ALDRIDGE
MINERALS INC.

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

For the Year Ended December 31, 2017
(As of April 25, 2018)

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 APRIL 25, 2018, AND SHOULD BE READ IN CONJUNCTION WITH THE CONSOLIDATED FINANCIAL STATEMENTS AND THE RELATED NOTES FOR THE YEAR ENDED DECEMBER 31, 2017 (THE "FINANCIAL STATEMENTS"), WHICH ARE PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS"). THE COMPANY'S COMMON SHARES ARE LISTED ON THE TSX VENTURE EXCHANGE (TSX-V: AGM). CONTINUOUS DISCLOSURE MATERIALS, INCLUDING THE COMPANY'S ANNUAL INFORMATION FORM, ARE AVAILABLE ON SEDAR AT WWW.SEDAR.COM AND ON THE COMPANY'S WEBSITE AT WWW.ALDRIDGEMINERALS.CA.

For the purposes of preparing our MD&A, we consider the materiality of information. We evaluate materiality with reference to all relevant circumstances, including potential market sensitivity. Information is considered material if: (i) it would significantly alter the total mix of information available to investors; 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.

Under IFRS, an entity's functional currency should reflect the underlying transactions, events, and conditions relevant to the entity. Under IAS 21, an entity's functional currency should reflect the underlying transactions, events, and conditions relevant to the entity. On January 1, 2016, the functional currency of the Company, Aldridge Mineral Inc., changed from the Canadian Dollar ("CAD") to the United States Dollar ("USD"). The change is based on management's evaluation, taking into consideration the currency that most strongly influences primary operating and capital decisions in addition to the currency in which funding requirements are met. This change in accounting treatment is applied prospectively. The assets and liabilities of the Company were translated from CAD to USD at the exchange rate in effect on the date of change in functional currency. The functional currencies remained the same for the Company's entities domiciled in Turkey (USD) and in the Netherlands (EUR). The functional currency for the Cayman Islands' subsidiary was USD from the date it was incorporated in February 2016. ***Unless otherwise noted, all dollar amounts in this MD&A are expressed in USD.***

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.

HIGHLIGHTS, OUTLOOK AND SELECTED FINANCIAL INFORMATION

Aldridge Minerals Inc. ("Aldridge" or the "Company") is a development stage mining company focused on its wholly-owned Yenipazar Project, which is a polymetallic volcanogenic massive sulphide ("VMS") body that hosts a gold-silver-copper-lead-zinc mineral deposit in central Turkey. The Company completed the "National Instrument 43-101 Technical Report on the Yenipazar Optimization Study, Yozgat Province, Turkey" (the "Optimization Study" or "OS") in April 2014. The Company's wholly-owned subsidiary, Aldridge Minerals Madencilik Ltd. Sti. ("Aldridge Turkey") presently has land surface rights (land titles owned, plus treasury land) for approximately 99.5% of the required land and holds the key permits required to develop the Yenipazar Project. The Company continues to advance the land acquisition process, engineering, and financing activities. The Company is incorporated under the Canadian Business Corporations Act, and its head office as at March 01, 2018 is 100-2 Toronto Street, Suite 215, Toronto, Ontario, M5C 2B5.

HIGHLIGHTS

Land Acquisition & Access – In January 2018, the Company completed the private land acquisition process when the local land office finalized the land title transfers pursuant to court decisions issued in November 2017. The Company's mining licenses grant it access to treasury land for purposes of mining. The chart below summarizes the land parcel ownership status:

	At December 31, 2017			At April 25, 2018		
Land Parcel Ownership	**Land Parcels**	**Land Area (m^2)**	**% of Project**	**Land Parcels**	**Land Area (m^2)**	**% of Project**
Treasury	105	1,847,650	19.5	111	1,975,047	20.8
Aldridge owned	490	7,472,264	78.7	490	7,472,264	78.7
Land Title Owned & Treasury Land	**595**	**9,319,914**	**98.2**	**601**	**9,447,311**	**99.5**
Remaining Court Case Progress						
Final Price Decision issued & Pending title transfer - Treasury	6	127,397	1.3	-	-	-
Pastureland to be converted to Treasury - application in progress	2	48,338	0.5	2	48,338	0.5
Outstanding Required Land Access	**8**	**175,735**	**1.8**	**2**	**48,338**	**0.5**
Yenipazar Project Area	**603**	**9,495,649**	**100.0**	**603**	**9,495,649**	**100.0**

Board of Directors and Management

- On December 12, 2017, Mr. Jeremy South and Mr. Gage Jull were appointed as independent directors of the Company's board of directors, and on January 19, 2018 Mr. South was appointed Chairman of the Board. These appointments fill the vacancies resulting from the November 16, 2017 resignations of Mr. Barry Hildred and Mr. Ed Guimaraes.
- Effective April 19, 2018, Jaymes Dircks, Vice President Engineering, Procurement & Construction ('EPC'), who was an expat based in Ankara, Turkey, resigned to return to Canada to pursue other interests. On January 10, 2018, Jim O'Neill, the Company's Chief Financial Officer accepted the additional responsibility as Corporate Secretary, following the departure of Dave Carew, VP Corporate Development & Corporate Secretary.

Working Capital Deficit – At December 31, 2017, the working capital deficit (non-GAAP measure equal to current assets less current liabilities) was approximately $45,107,450, primarily due to the September 2018 maturity date of the debt facility ($37,046,317) from Banka Kombetare Tregtare sh.a. ("BKT"), the largest commercial bank in Albania and the due dates of deferred land payments ($10,188,778).

Cash and cash equivalents totalled $2,551,079 at December 31, 2017 and approximately $1,747,000 at March 31, 2018. An additional $200,000 of cash would be available upon termination of the Company's foreign exchange trading credit facility and the related restricted cash security. Actions to preserve cash in 2018 include not renewing its Toronto office lease, which terminated February 28, 2018, reducing travel and other discretionary expenses and reducing its payroll costs by not replacing the VP Corporate Development and VP EPC who resigned effective January 10, 2018 and April 19, 2018, respectively.

Financing – On June 20, 2017, the Company announced it had closed its non-brokered $5,000,000 private placement (the "Private Placement"), which resulted in the Company issuing an aggregate 33,333,333 common shares ("Common Shares") of the Company at $0.15 (or approximately CAD$0.20) per Common Share for aggregate gross proceeds of $5,000,000 to Mr. Ahmet Taçyildiz, the Chairman and controlling shareholder of ANT Holding Anonim Sti. ("ANT") and a director of the Company.

Following the closing of the Private Placement, ANT and its wholly-owned subsidiaries, together with Mr. Taçyildiz ("ANT/Taçyildiz"), owned, or exercised control or direction over, a total of 66,617,442 Common Shares or approximately 47.4% of the outstanding Common Shares. On August 23, 2017, ANT sold 16,000,000 Common Shares, or approximately 11.4% of the outstanding Common Shares to MYA Gayrimenkul ("MYA"), lowering the holdings of ANT/ Taçyildiz to approximately 36.0% of the outstanding Common Shares.

