ALDRIDGE MINERALS INC.

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

For the Three Months Ended March 31, 2016
(As of May 12, 2016)

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 May 12, 2016 and should be read in conjunction with the interim consolidated financial statements and the related notes for the three months ended March 31 2016 (the "Q1 2016 Financial Statements"), and the audited consolidated financial statements and the related notes (the "2015 Audited Financials") and MD&A for the year ended December 31, 2015 and dated March 24, 2015 (the "2015 Annual MD&A"), 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). ***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 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. After receiving all key permits and completing the "Technical Report on the Yenipazar Optimization Study, Yozgat Province, Turkey" (the "Optimization Study") in April 2014 and a $45,000,000 financing in September 2014, Aldridge's 2016 focus is to continue to advance its land acquisition, engineering, and financing activities.

ALDRIDGE'S HIGHLIGHTS AND ACHIEVEMENTS

- **Working Capital and Debt Facility –** The Company ended the first quarter with $6,047,309 in cash and negative working capital of $12,990,670. As at March 31, 2016 the Company had drawn down $17,500,000 of its $35,000,000 loan facility, which matures August 29, 2016 (the "Loan"). Aldridge is analyzing alternatives and is in advanced staged discussions for refinancing the Loan prior to its maturity date.

- **Land Acquisition –** The land acquisition process ("LAP") that was initiated in 2014 continues with voluntary land sales running in parallel with the State-led compulsory LAP. During the first quarter of 2016 approximately $1,048,571 was spent acquiring land through voluntary sales. As at March 31, 2016 approximately 34.7% of the total project area had been acquired for a cost of $10,935,816, which includes capitalized interest of $2,099,871 related to the Loan.

  As at April 30, 2016, the status of the LAP for the Yenipazar Project is summarized as follows:

	Approximate Area - square metres	%
Purchased to date	3,330,000	35.1%
Court cases initiated	4,907,000	51.7%
Private land required	**8,237,000**	**86.7%**
Treasury & Pasture land	1,259,000	13.3%
Yenipazar Project Area	**9,496,000**	**100.0%**

  The State-led compulsory LAP resulted in more than 120 court cases being opened by the State to establish the price to be paid for the land. The court appointed land pricing experts are required to visit the site and submit their pricing reports for the court to consider along with other data submitted by the local land office, present landowners and Aldridge. As of May 12, 2016, initial pricing reports were submitted to the court for approximately 2,650,000 square metres of the 4,907,000 square metres subject to the court cases. Pricing evaluations for the remaining land parcels are scheduled to begin in May.

  The initial pricing experts' report submitted to the court included prices of Turkish lira ("TRY") 12.252 per square metre for irrigable land and TRY 6.577 per square metre for all other land. Assuming a 13% : 87% ratio between irrigable land and other land, the average price would be approximately TRY 7.32 per square metre, or about 43% higher than the Company's offer. These pricing experts' determined prices are significantly higher than previous assessments made by the

Yozgat land office in 2015 and by Aldridge. The court process allows for further evaluation and or challenges to the pricing experts' reported prices. Ultimately, the judge presiding over the court cases is empowered to determine the prices to be paid in accordance with the well-established compulsory LAP in Turkey.

There is a risk that the price to be determined by the court could exceed the Company's offer price, thereby increasing total land costs. In this scenario, pursuant to Equator Principles, Aldridge would top-up the price from the amount paid for land previously acquired through voluntary sales at TRY 5.1 per square metre.

Engineering and Development Schedule - The Company continued to develop alternative basic engineering schedules to maximize the focus on critical path items while allowing for engineering flexibility that will facilitate a timely construction schedule following the closing of project financing. The Company, in 2016, continued the process of obtaining quotations and negotiating certain basic engineering packages and letters of intent related to the supply of long lead-time process equipment and other services.

STRATEGY AND OUTLOOK

The Company's most important objectives of 2016 include advancing the LAP, refinancing the Loan, as well as positioning the Company to obtain project financing. Prospective senior lenders have indicated that substantial completion of the LAP will be a condition precedent to advancing funds, and consequently the LAP is critical for completing project financing. The Company's engineering and exploration initiatives will also continue in 2016.

