focused on preserving cash.

The term of the Lease is for an initial period of 24 months, commencing on February 6, 2013, and can be automatically extended for an additional period of 24 months, unless the Company delivers written notice of its election to terminate. The Lease will also expire upon the Company's purchase of the Property if the Company elects to exercise the Option to Purchase the Liberty Facility for US $4,000,000. The Company agreed to pay the sum of US $20,000 per month rent throughout the Lease, including any extension thereof.

Yanamina Gold Project

On June 1, 2011 the Company completed the acquisition of a 100% interest in Coronet Metals Peru S.A.C. ("Coronet Peru"), formerly known as Golden Eagle Resources Peru S.A.C. ("Golden Eagle"), the owner of the Yanamina Gold Project ("Yanamina") mining concessions located in Peru, from Westmag Resources Limited ("Westmag") a wholly owned subsidiary of Latin Gold Limited ("Latin Gold"). On June 1, 2011 the Company acquired control of Coronet Peru, preparing the financial statements on a consolidated basis from that date.

As at March 31, 2013, the Yanamina asset was written off with a resulting write down of exploration properties on the statements of loss and comprehensive loss of $5,913,909. See page 7 for detail on the impairment of the assets.

On June 16th, 2014 - Argus Metals Corp. ("Argus") and Coronet Metals Inc. ("Coronet") announced that they have signed a definitive agreement whereby Argus will purchase the Yanamina Gold project from Coronet. On the close of this transaction Coronet will own 40% of Argus and have the right to maintain its ownership through any future financings by Argus. Further details of the transaction are found below.

Argus and its Peruvian staff have a history of negotiating and successfully implementing community agreements in Peru and elsewhere in Latin America. The management and board of Argus have a depth of experience in both fundraising and mine development and will be focusing all of the company's efforts on bringing the Yanamina project forward to production.

The Yanamina Project is located near Carez, Ancash Department, Peru and consists of five concessions totaling 924 ha in area. The Yanamina Project is situated 40 km north and 120 km south of Barrick Gold's Pierina (7.5 million ounces Au) and Alto Chicama/Laguna's Norte (9.1 million ounces Au), respectively.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES (CONTINUED)

The Yanamina Project

Yanamina is an advanced-stage project with a NI 43-101 compliant resource of 83,100 oz gold in the indicated category and 123,700 oz gold in the inferred category at a 0.5 g/t gold cutoff. In February 2011, a Preliminary Economic Assessment ("PEA") on the Yanamina Project was prepared for Coronet, and is summarized as follows:

- Treating 4,802,000 tonnes of ore grading 1.34 g/t gold and 5.65 g/t silver with heap leach recoveries of 73% gold and 40% silver with projected production of 151,000 oz gold and 349,000 oz silver at a cash cost of US$ 257/eq oz gold over a five year mine life.
- Initial annual production of 41,000 oz gold and 95,000 oz silver with averages of 30,000 oz gold/year and 70,000 oz silver/year over the mine life.
- Capital expenditures (including working capital) estimated to be US$35.5 million.
- At US$1,025/oz gold and $16.50/oz silver, the IRR is 50%, the NPV at a 5% discount is US$40.5 million and the payback is 1.47 years from the start of operations.
- The PEA was based on a 5 year 1:1 stripping ratio open pit mine, a 3,000t/d heap leach operation and a US$6.5 million reclamation and closure cost.

An updated PEA study has been commissioned to be filed with the TSX Venture Exchange (**TSXV**) in conjunction with this transaction.

Purchase Terms

Argus will acquire the Yanamina Project by acquiring all of the shares of Coronet's wholly owned Peruvian subsidiary – Coronet Metals Peru S.A.C. ("**Coronet Peru**"). Under the terms of a Share Purchase Agreement, Argus has agreed, subject to the satisfaction of certain conditions precedent, to acquire all the shares of Coronet Peru in consideration of:

(a) delivering to Coronet that quantity of common shares in the capital of Argus (the "**Shares**") as is equal to 40% of the issued and outstanding common shares of Argus as of the closing date. As at today's date, Argus has 7.9 million shares issued and outstanding so this would amount to Argus issuing 5.3 million Shares to Coronet; and

(b) assuming Coronet's obligations under the original agreement whereby Coronet acquired Coronet Peru, being an agreement dated December 9, 2010, as amended, with Latin Gold Limited, pursuant to which, Coronet has remaining obligations provided certain milestones are reached by Coronet Peru toward putting the project into production.

