



**Tribute Minerals Inc.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the three and six months ended June 30, 2009

# Tribute Minerals Inc.

## Management's Discussion and Analysis

June 30, 2009

Discussion dated August 27, 2009

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Tribute Minerals Inc. ("Tribute" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and six months ended June 30, 2009. This discussion dated August 27, 2009 should be read in conjunction with the consolidated interim financial statements as at and for the three and six months ended June 30, 2009 together with the notes thereto and the audited annual consolidated financial statements as at and for the year ended December 31, 2008 together with the notes thereto. Results are reported in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles.

Further information about the Company and its operations can be obtained from the offices of the Company, the Company website, [www.tributeminerals.com](http://www.tributeminerals.com), or from [www.sedar.com](http://www.sedar.com).

### OVERVIEW OF THE BUSINESS AND OVERALL PERFORMANCE

The Company is a mineral exploration company focused on the acquisition, exploration, and development of mineral resources, primarily gold and base metals. The Company's major focus has been its Confederation Lake property, which was optioned from Noranda Inc. (now called Xstrata Canada Corporation ("Xstrata")) in 2002. The Confederation Lake property consists of several gold and base metal properties located along a belt some 70 km long. The Company has a portfolio of properties in northern Ontario. The Company's main interest is in base metals, but it also has interest in three gold properties. Tribute has over 120,000 acres of prospective ground, much of which, due to the grass roots nature, may be found to host several different types of minerals, from Nickel, Copper, and Zinc, to Gold and Platinum group elements.

In 2008 the Company acquired a 50% interest in the McFaulds Lake property, covering over 27,000 hectares, located in the James Bay Lowlands. On July 7, 2009, the Company closed an agreement with Goldeye to acquire the 50% interest in the McFaulds Lake joint venture not already owned by the Company. During the year ended December 31, 2008, the Company completed an airborne survey on its McFaulds property, covering 1/3rd of the property interests in the area. The Company has now completed a Z-TEM survey covering the 68,000 acre McFaulds Lake land package

Tribute Minerals Inc. (formerly Goldhunter Explorations Inc.) was amalgamated pursuant to the *Business Corporations Act* (Ontario) on October 7, 1987. On December 31, 2001, it acquired all of the outstanding securities of Tribute Minerals Corporation ("TMC"), which was originally incorporated under the *Canada Business Corporations Act* on December 17, 1998. TMC continued into Ontario and by Articles of Amalgamation dated January 1, 2005 the Company effected a vertical amalgamation with its wholly-owned subsidiary, TMC, to form Tribute.

The Company has directed its expertise and financial resources to the identification and acquisition of mineral exploration properties with resource potential at the exploration stage of development. The Company's strategy is to increase shareholder value through the discovery, exploration and, if warranted, development of mineral resource properties either through its own expertise or through sale, joint venture or royalty interest participation with strategic partners in the industry.

The Company's accounting policy is that exploration expenditures related to mineral property interests are recorded as an expense in the period in which they are incurred or deferred if it is determined that these costs will be recovered from future operations as a result of established proven or probable reserves. Acquisition costs for mineral properties are deferred until it is determined that these costs will not be recovered from future operations, at which point these costs are written off to operations.

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### MINERAL PROPERTIES

#### Confederation Lake

The Company's Confederation Lake properties were acquired from Xstrata by incurring exploration expenditures totaling \$3.5 million over four years, including 16,000 meters of diamond drilling. Xstrata retains a back-in option for a 50% participating interest in any deposit indicated by an independent scoping study to contain at least 8 million tonnes of massive sulphide or one million ounces of gold by expending 150% of Tribute's expenditures on the property, or cash payment equal to that amount. If the back-in option is exercised, a joint venture will be formed relating to the area (a "Project Area") defined to contain the deposit. Should Xstrata elect not to exercise its back-in option, Xstrata will retain a 2% NSR royalty relating to the relevant Project Area. In addition, Xstrata will receive a one-time cash payment of \$500,000 due upon submission of the first such scoping study with respect to which Xstrata does not exercise its back-in option and a further sum of \$1.5 million payable upon commercial production from that Project Area. Xstrata also retains the right to carry out a sole risk exploration drilling program to confirm the contents of an independent scoping study delivered by Tribute. The agreement anticipates that there may be more than one Project Area on the property.

