

# SLATER MINING CORPORATION

Management's Discussion and Analysis

December 31, 2009

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This discussion and analysis of financial position and results of operation made as of January 22, 2010 is integral to and should be read in conjunction with Slater Mining Corporation (the "Company") financial statements for the year ended December 31, 2009. All dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. These documents and additional information relating to the Company are available at [www.sedar.com](http://www.sedar.com).

## **Corporate Overview**

The Company was incorporated under the *Business Corporations Act* (British Columbia) on June 5, 2008.

The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to any prerequisite receipt of shareholder approval and acceptance by regulatory authorities. The Company is classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4.

The Company does not have active business operations or assets other than cash. The Company's common shares were listed for trading on the TSX Venture Exchange (the "Exchange") on October 1, 2008 and trade under the symbol "SLM.P"

The Company has entered into a legally binding letter agreement to earn-in to a 60% interest in multiple copper/silver deposits in Kazakhstan. The transaction is expected to close during 2010.

The Company's officers and directors are:

Ian Slater	Director, Chairman, CEO and CFO
Tim Petterson	Director, VP Corporate Development
Robert Bell	Director, VP Projects
Jay Sujir	Director, Corporate Secretary
Paul Bushell	Director
Jeffrey Mason	Director

## **Critical Risk Factors**

The Company has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the completion of a "Qualifying Transaction" as that term is defined under Exchange policy.

The Company has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

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## Results of Operations (Three Months Ended)

<b>2009</b>	<b>March 31</b>	<b>June 30</b>	<b>September 30</b>	<b>December 31</b>
<b>Revenue</b>				
Interest	\$4,315	\$(4,156)	\$351	\$336
<b>Expenses</b>				
Filing fees	\$9,888	\$7,706	\$1,636	\$1,438
General & administrative	2,288	25,765	21,507	12,600
Professional fees	9,991	1,270	2,200	25,132
Project evaluation	28,367	9,977	74,590	170,289
Stock based compensation	35,000	0	25,000	0
	\$85,534	\$44,718	\$124,933	\$209,459
Loss	\$81,219	\$48,874	\$124,582	\$209,123
Loss per share	\$0.01	\$0.00	\$0.01	\$0.01

<b>2008</b>	<b>September 30</b>	<b>December 31</b>
<b>Revenue</b>		
Interest	\$1,458	\$4,192
<b>Expenses</b>		
Filing fees	\$665	\$1,588
General & administrative	11,399	17
Professional fees	0	10,000
Project evaluation	26,780	656
Stock based compensation	0	45,000
	\$38,844	\$57,261
Loss	\$37,386	\$53,069
Loss per share	\$0.01	\$0.00

## Liquidity

As at December 31, 2009 the Company had cash resources of \$186,553, short term investments of \$500,000 and working capital of \$707,612.

## Transactions with Related Parties

The Company incurred expenses of \$48,000 (\$0 – 2008) with a private corporation owned by an officer and director, for office space and out-of-pocket expenses. The Company incurred professional fees of \$23,573 (\$22,727 – 2008) for legal services to a director. There were no accounts payable due to related parties as of December 31, 2009 (\$0 – 2008). These transactions were in the normal course of operations, do not have future commitments and were recorded at the exchange amount as determined by management.

## Changes in Accounting Policies Including Initial Adoption

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Please refer to the Company's financial statements for the year ended December 31, 2009 for disclosure regarding changes to the Company's accounting policies.

## **Financial Instruments**

Please refer to the Company's financial statements for the year ended December 31, 2009 for disclosure regarding the Company's financial instruments.

## **International Financial Reporting Standards**

The Canadian Accounting Standards Board ("AcSB") in 2006 published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") over a five-year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-accountable enterprises to use IFRS. The Company will prepare its financial statements in accordance with IFRS effective January 1, 2011 and the financial statements will require 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 impact of the adoption of IFRS, in light of any potential qualifying transaction the impact cannot be reasonably estimated at this time.

## **Share Capital**

At December 31, 2009 and the date of this report, the Company had 17,650,000 common shares outstanding.

## **Stock Options**

As of the date of this report the following options are outstanding to purchase common shares:

<b>Grant date</b>	<b>Expiry date</b>	<b>Number of options</b>	<b>Exercise price</b>
October 1, 2008	October 1, 2013	900,000	\$0.10
February 9, 2009	October 1, 2013	500,000	\$0.14
July 22, 2009	October 1, 2013	360,000	\$0.12

On February 9, 2009, the Company issued 500,000 options to existing directors of the Company. On July 22, 2009, the Company issued 360,000 options to new directors of the Company. The options may be exercised on a date no less than 12 months after the completion of a qualifying transaction ("QT") or 90 days following the cessation of the optionee's position with the Company. If the options are exercised before the QT, the optionee must agree in writing to deposit the optioned shares in escrow until the issuance of the Final Exchange Bulletin.

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## Warrants

As of the date of this report the following agent's warrants are outstanding to purchase common shares:

<b>Grant date</b>	<b>Expiry date</b>	<b>Number of warrants</b>	<b>Exercise price</b>
October 1, 2008	October 1, 2010	150,000	\$0.10

## Disclosure Controls and Procedures

The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized, and reported within the applicable time periods and to ensure that required information is gathered and communicated to the Company's management so that decisions can be made about timely disclosure of that information. The Company's Chief Executive Officer and Chief Financial Officer (the "Certifying Officers") are responsible for the establishment and maintenance of a system of disclosure controls and procedures. This system is designed to provide reasonable assurance that information required to be disclosed by the Company under various securities legislation or the rules of regulatory agencies is appropriately reported within the time periods specified.

## Cautionary Statement

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.