Aldridge used the net proceeds of the Private Placement to fund the completion of the Yenipazar Project land acquisition process, and for general corporate purposes.

STRATEGY AND OUTLOOK

The Company's short-term focus is on addressing its working capital deficit and obtaining the approval to convert 48,338 m2 (0.5% of the Project area) from pastureland to treasury land. The Company's plans include the following:

Financing – The Company's present cash position and its working capital deficit make it imperative that it refinance its BKT debt facility and obtain funding for operating costs and project advancement. The Company will consider all available financing options, including working with its major shareholders and other prospective investors and lenders. Extending or refinancing the $40,000,000 BKT debt facility, which matures on September 16, 2018, is expected to be a critical component for the Company to complete a financing or strategic transaction in 2018.

The Company has the option to extend the payment date of deferred land payments of approximately $11,098,839, which become due at the earlier date of the start of construction and 24 months following the land title transfer dates. The Company, in exchange for increasing the deferred payments by 5%, has the option to extend the deferred payment due dates from 24 months to 36 months following the title transfer dates.

Land Acquisition – The Company continues to work with the applicable government departments to advance approval process to convert the remaining 48,338 m^2 pastureland (two parcels representing 0.5% of the project area) to treasury land, which was submitted in April 2015. An earlier application to convert 415,061 m^2 of pasture land to treasury land was submitted in April 2014 and approved in May 2016. Upon the classification of the two parcels as treasury land, the Company will have full access rights to these parcels in accordance with the key permits received to date and Turkish mining law.

There are inherent procedural risks outside of the Company's control, related to the government approval of the pastureland conversion to treasury (see "Risk Factors").

Engineering and Project Development - The Company plans to advance the Project in 2018 by continuing its engineering design and construction readiness process. Engineering activities will start following the receipt of sufficient new financing and pursuant to the execution strategy and contracting process.

MARKET OVERVIEW

The Company's financing efforts are affected by its present liquidity issues and the capital markets for junior mining companies.

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 2017 commodity prices fluctuated as indicated in the chart below:

		January 1 to December 31, 2017 Price Range				Spot	Optimization Study
		Low	**High**	**Close**	**Average**	**02-Apr-18**	**23-May-14**
Gold	$/oz.	1,151	1,346	1,291	1,257	1,340	1,250
Silver	$/oz.	15.22	18.56	16.87	17.04	16.60	20.00
Copper	$/lb.	2.75	3.45	3.10	2.97	3.02	3.00
Lead	$/lb.	1.00	1.61	1.15	1.39	1.09	0.94
Zinc	$/lb.	1.10	1.49	1.44	1.13	1.49	0.90

Source: www.kitco.com; https://www.lme.com/

The Company's assessment is that Turkey is a mining-friendly jurisdiction based on its mining regulations, investment incentive programs and the Companies experience in obtaining major permits required to build the Yenipazar Project. This is most recently supported by neighbouring mines achieving major milestone advancement, such as Alacer Gold's success with its $705 million Çöpler Sulfide Expansion Project construction being 75% complete and on for first gold production in the third quarter of 2018; Alamos Gold's success in receiving its forestry permits for the Kirazli Project; and Centerra Gold's Öksüt Project receiving, in January 2018, approval of pastureland to be converted to treasury land. Aldridge has successfully worked within the Turkish regulatory environment for more than ten years. Those efforts resulted in the Company obtaining the investment incentive certificates (IIC's) for the Yenipazar Project in July 2015 and the "Public Benefit" letter (the approval of the State-led LAP) in June 2015. The Company will continue to work diligently with the various regulators and to facilitate the timely pastureland conversion and other project development activities.

Fluctuations in foreign exchange rates may impact the cost of the Company's operations and estimated capital and operating expenditures for the Yenipazar Project. Operating expenses in each of the Company's entities in Canada (CAD), Turkey (TRY), The Netherlands (EUR) and the Cayman Islands (KYD) are predominately incurred in the local currencies, with the exception of certain consulting or engineering contracts denominated in USD. The majority of the Yenipazar Project's estimated capital expenditures are expected to be in USD, with up to approximately 25% to be denominated in TRY (including the portion of the land cost incurred in TRY). Depending on competitive bids, some capital expenditures may be denominated in EUR. The following chart provides representative exchange rates compared to rates used in the Optimization Study:

January 1 to December 31, 2017 Exchange Rates						Spot	Optimization Study
From	**To**	**High**	**Low**	**Average**	**Close**	**02-Apr-18**	**24-May-14**
USD	TRY	3.959	3.404	3.644	3.783	3.964	2.100
USD	EUR	0.959	0.830	0.887	0.835	0.812	0.890
USD	CAD	1.374	1.212	1.298	1.255	1.290	1.090

Source – USD/TRY: http://www.tcmb.gov.tr ; USD/CAD: https://www.oanda.com/fx-for-business/

The Company monitors foreign exchange exposure closely and has taken steps to manage its foreign exchange risks in accordance with its foreign exchange risk management policy (see "Financial Instruments and Other Instruments").

Consumer Price Index (CPI) Inflation rates may affect estimates of future costs. The table following sets forth actual and estimated rates for the periods indicated:

CPI Inflation Rates					
Country	**2014**	**2015**	**2016**	**12 mo. Sep. 2017**	**Cumulative Total**
USA	1.60%	0.10%	2.10%	2.10%	6.12%
Canada	1.50%	1.60%	1.50%	1.60%	6.35%
Turkey	8.17%	8.81%	8.53%	9.98%	40.49%

Sources:	*USA*	*http://www.turkstat.gov.tr*	*CPI-U average*
		http://www.usinflationcalculator.com/inflation	
	Canada	*www.bankofcanada.ca/rates/price-indexes/cpi/*	
	Turkey	*http://www.turkstat.gov.tr*	*http://www.tcmp.gov.tr*

Selected Financial Information

The following table provides selected consolidated financial information in USD for the previous three fiscal years.

	Year Ended and as at December 31, 2017	**Year Ended and as at December 31, 2016**	**Year Ended and as at December 31, 2015**
Loss before income tax and discontinued operations	**$ (2,308,415)**	$ (4,418,102)	$ (5,279,998)
Net loss	**(2,308,415)**	(4,418,102)	(5,279,998)
Net loss per share	**(0.02)**	(0.04)	(0.05)
Cash and cash equivalents	**2,551,079**	4,289,055	8,520,566
Working capital(i)	**(45,107,450)**	4,132,470	(10,005,830)
Total assets	**59,235,081**	51,138,630	30,814,033
Total non-current liabilities(ii)	**1,112,873**	42,577,599	126,974

(i) Working capital equals current assets less current liabilities, and is a non-GAAP measure used by management.
(ii) Total non-current liabilities exclude deferred revenue and environmental rehabilitation provision.