Upon completion of project financing the Company expects a project development period of approximately 24 months involving construction, commissioning and leading to commercial production. As a result, the Company's focus in 2016 is on advancing the following initiatives already underway:

- **Loan Facility Refinancing –** The Company is analyzing alternatives and is in advanced staged discussions for a refinancing of the Loan prior to its maturity date of August 29, 2016. There can be no assurance that these discussions will lead to a successful refinancing of the Loan prior to its maturity date.

- **Land Acquisition** – The LAP includes two components that currently continue in parallel:

    - Voluntary Land Sale/Purchase: Aldridge continues to offer its price of TRY 5.1 per square metre for all of the privately held land within the approved project fence line. Depending on the outcome of the initial court cases currently in progress, the Company may consider alternative offers to facilitate a more timely acquisition period and maintain goodwill in the community.

    - State-led Compulsory Land Sale/Purchase: Beginning in Q1 2016, the State initiated the court phase of the State-led LAP. As of April 30, 2016, more than 120 court cases had been opened by the State to acquire the remaining privately held land required within the project fence line.

> The first land pricing experts' reports were received by the court in May and indicated an average price of approximately TRY 7.32 per square metre. Throughout the process of evaluating expert panel reports associated with the land value, and likely objections to follow, the courts will make a decision for the price of the land. There is a risk the price determined by the court could exceed the Company's offer price. Once the court determines the price for each parcel of land, the court will then request Aldridge to fund the State's purchase of the land. The land acquired through the court will be classified as Treasury land to which Aldridge is granted full access rights in accordance with the key permits received to date and Turkish mining law.

Throughout the court case phase of the State-led LAP, Aldridge plans to continue to purchase land from owners willing to sell. Consequently, the Company is working towards completing the LAP by the end of 2016. However, there are inherent procedural risks outside of the Company's control, such as the court proceedings and absent land owners (see "Risk Factors") which may result in some land parcel purchases delayed into 2017.

- **Engineering** – The Company expects to complete negotiations in the next few months for certain basic engineering packages and letters of intent related to the supply of long lead-time process equipment and other services. As a result, basic engineering may begin in the second half of 2016, with continuation in 2017. Aldridge will continue to refine its basic engineering schedule and execution to ensure the focus is on critical path items while considering the variability of the timing of land acquisition and project financing. Basic engineering, detailed engineering, equipment procurement, construction and commissioning will be executed in compliance with project financing requirements.

- **Exploration** – The Company is developing 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. Drilling activity may be scheduled in Q4 2016, subject to the status of the LAP and access to the target land area. Other early-stage, low cost exploration activities will be used to develop alternative exploration plans for other sections within the 100 square kilometre Yenipazar licence area, where encouraging ground survey results, geophysical and geochemical anomalies, and outcrops indicate potential for further upside.

- **Project Financing –** The Company will actively consider various project financing alternatives, which may include senior and subordinated debt, equity, metal streams, off-take agreements and strategic investments. The timing of progress towards completion of the LAP is anticipated to affect the timing of further project evaluation by prospective financing organizations. Consequently, the Company plans to increase its project financing efforts in the second half of 2016 as the LAP process continues. The Company's ability to close the project financing following the completion of the LAP will be affected by general market conditions

MARKET OVERVIEW

Aldridge's major objectives are focused on acquiring the land within the Yenipazar Project fence-line by utilizing the State-led compulsory acquisition process, advancing the engineering within the Engineering, Procurement, Construction Management (EPCM) phase of the project, and on obtaining the necessary financing to develop and build the Yenipazar Project. The Company's project financing efforts are affected by the time required to complete the LAP and the capital markets for junior mining companies. Fluctuations in spot and forecast commodity prices and the availability of funding for junior mining companies may result in the Company requiring more time to obtain full project financing.

