ALDRIDGE MINERALS INC.

INTERIM CONSOIDATED FINANCIAL STATEMENTS
(Unaudited)

FEBRUARY 29, 2008
(Stated in Canadian Dollars)

ALDRIDGE MINERALS INC.

INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Expressed in Canadian Dollars)

	February 29, 2008	November 30, 2007
ASSETS		
Current		
Cash	**$ 100,807**	$ 170,526
Short term investments (Note 3)	**1,699,000**	2,305,000
Amounts receivable	**39,722**	24,381
Prepaid expenses	**469,590**	178,806
	2,309,119	2,678,713
Mineral properties (Note 4)	**7,748,049**	6,830,586
Equipment (Note 5)	**191,743**	184,470
	$ 10,248,911	$ 9,693,769
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 7)	**$ 196,886**	$ 402,283
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	**16,464,196**	14,810,967
Share subscriptions	**-**	283,800
Contributed surplus (Note 6)	**4,268,481**	3,903,690
Deficit	**(10,680,653)**	(9,706,971)
	10,052,025	9,291,486
	$ 10,248,911	$ 9,693,769

Nature of Operations (Note 1)
Commitments (Notes 4 and 8)

Approved by the Board Of Directors:

"Hikmet Akin" Director — Hikmet Akin

"Martin Ozclon" Director — Martin Ozclon

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

ALDRIDGE MINERALS INC.

INTERIM CONSOLIDATED STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT (Unaudited)

(Expressed in Canadian Dollars)

FOR THE THREE MONTH PERIOD ENDED		**February 29, 2008**		February 28, 2007
EXPENSES				
Administrative costs – Turkey office	**$**	**148,832**	$	**-**
Consulting fees		**26,714**		23,092
Amortization		**2,648**		49
Directors fees		**3,000**		1,000
Management fees		**12,473**		9,192
Office and sundry		**33,172**		1,994
Professional fees		**7,951**		7,486
Salaries and benefits		**16,343**		14,143
Shareholder information		**46,125**		2,006
Stock based compensation		**642,200**		**-**
Project investigation costs		**-**		**-**
Transfer and filing fees		**12,639**		9,614
Travel and promotion		**60,688**		15,267
Operating Loss		**(1,012,785)**		**(**83,843)
OTHER INCOME (EXPENSE)				
Foreign exchange (loss) gain		**55,628**		1,051
Interest income		**17,306**		5,478
Research and development (Note 8 (c))		**(33,831)**		**-**
Total Other (Loss) Income		**39,103**		4,427
Loss and Comprehensive Loss for the Period		**(973,682)**		(77,314)
Deficit, Beginning of Period		**(9,706,971)**		(6,752,010)
Deficit, End of Period	**$**	**(10,680,653)**	$	(6,829,324)
Loss Per Share – Basic and Diluted	**$**	**(0.05)**	$	(0.01)
Weighed Average Number Of Common Shares Outstanding		**19,959,287**		**17,138,944**

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

ALDRIDGE MINERALS INC.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Expressed in Canadian Dollars)

FOR THE THREE MONTH PERIOD ENDED	**February 29, 2008**	February 28, 2007
Cash Flows From Operating Activities		
Net loss for the period	**$ (973,682)**	$ (77,314)
Amortization	**2,648**	49
Stock based compensation	**642,200**	-
	(328,834)	(77,265)
Changes in non-cash working capital items:		
Amounts receivable	**(15,341)**	(2,890)
Accounts payable and accrued liabilities	**(203,397)**	(50,953)
Due to related parties	**(2,000)**	(10,204)
Prepaid expenses	**(290,784)**	1,371
	(840,356)	(139,941)
Cash Flows From Financing Activities		
Share issue proceeds received	**1,375,821**	747,810
Share subscriptions	**(283,800)**	-
	1,092,021	747,810
Cash Flows (Used in) Investing Activities		
Short-term investments	**606,000**	-
Interest in property acquisition and exploration costs	**(917,463)**	(82,823)
Purchase of equipment	**(9,921)**	-
	(321,384)	(82,823)
Increase (Decrease) In Cash	**(69,719)**	525,046
Cash, Beginning of Period	**170,526**	2,929,152
Cash, End of Period	**$ 100,807**	$ 3,454,198
Supplemental Cash Flow Information		
Interest paid	**$ -**	$ -
Income taxes paid	**$ -**	$ -

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Aldridge Minerals Inc. (the "Company") was incorporated under the laws of British Columbia, Canada. The Company operates in one operating segment consisting of exploration for base and precious mineral deposits in Turkey.

