ALDRIDGE
MINERALS INC.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED MAY 31, 2011
(Expressed in Canadian Dollars)
(Unaudited)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim consolidated financial statements of Aldridge Minerals Inc. were prepared by management in accordance with Canadian generally accepted accounting principles. The most significant of these accounting principles have been set out in the November 30, 2010 audited consolidated financial statements. Only changes in accounting principles have been disclosed in these unaudited interim consolidated financial statements. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

Management has established processes which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim consolidated financial statements and (ii) the unaudited interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as at the date of and for the periods presented by the unaudited interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the unaudited interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Aldridge Minerals Inc.
(An Exploration Stage Company)
Consolidated Balance Sheets
(Expressed in Canadian Dollars)
(Unaudited)

	May 31 2011	November 30 2010
ASSETS		
Current		
Cash	**$ 1,490,529**	$ 152,989
Short-term investments (Note 5)	**9,493,503**	1,500,000
Amounts receivable	**373,012**	178,188
Prepaid expenses	**242,482**	93,799
	11,599,526	1,924,976
Loan receivable from Aldridge Uranium Inc. (Note 7)	**-**	254,384
Long-term investments (Note 6)	**1,837,914**	378,578
Mineral properties (Note 8)	**15,245,706**	14,960,576
Property and equipment (Note 9)	**110,260**	114,864
	$ 28,793,406	$ 17,633,378
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 495,043**	$ 477,578
Due to related parties (Note 12)	**100,160**	105,606
	595,203	583,184
Asset retirement obligation (Note 13)	**48,372**	48,012
Future income tax liability	**1,204,386**	1,204,386
	1,847,961	1,835,582
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	**35,090,168**	25,755,113
Contributed surplus	**12,605,387**	9,968,882
Deficit	**(20,275,365)**	(19,926,199)
Accumulated other comprehensive loss	**(474,745)**	-
	26,945,445	15,797,796
	$ 28,793,406	$ 17,633,378

Nature of Operations and Going Concern (Note 1)
Commitments (Note 11)
Subsequent Event (Note 15)

On behalf of the Board:

"Jacob Willoughby" Director — Jacob Willoughby

" Ed Guimaraes" Director — Ed Guimaraes

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

Aldridge Minerals Inc.
(An Exploration Stage Company)
Consolidated Statements of Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended May 31, 2011	Three Months Ended May 31, 2010	Six Months Ended May 31, 2011	Six Months Ended May 31, 2010
EXPENSES				
Administration costs - Turkey office	**$ 120,709**	$ 85,746	**$ 280,742**	$ 197,276
Accretion	**180**	-	**360**	-
Amortization	**6,706**	1,524	**13,095**	3,047
Consulting fees	**94,969**	-	**143,205**	-
Directors' fees	**73,000**	25,000	**132,000**	31,000
Management fees	**134,000**	167,317	**293,750**	291,158
Professional fees	**240,634**	28,706	**275,350**	91,607
Salaries and benefits	**2,629**	81,643	**5,258**	114,679
Investor relations	**106,396**	-	**106,396**	-
Stock-based compensation	**127,957**	209,900	**177,557**	383,100
Office and sundry	**100,570**	49,397	**141,017**	77,173
Shareholder information	**23,123**	66,753	**38,290**	92,530
Transfer and filing	**61,107**	4,714	**97,873**	40,040
Travel and promotion	**62,386**	28,808	**70,425**	46,254
	(1,154,366)	(749,508)	**(1,775,318)**	(1,367,864)
OTHER INCOME (EXPENSE)				
Interest income	**28,715**	14,806	**34,621**	14,806
Equity loss on investment	**-**	(34,033)	**-**	(61,287)
Foreign exchange gain	**5,525**	(60,334)	**170,459**	176,334
Gain on disposition of investment in Aldridge Uranium Inc. (Note 6)	**-**	-	**2,509,081**	-
Write-down of mineral properties (Note 8)	**-**	-	**(1,288,009)**	-
	34,240	(79,561)	**1,426,152**	129,853
Net loss for the period	**$ (1,120,126)**	$ (829,069)	**$ (349,166)**	$ (1,238,011)
Net loss per share - basic and diluted	**$ (0.03)**	$ (0.03)	**$ (0.01)**	$ (0.04)
Weighted average number of shares outstanding - basic and diluted	**37,093,841**	28,443,433	**33,460,104**	27,759,120

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

Aldridge Minerals Inc.
(An Exploration Stage Company)
Consolidated Statements of Deficit
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended May 31, 2011	Three Months Ended May 31, 2010	Six Months Ended May 31, 2011	Six Months Ended May 31, 2010
Deficit, beginning of period	**$(19,155,239)**	$(16,655,739)	**$(19,926,199)**	$(16,246,797)
Net loss for the period	**(1,120,126)**	(829,069)	**(349,166)**	(1,238,011)
Deficit, end of period	**$(20,275,365)**	$(17,484,808)	**$(20,275,365)**	$(17,484,808)

