



Tribute Minerals Inc.

INTERIM FINANCIAL STATEMENTS

March 31, 2007

Tribute Minerals Inc.

Balance Sheets

(Unaudited)

As at	March 31 2007 \$	December 31 2006 \$
ASSETS		
Current		
Cash and cash equivalents	3,456	194,666
Marketable securities (note 4)	51,500	51,500
Accounts receivable	124,925	86,057
Prepaid expenses and supplier advances	210,942	129,147
	390,823	461,370
Capital assets, net of accumulated depreciation of \$9,676	6,892	7,450
	397,715	468,820
LIABILITIES		
Current		
Accounts payable and accrued liabilities	359,900	60,932
	359,900	60,932
SHAREHOLDERS' EQUITY		
Share capital (note 6)	9,565,926	9,224,100
Deficit	(9,528,111)	(8,816,212)
	37,815	407,888
	397,715	468,820

The accompanying notes are an integral part of these financial statements.

Tribute Minerals Inc.

Statements of Loss, Comprehensive Loss and Deficit

(Unaudited)

For the three months ended March 31	2007	2006
	\$	\$
Revenue		
Interest	966	1,410
Expenses		
Exploration expenditures (note 5)	604,297	724,816
General and administrative	84,785	72,339
Stock based compensation (note 6)	23,225	-
Depreciation	558	175
	712,865	797,330
Net loss for the period before taxes	(711,865)	(795,920)
Income tax recovery	-	-
Net loss and comprehensive loss for the period	(711,899)	(795,920)
Deficit, beginning of the period	(8,816,212)	(6,271,250)
Deficit, end of the period	(9,528,111)	(7,067,170)
Net loss per share	\$0.01	\$0.02
Weighted average shares outstanding	58,107,166	47,999,847
Shares outstanding at the end of the period	59,994,110	54,556,910

The accompanying notes are an integral part of these financial statements.

Tribute Minerals Inc.

Statements of Cash Flows

(Unaudited)

For the three months ending March 31	2007 \$	2006 \$
Operating activities		
Net loss for the period	(711,899)	(795,920)
Items not affecting cash		
Stock based compensation	23,225	-
Depreciation	558	175
Net change in non-cash working capital balances related to operating activities		
Accounts receivable	(38,868)	(19,975)
Prepaid expenses	(81,795)	(3,108)
Accounts payable and accrued liabilities	298,968	(77,938)
Cash used in operating activities	(509,811)	(896,766)
Financing activities		
Issuance of common shares	318,601	1,929,000
Repayment of advances from officers and directors	-	(10,000)
Cash provided by financing activities	318,601	1,919,000
Net (decrease) increase in cash and cash equivalents	(191,210)	1,022,234
Cash and cash equivalents, beginning of the period	194,666	661,955
Cash and cash equivalents, end of the period	3,456	1,684,189

The accompanying notes are an integral part of these financial statements.

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Notes to the Financial Statements

March 31, 2007

(Unaudited)

1. Basis of Presentation

These interim financial statements are unaudited and have **not been** reviewed by the Company's auditors. The management of Tribute Minerals Inc. (the "Company" or "Tribute") has prepared these financial statements in accordance with Canadian generally accepted accounting principles. These statements should be read in conjunction with the March 31, 2007 interim financial statements and the notes thereto and the audited financial statements for the year ended December 31, 2006 and the notes thereto. The disclosure in these interim financial statements does not include all information and footnote disclosure required under generally accepted accounting principles for annual financial reporting.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the three months ended March 31, 2007 may not be indicative of the results that may be expected for the full year ending December 31, 2007.

2. Nature of operations

Tribute is engaged in the exploration of base metals and gold mineral properties located in Northern Ontario. The development of mineral properties involves significant financial risk. The recoverability of the amounts spent on the Company's mineral properties is dependent on a number of factors including environmental and legal risks, confirmation of the Company's interest in the underlying claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or the proceeds from the disposition thereof.

3. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") on a consistent basis with the Company's annual audited financial statements as at and for year ended December 31, 2006 (except as noted below).

Changes in accounting policy

In January 2005, the Canadian Institute of Chartered Accountants ("CICA") issued Handbook Sections 3855, "Financial Instruments – Recognition and Measurement", 1530, "Comprehensive Income", and 3865, "Hedges". These new standards are effective for interim and annual financial statements relating to fiscal years commencing on or after October 1, 2006 on a prospective basis; accordingly, comparative amounts for prior periods have not been restated. The Company has adopted these new standards effective January 1, 2007.

