



**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

FOR THE THREE AND SIX MONTHS ENDED MAY 31, 2011

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ALDRIDGE MINERALS INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
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DATED JULY 28, 2011

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements of Aldridge Minerals Inc. ("Aldridge" or the "Company") for the year ended November 30, 2010 and the notes thereto, and the unaudited interim consolidated financial statements for the three and six months ended May 31, 2011, together with the notes thereto. The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") for interim financial reporting and, accordingly, do not include all of the information and notes required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the interim periods presented are not necessarily indicative of the results that may be expected for any future period. This MD&A is prepared as of July 28, 2011. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. The Company's common shares ("Common Shares") are listed on the Toronto Stock Exchange - Exchange (TSX-V: AGM) and the Frankfurt Stock Exchange (Frankfurt: AIW). Additional information about Aldridge is available on the Company's website at www.aldridgeminerals.com and SEDAR at www.sedar.com.

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. This MD&A may contain forward-looking information that is based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. Forward-looking information speaks only as of the date it is provided, is not a guarantee of future performance and involves risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out in this MD&A under "Cautionary Statement Regarding Forward Looking Information". Actual outcomes and results may differ materially from those expressed in forward-looking information and readers should not place undue reliance on such statements.

SECOND QUARTER 2011 HIGHLIGHTS

- On May 25, 2011, Aldridge announced that it received new results from its Yenipazar metallurgical sample, currently being tested for base and precious metal extraction at G&T Metallurgical Services Ltd. ("G&T"). G&T prepared a gold gravity concentrate on Yenipazar crushed ore that recovered 63% of the contained gold, significantly more than the 36.8% gold recovery from flotation-only used in the Company's Preliminary Economic Assessment dated February 3, 2011. (Refer to Overview of Projects – Yenipazar Property for more information.)
- Subsequent to the quarter end, on June 24, 2011, Aldridge announced that it had engaged Jacobs Minerals Canada Inc. to prepare a feasibility study for the Yenipazar project in Turkey. This study will result in a National Instrument 43-101 compliant technical report.
- On May 11, 2011, Aldridge announced the appointments of John F. Cook and Ed Guimaraes to the Board of Directors.
- On May 11, 2011, Aldridge announced the adoption of a shareholder rights plan ("Plan"), which was subsequently approved by shareholders on June 15, 2011. The Plan is designed to ensure that the Company's shareholders are treated fairly in the event of a take-over bid for the Company's common shares and that the Company will have adequate time to evaluate any unsolicited take-over bid and, if appropriate, to evaluate and pursue alternatives to maximize shareholder value.
- Subsequent to the quarter end, on June 21, 2011, Aldridge announced the appointment of Jim O'Neill as the Company's Chief Financial Officer.

- Cash and Short Term Investments (consisting of a guaranteed investment certificate) totaled \$10,984,032 at May 31, 2011 compared to \$11,956,012 at February 28, 2011 and \$1,652,989 at November 30, 2010. At May 31, 2011 the Company's working capital (current assets less current liabilities) was \$11,004,324 (November 30, 2010 - \$1,341,792).

BACKGROUND

Aldridge is a publically-traded junior exploration company in the business of identifying, acquiring, exploring and, if warranted, developing mineral properties. Aldridge's mineral properties are located in Turkey, where the Company's efforts are focused, and Papua New Guinea ("PNG"). Primarily to hold licenses, but also to operate in Turkey, Aldridge incorporated a 100% owned Turkey subsidiary (Aldridge Mineral Madencilik Ltd. Şti.). The Company also holds an exploration license, primarily prospective for gold and copper, for certain areas in western-central PNG.

The general business strategy of the Company is to acquire mineral properties either directly or through the acquisition of operating entities. The continued operations of the Company and the recoverability of mineral property costs and related deferred exploration costs is dependent upon: the existence of economically recoverable mineral reserves; confirmation of the Company's interest in the underlying mineral claims; the ability of the Company to obtain necessary financing to complete the development; and, upon future profitable production from the properties or proceeds from the disposition thereof. The Company has incurred recurring operating losses. In February 2011, the Company completed a brokered equity private placement and raised net proceeds of approximately \$11.5 million which will be used to meet its objectives and maintain its operations.

The Company has not generated any operating revenues to date. Interest earned on unused cash is incidental income.

OVERVIEW OF PROJECTS

The Company's mineral properties and investments include:

- Yenipazar Property (gold-silver-copper-zinc-lead) - Turkey;
- Exploration licenses - Turkey;
- Papua New Guinea Property (gold - copper) – Papua New Guinea;
- Derinkoy Property (written down to \$nil at February 28, 2011) - Turkey;
- Anatolia Energy Ltd. shares (resulting from uranium property transaction in February, 2011); and
- Vetter Uranium Ltd. interest (resulting from uranium property transaction in February, 2011)

YENIPAZAR PROPERTY

Property Overview

The Yenipazar gold-silver-copper-zinc-lead property (the "Yenipazar Property") is the Company's most advanced property and is located at the geographic center of Turkey, approximately 220 kilometres east-southeast of Ankara, the capital city. The Yenipazar Property is easily accessible via public roads and has good access to rail transportation and electrical power supply.

The Company has identified a mineral Project on the Yenipazar Property which falls into the broad category of a metamorphosed volcanogenic massive sulphide ("VMS") Project (the "Yenipazar Project"). The Yenipazar Project has a currently determined strike length of 1700 metres (open in one direction) averaging 150 metres in width and approximately 25 metres in thickness at depths between 30 and 190 metres. Much of the orebody is sitting at a depth of approximately 80 metres.

Property Ownership Structure

On December 1, 2004, the Company entered into an agreement with Anatolia Minerals Development Limited (now Alacer Gold Corp.) and its subsidiary (collectively, "Anatolia") to acquire a 65% interest in the Yenipazar Property. In July 2006, a revised option agreement was executed whereby, supplementary to earn-in conditions, the Company

has the right to earn a 100% interest in the Yenipazar Property in exchange for consideration of 250,000 common shares (issued). In October 2010, the Company announced that a second amended and restated option agreement had been executed with Anatolia to extend the period within which the Company may earn a 100% working interest in the Yenipazar Property (collectively, the “Option Agreement”).

