
CORONADO RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS FORM 51-102F1

FOR THE SIX MONTHS ENDED AUGUST 31, 2014

The following Management's Discussion and Analysis ("MD&A") is meant to help readers understand key financial elements that influenced the operations of Coronado Resources Ltd. ("Coronado" or the "Company") during the past three months and to the date of this report.

This MD&A was prepared as of October 30, 2014 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for six months ended August 31, 2014 and the Audited Consolidated Financial Statements for the year ended February 28, 2014. Additional information, including the Company's previous MD&A (2013 MD&A), the Annual Information Form (2013 AIF) and the audited Consolidated Financial Statements for the year ended February 28, 2014 is available on SEDAR at www.sedar.com.

The MD&A and the condensed consolidated interim financial statements for the six month period ended August 31, 2014 has been prepared in accordance with and complies with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The consolidated financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting, except for cash flow information. Coronado's management is responsible for the integrity of the information contained in this report and for the consistency between the MD&A and the financial statements. In the preparation of these statements, estimates are necessary to make a determination of future values for certain assets and liabilities. Management believes that the estimates have been based on careful judgements and have been properly presented. The financial statements have been prepared using policies and procedures established by management and fairly represent Coronado's financial position and results of operations.

Actual results may differ from these estimates. The MD&A supplement does not form part of the unaudited condensed consolidated interim financial statements for the six month period ended August 31, 2014 or the audited financial statements of the Company and the notes thereto for the year ended February 28, 2014. All amounts are expressed in Canadian dollars unless otherwise indicated. In addition, readers are directed herein to discussions under the headings "*Forward-Looking Statements*", "*Critical Accounting Estimates*" and "*Risk Factors*".

Coronado's head office is located in Vancouver, British Columbia, Canada. Coronado's common shares trade on the TSX-V under the symbol "CRD" and on the OTCQX International under the symbol "CRDAF" and on the Canadian Securities Exchange ("CSE") under the symbol "CRD".

Additional information regarding the Company and its operation may be found on its website at www.coronadoresourcesltd.com.

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CURRENT DEVELOPMENTS

Electricity Generation and Retail

Coronado's subsidiary Opunake Hydro Limited ("OHL") recently partnered with Millennium Corporation ("Millennium") to develop a new electricity retailer. The retailer will operate under the name of "Utilise" and provide Kiwi businesses with customized electricity pricing based on their consumption. OHL negotiated agreements with Millennium's subsidiary, MGH Capital ("MGH") to develop the brand, technology, sales and service infrastructure for Utilise.

Millennium Corporation is a leading private group of companies focused on growing successful utilities, telecommunications and technology businesses in New Zealand and the Pacific region. It offers a depth of experience in building highly successful organisations servicing the business markets in the utilities sector.

Mining Exploration and Development

New Zealand's Minister of Energy and Resources, Simon Bridges, announced on July 23, 2014, that Coronado's 100% owned subsidiary, Lynx Platinum Limited, was awarded five mineral exploration permits in respect of New Zealand Petroleum and Minerals Platinum New Zealand Blocks Offer 2013.

All permits awarded reside on the South Island of New Zealand and based on the analysis done to date are prospective for platinum group metals and other metallic minerals such as gold and silver. Details of the permits awarded are summarized as follows:

Permit Number	Permit Name	Permit Size
MEP 56411	Longwood B	18,755 acres
MEP 56409	Longwood C	22,652 acres
MEP 56410	Murchison E-2	29,207 acres
MEP 56412	Murchison E-4	29,331 acres
MEP 56413	Murchison E-5	29,257 acres
		<hr/> 129,202 acres

COMPANY OVERVIEW

The Company was incorporated under the *Business Corporations Act* (British Columbia) and carried on its business as a resource exploration company with a focus on mineral exploration opportunities in North America. The Madison mine was acquired and the Company carried on exploration activities on the site, and continued to evaluate other properties and opportunities. On September 27, 2013, Coronado completed a share purchase agreement whereby it purchased all the issued and outstanding shares of a power company ("Share Purchase Agreement"). Completion of this transaction constituted a change of business for purposes of the TSX-V Policy 5.2 and was subject to review by the TSX-V and other approvals. As of September 27, 2013, Coronado received all of the required approvals and has fulfilled all the requirements of the Share Purchase Agreement and completed the transaction. Coronado is now predominantly a generator and retailer of power and is in the process of growing the electricity business and brand and continues to maintain its mineral resource exploration properties. In addition, in its effort to grow the Company and increase value the Company bid on and was awarded five exploration permits in the Platinum New Zealand 2013 Blocks Offer.