Further, Coronet will be entitled to:

- participate up to 40% in all financing undertaken by Argus for five years or until the Yanamina project has been brought into production;
- nominate two board members to the Argus board of directors until the project has been brought into production.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES (CONTINUED)

The Yanamina Project

The obligations to be assumed by Argus under Coronet's original agreement to the benefit of Latin Gold Limited are:

- US$1.5 million payable upon commencement of construction or a mine, and a bonus of US$1.0 million payable at the time the inferred resource exceeds 275,000 ounces gold;
- US$2.0 million payable upon the 12 month anniversary of the initial gold pour;
- US$2.0 million payable upon the 24 month anniversary of the initial gold pour; and
- common shares valued at US$2.5 million upon confirmation of an inferred resource equal to or greater than 250,000 ounces of gold within the Yanamina Deeps Exploration Target. The Yanamina Deeps Exploration Target is an undrilled potential footwall extension to the existing Yanamina resource. Latin Gold will also hold an overriding 1.0% gross royalty on all production in excess of 200,000 ounces Au.

Argus' goal in acquiring the Yanamina Project is to work with the local interest groups toward an agreement so as to enable the project to be placed into production. The consideration payable to Coronet is largely contingent upon Argus succeeding in that regard, as the Shares issued to Coronet will be held in escrow to be released as follows:

(i) one-third of the Shares will be released on the earlier of one year following the closing, or upon the Company signing a production agreement with the local communities;

(ii) an additional one-third of the Argus Shares will be released on the earlier of commencement of construction of a mine and mill (if required), or three years following the closing; and

(iii) the remaining one-third of the Argus Shares will be released on the earlier of commencement of production, or five years of closing.

If Argus is not successful in negotiating an agreement with the local communities, or putting the project into production, the agreement with Coronet can be unwound as to:

(a) if an agreement with the local communities is not reached within 12 months following the closing, Argus may return the shares of Coronet Peru to Coronet in consideration of terminating 85% of the Shares of Argus issued to Coronet;

(b) if Argus is unable to commence commercial production within five years from the closing, or if Argus reasonably determines within such five year period that it will be unable to commence commercial production from the project by the end of such five year period, Argus may transfer and return the shares of Coronet Peru to Coronet in consideration of terminating all of the Shares which have not then been released to Coronet; or

(c) if an agreement with the local communities is not reached within 36 months following the closing, Coronet may return all of the Shares to Argus in consideration of receiving from Argus all of the shares of Coronet Peru.

Closing of the transaction is subject to a number of conditions precedent, including satisfactory completion of due diligence and TSXV approval. There can be no assurance that the conditions will be met or that the transaction will be completed as proposed or at all.

SIGNIFICANT EVENTS, TRANSACTIONS AND ACTIVITIES (CONTINUED)

Equity Financings – Private Placements

On February 6, 2014 the Company closed a non-brokered private placement of 14,947,660 units at a price of $0.05 per unit for gross proceeds of $747,383 (the "February Private Placement"). Each unit is comprised of one common share and one common share purchase warrant entitling the holder to purchase one additional common share of Coronet at an exercise price of $0.10 at any time for a period of two years from the closing date of the February Private Placement. The Company paid finders' fees of $1,800 in cash and other share issuance costs of $11,962 in cash. The Company also issued 36,000 finders' warrants in connection with the February Private Placement. The fair value of the broker warrants issued was estimated using the Black-Scholes option pricing model. The fair value of $1,529 was offset against share capital as share issuance costs together with an equivalent increase to contributed surplus.