The Company made the option payments, incurred the minimum exploration expenditures and issued the following common shares of the Company pursuant to the Option Agreement in satisfaction of the financial conditions precedent to becoming eligible to exercise its option in respect of the Yenipazar Property:

Date	Yenipazar Property Commitments	Option Payments US (\$)	Minimum Exploration Expenditures US (\$)	Common Shares
December 1, 2004	Option payment (paid)	\$25,000		
June 1, 2005	Option payment (paid)	\$25,000		
December 1, 2005	Option payment (paid)	\$25,000		
December 1, 2005	Minimum exploration expenditures (incurred)		\$230,000	
July 2006	Common shares payment (issued)			250,000
December 1, 2006	Option payment (paid)	\$25,000		
June 1, 2007	Option payment (paid)	\$50,000		
December 1, 2007	Option payment (paid)	\$50,000		
June 1, 2008	Option payment (paid)	\$50,000		
December 1, 2008	Option payment (paid)	\$50,000		
June 1, 2009	Option payment (paid)	\$50,000		
December 1, 2009	Option payment (paid)	\$50,000		
June 1, 2010	Option payment (paid)	\$50,000		
December 1, 2010	Option payment (paid)	\$500,000		
	Minimum exploration expenditures (incurred)		\$6,000,000	
		Total	\$950,000	\$6,230,000
				250,000

The Company’s only outstanding obligation to complete its earn-in of a 100% interest in the Yenipazar Property is to deliver a feasibility report to Anatolia 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”), as defined in the Option Agreement, until such time as operational revenues reach the amount of US\$165,000,000. Should operational revenues exceed this threshold amount, the NPI will increase to 10%.

During the first quarter of fiscal year (“FY”) 2009, the Company issued 25,000 common shares at a price of \$2.30 per share in payment of finders fees related to the Yenipazar Property.

Work Prior to FY 2011

From 2005 to 2009, the Company drilled 331 resource definition holes, including 329 reverse circulation (“RC”) holes for 44,727 metres at the Yenipazar Project. A further 2,293 metres was completed in 11 diamond drill holes, of which 9 holes were cored by Anatolia in the late 1990’s.

During FY 2010, the Company completed an additional RC in-fill drilling program at the Yenipazar Project of 34 holes totaling 4,358 metres. The program was designed to convert the currently inferred resources, 3.15 million tonnes in the southern part of the Yenipazar Project, to indicated resources. The Company also completed a diamond drill program which was intended to approximately duplicate previously drilled RC holes in order to obtain material for metallurgical test work and assess the quality of the RC data. All diamond drill holes were drilled approximately five metres from the corresponding RC hole. Overall, the grade appears to improve with diamond drilling and the results

confirm the lateral continuity of the resource at the five metre-scale. Mineralized horizons appear to vary only slightly in thickness and elevation, which is an important aspect for open pit mining.

Year to Date FY 2011

In December 2010, the Company announced positive results from an independent, National Instrument 43-101 compliant, Technical Report and Preliminary Economic Assessment on the Yenipazar Property prepared by P&E Mining Consultants Inc. (“P&E”), EHA Engineering Ltd. and BC Mining Research Ltd. (the “PEA”).

The PEA states that the Yenipazar Project has favourable economic potential as an open pit mine producing copper, zinc and lead concentrates containing quantities of gold and silver. The base case economic analysis contemplates an average life-of-mine strip ratio of 4.5:1 (including the pre-stripping), a 5,700 tonnes per day mill feed rate and a 12 year mine life. The following tables provide itemized summaries for the metal prices used in preparing the PEA and economic highlights of the PEA:

Three Year Trailing Average Metal Prices as of November 30, 2010		Economic Highlights	
Copper	US\$2.95/pound	NPV Undiscounted	US\$408.0 million
Lead	US\$0.90/pound	NPV 5% discount	US\$254.7 million
Zinc	US\$0.86/pound	NPV 7% discount (base case)	US\$208.5 million
Gold	US\$1007/ounce	NPV 10% discount	US\$151.0 million
Silver	US\$16.19/ounce	Internal Rate of Return	23.2%
		Project Payback Period From Start of Production (years)	3.9 years
		Total Pre-Production Capital (including contingencies)	US\$197.6 million
		Total Sustaining Capital	US\$45.0 million
		Life of Mine Average NSR Value (US\$/tonne)	US\$57.27/tonne
		Life of Mine Average Operating Cost (US\$/tonne)	US\$29.65/tonne

The PEA includes an updated independent resource estimate prepared by P&E in accordance with CIM standards on resources and reserves definitions and guidelines. The PEA is available at www.sedar.com.

Pursuant to the PEA, the indicated and inferred resources at the Yenipazar Project, utilizing a NSR cut-off grade of US\$15/t, are:

Category	Tonnes	Gold g/t	Silver g/t	Copper %	Lead %	Zinc %
Indicated	24,284,000	1.09	33.8	0.31	1.16	1.50
Inferred	218,000	0.49	22.7	0.30	0.71	1.16

Notes:

- (1) The PEA is subject to the assumptions set out therein. Mineral resources, which are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of inferred mineral resources it cannot be assumed that all or any part of this resource will be upgraded to an indicated or measured resource as a result of continued exploration. To justify upgrading of the mineral resource to mineral reserve, demonstrated economic viability is required. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by technical, environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
- (2) The quantity and grade of reported inferred resources in this estimation are conceptual in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

The PEA is preliminary in nature and its mineable tonnage includes 7% inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be

categorized as mineral reserves and there is no certainty that the preliminary assessment will be realized. The remaining 93% mineable resources are in the indicated classification.

On June 24, 2011, Aldridge announced that it had engaged Jacobs Minerals Canada Inc. (“Jacobs”) to prepare a feasibility study for the Yenipazar Project. This study will result in a National Instrument 43-101 compliant technical report. Jacobs will work with Aldridge’s other consultants to coordinate all major aspects of the Yenipazar feasibility study including the resource update and mine design (P&E Mining Consultants Inc.), environmental impact assessment, geotechnical drilling and related studies and pilot plant metallurgical studies. It is expected the Yenipazar feasibility study will be completed in approximately 18 months.

The Company’s investment in the Yenipazar Property increased by \$1,342,183 year to date May 31, 2011 (\$603,177 – 2010). On a quarterly basis, the investment increased by \$739,006 in the three months ending February 28, 2011 (\$225,234 – Q1 2010) and \$603,177 in the three months ending May 31, 2011 (\$376,150 – Q2 2010). Expenditures included following:

Option payment to Anatolia	\$504,900
Preliminary Economic Assessment	\$100,000
Geophysical consulting	\$145,000
Assay testing	\$ 20,000
Project consulting and coordination	\$258,000
Other sampling and site costs	\$314,000

Outlook – Balance of FY 2011

During the second half of 2011, Aldridge plans to spend approximately \$2.0 million at the Yenipazar Property. The majority of these expenditures will be in the form of infill diamond drilling to increase the geological database and to upgrade resources to reserves and to provide sufficient material for a pilot plant scale metallurgical study to optimize recoveries of copper, zinc, lead, gold and silver. As announced on June 24, 2011, the Company engaged Jacobs to complete a feasibility study that will include geotechnical drilling, condemnation drilling and the preparation of an Environmental Impact Statement. Additionally, the Company intends to conduct geophysical exploration work on the Yenipazar Property in an attempt to discover other VMS bodies.

