ALDRIDGE MINERALS INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations

For the Three and Six Months Ended June 30, 2013
(As of August 13, 2013)

DATED: AUGUST 13, 2013

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Aldridge Minerals Inc. ("Aldridge", "we", "our" or the "Company"), our operations, financial performance and present and future business environment. This MD&A is prepared as of August 13, 2013 and should be read in conjunction with the interim condensed consolidated financial statements, the related notes and the MD&A for the three and six months ended June 30, 2013 (the "Financial Statements"), and the audited consolidated financial statements and the related notes for the thirteen months ended December 31, 2012 (the "Audited Financials"), which are prepared in accordance with International Financial Reporting Standards ("IFRS").

In September 2012, the Company filed a notice, pursuant to section 4.8(3) of National Instrument 51-102, of a change to its year end from November 30 to December 31. The figures presented in this MD&A cover the three and six month periods ended June 30, 2013 ("Q2") with comparisons to the three and six month periods ended May 31, 2012.

For the purposes of preparing our MD&A, we consider the materiality of information. Information is considered material if: (i) it would significantly alter the total mix of information available to investors. We evaluate materiality with reference to all relevant circumstances, including potential market sensitivity; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares.

*The Company's common shares are listed on the Toronto Stock Exchange - Venture (TSX-V: AGM). Continuous disclosure materials are available on SEDAR at **www.sedar.com** and on the Company's website at **www.aldridgeminerals.ca**.*

Unless otherwise indicated, amounts are in the presentation currency of Canadian dollars.

This MD&A contains 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.

SUMMARY – HIGHLIGHTS, OUTLOOK AND SELECTED FINANCIAL INFORMATION

In the Second Quarter of 2013 ("Q2"), Aldridge successfully advanced the development of its flagship Yenipazar Project in Turkey. The following are highlights from the six months ended June 30, 2013.

Highlights

- **Earned 100% Interest in Yenipazar Project with Completion of Feasibility Study:**
  On June 17, 2013, the Company announced the exercise of its option to earn a 100% working interest in the Yenipazar Property by delivering the Yenipazar Feasibility Study ("FS") and exercise notice to Alacer Gold Corp. ("Alacer"). Alacer retains a 6% net profit interest ("NPI") until $165,000,000 of revenue is generated, and a 10% NPI thereafter.

- **NI 43-101 compliant Technical Report ("NI 43-101 Technical Report") for the FS Filed and Robust Results Announced:**
  On May 17, 2013 the Company filed, on www.sedar.com, its NI 43-101 Technical Report for the FS.

  Highlights of the FS were summarized under three economic scenarios using the base case metal pricing assumptions described below. The first scenario is on a pre-tax project basis and does not reflect the NPI owed to Alacer in accordance with the Option Agreement. The second scenario includes the NPI and the third scenario includes both the NPI and applicable taxes. All scenarios demonstrate robust economics. All amounts in the tables below are denominated in United States Dollars.

	Pre-NPI, Pre-Tax	After-NPI, Pre-Tax	After-NPI, After-Tax
IRR	26.5%	24.4%	23.7%
NPV (0%)	$908M	$816M	$782M
NPV (7%)	$438M	$381M	$361M
Payback (years)	2.6	2.7	2.8

Base Case Pricing Assumptions	
Gold ($/oz.)	$1,450
Silver ($/oz.)	$28.00
Copper ($/lb.)	$3.00
Lead ($/lb.)	$0.95
Zinc ($/lb.)	$0.90

Capital Costs (US$ millions)	
Mine Development, Plant & Equipment	$278
Owner's cost	$31
EPCM	$36
Contingency (11%)	$37
Total pre-production CAPEX	**$382**

Operating Costs	
Total average cost per tonne of ore	$29.13

Mining / Milling	
Mine life (years)	12
Strip ratio (incl. pre-stripping)	4.3:1
Nominal throughput (tonnes per annum)	2.5M

The economic results of the FS are sensitive to commodity prices. As a result, the Base Case minus 10% pricing assumption was also considered. Refer to section entitled "Project Economics".

- **Progress by financial advisors, Cutfield Freeman & Co. Ltd. ("CF&Co"):**
  CF&Co, a global specialist mining corporate finance firm engaged by the Company in February, 2013, continued their evaluation of potential project financing options, including debt, equity, metal streaming and concentrate off-take-related financing that may be available to Aldridge. The progress included:
  - Engaging an independent engineer to act on behalf of potential lenders;
  - Evaluating the FS and its financial and operational risks;
  - Initiating preliminary project evaluations by prospective banks, streaming companies and other parties;
  - Identifying strategies to address potential and perceived project risks; and
  - Developing a plan to advance the project financing.

- **Annual Meeting on May 15, 2013:**
  - Continuance under the Canada Business Corporations Act ("CBCA") was approved by shareholder resolution. The Company became a federal corporation governed by the CBCA in May 2013. Under the CBCA, authorized share capital is unlimited.
  - Amendments to the Stock Option Plan (the "Plan") were approved by the shareholders of the Company and received final regulatory approval in May 2013. The amended Plan defines the maximum number of shares that may be issuable pursuant to the options granted under the Plan as 10% of the Company's issued share capital.

- **Leadership Change:**
  In July, with the resignation of the Company's CEO, the Board initiated a search for a new CEO to lead the Company through its next development stages. A Special Committee of the Board, led by the Company Chairman, will provide interim CEO leadership to the Company and its senior management team.

Outlook for 2013 and Beyond

The market prices of gold, silver copper, lead and zinc are primary elements for evaluating the potential economic returns of the Company's Yenipazar Project. During the second quarter, the gold price fluctuated between $1,181 and $1,604 per ounce and closed at $1,192 per ounce. At July 31st the price was $1,322 per ounce. The price of gold declined during the quarter as a result of negative investor sentiment caused, in part, by concerns of an upcoming reduction in monetary stimulus provided by the US Federal Reserve due to incremental improvements in the prospects for the US economy. Going forward, we believe that gold will attract investment interest through its traditional roles as a safe haven investment and store of value. While there are risks that investor interest in gold will decrease, we believe that the continuing uncertain macroeconomic environment, together with the limited choice of alternative safe haven investments, is supportive of continued strong demand for gold. Since gold comprises more than one-third of the feasibility study's estimated project revenue, we believe that the recent decline in gold prices may adversely affect the near-term timing, but not the longer-term prospects of arranging project financing.