On August 14, 2007 the Company announced an updated National Instrument 43-101 compliant technical report titled Garnet Lake Property (also known as the Arrow Zone), Confederation Lake Belt prepared by Qualified Person G.S. Carter, P. Eng. of Broad Oak Associates which updated the previous report dated July 12, 2006.

At a cut-off grade of 3% per cent zinc ("Zn") equivalent, Broad Oak Associates estimated an indicated resource of 2.071 million tonnes plus an inferred resource of 120,552 tonnes as presented in the following table:

Category	Tonnes	Zn (%)	Cu (%)	Au (g/t)	Ag (g/t)
At a 3% per cent zinc equivalent					
Indicated (Plus an average indium value of 34.6 g/t for 19 out of 24 holes intersecting the Arrow Zone.)	2,070,888	5.92	0.75	0.58	21.1
Inferred	120,552	2.60	0.56	0.40	21.5
At a 5% per cent zinc equivalent					
Indicated (Plus an average indium value of 28.7 g/t for 18 out of 23 holes intersecting the Arrow Zone.)	1,762,211	6.75	0.79	0.61	22.3
Inferred	51,631	3.86	0.79	0.58	23.8
At a 10% per cent zinc equivalent					
Indicated (Plus an average indium value of 55.2 g/t for 10 out of 13 holes intersecting the Arrow Zone.)	633,429	14.3	1.11	0.85	31.7

Resource estimations were based on three chosen cut-off grades of 10%, 5% and 3% Zn equivalent, which is equal to the Zn (wt.%) plus 2.4 Cu (wt.%). (Cut-off grades are calculated using zinc and copper only. No indium grades have been determined for the inferred tonnage as of this date).

Until an economic evaluation is completed, the economic cut-off for this deposit is unknown. Mineral resources that are not mineral reserves do not have demonstrated economic viability. In consultation with Broad Oak Associates, and based upon base metal prices as at August 14, 2007, the Company determined that 3% Zinc was the minimum acceptable cut-off grade to report.

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The Arrow Zone, using the 10% Zn equivalent cut-off, has a high-grade centre of indicated resource of 633,429 tonnes at 14.3% Zn, 1.11% Cu, 0.85 g/t Au and 31.7 g/t Ag, separated to date into two pods based on the high-grade intersections.

Independent Consulting Mining Engineer, Geoff Carter, P.Eng. of Broad Oak Associates supervised the resource estimation and is the Qualified Person under National Instrument 43-101 for the purposes of the disclosure herein.

Ongoing research on the Arrow Zone includes an environmental base line audit, rock mechanics drilling and analysis, and bench test ore studies. The Company has also requested a preliminary cost analysis for a full scoping study.

On the Snake Falls Property, located at the western end of the Confederation Property package, preliminary results of the Titan-24 MT and Deep IP surveys have been received. To date only 37.5% of the total data set has been seen by Company employees, and this only via email. When the final data package has been received the Company will report to the public the findings, and drill targets will be chosen for testing thereafter

### McFaulds Lake

On November 20, 2007 (the "Agreement Date"), the Company entered into an agreement with Goldeye Explorations Limited ("Goldeye") to form a joint venture related to a group of properties within the area known as "The Ring of Fire" located in the Lower James Bay region of Ontario, in the proximity of McFaulds Lake ("the Property"). The joint venture was effective on January 21, 2008 with the purpose of sharing on a 50/50 basis, the exploration activity and economic results underlying the mineral claims staked.