EXPLORATION LICENCES - Turkey

The Company holds a total of 19 licenses covering approximately 16,150 hectares in western Turkey, which are prospective for nickel and chromite. The Company does not have immediate plans to conduct a significant exploration program in this area, and consequently may consider selling some or all of the licenses in the future.

PAPUA NEW GUINEA PROPERTY

Property Overview

The Company holds an exploration licence for an area of 338 square kilometres in the Southern Highlands province of Papua New Guinea (the “PNG Property”). This area resulted from an approximately 25 % relinquishment of exploration ground from the originally granted 450 square kilometres, as per Papua New Guinea regulations. The PNG Property 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.

Property Ownership Structure

The PNG Property is 100% owned by Aldridge. With respect to the mineral license, in March 2009 the Company prepaid two years rent at 11,880 Kina per annum for the years ended December 2, 2010 (“Year One”) and December 2, 2011 (“Year Two”) and provided a security deposit of 6,020 Kina, for an aggregate 29,780 Kina or approximately \$13,600 Canadian dollars. Under the terms of the license, the Company must incur minimum exploration expenditures of 150,000 Kina (approximately \$58,200 Canadian dollars) (incurred) during Year One and 200,000 Kina

(approximately \$77,500 Canadian dollars) incurred during Year Two. Deferred exploration costs were approximately \$244,000 and \$166,000 in Year One and year-to-date Year Two, respectively.

Work Prior to FY 2011

During FY 2009, the Company completed an initial exploration program on the PNG Property. Field work was carried out by an independent third party with extensive experience with copper-gold mineralization styles. Results indicated the presence of a large dioritic intrusive, including a minimum 2 square kilometre alteration zone containing a copper-gold system. The best rock samples contained up to 1.6 g/t gold and 1.9 % copper. Stream sediments showed significant gold-silver-copper and molybdenum values, which confirm the potential of the zone for high-sulphidation epithermal or porphyry mineralization.

During the fall of calendar 2010, the Company undertook a follow-up geological exploration program. After evaluating 76 rock samples and over 350 soil samples, it was determined that the MAG1 mineralized zone, an area of approximately 2.0 x 0.5 kilometres, hosts a copper-gold porphyry with an overlying skarn system. Over 40 of the samples grades averaged 0.3% copper, 0.39g/t gold and 3.8g/t silver or better and the two highest grade samples returned values of an average of 23% to 35% copper, 60g/t gold and 238g/t silver, as reported in early January, 2011. The Company determined that it was appropriate to pursue a further exploration and drilling program during the balance of 2011.

Year to Date FY 2011

. The Company's investment in the PNG Property increased by \$166,258 year-to-date May 31, 2011 (\$11,966 – 2010). On a quarterly basis, the investment increased by \$42,030 in the three months ending February 28, 2011 (\$5,317 – Q1 2010) and \$124,228 in the three months ending May 31, 2011 (\$6,649 – Q2 2010).

Outlook – Balance of FY 2011

The Company plans to spend approximately \$2.0 million on further exploration and drilling of the PNG Property. Aldridge plans is conducting follow up sampling and run IP (chargeability) testing to determine the ideal location for initial drilling at the Company's MAG1 anomaly. Aldridge also plans to complete up to 2,000 to 3,000 metres of diamond drilling at the PNG Property, which is expected to begin in August, 2011.

DERINKOY PROPERTY

The Derinkoy property (the “Derinkoy Property”) is located in north-eastern Turkey and covers an area of 90 square kilometres. The Derinkoy Property is primarily prospective for gold, silver and copper.

By agreements dated December 4, 2002 and January 27, 2006 (the “Original Derinkoy Option”), the Company may acquire up to a 100% interest in the Derinkoy Property. Pursuant to the terms of the Original Derinkoy Option, the Company has issued 1,050,000 common shares to the optionors and earned a 60% interest in the Derinkoy Property. In order to acquire the remaining 40% interest in the Derinkoy Property, an additional 1,000,000 common shares are to be issued upon completion of a feasibility study, with a further 2,000,000 common shares to be issued upon commencement of commercial production. The Derinkoy Property is subject to a 1.5% net smelter return royalty and cash payment of US\$3,000,000 upon the production of 2,500,000 ounces of gold (or equivalent value in silver or platinum group metal, or combination thereof).

In November 2009, the Company entered into an agreement (the “EUG Option”) with European Goldfields Ltd. (“EUG”) whereby EUG may earn up to a 70% interest in the Derinkoy Property by funding all exploration and development costs on the Derinkoy Property to completion of a Preliminary Economic Assessment (“EUG PEA”), with minimum expenditures of (i) \$250,000 on or before the first anniversary date of the EUG Option; and (ii) a further \$400,000 on or before the second anniversary date of the EUG Option. On the third anniversary of the EUG Option, EUG must make a cash payment of \$100,000 to the Company, provided that the EUG PEA indicates a Project of more than 500,000 ounces of gold or 1,000,000 ounces of gold equivalent with an estimated internal rate of return greater than 20%. Thereafter, EUG may earn a further 20% interest, for an aggregate 90% interest, by conducting a feasibility study (i) within five years by November 2014 or (ii) by May 30, 2017 where EUG has incurred at least

\$2,000,000 of expenditures by November 2014. Subsequent to completion of the feasibility study, the Company has the right to elect to fund its 10% interest or revert to a 4% net proceeds interest. Should the feasibility study not be completed by May 30, 2017, rights to the Derinkoy Property will revert back to the Company.

EUG terminated its option on the Derinkoy Property. The Company had no plans to fund exploration or development of this property and as a result the Company recorded a \$1,288,009 write-down the property in the quarter ended February 28, 2011. The Company has also terminated the original Derinkoy option.

ANATOLIA ENERGY LTD AND VETTER URANIUM LTD.

Pursuant to terms of the transactions described below, in February 2011 the Company disposed of its investment in Aldridge Uranium Inc. in exchange for Ordinary and Class A performance shares of Anatolia Energy Ltd. and an interest in Vetter Uranium Ltd.

	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 such 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.
- b) The cost of the interest in Vetter Uranium Ltd. was initially recorded at fair value and henceforth carried at cost.

During FY 2008, Aldridge acquired, partially via state auction, 86 mineral licenses with potential for sandstone-hosted uranium, some of which contain demonstrated uranium mineralization. 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 three months ended February 28, 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).

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.