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 first quarter of 2016, commodity prices fluctuated as indicated in the chart below:

		January 1 to March 31, 2016 Price Range				**Spot**	**Optimization**
		Low	**High**	**Close**	**Average**	**April 30, 2015**	**Study (May 2014)**
Gold	$/oz.	1,077	1,278	1,237	1,181	1,286	1,250
Silver	$/oz.	13.58	15.94	15.38	14.83	17.85	20.00
Copper	$/lb.	1.96	2.31	2.22	2.14	2.29	3.00
Lead	$/lb.	0.73	0.85	0.77	0.79	0.81	0.94
Zinc	$/lb.	0.66	0.85	0.82	0.75	0.88	0.90

Source: www.kitco.com; www.kitcometals.com

Turkey is a mining-friendly jurisdiction based on the key reforms to its mining regulations in 2010 and its investment incentive programs. The Company has successfully worked within the Turkish regulatory environment for more than ten years. Most recently its success was evidenced by the receipt of 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 community stakeholders to facilitate the timely execution of its LAP and other project development activities.

Fluctuations in foreign exchange rates may impact the amount of project financing required to achieve the Company's objectives. The general operating expenses in Turkey and a portion of the estimated Yenipazar Project capital and operating expenditures are denominated in TRY. The balance of present and future capital and operating costs are denominated in USD. The following chart provides representative exchange rates compared to rates used in the Optimization Study:

		Exchange Rates – March 31, 2015					
From	**To**	**Three months High**	**Three months Low**	**Three months Average**	**Spot**	**Spot April 30, 2015**	**Optimization Study (May 2014)**
USD	TRY	3.05	2.83	2.94	2.83	2.79	2.10
USD	CAD	1.46	1.30	1.37	1.30	1.26	1.09

Source: www.oanda.com – midpoint price – Spot at April 30, 2016

Continued strength, in comparison to the Optimization Study exchange rates, in the USD relative to the TRY has reduced the USD equivalent costs in Turkey throughout 2016. The annualized inflation rate in Turkey was approximately 7.3% in March 2016, and has ranged from 7.1% to 9.6% over the past 12 months. Currently, the Company has not experienced any material adverse effects resulting from changing domestic input prices that have influenced its operations. However, persistent and prolonged inflation in Turkey may eventually increase the USD equivalent costs, depending on movements in exchange rates.

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").

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, 2015	**YEAR ENDED AND AS AT DECEMBER 31, 2014**	**YEAR ENDED AND AS AT DECEMBER 31, 2013**
Loss before income tax and discontinued operations	**$(5,279,998)**	$(3,191,177)	$(7,174,079)
Net loss	**(5,279,998)**	(3,191,177)	(6,840,585)
Net loss per share	**(0.05)**	(0.04)	(0.08)
Cash and cash equivalents	**8,520,566**	14,331,409	6,597,969
Working capital(i)	**(10,005,830)**	14,103,639	6,468,652
Total assets	**30,814,033**	25,829,329	10,452,416
Total non-current financial liabilities	**126,974**	8,445,579	115,740

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

The following table provides selected consolidated financial information that should be read in conjunction with the Q1 2016 Financial Statements of the Company.

	THREE MONTHS ENDED AND AS AT MARCH 31, 2016	**THREE MONTHS ENDED AND AS AT MARCH 31, 2015**	**YEAR ENDED AND AS AT DECEMBER 31, 2014**
Loss before income tax	**$(736,705)**	$(1,504,981)	$(3,191,177)
Net loss	**(736,705)**	(1,504,981)	(3,191,177)
Net loss per share	**(0.007)**	(0.01)	(0.04)
Cash and cash equivalents	**6,047,309**	10,561,573	14,331,409
Working capital (i)	**12,990,670**	10,371,509	14,103,639
Total assets	**30,711,621**	24,827,014	25,829,329
Total non-current financial liabilities	**120,767**	9,056,661	8,445,579

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

The Company's expenditures on its mineral properties are as follows:

	THREE MONTHS ENDED MARCH 31, 2016	**THREE MONTHS ENDED MARCH 31, 2015**
Yenipazar Project, Turkey	**$824,941**	$1,541,431
Total Exploration & Evaluation	**$824,941**	$1,541,431

OVERVIEW OF PROJECTS AND INVESTMENTS

The Company's key property and primary focus is the Yenipazar Property in Turkey. The Company held Class A performance shares in Uranium Resources Inc. (formerly Anatolia Energy Ltd) that expired on February 10, 2016.