Consolidated Statement of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended May 31, 2011	Three Months Ended May 31, 2010	Six Months Ended May 31, 2011	Six Months Ended May 31, 2010
Net loss for the period	**$ (1,120,126)**	$ (829,069)	**$ (349,166)**	$ (1,238,011)
Net unrealized loss on available-for-sale investments	**(474,745)**	-	**(474,745)**	-
Comprehensive loss for the period	**$ (1,594,871)**	$ (829,069)	**$ (823,911)**	$ (1,238,011)

Aldridge Minerals Inc.
(An Exploration Stage Company)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Loss	Deficit	Total
Balance, November 30, 2009	**$ 22,492,848**	**$ 6,881,412**	**$ -**	**$(16,246,797)**	**$ 13,127,463**
Shares issued for cash	5,010,000	-	-	-	5,010,000
Warrant valuation	(1,452,291)	1,452,291	-	-	-
Share issue cost	(341,111)	-	-	-	(341,111)
Shares issued for debt settlement	45,667	-	-	-	45,667
Stock based compensation	-	383,100	-	-	383,100
Net loss for the period	-	-	-	(1,238,011)	(1,238,011)
Balance, May 31, 2010	**25,755,113**	**8,716,803**	**-**	**(17,484,808)**	**16,987,108**
Capital tax on expired warrants	-	(98,021)	-	-	(98,021)
Stock based compensation	-	1,350,100	-	-	1,350,100
Net loss for the period	-	-	-	(2,441,391)	(2,441,391)
Balance, November 30, 2010	**25,755,113**	**9,968,882**	**-**	**(19,926,199)**	**15,797,796**
Shares issued for cash	12,424,650	-	-	-	12,424,650
Warrant valuation	(2,153,606)	2,153,606	-	-	-
Share issue cost	(1,369,489)	438,342	-	-	(931,147)
Shares issued for options exercised	195,500	-	-	-	195,500
Black-Scholes valuation of options exercised	112,700	(112,700)	-	-	-
Shares issued for warrants exercised	105,000	-	-	-	105,000
Black-Scholes valuation of warrants exercised	20,300	(20,300)	-	-	-
Stock based compensation	-	177,557	-	-	177,557
Net unrealized loss on available-for-sale investments	-	-	(474,745)	-	(474,745)
Net loss for the period	-	-	-	(349,166)	(349,166)
Balance, May 31, 2011	**$ 35,090,168**	**$ 12,605,387**	**$ (474,745)**	**$(20,275,365)**	**$ 26,945,445**

The accompanying notes are an integral part of these unaudited interim consolidated financial statements

Aldridge Minerals Inc.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Three Month Ended May 31, 2011	Three Month Ended May 31, 2010	Six Month Ended May 31, 2011	Six Month Ended May 31, 2010
Cash Flows from Operating Activities				
Net loss for the period	**$ (1,120,126)**	$ (829,069)	**$ (349,166)**	$ (1,238,011)
Add (deduct) items not affecting cash:				
Amortization	**6,706**	1,524	**13,095**	3,047
Stock-based compensation	**127,957**	209,900	**177,557**	383,100
Equity loss on investment	**-**	34,033	**-**	61,287
Gain on disposition of investment in Aldridge Uranium Inc.	**-**	**-**	**(2,509,081)**	**-**
Write-down of mineral properties	**-**	-	**1,288,009**	-
	(985,463)	(583,612)	**(1,379,586)**	(790,577)
Changes in non-cash operating assets and liabilities				
Amounts receivable	**(158,041)**	(269,055)	**(194,824)**	(285,717)
Prepaid expenses	**(113,884)**	(6,582)	**(148,683)**	(23,610)
Accounts payable and accrued liabilities	**211,719**	63,632	**17,465**	(52,409)
Due to related parties	**(15,944)**	13,665	**(5,446)**	18,021
	(1,061,613)	(781,952)	**(1,711,074)**	(1,134,292)
Cash Flows from Financing Activities				
Share issue proceeds received, net of costs	**-**	-	**11,493,503**	4,714,556
Proceeds from options exercised	**-**	-	**195,500**	-
Proceeds from warrants exercised	**-**	-	**105,000**	-
	-	-	**11,794,003**	4,714,556
Cash Flows from Investing Activities				
Short-term investments	**-**	-	**(7,993,503)**	-
Mineral property acquisition and exploration costs	**(731,260)**	(324,449)	**(1,572,779)**	(629,616)
Proceeds on sale of investment in Aldridge Uranium Inc.	**829,384**	-	**829,384**	-
Purchase of property and equipment	**(8,491)**	-	**(8,491)**	-
	(89,633)	(324,449)	**(8,745,389)**	(629,616)
Net change in cash	**(1,011,980)**	(1,106,401)	**1,337,540**	2,950,648
Cash, beginning of period	**2,462,509**	5,082,992	**152,989**	1,025,943
Cash, end of period	**$ 1,490,529**	$ 3,976,591	**$ 1,490,529**	$ 3,976,591

The accompanying notes are an integral part of these unaudited interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Aldridge Minerals Inc. (the "Company") is listed on the Toronto Stock Exchange – Venture (TSX-V: AGM) and the Frankfurt Stock Exchange (Frankfurt: AIW). Its principal business activities are the exploration and development of mineral properties. The Company's mineral properties are located in Turkey and Papua New Guinea ("PNG").