The Company's expenditures on its mineral properties for the periods indicated in the following table were:

	Year Ended December 31, 2017	**Year Ended December 31, 2016**	**Year Ended December 31, 2015**
Yenipazar Project, Turkey	**$ (2,370,113)**	$ (3,153,770)	$ (5,066,014)
Total Exploration & Evaluation	**$ (2,370,113)**	$ (3,153,770)	$ (5,066,014)

BACKGROUND

Aldridge is a publicly-traded mining company in the business of identifying and developing mineral properties in Turkey. Aldridge has been working in Turkey since 2004. The Company has a strong relationship with ANT Holding Anonim Şti. ("ANT"), a strategic partner based in Istanbul, Turkey, which owns approximately 30% of Aldridge. The Yenipazar deposit in central Turkey includes recoverable quantities of gold, silver, copper, lead and zinc. Aldridge believes Turkey is an excellent mining jurisdiction for a number of reasons including:

- Modern mining law and commercial code;
- Well-developed infrastructure, with on-going government investment;
- Strategic location;
- Very mature and extremely competitive construction industry;
- Well-developed contract mining business;
- Europe's largest gold producer; and

- Competitive tax and royalty structures, including IICs received which will reduce the Company's corporate income tax rates from 20% to a range of 2% to 4% until the IIC tax savings benefit is earned (approximately the first seven years of operations).

Aldridge incorporated, in 2005, a 100% owned Turkish subsidiary, Aldridge Turkey to obtain, develop and operate mining properties in Turkey. This includes the Yenipazar Property, in which the Company owns a 100% working interest. The Company announced the receipt of the Yenipazar Project Environmental Impact Assessment ("EIA") Permit on March 6, 2014. The Company also periodically reviews other prospective properties and exploration licences in Turkey to identify future exploration targets.

In June 2011, the Company engaged Jacobs Minerals Canada Inc. to lead a feasibility study (the "Feasibility Study") on its Yenipazar Project. Significant components of the Feasibility Study were completed by experienced consultants including P&E Mining, SGS UK, SRK (UK and Turkey) and Golder Associates. The Feasibility Study results and filing of the NI 43-101 technical report were announced on May 17, 2013.

In April 2014, the Company announced the results of its Optimization Study, which utilized revisions to key design and operating parameters undertaken since the release of the Feasibility Study in May 2013. Aldridge reduced the pre-production project capital costs to $230,000,000, or approximately 40% lower than the original Feasibility Study estimate of $382,000,000. Plant throughput remains unchanged at 2.5 million tonnes of ore per annum over a 12-year mine life.

OVERVIEW OF PROJECTS AND INVESTMENTS

The Company's key property and primary focus is the Yenipazar Property in Turkey.

YENIPAZAR PROJECT - TURKEY

The Yenipazar Property is approximately 100 square kilometres in area and is located at the geographic centre of Turkey. It is approximately 290 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 deposit is a polymetallic 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, with zones of 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 9,495,649 m^2 of land within the project fence line. At April 25, 2017, 99.5% of the required land was either owned by Aldridge or was classified as treasury land, which the Company is authorized to use for mining pursuant to the Yenipazar Operating Licence. The Company is also awaiting approval to convert 48,338 m^2 pasture land to treasury land, which represents the last 0.5% of the land required.

The Company's expenditures on the Yenipazar Project (excluding land) decreased by $783,657 during the twelve months ended December 31, 2017 to $2,370,113 as compared to the twelve months ended December 31, 2016. The decrease was mainly driven by reductions in engineering consulting fees, permitting expenses and interest capitalization. The total cost of mineral property under development at December 31, 2017 was $16,957,407. In addition, land costs to date were $38,645,721, which includes capitalized interest of $6,904,414 and accruals for deferred land payments of $11,098,839, or an average cost of approximately $1.51/m^2.

PROPERTY OWNERSHIP STRUCTURE

In December 2004, the Company entered into an agreement (the "Option Agreement") with Alacer Gold Corp. ("Alacer"), to acquire an interest in the Yenipazar Property. By June 2013 the Company had fulfilled its last remaining obligation to earn a 100% interest in the Yenipazar Property by delivering to Alacer a feasibility study for the Yenipazar Project ("Feasibility Study"). Once the Yenipazar Project is in production, the terms of the Option Agreement provide for the payment to Alacer of a 6% Net Profit Interest ("NPI") until such time as operational revenues from the Yenipazar Project reach the amount of $165 million, and a 10% NPI thereafter.

Through the Company's wholly-owned subsidiary, Aldridge Mineral Madencilik Limited Sirketi, the Company has an Operating Licence with respect to the Yenipazar Property, which was renewed in May 2014 for a period of five years. The related mining permits for each payable mineral will also expire at the same time. In accordance with the normal process in Turkey, the Company will request extensions to the Operating Licence and Operating Permits prior to 2019. The Company announced in March 2014 that it had received the Yenipazar Project's EIA Permit, which remains effective for the life of mine subject to the conditions of the permit. In addition, Aldridge received the GSM Permit in 2014 (local operating permit, without an expiry date, that is issued by the Governor), allowing the Company to conduct commercial activities in the Yenipazar region surrounding the Yenipazar Property; and the "Public Benefit" letter in June 2015 (the approval of the State-led LAP) and IICs, which demonstrates the Government of Turkey's full support for the project. With these key permits and documents in place, the Company will proceed in due course with the applications for routine construction and other ancillary permits.

While the Company advances the Project towards development and production, the Company operates under a temporary shutdown permit, renewed annually. This regulation is intended to promote development of permitted properties, by requesting holders of permits to demonstrate they are developing the properties. The previous annual operating reports on which the permit approval was based included such activities resulting in completion of the Feasibility Study Optimization Study, and land acquisition. The temporary shutdown permit renewal application was submitted pursuant to the regulations and prior to its expiry date of February 22, 2018. The Company anticipates its permit renewal application to be renewed in due course to be effective until February 22, 2019.

DEVELOPMENT ACTIVITIES

The Optimization Study results announced in April 2014 ('OS') updated the Feasibility Study. The OS reflected changes to key design and operating parameters, which include the use of contract mining, that enabled Aldridge to establish lower project capital expenditures ('CapEx') with only a moderate increase in operating costs. Plant throughput remained unchanged at 2.5 million tonnes of ore per annum over a 12-year mine life. There were no material changes to mineral reserves or mineral resources. The OS contains a financial model incorporating changes to the capital and operating costs and revised base case metal prices compared to the Feasibility Study.