The Company's major objectives and activities are generally focussed on de-risking the project in areas related to permitting, land acquisition, tax incentives and the owner's team. For the balance of 2013 and beyond major activities include the following:

- **CEO Search**
  A Special Committee of the Board will work with an executive search consultant to hire a new CEO to build on the Company's successes and lead it through development and growth phases, including permitting, project financing, construction and operation.

- **Land Acquisition**
  The Company is developing its land acquisition plan ("LAP") to acquire approximately 9.4 square kilometres of land. The LAP is being prepared in accordance with Equator Principles III, thereby meeting the standards required by potential international financing organizations. The LAP will build on the present relationships with land owners and other project affected people to facilitate project development. Following completion of the LAP, the Company will consider its financial resources and the potential timing of the required project financing to determine the appropriate time to initiate land purchase transactions.

- **Environmental Impact Assessment Study ("EIA") & Environmental and Social Impact Assessment Study ("ESIA")**
  SRK Turkey, which has been involved in various elements of the FS, is leading the EIA scheduled for submission to the Turkish government in Q3 of 2013. The Turkish Government approval process is expected to take approximately three months, but may be longer. Aldridge is also preparing an ESIA report in accordance with international standards, which builds on the Turkish EIA by providing additional social data analysis and the LAP. The EIA permit is required before proceeding with applications for certain other permits required to develop and operate the Yenipazar project.

- **Project Financing**
  A key objective of 2013 and beyond is to secure the project financing needed to build the Yenipazar Project. The Special Committee and future CEO will continue to monitor and evaluate the capital markets and prospective financing sources. The FS, along with the preliminary analysis completed by the Company's financial advisors and their independent engineers, identified a number of typical mining project risks which the Company expects to resolve or advance in the coming months to facilitate the future project financing efforts.

- **Investment Incentive Certificate Plan Application in Q3 2013**
  The Company will apply for an Investment Incentive Certificate under Turkey's investment incentive program, which should result in income tax savings equal to 40% of the qualifying depreciable capital cost required to build the Yenipazar Project. The income tax savings will be received via a corporate income tax rate reduction from 20% to 4%, which may result in corporate income tax savings of up to approximately $130 million over the life of the Yenipazar Project, based on FS assumptions. The preliminary application is expected to be submitted before the end

of Q3, but the requested Investment Incentive Certificate ("IIC") cannot be approved until after the EIA permit is received by the Company. The IIC provides other fiscal benefits, the most significant of which is an exemption from the 18% VAT normally assessed on the purchase of depreciable capital assets.

- **Engineering Design and Continued Project Development**
  The FS and subsequent analysis resulted in recommendations for continued engineering and metallurgy work required to maintain the momentum of the project development and reduce potential project risks. The Company plans to spend approximately $600,000 to $800,000 in the second half of 2013 to complete additional analysis, which includes further samples testing and evaluation.

- **Exploration**
  The Company expects to minimize new exploration in the near-term in an effort to reduce spending prior to advancing project financing efforts. However, when deemed appropriate exploration activities may include geophysical surveys and drilling on the Yenipazar Property, including the area adjacent to the known resource where three mineralized outcrops were identified, and on its Orenli license, which is located in western Turkey in a region with many known porphyry, skarn and epithermal type occurrences and deposits. The exploration programs will be developed subject to the availability of funding. Longer term plans may include the acquisition and exploration of other properties in Turkey.

- **Transition and Ongoing Development**
  The Company plans to evaluate alternative project development options utilizing activity trade-off studies and by reviewing the timing of hiring additional senior managers and professional staff to the owners' project development team. Considering the present mining sector and capital markets environment, prospective plans will balance short and long term project development plans with a conservative cash management strategy. The Company recognizes that uncertain capital markets require alternative plans that could support a potentially longer financing process.

Selected Financial Information

The following table provides selected consolidated financial information that should be read in conjunction with the unaudited interim condensed consolidated financial statements of the Company.

(In Canadian Dollars)	Six Months ended and as at June 30, 2013	Six Months ended and as at May 31, 2012	Thirteen Months Ended and as at December 31, 2012
Loss before income tax and discontinued operations	$(5,540,039)	$(5,662,314)	$ (12,775,144)
Net Loss	(5,196,606)	(6,719,478)	(13,674,712)
Net loss per share	(0.07)	(0.17)	(0.29)
Cash and cash equivalents	11,401,972	9,551,420	3,475,088
Working capital [i]	11,173,240	9,171,314	3,070,299
Total assets	12,918,454	12,288,958	5,258,701
Total non-current financial liabilities	111,582	39,946	95,666

[i] Working capital equals current assets less current liabilities, and is a non-GAAP measure used by management.

The Company's property exploration and evaluation expenditures on mineral properties are as follows:

	THREE MONTHS ENDED JUNE 30, 2013	THREE MONTHS ENDED MAY 31, 2012	SIX MONTHS ENDED JUNE 30, 2013	SIX MONTHS ENDED MAY 31, 2012
Yenipazar Property, Turkey	**$ 1,172,528**	$ 1,751,066	**$3,206,247**	$2,934,750
Exploration Licenses, Turkey(i)	**-**	-	**3,533**	33,527
Kili Teke License, PNG(ii)	**-**	473,989	**-**	1,123,432
Total Exploration & Evaluation	**$ 1,172,528**	$2,225,055	**$3,209,780**	$4,091,709

(i) The Company presently holds 9 licenses.

(ii) On July 6, 2012 the Company announced it received notice that its application to renew the license was not approved, and that the Company planned no further action or investment in PNG.

BACKGROUND

Aldridge is a publicly-traded junior exploration company in the business of identifying and developing mineral properties in Turkey. In June 2011, the Company engaged Jacobs Minerals Canada Inc. (“Jacobs”) to lead the FS on its flagship Yenipazar Property in central Turkey. Significant components of the FS were completed by experienced consultants including, P&E Mining, SGS UK, SRK Turkey and Golder Associates. The deposit includes recoverable quantities of gold, silver, copper, lead and zinc. The results of the FS were announced on April 3, 2013. The FS and NI 43-101 Technical Report were filed on May 16, 2013.

In FY 2012, Aldridge attracted a strategic investor, ANT Holding Anonim Sti. (“ANT”) to enhance the Company’s ability to develop the Yenipazar Project. ANT maintained its 30% interest in the Company by investing an additional $4,529,000 in February 2013, following a $10,499,914 bought deal that was completed February 14, 2013.

Aldridge incorporated, in 2005, a 100% owned Turkish subsidiary, Aldridge Mineral Madencilik Ltd. Şti. (“Aldridge Turkey”) to obtain, develop and operate mining properties in Turkey, which include the Yenipazar Property pursuant to the Option Agreement. Aldridge Turkey holds and may develop exploration licenses located outside the Yenipazar Project area. The Company also periodically reviews other prospective properties and exploration licenses in Turkey to identify future exploration targets.