On September 25, 2013, the Company closed a non-brokered private placement of 13,517,000 units for proceeds of $675,850 (the "Private Placement"). Each unit is comprised of one common share and one common share purchase warrant entitling the holder to purchase one additional share of Coronet at $0.10 at any time for a period of two years from the closing date of the Private Placement. The Company paid finders' fees of $3,400 in cash in connection with the Private Placement. In addition to the warrants attached to the units, the Company issued 500,000 common share purchase warrants as finders' fees. The fair value of the common share purchase warrants issued was estimated using the Black-Scholes option pricing model. The fair value of $19,535 was offset against share capital as share issuance costs together with an equivalent increase to contributed surplus.

On October 31, 2012, the Company issued 6,428,862 common shares as part of the consideration for the acquisition of WCGM.

OVERALL PERFORMANCE

The Company explores for precious minerals with a strong emphasis on gold. The Liberty Processing Facility is being commissioned and commercial operations have not yet commenced. The Company has no earnings and therefore finances exploration and development activities by the sale of shares. The key determinants of the Company's operating results are the following:

(a) success of its exploration and development programs and putting these into production;

(b) the state of capital markets, which affects the ability of the Company to finance its exploration activities;

(c) the market price of gold and silver; and

(d) political and social issues which have affected and could further affect the ability of the Company to conduct exploration and mine development activities on its projects in Peru and the USA and other jurisdictions where the Company might operate in.

EXPLORATION AND DEVELOPMENT STRATEGY

White Caps Gold Project

- Continue to satisfy requirements to advance and obtain the permit for the White Caps mill which was submitted on June 7, 2013.
- Complete the White Caps Exploration Technical Report under National Instrument 43-101 followed by a Preliminary Economic Assessment in parallel with permitting. The NI 43-101 is in progress but on hold until land tenure evaluations and metallurgical testing is completed.
- Refurbish and upgrade the existing 250 tonnes per day White Caps mill once permitted. In addition the Company plans to expand the tailings impoundment in order to process the existing White Caps tailings and mine dumps, with loaded carbon processed at the Liberty Facility to produce gold and silver Doré.
- Further exploration at White Caps.
- Consolidation of the Manhattan Mining District and Manhattan district exploration.

EXPLORATION AND DEVELOPMENT STRATEGY (CONTINUED)

White Caps Gold Project

The White Caps Gold Project is key to the Company's future. Since Coronet acquired White Caps in late 2012, the Company has assembled 123 patented and unpatented claims in the Manhattan District in Nevada. Coronet believes that, by resolving complex land ownership in the district, it could unlock the potential of the Manhattan District where there is excellent exploration potential as a past producing area with many under-explored areas.

Liberty Facility, Nevada, USA

Coronet is continuing to evaluate options for the Liberty project, including alternative sources of feed material, partnering with operating mines or the possible sale of the lease and operating agreement. During this evaluation, operations have been suspended and the Company's focus is on preserving cash.

The Yanamina Project, Peru

On June 16th, 2014 - Argus and Coronet announced that they have signed a definitive agreement whereby Argus will purchase the Yanamina Gold project from Coronet. As at March 31, 2013, the Yanamina asset was written off with a resulting write down of exploration properties on the statements of loss and comprehensive loss of $5,913,909.

At March 31, 2013, the Company assessed the carrying amount of its exploration and evaluation assets for indicators of impairment such as changes in (1) the period for which the entity cannot explore in the specific area or whether these rights have expired during the period or will expire in the near future, and is not expected to be renewed and (2) whether substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected cash flows) of the relevant assets. In this particular case the recoverable amount is deemed to be zero due to the uncertainties of the asset's fair value and any expected future cash flows, hence the entire Yanamina asset was written down. The contingent consideration and the deferred tax asset at the end of March 31, 2013 were written off with a resulting write-down of exploration properties on the consolidated statements of loss and comprehensive loss of $5,913,909.

The conclusion for the write-down of the assets is based on the fact that the Company, despite its concessions being in good standing, does not currently have the right to explore and does not know when any future rights will be granted and that no substantive expenditure on further exploration and evaluation of mineral resources in the specific area is budgeted or planned.