The robust project economics, as estimated in the OS, may have been affected by various cost changes and developments since the OS was filed in May 2014. Future economic analysis may consider the potential net economic impact of a number of items or changes since May, 2014 that relate to the following areas or issues:

- Land Acquisition cost increase of approximately $9,000,000 (from September 2014 to present)
- Off-take agreements with Orion for gold production and lead concentrate (September 2014). (On June 5, 2017, Osisko Gold Royalties Ltd. announced it had acquired Orion's gold off-take agreement with Aldridge as part of a larger transaction with Orion.)
- Value Engineering and Construction Planning (November, 2014 to April, 2015)
- Turkey Government Royalty Rate Change (February 2015)
- Investment Incentive Certificate ("IIC") Approval (July 2015)
- Pre-production Capital Expenditures (CAPEX)
- Foreign Exchange Rates, Inflation and Cost Escalation (OS to present)
- Commodity Prices fluctuation,

The Company's Yenipazar Project economic analysis according to its Optimization Study is summarized in the table below. Future project costs may change based on the factors discussed above and more detailed analysis as the Project is developed. However, the Company believes the resulting project economics will continue to be robust.

Economic Highlights			**Optimization Study (OS) 23-May-14**
Capital Expenditures (Pre-production)			$ 230 million
Sustaining Capital			$ 17 million
Operating Expenditures per tonne of ore			$ 29.65
Revised Base Case Metal Prices			
	Gold	- $/oz.	1,250.00
	Silver	- $/oz.	20.00
	Copper	- $/ lb.	3.00
	Lead	- $/ lb.	0.94
	Zinc	- $/ lb.	0.90
IRR (after-tax):			**32.2%**
NPV7 (after-tax):			$ 330 million
Payback (after-tax):			2.4 years

The Company's processing plant is expected to produce at 40% of design capacity in the first month of operations, and steadily increase production by 10% each month until 100% of the design capacity is achieved in month seven of operations. Working capital cash requirements during the first year of operations is not included in the pre-production capital expenditures. The estimated working capital funding required is expected to vary based on operating factors such as: mine planning; recoveries; commodity prices; payment terms with customers (off-takers); and other operating cost fluctuations. Consequently, the Company is estimating it will require between

$25,000,000 and $35,000,000 of working capital during the first year of operations in addition to the pre-production capital expenditures.

Land Access – 99.5% of required area

The Yenipazar Project land area is approximately 9,495,649 square metres, which originally included approximately 463,399 m^2 of pastureland, 795,846 m^2 of treasury land and approximately 8,236,404 m^2 of private land. The private land was originally owned by many of the people living in the nearby communities of Eğlence and Göğdecili. Government land use regulations require pastureland to be approved for conversion to treasury land before it may be accessed for mining pursuant to applicable mining licenses. As all of the required land is farmland, the land acquisition did not involve any relocation or resettlement of people. Pursuant to the mining regulations, Aldridge has the legal right to access the State's treasury land within the approved fence line.

As at December 31, 2017 approximately 98.2% of the total project area had been acquired or classified as treasury land and allocated to Aldridge for a total cost of $38,645,721, which includes capitalized interest of $6,904,414 and an accrual for deferred payments of $11,098,839 (based on approximately $1.41/$m^2$ of land).

In January 2018, the Company completed the private land acquisition process when the local land office finalized the land title transfers pursuant to court decisions issued in November 2017. As a result, the Company had access to 9,447,311 m^2 or 99.5% of the required Yenipazar Project land. Two parcels, or 48,338 m^2, pasture land are awaiting approval to be converted to treasury land.

The original landowner may appeal the Final Price Decision to a higher court, but cannot appeal the land title transfer to treasury. Although a number of original land owners have filed appeals to date, the Company does not expect to incur a material additional cost increase, if any.

The Company remains committed to enhancing the economic and social conditions of the local communities in all phases of the mine development, including during construction and operations, as well as after mine closure. The Company will work closely with the communities to maximize local hiring and to establish joint social and commercial projects.

Resource Development

The Company is developing geo-technical and geo-metallurgical programs which include plans for a small infill drilling program that would support the mine plan in the first three years of operations, along with investigating the licence area immediately adjacent to the existing ore body.

EXPLORATION AND OPERATING LICENCES IN TURKEY

As at December 31, 2017, and the date of this report, the Company holds one operational licence for the Yenipazar Property and no additional exploration licences. Prior to 2015, the Company held a number of exploration licences in different regions in Turkey, which were evaluated and either abandoned or sold.

In July 2011, the Company agreed to assign 6 exploration licences prospective for nickel and chromite to Kenz Mining Inc. ("Kenz") pursuant to an assignment agreement that required Kenz to pay the Company certain amounts at fixed intervals. By continuing exploration, Kenz committed to spending $1 million on exploration and evaluation over a period ending in June 2017. Reports received to date from Kenz indicate spending of approximately $1,420,000 through December 31, 2017. In June 2017, the Company negotiated, with Kenz, to extend the evaluation period and agreement by two years to September 30, 2019, subject to an additional $50,000 payment that was received in June 2017. As a result, the $250,000 fee payable to exercise the option on the licenses is due on September 30, 2019.

Periodically the Turkish government holds auctions for exploration licences and the Company's geology and exploration team evaluates the available licences for potential acquisition.

FINANCING ACTIVITIES

On June 20, 2017, the Company announced it had closed its non-brokered $5,000,000 private placement (the "Private Placement"), which resulted in the Company issuing an aggregate 33,333,333 common shares ("Common Shares") of the Company at $0.15 (or approximately CAD$0.20) per Common Share for aggregate gross proceeds of $5,000,000 to Mr. Ahmet Taçyildiz, the Chairman and controlling shareholder of ANT Holding Anonim Sti. ("ANT") and a director of the Company.

Following the closing of the Private Placement, ANT, owned, or exercised control or direction over, a total of 66,617,442 Common Shares or approximately 47.4% of the outstanding Common Shares. Subsequent to the Private Placement, ANT sold 16,000,000 Common Shares, or approximately 11.4% of the outstanding Common Shares to MYA Gayrimenkul ("MYA"), lowering the holdings of ANT to approximately 36.0% of the outstanding Common Shares.

Aldridge is using the net proceeds of the Private Placement to fund the completion of the Yenipazar Project land acquisition process and for general corporate purposes.