Change of Business

The Company entered into a Share Purchase Agreement dated May 13, 2013, whereby Coronado had agreed to purchase all of the outstanding shares of OHL from TAG Oil Ltd. (“TAG”) and Opunake Hydro Holdings Limited (“OHHL”) in exchange for common shares of Coronado (the “OHL Acquisition”), subject to the terms and conditions of the Share Purchase Agreement.

Coronado’s acquisition of OHL changed its operations from an exploration and development company to a primarily electricity generation and power retail company. OHL is engaged in generating and retailing power in New Zealand. OHL’s power generation business falls into two categories; (a) hydro generation for which OHL owns the Opunake Hydro Power scheme, consisting of a 0.4 megawatt (MW) generator located on Lake Opunake in Taranaki, New Zealand, and (b) 4MW of gas fired generators located at TAG’s Cheal A production site in Taranaki, New Zealand. The 4MW of generation supplies electricity to TAG’s production station, located at its Cheal oil and gas field site and into New Zealand’s main power grid to supply power to customers throughout New Zealand and within electricity distribution networks supplying 80% of New Zealand connections.

A significant portion of New Zealand electricity is generated from gas fired turbines (2nd to hydroelectric in the country) and continues to grow with electricity buyers looking for new supply sources. Coronado intends to pursue this growth opportunity with a properly executed business plan that will allow the Company to increase its electricity generation capacity and customer base in the near term with an initial focus in New Zealand.

Coronado is classified primarily as a power production and retail company.

OHL Acquisition

Under the Share Purchase Agreement, Coronado agreed to issue 13,015,410 common shares to TAG, in exchange for 90% of the issued and outstanding shares of OHL and 1,446,157 common shares to OHHL in exchange for 10% of the issued and outstanding shares of OHL. At the time of the agreement the parties estimated an aggregate purchase price of \$5,584,000 based on the volume weighted average price of Coronado’s common shares on the TSX-V for the 20 consecutive trading days ending May 10, 2013. The eventual purchase price recorded for the transaction was \$4,049,239 which was the value of the 14,461,567 shares on the close of the TSX-V on September 27, 2013.

The completion of the OHL Acquisition was subject to a number of conditions, including:

- a) approval of Coronado’s shareholders at a special meeting of the shareholders that was held on August 29, 2013, to consider the OHL Acquisition, including the approval of a majority of disinterested shareholders, excluding TAG and any of its affiliates;
- b) receipt of all regulatory approvals, including the consent from the Overseas Investment Office of New Zealand and acceptance by the TSX-V;
- c) compliance by the parties to the Share Purchase Agreement with all covenants and agreements in such agreement;
- d) no material adverse effect with respect to OHL; and
- e) other conditions precedent set forth in the Share Purchase Agreement.

Coronado received conditional approval from the TSX-V on August 16, 2013 and approval of the shareholders on August 29, 2013 with the Overseas Investment Office of New Zealand giving its approval on September 18, 2013. There had been no material adverse effect on OHL and both parties complied with the terms of the Share Purchase Agreement and the OHL Acquisition was completed on September 27, 2013.

The full text of the Share Purchase Agreement may be found under Coronado's SEDAR profile at www.sedar.com.

Opunake Hydro Limited

OHL was acquired to provide future growth and value to Coronado's shareholders. OHL provides retail customers with power purchased from the spot market augmented by in house generation capacity. The Company plans to sell retail power in step with its generating capacity and use its capacity and market hedges to mitigate risk of fluctuations in cost of supply. There are strategic plans in place for increased generation capacity and development of critical IT infrastructure for customer relations, sales and administration to service a greater number of new customers.

At the time Coronado acquired OHL, it had 2.4MW of capacity and in the intervening eleven month period it added another 2 x 1MW generators bringing its total capacity to 4.4MW. The Company has plans to acquire an additional 4MW in generation capacity by December 2015 bringing the total generation capacity to 8.4MW. This would provide a comfort level for the Company to significantly increase retail sales to prospective customers in line with the generation capacity. This approach has some inherent price risk involved with purchasing power on the spot market to supply customers with fluctuating demand. However, the Company will mitigate this risk by forecasting customer demand and purchasing hedge contracts.