MARKET TRENDS

Gold prices have been on an uptrend for more than three years. Prices dropped below US\$800/oz for a two-week period in early September 2008 and remained above US\$716/oz for the remainder of that year, averaging US\$871/oz. During 2009, the gold price surged over US\$1,000/oz, with an average price of US\$972. The gold price has continued to rise from US\$1,400/oz in November 2010, to US\$1,550/oz by the end of May, 2011 and US\$1,600/oz in July 2011. The price of silver has risen from less than US\$18/oz in July 2010 to a high of US\$48.38 in May 2011, and settled down to approximately US\$38/oz in mid-July 2011.

The economic recovery continued to drive the prices for base metals higher, with copper increasing from US\$3/lb in July 2010 to \$4.38/lb in July 2011. During the same period the price of lead increased from US\$0.80/lb to US\$1.20/lb, and zinc prices increased from US\$0.80/lb to US\$1.07/lb.

The Company anticipates that it will continue to experience net losses as a result of ongoing exploration, development and operating activities until such time as revenue-generating activity is commenced. The Company's future financial performance is dependent on many external factors including the prices of certain precious and base metals. The markets for these commodities are volatile and difficult to predict as they are impacted by many factors including international political, social, and economic conditions. These conditions, combined with volatility in the capital markets, could materially affect the future financial performance of the Company. For a summary of other factors and risks that may affect the Company and its financial position, please refer to "Risks Factors".

(Sources include: www.kitco.com; www.agmetalminer.com; www.mineweb.net; www.lme.co.uk)

RESULTS OF OPERATIONS

For the three and six month periods ended May 31, 2011 compared with the same periods in 2010

For the three and six month periods ended May 31, 2011, the Company incurred net losses of \$1,120,126 and \$349,166, respectively as compared to losses of \$829,069 and \$1,238,011 in the same periods in 2010. The decrease in the six month loss was primarily due to a Q1 \$2,509,081 gain on the disposition of the investment in Aldridge Uranium Inc. which was partially offset by the Q1 \$1,288,009 write-down of the Derinkoy Project and increases in Q2 administration and other operating expenses of about \$400,000 over Q2 2010. Additional comments on expense item changes follow:

- Administration costs – Turkey office increased by \$83,466 to \$280,742 for the six months ended May 31, 2011 compared to the prior year. The Q1 and Q2 increases of \$48,503 and \$34,963 were due mainly to the intensified

development of the properties in Turkey.

- Salaries and benefits decreased by \$109,421 for the six months ended May 31, 2011 compared to the six months ended May 31, 2010 due to a former officer who received a salary in the 2010 comparative period who no longer is employed by the Company in the 2011 comparative period. Salaries and benefits expenses will increase in the second half of the year as a result of converting some consulting agreements to employment agreements in July 2011.
- Management fees for the three and six months ended May 31, 2011 were \$134,000 and \$293,750, respectively, compared to \$167,317 and \$291,158 in the comparative 2010 periods. Directors' fees for the six month period increased to \$132,000 from \$31,000 in 2010. The combined increase of \$103,592 for the six month period ended May 31, 2011 compared to 2010 is largely due to expanded management and board resource requirements as the Company further advances its properties in Turkey and PNG.
- Office and sundry expenses increased by \$51,173 to \$100,570 for the three months ended May 31 2011 compared to Q2 2010 due to the move to the larger office space in Toronto required to accommodate additional staff..
- Consulting fees for the three and six months ended May 31, 2011 were \$94,969 and \$143,205, respectively compared to \$nil for each of the 2010 comparative periods. This increase is due to the 2011 engagement of certain strategic and technical consultants to assist in staff planning, and recruiting and corporate development.
- Professional fees increased to \$240,643 and \$293,750 for the three and six months ended May 31, 2011, respectively, from \$28,706 and \$91,607 for the same periods in the prior year. The increases resulted from increased corporate activities and additional legal work related to proposed vendor contracts and corporate analysis and support..
- Stock-based compensation decreased by \$81,943 and \$205,543 from the three and six months ended May 31, 2011 compared to Q2 2010. The decreases can be attributed to the grants of 50,000 and 310,000 stock options in the 2011 periods compared to grants of 250,000 and 650,000 stock options granted during the corresponding 2010 periods.
- Investor relations activities in the three months ending May 31, 2011 were \$106,396 as a result of the Company segregating such activities for reporting purposes and initiating increased efforts to communicate to existing and prospective shareholders. Investor relations costs in the prior periods were generally included in managements costs and not reported separately.
- In the three months ended February 28, 2011, EUG terminated the option on the Derinkoy property and as such the Company incurred a write-down of the property of \$1,288,009. No such write-down occurred the three months ending May 31, 2011, nor in the 2010 comparative periods. The Company has in turn terminated its option on this property.
- Interest income for the three and six months ended May 31, 2011 was \$28,715 and \$34,621, respectively compared to \$14,806 and \$14,806 in the 2010 comparative periods. The increase is attributable to increased amount of cash and short term investments resulting from the \$12,424,650 gross proceeds from the issuance of common shares in 2011 compared to the \$5,010,000 in gross proceeds from the private placement in 2010 .
- A non-cash foreign exchange gain of \$170,459 was recorded during the six months ended May 31, 2011 compared to a gain of \$176,334 during the six months ended May 31, 2010.
- For the three and six months ended May 31, 2010, the Company recorded an equity loss of \$34,033 and \$61,287, respectively, on its investment in Aldridge Uranium, based upon its proportionate share of Aldridge Uranium's losses for the period. In the three months ended February 28, 2011, the investment in Aldridge Uranium was recorded at cost, until it was deemed to have divested, since the Company's indirect ownership interest fell below 20%. For the six months ended May 31, 2011, the Company recorded a gain on disposition of investment in Aldridge Uranium Inc. of \$2,509,081 while in the 2010 comparative period there was no gain. The gain was recorded in February 2011.