YENIPAZAR PROJECT - TURKEY

The Yenipazar Property is approximately 100 square kilometres in area and is located at the geographic center 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 9.4 square kilometres of land within the project fence line, of which 8.2 square kilometres was originally privately owned. The majority of the remaining 1.2 square kilometres (or 13% of the required land) is government-owned land which the Company will be authorized to use for mining pursuant to the Yenipazar Operating Licence. At March 31, 2016 the Company had purchased approximately 37.4%, of the required land through voluntary acquisitions. Future land acquisition will continue with the assistance of the State-led compulsory LAP.

The Company's expenditures on the Yenipazar Project (excluding land) decreased by $716,490 in the quarter ended March 31, 2016 to $824,941 as compared to the quarter ended March 31, 2015. The increase was mainly driven by the capitalized interest expenses on its borrowings offset by decreased employee costs due to staff reductions and engineering consulting fees.

PROPERTY OWNERSHIP STRUCTURE

In 2004 the Company first 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 the Feasibility Study to 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.

Through Aldridge Turkey, 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 EIA Permit for the Yenipazar Project. In addition, Aldridge has received the GSM Permit (local operating permit issued by the Governor), allowing the Company to conduct commercial activities in the Yenipazar region surrounding the Yenipazar Property; and the "Public Benefit" letter (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 documentation in place, the Company will proceed in due course with the application for routine construction and other ancillary permits.

While the Company advances the project towards development and production, the Company is operating under a temporary shutdown permit that expires December 31, 2016. The temporary shutdown permit is extended on a yearly basis.

DEVELOPMENT ACTIVITIES

In 2016 the Company advanced the Yenipazar Project in the following areas:

- Land acquisition;
- VE Study;
- Exploration drilling; and
- Investment Incentive Certificates.

Land Acquisition

The Yenipazar Project involves approximately 9.496 square kilometres of required land, including approximately 1.259 square kilometres of treasury and pasture land (approximately 13%) and 8.237 square kilometres of privately owned land (approximately 87%). The private land is divided into 517 land parcels originally owned by many of the people living in the nearby communities of Eğlence and Gövdecili. As all of the required land is farmland, the land acquisition does not involve any relocation or resettlement of people. The successful acquisition of the land will be a key catalyst in de-risking the project and attracting full project financing. Pursuant to the mining regulations, Aldridge has the legal right to access the State's Treasury land within the approved fence line.

The Company has strived towards a fair, orderly and timely process that will comply with the Equator Principles III typically required by international banks and project finance organizations, as well as to maintain the Company's social licence to operate in the region. To that effect, in 2014 the Company adopted a strategy that included an offer price of TRY 5.1 per square metre of land, plus additional payments for other items, such as trees and vines. As part of the LAP Aldridge requested the State to initiate the compulsory LAP and received the approval by the Ministry of Energy and Natural Resources in June 2015. This State-led LAP moved to the legal phase in January 2016. The Company continues its voluntary land acquisition in parallel with the State-led court case phase of the compulsory LAP.

During the first quarter of 2016 approximately $1,048,571 was spent acquiring land through voluntary sales. As at March 31, 2016 approximately 34.7% of the total project area had been acquired for a cost of $10,935,816, which includes capitalized interest of $2,099,871 related to the Loan.

As at April 30, 2016, the status of the LAP for the Yenipazar Project is summarized as follows:

	Approximate Area - square metres	%
Purchased to date	3,330,000	35.1%
Court cases initiated	4,907,000	51.7%
Private land required	**8,237,000**	**86.7%**
Treasury & Pasture land	1,259,000	13.3%
Yenipazar Project Area	**9,496,000**	**100.0%**

The State-led compulsory LAP resulted in more than 120 court cases. The court appointed land pricing experts visited the site and submitted their initial valuation reports to the court. The court will consider these reports along with other data submitted by the local land office, present landowners and Aldridge.

The initial pricing experts' report submitted to the court included prices per square metre of TRY 12.252 for irrigable land and 6.577 for all other land. Assuming a 13% : 87% ratio between irrigable land and other land, the average price would be approximately TRY 7.32 per square metre, or about 43% higher than the Company's offer. These pricing experts' determined prices are significantly higher than previous assessments made by the Yozgat land office in 2015 and by Aldridge. The court process allows for further evaluation and or challenges to the pricing experts' reported prices. Ultimately, the judge presiding over the court cases is empowered to determine the prices to be paid in accordance with the well-established compulsory LAP in Turkey.