Madison Gold Property – History

In April 2005, the Company entered into an agreement to acquire a 100% interest in seven patented and twelve unpatented claims in a gold-copper property in Montana, subject only to 2% net smelter return or US\$50,000 annual payment. The agreement called for option payments totaling US\$300,000 and the issuance of shares and work commitments. All option payments, share issuances and work commitments have been made and completed.

During the third quarter of fiscal 2013, the mining crew was laid off and the mine was put on maintenance. Since that time, the Company continues to develop its strategy and plans for its mining property.

The Company has increased and consolidated its claims since the original acquisition by adding 8 additional claims in the year ended February 28, 2007, and in the year ended February 28, 2014 it increased its acreage by adding 12 contiguous claim. The 12 new claims replace 6 previous claims that were allowed to lapse, to increase the overall acreage and cover any non-contiguous boundaries.

OVERALL PERFORMANCE

The Company's financial performance for the six months ended August 31, 2014, reflected the expenditures of time, energy and resource necessary to initiate the process of growing the electricity business. That included the continuing development of a sales scheme to attract new customers and building IT infrastructure and hiring additional staff to support the growth. In addition the Company allocated resources to bid on five mineral exploration permits in New Zealand through its newly incorporated subsidiary, Lynx Platinum Limited, and received all five of them.

The operations of OHL have been included in Coronado for four quarters beginning in the period ended November 30, 2013 and supporting the efforts of the New Zealand business growth has been the focus of the Company's management since it was acquired. Management will continue to focus on achieving sales targets in the electrical sector. The mining exploration and development sector has been on maintenance for the last several quarters and with the addition of the five new mineral exploration permits in New Zealand, management has secured another growth opportunity for the Company with a low entry cost and minimum capital expenditure for the next twelve months. A discussion of each sector follows:

Electricity Generation and Retail Power

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Sales	\$1,497,072	\$1,451,337	\$ -	\$2,948,409	\$ -
Gross profit	\$ 344,376	\$ 172,199	\$ -	\$ 516,575	\$ -
Gross profit percentage	23%	12%	-	17.5%	-
Loss for the period	\$ (21,362)	\$ (23,534)	\$ -	\$ (44,896)	\$ -

In the period since the acquisition of OHL, the sales have increased in each quarter. Gross profit has increased in total dollar value and as a percentage of sales compared to the last quarter. Due to the cyclical nature of the spot market the cost of wholesale electricity will fluctuate seasonally on a relatively predictable basis. This will increase or decrease cost of sales each quarter on a percentage of sales basis and impact our gross profit in a dollar amount as well as a percentage basis. With the use of hedging we anticipate that we will be able to moderate the fluctuations in wholesale power costs and our gross profit percentage will be less volatile from quarter to quarter.

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
IT Development in progress	\$ 739,410	\$ -	\$ -	\$ 739,410	\$ -
Generation	664,199	835,378	-	1,499,577	-
Expenditures in period	\$ 1,403,609	\$ 835,378	\$ -	\$2,238,987	\$ -

The Company is on track with its investment in increased generation capacity and IT Development and will work towards matching that increase with new customers and growing sales revenue.

Mining Exploration and Development

Madison Property, Montana

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Camp costs	\$ 2,545	\$ 2,230	\$ -	\$ 4,775	\$ 1,019
Fieldwork and wages	29,058	29,383	31,155	58,441	59,510
Assessment and taxes	6,602	71,343	6,448	77,945	74,248
Permits, assay and testing	3,093	8,428	979	11,521	6,733
Trucking and transport	-	-	1,829	-	1,829
Power utilities	810	1,033	1,305	1,843	2,381
Amortization	19,230	19,230	24,038	38,460	48,076
Travel exploration	-	-	389	-	389
Concentrating ore	-	-	53,126	-	53,126
	61,338	131,647	119,269	192,985	247,311
Exploration and evaluation asset recoveries in period	-	(29,070)	(37,728)	(29,070)	(37,728)
Net expenditures in period	\$ 61,338	\$ 102,577	\$ 81,541	\$163,915	\$(209,583)

The Madison mine remained on maintenance while the Company focused on the change in business and OHL Acquisition. This entailed minimal staffing and activity to keep the site in good standing with all its environmental permits and regulatory authorities. There was no significant activity during the quarter beyond the basic maintenance procedures.

There are approximately 1,000 tons of ore remaining on site which the Company will schedule for milling as soon as a facility in the vicinity becomes available.