The Company has incurred exploration expenditures as follows:

Mineral Properties	Balance November 30,		Deferred Expenditures	Write-downs	Balance May 31, 2011	
	2010					
Yenipazar	\$ 12,070,014		\$ 1,342,183	\$ -	\$ 13,412,197	
Derinköy	1,285,695		2,314	(1,288,009)	-	
Exploration Properties	1,042,354		62,384	-	1,104,738	
Papua New Guinea	562,513		166,258	-	728,771	
	<u>\$ 14,960,576</u>		<u>\$ 1,573,139</u>	<u>\$ (1,288,009)</u>	<u>\$ 15,245,706</u>	

	May 31 2011	November 30 2010
Mineral Properties:	(\$)	(\$)
Yenipazar Property, Turkey		
Acquisition Costs	1,513,127	1,008,227
Deferred exploration costs		
Drilling	-	402,348
Analytical	10,000	292,035
Project expenses and employee costs	827,283	721,673
Travel and transportation	-	32,884
Report writing	-	36,630
Licenses and fees	-	-
	837,283	1,485,570
Balance, beginning of period	<u>11,061,787</u>	<u>9,379,457</u>
Balance, end of period	<u>11,899,070</u>	<u>10,865,027</u>
Future income tax liability	-	196,760
Total expenditures - Yenipazar Property	<u>13,412,197</u>	<u>12,070,014</u>
Derinkoy Property, Turkey		
Acquisition Costs	533,075	533,075
Deferred exploration costs		
Project expenses and employee costs	2,314	33,329
Licenses and fees	-	2,215
	2,314	35,544
Balance, beginning of period	<u>752,620</u>	<u>712,856</u>
Balance, end of period	<u>754,934</u>	<u>748,400</u>
Less: Write-down of Derinkoy property	(1,288,009)	
Future income tax liability	-	4,220
Total expenditures - Derinkoy Property	<u>-</u>	<u>1,285,695</u>
Exploration Licenses, Turkey		
Acquisition Costs	430,725	430,725
Deferred exploration costs		
Geological	-	24,620
Analytical	840	2,629
Project expenses and employee costs	33,526	22,845
Travel and transportation	2,243	6,933
Licenses and fees	25,775	43,066
	62,384	100,093
Balance, beginning of period	<u>611,629</u>	<u>499,651</u>
Balance, end of period	<u>674,013</u>	<u>599,744</u>
Future income tax liability	-	11,885
Total expenditures – Exploration Licenses	<u>1,104,738</u>	<u>1,042,354</u>

	May 31 2011 (\$)	November 30 2010 (\$)
Papua New Guinea Property		
Acquisition Costs	68,171	68,171
Deferred exploration costs		
Analytical	-	5,931
Project expenses and employee costs	166,258	198,068
Travel and transportation	-	14,605
Licenses and fees	-	-
	166,258	218,604
Balance, beginning of period	494,342	249,781
Balance, end of period	660,600	488,385
Future income tax liability	-	25,957
Total expenditures – Papua New Guinea Property	728,771	562,513
Total expenditures across all properties	15,245,706	14,960,576

SUMMARY OF QUARTERLY RESULTS

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Three Months ended	Total revenues	Net income (loss)	Basic income (loss) per share
February 28, 2011	Nil	\$770,960	\$0.03 ⁽¹⁾
November 30, 2010	Nil	(\$1,743,699)	(\$0.06)
August 31, 2010	Nil	(\$697,692)	(\$0.03)
May 31, 2010	Nil	(\$829,069)	(\$0.03)
February 28, 2010	Nil	(\$408,942)	(\$0.01)
November 30, 2009	Nil	(\$1,690,338)	(\$0.08)
August 31, 2009	Nil	\$154,333	\$0.00
May 31, 2009	Nil	(\$466,781)	(\$0.02)

⁽¹⁾ Diluted income per share - \$0.02

Notes:

- Net income (loss) from continuing operations is identical to total net income (loss) for each quarter listed.
- The Company has no history of declaring dividends.

LIQUIDITY AND CAPITAL RESOURCES

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placement offerings to accredited investors and institutions. The Company has issued common shares in each of the past few years, pursuant to private placement financings and the exercise of warrants or stock options. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity financing, or that such access will be timely and in the amounts necessary to fund the Company's activities. There are many conditions beyond the Company's control which have a direct impact on the level of investor interest in the purchase of Company securities. The Company may also attempt to generate additional working capital through the operation, development, sale or possible joint venture development of its properties. However, there is no assurance that any such activity will generate funds that will be available for operations. See "Risk Factors".

Debt financing has not been used to fund the Company's property acquisitions and exploration activities. The Company has no current plans to use debt financing for such transactions and activities. The Company does not have "standby" credit facilities, or off-balance sheet arrangements and it does not use hedges or other financial derivatives.

On February 17, 2011, the Company completed a private placement and received net proceeds of \$11,493,503. At May 31, 2011, the Company had working capital of \$11,004,324 as compared to \$1,341,792 at November 30, 2010. The increase in working capital of \$9,395,779 is primarily as a result of the recent private placement. The proceeds of the private placement will be used to advance the exploration and development of the Yenipazar Property, the PNG Property and for general working capital purposes. Currently, the Company has sufficient capital resources to meet its 2011 fiscal year operations and plans. The Company will have to raise additional funds in 2012 to enable it to meet its operational activities and to continue its exploration and development programs..

Operating Activities: Cash flows used in operating activities for the three and six month periods ended May 31, 2011 were \$1,061,613 and \$1,711,074, respectively. For the same periods in 2010 the cash used was \$781,952 and \$1,134,292, respectively. Operating activities for the six months ended May 31, 2011 were affected by the net decrease in non-cash working capital balances of \$331,448 because of an increase in amounts receivable of \$194,824, an increase in prepaid expenses of \$148,683, an increase in accounts payable and accrued liabilities of \$17,465 and an decrease in due to related parties of \$5,446. The Company also recorded a stock-based compensation expense of \$177,557, amortization of \$13,095, a gain on disposition of investment in Aldridge Uranium of \$2,509,081 and write-down of mineral properties of \$1,288,009.

Investing Activities: For the three and six months ended May 31, 2011, investing activities consisted of expenditures on mineral properties of \$731,260 and \$1,572,779, respectively compared to \$324,449 and \$629,616 in the comparative 2010 periods. This is mainly due to the expenditures on the Yenipazar Property and includes the \$504,900 option payment made in the period. In addition, for the six months ended May 31, 2011, the Company invested an additional \$7,993,503 in short-term investments which represents excess cash from the net proceeds of the private placement.

Financing Activities: For the six months ended May 31, 2011, the Company received net proceeds of \$11,493,503 from its February 2011 private placement compared to \$4,714,556 in the comparative 2010 period. Proceeds from the exercise of stock options and warrants in the three and six months ended May 31, 2011 were \$nil and \$300,500, respectively compared to \$nil in the comparative 2010 periods.

The Company's commitments include an operating lease agreement for its previous head office premises in Vancouver, expiring August 31, 2012. This agreement was amended in July 2009, reducing the square footage and cost. The agreement was further amended in June 2010, whereby the Company has significantly reduced its lease commitment by subletting its space to a third party. The minimum lease payments for FY 2011 are \$7,902 and for FY 2012 are \$19,823. 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.

The Company has certain obligations pursuant to the Yenipazar Option Agreement as described previously in this MD&A. In addition, the Company has certain obligations pursuant to its exploration licenses in Turkey including reports on exploration, annual reports on operation projects, per hectare fee deposits.