On July 7, 2009, the Company closed an agreement with Goldeye to acquire the 50% interest in the McFaulds Lake joint venture not already owned by the Company, in exchange for issuing a total of 11,671,500 of its common shares to Goldeye, the payment of \$115,000 in cash, settlement of \$85,000 in accounts payable and the retention by Goldeye of a 1 percent net-smelter-returns royalty (subject to adjustment) in the property. The completion of the agreement results in the Company holding a 100% working interest (subject to the Goldeye NSR) in the McFaulds Lake Property which consists of a total of 68,239 acres.

### Other Properties

On September 16, 2008 (the "effective date"), the Company signed an option agreement with Halo Resources Ltd. ("Halo") for the exclusive right for Halo to earn up to a 75% interest in the Bridget Lake property. The initial option to acquire a 65% interest requires Halo to incur not less than \$50,000 in exploration expenses, make cash payments to the Company totaling \$50,000 and issue 400,000 common shares of Halo to the Company, all within two years of the effective date as noted below.

	During the first year	During the second year	Total
Exploration expenses	\$25,000	\$25,000	\$50,000

  

	On the effective date	On the first anniversary date	Upon formal exercise of the option
Cash payments	\$25,000	\$25,000	-
Share issuance	50,000	50,000	300,000

Halo agreed to make the \$10,000 annual pre-royalty payment required to keep the property in good standing.

In the event Halo exercises its initial option, Halo shall have a second option to acquire an additional 10% interest in the Bridget Lake property for a period of three (3) years from the exercise of the initial option, by funding all exploration and development expenditures to the point of completion of a bankable feasibility study.

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### RESULTS OF OPERATIONS

*Three months ended June 30, 2009*

The Company's net loss for the three months ended June 30, 2009 was \$752,295 or \$0.01 per share (\$428,475 or \$0.01 per share for the three months ended June 30, 2008).

General and administrative expenses ("G&A") for the three months ended June 30, 2009 were \$132,640 (\$123,640 for the three months ended June 30, 2008) and included costs associated with the promotion and financing of the Company and overheads resulting from the Company's Toronto administrative facilities.

Cash flow used in operating activities was \$712,798 for the three months ended June 30, 2009 (\$319,426 for the three months ended June 30, 2007).

*Six months ended June 30, 2009*

The Company's net loss for the six months ended June 30, 2009 was \$833,921 or \$0.01 per share (\$2,194,445 or \$0.03 per share for the six months ended June 30, 2008).

General and administrative expenses ("G&A") for the six months ended June 30, 2008 were \$211,782 (\$228,606 for the six months ended June 30, 2008) and included costs associated with the promotion, financing and regulatory compliance activities of the Company, and overheads resulting from the Company's Toronto administrative facilities.

Cash flow used in operating activities was \$699,558 for the six months ended June 30, 2008 (\$2,142,708 for the six months ended June 30, 2007).

During the six month period ending June 30, 2009, the Company disposed of marketable securities with a book value of \$1,500 and realized a gain of \$1,000 (nil for the period ended June 30, 2008)

Interest earned for the six month period ended June 30, 2009 was \$373 (\$76,532 for the six month period ended June 30, 2008). The year over year change is as result of decreased interest bearing cash balances.

### GENERAL AND ADMINISTRATIVE EXPENSES

The major changes to general and administrative expenses between 2009 and 2008 reflect reduced management activity, as well as a receipt of \$12,144 (nil for 2008) for rental space fees recovered at the Company's Toronto office.

	Three Months Ended		Six months ended	
	June 30		June 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
Consulting and management fees	<b>63,165</b>	50,835	<b>109,850</b>	105,520
Professional fees (legal & audit)	<b>54,462</b>	27,578	<b>66,976</b>	38,852
Office costs	<b>13,764</b>	16,413	<b>27,033</b>	27,302
Shareholder communications, advertising and regulatory and filing fees	<b>6,099</b>	21,279	<b>12,521</b>	42,202
Travel	<b>1,222</b>	1,730	<b>1,222</b>	3,100
Insurance	-	5,805	<b>6,324</b>	11,630
Rental cost recovery	<b>(6,072)</b>		<b>(12,144)</b>	

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	132,640	123,640	211,782	228,606
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### EXPLORATION EXPENDITURES

Exploration expenses for the period ended June 30, 2009 as illustrated in the table below relate to security and maintenance of exploration camps on the Company's northern Ontario properties.