In addition to its activities in Turkey, the Company previously conducted exploration in Papua New Guinea. In July 2012, the Company discontinued its PNG exploration activities in favour of focusing on the Yenipazar Project.

OVERVIEW OF PROJECTS AND INVESTMENTS

The Company’s projects and investments held include mineral properties and equity investments in mining companies described as follows:

- Yenipazar Property - Turkey;
- Exploration licenses - Turkey;
- Investments – Class A performance shares in Anatolia Energy Ltd.;
- Kili Teke License - Papua New Guinea – discontinued PNG operations in July 2012.

Yenipazar Property - Turkey

The Yenipazar Property is approximately 100 square kilometres in area and is located at the geographic center of Turkey. It is approximately 200 kilometres east-southeast of Ankara, the capital city, and is easily accessible via public roads and has good access to rail transportation and electrical power supply.

The Yenipazar Project is a polymetallic volcanogenic massive sulphide ("VMS") body that hosts a gold-silver-copper-lead-zinc mineral deposit within the Yenipazar Property. It has a currently determined strike length of at least 1,700 metres averaging 200 metres in width and approximately 20 metres in thickness at depths between 30 and 190 metres. Much of the ore body is sitting at a depth of approximately 50 to 120 metres. The Yenipazar Project includes approximately 9.4 square kilometres of land within the project fence line.

The Company's expenditures in the Yenipazar Property increased by $271,497 in the six months ended June 30, 2013 to $3,206,247 as compared to the six months ended May 31, 2012. The increase resulted from increased activities during the first half of FY2013 to support the completion of the FS.

Property Ownership Structure

On December 1, 2004, the Company entered into an agreement with Alacer 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 of the Company (issued). In June 2013, the Company delivered the FS and exercise notice to Alacer and earned a 100% working interest in the Yenipazar Property. The Company will pay Alacer a 6% NPI until such time as operational revenues reach the amount of US$165,000,000, and a 10% NPI thereafter.

The exploration and operating licenses are registered to Aldridge Turkey.

Results of Feasibility Study

The Company announced the results of the FS on April 3, 2013. During the compilation of the Feasibility Study Report, a number of adjustments were identified, including the amounts and timing of depreciation expenses, which improved the project economics compared to the results announced on April 3, 2013. A summary of the project economics, as noted earlier in the 'Highlights' section of this report indicates the improved after-tax NPV undiscounted value is $782 million and the after-tax NPV discounted at 7% is $361 million. The related NI 43-101 Technical Report was filed on SEDAR on May 16, 2013. The results confirm that Yenipazar is a highly attractive project with robust economics, while paving the way for the completion of additional technical work as the Company advances its project financing. The key highlights of the FS can be found in the section above entitled "Highlights".

The proposed mine development involves the construction of an open pit mine, a waste rock dump ("WRD"), a processing plant and a tailings management facility ("TMF") together with the construction of supporting road infrastructure and various mine-related utilities. Once initiated, it is estimated that construction will take approximately 21 months and will be followed by a 2-month period of plant commissioning and production ramp-up estimated to take 6 months. Pre-production capital costs benefit from Turkey's already excellent infrastructure, while the shallow nature of the ore body and the flat topography of the project footprint and surrounding area translate into lower operating costs associated with conventional open-pit mining methods.

Reserves

The mineral reserves for the Yenipazar project comprise three different mineralization types to be mined and processed:

- oxide mineralization (11% of total);
- copper-enriched mineralization (9% of total); and
- sulphide mineralization (80% of total).

The processing characteristics of each are slightly different with the oxide zone yielding three payable metals (Au, Ag, Pb); while the copper-enriched and sulphide zones will yield five payable metals (Au, Ag, Cu, Pb, Zn).

The Probable mineral reserves are summarized in the table below:

								Contained Metal				
	Tonnage	**Au (g/t)**	**Ag (g/t)**	**Cu (%)**	**Pb (%)**	**Zn (%)**	**NSR ($/t)**	**Au (M oz.)**	**Ag (M oz.)**	**Cu (M lbs.)**	**Pb (M lbs.)**	**Zn (M lbs.)**
Oxide	3,212,000	0.83	23.2	0.24	0.96	0.54	42.23	0.09	2.40	16.99	67.98	38.24
Cu-Enriched	2,491,000	0.90	32.9	0.45	0.94	1.16	74.72	0.07	2.63	24.71	51.62	63.70
Sulphide	23,463,000	0.90	30.1	0.29	0.96	1.56	93.32	0.68	22.71	150.01	496.58	806.94
TOTAL	**29,166,000**	**0.89**	**29.6**	**0.30**	**0.96**	**1.41**	**86.10**	**0.84**	**27.74**	**191.72**	**616.18**	**908.88**

- The mineral reserves are based on NSR cut-off values of USD $17/t for oxide and USD $20/t for copper-enriched and sulphide mineralization.
- The reserve estimate is based on an updated resource estimate (see news release dated November 26, 2012).
- The mineral reserves in this table were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

Processing

As part of the Feasibility Study, an extensive testwork programme was undertaken in order to establish the process design parameters, formulate the process flowsheet, select equipment, evaluate ore variability and confirm metallurgical recoveries. With a nominal throughput of 2.5 million tonnes per annum, the selected process plant and design is based on conventional crushing and grinding followed by a gravity circuit whereby most of the gold and a portion of the silver are recovered. The gravity circuit is followed by sequential flotation of copper, lead, and zinc. The metallurgical testwork conducted by SGS to-date indicates the following total recoveries by ore type:

Metal	Sulphide[1]	Copper-Enriched[2]	Oxide[3]
Gold	**88%**	**75%**	**67%**
Silver	**84%**	**52%**	**50%**
Copper	**72%**	**47%**	**0%**
Lead	**72%**	**35%**	**29%**
Zinc	**56%**	**34%**	**0%**

[1] Reflects year 5 onwards. Metallurgical testing indicates potential to increase recoveries of lead, silver and gold in the sulphide ore. Confirming these potential improvements is a priority following the completion of the Feasibility Study.
[2] Reflecting limited testwork to date.
[3] Testwork still under review.