Platinum Property, New Zealand

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Consulting engineering	\$ 104,535	\$ -	\$ -	\$ 104,535	\$ -
Permits, assay and testing	166,927	-	-	166,927	-
Net expenditures in period	\$ 271,462	\$ -	\$ -	\$ 271,462	\$ -

On July 23, 2014, Coronado's 100% owned subsidiary, Lynx Platinum Limited, was awarded five mineral exploration permits in respect of New Zealand Petroleum and Minerals Platinum New Zealand Blocks Offer 2013.

Initial efforts of the Company will be focused on consultation with landowners and all stakeholders along with analyzing all existing data and conducting the necessary geological and economic modelling to determine the potential of any commercial mineral deposits within these permits.

The Consulting engineering and related costs of \$104,535 represent the expenditure capitalized in the quarter for consultation, planning, preparing and submitting five successful Platinum Bid Proposals. The permit, assay and testing expenditure of \$166,927 is comprised of the annual fees for the five Mineral Exploration Permits awarded.

FINANCIAL RESULTS OF OPERATIONS

Summary of Quarterly Results

	Three Months Ended			
	August 31, 2014	May 31, 2014	February 28, 2014	November 30, 2013
Sales	\$ 1,497,072	\$1,451,337	\$ 1,074,600	\$ 540,961
Gross profit	\$ 344,376	\$ 172,199	\$ 168,117	\$ 128,147
(Loss) income for the period	\$ (230,135)	\$ (275,322)	\$ 56,250	\$ 1,037,227
(Loss) income per share	\$ (0.00)	\$ (0.00)	\$ 0.01	\$ 0.01

	Three Months Ended			
	August 31, 2013	May 31, 2013	February 28, 2013	November 30, 2012
Sales	\$ -	\$ -	\$ -	\$ -
Gross profit	\$ -	\$ -	\$ -	\$ -
(Loss) income for the period	\$ (329,324)	\$ (152,571)	\$ (80,291)	\$ (26,779)
(Loss) income per share	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)

RESULTS FOR THE QUARTER

Sales

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Electricity Generation and Retail Power	\$1,497,072	\$1,451,337	\$ -	\$2,948,409	\$ -
Mining Exploration and Development	-	-	-	-	-
	\$1,497,072	\$1,451,337	\$ -	\$2,948,409	\$ -

Sales for the three months ended August 31, 2014, was an increase of \$45,735 with no sales reported in the same period from the two previous years. There was an increase of \$376,737 from the 2014 Q1 sales and the three months ended February 28, 2014 sales of \$1,074,600. There is an upward trend in sales while the current quarter had less of an increase than the previous quarter and can be accounted for partly by an increase in our customer base and partly due to seasonal demand for electricity.

Gross Profit

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Electricity Generation and Retail Power	\$ 344,376	\$172,199	\$ -	\$516,575	\$ -
Mining Exploration and Development	-	-	-	-	-
	\$ 344,376	\$172,199	\$ -	\$516,575	\$ -

The gross profit for the Q2 2014, was up \$205,177 from Q1 2014 which was up \$4,082 from the gross profit of \$168,117 for the three months ended February 28, 2014. The gross profit percentage will fluctuate on a monthly basis depending on the various market and environmental conditions that impact the wholesale price for power. During the quarter the wholesale spot market was in a favorable position with below average prices which contributed to a higher gross profit. The favorable pricing will reverse over the next two quarters. Our sales contracts are based on a fixed price for power but our purchase of power is fluctuating with the wholesale price for power. Management prepares customer usage profiles to predict consumption and will enter the hedge market to purchase forward contracts to mitigate price swings and maintain gross profit.

Income (Loss) for the Period

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Electricity Generation and Retail Power	\$ (21,362)	\$ (23,534)	\$ -	\$ (44,896)	\$ -
Mining Exploration and Development	(208,773)	(251,788)	(329,324)	(460,561)	(481,895)
	\$(230,135)	\$(275,322)	\$(329,324)	\$(505,457)	\$(481,895)

The Company's operations for the three months ended August 31, 2014 produced a loss of \$230,135 compared to loss of \$329,324 for the same quarter in the previous year. The current quarter showed a loss of \$21,362 from the electricity generating and retail power segment while the mining exploration and development segment recorded a loss of \$208,773.

The current loss for the electricity sector resulted from recording the change in the market value of the hedge contracts at the balance sheet date. The cyclical nature of the purchase price of power on the spot market creates periods of increasing costs and then decreasing cost and then repeats. We were in a period of decreasing costs for the three month ended August 31, 2014.