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

As at February 29, 2008, the Company had working capital of $2,112,233 (2007 - $3,453,217) and an accumulated deficit of $10,680,653 (2006 - $6,829,324).

These consolidated financial statements have been prepared on a going concern basis in accordance with Canadian generally accepted accounting principles. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Management considers the use of the going concern assumption to be appropriate but the Company does not have sufficient cash to meet its planned exploration and administration costs for the period ending February 29, 2008.

The ability of the Company's to continue as a going concern is dependent on the continued support of its directors and officers, and the attainment of additional debt or equity financing to finance its investment and operating activities in the current fiscal year. Management plans to raise share capital to fund its operations and commitments.

The financial statements do not reflect adjustments in the carrying value of assets and liabilities, and reported revenue and expenses that would be necessary if the going concern assumption were not appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared according to Canadian generally accepted accounting principles ("GAAP") as issued by the Canadian Institute of Chartered Accountants ("CICA"). All financial figures are presented in Canadian dollars unless otherwise stated.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary incorporated in Turkey. All intercompany accounts and transactions have been eliminated on consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Variable Interest Entities

CICA issued Accounting Guideline 15, "Consolidation of Variable Interest Entities", to provide accounting guidance related to variable interest entities ("VIE"). A VIE exists when the entity's equity investment is at risk. When a VIE is determined to exists, the guidance requires the VIE to be consolidated by the primary beneficiary. The Company has determined that it does not have primary beneficiary interests in VIEs.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions include those related to the determination as to whether costs are expensed or capitalized; the establishment of accounts payable and accrued liabilities estimates to account for the abandonment of long-lived assets; the use of the Black-Scholes option pricing valuation model to record the fair value ascribed to warrants and stock options; the valuation allowance for future income tax assets; and determining whether contingent assets or liabilities exist. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and have an initial maturity of less than 90 days, are subject to an insignificant risk of change in value. As at February 29, 2008 and 2007, the Company did not have cash equivalents.

Financial Instruments

The Company's financial instruments consist of cash, short-term investments, amounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The Company has monetary assets represented by foreign currency financial instruments in Turkey. The Company could, accordingly, be at risk for foreign currency fluctuations and developing legal and political environments. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (Continued)

Effective January 1, 2007, the Company adopted the new recommendations of the CICA Handbook Section 1530, Comprehensive Income; Section 3251, Equity; Section 3855, Financial Instruments – Recognition and Measurement; and, Section 3865, Hedges, retroactively without restatement. These new Handbook sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net income calculated in accordance with GAAP. Under the new standards, policies followed for periods prior to the effective date generally are not reversed and therefore, the comparative figures have not been restated. The adoption of these Handbook sections had no impact on opening deficit.

Under Section 3855, financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the balance sheet at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading, financial assets are measured at fair value and changes in fair value are recognized in net income; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net income.

Upon adoption of these new standards, the Company designated its cash and short-term investment as held-for-trading, which are measured at fair value. GST and VAT receivable is classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities.

The Company had no "other comprehensive income or loss" transactions during the period ended February 29, 2008 and no opening or closing balances for accumulated other comprehensive income or loss.

Research and Development

Research costs, other than capital expenditures that have alternative uses, are expensed as incurred. Development costs that meet specific criteria related to technical, market and financial feasibility are capitalized. All development costs incurred to date have been expensed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Translation of Foreign Currencies

The operations of the Company's subsidiary are determined to be of an integrated nature. Foreign functional currency transactions and balances are translated into the Canadian dollar reporting currency using the temporal method as follows:

a) Monetary items are translated at the rates prevailing at the balance sheet date;
b) Non-monetary items are translated at historical rates;
c) Revenues and expenses are translated at the average rates in effect during applicable accounting periods, except amortization, which is translated at historical rates;
d) Gains and losses on foreign currency translation are reflected in the consolidated statements of loss and deficit.

