ALDRIDGE MINERALS INC.

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

For the Year Ended December 31, 2013
(As of March 7, 2014)

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 March 7, 2014 and should be read in conjunction with the consolidated financial statements and the related notes for the year ended December 31, 2013 (the "Audited Financial Statements"), and the annual information form ("AIF") filed on www.sedar.com on July 12, 2013.

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

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

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

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

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

HIGHLIGHTS, OUTLOOK AND SELECTED FINANCIAL INFORMATION

Aldridge's ongoing development of its Yenipazar Project, which is a polymetallic volcanogenic massive sulphide ("VMS") body that hosts a gold-silver-copper-lead-zinc mineral deposit, achieved significant milestones in 2013. The Company's efforts focused on de-risking the Yenipazar Project in central Turkey in order to position the Company to raise the financing necessary to further develop and build the project.

ALDRIDGE'S HIGHLIGHTS AND ACHIEVEMENTS

- **Private Placements closed (Gross Proceeds $15,028,914; Net Proceeds $13,679,215)** - On February 14, 2013 the Company closed a private placement for gross proceeds of $10,499,914. On February 22, 2013, ANT Holding Anonim Sti., the Company's largest shareholder exercised its right to maintain its 30.1% ownership share, which resulted in a private placement for gross proceeds of $4,529,000.

- **Feasibility Study ("FS") completed and 100% Ownership of Yenipazar earned** - In May 2013 the Company filed its NI 43-101 technical report based on the Feasibility Study for the Yenipazar Project, which completed the requirements to earn 100% ownership of the project.

- **Environmental Impact Assessment ("EIA") report filed & approved** – On March 6, 2014 the Company announced receipt of the Environmental Impact Assessment Positive Decision Certificate ("EIA Permit"). The approval was received after approximately seven months of review by the Turkish regulators. Achievement of this critical milestone allows the Company to advance the Yenipazar Project in areas where the EIA Permit is a prerequisite for certain development activities.

- **Investment Incentive Certificate ("IIC") preliminary application filed** - In September 2013 the Company submitted a preliminary application for the IIC in order to qualify for tax incentives, including a 30% recovery of qualifying depreciable capital expenditures funded by a corporate income tax rate reduction from 20% to 6%. The IIC, which is typically issued within three months of the date of the EIA permit, is expected to be received in Q2 2014.

- **Land Acquisition Plan ("LAP") completed** - The LAP, which is a component of the Environmental and Social Impact Assessment, was completed in December 2013.

- **Cash and cash equivalents at December 31, 2013 totalled $7,055,868** - The Company successfully managed its cash resources in 2013. Delays in obtaining additional financing in 2014 may restrict certain operating and project development activities.

OUTLOOK AND NEAR TERM MILESTONES

- **Optimization Study** - The Company's Optimization Study results are expected in early April 2014. This study is focused on significantly reducing pre-production capital expenditures by incorporating certain design and operating refinements while generating robust project economics. The corresponding NI 43-101 technical report will follow in due course.

- **CEO search** – Led by the Special Committee of the Board, the Company's CEO search process is well advanced. Following the release of the Optimization Study results in early Q2 2014, the Company expects to announce new leadership that will guide the Company through its next phase of development.

- **Environmental and Social Impact Assessment ("ESIA")** - The Company is utilizing its EIA, LAP and additional analysis, to compile its ESIA compliant with Equator Principles III standards generally expected by international lenders. The ESIA will be available to support financing due diligence efforts in 2014.

- **Interim and Project Financing** - The continuing development of the Yenipazar Project requires the Company to raise funds for working capital and land acquisition. The results of the Optimization Study will be a critical catalyst for generating renewed interest in the Company and its fund raising activities. The timing of obtaining new funds may be affected by the capital market conditions for junior mining companies, fluctuations in commodity prices, and potential changes to the political environment in Turkey.

- **Land Acquisition** – In order to further de-risk the Yenipazar Project, the Company is finalizing its strategy to purchase the necessary surface rights, commencing in 2014. The timing and cost of purchasing the land surface rights represent critical risk factors affecting the development of the Yenipazar Project.