There is a risk that the price to be determined by the court could exceed the Company's offer price, thereby increasing total land costs. In this scenario, pursuant to Equator Principles, Aldridge would top-up the price from the amount paid for land previously acquired through voluntary sales at TRY 5.1 per square metre.

Key milestones associated with the LAP are as follows:

- February 2015 - The Company applied for the legislated State-led compulsory LAP. In June 2015, the Company received the approved "Public Benefit" letter from the Ministry of Energy and Natural Resources in Turkey. This letter provides certainty that the Company will have access to all of the land needed for the development and for the life of the Yenipazar Project.

- August 2015 - The Yozgat Governor's Office, which is the agency leading the compulsory LAP for the State, formed an independent land valuation commission to determine a fair transaction price. This commission, relying on objective guidelines that are based on factors including the current usage of the land and proximity to roads and water, completed their independent land valuation in October 2015. The State Governor's office independently determined the value of irrigable land to be TRY 2.35 per square metre and other land to be TRY 1.5 per square metre.

- November 2015 - The Governor's office began the process of inviting landowners to meetings to inform each of them of their respective price assessments. Meetings began in December 2015 and continued into 2016.

- January 2016 - The Governor's office moved to the legal stage of the State-led LAP and began opening over 120 court cases to have the court independently determine the prices to acquire the private land not yet purchased by Aldridge.

- March to May 2016 - The court appointed pricing commission (land pricing experts) visited the project site to assess the valuation of land parcels associated with specific court cases, as indicated in the 'Aldridge's Highlights and Achievements' section of this MD&A. Since the State land acquisition is compulsory, the court's price decision results in the land being purchased by the State and classified as Treasury land. Aldridge is required to fund the State's purchase of the land at the court determined price, subject to any appeals. Pursuant to the mining regulations, Aldridge is awarded access to the Treasury land, for a nominal annual fee, for the life of the mine.

Throughout the court case phase of the State-led LAP, Aldridge will continue to purchase land from owners willing to avoid or stop the court cases. The Company remains committed to maintaining open communications with the local community members that wish to take advantage of the price offered by the Company. There are, however, inherent procedural risks in the LAP outside of the Company's control, such as the timing of government department and judicial activities (see "Risk Factors") that may adversely affect the duration of the process. In addition, there is a risk the price to be determined by the court could exceed the Company's offer price, thereby increasing total land costs. In this scenario, pursuant to Equator Principles, Aldridge would top-up the price from the amount paid for land previously acquired at TRY 5.1 per square metre. Since the LAP is not expected to be completed prior to the Loan maturity date of August 29, 2016, it is critical that the Company refinances the Loan to provide additional time to complete the LAP and project financing. Aldridge is analyzing alternatives for a refinancing of the Loan prior to its maturity date.

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.

VE Study

Subsequent to the completion of the Optimization Study in May 2014, the Company initiated a follow-up VE Study to evaluate alternative engineering and construction strategies and to ensure constructability and operational effectiveness. The VE Study, which was completed in April 2015, included additional work on the comminution circuit as well as the water balance throughout the life of mine. The VE Study found no material changes to the Yenipazar Project and the Optimization Study results were confirmed. The Company has since further developed its engineering and construction schedules to align them with the estimated timing for completion of the LAP and project financing.

Investment Incentive Certificates

During the second quarter of 2015, the Company was approved for and received both a Strategic IIC and Regional IIC from the Turkish Ministry of Economy for the development of the Yenipazar Project. As a result, the corporate income tax rate is reduced from 20% to a range of 2% to 4%. Using the Base Case economic assumptions as described in the Optimization Study, Aldridge estimates that it will benefit from this low 2% to 4% corporate income tax rate from Year 1 through most of Year 7 of the 12-Year mine life, upon which the tax rate is expected to revert to 20% for the remainder of the mine life. Obtaining the Strategic IIC approval increased the incentive contribution rate from 40% to 50% on the majority of qualifying capital expenditures, which will increase the life of mine corporate income tax savings benefit to $76,000,000; $14,000,000 higher than the $62,000,000 estimated in the Optimization Study.