Mineral Properties

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

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

Long-Lived Assets

The Company follows the recommendations in CICA Handbook Section 3063 – "Impairment of Long-Lived Assets" and the CICA's Emerging Issues Committee ("EIC") emerging extract EIC-126 – "Accounting by Mining Enterprises for Exploration Costs". Section 3063 requires that the Company review long-lived assets, including mineral properties for impairment. Long-lived assets are assessed for impairment when events and circumstances warrant an assessment. EIC-126 consensus is that a mining enterprise in the development stage is not obliged to conclude that capitalized costs have been impaired due to the absence of a projected estimated future net cash flow from the mining enterprise. Mineral properties in the exploration stage do not have established mineral reserves and a basis for the preparation of a projection of the estimated future net cash flow from the properties does not exist.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Lived Assets (Continued)

However, a mining enterprise is required to consider the conditions in Section 3063 for impairment write-down. The conditions include significant unfavourable economic, legal, regulatory, environmental, political and other factors. In addition, management's development activities towards its planned principal operations are a key factor considered as part of the ongoing assessment of the recoverability of the carrying amount of mineral properties. Whenever events or changes in circumstances indicate that the carrying amount of a mineral property in the exploration stage may be impaired, capitalized costs are written down to the estimated recoverable amount.

Equipment

Equipment is recorded at cost less accumulated amortization and is amortized over the estimated useful lives at the following rates:

Automotive	30% per annum, declining balance
Equipment	30% per annum, declining balance
Computer software	30% per annum, declining balance

Asset Retirement Obligations

The Company is required to recognize a liability for an asset retirement obligation on long-lived assets when a legal liability exists and the amount of the liability is reasonably determinable. Asset retirement obligations are calculated on discounted future payment estimates and the liability is accreted over the expected term of the obligation. Subsequent adjustments are made when there are changes to the underlying assumptions. Corresponding amounts and adjustments are added to the carrying value of the related long-lived asset and charged to operations in accordance with accounting policy. As at November 30, 2007 and 2006, the Company had no legal obligation for reclamation and remediation costs.

Equity instruments

Non-monetary consideration - Agent's warrants, stock and unit options, and other equity instruments issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. The fair value of the shares issued is based on the trading price of those shares on the date of the agreement to issue shares as determined by the Board of Directors.

Stock Based Compensation

Compensatory stock based transactions with directors, officers, employees and consultants are recorded at estimated fair value. The Company uses the Black-Scholes option pricing model to estimate the fair value of each stock option at the date of grant. Transactions are charged to operations or capitalized to mineral properties as appropriate, with an offsetting credit to contributed surplus. The fair value of stock options, which vest immediately, is recorded at the date of grant; the fair value of options, which vest in future, is recognized over the vesting period. Stock options that vest over time are recorded over the vesting period using the straight line method. Stock options issued to consultants that vest over time are valued at the grant date and subsequently valued on each vesting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company has adopted the liability method of accounting for income taxes. Future income taxes are recognized for temporary differences between the tax and accounting bases of assets and liabilities using tax rates applicable for future years. A valuation allowance is provided to offset any future tax asset if, based upon the available evidence, it is more likely than not that some or all of the future tax asset will not be realized.

Earnings (Loss) per Share

Loss per share is computed on the basis of the average number of shares outstanding during the year. Diluted loss per share is computed on the treasury stock method to give effect to the potential exercise of outstanding stock options and warrants. Diluted loss per share is not shown as the effect of the issuance of stock options and warrants is anti-dilutive.

Accounting Policy Developments

a) Convergence with International Financial Reporting Standards

The CICA plans to transition Canadian GAAP for public companies to International Financial Reporting Standards ("IFRS"). The effective changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The impact of the transition to IFRS on the Company's consolidated financial statements is not yet determinable.

b) Financial Instruments – Disclosure and Presentation

In March 2007, the CICA released Handbook Section 3862, "Financial Instruments – Disclosure", and Handbook Section 3863, "Financial Instruments–Presentation" to replace existing Section 3861, "Financial Instruments–Disclosure and Presentation". The new financial statement disclosure requirements of Section 3862 are to enable users to evaluate the significance of financial instruments on the Company's financial position and performance, the nature and extent of risks arising from financial instruments the Company is exposed to during the reporting period and as at the balance sheet date, and how the Company is managing those risks. Section 3863 carries forward, unchanged, the presentation requirements of existing Section 3861 to enhance user's understanding of the significance of financial instruments to the Company's financial position, performance and cash flows. These standards are effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The Company is currently evaluating the effect of adopting this standard.