YENIPAZAR PROJECT FEASIBILITY STUDY HIGHLIGHTS

Yenipazar Project Economics – On May 17, 2013 the Company filed, on www.sedar.com, its NI 43-101 Technical Report for the FS. Highlights of the FS were summarized under three economic scenarios using the base case metal pricing assumptions described below. The first scenario is on a pre-tax project basis and does not reflect the NPI owed to Alacer in accordance with the Option Agreement. The second scenario includes the NPI and the third scenario includes both the NPI and applicable taxes. All scenarios demonstrate robust economics. All amounts in the tables below are denominated in United States Dollars.

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

Base Case Pricing Assumptions	
Gold (US$/oz.)	$1,450.00
Silver (US$/oz.)	$28.00
Copper (US$/lb.)	$3.00
Lead (US$/lb.)	$0.95
Zinc (US$/lb.)	$0.90

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

Operating Costs	US$
Total average cost per tonne of ore	$29.13

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

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

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

The economic results of the FS are sensitive to fluctuating commodity prices, which are discussed further in the “Outlook” and “Market Trends” sections of this MD&A. In addition, a FS Base Case minus 10% pricing assumption was also considered and referred to in the section entitled “Project Economics”. The Company’s financial analysis arising from the Optimization Study, which is expected in early April 2014, will consider various long-term pricing forecasts for all commodities.

OUTLOOK AND THE POTENTIAL IMPACT ON THE EVALUATION OF THE YENIPAZAR PROJECT

Aldridge’s prospects for creating shareholder value will be affected by its ability to achieve its major objectives and address or adapt to the major challenges it faces in 2014 as described above. The Company’s major objectives and challenges are generally focused on addressing the key risk factors potentially affecting the timing and cost of developing the Yenipazar Project and on positioning the Company to obtain the necessary financing to develop and build the Yenipazar Project. Receipt of the EIA Permit, as announced on March 6, 2014 was a critical milestone achievement for the project development. The expected results of the Optimization Study, combined with the potential impact of changes in commodity prices, are critical to updating the evaluation of the Yenipazar Project by the Company, as well as by prospective investors and lenders. In addition, the general conditions or “softness” of the capital markets for junior mining companies may result in the Company requiring more time to obtain interim and project financing. Obviously, delays in obtaining financing would require the Company to modify and restrict some of its operating and project development spending in 2014.

The Optimization Study results scheduled in early April 2014 are expected to justify lower pre-production capital expenditures and provide additional support for costs estimates compared to the FS. The ultimate objective is to lower the pre-production capital expenditure, which should offset a portion of the impact from lower gold and silver prices and facilitate 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. The Company believes the Yenipazar Project provides a natural commodity pricing hedge in the sense that the revenue mix of precious metals and base metals potentially allows for the impact of price changes of precious metals to be partially offset by the opposite directional changes in base metals pricing. Consequently, based on the FS revenue mix of approximately 55% in precious metals and 45% in base metals (The revenue percentage amounts are shown in a chart above) the 2013 decline in precious metals pricing does not impact the economics of the Yenipazar Project (a VMS deposit) to the same extent as a traditional precious metals project.

The April 2014 update of the project economics will use prices based on a range of recent long term commodity price estimates as noted in the table below, which includes the prices used in the FS project economics analysis.

Metal	FS Base Case Prices	FS Base Case Less 10%	Long Term Price Ranges - Feb. 2014 Low	High
Gold (US$/oz.)	1,450.00	1,300.00	1,180.00	1,300.00
Silver (US$/oz.)	28.00	25.00	19.00	21.50
Copper (US$/lb.)	3.00	2.70	3.00	3.25
Lead (US$/lb.)	0.95	0.85	0.95	1.10
Zinc (US$/lb.)	0.90	0.80	0.90	1.00

The Company believes that continued stability or improvements in prices of its five commodities will lead to more favourable project economics and conditions for financing the Yenipazar Project. The Yenipazar Project economics and results of the FS are discussed in more detail in the Yenipazar Project section of this report.

Although the Company received the EIA Permit on March 6, 2014, recent political developments in Turkey including criminal corruption investigations and changes to appointed ministers and senior bureaucrats in various government departments may affect the efficiency and timeliness of government reviews and approvals for the Company's various permit and license applications. The Company continues to work diligently with the various regulators to facilitate timely execution of its project development activities. The Company is sensitive to the potential financial impact of delays in critical approvals and will manage its spending plans and liquidity position accordingly.