The Company will produce four products: a doré, a copper / gold concentrate, a lead / silver concentrate, and a zinc concentrate. Average annual production for Years 2 – 10 by metal and product is as follows:

Product	Gold (oz.)	Silver (M oz.)	Copper (M lbs)	Lead (M lbs)	Zinc (M lbs)
Doré	42,185	0.1			
Copper / Gold Concentrate	6,896	0.3	11.2		
Lead / Silver Concentrate	10,404	1.2		33.8	3.3
Zinc Concentrate	3,157	0.3			53.0
Total	**62,642**	**1.9**	**11.2**	**33.8**	**56.3**
% of Revenue	34.7%	20.8%	12.9%	12.3%	19.3%

Project Economics

In the interest of further demonstrating the strength of the Yenipazar project, the scenarios below outline the effect of a reduction of approximately 10% to base case metal prices on the economics of the project.

Base Case Minus 10% Pricing Assumptions				
Gold ($/oz.)	Silver ($/oz.)	Copper ($/lb.)	Lead ($/lb.)	Zinc ($/lb.)
$1,300	$25.00	$2.70	$0.85	$0.80

	Pre-NPI, Pre-Tax	After-NPI, Pre-Tax	After-NPI, After-Tax
IRR	20.5%	18.7%	18.1%
NPV (0%)	$646M	$579M	$555M
NPV (7%)	$280M	$238M	$224M
Payback (years)	3.1	3.5	3.7

Environmental Impact Assessment

In accordance with Turkish law, an EIA report on the Yenipazar project must be submitted for approval by the Turkish government. The EIA approval process involves the filing of an initial application defining the scope of the proposed project (completed), a public consultation process (completed), and a final submission. The Company expects to submit its Turkish EIA in Q3 2013. The Turkish Government approval process is expected to take approximately three months, but may be longer.

Aldridge is also preparing an ESIA report, in accordance with international standards (Equator Principles III), which builds on the Turkish EIA by providing additional social data analysis and the LAP. Following completion of the LAP, the Company will consider its financial resources and the potential timing of the required project financing to determine the appropriate time to initiate land purchase transactions.

Feasibility Study Project Costs

FS project costs for the team of consultants including P&E Mining, SGS UK, SRK Turkey and Golder Associates generally tracked on budget, except for the additional time and costs due to extra metallurgical testing, which led to higher mine planning and project management costs. Consulting costs relating to completed contracts as at June 30, 2013 were approximately $486,000 higher than the original budget in 2011.

Independent Engineer Review

Subsequent to the completion of the FS, the Company's financial advisor, CF&Co engaged Roscoe Postle and Associates ("RPA") to review the FS and prepare an Independent Engineer's Report. The independent engineer's work is ongoing and is expected to be completed in Q3 2013.

Exploration Licenses in Turkey

As at June 30, 2013, the Company held a total of 9 exploration licenses covering approximately 19,318 hectares in western Turkey, which are prospective for nickel and chromite. Early in 2011, the Company decided to focus its efforts on the Yenipazar Property and determined that it should seek buyers for certain licenses and abandon certain other licenses.

In July 2011, the Company agreed to assign 6 exploration licenses to Kenz Mining Inc. ("Kenz") pursuant to an assignment agreement that required Kenz to pay the Company US$50,000 within 30 days of the end of the first twelve month exploration period. Due to various delays and difficulties in obtaining the necessary drilling licenses, the acquirer requested a twelve month extension of the option to pay the additional US$50,000 to retain its exploration rights for the second and third years. The Company considered the various challenges faced by the acquirer and extended the initial exploration option by twelve months and received the US$50,000 payment in July 2013 as scheduled. The other terms of the assignment agreement are described in the Financial Statements for the thirteen months ended December 31, 2012.

The Company continues to seek interested buyers for some its remaining exploration licenses, while periodically looking for other licenses and properties for future exploration.

Investments – Anatolia Energy Ltd. And Vetter Uranium Ltd. – Sold in November 2012

Following the November 2012 sale of its investments in Anatolia Energy Ltd. ("Anatolia") and Vetter Uranium Ltd., the Company still retained Class A Performance shares in Anatolia at an estimated fair value of $nil at June 30, 2013. The fair value is based on the assessment of the likelihood of Anatolia achieving the minimum performance requirement. Specific conditions of the Class A Performance Shares prohibit their sale. A detailed description of the Class A performance shares is contained in Note 5 of the Financial Statements for the thirteen months ended December 31, 2012.

MARKET TRENDS

Metal	FS Base Case Prices	FS Base Case Less 10%	Approximate Spot Prices as at July 31 2013	2012	2011
Gold (US$/oz.)	1,450	1,300	1,322	1,614	1,614
Silver (US$/oz.)	28.00	25.00	19.82	27.95	39.47
Copper (US$/lb.)	3.00	2.70	3.11	3.35	4.40
Lead (US$/lb.)	0.95	0.85	0.94	0.84	1.22
Zinc (US$/lb.)	0.90	0.80	0.82	0.82	1.10

Settlement Date	COMEX Gold Futures At July 31, 2013 USD ($)	COMEX Silver Futures At July 31, 2013 USD ($)
December 31, 2013	1,322	19.84
December 31, 2014	1,315	20.01
December 31, 2015	1,346	20.26

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.kitcometals.com; futures.tradingcharts.com)

FINANCING ACTIVITIES

Private Placements closed (Gross Proceeds $15,028,914; Net Proceeds $13,679,215)

On February 14, 2013, the Company closed a $10,499,914 private placement offering through Dundee Securities Ltd. ("Dundee"), which included an investment of $7,000,000 from Mavi Investment Fund Ltd. ("Mavi"). The financing involved the issuance of 22,105,082 common shares at a price of $0.475. On February 22, 2013, the Company's largest shareholder, ANT, maintained its pro rata interest in the Company pursuant to its investment agreement by purchasing an additional 9,534,737 common shares on a private placement basis at the same price of $0.475, for proceeds of $4,529,000. As part of Mavi's investment, Mavi was granted the right to nominate one individual for election to the Board of Directors of the Company for so long as Mavi owns at least 9% of the outstanding common shares of the Company. Upon closing of the offering, Mavi owned approximately 17.4% of the outstanding common shares of the Company. Dundee received $400,000 in cash commission and 515,750 compensation warrants ("Dundee warrants"), each such compensation warrant to be exercisable to acquire one common share at the issuing price of $0.475 for a period of 24 months after the closing of the offering. In order to maintain ANT's pro rata interest in the Company, ANT also received 222,463 warrants to acquire one common share per warrant at an issuing price of $0.475, which become exercisable upon the exercise of the Dundee warrants. In addition, the Company paid a total finder's fee of $716,441 to an arm's length Turkish-based party.

Retained financial advisors, Cutfield Freeman & Co. Ltd.