The Company is in the process of exploring its mineral properties and has not yet determined if the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for the mineral properties is dependent upon the existence of economically recoverable reserves, confirmation of title, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production.

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities as they become due in the normal course of business for the foreseeable future. For the six months ended May 31, 2011, the Company reported a net loss of $349,166 and capitalized mineral property acquisition and deferred costs of $1,573,139 and at May 31, 2011 the Company's working capital (current assets less current liabilities) was $11,004,324. The Company's exploration activities and development of a property feasibility study may significantly reduce its working capital and thereby may require the Company to secure additional funding in 2012 to meet its obligations and keep its mineral claims in good standing. Although the Company has successfully raised additional funding in the past, there can be no assurance that sufficient new funding will be obtained. These circumstances may cast significant doubt as to the Company's ability to continue as a going concern and the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These financial statements do not reflect adjustments to the carrying value of assets and liabilities or reported expenses and balance sheet classifications would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited interim consolidated financial statements have been prepared by the Company in accordance with Canadian GAAP. The preparation of the unaudited interim consolidated financial statements is based on accounting policies and practices consistent with those used in the preparation of the audited annual consolidated financial statements except as noted below. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the notes to the Company's audited consolidated financial statements for the year ended November 30, 2010, since they do not contain all disclosures required by Canadian GAAP for annual financial statements. These unaudited interim consolidated financial statements reflect all normal and recurring adjustments which are, in the opinion of management, necessary for a fair presentation of the respective interim periods presented.

Long-term Investments

The Company accounts for its investments as available for sale financial assets, whereby the investment is measured at fair value, with changes in fair value, except for impairment losses that are other than temporary, recognized in other comprehensive income. When the investment is derecognized, the cumulative gain or loss previously included in accumulated other comprehensive income is recognized in earnings for the year.

Future accounting changes

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

Sections 1582 *Business Combinations*, 1601, *Consolidated Financial Statements* and 1602 *Non-controlling Interests* will replace the former Sections 1581, *Business Combinations* and 1600, *Consolidated Financial Statements* and establish a new section for accounting for a non-controlling interest in a subsidiary. Section 1582 is effective for business combinations for which the acquisition date is on or after January 1, 2011 and Sections 1601 and 1602 apply to consolidated financial statements relating to years beginning on or after January 1, 2011. The Company is currently evaluating the effects of adopting this standard.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

International Financial Reporting Standards ("IFRS")
In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian Generally Accepted Accounting Principles ("Canadian GAAP") with IFRS for Canadian enterprises with public accountability. On February 13, 2008, the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will be required to have prepared, in time for its first quarter of fiscal 2012 filing, consolidated financial statements in accordance with IFRS for the three months ended February 29, 2012 with February 28, 2011 comparative. The Company is currently in the process of evaluating the potential impact of IFRS to its consolidated financial statements. This will be an ongoing process as the International Accounting Standards Board and the AcSB issue new standards and recommendations.

3. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

a) to safeguard its ability to continue as a going concern;
b) to continue the development and exploration of its mineral properties; and
c) to maintain a capital structure which optimizes the cost of capital at an acceptable level of risk.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus, accumulated other comprehensive loss and deficit which at May 31, 2011 totalled $26,945,445 (November 30, 2010 - $15,797,796).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on its exploration and development activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the six months ended May 31, 2011.

The Company is not subject to any capital requirements imposed by a lending institution.

4. PROPERTY AND FINANCIAL RISK FACTORS

(a) Property risk

The Company's significant mineral properties are the Yenipazar property and exploration and PNG licenses. Any adverse development affecting these properties and licenses could have a material adverse effect on the Company's financial position and results of operations.

(b) Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

4. PROPERTY AND FINANCIAL RISK FACTORS (continued)

(b) Financial risk (continued)

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, short-term investments and amounts receivable. The Company has no significant concentration of credit risk arising from operations. The Company's policy is to invest excess cash in fixed interest investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts and management believes the risk to be remote.

Financial instruments included in amounts receivable consist of harmonized sales tax receivable from government authorities in Canada and accrued interest. Management believes that the credit risk concentration with respect to amounts receivable is minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2011, the Company had cash and short term investments of $10,984,032 comprising of $1,490,529 in cash and $9,493,503 in a guaranteed investment certificate ("GIC") (Cash and short term investments at November 30, 2010 - $1,652,989) to settle current liabilities of $595,203 (November 30, 2010 - $583,184). The GIC is redeemable in whole or in part, at any time, without penalty or loss of interest earned. All of the Company's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has significant cash balances and no interest-bearing debt. The Company's policy is to invest excess cash in fixed interest investment-grade short-term deposit certificates. The Company regularly monitors its cash management policy.

Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar. Major purchases are transacted in Canadian Dollars, Turkish Lira ("TRY") and Papua New Guinea Kina ("PGK"). The Company funds exploration expenditure in Turkey and Papua New Guinea. In Turkey the Company maintains a Turkish Lira bank account and a Canadian dollar bank account with sufficient funds to support monthly forecasted cash outflows over the following month. Management believes the foreign currency risk derived from currency conversions is minimal and therefore does not hedge its foreign currency risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of commodities for which it is exploring. The Company closely monitors commodity prices, particularly as they relate to precious minerals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

4. PROPERTY AND FINANCIAL RISK FACTORS (Continued)

(c) Sensitivity analysis

The Company has, for accounting purposes, designated its cash, short-term investments as held for trading, which are measured at fair value. Long term investments are classified as available-for-sale, which are measured at fair value. Amounts receivable are classified for accounting purposes as loans and receivables, which are measured at amortized cost and approximate fair value. Accounts payable and accrued liabilities and due to related parties are classified for accounting purposes as other financial liabilities, which are measured at amortized cost and also approximate fair value.

As at May 31, 2011, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

Based on management's knowledge of and experience with the financial markets, the Company believes the following movements are "reasonably possible" over a six month period:

(i) Short-term investments are subject to fixed interest rates. The Company has no debt and receives low interest rates on its cash balances. As such the Company does not have significant interest rate risk.

(ii) The Company maintains bank accounts denominated in Turkish Lira, Papua New Guinea Kina and US Dollars and is subject to foreign currency risk. As at May 31, 2011, had the Turkish Lira, Papua New Guinea Kina and US Dollar weakened/strengthened by 10% against the Canadian dollar with all other variables held constant, the Company's income would have been approximately $29,000 lower/higher and reported shareholders' equity would have been approximately $29,000 lower/higher.

(d) Fair value hierarchy

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at May 31, 2011:

	Level 1	Level 2	Level 3	Total
Cash	$ -	$ 1,490,529	$ -	$ 1,490,529
Short-term investments	-	9,493,503	-	9,493,503
Long-term investments	1,592,177	-	-	1,592,177
	$1,592,177	$ 10,984,032	$ -	$ 11,404,324

The different levels of valuation are defined as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities;
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3: Inputs for the asset or liability are not based on observable market data (unobservable inputs).

5. SHORT-TERM INVESTMENTS

At May 31, 2011, the Company's short-term investment consisted of a one year guaranteed investment certificate in the amount of $9,493,503 (November 30, 2010 - $1,500,000), invested at the bank prime rate less 1.2%, maturing on February 17, 2012, which is redeemable, in whole or part, at any time, without penalty or loss of interest earned.

6. LONG-TERM INVESTMENTS

Long-term investments include:

	May 31, 2011		November 30, 2010
Aldridge Uranium Inc.	$ -		$ 378,578
Anatolia Energy Ltd. – Ordinary shares	1,592,177	(a)	-
Anatolia Energy Ltd. – Class A performance shares	-		-
Vetter Uranium Ltd.	245,737	(b)	-
Long-term investments	$ 1,837,914		$ 378,578

a) Anatolia Energy Ltd. ordinary shares acquired in the transaction as described below were assigned a value of $2,066,922. At May 31, 2011 the value of these shares was adjusted to the market value based on the share price on the Australia Stock Exchange, which resulted in $474,745 in unrealized loss on available-for-sale assets. See also Note 2 "Long-term Investments" for the accounting policy for this available-for-sale investment.
b) The cost of the interest in Vetter Uranium Ltd. was initially recorded at fair value and henceforth carried at cost.

On December 31, 2008, the Company completed the spin-off (the "Aldridge Uranium Spin-Off") of a 68.5% interest in Aldridge Uranium Inc. ("Aldridge Uranium"). Upon completion of the Aldridge Uranium Spin-Off, the Company held 31.5% of the outstanding shares of Aldridge Uranium. From that date until the date of closing the Scheme of Arrangement transaction (discussed below) in the first quarter of fiscal 2011, Aldridge Uranium was accounted for as an equity investment as it was deemed to have remained subject to significant influence by the Company.

On March 5, 2010, Aldridge Uranium entered into a Scheme of Arrangement Implementation and Farm-in Joint Venture Agreement ("Scheme of Arrangement") with Australian listed company Anatolia Energy Ltd. ("Anatolia Energy"), formerly AWH Corporation Ltd., and its wholly-owned subsidiary Constellres Ltd. On December 3, 2010, the Scheme of Arrangement was approved by shareholders of Aldridge Uranium, Anatolia Energy and by the Australian Stock Exchange. To acquire a 35% interest in Aldridge Uranium, Anatolia Energy issued 31,233,000 fully paid ordinary shares and 11,692,009 Class A performance shares to the former shareholders of Aldridge Uranium, including the Company, pursuant to the Scheme of Arrangement. To acquire the remaining 65% interest in Aldridge Uranium, Vetter Uranium Ltd. ("Vetter") one of the joint venture partners exchanged 21,713,897 ordinary shares to the former shareholders of Aldridge Uranium, including the Company, pursuant to the Scheme of Arrangement.