Aldridge's Yenipazar Project, by achieving Turkey's highest ranking as a Strategic Investment, will also receive interest rate support, in addition to benefits common to both Strategic IIC and Regional IIC, which include VAT, customs duty and social security premium exemptions. The investment incentives administrative regulations allow for the ongoing review of qualifying expenditures and changes in the approved contribution amounts to account for revisions to cost estimates and exchange rate fluctuations.

The financial model contained in the Optimization Study estimated the Yenipazar Project would qualify for only the Large-scale IIC, which limited the incentive contribution rate to 40% and reduced the corporate income tax rate from 20% to a range of 2% to 4%. The additional IIC tax savings estimate of $14,000,000 will improve the financial metrics determined in the Optimization Study financial model.

New Mining Legislation in Turkey

New mining legislation was approved by the Turkish National Assembly and subsequently received Presidential approval in February 2015. The approved legislation will impact the royalty regime and mining licence regime. The Company expects the financial impact on the Yenipazar Project to be immaterial as preliminary analysis indicates that internal rate of return based on Optimization Study prices would decrease by less than 0.5% when taking into account the new royalty regime. This analysis is subject to confirmation when the detailed regulations accompanying the new legislation are issued and there can be no assurance that the Company's estimate of the impact the legislation will have on the Yenipazar Project's economics will prove accurate.

EXPLORATION AND OPERATING LICENCES IN TURKEY

As at March 31, 2016, and the date of this report, the Company holds one operational licence for the Yenipazar Property and no other 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. Upon completion of this exploration phase, Kenz may advance the licences to the operation period upon payment to Aldridge of $250,000.

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

RESULTS OF OPERATIONS

For the three months ended March 31, 2016 and March 31, 2015:

	THREE MONTHS ENDED MARCH 31 2016	MARCH 31 2015
EXPENSES		
General and administrative	$ **819,632**	$ 1,006,550
	$ (819,632)	$ (1,006,550)
OTHER EXPENSES/(INCOME)	**82,927**	(498,431)
Net loss for the period	**$ (736,705)**	$ (1,504,981)

During the quarter ended March 31, 2016 the Company incurred net losses from continuing operations of $736,705 as compared to net losses of $1,504,981 during the comparable period in the prior year. The decreased expenses mainly relate to salaries and benefits and foreign exchange losses in the comparable period in the prior year.

EXPLORATION AND EVALUATION EXPENDITURES

The Company's primary focus in 2016 and 2015 was to advance the Yenipazar Project in Turkey. Consequently, its capitalized exploration and evaluation expenditures on mineral properties were as follows:

	THREE MONTHS ENDED MARCH 31 2016 ($)	THREE MONTHS ENDED MARCH 31 2015 ($)
Yenipazar Property		
Depreciation	**20,083**	23,465
Drilling	**-**	171,333
Drilling site access fees	**-**	4,026
Engineering consulting	**254,395**	336,912
Environmental consulting	**-**	4,000
Licence fees	**-**	4,454
Permitting	**32,625**	10,499
Professional expenses	**-**	227,541
Employee costs	**204,293**	531,246
Community relations	**2,311**	-
Travel	**3,458**	33,780
Vehicles and Equipment maintenance	**9,367**	23,203
Interest Capitalization	**255,139**	169,096
Camp costs	**42,268**	-
Other	**1,002**	1,876
Total exploration and evaluation expenditures	**824,941**	1,541,431

During the quarter ended March 31, 2016 the exploration and evaluation expenditures relating to the Yenipazar Project decreased by $716,490 to $824,941 compared to the same period last year. The decreased expenses mainly relate to the value engineering activities and drilling that occurred in Q1 2015, but were not required this year.