- (a) Section 3855 Financial instruments - recognition and measurement prescribes when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be presented. This Section requires that:
 - a. All financial assets be measured at fair value on initial recognition and certain financial assets be measured at fair value subsequent to initial recognition;
 - b. All financial liabilities be measured at fair value if they are classified as held for trading purposes. Other financial liabilities are measured at amortized cost using the effective interest method; and
 - c. All derivative financial instruments be measured at fair value on the balance sheet, even when they are part of an effective hedging relationship.
- (b) Section 1530 Comprehensive income (loss) introduces a new requirement to temporarily present certain gains and losses from changes in fair value outside net income. It includes unrealized gains and losses, such as: changes in the currency translation adjustment relating to self-

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sustaining foreign operations; unrealized gains or losses on available-for-sale investments; and the effective portion of gains or losses on derivatives designated as cash flow hedges or hedges of the net investment in self-sustaining foreign operations.

- (c) Section 3865 Hedges provides alternative treatments to Section 3855 for entities which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline 13 "Hedging Relationships", and the hedging guidance in Section 1650 "Foreign Currency Translation" by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.
- (d) Impact upon adoption of Sections 1530, 3855 and 3865: Under adoption of these new standards, the Company designated its cash as held-for-trading, which is measured at fair value. Amounts receivable is classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. The adoption of these Handbook Sections had no impact on opening deficit.

Future accounting changes

On December 1, 2006, the CICA issued three new accounting standards: Handbook Section 1535, Capital Disclosures; Handbook Section 3862, Financial Instruments – Disclosures; and Handbook Section 3863, Financial Instruments – Presentation. These standards are effective for interim and annual financial statements for the Company's reporting period beginning on January 1, 2008. Section 1535 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 non-compliance. The new Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments — Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company is currently assessing the impact of these new accounting standards on its financial statements.

4. Marketable Securities

	March 31, 2007		December 31, 2006	
	Cost \$	Market Value \$	Cost \$	Market Value \$
Vencan Gold Corporation 500,000 common shares	42,500	57,500	42,500	47,500
Continuum Resources Ltd. 50,000 common shares	9,000	27,500	9,000	17,000
	51,500	85,000	51,500	64,500

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5. Mineral Properties

As at March 31, 2007, the Company holds claims, directly or indirectly, on 19 mineral properties in northwestern Ontario, 14 within the Confederation Lake area. The following table presents the Company's expenditures on these mineral properties:

	Cumulative expenditures to December 31, 2006 \$	Expenditures during 2007 \$	Cumulative expenditures to March 31, 2007 \$
Confederation Lake	5,155,865	601,257	5,757,122
Other	185,677	3,040	187,175
	6,274,779	604,297	6,879,076

The **Confederation Lake** properties (8 claim groups) are base metal and gold prospects situated in the Red Lake Mining Division, Northwestern Ontario. On February 12, 2002 the Company entered into an option agreement to acquire from Noranda Inc. (now known as Xstrata Plc ("Xstrata")) a 100% interest in a group of mineral properties collectively known as the Confederation Lake properties. In order to earn the 100% interest in the properties, the Company must incur a total of \$3,500,000 in exploration and development expenditures on the properties as follows:

- i. \$500,000 on or before February 12, 2003
- ii. an aggregate of \$1,500,000 on or before February 12, 2004
- iii. an aggregate of \$2,500,000 on or before February 12, 2005
- iv. an aggregate of \$3,500,000 on or before February 12, 2006

The Company has met all criteria to earn its 100% interest subject to its agreement to pay to Xstrata a 2.0% net smelter return ("NSR") royalty and other underlying royalties on certain properties. There is also a back-in option whereby Xstrata has a right to reacquire a 50% interest in any area where a deposit is identified (the "Project Area") after the delivery by the Company to Xstrata of an independent scoping study confirming the existence of a deposit of at least 8 million tonnes of massive sulphide or one million ounces of gold. In order to exercise the back-in right, Xstrata must expend 150% of the Company's cumulative expenditures on these properties to the exercise date. In addition, the Company is required to make one-time payments to Xstrata consisting of \$500,000 upon the submission of the first such independent scoping study with respect to which Xstrata does not exercise its back-in option and a further \$1,500,000 upon the commencement of commercial production from the subject Project Area.

"Other" includes exploration expenditures on projects with minor activity during the year and includes the **Richardson Lake** property, the **Bridget Lake** property, the **Fredart Lake** property, the **Melchett Lake** property, the **King Bay** property, the **Woman River** property and the **Clay South Property**, all of which are in Northern Ontario.