Soon after the Yanamina Project was acquired from Latin Gold the Company determined that there were issues with the level of support from the local community for the project as well as the approvals and permits necessary to move the Yanamina project towards production. In September 2011, the Peruvian government approved "LEY DE CONSULTA PREVIA" -The Right to Prior Consultation of Indigenous Peoples of Peru under the Convention 169 of the ILO (International Labour Organization). The Convention requires that indigenous peoples be consulted "whenever legislative or administrative measures are given which may affect them directly". In addition, such consultations "should be made in good faith and in an appropriate manner to the circumstances in order to reach an agreement or consent on the proposed measures". So, with the adoption of this bill and the already difficult situation in getting community support, the Company hired an experienced team of Peruvian community relations specialists to engage with the local communities.

On April 23, 2012, Coronet announced completion of a community baseline report for the Yanamina project. The results were encouraging with the majority of the stakeholders supporting the development of a safe, environmentally sound and responsible gold mine. The Yanamina Project incorporates a strong commitment to social sustainability that includes health and education, job training, agricultural improvement programs and the formation of community partnerships. Coronet believes that the Yanamina Project is consistent with the government's goal of reducing poverty through the execution of responsible mining projects that ensure significant legacy benefits to the community.

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the financial statements. Financial statements for the years ended March 31, 2014 and 2013 are prepared in accordance with IFRS and Canadian Generally Accepted Accounting Principles ("Canadian GAAP") for the year ended March 31, 2011.

	Fiscal Years Ended March 31		
	2014	**2013**	**2012**
	$	**$**	**$**
Financial Position			
Total assets	**4,287,490**	3,807,589	14,630,204
Total liabilities	**802,172**	203,951	4,730,509
Operations			
Expenses			
Property investigation costs	**-**	502,493	415,585
Other expenses	**1,368,651**	1,158,510	1,796,834
Finance charges	**-**	221,346	284,781
Share-based compensation	**36,952**	266,801	1,812,590
Interest and other income	**(4,388)**	(29,473)	(41,427)
Impairment of exploration property	**-**	5,913,909	-
Other items	**38,577**	(21,419)	53,186
Recovery of income taxes	**-**	(935,000)	-
Net loss for the year	**(1,439,792)**	7,077,167	4,321,549
Basic and diluted loss per share	**(0.01)**	(0.08)	(0.06)

SUMMARY OF QUARTERLY REPORTS

The table below presents selected financial data for the Company's eight most recently completed quarters, all prepared in accordance with IFRS.

	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012
	$	$	$	$	$	$	$	$
Deficit and Cash Flow								
Interest income	**-**	103	1,105	2,490	3,961	5,032	6,515	3,734
Net loss	**(328,602)**	(410,807)	(385,386)	(314,997)	(5,462,933)	(192,969)	(554,311)	(886,954)
Basic and diluted loss per share	**(0.00)**	(0.00)	(0.00)	(0.00)	(0.07)	(0.00)	(0.01)	(0.01)
Financial Position								
Total Assets	**4,287,490**	3,891,671	3,802,303	3,470,603	3,807,589	13,965,063	13,555,110	14,188,471

SUMMARY OF QUARTERLY REPORTS (CONTINUED)

Fluctuations in Assets are mostly due to Cash deployed to property investigation and acquisition and advancement White Caps and Liberty projects as well as the impairment charge realized on the Yanamina property. Over the last eight quarters operational expenses fluctuated due to non-cash Stock based compensation and Finance charges, property investigation spending as well as attempts to preserve cash spending on general and administrative and Investor relations.

CONSOLIDATED RESULTS OF OPERATIONS

All of the balances set out in this and following sections, including the Summary of Annual results (for fiscal 2014 and Fiscal 2013), conform to IFRS standards.