GENERAL AND ADMINISTRATIVE EXPENSES

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

	THREE MONTHS ENDED MARCH 31 2016 ($)	THREE MONTHS ENDED MARCH 31 2015 ($)	YEAR OVER YEAR CHANGE ($)
Amortization	**30,174**	11,216	18,958
Directors' fees and expenses	**40,984**	41,926	(942)
Office and sundry	**108,747**	149,145	(40,398)
Professional fees	**158,117**	190,198	(32,081)
Salaries and benefits	**375,162**	424,966	(49,804)
Shareholder information	**29,175**	68,444	(39,269)
Stock-based compensation	**29,811**	75,894	(46,083)
Transfer and filing	**9,402**	11,407	(2,005)
Travel and promotion	**38,060**	33,354	4,706
General and administrative	**819,632**	1,006,550	(186,918)

Additional comments on individual expense item changes follow:

- Office and sundry expenses decreased by $40,398 for the three months ended March 31, 2016 as compared to the prior year, mainly due to having fewer staff and the strengthening of USD against CAD and TRY.
- Professional fees decreased by $32,081 during the three months ended March 31, 2016 as compared to the corresponding period in the prior year due to the deferral of legal consulting and the engagement of a finance advisor to assist with the evaluation of project financing alternatives.
- Salaries and benefits decreased by $49,804 during the three months ended March 31, 2016 as compared to the same period in the prior year, mainly due to staff terminations later in 2015.
- Shareholder information costs decreased by $39,269 when compared to the three months ended March 31, 2015 primarily due to a reduction in investor relations consulting activities.
- Stock-based compensation decreased by $46,083 for 2016 as compared to the prior year mainly because of the timing of stock option awards.

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 revenues $	Loss before taxes $	Loss before taxes per share $	Net income (loss) $	Net income (loss) per share $	Total Assets $
March 31, 2016	Nil	(736,705)	(0.007)	(736,705)	(0.007)	30,711,621
December 31, 2015	Nil	(863,594)	(0.01)	(863,594)	(0.01)	30,814,033
September 30, 2015	Nil	(1,693,221)	(0.02)	(1,693,221)	(0.02)	26,359,752
June 30, 2015	Nil	(1,218,202)	(0.01)	(1,218,202)	(0.01)	24,280,358
March 31, 2015	Nil	(1,504,981)	(0.01)	(1,504,981)	(0.01)	24,827,014
December 31, 2014	Nil	(702,760)	(0.01)	(702,760)	(0.01)	25,829,329
September 30, 2014	Nil	(917,298)	(0.01)	(917,298)	(0.01)	26,498,234
June 30, 2014	Nil	(843,979)	(0.01)	(843,979)	(0.01)	9,069,297

Note: The Company has no history of declaring dividends.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents at March 31, 2016 totaled $6,047,309 (March 31, 2015 - $10,561,573). At March 31, 2016 the Company had negative working capital (current assets less current liabilities) of $12,990,670 as compared to positive working capital of $10,371,509 at March 31, 2015, a decrease of $23,362,179. This significant swing to negative working capital results from the reclassification of the borrowings (the $17,500,000 drawn portion of the $35,000,000 Loan facility, plus accrued interest) maturing on August 29, 2016. The Company is analyzing the alternatives for refinancing the Loan prior to its maturity date of August 29, 2016.

Following is a detailed discussion on the 2016 financing, operating and investing activities of the Company up to the date of this report.

Financing Activities: The 2014 Financing funded land acquisition, engineering activities, and the Company's working capital requirements in 2015 and 2016. Prior to the Loan maturity date of August 29, 2016, the Company anticipates refinancing the Loan, but there can be no assurance that it will be refinanced. Critical to the timing of the project financing is the success of the LAP, which is likely to affect the timing of closing such financing. The project financing timing may also be affected by other factors, including the capital market conditions for junior mining companies, fluctuations in commodity prices, and potential changes to the political environment in Turkey. Although the Company expects to refinance the Loan before it matures, there can be no assurance that it is successfully refinanced and that sufficient project financing will be obtained in the future to realize the economic value of the Yenipazar Project.

In the meantime, 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 is subject to certain covenants and capital requirements imposed by the Loan. The Company shall maintain, and has maintained, a Liability/Equity ratio of less than or equal to 5:1 as measured at the end of each fiscal quarter.