As a part of September 25, 2014 borrowings, the Company and Orion also entered into definitive Offtakes under the terms of the Private Placement and the Loan agreement. Under the Offtakes, the Company agreed to sell and Orion has agreed to purchase on a take-or-pay basis certain lead concentrate and gold expected to be produced at the Company's Yenipazar Project. (In 2017 Orion sold its gold offtake agreement to Osisko Gold Royalties) The Company will sell 50% of the gold produced over the first ten years of the mine plan at the Yenipazar Project, subject to certain minimum delivery requirements. The Company will also sell 5,000 dry metric tonnes of lead concentrate per annum to Orion over the first ten years of the mine plan at the Yenipazar Project, corresponding to approximately 20% of the total lead concentrate volume, subject to minimum total deliveries of 50,000 dry metric tonnes of lead concentrate. The payment price for both the lead concentrate and the gold will be determined in the context of the market at the time of delivery, subject to certain quotational periods. The Offtakes will assist Aldridge in demonstrating bankable revenue streams to prospective project lenders

RESULTS OF OPERATIONS

For the Year Ended December 31, 2017 and December 31, 2016:

	YEAR ENDED AND AS AT DECEMBER 31, 2017	YEAR ENDED AND AS AT DECEMBER 31, 2016
EXPENSES		
General and administrative	**$ 2,481,963**	$ 4,266,657
	(2,481,963)	$ (4,266,657)
OTHER EXPENSES / INCOME	**173,548**	(151,445)
Net loss for the period	**$ (2,308,415)**	$ (4,418,102)

During the year ended December 31, 2017 the Company incurred net losses from continuing operations of $2,308,415 as compared to net losses of $4,418,102 during the comparable period in the prior year. The decrease in general administrative expenses is primarily due to the decrease in professional fees, office and sundry costs, travel expenses and the reversal of unpaid 2016 bonus accruals resulting from the Company continuing to prudently manage its cash resources.

MINERAL PROPERTY UNDER DEVELOPMENT

The Company's primary focus in 2017 and 2016 was to advance the LAP and other development activities for its Yenipazar Project in Turkey. Consequently, its capitalized expenditures on mineral property under development were as follows:

	THREE MONTHS ENDED DECEMBER 31, 2017 ($)	THREE MONTHS ENDED DECEMBER 31, 2016 ($)	YEAR ENDED DECEMBER 31, 2017 ($)	YEAR ENDED DECEMBER 31, 2016[(1)] ($)
Yenipazar Property				
Amortization	**41,155**	19,532	**89,695**	79,519
Engineering consulting	**50,426**	92,909	**191,878**	330,687
Environmental consulting	**3,125**	8,000	**9,108**	16,000
Land acquisition plan and development	**81,940**	45,592	**203,339**	302,479
License	**-**	-	**-**	17,106
Permitting	**(136,206)**	205,324	**(118,303)**	223,596
Employee costs	**216,509**	211,344	**954,564**	997,421
Community relations	**(5,916)**	15,235	**23,169**	49,742
Travel	**11,613**	11,865	**32,155**	75,292
Vehicles and equipment maintenance	**28,729**	10,988	**70,273**	36,743
Interest capitalization	**229,443**	185,810	**857,637**	972,972
Camp costs	**10,098**	12,761	**41,392**	48,817
Other	**3,170**	769	**15,206**	3,396
Total exploration and evaluation expenditures	**534,086**	820,129	**2,370,113**	3,153,770

(1) 2016 mineral property expenses categories are reclassified for comparative purpose.

During the year ended December 31, 2017 the expenditures on mineral property under development relating to the Yenipazar Project decreased by $783,657 to $2,370,113 compared to same period in the prior year. The lower expenses mainly relate to the decreased engineering consulting expenses, permitting expenses and interest capitalization costs as a result of efforts to preserve cash while seeking additional financing in 2017.

General and Administrative Expenses

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

	Three Months Ended December 31, 2017 ($)	**Three Months Ended December 31, 2016 ($)**	Quarter over Quarter Change ($)	**Year Ended December 31, 2017 ($)**	**Year Ended December 31, 2016 ($)**	Year over Year Change ($)
Amortization	**57,973**	30,382	27,591	**122,962**	121,145	1,817
Directors' fees and expenses	**38,196**	51,322	(13,126)	**172,964**	176,998	(4,034)
Office and sundry	**92,631**	157,315	(64,684)	**377,277**	497,072	(119,795)
Professional fees	**119,129**	173,841	(54,712)	**481,368**	1,424,301	(942,933)
Salaries and benefits	**314,407**	454,043	(139,636)	**930,205**	1,682,682	(752,477)
Shareholder information	**18,547**	12,767	5,780	**95,915**	93,683	2,232
Stock-based compensation	**31,218**	14,146	17,072	**173,810**	100,844	72,966
Transfer and filing	**3,503**	4,693	(1,189)	**27,012**	26,992	20
Travel and promotion	**38,214**	55,979	(17,765)	**100,450**	142,940	(42,490)
General and administrative	**713,818**	954,488	(240,670)	**2,481,963**	4,266,657	(1,784,694)

Additional comments on individual expense item changes follow:

- Office and sundry expenses decreased by $119,795 during the year ended December 31, 2017 as compared to the prior year, mainly due to reduction in space rental cost, reduction in office supplies and the strengthening of USD against CAD and TRY.
- Professional fees decreased by $942,933 during the year ended December 31, 2017 as compared to the corresponding period in the prior year due to higher legal fees incurred in September 2016 in relation to the settlement of Orion loan.
- Salaries and benefits decreased by $139,636 and $752,477 during the three months ended and year ended December 31, 2017 as compared to the same periods in the prior year. The decreases are mainly due to a net reduction in bonus accruals of approximately $205,000 in Q4 and $671,000 year to date, a reduction in staff in 2017 and the strengthening of USD against CAD and TRY.
- Travel and promotion costs decreased by $42,490 during the twelve months ended December 31, 2017 when compared to the twelve months ended December 31, 2016 primarily due to a restriction of staff travel until the Private Placement was closed.

- Stock-based compensation increased by $72,966 for the year ended December 31, 2017 as compared to the year ended 2016 mainly because of the issuance of additional stock option to officers, directors, employees and consultants on August 15, 2017.

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

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. Net losses are mainly driven by the Company's expenditures on exploration and evaluation activities at Yenipazar.

Quarterly period ended	Total revenue $	Loss before tax $	Loss before taxes per share $	Net Loss $	Net loss per share $	Total Assets $
December 31, 2017	Nil	(719,919)	(0.01)	(719,919)	(0.01)	59,235,081
September 30, 2017	Ni	(398,248)	(0.01)	(394,248)	(0.01)	58,810,319
June 30, 2017	Nil	(568,224)	(0.01)	(568,224)	(0.01)	58,101,013
March 31, 2017	Nil	(622,024)	(0.01)	(622,024)	(0.01)	52,582,304
December 31, 2016	Nil	(1,099,057)	(0.01)	(1,099,057)	(0.01)	51,138,630
September 30, 2016	Nil	(1,630,253)	(0.02)	(1,630,253)	(0.01)	47,170,970
June 30, 2016	Nil	(952,087)	(0.01)	(952,087)	(0.01)	30,711,251
March 31, 2016	Nil	(736,705)	(0.01)	(736,705)	(0.01)	30,711,621

Note: The Company has no history of declaring dividends.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents at December 31, 2017 totalled $2,551,079 (December 31, 2016 - $4,289,055). At December 31, 2017, the Company had a negative working capital (non-GAAP measure equal to current assets less current liabilities) of $45,107,450 as compared to working capital of $4,132,470 as at December 31, 2016. A decrease of $49,239,820 in working capital primarily due to the Company's borrowings, which matures in September 16, 2018 and a portion of deferred land payments due on or before December 31, 2018. The Company continues to recognize that it needs a prudent approach to spending to ensure it optimizes the use of its cash resources to achieve its project development objectives and obtain the long and short-term project financing required. The proceeds received by the Company upon closing the Private Placement in mid-June 2017 alleviated the critical near-term cash shortfall otherwise anticipated by the Company.