The Company does not apply the principle of hedge accounting which may result in some volatility in income and losses from period to period, due to reporting gains and losses for hedge contracts. The gains and losses will be offset with higher and lower electricity purchase prices over the term of the hedge contracts smoothing out the volatility over longer periods of time.

The \$208,773 mining exploration and development loss includes the operational costs of maintaining the Madison mines site and the costs of maintaining the corporate operations of the Company. Included in the period were management fees of \$178,333 incurred for services provided by TAG. These services are provided as needed on a cost plus basis for operational support in assisting OHL and in further advances and evaluating mining exploration opportunities and activities.

LIQUIDITY AND CAPITAL RESOURCES

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Cash and cash equivalents	\$3,964,608	\$5,776,662	\$5,837,260	\$3,964,608	\$5,837,260
Working capital	\$3,912,237	\$5,659,460	\$5,719,942	\$3,912,237	\$5,719,942

As at the date of this report the Company has adequate cash and working capital to fund its operations and planned capital expenditures for the next twelve months based on the current development plan for OHL and the projected mine maintenance and mineral exploration programs.

Any additional material capital expenditures or commitments may require a source of additional financing which may come from funds through equity financing and the exercise of options and warrants.

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Issued and outstanding shares	79,273,092	79,273,092	64,811,525	79,273,092	64,811,525
Issued and outstanding shares, fully diluted	79,273,092	79,365,592	66,914,025	79,273,092	66,914,025

During the period ended August 31, 2014, the Company did not issue any common shares and did not issue or grant any stock options.

The market price of natural resources is highly speculative and volatile. Instability in prices may affect the interest in resource properties and the development of and production from such properties. This may affect the Company's ability to raise capital to acquire and explore resource properties. Management believes it will be able to raise the capital required to develop resource properties by various means of equity issuances, debenture financing or securing joint venture partners for projects.

RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel were as follows:

	2014		2013	Six months ended	
	Q2	Q1	Q2	2014	2013
Consulting fees	\$9,000	\$9,000	\$9,000	\$18,000	\$18,000
Management fees	16,500	16,500	15,000	33,000	30,000
	\$25,500	\$25,500	\$24,000	\$51,000	\$48,000

During the three month period ended August 31, 2014, the Company recorded sales in the amount of \$287,727 (2013 - \$ Nil) from related companies with significant influence over the Company of which \$166,766 (2013 - \$ Nil) was outstanding in accounts receivable at period end. For the three month period ended August 31, 2014, the Company recorded \$46,012 in purchases from related companies with significant influence over the company of which \$24,101 (2013 - \$ Nil) were outstanding in accounts payable and accrued liabilities at the year end.

During the three month period ended August 31, 2014, the Company was charged by a Canadian related company with significant influence \$322,356 (2013 - \$ Nil) for management fees. Also included in accounts payable and accrued liabilities is \$399,498 (2013 - \$ Nil) due to a related company with significant influence over the Company.

At August 31, 2014, OHL had a credit facility of NZ\$900,000 that provides security to the New Zealand Electrical Clearing Manager to guarantee payments for electricity purchases, which a related company with significant influence over the Company has guaranteed.

All transactions and balances are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

SHARE CAPITAL

The Company's outstanding share position as at October 30, 2014, is 79,273,092 common shares, and the Company has no shares purchase warrants and incentive stock options currently outstanding.

SUBSEQUENT EVENTS

Operations

Subsequent to the date of this report the company's subsidiary OHL, signed agreements with MGH to deliver IT infrastructure and to develop Utilise's marketing and sales strategy and go-to-market execution.

CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support future business opportunities. The Company defines its capital as shareholders' equity and loans and advances payable. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

COMPETITION

The power generation and retail industry in which the Company is primarily engaged is in general, highly competitive, as well as the resource industry in which the Company is still engaged. Competition in generation may come from low fuel cost, geothermal generation with peak demand met from hydro storage or batteries. Retail competition could come from other mass market suppliers moving into the electricity market, or the bundling of utility products. Competitors in the resource industry include well-capitalized resource companies, independent resource companies and other companies having financial and other resources far greater than those of the Company, thus a degree of competition exists between those engaged in the resource industry to acquire attractive resource properties.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires the Company to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained, and are subject to change. The Company's accounting policies and estimates used in preparation of the financial statements are consistent with those set forth in note 2 of the condensed consolidated interim financial statements for the three months ended August 31, 2014. They are considered appropriate in the circumstances, but are subject to judgments and uncertainties inherent in the financial reporting process.