#### Mineral property acquisition cost

Balance at June 30	2009 \$	2008 \$
McFaulds Lake	77,347	74,981
	Expenditures for the 3 months ended June 30, 2009 \$	Expenditures for the 6 months ended June 30, 2009 \$
<b>Confederation Lake</b>		
Drilling		
Exploration		
Geotechnical services	19,080	19,080
Field support	12,351	15,042
Total Confederation Lake	31,431	34,122
<b>McFaulds Lake</b>	-	-
Exploration	-	-
Geotechnical services	588,230	588,230
Total McFaulds Lake	588,230	588,230
<b>Other</b>		
Exploration	-	-
Geotechnical services	-	-
Field support	60	1,160
Total other	60	1,160
Total exploration expenditures	619,721	623,512

### SUMMARY OF QUARTERLY RESULTS

For the eight most recent quarters:

	June 30 2009 \$	March 31 2009 \$	December 31 2008 \$	September 30 2008 \$
Net loss for the period	752,295	81,626	558,014	88,064
Net loss per share (basic and diluted)	0.01	0.00	0.01	0.00
	June 30 2008 \$	March 31 2008 \$	December 31 2007 \$	September 30 2007 \$
Net loss for the period	428,475	1,765,970	344,981	766,422
Net loss per share (basic and diluted)	0.01	0.02	0.00	0.01

The variations in net loss between quarters is generally due to timing of the Company's exploration activities. The main component of the loss for the three months ending June 30, 2009, was the Company's \$588,230 expenditure for the airborne Z-TEM survey of its McFaulds Lake holdings.

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The net loss in the fourth quarter of 2008 was also affected by a write down on marketable securities held by the Company and costs related to McFaulds Lake exploration, as well as a geotechnical airborne survey of the Confederation Lake property.

The net loss in the fourth quarter of 2007 was also affected by a future income tax recovery of \$1,080,000.

### LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2009 the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the further curtailment of activities and project delays. Tribute had a working capital deficit of \$60,370 as at June 30, 2009, and had incurred losses since inception resulting in an accumulated operating deficit of \$15,372,062 as at June 30, 2009. The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurances that the Company will be successful in this regard, and therefore, there is substantial doubt regarding the Company's ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern.

The ability of the Company to continue operations and carry out further desired exploration activities over the course of 2009 is dependent upon obtaining additional financing and/or selling or joint venturing its exploration properties.

### FINANCIAL INSTRUMENTS

The carrying amount of financial instruments approximates fair value. The Company's financial assets include cash equivalents, marketable securities, short term investments and accounts receivable. The Company does not consider these assets to be subject to credit risk or interest rate risk.

### SHARE CAPITAL

Tribute is authorized to issue an unlimited number of no par value common shares.

The following table provides the details of changes in the number of issued common shares.

	Number of shares	Amount \$
Balance, December 31, 2008, and March 31, 2009	75,654,397	11,821,034
Private placement flow through share issue	7,346,000	587,680
Private placement working capital share issue	833,333	41,271
Private placement flow through share issue	7,650,000	612,000
Private placement working capital share issue	4,700,000	228,420
Issuance of warrants	-	88,926
Share issue expenses	-	(96,503)
Balance, June 30, 2009	96,183,730	13,282,828
Common shares issued for mineral property acquisition	11,671,500	583,575
Balance, July 7, 2009	107,855,230	13,866,403

On February 1, 2009, 600,000 stock options, with an exercise price of \$0.25 per common share, expired unexercised.