CF&Co, a global specialist mining corporate finance firm engaged by the Company in February, 2013, continued their evaluation of potential strategic financing options, including debt, equity, metal streaming and concentrate off-take-related financing that may be available to Aldridge. The progress included:

- Engaging an independent engineer to act on behalf of potential lenders;
- Evaluating the FS and its financial and operational risks;
- Initiating preliminary project evaluations by prospective banks, streaming companies and other parties;
- Identifying strategies to address potential and perceived project risks; and
- Developing a plan to advance the project financing.

RESULTS OF OPERATIONS

For the three and six months ended June 30, 2013 compared with the three and six months ended May 31, 2012:

	Three Months Ended		**Six Months Ended**	
	June 30 2013	**May 31 2012**	**June 30 2013**	**May 31 2012**
Exploration and evaluation expenditures	**$ 1,172,528**	$ 1,751,066	**$ 3,209,780**	$ 2,968,277
General and administrative	**1,354,930**	1,346,256	**2,373,922**	2,399,075
	$ (2,527,458)	$ (3,097,322)	**$ (5,583,702)**	$(5,367,352)
Other income/(expense)	**21,969**	(283,275)	**43,663**	(294,962)
Net loss for the period before income tax	**$ (2,505,489)**	$ (3,380,597)	**$ (5,540,039)**	$(5,662,314)
Income tax recovery	**-**	-	**343,433**	66,268
Net loss from continuing operations	**$ (2,505,489)**	$ (3,380,597)	**$ (5,196,606)**	$ (5,596,046)
Net loss from discontinued operations	**-**	(473,989)	**-**	(1,123,432)
Items that may be reclassified to net loss:				
Net unrealized loss on available-for-sale investments	**-**	(126,671)	**-**	-
Comprehensive loss for the period	**$ (2,505,489)**	$ (3,981,257)	**$ (5,196,606)**	$ (6,719,478)

For the three and six month periods ended June 30, 2013, the Company incurred net losses from continuing operations of $2,505,489 and $5,196,606 respectively versus losses of $3,380,597 and $5,596,046 during the comparable periods in the prior year. In July 2012, the Company announced it discontinued operations in Papua New Guinea and re-categorized the exploration and evaluation expenses incurred in PNG as net losses from discontinued operations. The resulting net loss and comprehensive loss was $3,981,257 and $6,719,478 for the three and six month periods ended May 31, 2012, respectively.

Comparing the first six months of FY2013 to the same period in FY 2012, the Company increased Yenipazar exploration and evaluation expenditures due to increased activities to support the completion of the FS. General and administrative expenses remained relatively stable with a slight decrease of $25,153 from the first six months of FY 2012 to $2,373,922 in the six months of FY2013.

Comparing the second quarter of FY 2013 to the same period in the prior year, exploration and evaluation expenditures decreased by $578,538, which was mainly due to non-recurring expenditures relating to the diamond drilling programme that began in April 2012 and concluded in August 2012. Total general and administrative costs, totaling $1,354,930 for the three-month period ended June 30, 2013, were in line with those for the comparable period in the prior year.

In the three and six months ended May 31, 2012, the Company recognized an impairment loss of $346,763 that related to its investment in common shares of Anatolia. The Company divested these shares during the fiscal year ended December 31, 2012.

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

Exploration and Evaluation Expenditures

The Company's primary focus in 2012 and 2013 was to advance the FS on its Yenipazar Property in Turkey. Consequently its exploration and evaluation expenditures on mineral properties were as follows:

	Three Months Ended June 30, 2013 ($)	Three Months Ended May 31, 2012 ($)	Six Months Ended June 30, 2013 ($)	Six Months Ended May 31, 2012 ($)
Yenipazar Property				
Analytical	**4,802**	36,622	**25,025**	110,569
Depreciation	**7,719**	8,005	**15,190**	9,563
Drilling	**43,578**	373,929	**112,318**	731,878
Drilling site access fees	**6,850**	38,871	**10,586**	52,835
Feasibility studies and project management	**294,272**	473,808	**1,039,803**	797,898
Geotechnical consulting	**11,009**	158,123	**67,682**	228,717
Land acquisition planning and development	**74,101**	-	**165,455**	-
License	**1,088**	2,511	**3,741**	13,285
Metallurgical consulting	**20,035**	118,575	**201,614**	168,299
Professional expenses	**136,543**	13,701	**161,978**	17,526
Project expenses and employee costs	**455,792**	327,336	**1,075,523**	540,076
Resource estimate and mine design	**36,533**	98,431	**183,338**	98,431
Travel	**52,409**	24,405	**91,683**	45,599
Vehicles and Equipment	**24,199**	23,369	**44,969**	51,323
Other	**3,598**	53,380	**7,342**	68,751
	1,172,528	1,751,066	**3,206,247**	2,934,750

	Three Months Ended June 30, 2013	Three Months Ended May 31, 2012	Six Months Ended June 30, 2013	Six Months Ended May 31, 2012
Exploration Licenses				
Licenses and fees	**-**	-	**3,533**	33,527
Kili Teke License, PNG				
Drilling	**-**	-	**-**	78,182
Project expenses and employee costs	**-**	83,237	**-**	290,485
Transportation, including Helicopter	**-**	390,752	**-**	746,046
Travel	**-**	-	**-**	8,719
	-	473,989	**-**	1,123,432
Total exploration and evaluation expenditures	**1,172,528**	2,225,055	**3,209,780**	4,091,709

During the first six months of FY 2013, the exploration and evaluation expenditures relating to the Yenipazar property increased by $271,497 as compared to the prior year due to increased activities supporting the completion of the feasibility study. The increase was partially offset by a decrease in expenditure due to non-recurring expenditures relating to the diamond drilling programme that began in April 2012 and concluded in August 2012.

Exploration activities at the Kili Teke License, PNG were discontinued in July 2012.