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of the Company's financial statements requires the Company to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as revenues and expenses. The Company's accounting policies are thoroughly described in Note 2 to the audited consolidated financial statements as at November 30, 2010. The Company's accounting policies relating to investment in mineral properties and deferred costs are critical accounting policies that are subject to estimates and assumptions regarding future activities.

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.

Mineral Properties

The Company accounts for its mineral properties on a cost basis whereby all direct costs, net of revenue earned prior to production, relative to the acquisition of and exploration of the properties are capitalized. Amounts shown for the mineral properties represent capitalized costs incurred and are not intended to reflect present or future values. All sales and option proceeds received are first credited against the costs of the related property, with any excess credited to earnings. Once production has commenced, the net costs of the applicable property are charged to operations using the unit-of-production method based upon estimated proven and probable recoverable reserves. The net costs related to abandoned properties are charged to operations. Capitalized costs are subject to measurement uncertainty and it is reasonably possible, based on changes in conditions and assumptions that a material change in the recorded amounts could be required.

Although the Company has taken steps to verify the title or rights to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title or rights. Property title or rights may be subject to unregistered prior agreements or transfers and title or rights may be affected by undetected defects. (Refer to "Risk Factors").

Impairment of long-lived assets

The carrying value of mineral properties at May 31, 2011 was \$15,245,706 (November 30, 2010 - \$14,960,576) and for equipment was \$110,260 (November 30, 2010 - \$114,864). Long-lived assets are assessed for impairment when events and circumstances indicate the related carrying values may not be recoverable. This assessment is based on whether factors that may indicate the need for a write-down are present. If the Company determines there has been impairment, then it would be required to write-down the recorded value of its investment in mineral properties which would reduce the Company's earnings and net assets.

Asset Retirement Obligations

The Company is required to recognize a liability for an asset retirement obligation on long-lived assets when a legal liability exists and the amount of the liability is reasonably determinable. Asset retirement obligations are calculated on discounted future payment estimates and the liability is accreted over the expected term of the obligation. Subsequent adjustments are made when there are changes to the underlying assumptions. Corresponding amounts and adjustments are added to the carrying value of the related long-lived asset and charged to operations in accordance with accounting policy. At May 31, 2011 and November 30, 2010, the Company has recorded an asset retirement obligation of \$48,372 and \$48,012, respectively, in regards to the shaft on the Yenipazar Property.

Stock based compensation

Compensatory stock based transactions with directors, officers, employees and consultants are recorded at estimated fair value. The Company uses the Black-Scholes option pricing model to estimate the fair value of each stock option at the date of grant. Transactions are charged to operations or capitalized to mineral properties as appropriate, with an offsetting credit to contributed surplus. The fair value of stock options, which vest immediately, is recorded at the date of grant. The fair value of options, which vest in the future, is recognized over the vesting period using the straight line method. Stock options issued to consultants that vest over time are valued at the grant date and subsequently valued on each vesting date. ***Users of the financial statements should be cautious about the valuation of stock-based compensation since it can affect net income (loss) significantly.***

Financial Instruments

(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.

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). All of the Company's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. At May 31, 2011 the Company's working capital (current assets less current liabilities) was \$11,004,324 (November 30, 2010 - \$1,341,792).

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 Project 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, United States Dollars ("USD"), 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 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.

(c) Sensitivity analysis

The Company has, for accounting purposes, designated its cash and short-term investments as held for trading, 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 three 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 TRY, PGK and USD and is subject to foreign currency risk. As at May 31, 2011, had the TRY, PGK and USD 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

Cash of \$1,490,528 and short-term investments of \$9,493,503 were considered Level 2 within the fair value hierarchy as at May 31, 2011 (at November 30, 2010 Level 2: Cash \$152,989 and short-term investments \$1,500,000). Long-term investments of \$1,837,914 were considered Level 1 within the fair value hierarchy as at May 31, 2011 (at November 30, 2010 Level 1: Long-term investments \$378,578).

FUTURE ACCOUNTING POLICY 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.

International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, including the Company, effective for fiscal years beginning on or after January 1, 2011.

Accordingly, the Company will report interim and annual financial statements in accordance with IFRS beginning

with the quarter ended February 29, 2012. The Company's 2012 interim and annual financial statements will include comparative 2011 financial statements, adjusted to comply with IFRS.

IFRS Transition Plan

The Company has established a comprehensive IFRS transition plan and engaged third-party advisers to assist with the planning and implementation of its transition to IFRS. The following summarizes the Company's progress and expectations with respect to its IFRS transition plan:

Initial scoping and analysis of key areas for which accounting policies may be impacted by the transition to IFRS.	Complete
Detailed evaluation of potential changes required to accounting policies, information systems and business processes, including the application of IFRS 1 First-time Adoption of International Financial Reporting Standards.	Complete
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.	In progress, completion expected during Q3 2011
Resolution of the accounting policy change implications on information technology, business processes and contractual arrangements.	In progress, completion expected during Q3 2011
Quantification of the financial statement impact of changes in accounting policies.	Throughout 2011
Management and employee education and training.	Throughout the transition process

Impact of Adopting IFRS on the Company's Business

As part of its analysis of potential changes to significant accounting policies, the Company is assessing what changes may be required to its accounting systems and business processes. The Company believes that the changes identified to date are minimal and the systems and processes can accommodate the necessary changes.

To date, the Company has not identified any contractual arrangements that may be affected by potential changes to significant accounting policies.

The Company's staff and advisers involved in the preparation of the financial statements are being trained on the relevant aspects of IFRS and the anticipated changes to accounting policies. Employees of the Company who will be affected by a change to business processes as a result of the conversion to IFRS will also be trained as necessary.

The Board of Directors and the Audit Committee have been regularly updated on the progress of the IFRS conversion plan, and made aware of the evaluation to date of the key aspects of IFRS affecting the Company.

First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires

retrospective application of IFRS, effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Company has identified the following optional exemptions that it expects apply in its preparation of an opening IFRS statement of financial position as at December 1, 2010, its transition date:

- To apply IFRS 2 *Share-based Payments* only to equity instruments issued after November 7, 2002, and that had not vested by the transition date.
- To apply IFRS 3 *Business Combinations* prospectively from the transition date, therefore not restating business combinations that took place prior to the transition date.
- To apply the transition provisions of IFRIC 4 *Determining whether an Arrangement Contains a Lease*, therefore determining if arrangements existing at the transition date contain a lease based on the circumstances existing at that date.
- To apply IAS 23 *Borrowing Costs* prospectively from the transition date. IAS 23 requires the capitalization of borrowing costs directly attributable to the acquisition, production or construction of certain assets.