For the years ended	**March 31, 2014**	March 31, 2013
	$	$
EXPENSES		
Impairment of exploration property	**-**	5,913,909
Property investigation costs	**-**	502,493
Professional fees	**135,580**	141,494
General and administrative	**506,852**	454,215
Contingent Consideration Fair Value Adjustment	**-**	221,346
Regulatory, transfer agent and filing fees	**55,844**	67,487
Automotive and general operating costs	**357,112**	46,356
Management, consulting and director's fees	**272,263**	342,805
Investor relations	**41,000**	106,153
Stock-based compensation	**36,952**	266,801
Loss before other items	**(1,405,603)**	(8,063,059)
Other items:		
Interest income	**3,698**	19,242
Foreign exchange (loss) gain	**(38,577)**	21,419
Other income	**690**	10,231
Loss before tax	**(1439,792)**	(8,012,167)
Recovery of income taxes	-	935,000
Loss and comprehensive loss for the year	**(1,439,792**)	(8,012,167)
Loss per share		
Basic and diluted loss per share	**(0.01)**	(0.08)
Weighted average number of shares outstanding	**97,696,019**	84,831,138

CONSOLIDATED RESULTS OF OPERATIONS (CONTINUED)

For the year ended March 31, 2014 compared to the year ended March 31, 2013

The Company recorded a net loss of $1,439,792 for the year ended March 31, 2014 compared to a net loss of $7,077,167 for the corresponding period in 2013. Some of the significant charges to operations are as follows:

- The impairment, $ 5,913,909, of exploration property in 2013 relates to the impairment of the Yanamina asset. No assets were written down on the current year.
- There were no property investigation costs incurred for the year (2013 - $502,493). In the prior year these costs were incurred as part of the Company's efforts to evaluate advanced-stage projects that meet its acquisition criteria.
- Professional fees of $135,580 (2013 - $141,494) include general corporate legal, audit and accounting for the year.
- General and administrative expenses of $506,852 (2013 - $454,215) related mainly to Coronet Peru, including salaries and benefits and office expenses. Other expenditures in G&A includes corporate travel and promotion expenses.
- Regulatory, transfer agent and filing fees of $55,844 (2013 - $67,487) relates to filing and listing fees for TSX and OCTQX as well as transfer agent fees.
- Automotive and general operating costs of $357,112 (2013 - $46,356) were incurred during the year. These costs are related to the start-up of the Liberty Precious Metals Processing Facility.
- Management and consulting fees of $272,263 (2013 - $342,805) were incurred during the year. Certain current and prior year management and consulting fees were paid to companies controlled by certain officers and directors of the Company.
- Investor relations expenditures of $41,000 (2013 - $106,153) were incurred to introduce the Company and its projects to potential investors in North and South America as well as in Europe. The IR expenditures were reduced as a result of a decision not to renew certain IR contracts.
- During the year the Company issued stock options to certain directors, officers and consultants of the Company resulting in a non-cash charge of $36,952 (2013 - $266,801) to stock-based compensation expense.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise exploration and development programs depending on its working capital position.

As at March 31, 2014, the Company had a working capital deficit of $403,673 (March 31, 2013 - $1,740,441) which primarily consisted of cash of $147,343 (March 31, 2013 - $1,796,020), receivables of $41,501 (March 31, 2013- $27,722) and prepaid expenses of $34,588 (March 31, 2013- $65,468). Current liabilities, being accounts payable and accrued liabilities as at March 31, 2014 amounted to $629,355 (March 31, 2013- $148,769). Long-term payables amounted to $60,067 (March 31, 2013 - $55,182). Refer to the Financial Statements for more information on the use of cash in operating, investing and financing activities for the years ended March 31, 2014 and March 31, 2013.

CONSOLIDATED RESULTS OF OPERATIONS (CONTINUED)

Other than the above mentioned current liabilities, the Company's only short-term capital spending requirements is to get the Liberty facility into production and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company's future revenues, if any, are expected to be from the mining and sale of mineral products or interests related there to. The economics of developing and producing mineral products are affected by many factors including the cost of operations, variations in the grade of ore mined, and the price of metals. Depending on the price of metals, the Company may determine that it is impractical to continue commercial production. The price of metals has fluctuated widely in recent years and is affected by many factors beyond the Company's control including changes in international investment patterns and monetary systems, economic growth rates, political developments, the extent of sales or accumulation of reserves by governments, and shifts in private supplies of and demands for metals. The supply of metals consists of a combination of mine production, recycled material, and existing stocks held by governments, producers, financial institutions and consumers. If the market price for metals falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or development of other projects or mining at one or more of its properties at that time.