General and Administrative Expenses

The following table summarizes the Company's general and administrative ("G&A") and other expenses:

	Three Months Ended June 30, 2013 ($)	Three Months Ended May 31, 2012 ($)	Year over year Change ($)	Six Months Ended June 30, 2013 ($)	Six Months Ended May 31, 2012 ($)	Year over year Change ($)
Amortization	**16,617**	15,079	1,538	**31,865**	37,882	(6,017)
Directors' fees and expenses	**83,303**	51,973	31,330	**134,803**	128,206	6,597
Office and sundry	**165,188**	182,096	(16,908)	**360,396**	360,541	(145)
Professional fees	**516,051**	178,176	337,875	**868,663**	332,170	536,493
Salaries and benefits	**379,103**	524,887	(145,784)	**631,082**	828,406	(197,324)
Shareholder information	**73,221**	141,132	(67,911)	**131,808**	248,111	(116,303)
Stock-based compensation	**53,482**	166,509	(113,027)	**102,221**	266,412	(164,191)
Transfer and filing	**13,843**	21,493	(7,650)	**28,049**	41,621	(13,572)
Travel and promotion	**54,122**	64,911	(10,789)	**85,035**	155,726	(70,691)
General and administrative	**1,354,930**	1,346,256	8,674	**2,373,922**	2,399,075	(25,153)

Additional comments on individual expense item changes follow:

- Salaries and benefits decreased by $145,784 and $197,324 respectively when comparing the three and six month periods ended June 30, 2013 to the corresponding periods in the previous fiscal year. This is largely due to prior year compensation paid to the former president who left the Company in March 2012.
- Professional fees increased by $337,875 and $536,493 during the respective three and six month periods ended June 30, 2013 over the comparable periods in the prior year primarily due to the engagement of CF&Co. in February 2013 as the Company's project finance advisor along with Roscoe Postle Associates Inc. ("RPA") as the independent engineer.
- Directors' fees and expenses increased slightly by $6,597 to $134,803 for the six months ended June 30, 2013 compared to the six months ended May 31, 2012 mainly due to some additional incidental expenses.
- Comparing the three and six-month period ended June 30, 2013 to the comparable periods in FY2012, stock-based compensation decreased by $113,027 and $164,191 respectively. The decreases are due to the granting and vesting of options arising from the expansion of the senior management team and Board to support the FS in Turkey during fiscal 2012. The different timing and amounts of stock options granted are described in more detail in the annual consolidated financial statements for the thirteen months ended December 31, 2012.
- Shareholder information costs decreased by $67,911 and $116,303 in the three and six months ended June 30, 2013 as compared to the same periods in the prior year primarily because the Company realized some cost savings by electing not to renew certain investor relations consulting contracts.
- Travel and promotion expenses were $10,789 and $70,691 lower in the three and six-month periods ended June 30, 2013 as compared to comparable periods in FY 2012 primarily due to the significantly higher investor relations activity related to securing the initial investment by ANT in Q2 2012.

The Company recognizes that the uncertain capital markets require the Company to manage its spending to facilitate a potentially longer financing process. As a result, the Company is taking actions to trim expenses in Turkey and Canada, including reducing and re-assigning staff and reducing professional fees and other expenses.

Foreign Exchange and Income Taxes

Net foreign exchange losses in the three and six-month periods ended June 30, 2013 were $14,397 and $15,534 respectively, compared to losses of $4,565 and $29,854 in the three and six-month periods ended May 31, 2012. The FY 2013 loss related primarily to the Canadian dollar weakening against the Turkish Lira, Euro and United States Dollar.

Future income tax recoveries of $343,433 and $66,268 recorded during the first half of FY2013 and FY2012 respectively related to the expiration of outstanding warrants. Upon the expiration of the warrants, the Company recorded a reduction in contributed surplus related to the deferred tax liability for capital gains taxes and recorded an equivalent income tax recovery recording the application of accumulated losses to offset the deferred tax liability.

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:

Quarterly period ended[1]	Total revenues $	Income (loss) before Discontinued Operations $	Income (loss) before Discontinued Operations per share $	Net income (loss) $	Net income (loss) per share $	Total Assets $
June 30, 2013	Nil	(2,505,489)	(0.03)	(2,505,489)	(0.03)	12,918,454
March 31, 2013	Nil	(3,034,550)	(0.04)	(2,691,117)	(0.04)	15,702,807
December 31, 2012	Nil	(3,946,620)	(0.07)	(3,719,405)	(0.06)	5,258,701
August 31, 2012	Nil	(3,232,479)	(0.06)	(3,235,830)	(0.06)	8,809,249
May 31, 2012	Nil	(3,380,597)	(0.08)	(3,854,586)	(0.09)	12,288,958
February 29, 2012	Nil	(2,215,448)	(0.06)	(2,864,891)	(0.08)	5,260,640
November 30, 2011	Nil	(2,765,863)	(0.08)	(4,358,252)	(0.12)	7,788,166
August 31, 2011	Nil	(1,459,994)	(0.04)	(2,523,742)	(0.07)	11,092,500

(1) Represents three-month quarters except for the four-month period ended December 31, 2012 arising from a change in year end.

Note: The Company has no history of declaring dividends.

Net losses are mainly driven by the Company's expenditures on exploration and evaluation activities at Yenipazar and Papua New Guinea (which was discontinued in the quarter ended August 31, 2012).

LIQUIDITY AND CAPITAL RESOURCES

Historically, the Company's main source of funding has been the issuance of equity securities for cash, primarily through private placement offerings to accredited investors and institutions. In addition, in FY2012 the Company generated cash by disposing of non-core assets, including exploration licenses and investments in Anatolia Energy and Vetter Uranium. 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".

To date, debt financing has not been used to fund the Company's property acquisitions and exploration activities. The Company does not have "standby" credit facilities, or off-balance sheet arrangements and it does not use hedges or other financial derivatives. As a result, the Company has an unencumbered balance sheet, which allows for more project financing options to be considered.

Considering the present mining sector and capital markets environment, prospective spending plans will balance short and long term project development plans with a conservative cash management strategy. The Company recognizes that it needs a prudent approach to spending to ensure it optimizes the use of its strong cash position at June 30, 2013 to support a potentially longer financing process.

Cash and cash equivalents at June 30, 2013 totaled $11,401,972 (December 31, 2012 - $3,475,088). Excess cash is invested in guaranteed investment certificates ("cash equivalents") issued by the Company's primary Canadian bank. The Company's rate of spending will be closely monitored and the discretionary spending may be adjusted to reflect potential changes in requirements and the timing of financing activities.

At June 30, 2013, the Company had working capital (current assets less current liabilities) of $11,173,240 as compared to $3,070,299 at December 31, 2012. The increase in working capital of $8,102,941 is primarily the result of the closing of the Dundee Private Placement of $10,499,914 and the ANT investment of $4,529,000 in February 2013, which were partially offset by exploration and evaluation cash expenditures required to advance the FS on the Yenipazar Property.

At June 30, 2013 the Company had no contractual commitments for the acquisition of property, plant or equipment (December 31, 2012 - $99,240).

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. The applicable deposits are proportional to the size of the mining area and are determined each year or re-valued according to prevailing economic conditions.

