



PRESIDENT'S MESSAGE

April 30, 2009

As President, I am pleased to report operating and financial results for Marauder Resources East Coast Inc. ("Marauder" or the "Company") for the year ended December 31, 2008.

In October 2007, EnCana Corporation announced the final go-ahead for placing the Deep Panuke natural gas field on production, having received regulatory approval for development. The field encompasses Production License 2901 in which Marauder holds a 50% working interest. EnCana has proposed unitizing the field and the eventual working interest for Marauder in the unit, after unitization is complete, is estimated to be 3.69%.

It was announced in February 2009 that EnCana has agreed to sell natural gas from the Deep Panuke field to Repsol-YPF SA ("Repsol"). Repsol, a Spanish oil and gas firm, is joint ventured with New Brunswick based Irving Oil Ltd in the 1 BCFD Canaport LNG project that will provide gas to the United States via the Maritimes and Northeast pipeline. The Deep Panuke project is proposing to produce 200 MMSCFD at startup that will ramp up to 300 MMSCFD and serve to fill any gaps in production from the Canaport plant. The Deep Panuke facility construction is on schedule with production expected to commence Q4 2010.

Marauder's Agents (a Libyan national and his Vancouver based associate) ("the Agents"), on behalf of a consortium of potential investors, including Marauder and two other companies, have been attempting to acquire certain oil and gas leases ("Leases") in Libya, North Africa, for close to three years now. Marauder and the consortium executed an agency agreement with the Agents in October 2006 that will give certain rights in the Leases to Marauder upon the successful acquisition of the Leases. The Agents' primary role (because of their connections in Libya) is to negotiate directly on behalf of Marauder and the consortium with the National Oil Company of Libya ("NOC") in securing the Leases. Typically, any acquisition of oil and gas leases in Libya can take several months of negotiations between NOC and interested parties prior to consummation of a deal. The recent worldwide economic upheaval and the substantial drop in oil prices have had significant effect on the economics of oil and gas projects in Libya which is further delaying decisions on the awarding of new leases to interested parties. The Agents, however, remain optimistic that Marauder and the consortium will eventually be successful in acquiring the Leases.

The Company is contemplating various alternatives to satisfy its obligations for ongoing general and administrative costs. The Company may deem it necessary to raise capital through equity markets, debt markets or other financing arrangements that may be available.

On behalf of the Board of Directors,

"Robert V. Shields"

Robert V. Shields
President
Marauder Resources East Coast Inc.



MANAGEMENT DISCUSSION AND ANALYSIS

December 31, 2008

The December 31, 2008 Management Discussion & Analysis ("MD&A") for Marauder Resources East Coast Inc. ("Marauder" or the "Company") should be read in conjunction with the audited consolidated financial statements as at and for the years ended December 31, 2008 and 2007. The financial data presented has been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The reporting currency in the consolidated financial statements and in this MD&A is in Canadian dollars, unless otherwise stated.

Additional information on Marauder is available for review on SEDAR at www.sedar.com. The Company's shares trade on the TSX Venture Exchange under the trading symbol "MES".

This MD&A is dated April 30, 2009.

Special Note Regarding Non-GAAP Measures – This MD&A includes references to financial measures commonly used in the oil and gas industry. The term "funds from (used in) operations", defined as the net loss for the period adjusted for non-cash items in the statement of operations, before the change in non-cash working capital, should not be considered an alternative to, or more meaningful than, cash flow from operating activities or net loss as determined in accordance with GAAP as an indicator of performance. The Company's determination of funds from (used in) operations may not be comparable to that reported by other companies. The reconciliation between net loss and funds from (used in) operations can be found in the Statements of Cash Flows included in the financial statements noted above.

OVERVIEW

Marauder has a 50% interest in the Production License 2901, located in the Deep Panuke gas field offshore Nova Scotia. EnCana Corporation ("EnCana"), the operator of the Deep Panuke gas field, has reached an Offshore Strategic Energy Agreement ("OSEA") with the Province of Nova Scotia. The OSEA establishes a framework with the Province for royalties, employment and industrial benefits, plus funding for research and education for the potential development of the Deep Panuke natural gas field.