Financing Activities: For the year ended December 31, 2017 net cash inflows arising from financing activities totalled $4,746,341 as compared to cash inflows of $11,699,126 for the year ended December 31, 2016. For the year ended December 31, 2017, cash inflow represented net proceeds from the Private Placement that closed on June 20, 2017 based on a subscription agreement with Mr. Ahmet Taçyildiz in connection with the $5,000,000 less issuance cost of $279,269 (net proceeds of $4,720,731). Additionally, in the year ended December 31, 2017 cash inflows of $25,610 were received from the issuance of common shares pursuant to the exercise of stock options on January 20, 2017.

The Company had borrowings of $37,046,317 as at December 31, 2017 related to a two-year secured credit facility entered into on September 16, 2016, with BKT. The credit facility is for up to $40,000,000, including interest to be capitalized through to the maturity date of September 16, 2018.

Operating Activities: During the year ended December 31, 2017, cash used in operating activities mainly comprised of general and administrative expenses. Cash used in operating activities for the year ended December 31, 2017 totalled $1,919,610 compared to $3,731,573 for the year ended December 31, 2016. The Company has various commitments relating to rental office space, IT support services and debt payment as indicated in 'Note 14 Commitments' of the Financials Statements.

Investing Activities: For the year ended December 31, 2017 cash outflows arising from investing activities totalled $4,537,144 as compared to cash outflows of $12,105,593 for the year ended December 31, 2016. The cash outflows primarily consisted of net expenditures on the Yenipazar Project that were capitalized to mineral property under development of $1,337,476 and net purchases of property and equipment, consisting primarily of land within the Yenipazar Project, of $3,197,010.

RELATED PARTY TRANSACTIONS

Related party transactions include legal and 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 between the Company and its subsidiaries have been eliminated on consolidation and not disclosed.

Amounts owing to key management personnel were $13,846 as at December 31, 2017 (December 31, 2016 - $13,846). Transactions with key management personnel were as follows:

		Year ended December 31, 2017		**Year ended December 31, 2016**
Salaries and benefits (1)	**$**	**733,515**	$	700,209
Share based payments		**198,176**		103,780
Total compensation	**$**	**931,691**	$	803,989
Consulting and management fees (2)		**474,847**		584,912
Total transactions with key management personnel	**$**	**1,406,538**	$	1,388,901

(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.

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.

	Payments due by Period				
Contractual Obligation	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**	**Total**
Loan	$ 37,046,317	$ -	$ -	$ -	$ 34,046,317
Operating leases	94,783	65,701	-	-	160,484
Deferred land payment	10,188,778	910,061	-	-	11,098,839
Total	**$ 47,329,878**	**$ 975,762**	**$ -**	**$ -**	**$ 48,305,640**

On July 31, 2017 the Company extended its office lease in Ankara for a period of one year. The commitment for the gross rent, operating costs and realty taxes is estimated to be approximately $3,676 per month, or $44,112 per annum.

On July 26, 2012, the Company entered into a lease agreement for smaller office premises in Toronto, Ontario, in conjunction with a sublet agreement for its existing office premises in order to realize cost savings on rental payments. The new lease agreement is effective from September 1, 2012 to February 28, 2018. The commitment for the gross rent, including operating costs and realty taxes is estimated at $9,612 per month.

On April 15, 2016, the Company entered into a sub-lease agreement to share its existing head office premises in order to realize cost savings on rental payments. The new sub-lease agreement is effective from May 1, 2016 to February 27, 2018. The sub-lease agreement for the gross rent, including operating costs and realty taxes is estimated at $3,588 per month plus applicable sales tax.

The Company has certain obligations pursuant to the Option Agreement with Alacer Gold Corp. ("Alacer"). Once the Yenipazar Project is in production, the Company will pay Alacer a 6% Net Profit Interest ("NPI") until such time as operational revenues reach the amount of $165 million, and a 10% NPI thereafter.

The Company had borrowings of $37,046,317 as at December 31, 2017 related to a two-year secured credit facility entered into on September 16, 2016, with BKT. The credit facility is for up to $40,000,000, including interest to be capitalized through to the maturity date of September 16, 2018.

The deferred payment is due prior to beginning construction on site with additional fees of TRY

0.2/m^2 on August 31, 2017 if the deferred payment has not been made by that date; TRY 0.2/m^2 on August 31, 2018 if the deferred payment has not been made by that date; and 24 months after the title transfer date a 5% extension charge will be added to the balance owing which becomes payable 36 months after the title transfer date.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company’s financial instruments as of December 31, 2017, consist of cash and cash equivalents, receivables, trade and other payables, financial derivatives and borrowings. The Company’s financial instruments are denominated primarily in USD, CAD, EUR and TRY.

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 and cash equivalents, which are held in financial institutions in Canada, Turkey, The Netherlands, the Cayman Islands and other receivables. 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 and overnight deposits in Canada and Turkey. Management believes the risk of loss to be minimal given the apparent financial strength of the financial institutions with whom the Company transacts.

Other receivables consist of accrued interest and value added taxes receivable from government authorities in Canada and Turkey, respectively. Management believes that the credit risk concentration with respect to other receivables is minimal.

Interest rate risk is generally associated with the Company’s cash balances that are invested in fixed interest investment-grade short-term deposit certificates and overnight deposits. During the year ended December 31, 2017, the Company recorded interest income of $35,243 and interest expense of $3,861,641 was capitalization to mineral property and land. Future net cash flows from interest income on cash and cash equivalents and interest expense on variable rate borrowings will be affected by interest rate fluctuations. The Company closely monitors prevailing interest rates and will take appropriate mitigating actions should interest rate risk become material.

Foreign currency risk is generally associated with financial instruments and transactions denominated in non-USD currencies. While the Company has borrowings in USD, it funds development and exploration expenditures in Turkey primarily in TRY, CAD and USD. The Company maintains separate bank accounts for these currencies with sufficient funds to support monthly forecasted cash outflows over the following month. The Company will continue to monitor its forecasted cash uses and take the appropriate foreign currency risk mitigation measures.Net foreign exchange gain of gain of $62,983 for the year ended December 31, 2017, compared to the loss of $162,190 for the same period in the prior year. The gain in 2017 was related primarily to the impact of a holding CAD and TRY while the USD strengthened. The Company has been and will continue to take the necessary steps, including cash flow hedging, to manage any foreign exchange risks with respect to its US-denominated borrowings in accordance with its foreign exchange risk management policy.