RISKS

Mineral exploration and development involve a high degree of risk and few properties are ultimately developed into producing mines. There is no assurance that Coronado will be able to secure the funds necessary to continue to explore its gold, copper and platinum mineral properties, or, even if the funds are available, will continue with the exploration of its mineral properties. There is also no assurance that any of Coronado's future exploration and development activities will result in any discoveries of commercial bodies of ore. Whether an ore body will be commercially viable depends on a number of factors including the particular attributes of the deposit such as size, grade and proximity to infrastructure, as well as mineral prices and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in a mineral deposit being unprofitable.

Following the completion of the OHL Acquisition, Coronado changed the focus of its business from a junior mining company to a power generation and retailing company in New Zealand. Some of the additional risks that will be faced by Coronado are, among other things: the possible failure of Coronado to successfully integrate Coronado and OHL and manage the related expansion risks and to realize the anticipated benefits of the OHL Acquisition; the ability to obtain necessary financing and resources for the operation, development and/or expansion of Coronado's power generation and retailing business and mining operations; the health of the economy generally; current and future stock price volatility; electricity demand and global market factors and fluctuations in energy and input prices and market conditions; operation risks such as overcapacity risk, disruptions in production, equipment failure, supply failure, changes in hydrology, opposition to production, unexpected increases in raw materials costs; reliance on licences, permits, approvals and renewals from governmental authorities and the risks associated with the complexity of, and any changes to, the regulatory environment or delays in obtaining or failures to obtain necessary regulatory permits and approvals from government authorities; political instability and arbitrary changes in law; changes in the cost of doing business as a result of any changes in the regulatory environment; dependence upon key contracts with certain counterparties and reliance on certain wholesale supply agreements; management inexperience and dependence upon key management employees; fluctuations in foreign currency exchange rates; volumetric and hedging risks; property title and investments related risks, including the potential for the existence of undetected or unregistered interests or claims over the property of Coronado; possible changes in business prospects and opportunities; transportation and construction delays; failure of plant, equipment or processes to operate as anticipated; accidents, environmental risks, labour disputes

and other risks of the energy and mining industries; and availability of and access to interconnection facilities and transmission systems.

The factors identified above are not intended to represent a complete list of the risks faced by Coronado. While management of Coronado believes that the foregoing risks and uncertainties are a fair indication of the risks and uncertainties material to Coronado's business; however, additional risks and uncertainties, including those currently unknown to Coronado or not considered to be material by Coronado, may also adversely affect the business of Coronado.

OFF-BALANCE SHEET ARRANGMENTS

The Company has not entered into any off-balance sheet transactions.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of short-term investments; cheques issued in excess of funds on deposit, accounts payable and accrued liabilities. Terms of the financial instruments, where relevant, are fully disclosed in the Company's financial statements. It is management's opinion that the Company is not exposed to significant currency, or credit risks but is exposed to interest rate cash flow risk arising from its financial instruments and that their fair values approximate their carrying values unless otherwise noted.

ADDITIONAL INFORMATION

Additional information relating to the Company and results of its operations may be found under Coronado's SEDAR profile at www.sedar.com or on Coronado's website at www.coronadoresourcesltd.com.

FORWARD LOOKING STATEMENTS

The foregoing information contains forward-looking statements within the meaning of securities laws. Forward-looking statements are statements that are not historical fact and often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or states that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking information by its nature requires assumptions and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Coronado to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Forward-looking statements in this MD&A include, but are not limited to the use of proceeds from the private placement, the operations of Coronado since completion of the OHL Acquisition, and Coronado's overall strategic plan including statements pertaining to the Company's proposed business plans that include the operation and development of its power generation and retail business and the operation of its gold, copper, and platinum mining properties for the near and mid-term range. In making the forward-looking statements in this MD&A, 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 maintain its current operations, and that a business plan for the near and mid-term range can be fulfilled. 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. Such risk factors include, among others, that Coronado's operations will not continue at their current levels, and that Coronado will be unable to fulfill or will experience delays in fulfilling a strategic plan for the near and mid-term range. Additional risk factors are noted under the heading "*Risks*". The factors identified above and in the "*Risks*" section of this MD&A are not intended to represent a complete list of the factors that could affect Coronado. 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, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.