TRANSACTIONS WITH RELATED PARTIES

The Company incurred the following related party transactions, with associated persons or corporations, which were undertaken in the normal course of operations and were measured at the exchange amount as follows:

a) The Company pays a monthly corporate administration fee of $3,150 that includes office rent ($900) and accounting ($2,250) to a company controlled by an officer and director. During the twelve-month period ended March 31, 2014, this amount was $37,800 (2013- $37,800)

b) Key management includes directors, executive officers and officers which constitutes the management team. The Company paid or accrued compensation in form of consulting fees to companies controlled by directors, executive officers and officers and share based compensation directly to directors, executive officers and officers as follows:

For the years ended	**March 31, 2014 $**	March 31, 2013 $
Consulting Fees	**450,061**	561,077
Share-based compensation*	**-**	176,265
	450,061	737,342

**The estimated fair value of the stock options granted during the year was determined using the Black-Scholes option pricing model.*

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Company's financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Significant areas where judgment is applied include the carrying value and recoverability of mineral property costs, inputs used in accounting for share-based compensation, the valuations of the non-cash transactions and the probabilities used in valuing the contingent consideration. Actual results could differ from these estimates. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. However, actual outcomes can differ from these estimates. The estimates and assumptions that have a significant risk of causing material adjustments to the Company's financial statements are addressed below.

i) The Impairment of exploration and evaluation assets. The net carrying value of each mineral property is reviewed regularly for conditions that indicate impairment. This review requires significant judgment as the Company does not have any proven and probable reserves that enable estimated future cash flows to be compared to the carrying values. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant decrease in the market price of the property; whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future and whether the Company has the necessary funds to be able to maintain its interest in the mineral property.

ii) The inputs used for share-based compensation calculation. The Company provides compensation benefits to our consultants, directors and officers through a stock option plan. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. Historical data is utilized to estimate option exercises and forfeiture behavior with the valuation model. The risk-free rate for the expected term of the option is based on the Government of Canada yield curve in effect at the time of the grant.

iii) The valuations of shares issued in non-cash transactions using the quoted share price as the fair value based measurement on the date the shares are issued for the transaction.

vi) The probabilities assigned to individual purchase components being met in calculating the contingent consideration are based on the most current and reliable information available to management.

CHANGES IN ACCOUNTING POLICIES

The IASB issued or amended the following standards which are relevant but have not yet been adopted by the Company: IFRS 9, Financial Instruments; IFRIC 21, Levies; IAS 32, Offsetting Financial Assets and Financial Liabilities. The Company has not yet completed the process of assessing the impact that the new and amended standards will have on its financial statements or determining whether to adopt in advance any of the new requirements. The Company does not expect to early adopt the following revised standards and amendments.

The following is a brief summary of these new standards:

CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 9 – Financial Instruments ("IFRS 9")

IFRS 9 will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. There are two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

Retrospective application of this standard is effective for fiscal years beginning on or after January 1, 2015, with early adoption permitted. The Company has not elected for early adoption of this standard and does not expect there to be any financial impact upon adoption.

IFRIC 21, Levies

In May 2013, the IASB issued IFRIC 21, "Levies", an interpretation on the accounting for levies imposed by governments. IFRIC 21 is an interpretation of IAS 37, "Provisions, contingent liabilities and contingent assets". IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The Company is currently assessing the impact of adopting IFRIC 21.

IAS 32, Offsetting Financial Assets and Financial Liabilities

IAS 32, Offsetting Financial Assets and Financial Liabilities, was issued in December 2011 and amends the criterion for an entity being allowed to report financial assets and liabilities on a net basis. Retrospective application of this standard is effective for fiscal years beginning on or after January 1, 2014, with early adoption permitted. The Company does not anticipate early adoption of this standard and does not expect there to be any financial impact upon adoption.

FINANCIAL INSTRUMENTS

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables are comprised of cash and cash equivalents and receivables, and are included in current assets.

Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

Financial liabilities at amortized cost

Financial liabilities at amortized cost include accounts payables & accrued liabilities and long-term payable. Accounts payable & accrued liabilities and long-term payable are initially recognized at the amount required to be paid less, when material, a discount to reduce the payables to fair value. Subsequently, accounts payable and accrued liabilities and long-term payables are measured at amortized cost using the effective interest method. Contingent consideration is recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

Financial liabilities are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

FINANCIAL INSTRUMENTS (continued)

Financial liabilities at fair value

Contingent consideration is recognized initially at fair value and subsequently at fair value at each reporting date with changes in fair value recorded in the statement of loss.

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss, as follows:

Financial assets carried at amortized cost: The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Financial Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk includes cash and cash equivalents and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. Receivables are GST/HST and VAT due from Canadian and Peruvian governments. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to meet liabilities as they come due. As at March 31, 2014 the Company had a cash balance of $147,343 to settle current liabilities of $629,355. The Company's cash is invested primarily in a treasury account which is available on demand.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company has non-material exposure at March 31, 2014 to interest rate risk through its financial instruments.

b) Foreign currency risk

The operations of the Company in Peru are subject to currency fluctuations where exploration and administrative expenses are being incurred in the local currency, the Peruvian New Sol. The Company's ability to advance funds to Peru is subject to changes in the valuation of the New Sol and the US dollar as well as rules and regulations of the Peruvian government. Fluctuations in the value of the New Sol and the US dollar may have an adverse effect on the operations and operating costs of the Company. Certain other costs are incurred in other currencies, but mostly the US dollar. The appreciation of non- US dollar currencies against the US dollar can increase the cost of exploration and potential production in US dollar terms. The Company does not use derivatives to mitigate its exposure to foreign currency risk. The Company's consolidated statement of financial position contains balances of cash and cash equivalents, receivables and accounts payable and accrued liabilities in currencies other than its functional currency. The Company is thus

FINANCIAL INSTRUMENTS

Financial Risk Management (continued)

exposed to foreign exchange risk. A +- 5% change on the USD:CAD rate relating to US $242,121 in assets (Cash and Prepaids held in USD) could have an ~$15,000 impact either way. The impact on US$45,078 current liabilities is about $1,500 either way.

c) Price risk

The Company's exposure to price risk with respect to commodity and equity prices is minimal due to the fact that the Company is still in the exploration stage with no earnings. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company intends to closely monitor commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company when warranted.

OTHER INFORMATION

Off Balance Sheet Items

The Company has no off-balance sheet arrangements.

Going Concern

The consolidated financial statements for the period ended March 31, 2014 have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Several material uncertainties may cast a significant doubt on the validity of this assumption. The Company has incurred losses since inception and has no current source of revenue. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given the volatile and uncertain financial markets. The consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. At March 31, 2014, the Company had a deficit of $15,802,496 (March 31, 2013 - $14,247,707) and a working capital deficit of $403,673 (March 31, 2013 – working capital of $1,740,441).

During the year ended March 31, 2012 the Company closed a non-brokered private placement of 35,572,010 units for proceeds of $10,671,603.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to continue as a going-concern, the net realizable values of its assets may be materially less than the amounts recorded on the consolidated statement of financial position. Such adjustments could be material.

Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue suitable business opportunities and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

OTHER INFORMATION (CONTINUED)

Management of capital (continued)

In order to facilitate the management of its capital requirements, the Company prepares monthly and annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of three months or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. The Company is uncertain as to whether its current capital resources will be sufficient to carry its exploration and development plans and operations through its current operating period and, accordingly, management is reviewing the timing and scope of current exploration plans and is also pursuing other financing alternatives to fund the Company's operations.

The Company is not currently subject to externally imposed capital requirements. There are no changes in the Company's approach to capital management.

Outstanding Share Data

The table below presents the Company's common share data as of July 25, 2014.