Prior to reporting interim financial statements in accordance with IFRS for the quarter ending February 29, 2012, the Company may decide to apply other optional exemptions contained in IFRS 1.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the transition date will be consistent with those made under current Canadian GAAP. If necessary, estimates will be adjusted to reflect any difference in accounting policy.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements.

The following provides a summary of the Company's evaluation to date of potential changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas the Company has identified as having the most potential for a significant change. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to the Company's accounting policies on adoption of IFRS. At the present time, however, the Company is not aware of any significant expected changes prior to its adoption of IFRS that would affect the summary provided below.

1) Exploration and Evaluation Expenditures

Subject to certain conditions, IFRS currently allows an entity to determine an accounting policy that specifies the treatment of costs related to the exploration for and evaluation of mineral properties. The Company expects to establish an accounting policy to expense, as incurred, all costs relating to exploration and evaluation until such time as it has been determined that a property has economically recoverable reserves.

The application of this policy on the adoption of IFRS will have a significant impact on the Company's financial statements. On adoption of IFRS, the carrying value of the mineral resource properties will be reduced to zero (as at the transition date), with a corresponding adjustment to accumulated deficit. All subsequent exploration and evaluation costs will be expensed as incurred until such time as it has been determined that a property has economically recoverable reserves.

2) Impairment of (Non-financial) Assets

IFRS requires a write-down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write-down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

The Company's accounting policies related to impairment of non-financial assets will be changed to reflect these differences. However, the Company does not expect that this change will have an immediate impact on the carrying value of its assets. The Company will perform impairment assessments in accordance with IFRS at the transition date.

3) *Share-based Payments*

In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to share-based payments that would result in a significant change to line items within its financial statements.

4) *Asset Retirement Obligations (Decommissioning Liabilities)*

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences. However, the Company does not expect this change will have an immediate impact on the carrying value of its assets.

Property and Equipment

IFRS contains different guidance related to recognition and measurement of property and equipment than current Canadian GAAP.

The Company does not expect any changes to its accounting policies related to property and equipment that would result in a significant change to line items within its financial statements.

5) *Income Taxes*

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future (deferred) income taxes.

The Company does not expect any changes to its accounting policies related to income taxes that would result in a significant change to line items within its consolidated financial statements.

Subsequent Disclosures

Further disclosures of the IFRS transition process are expected as follows:

- The Company's MD&A for the 2011 interim periods and the year ended November 30, 2011, will include updates on the progress of the transition plan, and, to the extent known, further information regarding the impact of adopting IFRS on key line items in the annual financial statements.
- The Company's first financial statements prepared in accordance with IFRS will be the interim financial statements for the three months ending February 29, 2012, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim financial statements for the three months ending February 28, 2012, will also include 2011 financial statements for the comparative period adjusted to comply with IFRS, and the Company's transition date IFRS statement of financial position (at December 1, 2010).

RELATED PARTY TRANSACTIONS

During the three 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 60 days.

During fiscal year ended November 30, 2010, the Company advanced \$250,000 to Aldridge Uranium under a short-term loan agreement. On March 1, 2011, this loan and related interest 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.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

The Company does not have any off-balance sheet arrangements that are likely to have or are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that have not been disclosed in the Company's financial statements.

Additional disclosure concerning the Company's contractual obligations is provided in Note 5 "Interest in Mineral Properties" contained in the Audited Financials.

SHARE CAPITAL DATA AS AT JULY 27, 2011:

- (a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	100,000,000	37,093,841

- (b) 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. On June 15, 2011 the number of common shares which may be issued under the Plan pursuant to options granted was increased by 1,000,000 common shares to a maximum of 5,514,322 common shares of the Company.

Summary of options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	55,000	2.05	July 31, 2011
Options	25,000	2.10	September 20, 2011
Options	90,000	1.80	October 31, 2011
Options	75,000	2.60	March 8, 2012
Options	30,000	2.88	July 24, 2012
Options	62,000	2.24	February 6, 2013
Options	37,000	2.40	February 19, 2013
Options	200,000	2.40	July 15, 2013
Options	70,000	2.04	December 22, 2013
Options	965,000	1.40	October 8, 2014
Options	250,000	1.20	February 9, 2015
Options	400,000	0.88	April 28, 2015
Options	400,000	1.11	November 9, 2015
Options	1,150,000	1.40	November 30, 2015
Options	50,000	1.46	February 22, 2016
Options	200,000	1.06	March 21, 2016
Options	60,000	1.29	March 30, 2016
Options	400,000	1.25	June 15, 2016
Options	200,000	1.05	June 20, 2016
	4,719,000		

Several variables are used when determining the value of stock options using the Black-Scholes valuation model:

- The expected term: the Company used the expected terms of five years, which is the maximum term ascribed to the stock options issued, for the purposes of calculating their value. The Company chose the maximum term because it is difficult to determine with any reasonable degree of accuracy when these stock options will be exercised.
- Volatility: the Company used historical information on the market price of the Company to determine the degree of volatility at the date the stock options were granted. Therefore, depending on when the stock options are granted and the period of historical information examined, the degree of volatility can be different when calculating the value of different stock options.
- Risk-free interest rate: the Company used the interest rate available for government securities of an equivalent expected term at the date of the grant of the stock options. The risk-free interest rate will vary depending on the date of the grant of the stock options and their expected term.
- Dividend yield: the Company has not paid dividends in the past because it is in the exploration stage and has not yet earned any significant income. Also, the Company does not expect to pay dividends in the foreseeable future because it does not expect to bring its mineral properties into production and earn significant revenue any time soon. Therefore, a dividend rate of 0% was used for the purposes of the valuation of the stock options.

(c) Summary of warrants outstanding:

Security	Number	Exercise Price	Expiry Date
Warrants	832,330	\$ 1.50	October 8, 2011
Warrants	3,710,000	1.50	January 14, 2012
Warrants	1,271,755	1.50	January 24, 2012
Warrants	4,141,550	2.00	February 17, 2013
Warrants	579,817 ⁽¹⁾	1.50	February 17, 2013
	10,535,452		

⁽¹⁾ Broker warrants issued in connection with the February 17, 2011 private placement. Each broker warrant entitles the holder thereof to acquire one common share of the Company at a price of \$1.50 and one-half of one common share

purchase warrant. Each full purchase warrant entitles the holder thereof to acquire one additional common share of the Company at a price of \$2.00.

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 and deficit which at May 31, 2011 totaled \$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 three and six month periods ended May 31, 2011.

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

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 annual general meeting. 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 directors with an exercise price of \$1.25 and expiring 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. 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.