On May 22, 2009, the Company completed a sale of 7,346,000 flow-through common shares priced at \$0.08 per share for gross proceeds of \$587,680

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On June 9, 2009, the Company completed a sale of 833,333 units priced at \$0.06 per unit for gross proceeds of \$50,000. Each unit consists 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 \$0.12 per share for a period of two years.

On June 10, 2009, 100,000 stock options, with an exercise price of \$0.25 per common share, expired unexercised.

On June 11, 2009, the Company completed a sale of 7,650,000 flow-through common shares priced at \$0.08 per share for gross proceeds of \$612,000. The Company paid a cash finder's fee of \$36,720 and issued 612,000 share purchase warrants to acquire common shares at a price of \$0.08 per share for a period of two years.

On June 24, 2009, the Company completed a sale of 4,700,000 Units for gross proceeds of \$282,000. Each unit consisted of one common share of the Company and one-half of a share purchase warrant. Each full warrant entitles the holder to acquire an additional common share at the price of \$0.12 per share for two years. The Company paid a cash commission of \$12,000 and issued 200,000 compensation options to acquire one common share of the Company at a price of \$0.10 for two years.

As at June 30, 2009, the number of common shares outstanding on a fully-diluted basis is 102,962,397.

The number of common shares outstanding on a fully-diluted basis as at August 27, 2009 is 114,633,897.

### RELATED PARTY TRANSACTIONS

During the three months ended June 30, 2009, the Company incurred \$63,165 (2008 – \$50,835) in fees payable to directors and officers.

During the six months ended June 30, 2009, the Company incurred \$109,850 (2008 – \$102,520) in fees payable to directors and officers. At June 30, 2009 there was a balance of \$179,721 owing on this account.

During the three months ended June 30, 2009, the Company incurred \$44,462 (2008 – \$19,773) legal fees with a company related to an officer of the Company.

During the six months ended June 30, 2009, the Company incurred \$44,462 (2008 – \$26,047) legal fees with a company related to an officer of the Company. At June 30, 2009 there was a balance of \$112,330 owing on this account.

During the six months ended June 30, 2009, the Company received \$31,900 (2008 – nil) as loans from three officers and a consultant of the Company. The loans are non-interest bearing and do not have fixed terms of repayment.

In 2009 the Company received \$24,286 (2008 - \$24,025) in rent, from a company related to two officers of the Company.

These transactions are measured at the exchange amount.

### Change in accounting policy – Goodwill and other intangible assets and financial statement concepts

Effective January 1, 2009, the Company adopted Section 3064. Section 3064 provides guidance on the recognition of intangible assets in accordance with the definition of an asset and the criteria for asset recognition, clarifying the application of the concept of matching revenues and expenses, whether these

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assets are separately acquired or are developed internally. The Company has evaluated the new section and determined that adoption of these new requirements has no impact on the Company's financial statements beyond additional disclosures.

### **Change in accounting policy – Credit risk and the fair value of financial assets and financial liabilities**

In January 2009, the Emerging Issues Committee of the CICA issued EIC-173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities, which applies to interim and annual financial statements for periods ending on or after January 20, 2009. The Company has evaluated the new section and determined that adoption of these new requirements has no impact on the Company's financial statements beyond additional disclosures.

### **Change in accounting policy – Mining exploration costs**

In March 2009, the CICA issued EIC-174, "Mining Exploration Costs." The EIC provides guidance on accounting for capitalization and impairment of exploration costs. This standard is effective for our fiscal year beginning January 1, 2009. The application of this EIC did not have an effect on our consolidated financial statements.

### **Future changes in accounting policy**

#### **International financial reporting standards**

On February 13, 2008, the Accounting Standards Board announced that publicly accountable entities will be required to prepare financial statements in accordance with International Financial Reporting Standards ("IFRS") for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. The Company is assessing the impact of the conversion from GAAP to IFRS on the consolidated financial statements and will develop a conversion implementation plan.

### **RISK FACTORS**

Given the Company's current status as an exploration stage company, there are numerous risk factors that could affect the Company's business prospects and future performance, including the following. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also affect the Company's business prospects and future performance.