In February 2011, the Scheme of Arrangement closed and the Company received $829,384 in cash, 9,070,063 directly held Anatolia Energy shares, 3,395,359 Class A performance shares (described below) in Anatolia Energy and the settlement of its loan to Aldridge Uranium of $256,233. The Company holds an 18.85% interest in Vetter. All of the Anatolia Energy shares are subject to a 12 month escrow imposed by the Australian Securities Exchange. The assigned fair value of the Anatolia Energy shares amounted to $2,066,922. The Company's carrying cost of its remaining indirect interest in Aldridge Uranium held through Vetter is $245,737. During the six months ended May 31, 2011, the Company has recognized a gain on disposition of its 10.19% interest in Aldridge Uranium of $2,509,081 reflecting the difference between the fair value of the assets acquired and the assets given up.

The Class A performance shares are non-transferable, non-voting and are not entitled to any dividends or any amount on the winding up of Anatolia Energy. If the Project (defined herein) is found to have a JORC Code compliant resource estimate of between 15 million pounds and 20 million pounds of contained uranium each Class A performance share of Anatolia Energy will entitle the holder to be issued 0.337335 Anatolia Energy ordinary shares for each 1 million pounds of contained uranium in the resource estimate in excess of 15 million pounds, but less than 20 million pounds (or a total of 3,543,784 Anatolia Energy ordinary shares).

6. LONG-TERM INVESTMENTS (continued)

To earn an interest of up to 75% in Aldridge Uranium's properties (the "Project"), Anatolia Energy must incur exploration expenditures of A$15 million on the Project, and progress the Project to a bankable feasibility study or incur total expenditures of A$20 million. Further, on completion of the Arrangement, the Aldridge Uranium shareholders are to receive not less than 31.7% and up to approximately 44% of Anatolia Energy, depending on achievement of uranium resource milestones up to 20 million pounds of uranium (U3O8), in exchange for their former 35% interest in Aldridge Uranium. If Anatolia Energy increases its interest in the Project to 75%, the remaining indirect 25% carried interest that would be held by former Aldridge Uranium shareholders ensures that former Aldridge Uranium shareholders who retain their shares benefit from any production from or sale of the Project. In certain circumstances, Anatolia Energy may elect to stop sole funding exploration expenditures on the Project and to not free carry the interest in the Project held by former Aldridge Uranium shareholders, subject to certain buy/sell rights between the parties.

7. LOAN RECEIVABLE

On March 26, 2010, the Company executed a loan agreement with Aldridge Uranium pursuant to which it advanced $250,000 to Aldridge Uranium. Interest accrued to February 28, 2011, at a rate equivalent to the prime rate, totalled $4,384. On March 1, 2011, the Company received $829,384 as full payment of the loan receivable pursuant to the terms of the Scheme of Arrangement. An additional $575,000 was received as part proceeds of the disposition of the Aldridge Uranium shares and is included in the gain of $2,509,081.

8. MINERAL PROPERTIES

The Company's capitalized acquisition and deferred costs for mineral properties are as follows:

	November 30, 2010	Deferred Expenditure	Write-down	May 31, 2011
Yenipazar Property	$ 12,070,014	$ 1,342,183	$ -	**$ 13,412,197**
Derinkoy Property	1,285,695	2,314	(1,288,009)	**-**
Exploration Licences	1,042,354	62,384	-	**1,104,738**
PNG Licence	562,513	166,258	-	**728,771**
	$ 14,960,576	$ 1,573,139	$ (1,288,009)	**$ 15,245,706**

The description of the mineral properties is included in Note 5 of the audited financial statements as at November 30, 2010. A brief summary of the descriptions and the specific changes to mineral properties that occurred from December 1, 2010 to May 31, 2011 are as follows:

<u>Yenipazar Property, Turkey</u>

The Yenipazar Property is located in central Turkey and hosts a polymetallic volcanogenic massive sulphide ("VMS") body. The Company is completing a feasibility study on the Yenipazar Property.

The Company has entered into an option agreement with Anatolia Minerals development (now Alacer Gold Corp. ("Alacer")) to earn a 100% interest in the Yenipazar Property. On December 1, 2010, the Company made a $504,900 (US$500,000) option payment to comply with the Option Agreement to earn a 100% interest in the Yenipazar Property. The Company's only outstanding obligation to complete its earn-in of a 100% interest in and to the Yenipazar Property is to deliver a feasibility report to Alacer by December 1, 2012. Under the Option Agreement, should the feasibility study not be completed within this timeframe, the Company's rights in respect of the Yenipazar Property will remain unimpaired provided that it is seen to be diligently and continuously working to complete such feasibility study. In addition to the condition which must be satisfied prior to the Company exercising its option on the Yenipazar Property, upon commercial production, the Company will pay Anatolia a 6% net profit interest ("NPI") until such time as operational revenues reach the amount of US$165,000,000. Should

8. MINERAL PROPERTIES (continued)

operational revenues exceed this threshold amount, the NPI will increase to 10%.