c) Capital Disclosures

In December 2006, the CICA released Handbook Section 1535, "Capital Disclosures". The objective of the new financial statement disclosure requirements of Section 1535 is to enable users to evaluate the Company's objectives, policies and processes for managing capital. This standard is effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The Company is currently evaluating the effect of adopting this standard.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) In July, 2006, the Accounting Standards Board issued a replacement of CICA Handbook Section 1506, Accounting Changes. The new standards allows for voluntary changes in accounting policy only when they result in the financial statements providing reliable and more relevant information, and unless otherwise prescribed requires changes in accounting policy to be applied retroactively unless doing so is impracticable, requires prior period errors to be corrected retroactively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. The impact that the adoption of Section 1506 will have on the Company's results of operations and financial condition will depend on the nature of future accounting changes.

e) Section 3064, Goodwill and intangible assets, establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC 27, Revenues and expenses during the pre-operating period. The Company is currently evaluating the effects of adopting this standard.

3. SHORT-TERM INVESTMENT

As at February 29, 2008, the Company's short-term investment consisted of a one year guaranteed investment certificate in the amount of $1,699,000, invested at the bank prime rate less 1.85%, maturing on November 30, 2008 which is redeemable, in whole or part, at anytime.

4. MINERAL PROPERTIES

a) Derinkoy and Olucak Properties, Turkey

On December 4, 2002, the Company entered into an option agreement to acquire up to a l00% interest in the Derinkoy and the Olucak mineral properties located in Turkey.

As consideration, the Company committed to issue common shares to the optionor during the option earn-in period, as follows:

i. 200,000 common shares to be issued as reimbursement for expenses totaling $30,000 (issued during 2004);

ii. 200,000 common shares per property, for a total of 400,000 common shares, to be issued upon the Company earning a 60% interest in the properties (issued during 2006); and

iii. an additional 200,000 common shares per property, to be issued upon completion of a first-pass drilling program on each property, provided that the Company receives results of at least five drill metres grading 5 g/t gold, or ten drill metres grading 3 g/t gold or thirty metres grading 2 g/t gold, to be calculated as to the combined value of gold-silver and base metals (200,000 common shares issued during 2006).

An additional 1,000,000 common shares are to be issued upon completion of a feasibility study, with a further 2,000,000 common shares to be issued upon commencement of commercial production.

4. MINERAL PROPERTIES (Continued)

a) Derinkoy and Olucak Properties, Turkey (Continued)

Pursuant to the terms of the option agreement, the Company assumed the underlying obligations of an option agreement dated November 5, 2002, as amended November 28, 2003 (the "Underlying Agreement"). Under the terms of the Underlying Agreement, the Company was entitled to earn:

(i) a 60% interest in the properties by completing not less than an aggregate 1,000 metres of diamond drilling, consisting of not less than two 250 metre drill holes on each property, on or before November 5, 2004. This interest was transferred to the Company after the minimum expenditure commitment was waived by the Vendor and optionor;

(ii) a further 20% interest, for a cumulative 80% interest in the properties, by incurring additional exploration expenditures of not less than US$300,000, of which US$200,000 must be expended on drilling, and making a cash payment to the vendor of US$75,000 on or before November 5, 2005; and

(iii) the remaining 20% interest in the properties, by incurring additional exploration expenditures of not less than US$2,000,000 on or before November 2, 2009.

On January 27, 2006, the Company entered into an agreement with the vendor, which supersedes the Underlying Agreement, to acquire the remaining 40% interest in the properties, via the issuance of 250,000 common shares (issued); grant of a 1.5% net smelter return royalty; and cash payment of US$3,000,000 upon the production of 2,500,000 ounces of gold (or equivalent value in silver or platinum group metal, or a combination thereof) from a precious metal discovery on the properties.