RISK FACTORS

The Company's principal activity of mineral exploration is considered to be very high risk and the mining industry in general is intensely competitive in all its phases. Companies involved in this industry are subject to many and varied types of risks, including but not limited to, environmental, commodity prices, political and economic. Some of the more significant risks are:

- *Nature of Activities:* The exploration for and development of mineral Projects involves significant risks which even a combination of careful evaluation, experience and knowledge may not mitigate. Few properties that are explored are ultimately developed into producing mines. The Company's properties are still in the exploration and development stage. It is impossible to provide any assurance that the exploration programs completed and further planned by the Company will result in a profitable commercial mining operation.
- *Mineral Reserves and Resources:* The activities of the Company are directed towards the search, evaluation and development of base and precious metals resources. The Yenipazar Property consists of indicated and inferred resources. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty that may attach to indicated mineral resources, there is no assurance that mineral resources will be upgraded to proven and probable ore reserves. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.
- *Exploration and Development Costs:* Actual exploration, development or other costs and economic returns may differ significantly from those the Company has anticipated and there are no assurances that any future development activities will result in profitable mining operations. The Company has limited operating history and there can be no assurance of its ability to operate its projects profitably.
- *Commodity Prices:* Changes in the market price for mineral production, which have fluctuated widely in the past, will affect the future profitability of the Company's operations and financial condition.
- *Financing and Dilution:* The Company's historical capital needs have been met by the issuance of common shares. The Company will require substantial additional funds to further explore and develop its properties. The Company has limited financial resources and no current source of recurring revenue. The junior resource market where the Company raises funds is extremely volatile, companies are subject to high level of competition for the same pool of investment dollars, and there is no guarantee that the Company will be able to raise adequate funds in a timely manner to conduct its business. The Company will require external financing or may need to enter into a strategic alliance or joint venture to develop its mineral properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.
- *Trading Price:* Market prices of shares of early stage companies are often volatile. Factors such as announcement of mineral discoveries and financial results have a significant effect on the price of the Company's shares. The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares. The Company has no dividend payment policy and does not intend to pay any dividends in the foreseeable future.
- *Title:* Although the Company has taken steps to verify title to its mineral property interests there is no guarantee that the mineral properties will not be subject to title disputes or undetected defects.
- *Regulatory:* Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of applicable governments or governmental officials. No assurance can be given that the Company will be successful in obtaining or maintaining any or all of the various approvals, licenses and permits required to operate its businesses in full force and effect or without modification or revocation and delays or a failure to obtain such permits or failure to comply with the terms of any such permits that have been obtained could have a material adverse impact on the Company.
- *Environmental:* The Company is subject to laws and regulations related to environmental matters, including provisions for reclamation, discharge of hazardous material and other matters. The Company conducts its

exploration activities in compliance with applicable environmental legislation and is not aware of any existing environmental problems related to its mineral property interests that may be the cause of material liability to the Company.

- *Insurance:* Mining is inherently dangerous and subject to conditions or elements beyond the Company's control, which could have a material adverse effect on the Company's business. The Company's insurance coverage does not cover all of its potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable.
- *Personnel:* The Company may experience difficulty in attracting and retaining qualified management to meet the needs of its anticipated growth, and the failure to manage the Company's growth effectively could have a material adverse effect on its business and financial condition. Insofar as certain directors and officers of the Company hold similar positions with other mineral resource companies, conflicts may arise between the obligations of these directors and officers to the Company and to such other mineral resource companies.
- *Country Risk:* The Company's business is subject to the risks normally associated with conducting business in foreign countries. Some of these risks are more prevalent in countries that are less developed or have emerging economies. In certain countries in which the Company has assets and operations, such assets and operations are subject to various political, economic and other uncertainties and changes arising therefrom, including, among other things: the risks of war and civil unrest or other risks that may limit or disrupt a project, restrict the movement of funds or product, or result in the deprivation of contract rights or the taking of property by nationalization or appropriation without fair compensation; expropriation; nationalization; renegotiation, nullification, termination or rescission of existing concessions or of licenses, permits, approvals and contracts; taxation policies; foreign exchange and repatriation restrictions; changing political conditions; changing fiscal regimes and uncertain regulatory environments; international monetary and market securities fluctuations; and currency controls and foreign governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.
- *Tax and Foreign Exchange:* Changes in taxation legislation or regulations in the countries in which the Company operates could have a material adverse effect on the Company's business and financial condition. Currency exchange rate fluctuations may affect the cost of the Company's operations and exploration and development activities.

INTERNAL CONTROL AND DISCLOSURE CONTROLS OVER FINANCIAL REPORTING

Management of the Company is responsible for the design, implementation and monitoring of effective internal controls over financial reporting (as defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings), to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim consolidated financial statements in accordance with Canadian GAAP. Management has established processes which are in place to provide the Company's certifying officers with sufficient knowledge to support management representations to confirm that reasonable diligence has been exercised 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 the operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim consolidated financial statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

- (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under

securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

- (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information may include, but is not limited to, information with respect to the future financial and operating performance of the Company, its affiliates and subsidiaries, the estimation of mineral reserves and mineral resources, realization of mineral reserves and resource estimates, costs and timing of development of the Company's projects, costs and timing of future exploration, timing and receipt of approvals, consents and permits under applicable legislation, results of future exploration and drilling and adequacy of financial resources. Forward-looking information is often characterized by words such as "plan", "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words or statements that certain events or conditions "may" or "will" occur. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including risks associated with investments in publicly listed companies, such as the Company; risks associated with general economic conditions; the risk that further funding may be required, but unavailable, for the ongoing development of the Company's projects; changes in government regulations, policies or legislation; unforeseen expenses; fluctuations in commodity prices; fluctuation in currency exchange rate; litigation risk; restrictions on the repatriation of earnings by the Company's subsidiaries; conflicts of interest of certain directors of the Company; inability to effect service of process or to enforce judgments within Canada upon and against the directors and officers of the Company and certain experts; the inherent risks and dangers of mining exploration and operations in general; risk of continued negative operating cash flow; the possibility that required permits may not be obtained; environmental risks; uncertainty in the estimation of mineral resources and mineral reserves; risks that the current inferred resource at the Yenipazar Property will not be converted to a sufficient amount of indicated or measured resources to warrant development; risks that the hydrogeological characteristics at the Yenipazar Property will not permit an adequate extraction rate; general risks associated with the feasibility and development of each of the Company's projects; risks that the new process being developed by the Company will take longer to develop than anticipated or that it will not be successfully developed; risks of being unable to sell production in the event of the development of a project; foreign investment risks in Turkey; changes in Turkish laws or regulations; future actions by the Turkish government; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company's property interests; uninsured hazards; disruptions to the Company's supplies or service providers; reliance on key personnel; retention of key employees; absence of dividends and competition.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of their experience and their perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things: the Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the prices of lithium and potash, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as

anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.