Derinkoy Property, Turkey

The Derinkoy Property is located in north eastern Turkey and is primarily prospective for gold, silver and copper. The Company entered into option agreements in 2002 and 2006 to acquire up to a 100% interest in the Derinkoy Property. In November 2009 the Company entered into an agreement with European Goldfields Ltd. ("EUG") whereby EUG could earn up to a 70% interest in the Derinkoy Property on certain terms.

EUG terminated its option on the Derinkoy property. The Company presently has no plans to fund exploration or development of this property and as a result the Company recorded a $1,288,009 write down of the property in February 2011. The Company has in turn terminated its option agreements relating to the Derinkoy Property.

Exploration Licenses, Turkey

The Company holds a total of 19 licences in western Turkey, which are prospective for nickel and chromite.

PNG Licence, Papua New Guinea

The Company holds an exploration licence for an area in the Southern Highlands province of Papua New Guinea (the "PNG Licence"). The area subject to the PNG Licence is located approximately 50 kilometres west of Barrick Gold Corporation's Porgera gold mine and 150 kilometres east of the Ok Tedi copper-gold mine, along the same mineralized trend.

9. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	May 31, 2011			November 30, 2010		
	Cost	Accumulated Amortization	Book Value	Cost	Accumulated Amortization	Book Value
Automotive	**$ 151,820**	**$ 123,556**	**$ 28,264**	$ 151,820	$ 118,568	$ 33,252
Equipment	**124,808**	**87,693**	**37,115**	124,808	81,144	43,664
Computer software	**26,623**	**19,596**	**7,027**	26,623	18,356	8,267
Computer equipment	**8,491**	**318**	**8,173**	-	-	-
Land	**29,681**	**-**	**29,681**	29,681	-	29,681
	$ 341,423	**$ 231,163**	**$ 110,260**	$ 332,932	$ 218,068	$ 114,864

10. SHARE CAPITAL

(a) Authorized

100,000,000 common shares without par value.

10. SHARE CAPITAL (Continued)

(b) Issued

	Number of Shares	Amount
Balance, November 30, 2010	28,470,741	$ 25,755,113
Shares issued for cash (i)	8,283,100	12,424,650
Warrant valuation (i)	-	(2,153,606)
Share issue cost (i)	-	(1,369,489)
Exercise of stock options	270,000	195,500
Black-Scholes valuation of options exercised	-	112,700
Exercise of warrants	70,000	105,000
Black-Scholes valuation of warrants exercised	-	20,300
Balance, May 31, 2011	**37,093,841**	**$ 35,090,168**

i) On February 17, 2011, the Company closed a brokered private placement of 8,283,100 units ("Units") of the Company at a price of $1.50 per Unit for gross proceeds of $12,424,650. Each Unit was comprised of one common share and one-half of one common share purchase warrant ("Warrant") Each Warrant entitles the holder thereof to acquire one additional common share of the Company at a price of $2.00 until February 17, 2013. In aggregate the Units sold resulted in the issuance of 8,283,100 common shares and Warrants that would entitle holders to purchase 4,141,550 common shares.

The Company paid cash commission and expenses of $931,147 and issued non-transferable broker warrants to acquire 579,817 Units of the Company at a price per Unit of $1.50 (“Broker Warrant”). Each Broker Warrant is exercisable until February 17, 2013. The exercise of the Broker Warrant entitles the holders to acquire an aggregate of 579,817 common shares and Warrants entitling holders to acquire a further 289,908 common shares of the Company. The common shares, Warrants and broker warrants are subject to a four-month hold period until June 17, 2011.

The grant date fair value of the 4,141,550 Warrants was determined to be $2,153,606 using a relative fair value method based on the estimated fair value of the Warrants using the Black-Scholes option pricing formula with the following assumptions: expected dividend yield of 0%; expected volatility of 91%; risk free interest rate of 1.9% and expected life of 2 years.

The grant date fair value of the 579,817 broker warrants were estimated at $438,342 using an option pricing formula with the following assumptions: expected dividend yield of 0%; expected volatility of 91%; risk free interest rate of 1.9% and expected life of 2 years.

10. SHARE CAPITAL (Continued)

(c) Warrants

The following table shows the continuity of warrants for the six months ended May 31, 2011:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2010	5,884,085	$ 1.50
Issued Warrants (Note 10(b))	4,141,550	2.00
Issued Broker Warrants (Note 10(b))	579,817	1.50
Exercised	(70,000)	1.50
Balance, May 31, 2011	**10,535,452**	**$ 1.70**

As at May 31, 2011, the following warrants were outstanding:

Expiry date	Exercise Price	Warrants Outstanding	Value Assigned at Issue Date
October 8, 2011	$ 1.50	832,330 (1)	$ 291,315
January 14, 2012	1.50	3,710,000 (1)	1,075,900
January 24, 2012	1.50	1,271,755 (1)	344,400
February 17, 2013	2.00	4,141,550 (1)	2,153,606
February 17, 2013	1.50	579,817 (2)	438,342
	$ 1.70	**10,535,452**	**$ 4,303,563**

(1) Each Warrant is exercisable for one common share.
(2) Each Broker Warrant is exercisable for one common share and one-half Warrant.