#### *Operating history*

The Company has a very limited history of operations and must be considered a start-up. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and an absence of revenues. There is no assurance that the Company will be successful in achieving a return on shareholder investment and the likelihood of success must be considered in light of its early stage of operations.

#### *Highly speculative business*

The nature of the Company's business is highly speculative due to its proposed involvement in the exploration, development and production of minerals. Exploration for minerals involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that any commercial quantities of ore will be discovered by the Company. The commercial viability of a mineral deposit, if discovered, depends upon a number of factors including the particular attributes of the deposit (principally size and grade), the proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes base metal prices to fluctuate substantially over short periods of time. Most of these factors are beyond the control of the Company. Mineral exploration and development are highly speculative and few properties that are explored are ultimately placed into commercial production.

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### *Insufficient resources or reserves*

Substantial additional expenditures will be required to establish either resources or reserves on mineral properties and to develop processes to extract the minerals. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or at all.

### *Barriers to commercial production*

The Company will rely upon consultants and others for construction and operating expertise. The economics of developing mineral properties are affected by many factors including, but not limited to, the cost of operations, grade of ore, fluctuating mineral markets, costs of processing equipment, competition, extensions on licenses and other factors such as government regulations, including regulations relating to title to mineral concessions, royalties, allowable production, importing and exporting of minerals and environmental protection. Many of the above factors are beyond the control of the Company. Depending on the price of minerals produced, the Company may determine that it is impractical to either commence or continue commercial production.

### *Additional capital*

The exploration and development of the Company's mineral property interests will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on the Company's mineral property interests. The Company will also require additional funding to acquire further property interests. The ability of the Company to arrange such financing in the future will depend, in part, upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from treasury of the Company, control of the Company may change and security holders may suffer additional dilution.

### *Commodity price and exchange rate fluctuations*

The feasibility of mineral exploration is significantly affected by changes in the market price of the minerals expected to be produced. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control. The level of interest rates, the rate of inflation, world supply of minerals and stability of exchange rates can all cause significant fluctuations in mineral prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

### *Key officers, consultants and employees*

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success. The Company has not purchased any key-man insurance with respect to any of its directors, officers or consultants and has no current plans to do so.

### *Title*

No assurances can be given that title defects to the mineral property interests do not exist. The mineral property interests may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title, estate and interest in and to the mineral property interests to which the title defect relates.

Title to mineral interests in some jurisdictions is often not susceptible to determination without incurring substantial expense. In accordance with industry practice, the Company conducts such title reviews in connection with its properties as it believes are commensurate with the value of such properties. The actual interest of the Company in certain properties may vary from the Company's records.

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### *Maintaining interests in mineral properties*

The Company's continuing right to maintain its ownership in its mineral property interests will be dependent upon compliance with applicable laws and with agreements to which it is a party. There is no assurance that the Company will be able to obtain and/or maintain all required permits and licenses to carry on its operations. Additional expenditures will be required by the Company to maintain its interests in its properties. There can be no assurance that the Company will have the funds, will be able to raise the funds or will be able to comply with the provisions of the agreements relating to its properties which would entitle it to an interest therein and if it fails to do so its interest in certain of these properties may be reduced or be lost.

### *External market factors*

The marketability and price of minerals which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. The Company will be affected by changing production costs, the supply or/and demand for minerals, the rate of inflation, the inventory levels of minerals held by competing companies, the political environment and changes in international investment patterns.

### *Governmental and regulatory requirements*

Government approvals and permits are currently, and may in the future, be required in connection with the Company's operations. To the extent that such approvals are required and not obtained, the Company may be restricted or prohibited from proceeding with planned exploration or development activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, which may include requirements for the Company to take corrective measures requiring capital expenditures, installation of additional equipment, or other remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in the development of properties.