Operating Activities: Cash used in operating activities mainly comprise expenses to complete the FS on the Company's Yenipazar Property, and general and administrative expenses. Cash used in operating activities for the three and six month periods ended June 30, 2013 was $2,504,732 and $5,476,008 respectively, as compared to $3,003,807 and $5,626,091 for the three and six month period ended May 31, 2012. Operating activities for the three months ended June 30, 2013 were affected by the net increase in non-cash working capital balances of $108,147 (versus a decrease of $312,955 in the three month period ended May 31, 2012) because of decreases in other receivables of $199,239, decreases in prepaid expenses of $34,573, decreases in other assets of $2,173, and increases in amounts due to related parties of $17,576, offset by decreases in accounts payable and other liabilities of $361,708. Operating activities for the six months ended June 30, 2013 were affected by the net increase in non-cash working capital balances of $155,795 (versus a decrease of $490,150 in the six month period ended May 31, 2012) because of decreases in other receivables of $156,999, decreases in prepaid expenses of $293,961, decreases in other assets of $4,346, increases in amounts due to related parties of $13,742, offset by decreases in accounts payable and other liabilities of $624,843. During the first six months of FY 2013, the Company also recorded a stock-based compensation expense of $131,678, amortization of $47,055, an income tax recovery of $343,433, and other items not affecting cash of $20,683.

Investing Activities: For the three and six month period ended June 30, 2013, cash outflows arising from investing activities totaled $172,842 and $276,749, as compared to cash inflows of $23,524 and $7,266 for the three and six months ended May 31, 2012. For the three and six month periods ended June 30, 2013, cash flows mainly consisted of net expenditures on equipment of $172,842 and $356,326 respectively, offset by refunds of $nil and $79,577 respectively, relating to deposits for relinquished exploration licenses.

Leases: The Company entered into new lease commitments during the six months ended June 30, 2013. One new vehicle lease began on February 1, 2013 for 36 months at 875 TRY/month. A second vehicle lease began on May 27, 2013 for 48 months at 675 Euro/month. There were no changes to existing commitments.

RELATED PARTY TRANSACTIONS

Related party transactions include consulting fees, management fees and compensation paid to key management personnel and are recorded as either G&A expenses or exploration and evaluation expenditures, depending on their nature. Key management personnel are defined as officers and directors of the Company.

Transactions with key management personnel were as follows:

	Three months ended June 30 2013	Three months ended May 31 2012	Six months ended June 30 2013	Six months ended May 31 2012
Salaries and benefits [1]	**$ 201,316**	$ 369,599	**$ 403,501**	$ 581,886
Termination Benefits	**-**	225,000	-	225,000
Share based payments	**47,489**	80,737	**91,301**	155,819
Total compensation	**$ 248,805**	$ 675,336	**$ 494,802**	$ 962,705
Consulting and management fees[2]	**118,168**	61,804	**176,264**	119,296
Common share subscriptions[3]	**-**	-	**845,011**	
Total transactions with key management personnel	**$ 366,973**	$ 737,140	**$ 1,516,077**	$ 1,082,001

(1) Directors do not have employment or service contracts with the Company, but may be entitled to director fees while officers have employment contracts and earn salaries and benefits for their services. Both directors and officers are also eligible for share-based payments.

(2) These amounts represent consulting fees paid or payable to various current and former officers and directors of the Company or to companies controlled by such individuals.

(3) At the closing of the private placement on February 14, 2013, key management personnel subscribed to 1,778,970 common shares at $0.475 per share.

Amounts payable to key management personnel were as follows:

Balance payable as at June 30, 2013	Balance payable as at December 31, 2012
$ 35,975	$ 22,233

On July 16, 2013, the Company announced that the President and Chief Executive Officer had resigned his position effective July 31, 2013, which will result in retirement benefits of approximately $401,000, the majority of which will be expensed in the third quarter.

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 11 "Exploration and evaluation expenditures on mineral properties" contained in the consolidated financial statements for the thirteen months ended December 31, 2012.

SHARE CAPITAL AS AT AUGUST 13, 2013

Authorized and issued share capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	84,733,660

At the Company's annual and special meeting of shareholders on May 15, 2013, the shareholders of the Company approved a special resolution to file Articles of Continuance for the Company under the Canada Business Corporations Act ("CBCA") and the Company became a federal corporation governed by the CBCA. Under the CBCA, authorized share capital is unlimited.

The Company has 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. 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. On May 15, 2013, the shareholders of the Company approved further amendments to the Plan. The amended Plan defines the maximum number of shares that may be issuable pursuant to the options granted under the Plan as 10% of the Company's issued share capital. The amendments to the Plan received final regulatory approval in May 2013.

As at August 13, 2013, the following stock options were outstanding:

Expiry Date	Exercise Price	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
November 13, 2013	0.48	25,000	25,000	0.25
December 22, 2013	2.04	65,000	65,000	0.36
January 21, 2014	1.11	200,000	200,000	0.44
October 9, 2014	1.40	935,000	935,000	1.16
November 29, 2014	0.88	375,000	250,000	1.30
April 28, 2015	0.88	200,000	200,000	1.71
November 9, 2015	1.11	200,000	200,000	2.24
November 30, 2015	1.40	300,000	300,000	2.30
February 22, 2016	1.46	50,000	50,000	2.53
March 21, 2016	1.06	50,000	50,000	2.61
March 30, 2016	1.29	60,000	60,000	2.63
June 15, 2016	1.25	400,000	300,000	2.84
June 20, 2016	1.05	200,000	150,000	2.85
August 3, 2016	0.80	110,000	82,500	2.98
February 28, 2017	0.54	75,000	37,500	3.55
March 28, 2017	0.64	233,000	116,500	3.62
May 1, 2017	0.61	200,000	100,000	3.72
	$ 1.12	**3,678,000**	**3,121,500**	**2.03**

The 4,721,367 warrants outstanding at December 31, 2012 expired on February 17, 2013. As at August 13, 2013, the following warrants, granted in February 2013 in connection with the private placement offered through Dundee, were outstanding:

Description	Expiry Date	Exercise Price	Warrants Outstanding	Value Assigned on Issue Date
Broker Warrants	February 14, 2015	$0.475	515,750	$126,720
Special Warrants	February 14, 2015	$0.475	222,463	36,928
			738,213	$163,648

In connection with the private placement offered through Dundee, Dundee received 515,750 compensation warrants, each such compensation warrant to be exercisable to acquire one common share at the issuing price of $0.475 for a period of 24 months after the closing of the offering. In order to maintain ANT's pro rata interest in the Company, ANT also received 222,463 warrants to acquire one common share per warrant at an issuing price of $0.475 ("Special Warrants"), which become exercisable only upon the exercise of the Dundee warrants.