In October 2007, EnCana announced the final go-ahead for placing the Deep Panuke natural gas field on production, having received regulatory approval from the Canada-Nova Scotia Offshore Petroleum Board for development of the project. In November 2007, EnCana entered into an agreement for construction of a production facility in the Deep Panuke natural gas field that EnCana will lease upon completion, anticipated in late 2010. EnCana has proposed unitizing the field and the eventual working interest for Marauder in the unit, after unitization is complete, is estimated to be 3.69%.

In February 2009, it was announced that EnCana has agreed to sell natural gas from the Deep Panuke field to a Spanish oil and gas firm joint ventured in the 1 BCFD Canaport LNG project that will provide gas to the United States via the Maritimes and Northeast pipeline. The Deep Panuke project is proposing to produce 200 MMSCFD initially, increasing to 300 MMSCFD and serve to fill any gaps in production from the Canaport plant. The Deep Panuke facility construction is on schedule with production expected to commence Q4 2010.

Agents on behalf of a consortium of potential investors, including Marauder and two other companies, have been attempting to acquire certain oil and gas leases in Libya, North Africa, for close to three years. Marauder and the consortium executed an agency agreement with the Agents in Oct 2006 that will give certain rights in the Leases to Marauder upon the successful acquisition of the Leases. Typically, any acquisition of oil and gas leases in Libya can take several months of negotiations between the National Oil Company of Libya ("NOC") and interested parties prior to consummating a deal. Despite the



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significant effect on the economics of oil and gas projects in Libya of recent worldwide economic upheaval and the substantial drop in oil prices, the Agents remain optimistic that Marauder and the consortium will eventually be successful in acquiring the Leases.

The Company is considering various alternatives, including an equity financing, to cover ongoing general and administrative costs.

SELECTED COMPARATIVE FINANCIAL INFORMATION

	Three months ended December 31		
	2008	2007	2006
Statement of Operations and Deficit (\$)			
Interest income	-	-	6
General and administrative expenses	835,262	291,255	216,208
Net loss for the period	(809,376)	(6,914,438)	(216,921)
Net loss per share – basic and diluted	(0.01)	(0.13)	(0.00)
Statement of Cash Flows (\$)			
Funds used in operations	(1,060,742)	(291,255)	(217,100)
Cash flow used in operating activities	(91,170)	(207,534)	(83,562)
Net capital expenditures	2,087	52	-
Weighted average number of shares			
- basic and diluted	53,989,501	53,989,501	51,568,835
	Years ended December 31		
	2008	2007	2006
Statement of Operations and Deficit (\$)			
Interest income	-	-	9,901
General and administrative expenses	1,173,412	598,953	643,152
Net loss for the period	(1,243,540)	(7,688,936)	(2,231,413)
Net loss per share – basic and diluted	(0.02)	(0.15)	(0.04)
Statement of Cash Flows (\$)			
Funds used in operations	(1,465,957)	(598,953)	(680,188)
Cash flow used in operating activities	(488,623)	(660,768)	(600,395)
Net capital expenditures	2,087	1,245	1,944,465
Weighted average number of shares			
- basic and diluted	53,989,501	52,311,615	51,568,835



MANAGEMENT DISCUSSION AND ANALYSIS

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RESULTS OF OPERATIONS

General and administrative expenses

General and administrative expenses for the three months and year ended December 31, 2008 were \$835,262 and \$1,173,412, respectively, as compared to \$291,255 and \$598,953 in the 2007 comparative periods. The increase was a result of recognition during 2008 of \$700,000 management fees owed to a director and officer for past service, offset by reduced financing, software rental, professional fees, travel and other costs during 2008.

Interest expense

Part XII.6 tax of \$65,883, in excess of the amount recovered from an officer of the Company, was paid by the Company as a result of a flow-through tax audit conducted on a predecessor company and was recorded in the year ended December 31, 2008. \$7,364 of interest was recorded on settlement of related party indemnification.