### *Environmental regulations*

All phases of the Company's operations are subject to environmental regulation. Environmental legislation is becoming more strict, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that environmental regulation will not adversely affect the Company's operations. Environmental hazards may exist on a property in which the Company holds an interest which are unknown to the Company at present which have been caused by previous or existing owners or operators of the property. 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 the imposition 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 manner which means standards, and enforcement, fines and penalties for non-compliance are more stringent.

Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The Company intends to fully comply with all environmental regulations in all of the countries in which it is active.

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### *Conflicts of interest*

Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the *Business Corporations Act* (Ontario), directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. The directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers.

### *Uninsured risks*

The Company currently does not have liability insurance.

### *Competition in acquiring additional properties*

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

### *Dividend policy*

No dividends on the common shares of the Company have been paid by the Company to date. The Company intends to retain its earnings, if any, to finance the growth and development of its business and has no present intention of paying dividends or making any other distributions in the foreseeable future.

## **COMMITMENTS, CONTINGENCIES AND GUARANTEES**

The Company has one contractual lease obligation related to its corporate premises that requires a minimum total lease payment of \$137,258 until May 2012.

	\$
2009	24,668
2010	46,038
2011	46,764
2012	19,788
	<hr/> 137,258

A service provider has claimed it has outstanding amounts owing by the Company at December 31, 2008. As neither the outcome nor the final amount of the above dispute is determinable, no additional amount has been accrued in the accompanying consolidated financial statements.

## **OUTLOOK**

Tribute believes that success in mineral exploration is the discovery of one or more mineral deposits of economic grade and proportions. Such success is predicated on good planning and sound fundamentals in respect to management, properties and funding. Tribute has been organized to address these fundamentals.

The Company is a junior resource exploration company whose stated objectives are:

- 1) Capitalize on the experience and technical abilities of its management team to effectively explore for base metals and/or gold deposits primarily in Ontario.
- 2) Source and employ the most advanced exploration technologies available.

# Tribute Minerals Inc.

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- 3) Enter into strategic relationships and generate sufficient capital to maintain a continuously high level of exploration and development activity.
- 4) Increase shareholder value by adhering to Tribute's objectives.

Tribute believes that it has furthered these goals with the identification of an indicated resource in its Confederation Lake Property. Through the use of advanced exploration technologies such as TITAN-24 system, Tribute has outlined an indicated resource over 2 million tonnes, representing 270 million pounds of Zinc, 34.2 million pounds of Copper, 35,000 ounces of Gold and 1.237 million ounces of Silver (see heading above "Resource estimation on Confederation Lake Property").

In 2009 and 2010, Tribute hopes to continue its progress towards the goal of bringing a mine into production in Ontario. A considerable amount of pre-development work was accomplished during the year 2008. Although the turmoil in the market has significantly curtailed Tribute's work plans, due to lack of funds, the Company has continued to explore ways in which it can forward this project.

Recently the Company entered into a new agreement with Goldeye and acquired ownership of 100% of the previously joint ventured claims in the James Bay Lowlands. Tribute intends to continue its use of advanced technology, and has utilized the latest in airborne geophysics to define our targets on the very exciting James Bay Lowlands property. Tribute has completed flying of the Z-TEM airborne survey over its 70,000 acre landholdings in the Ring of Fire. Geotech Airborne has developed an aerial Magneto Telluric system that has helped to further define the potential of the McFaulds Lake project. The first targets have been fully defined and the company expects drilling to begin in the fall.

Management is in discussions with various parties to raise additional funds. We are unable to report on these efforts at this time. We believe that due to the value of our mineral property interests, management and the exciting regions in which the company participates, these efforts will be rewarded as is reflected in the Company's past record.

Management has also begun negotiations with two First Nations, namely the Lac Seul F.N. and the Webequie F. N. It is the Company's desire to be a leader in cooperation with the local communities and to help establish long term job opportunities in the mineral exploration and development sectors.

### **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Management's Discussion and Analysis contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as actual results of current exploration programs, the general risks associated with the mining industry, the price of gold and other metals, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.