(d) Stock options

The Company has adopted a Stock Option Plan (the "Plan") to promote the interests of the Company to assist the Company in attracting, retaining and motivating its directors, officers, employees and consultants by providing greater incentive to further develop and promote the business and financial success of the Company. Pursuant to the Plan, the Company may grant options to purchase common shares of the Company to directors, officers, employees and consultants. A maximum of 4,514,322 common shares of the Company may be issued pursuant to the Plan.

The following table shows the continuity of stock options for the six months ended May 31, 2011:

	Number of Stock Options	Weighted Average Exercise Price
Balance, November 30, 2010	4,229,000	$ 1.40
Granted (1)(2)(3)	310,000	1.17
Expired	(150,000)	0.67
Exercised	(270,000)	0.72
Balance, May 31, 2011	**4,119,000**	**$ 1.43**

10. SHARE CAPITAL (continued)

(d) Stock options (continued)

(1) On February 22, 2011, the Company granted 50,000 stock options to an officer of the Company exercisable at $1.46 and expiring on February 22, 2016. The stock options granted vested immediately. The fair value of $49,600 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield 0%, expected volatility 85%, risk-free interest rate 2.63% and an expected life of 5 years.

(2) On March 21, 2011, the Company granted 200,000 stock options to consultants of the Company exercisable at $1.06 and expiring on March 21, 2016. The stock options granted vest one-third immediately, one-third after 6 months and one-third after 12 months. The fair value of $143,400 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield 0%, expected volatility 84%, risk-free interest rate 2.58% and an expected life of 5 years.

(3) On March 30, 2011, the Company granted 60,000 stock options to an officer of the Company exercisable at $1.29 and expiring on March 30, 2016. The stock options granted vested immediately. The fair value of $52,440 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield 0%, expected volatility 84%, risk-free interest rate 2.71% and an expected life of 5 years.

As at May 31, 2011, the following stock options were outstanding:

Expiry Date	Exercise Price	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
July 31, 2011	$ 2.05	55,000	55,000	0.17
September 20, 2011	2.10	25,000	25,000	0.31
October 31, 2011	1.80	90,000	90,000	0.42
March 8, 2012	2.60	75,000	75,000	0.77
July 24, 2012	2.88	30,000	30,000	1.15
February 6, 2012	2.24	62,000	62,000	1.69
February 19, 2013	2.40	37,000	37,000	1.73
July 15, 2013	2.40	200,000	200,000	2.13
December 22, 2013	2.04	70,000	70,000	2.56
October 9, 2014	1.40	965,000	965,000	3.36
February 11, 2015	1.20	250,000	250,000	3.70
April 28, 2015	0.88	400,000	400,000	3.91
November 9, 2015	1.11	400,000	400,000	4.45
November 30, 2015	1.40	1,150,000	1,150,000	4.50
February 22, 2016	1.46	50,000	50,000	4.73
March 21, 2016	1.06	200,000	66,667	4.81
March 30, 2016	1.29	60,000	60,000	4.84
	$ 1.43	**4,119,000**	**3,985,667**	**3.67**

11. COMMITMENTS

Operating Lease Agreement

During the year ended November 30, 2007 the Company entered into an operating lease agreement for premises in Vancouver, British Columbia expiring August 31, 2012. The agreement was subsequently amended to reduce costs. The minimum lease payments for fiscal years ending November 30 are as follows:

2011	$ 7,902
2012	$ 19,823.

Mining Licenses

The Turkish Mining Law was amended during 2005 whereby exploration licenses are now granted for three years and can be extended for an additional two years, upon application. Furthermore, pre-operation licenses are no longer granted and any outstanding pre-operation licenses shall be treated as exploration licenses until expiration.

Exploration license holders are required to submit reports on exploration at the end of the second, third and fifth years of the exploration period. Operation license holders are required to submit annual reports on operation projects to the relevant departments. To obtain the appropriate licenses, deposits must be made based on a per hectare fee. The applicable deposits are proportional to the size of the mining area and are determined each year or re-valued according to prevailing economic conditions. In the event the required reports and projects are not submitted on time, deposits for that period are forfeited. If a site is abandoned, the remaining part of the deposit is returned. To date the Company has experienced no issues with respect to acquisition and reporting, and no deposits were forfeited or returned.