Depletion and depreciation and ceiling test impairment

The Company did not record depletion during the three months and years ended December 31, 2008 and December 31, 2007 as the Company has not commenced production. The reserve report from December 31, 2008 continues to support the reported value of the petroleum assets and therefore an impairment charge was not recorded in 2008 or 2007. The depreciation expense relates to office furniture and equipment.

Net loss and funds used in operations

During the three months and year ended December 31, 2008, the Company incurred net losses of \$809,376 and \$1,243,540, respectively, which are net of future income tax reductions of \$167,692 and \$311,973, respectively. The comparative net losses for the 2007 periods were \$6,914,438 and \$7,688,936, respectively, which include a future income tax provision of \$6,622,376. The 2007 future income tax provision was due to the valuation allowance provided for non-capital tax losses as recognition that these losses may expire prior to the Company being able to utilize their benefit to reduce future taxable income resulted in a future tax provision of \$6.6 million in 2007.

Funds used in operations during the three months and year ended December 31, 2008 were \$1,060,742 and \$1,465,957, respectively, compared to \$291,255 and \$598,953 for the three months and year ended December 31, 2007. The increase in funds used in operations in 2008 was principally due to the recognition of \$700,000 of management fees owed to an officer and director of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS

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SELECTED HISTORICAL QUARTERLY INFORMATION

	DEC 08	SEP 08	JUN 08	MAR 08
Interest expense	6,182	67,065	–	–
General and administrative expenses	835,262	124,496	111,003	102,651
Net loss	(809,376)	(272,850)	(83,789)	(77,525)
Net loss per share	(0.01)	(0.01)	(0.00)	(0.00)
Funds used in operations	(1,060,742)	(191,561)	(111,003)	(102,651)
Cash flow used in operating activities	(91,170)	(153,230)	(139,505)	(104,718)

	DEC 07	SEP 07	JUN 07	MAR 07
Interest expense	–	–	–	–
General and administrative expenses	291,255	130,682	88,026	88,990
Net loss	(6,914,438)	(206,431)	(478,381)	(89,686)
Net loss per share	(0.13)	(0.00)	(0.01)	(0.00)
Funds used in operations	(291,255)	(130,682)	(88,026)	(88,990)
Cash flow used in operating activities	(207,534)	(142,885)	(201,372)	(108,977)

CAPITAL EXPENDITURES

During the three months and year ended December 31, 2008, the Company incurred minimal capital expenditures on office equipment of \$2,087 compared to \$1,245 for the year ended December 31, 2007.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2007 the Company had a working capital surplus of \$600,076. During 2008, the Company utilized \$1,173,412 for general and administrative purposes which includes the recognition of \$700,000 of management fees owed to a director and officer for past service; incurred \$73,247 of net interest expense; recorded \$219,298 for the settlement of a related party indemnification; and made \$2,087 of capital expenditures, resulting in a working capital deficit of \$867,968 as at December 31, 2008. The Company's short-term liquidity is dependant upon officers and directors of the Company not demanding repayment of \$713,113 included in accounts payable and accrued liabilities (see Related Party Transactions) at December 31, 2008.

As the Company has no established revenue, its principle source of funds is from the issuance of common shares. The Company's ability to raise future capital is subject to uncertainty and the inability to raise such capital may impact the Company's ability to continue as a going concern.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

Except as noted in the related party transactions, the Company does not have any significant commitments or contractual obligations at December 31, 2008.