SHARE CAPITAL AS AT APRIL 25, 2017

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	140,459,214

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. The maximum number of shares that may be issuable pursuant to the options granted under the Plan is 10% of the Company's issued share capital or 14,045,921 shares (December 31, 2016 – 10,695,588).

As at April 25, 2018 the following stock options were outstanding:

Expiry Date	Exercise Price (CAD)	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
November 26, 2018	0.20	815,000	815,000	0.59
April 7, 2019	0.24	1,000,000	1,000,000	0.95
December 18, 2019	0.20	1,679,688	1,679,688	1.65
March 26, 2020	0.20	500,000	375,000	1.92
September 20, 2021	0.29	557,000	275,500	3.41
August 15, 2022	0.22	2,133,000	1,208,250	4.31
December 12, 2022	0.13	400,000	100,000	4.63
	0.21	**7,084,688**	**5,456,438**	**2.56**

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 (1) equity, comprising share capital, contributed surplus, accumulated other comprehensive loss and deficit which at December 31, 2017 totaled $7,905,911 (December 31, 2016 - $5,244,730), and (2) borrowings, which at December 31, 2017 was $37,046,317 (December 31, 2016- $33,209,792).

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 have remained unchanged during the year ended December 31, 2017.

On September 16, 2016, the Company entered into a Loan Agreement with BKT pursuant to which BKT has agreed to make available to the Company a secured Credit Facility in the amount of up to $40,000,000 including interest to be capitalized. The BKT Loan matures September 16, 2018

The Company continues to seek out alternative sources to fund 2017 land acquisition and working capital requirements and to position itself to either complete full project financing or other strategic transaction alternatives. The nature, timing and amount of financing will be affected by progress on land acquisition, and the availability of debt, equity or other forms of financing to junior mining companies such as Aldridge.

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 gross proceeds of $5,000,000 received from the Private Placement on June 20, 2017 alleviated the near term critical cash shortfall previously anticipated by the Company. However, additional capital will be required prior to June 2018 to fund continuing operations and advance the Yenipazar Project development.

The Company's borrowings from BKT ($37,046,317 at December 31, 2017) are payable in September 2018, resulting in Aldridge having a material working capital deficit (non-GAAP measure equal to current assets less current liabilities) at December 31, 2017. The Company, will continue to closely manage its cash resources and capital structure to ensure it has access to sufficient capital resources to support the Company's liquidity, results of operations, assets, properties and prospects.

- *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 Yenipazar Project is at the development stage, but it is impossible to provide any assurance that the project and any exploration further planned by the Company will result in a profitable commercial mining operation.

- *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.

- *Development, Capital Projects and Operation of Mines:* Mine development and operations involve considerable risks including technical, financial, legal and permitting. Substantial expenditures are usually required to establish mineral reserves and resources estimates, to evaluate metallurgical processes and to construct and commission mining and processing facilities at a particular site. Currently, the Company's future revenue stream depends on production from the Yenipazar Project which does not have any operating history upon which to base estimates of future cash flow. The capital expenditures and time required to develop new mines or other projects are considerable and changes in costs or construction schedules may affect project economics. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase and the ramp-up period following commencement of commercial production, resulting in delays and requiring more capital than anticipated. Actual costs and economic returns could differ materially from the Company's estimates. Risks associated with the operation of mines include: unusual or unexpected geological formations; lower mineral recoveries than estimated; unstable ground conditions that could results in pit wall failures; floods; power outages; shortages, restrictions or interruptions in supply of water or fuel; labour disruptions; social unrest in adjacent areas; equipment failure; fires; explosions; failure of tailings impoundment facilities; and the inability to obtain suitable or adequate machinery, equipment or labour. Any of these risks could have a material adverse effect on the Company's results of operations or financial condition.
- *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. In addition, specific pricing and payment terms included in offtake agreements or sale contracts will affect net revenue generated by production shipped and thereby the profitability of the Company.
- *Financing and Dilution*: The Company's historical capital needs have been met primarily by the issuance of common shares and, beginning in September 2014, by the issuance of debt. Although the Company expects to either extend or refinance the BKT Loan before it matures in September 2018, there can be no assurance that it will be successfully extended or refinanced. The Company's planned activities include the completion of land acquisition, advancing the project development, obtaining sufficient financing to allow time to complete either full project financing required to build the project or other strategic transaction to maximize value for shareholders. 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. In addition, investors may consider the country risks associated with a development project in Turkey differently than a similar project in another jurisdiction. 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 development 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 limited 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.
- *Land Access*: The Company owns the mineral rights to the Yenipazar Project and has completed the land acquisition process, which provides access to 99.5% of the project area. When the two remaining pastureland parcels (48,338 m^2 and 0.5% of the project land area) are converted to treasury land, the Company will have access to 100% of the project land area. Full land access may be a condition precedent to drawdown on project debt financing and may affect the timing of the closing of project financing. Appeals to the court determined land prices for private land converted to treasury land, may result in higher costs. The Company's inability to gain access to the remaining 0.5% of the land required to develop the Yenipazar Project may have a material adverse effect on its ability to raise project financing.
- *Regulatory:* Many of the mineral rights and interests of the Company are subject to government approvals, licences and permits. Such approvals, licences and permits are, as a practical matter, subject to the discretion of applicable governments or governmental officials. The Yenipazar Project operating permit expires in March 2019 and an application to extend it will be made at the appropriate time. The Company also requires a temporary shutdown permit to be renewed each year. The 2017 temporary shutdown permit application was submitted for approval in December 2016 and approved in March 2017. The 2018 temporary shutdown permit application was submitted for approval on schedule in February 2018 and is awaiting approval. Although the Company expects the temporary shutdown permit to be issued in the near future, in the event that it is not approved, the Company would be required to conduct qualifying development activities on the site within three years and/or pay a fine of approximately $17,000 while it maintains all its rights under the Company's operating licences. The Company received the IICs, which result in a Turkey corporate income tax rate reduction from 20% to a range of 2% to 4% for approximately seven years of operations, pursuant to Turkey's Investment Incentive Program. On March 6, 2014, the Company announced the receipt of the EIA Permit for the Yenipazar Project. Although the receipt of the EIA Permit is a significant milestone and suggests a positive regulatory environment, no assurance can be given that the Company will be successful in obtaining or maintaining any or all of the various approvals, licences and permits required to operate its businesses in full force and effect or without modification or revocation. 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. Government owned land within the project area must be classified as treasury land to provide the Company access to it pursuant to its mining license. The project area includes two land parcels totalling 48,338 m^2, which continue to be classified as pastureland. The approval to convert the pastureland to treasury land is subject to the discretion of applicable governments or governmental officials and delays or a failure to obtain the approval could have an adverse impact on the Company. In Turkey, political protests, alleged corruption and bureaucratic inefficiencies may affect the timeliness of the review and approval processes related to various licences and permits. Consequently, there is a risk that additional time for approvals may result in additional overhead and other costs that may be incurred during the additional time that may be required for approvals.