12. RELATED PARTY TRANSACTIONS

During the three and six months ended May 31, 2011, the Company paid or accrued:

a) management fees of $134,000 and $293,750 (three and six months ended May 31, 2010 - $167,317 and $291,158) to directors and officers of the Company;
b) directors' fees of $73,000 and $132,000 (three and six months ended May 31, 2010 - $25,000 and $31,000);
c) salary and benefits of $2,629 and $5,258 (three and six months ended May 31, 2010 - $73,837 and $99,066) to an officer of the Company; and
d) geological consulting fees of $60,138 and $90,456 (three and six months ended May 31, 2010 - $32,547 and $67,913), included in the capitalized costs of the mineral properties, to a director and officer of the Company.

Certain of Aldridge's senior executives, officers and directors receive remuneration in the form of consulting fees through their respective holding companies. These fees are considered related party transactions and are included in "management fees" and "geological consulting fees" listed above.

Due to related parties of $100,160 (November 30, 2010 - $105,606) consists of amounts owing to directors and officers of the Company. The amounts due to related parties are unsecured, non-interest bearing and are payable within sixty days.

During fiscal year ended November 30, 2010, the Company advanced $250,000 to Aldridge Uranium under a short-term loan agreement. Interest accrued to February 28, 2011, at a rate equivalent to the prime rate, totalled $4,384. On March 1, 2011, this loan was repaid in full.

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

13. ASSET RETIREMENT OBLIGATION

The Company's asset retirement obligations ("ARO") are based on management's estimates of costs to abandon and reclaim mineral properties and facilities, as well as an estimate of the future timing of costs to be incurred.

The following table presents the reconciliation of the beginning and ending aggregate carrying amount of the ARO associated with the retirement of the Company's exploration properties:

	May 31, 2011	November 30, 2010
Balance, beginning of period	**$ 48,012**	$ 47,302
Accretion for asset retirement	**360**	710
Balance, end of period	**$ 48,372**	$ 48,012

The Company has estimated its total asset retirement obligations to be $48,372 at May 31, 2011 based on a total future liability of approximately $49,480, which has been adjusted using an annual inflation rate of 1.5%, and a credit adjusted risk-free rate of 7%. This obligation pertains to the exploration shaft on the Yenipazar Property in Turkey. Reclamation is expected to occur in the year 2013.

14. SEGMENTED INFORMATION

The Company operates in one industry: the exploration and development of mineral properties. The Company's identifiable assets are located in Canada, Turkey and Papua New Guinea and are summarized as follows:

	Canada	Turkey	Papua New Guinea	Total
Long-term investments	$1,837,914	-	-	$ 1,837,914
Mineral properties	-	14,516,935	728,771	15,245,706
Corporate and other assets	11,063,836	383,606	262,344	11,709,786
Total assets – May 31, 2011	$12,901,750	$14,900,541	$991,115	$28,793,406

	Canada	Turkey	Papua New Guinea	Total
Long-term investments	$378,578		-	$ 378,578
Mineral properties	-	14,398,063	562,513	14,960,576
Corporate and other assets	2,003,676	290,548	-	2,294,224
Total assets – November 30, 2010	$2,382,254	$14,688,611	$562,513	$17,633,378

15. SUBSEQUENT EVENTS

At the annual general and special meeting of the Company's shareholders ("ASM") held on June 15, 2011 the Company's shareholders approved the Company's Amended and Restated Stock Option Plan (the "Option Plan") (Refer to Schedule E to the Information Circular of the Company dated May 18, 2011). The Option Plan provides for (i) an increase by 1,000,000 to the number of shares which may be issuable pursuant to options granted thereunder, to a maximum of 5,514,322, and (ii) for certain housekeeping matters.

On June 15, 2011, the Company's shareholder rights plan (the "SRP"), which was approved by the board of directors on April 28, 2011, was ratified at the ASM by the Company's shareholders. The SRP became effective on May 11, 2011. The SRP is designed to provide the shareholders of the Company and the board of directors additional time to assess an unsolicited take-over bid for the Company and, where appropriate, to give the board of directors additional time to pursue alternatives for maximizing shareholder value.

On June 15, 2011 the Company granted 400,000 options to two directors who were appointed in May 2011. These options have an exercise price of $1.25 and expire on June 15, 2016. The options vest at a rate of 25% on the date of the grant and 25% on the anniversary date in each of the three years following the grant date.

On June 20, 2011 the Company granted 200,000 options to an officer with an exercise price of $1.05 and expiring on June 20, 2016. The options vest at a rate of 25% on the date of the grant and 25% on the anniversary date in each of the three years following the grant date.

On June 24, 2011 the Company announced that it had engaged Jacobs Minerals Canada Inc. to complete a feasibility study for the Yenipazar Property in Turkey. This study will result in a National Instrument 43-101 compliant technical report and is expected to take up to 18 months to complete.

On July 13, 2011 the Company entered into an agreement to lease office space in Toronto from November 1, 2011 to September 29, 2014. The commitment for the gross rent, including operating costs and realty taxes is estimated at $16,979 per month or $203,747 per annum.

16. RECLASSIFICATION

Certain expense items have been reclassified to conform to the presentation for the three and six months ended May 31, 2011.