In July 2006, the Company signed a strategic alliance and option agreement with a company, wherein the company had the right to acquire up to 75% interest in the Derinkoy Property by incurring aggregate exploration expenditures of $3,000,000 and issuing cumulative 2,000,000 post-consolidation shares to the Company on or before the fourth anniversary of the date of closing of the agreement. The company terminated the agreement on October 25, 2007 after incurring exploration expenditures of $100,000.

During the fiscal year ended November 30, 2007, the Company initiated the required legal procedures to terminate five mineral licenses, representing the Olucak property, which is expected to occur during the fiscal year ending November 30, 2008. Accordingly, at November 30, 2007, the Company had written down the respective mineral property costs expenditures by $576,407.

4. MINERAL PROPERTIES (Continued)

b) Yenipazar Property, Turkey

On December 1, 2004, the Company entered into an agreement with Anatolia Minerals Development Ltd. and its subsidiary (collectively "Anatolia") to acquire a 65% interest in the Yenipazar property located in Turkey.

To earn its interest, the Company is required to:

(i) pay US$25,000 on closing of the agreement (paid);
(ii) pay US$25,000 on each of the six month and twelve month anniversary dates (paid) and incur aggregate exploration expenditures of at least US$230,000 on or before the twelfth month anniversary date;
(iii) pay US$50,00 on each of the thirty month (paid), thirty-six month(paid), forty-second month, forty-eight month, fifty-fourth month, sixty month and sixty-six month anniversary dates; and
(iv) pay US$500,000, incur aggregate exploration expenditures of not less than US$6,000,000 and deliver a feasibility study on the Yenipazar property or portion thereof, by the seventy-second month anniversary date.

As at February 29, 2008, the Company had made its required payments and incurred the required exploration expenditures.

In July 2006, the Company executed a strategic alliance and option agreement with Anatolia to amend and restate the December 2004 agreement. Under the revised option agreement and supplementary to earn-in conditions contained in the earlier agreement, the Company has the right to earn a 100% interest in the Yenipazar property, in exchange for consideration of 250,000 common shares (issued). In addition, the Company will pay Anatolia a 6% net proceeds interest ("NPI"), until such time as operational revenues reach the amount of US$165,000,000. Should operational revenues exceed this threshold amount, the NPI will increase to 10% of the amount realized in excess of US$165,000,000. Further, Anatolia has granted the Company the right and option to earn a 100% interest in the oxide mineralization deposits on the Yenipazar property by expending an aggregate US$2,000,000 on exploration on or before the forty-eight month anniversary date, making payments totaling US$300,000 to Anatolia, and delivering notice to Anatolia of its intention to exercise this option.

c) Exploration Licenses, Western Turkey

i) In June 2006, the Company acquired the mineral license for Ayranci, a 6.9 square kilometre area, located in western Turkey;
ii) In August 2006, the Company acquired a second licensed area named Gurlek, which is located approximately 10 kilometres east of Ayranci; and,
iii) In September 2006, a further 15 exploration licenses were acquired, three of which Gurlek I are in close proximity to Ayranci and Gurlek. The remaining 12 licenses, covering 119.33 square kilometres, are located elsewhere in western Turkey.
iv) In June 2007, the Company acquired a mineral license named Gurlek II, covering approximately 4 square kilometres and located in close proximity to Gurlek I.

4. MINERAL PROPERTIES (Continued)

d) The Company has incurred the following costs to February 29, 2008:

	February 29, 2008	November 30, 2007
Derinkoy Property	**$ 1,014,310**	$ 1,013,931
Yenipazar Property	**6,019,698**	5,234,658
Exploration Licenses	**714,041**	581,997
	$ 7,748,049	$ 6,830,586

5. EQUIPMENT

	February 29, 2008			November 30, 2007		
	Cost	**Accumulated Amortization**	**Net Book Value**	Cost	Accumulated Amortization	Net Book Value
Automotive	**$ 152,782**	**$ 50,302**	**$ 102,480**	$ 151,858	$ 43,335	$ 108,523
Equipment	**140,102**	**63,797**	**76,305**	118,743	56,655	62,088
Computer software	**20,064**	**7,106**	**12,958**	20,064	6,205	13,859
	$ 312,948	**$ 121,205**	**$ 191,743**	$ 290,665	$ 106,195	$ 184,470

6. SHARE CAPITAL

Authorized: 100,000,000 common shares without par value

Issued:

	Number of Shares	Amount	Contributed Surplus
Balance, November 30, 2006	16,497,973	10,499,415	2,770,482
Issued for options exercised	769,500	1,287,662	(537,447)
Issued for warrants exercised	808,333	1,035,333	(103,000)
Issued for cash	962,040	2,024,136	278,355
Issued for fees	32,084	62,564	-
Stock based compensation	-	-	1,495,300
Less: Unit issuance costs	-	(98,143)	-
Balance, November 30, 2007	19,069,930	$ 14,810,967	$ 3,903,690
Issued for warrants exercised	1,066,956	1,653,782	(277,409)
Stock based compensation	-	-	642,200
Less: Share issue costs	-	(553)	-
Balance, February 29, 2008	**20,136,886**	**$ 16,464,196**	**$ 4,268,481**

6. SHARE CAPITAL (Continued)

Escrowed shares

At February 29, 2008, 217,782 (2006 – 748,657) shares are subject to an escrow agreement, their release being subject to regulatory approval.

Private Placements

During the fiscal year ended November 30, 2007, the Company issued 962,040 units at $2.50 per unit for gross proceeds of $2,405,100. Each unit consists of one common share and one share purchase warrant, which entitles the holder thereof to purchase one additional common share at a price of $3.50 per share for a one year period. A finder's fee consisting of cash of $120,255 and 32,084 units was paid in connection with this offering. The share purchase warrants were valued at $278,355 and credited to contributed surplus. Fair value was determined using the Black Scholes valuation model, based on a risk free interest rate of 3.89%, an expected life of one year, an expected volatility of 60% and a dividend yield rate of nil.

Warrants

A summary of the share purchase warrants outstanding at February 29, 2008 and November 30, 2007 and the changes for those periods is presented below.

	Warrants Outstanding	Weighted Average Exercise Price	Weighted Average Exercise Life
		$	
Balance, November 30, 2006	3,313,089	1.36	1.36 Years
Granted	994,124	3.50	
Exercised	(808,333)	1.15	
Balance, November 30, 2007	3,498,880	2.21	0.49 Years
Exercised	(1,066,956)	1.29	
Balance, February 29, 2008	**2,431,924**	**2.61**	**0.42 Years**

At February 29, 2008 and November 30, 2007, the following share purchase warrants were outstanding:

	Expiry Date	Exercise Price	2008	2007
		$		
Private placement	September 9, 2007	0.85	-	-
Private placement	February 1, 2008	1.29	-	1,066,956
Private placement	August 31, 2008	2.00	1,437,800	1,437,800
Private placement	November 29, 2008	3.50	994,124	994,124
			2,431,924	3,498,880

6. SHARE CAPITAL (Continued)

Stock Options

The Company has a stock option plan, in accordance with the policies of the TSX Venture Exchange (the "TSX-V"), under which the board is authorized to grant options to employees, consultants, officers and directors enabling them to acquire up to 10% of the issued and outstanding share capital of the Company. The number, terms and conditions of stock options granted to certain individuals may be limited, as required by the TSX-V.

A summary of the Company's stock options at February 29, 2008 and November 30, 2007 and the changes for those periods is presented below.

	Options Outstanding	Weighted Average Exercise Price	Weighted Average Exercise Life
		$	
Balance, November 30, 2006	1,581,500	1.35	4.56 Years
Granted	906,000	2.63	
Exercised	769,500	0.97	
Balance, November 30, 2007	1,718,000	2.19	4.05 Years
Granted	445,000	2.25	
Expired	150,000	2.20	
Balance, February 29, 2008	**2,013,000**	**2.19**	**3.80 Years**

The fair value of option compensation totaling $642,200 (2007 - $Nil) to employees, consultants, officers and directors is included as stock based compensation in the statement of loss and deficit.