6. Share Capital

a) Share capital is comprised of the following:

	March 31 2007 \$	December 31 2006 \$
Common shares (note 6(b))	8,988,644	8,670,044
Stock options (note 6(c))	540,810	517,585
Warrants (note 6 (d))	36,471	36,471
	9,565,926	9,224,100

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- b) Tribute is authorized to issue an unlimited number of common shares. The following table provides the details of changes in the number of issued common shares:

	Number of shares	Amount \$
Balance, December 31, 2006	57,339,110	8,670,044
Exercise of warrants	2,655,000	318,600
Balance, March 31, 2007	59,994,110	8,988,644

- c) As of March 31, 2007, 4,620,000 common shares (4,020,000 at December 31, 2006) were reserved for the exercise of stock options granted to directors, officers, employees and service providers in connection with the Company's stock option plan (the "Plan"). All stock options issued to date under the Plan vest over an 18 month period from the date of grant. The following summary sets out the activity in outstanding Plan options over the period:

	Options #	Weighted- average exercise price \$
Outstanding, beginning of period	4,020,000	0.24
Granted	600,000	0.25
Outstanding, end of year	4,620,000	0.24
Options exercisable at end of period	2,832,500	0.26

The details of stock options outstanding at December 31, 2006 are as follows:

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
10,000	10,000	0.3 years	\$0.48	July 24, 2007
10,000	10,000	0.3 years	\$0.59	July 24, 2007
600,000	600,000	1.1 years	\$0.40	May 6, 2008
550,000	550,000	1.7 years	\$0.26	December 4, 2008
600,000	150,000	0.8 years	\$0.25	January 30, 2009
100,000	100,000	2.2 years	\$0.25	June 10, 2009
50,000	12,500	2.5 years	\$0.215	September 29, 2009
100,000	100,000	2.5 years	\$0.15	January 12, 2010
2,600,000	1,300,000	4.2 years	\$0.20	June 19, 2011
600,000	150,000	4.9 years	\$0.25	January 30, 2008

The weighted average fair value of the options granted during the year was \$0.14 per option estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free interest rate of 4.5%, expected dividend yield of nil, expected volatility of 150% and expected life term of 1 year. Under this method of calculation, the Company has recorded \$23,225 as stock based compensation, being the fair value of the options vested during the period ended December 31, 2007 (2006 - nil).

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d) A summary of changes in common share purchase warrants during the period is as follows:

	Warrant #	Weighted- average exercise price \$
Outstanding, beginning of period	6,749,200	0.12
Exercised	(2,655,000)	0.12
Outstanding, end of period	4,094,200	0.12

The details of common share purchase warrants outstanding at March 31, 2007 are as follows:

Number of common share purchase warrants	Remaining contractual life	Exercise price per share	Expiry date
3,464,600	0.7 years	\$0.12	December 6, 2007
629,600	0.7 years	\$0.10	December 6, 2007

7. Related party transactions

During the period ended March 31, 2007, the Company incurred \$11,845 (\$4,866 in 2006) of legal fees to a company related to an officer of the Company. These transactions are measured at the exchange amount.

8. Subsequent events

On April 20, 2007 the Company completed a private placement for gross proceeds totalling \$4,937,019. The Company issued 2,677,197 units at a price of \$0.35 per unit with each unit consisting of one common share and one-half of a share purchase warrant with each full warrant entitling the holder to acquire a further common share at a price of \$0.45 for a period of eighteen months. The Company also issued 8,888,890 flow through units at a price of \$0.45 per unit with each unit consisting of one flow-through common share and one-half of a share purchase warrant with each full warrant entitling the holder to acquire a further common share at a price of \$0.55 per share for a period of eighteen months. The agents to the transaction received a cash commission of \$376,000 and broker warrants to acquire 160,005 common shares at a price of \$0.35 per share and 711,111 common shares at a price of \$0.45 each for a period of eighteen months.

On May 3, 2007 the Company granted 450,000 stock options to an officer and director of the Company entitling them to acquire common shares at an exercise price of \$0.35 per share, exercisable on or before May 3, 2012. These options vest in four equal instalments over the next 18 months.

9. Comparative financial statements

Certain comparative figures have been reclassified from statements previously presented to conform to the 2006 presentation.

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Corporate Information

Officers

Ian Brodie-Brown - President, Chief Executive Officer
Peter Brodie-Brown - Vice-President, Shareholder Relations
Errol Farr – Chief Financial Officer
William R. Johnstone – Corporate Secretary
Trevor Boyd – Vice-President, Exploration

Directors

John Harvey, P.Eng., Chairman of the Board
Ian Brodie-Brown
William R. Johnstone
Richard Nemis
Frank van de Water

Legal Counsel

Gardiner Roberts LLP
Toronto, Ontario

Auditors

Ernst & Young LLP
Toronto, Ontario

Transfer Agent

Equity Transfer & Trust Company
Toronto, Ontario

Exchange Listing

TSX Venture Exchange

Trading Symbol

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