As at March 31, 2016 all the Company's shares in wholly-owned Aldridge Turkey, its mining licences, and land with a net book value of $4,603,417 were pledged as collateral for the Company's borrowings.

Operating Activities: During the first quarter of 2016, cash used in operating activities mainly comprised of general and administrative expenses. Cash used in operating activities for the quarter ended March 31, 2016 totaled $917,545 compared to $752,937 for the quarter ended March 31, 2015. The Company has various commitments relating to rental office space and to IT support services as indicated in 'Note 14 Commitments' of the 2015 Audited Financials.

Investing Activities: For the quarter ended March 31, 2016 cash outflows arising from investing activities totaled $1,601,858 as compared to cash outflows of $2,475,828 for the quarter ended March 31, 2015. The cash outflows consisted mainly of net expenditures on the Yenipazar Project that were capitalized to mineral property under development of $545,419, and net purchases of property and equipment, consisting primarily of land within the Yenipazar Project, of $1,048,566.

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 payable to key management personnel were $7,614 as at March 31, 2016 (December 31, 2015 - $16,337). Transactions with key management personnel were as follows:

	THREE MONTHS ENDED	
	MARCH 31 2016	**MARCH 31 2015**
Salaries and benefits [1]	**$ 181,597**	$ 181,952
Share based payments [1]	**25,106**	70,597
Total compensation	**$ 206,703**	$ 252,549
Consulting and management fees [2]	**178,192**	159,770
Total transactions with key management personnel	**$ 384,895**	$ 412,319

[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 Q1 2016 Financial Statements.

Additional disclosure concerning the Company's contractual obligations is provided in Note 14 "Commitments" contained in the 2015 Audited Financials.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments as of March 31, 2016 consist of cash and cash equivalents, receivables, trade and other payables 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 first quarter March 31, 2016, the Company recorded interest income of $24,090 and interest expense of $723,058 before interest 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 is utilizing 'vanilla collars' to hedge a portion of its TRY expenditures over the next four months. As a result, the Company has protected the USD/TRY exchange rate based on a floor strike price of TRY2.80 and ceiling strike price of TRY3.001 for US$250,000 on each of May 27, June 24, July 26 and August 25, 2016.

The Company will continue to monitor its forecasted cash uses and take the appropriate foreign currency risk mitigation measures.

Net foreign exchange gain was $125,145 for the three and months ended March 31, 2016, compared to a loss of $426,299 for the same prior year period. The 2016 was related primarily to the impact of a weakening of USD against CAD and TRY. The Company will 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 MAY 12, 2016

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	106,955,881

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 as at May 12, 2016, 10,695,588 common shares.

As at May 12, 2016 the following stock options were outstanding:

Expiry Date	Exercise Price (CAD)	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
June 15, 2016	1.25	400,000	400,000	0.09
June 20, 2016	1.05	200,000	200,000	0.11
August 3, 2016	0.80	110,000	110,000	0.23
February 28, 2017	0.54	75,000	75,000	0.80
March 24, 2017	0.42	370,000	351,250	0.87
March 28, 2017	0.64	203,000	203,000	0.88
November 26, 2018	0.20	1,255,000	1,255,000	2.54
April 7, 2019	0.24	1,000,000	500,000	2.90
December 18, 2019	0.20	2,858,438	1,770,938	3.60
March 26, 2020	0.20	750,000	375,000	3.87
June 1, 2020	0.20	200,000	50,000	4.06
December 15, 2020	0.17	500,000	125,000	4.60
	0.31	**7,921,438**	**5,415,188**	**2.91**

As at May 12, 2016 the following warrants were outstanding:

Description	Expiry Date	Exercise Price	Warrants Outstanding	Value Assigned on Issue Date
Warrants	September 25, 2016	$1.00	10,561,611	316,849

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. An additional risk facing the Company in 2016 is the potential for higher land costs, relative to the capital expenditure estimates, that may result from the State-led LAP court process. The section entitled "Risk Factors" in the 2015 Annual MD&A contains further details.

QUALIFIED PERSONS

Mr. 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 to the 2015 Audited Financials.

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED

Amendments to accounting standards adopted and not yet adopted are described in Note 2 of the 2015 Audited Financials and Q1 2016 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 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 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.