The fair value of stock options was estimated on the grant date using the Black-Scholes option-pricing model and is amortized over the vesting period of the underlying options. The assumptions used to calculate the fair value were as follows:

	2008	2006
Risk-free interest rate	**3.89%**	**3.89%**
Expected life of options	**5 years**	**5 years**
Expected volatility	**115%**	**108% - 116%**
Dividend yield	**Nil**	**Nil**

6. SHARE CAPITAL (Continued)

Stock Options (continued)

The table below summarizes information about the stock options outstanding at February 29, 2008:

Exercise Price	Expiry Date	Number Outstanding	Number Exercisable
$ 0.85	October 28, 2010	205,000	205,000
2.05	July 31, 2011	237,000	237,000
2.10	September 20, 2011	210,000	210,000
1.80	October 31, 2011	160,000	160,000
2.60	March 8, 2012	450,000	450,000
2.88	July 24, 2012	306,000	306,000
2.24	February 6, 2013	408,000	408,000
2.40	February 19, 2013	37,000	37,000
$ 2.22		2,013,000	2,013,000

7. RELATED PARTY TRANSACTIONS AND AMOUNTS OWING

During the period ended February 29, 2008 and 2007, the Company paid or accrued:

a) management fees of $12,473 (2007 - $9,192) to a director of the Company;
b) directors' fees of $3,000 (2007 - $1,000) to two directors of the Company;
c) salary and benefits of $16,343 (2007 - $14,143) to an officer and director of the Company; and
d) geological consulting fees of $23,892 (2007 - $18,767), included in the capitalized costs of the mineral properties (Note 4), to a director of the Company.

Included in accounts payable and accrued liabilities is $2,000 (2007 - $9,620) owing to directors and officers of the Company. The amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

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

8. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

a) Operating Lease Agreement

During the year ended November 30, 2007, the Company entered into an operating lease agreement for premises expiring August 31, 2012. The minimum lease payments per fiscal year are as follows:

2008	$ 90,892
2009	$ 91,460
2010	$ 93,734
2011	$ 95,440
2012	$ 71,580

8. COMMITMENTS AND CONTRACTUAL OBLIGATIONS (Continued)

b) Mining Licenses

Under the provisions of Turkish mining law, all mining licenses are granted upon settlement of duties and levies. Furthermore, exploration licenses are granted for three eight-month periods and for preparation for one six-month period.

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

Exploration license holders are required to submit reports on exploration at the end of the second, third and fifth years of the exploration period. Operation license holders are required to submit annual reports on operation projects to the relevant departments. To obtain the appropriate licenses, deposits must be made based on a per hectare fee. The applicable deposits are proportional to the size of the mining area and are determined each year or re-valued according to prevailing economic conditions. In the event the required reports and projects are not submitted on time, deposits for that period are forfeited. If a site is abandoned, the remaining part of the deposit is returned.

c) System Technology Agreement

On March 12, 2007, the Company entered into an agreement with a German based company for the development of system technology ("the System") for measuring certain materials, including the development of two prototypes and related software. Cost of developing the prototypes, to be borne equally by the two parties, would not exceed EURO 150,000 ($220,500CDN). To date, the Company has incurred costs of $112,762, of which $33,831 has been incurred during fiscal 2008, on this project. It is responsible for the following additional costs after development is completed:

i) setup of the production facility, not to exceed EURO 400,000 ($588,000CDN);
ii) initial operational employment cost, approximately EURO 20,000/month ($29,400CDN/month);
iii) material cost for production, approximately EURO 300,000 ($441,000CDN).

Immediately after a production decision is made, the other party is entitled to 200,000 stock options in the Company. After sale of a certain number of units of the system, this party is also entitled to 50,000 common shares of the Company. After the payback period, the party is also entitled to 2.5% to 5% of pre-tax profits.

d) Other Commitments or Contractual Obligations

The Company has no significant commitments or contractual obligations with any parties respecting executive compensation, consulting arrangements, rental premises or other matters, except as disclosed in notes 4 and 7.

9. SUBSEQUENT EVENTS

Subsequent to February 29, 2008, the Company:

a) issued 50,000 common shares for gross proceeds of $90,000 upon the exercise of stock options. A total of 12,000 previously granted stock options expired unexercised; and,

b) announced that it has engaged Evergreen Capital Partners Inc. (“Evergreen”) to complete a brokered private placement of units ("Units") at a price of $3.10 per Unit to raise gross proceeds of up to $7,000,000. Each Unit will consist of one common share and one-half of one share purchase warrant, with each full warrant entitling the holder to acquire one additional common share at a price of $4.00 per share for a period of 24 months from closing.