		Weighted average exercise price	Expiry Date	Number of common shares
Common Shares, issued and outstanding		-	-	**82,171,525**
Securities convertible into common shares:				
	Warrants	$ 0.50	June 1, 2013	**19,660,218**
	Stock Options	$ 0.36	June 1, 2015	**4,333,833**
	Stock Options	$ 0.42	June 16, 2015	1,235,000
	Stock Options	$ 0.27	October 3, 2015	382,500
	Stock Options	$ 0.38	October 18, 2015	1,825,000
	Stock Options	$ 0.10	May 25, 2016	5,559,833
				115,167,909

*14,017,000 warrants expires on September 25, 2015 and 14,983,660 warrants expires on February 06, 2016

SUBSEQUENT EVENT

1. On June 16, 2014, Argus Metals Corp. ("Argus") and Coronet announced that they have signed a definitive agreement whereby Argus will purchase the Yanamina from Coronet. On the close of this transaction Coronet will own 40% of Argus and have the right to maintain its ownership through any future financings by Argus.

2. Effective April 11, 2014 the company issued a promissory note to related party, Pashleth Investments Inc. The principal amount $190,900 bears interest at a rate of equal to 10% per annum, compounded monthly. Principal and accrued interest are due by October 11, 2014.

RISKS AND UNCERTAINTIES

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

RISKS AND UNCERTAINTIES (CONTINUED)

Exploration and Development

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Company and/or its subsidiaries will result in discoveries of commercial metal reserves.

Mining and development risks always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of naturally occurring mineral deposits. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed.

Metal prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and increased production by current producers.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Foreign Country and Political Risk

The Company is actively pursuing mineral properties located in Peru, South America. On June 1, 2011 the Company closed the Yanamina property transaction and as a result the Company has initiated an exploration diversification program into Peru. Given the last statement, the Company is subject to certain risks, including currency fluctuations and possible political or economic instability in Peru, which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes may also adversely affect the Company's business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety. To mitigate such risk, the Company funds its foreign operations on an as-needed basis. The Company does not presently maintain political risk insurance for its foreign exploration projects. There has been significant uncertainty relating to mineral development in Peru since Presidential elections in early 2011. The government's position on enforcement of mineral rights is unclear.

Title Risks

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

RISKS AND UNCERTAINTIES (CONTINUED)

Social and Surface Access Factors

The Company's concessions in Peru are located within or near rural communities, some of which have historically opposed mining activities. The Company has employed Legal Community Relations Consultants to advise the Company as to the requisite measures to be taken, both short-term and long-term, to ensure that the Company will be able to carry out its planned exploration programs. There can be no assurance that said measures will be successful, in whole or in part. In areas where there are local populations or landowners, it may be necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the legal right to access the surface and carry on exploration activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Company and its directors, officers and employees. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or productions costs or reduction in levels of productions at producing properties, or requirements abandonment, or delays in development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

RISKS AND UNCERTAINTIES (CONTINUED)

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, British Columbia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Coronet's general and administrative expenses and exploration and evaluation costs is provided in the Company's consolidated statement of loss and note disclosures contained in its consolidated financial statements for the period ended March 31, 2014. These statements are available on Coronet's website at www.coronetmetals.com or on its SEDAR Page Site accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant

Management's Responsibility for Financial Statements

The information provided in this report, including the consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Management's Responsibility for Financial Statements (continued)

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A. Confidentiality agreements and non-binding agreements may be entered into from time to time, with independent entities to allow for discussions of the potential acquisition and/or development of certain properties.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE (CONTINUED)

Forward Looking Information

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and or in Coronet's financial statements for the year ended March 31, 2014, that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2014, future anticipated results of exploration programs and development programs (including, without limitations, with respect to the Yanamina ,White Caps Gold and the Liberty Precious Metals Projects), including, but not limited to, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal prices, demand for metals, currency exchange rates, political and operational risks inherent in mining or development activities, legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, environmental protection, expenditures on property, plant and equipment, increases and decreases in reserves and/or resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. This list is not exhaustive and should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein including, without limitation, under the heading "Risks and Uncertainties" and/or the financial statements, and include unanticipated and/or unusual events as well as actual results of planned exploration and development programs and associated risk. Many of such factors are beyond Coronet's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward-looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A. Additional information, including interim and annual consolidated financial statements, the management information circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing Coronet's website at www.coronetmetals.com or by accessing the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.