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RELATED PARTY TRANSACTIONS

During the three months and years ended December 31, 2008 and 2007, the Company had the following related party transactions:

- The Company was charged \$12,069 and \$32,589, respectively, for the three months and year ended December 31, 2008 (2007 – \$36,197 and \$110,552) by a legal firm in which an officer of the Company is a partner.
- The Company was charged \$40,333 and \$147,798, respectively, for the three months and year ended December 31, 2008 (2007 – \$45,652 and \$141,931) for office rent by a corporation controlled by an officer and director of the Company.
- The Company recognized \$700,000 (2007 – nil) of management fees owed to an officer and director of the Company for past service.
- The Company had accrued a liability in the amount of \$281,795 at December 31, 2007 for the indemnification of investors subject to reassessment as a result of an audit by the Canada Revenue Agency for unexpended renounced flow through share expenditures. A director of the Company had indemnified the Company for these costs; as such, an equal amount had been accrued in accounts receivable. During 2008, the reassessment period expired therefore the remaining accrued liability and the related account receivable of \$181,222 were derecognized.

Included in accounts payable and accrued liabilities at December 31, 2008 is \$713,113 (2007 – \$282,392) and included in accounts receivable at December 31, 2008 is \$nil (2007 – \$283,087) in respect of the above related party transactions. These amounts were recorded at the exchange amounts agreed to by the related parties.

- The Company accrued a \$250,000 liability, the amortized cost of which is \$226,662 at December 31, 2008 (December 31, 2007 – nil) due to a director and officer and a former officer of the Company (“the related individuals”) who indemnified the Company for the abandonment liability of a company they controlled when it was acquired by the Company. In 2007, the Company disposed of the well to which the abandonment liability related. In November 2008, two \$125,000 promissory notes were issued to the related individuals, payable by the Company on October 29, 2010, or such earlier date as is agreed to by the parties. The promissory notes are unsecured and non-interest bearing. Fair value adjustments on these financial instruments in the amount of \$23,338 were recorded based on their amortized cost at an estimated imputed interest rate of 14% and repayment over an average period of one year.

INCOME TAXES

As at December 31, 2008, the Company has approximately \$5.1 million of tax pools and \$97.1 million of non-capital losses available for deduction against future taxable income. A valuation allowance has been provided for on the non-capital losses as they may not be realized prior to expiration. Non-capital losses expire between 2009 and 2028.

SHARE CAPITAL

Pursuant to a private placement during 2007 the Company issued 2,420,666 common shares which increased its issued and outstanding shares to 53,989,501 as at December 31, 2007. As at December 31, 2008 and as at the date of this MD&A, the number of shares remained the same.



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In April 2007, the Company modified the terms of the 3,400,000 options outstanding at the beginning of the year and granted an additional 1,475,000 options in April and July 2007. In September, 2008, 550,000 stock options were granted to directors of the Company and 425,000 options were forfeited. In December 2008, 250,000 stock options were granted to a director and officer of the Company and the Company modified the terms of 550,000 options. As at December 31, 2008 and to the date of this MD&A, the total options granted are 5,250,000, all of which are exercisable.

Pursuant to the private placement in September 2007, a total of 1,210,333 warrants were attached to the units, plus an additional 37,050 warrants were issued to one of the agents. In August 2008, the expiry date of the 1,210,333 purchase warrants was extended from September 2008 to September 2009. As a result of the warrant modification, an additional \$50,080 was ascribed to the value of the warrants and included in the Company's deficit and per share calculations at December 31, 2008. The incremental warrant value was estimated using the Black-Scholes pricing model based on expected volatility of 115%, one year life and a risk-free interest rate of 2.7%. The 37,050 broker warrants expired unexercised in September 2008. As at December 31, 2008 a total of 1,210,333 warrants at an exercise price of \$0.50 were outstanding. These warrants expire in September 2009 and the number outstanding remains unchanged as at the date of this MD&A.

OUTLOOK

The Company continues to hold a 50% working interest in a production licence in the Deep Panuke natural gas field which EnCana has proposed unitizing.

In addition, management is optimistic that a consortium of potential investors, including Marauder and two other companies, will be successful in acquiring certain oil and gas leases in Libya, North Africa.

FINANCIAL AND DERIVATIVE INSTRUMENTS

The Company did not enter into any financial derivative transactions in 2008 or as of the date of this MD&A.

Details of the Company's financial instruments and risk management policies for exposure to credit risk, liquidity risk and market risk are disclosed in Note 11 to the audited consolidated financial statements for the year ended December 31, 2008.

CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain a flexible capital structure which will allow it to fund general and administrative expenses and execute on future capital expenditure programs.

The Company manages its common shares, options and warrants as capital. As the Company has no established revenue, its principal source of funds is from the issuance of common shares. It is the Company's objective to safeguard its ability to continue as a going concern in order to explore and develop future projects for the benefit of its stakeholders. In order to maintain or adjust its capital structure, the Company will consider the potential level of credit facilities that may be available as a result of the value of the Company's assets, availability of other sources of debt with different characteristics than conventional debt, the sale of assets and new equity if available on favourable terms. The Company's ability to raise future capital through debt or equity is subject to uncertainty and the inability to



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December 31, 2008

raise such capital may have an adverse impact on the Company's ability to continue as a going concern.

There has been no change in the Company's approach to capital management during the year ended December 31, 2008. The Company has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future.

OFF BALANCE SHEET ARRANGEMENTS

Marauder does not have any special purpose entities nor is it a party to any off-balance sheet arrangements.

BUSINESS RISKS AND UNCERTAINTIES

Marauder is exposed to several operational risks inherent in exploring, developing, producing and marketing crude oil and natural gas. These inherent risks include: economic risk of finding and producing reserves at a reasonable cost; financial risk of marketing reserves at an acceptable price given current market conditions; cost of capital risk associated with securing the needed capital to carry out Marauder's operations; risk of environmental impact, including the potential impact of the Kyoto accord or other environmental initiatives or agreements, credit risk of non-payment for sales contracts and joint venture partners, and the potential impact of royalty rate revisions or other legislative changes on future production.

In order to mitigate these risks, Marauder maintains an insurance program to reduce risk to an acceptable level and to protect it against significant losses. The Company's risk in regard to financial instruments is detailed in note 11 to the audited consolidated financial statements as at December 31, 2008.

CRITICAL ACCOUNTING ESTIMATES

The Company's financial statements are prepared in accordance with Canadian generally accepted accounting principles. A comprehensive discussion of the Company's significant accounting policies is contained in Note 2 to the audited consolidated financial statements for the year ended December 31, 2008. The Company's significant accounting policies are subject to estimates and key judgments about future events, many of which are beyond management's control.

CHANGES IN ACCOUNTING POLICIES

On January 1, 2008, the Company adopted the new Canadian accounting standards for capital disclosures and financial instruments. Prior periods have not been restated. The adoption of these standards had no impact on the Company's financial position or results of operations however the policies did result in new disclosures.

Capital disclosures

Section 1535 Capital Disclosures specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital, (ii) quantitative data about what the entity regards as capital, (iii) whether the entity has complied with any capital requirements, and (iv) if it has not complied, the consequences of such noncompliance.



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Financial instruments – disclosure and presentation

Section 3862 Financial Instruments – Disclosure and Section 3863 Financial Instruments – Presentation replace *Section 3861 Financial Instruments – Disclosure and Presentation*. The new standards revise and enhance disclosure requirements and place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. Presentation requirements remain unchanged.

Pending accounting pronouncements

International Financial Reporting Standards (“IFRS”)

The Canadian Accounting Standards Board (AcSB) published a new strategic plan that outlines the convergence of Canadian generally accepted accounting principles with IFRS over an expected five year transitional period. The changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles is interim and annual financial statements for fiscal years beginning on or after January 1, 2011 with the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with Exemption Orders issued in November 2007 by each of the securities commissions across Canada, the Company's certifying officers will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification includes a 'Notice to Reader' stating that the certifying officers do not make any representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings.

NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain information regarding Marauder set forth in this document, including management's assessment of Marauder's plans and future operations, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Marauder's control, including the impact of general economic conditions, industry conditions, legislative changes, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, the lack of availability of qualified personnel or management, stock market volatility and ability to access capital from internal and external sources. Marauder's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, what benefits Marauder will derive therefrom. The Company undertakes no responsibility to update the information provided herein, except as required by securities law.