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, deficit, and accumulated other comprehensive loss which at June 30, 2013 totaled $11,980,151 (December 31, 2012 - $3,709,297).

The Company actively sought and considered a number of fund raising proposals in 2012 and 2013, ultimately resulting in the closing of the ANT Private Placement on April 26, 2012, the Dundee Private Placement on February 14, 2013 and the ANT Private Placement on February 22, 2013.

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. The Company's capital management objectives, policies and processes evolved during the three month period ended June 30, 2013 to reflect the transition from a focus on completing the Yenipazar FS to obtaining project financing to build the Yenipazar project. As a result, the Company engaged CF&Co to assist in analyzing the economics of the Yenipazar Property and to lead the process to obtain project financing that may include senior debt, metal streaming, off-take agreements and equity.

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

RISK FACTORS

The Company's principal activity of mineral exploration and development 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.

The following are risks that should be considered in conjunction with those listed in the section entitled “Risk Factors” in the Company’s annual MD&A dated March 7, 2013.

Aldridge Depends On a Single Mineral Project

The Yenipazar Project accounts for all of Aldridge’s mineral resources and reserve and the current potential for the future generation of revenue. Any adverse development affecting the Yenipazar Project will have a material adverse effect on Aldridge’s business, prospects, profitability, financial performance and results of the operations. These developments include, but are not limited to, the inability to obtain financing to develop the Yenipazar Project, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, property, and which could hinder the development and operation of the Yenipazar Project.

Significant Shareholders

As at the date of this MD&A, ANT owned approximately 30.1% of the Company’s outstanding Common Shares. In addition, as described under the heading “Financing Activities” in the MD&A for the thirteen months ended December 31, 2012, ANT Holding has certain contractual rights entitling them to nominate directors of the Company.

As at the date of this MD&A, Mavi owned approximately 17.4% of the Company’s outstanding Common Shares. In addition, as described under the heading “Financing Activities” in the MD&A for the three months ended March 31, 2013, Mavi has certain contractual rights entitling them to nominate a director of the Company.

The liquidity of the Common Shares may be affected as only 52.5% of the Common Shares are being freely traded.

Global Economic Issues

Global financial and economic conditions have been characterized by extreme volatility in recent years, including commodity-price fluctuations and the cost of debt and equity securities. Access to public and private debt and equity financing has been negatively impacted during this time. If such conditions persist or worsen, they could negatively impact the ability of the Company to obtain debt or equity financing in the future and, if obtained, on terms favourable to the Company. Additionally, global economic conditions may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Changes in global economic conditions may also lead to significant changes in commodity prices. If these conditions and volatility persist or worsen, the Company’s business, results of operations and financial condition could be adversely impacted and the value and price of the Company’s common shares could be adversely affected.

Conflicts of Interest

Directors of the Company are or may become directors or officers of other mineral resource companies or have significant shareholdings in such other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, its directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation.

Aldridge Has No History of Mineral Production

Aldridge currently has no advanced exploration or development projects other than the Yenipazar Project. The Yenipazar Project is a near development stage project that has no operating history upon which to base estimates of future operating costs, future capital spending requirements or future site remediation costs or asset retirement obligations. Aldridge has limited experience with projects in a stage and operation status similar to the Yenipazar Project and uncertainties remain with development stage mining operations and Aldridge can provide no assurance that the necessary expertise will be available if and when it seeks to place any of its mineral properties into production, including the Yenipazar Project. Aldridge has limited experience in placing mineral properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with major mining companies that can provide such expertise. There can be no assurance that Aldridge will have available to it the necessary expertise when and if it places any of its mineral properties into production, including the Yenipazar Project.

Aldridge Has a Limited Operating History and No History of Earnings, Positive Cash Flow or Dividend Payments

An investment in Aldridge common shares should be considered highly speculative due to the nature of the Company's business. Aldridge has no history of earnings, it has not paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. The Company has not commenced commercial production and it has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that Aldridge will be able to develop any of its properties profitably or that its activities will generate positive cash flow.

Aldridge Faces Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Aldridge's ability to acquire properties in the future will depend not only on its ability to develop its present property, but also on its ability to select and acquire properties or prospects for mineral exploration. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Aldridge, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Community Relations

The Company's relationship with the communities in which it operates is critical to the successful development, construction and operation of its properties. The Company is committed to operating in a socially responsible manner. However, there is no guarantee that its projects will be accepted by the communities in which they are located.

QUALIFIED PERSONS

Martin S. Oczlon, PhD Geo, Vice President Exploration and Robbert Borst, Vice President Project Development are Qualified Persons as defined in NI 43-101, and have reviewed and verified the technical content in this MD&A.

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 and estimates are thoroughly described in Note 2 to the consolidated financial statements as at December 31, 2012.

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED

Unless otherwise noted, the following revised standards and amendments are effective for the annual period beginning on or after January 1, 2013. The Company has assessed the impact of the standards and amendments that are effective January 1, 2013 and has not identified any material adjustments.

(i) IFRS 9 – 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 is effective for annual periods beginning on or after January 1, 2015 with earlier adoption permitted. The Company has not elected to adopt early and is assessing the impact of the new standard.

(ii) IFRS 10 – Consolidated financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard which identifies the concept of control as the determining factor in assessing whether an entity should be included in the consolidated financial statements of the parent company. Control is comprised of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. IFRS 10 became effective for the Company on January 1, 2013. The Company determined that the adoption did not result in any change to the financial statements.

(iii) IFRS 11 – Joint arrangements ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the latter case account for the arrangement using the equity method. The Company adopted IFRS 11 on January 1, 2013. The Company determined that the adoption did not result in any change to the financial statements.

(iv) IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities' reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. IFRS 12 became effective for the Company on January 1, 2013. The Company determined that the adoption did not result in any change to the financial statements.

(v) IFRS 13 – 'Fair value measurement' ("IFRS 13"), aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 was issued by the IASB in May 2011. IFRS 13 became effective for the Company on January 1, 2013. The adoption did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at June 30, 2013. Enhanced disclosures are included in the unaudited interim financial statements.

(vi) IAS 1 – Presentation of financial statements ("IAS 1") IAS 1 was amended to change the disclosure of items presented in Other Comprehensive Income ("OCI"), including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. The amendments to IAS 1 became effective for the fiscal year beginning January 1, 2013 and the adoption did not result in any change to the financial statements.

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 audited consolidated financial statements in accordance with IFRS. 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 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 audited consolidated financial statements; and (ii) the 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 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.