- *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. The Company received its EIA Permit in March 2014 after submitting its EIA Permit application in August 2013. Recent regulatory changes indicate that the development and documentation of a waste management plan will be required in the future, which would become part of the Company's routine regulatory reporting processes. In addition, the Company has periodically engaged experts to assist the Company in modifying its processes and documentation to facilitate compliance with international standards.
- *Insurance:* Mining is a heavy industry activity and requires high standards of safety in construction and operations. The Company expects to continue to evolve its health and safety policies and practices ensure they meet the high standards required for managing the risks of each phase of developing and operating the Yenipazar Project. Sometimes hazards result from 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. The Company's continuing exploration properties are in Turkey while its head office is in Toronto, Canada. In Turkey, the Company's assets and operations are subject to various factors including political, economic and other uncertainties. In July 2016, there was an attempted coup that threatened the present Turkish government and in April 2017, a referendum is scheduled regarding proposed changes to Turkey's constitution. The Company is subject to any changes arising from the various factors noted, 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 licences, 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:* 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.

- *Foreign Exchange:* Fluctuations in foreign exchange rates may impact the estimated Yenipazar Project capital and operating expenditures, as well as corporate expenses. The Company's expenditures are primarily denominated in CAD, USD and TRY. The recent strengthening of the USD may reduce certain operating costs for the Company, but there is no certainty that the Company will be able to realize such cost savings. Currency fluctuations may impact the cost of present and future activities in Turkey, including the estimated pre-production capital expenditures required to build the Yenipazar Project.

- *Aldridge Depends on a Single Mineral Project:* The Yenipazar Project accounts for all of Aldridge's mineral resources and reserves 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, the Company's three largest shareholders owned a combined 60.6% of the Company's outstanding Common Shares. Their approximate percentage held by shareholder was: ANT/Ahmet Taçyildiz - 36.0%; Universal Venture Fund – 13.2%; and MYA Garimenkul – 11.4%. Consequently, the liquidity of the Common Shares may be affected as less than 40% 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 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. The Company's strategy includes developing its Land Acquisition Plan and the Environmental and Social Impact Assessment in accordance with Equator Principles III, and employing a Community Relations Manager. However, there is no guarantee that its projects will be accepted by the communities in which they are located.

QUALIFIED PERSONS

Dr. Dennis Ferrigno, a consultant to the Company, is a Qualified Person as defined in NI 43-101, and has reviewed and verified the technical content in this MD&A.

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period.

Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company's accounting policies and significant estimates and judgments are described in Note 2 Financials Statements.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made include but are not limited to, the following:

- All inputs used in the option pricing models for determining the fair value of share based payment transactions and warrants issued.
- The estimated useful lives and residual value of PE used for calculating the amortization.
- Discount rate and other inputs used to assign a fair value to borrowings, which in turn affect the value of deferred revenues recognized with respect to the offtake agreements associated with such borrowings

Critical accounting judgments

- Management's assumptions in determining the functional currencies of the Company's subsidiaries.
- Going concern presentation of the financial statements which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.
- Management's assessment of impairment indicators for long-lived assets
- Assessment of the recoverability of deferred tax assets.

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED

Amendments to accounting standards adopted and not yet adopted are described in Note 2 of the financial Statements.

Accounting standards and amendments issued and adopted

The Company identified no significant Accounting standards and amendments to be adapted for the year ended December 31, 2017.

Accounting standards and amendments issued but not yet adopted

i) IFRS 9 - The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, but is available for early adoption. In addition, the own credit risk changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Company has evaluated the potential impact of applying IFRS 9, and has concluded that the adoption of the standard will not have a material impact on the consolidated financial statements.

ii) IFRS 15, issued in May 2014, establishes the principles that an entity shall apply to report the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15 replaces IAS 11, Construction contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs, IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers and Standard Interpretations Committee interpretation 31, Revenue – Barter Transactions Involving Advertising Services. IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements. In September 2015, an amendment to IFRS 15 was issued to defer the effective date to annual periods beginning on or after January 1, 2018. In April 2016, the IASB issued amendments to IFRS 15, clarifying the application of certain of its underlying principles, including the identification of a performance obligation, and the determination of whether a company is a principal or is acting as an agent in the provision of a good or service. The amendments will become effective concurrent with the effective date of IFRS 15 on January 1, 2018. The Company has evaluated the potential impact of applying IFRS 15, and has concluded that the adoption of the standard will not have a material impact on the consolidated financial statements.

iii) In June 2016, the IASB issued amendments to IFRS 2, clarifying how to account for certain types of share-based payment transactions, including the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, accounting for share-based payment transactions with a net settlement feature for withholding tax obligations, and accounting for modifications to the terms and conditions of a share-based payment that changes the classification of the share-based payment transaction from cash-settled to equity-settled. The IFRS 2 amendments are effective for annual periods beginning on or after January 1, 2018. The Company has evaluated the potential impact of applying IFRS 2 amendments, and has concluded that the adoption of the standard will not have a material impact on the consolidated financial statements.

i) In January 2016, the IASB issued IFRS 16, replacing IAS17, "Leases". IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet providing the reader with greater transparency of an entity's lease obligations. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption provided. The Company has not yet determined the potential the impact of the adoption of this standard on the consolidated financial statements.

ii) IFRIC Interpretation 22, Foreign Currency Transactions and Advance Consideration, clarifies which date should be used for translation when a foreign currency transaction involves an advance payment or receipt. The Interpretation is applicable for annual periods beginning on or after January 1, 2018. The Company intends to adopt the Interpretation in its financial statements for the annual period beginning on January 1, 2018. The Company has evaluated the potential impact of applying IFRIC 22, and has concluded that the adoption of the standard will not have a material impact on the consolidated financial statements.

iii) IFRIC 23, Uncertainty over Income Tax Treatments, provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Interpretation requires: (a) an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; (b) an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and (c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. The Company intends to adopt the Interpretation in its financial statements for the annual period beginning on January 1, 2019. The Company has not yet determined the potential the impact of the adoption of this standard on the consolidated 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 funding will not be available in the near term on terms acceptable to the Company or at all, for the ongoing development of the Company's Yenipazar Project and working capital; 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

Project will not be converted to a sufficient amount of indicated or measured resources to warrant development; risks that the hydrogeological characteristics at the Yenipazar Project will not permit an adequate extraction rate; general risks associated with the feasibility and development of each of the Company's projects; 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; competition; and the other risks and uncertainties set forth in this report.

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.