The Company is exposed to foreign exchange risk related to expenditures denominated in Turkish lira, US dollar. The general operating expenses in Turkey and a portion of the estimated Yenipazar Project capital and operating expenditures are denominated in Turkish lira. The majority of the FS costs were estimated in USD. Recent changes in the political and business environment in Turkey resulted in significant devaluation of the Turkish lira in the last three months from approximately TRY 2.00 = USD 1.00 to TRY 2.20 = USD1.00 (TRY 1.90 = CAD 1.00 to TRY 2.00 = CAD 1.00). The Optimization Study may assume the exchange rate continues at its present level. Although the devaluation may help reduce the CAD equivalent expense in the short term, there may be upward pressure on inflation in Turkey, which could negate a significant portion of the exchange impact. Changes in the USD/CAD exchange rate could also impact the equity component of potential fund raising since the Company typically raises funds in Canadian dollars, consistent with its Canadian dollar listing on the TSX-V.

The Company, subject to the timing of obtaining additional funds, may conduct exploration activities including geophysics surveys and a drill program in areas adjacent to the known resource where three mineralized outcrops were identified. This is to include a drill program to substantiate a clay resource at surface, overlying the Yenipazar deposit. The clay is needed as liner material for the tailings dam.

In summary, the Company's 2014 outlook is focused on advancing the Yenipazar Project by positioning the Company to obtain the necessary financing, which will benefit from activities described that reduce pre-production capital costs and address key project risks related to permitting and land acquisition.

SELECTED FINANCIAL INFORMATION

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

(In Canadian Dollars)	TWELVE MONTHS ENDED AND AS AT DECEMBER 31 2013	THIRTEEN MONTHS ENDED AND AS AT DECEMBER 31 2012	TWELVE MONTHS ENDED AND AS AT NOVEMBER 30 2011
Loss before income tax and discontinued operations	$(7,387,867)	$(12,775,144)	$(4,903,449)
Net Loss	(7,044,434)	(13,674,712)	(7,725,844)
Net loss per share	(0.09)	(0.29)	(0.22)
Cash and cash equivalents	7,055,868	3,475,088	4,741,663
Working capital (i)	6,917,577	3,070,299	4,822,334
Total assets	11,177,814	5,258,701	7,788,166
Total non-current financial liabilities	123,772	95,666	38,541

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

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

	TWELVE MONTHS ENDED DECEMBER 31, 2013	THIRTEEN MONTHS ENDED DECEMBER 31, 2012	TWELVE MONTHS ENDED NOVEMBER 30, 2011
Yenipazar Project, Turkey	$5,682,708	$ 7,848,756	$ 2,772,169
Derinkoy Property, Turkey(i)	-	-	2,314
Exploration Licenses, Turkey(ii)	3,534	-	68,849
Kili Teke License, Papua New Guinea – discontinued (iii)	-	1,089,240	2,822,395
Total Exploration & Evaluation	$5,686,242	$ 8,937,996	$ 5,665,727

(i) In February 2011, the Company terminated its option agreement and abandoned the property.
(ii) The Company presently holds 8 licenses.
(iii) On July 6, 2012 the Company announced it received notice that its application to renew the license was not approved, and that the Company planned no further action or investment in PNG.

Yenipazar expenditures totaling $3,206,246 were incurred prior to June 30, 2013 and were recorded as exploration and evaluation expenditures in the Statement of Loss. Subsequently, further expenditures on Yenipazar were capitalized as mineral property under development in the Statement of Financial Position.

BACKGROUND

Aldridge is a publicly-traded junior exploration company in the business of identifying and developing mineral properties in Turkey. Aldridge has been working in Turkey since 2004. The Company has developed strong relationships with ANT Holding Anonim Sti. ("ANT"), a strategic partner based in Istanbul, Turkey, which owns approximately 30% of Aldridge, and Alacer Gold, who has operated in Turkey since 1998 and holds an NPI interest in Yenipazar. Aldridge believes Turkey is an excellent mining jurisdiction for a number of reasons including:

- Modern mining law and commercial code;
- Well-developed infrastructure, with on-going government investment;
- Europe's largest gold producer; and
- Competitive tax and royalty structures, including an investment incentive program that could reduce corporate income tax rates from 20% to 6% based on certain new investment criteria.

Aldridge incorporated, in 2005, a 100% owned Turkish subsidiary, Aldridge Mineral Madencilik Ltd. Şti. ("Aldridge Turkey") to obtain, develop and operate mining properties in Turkey, which include the Yenipazar Property. Aldridge Turkey holds and may develop exploration licenses located outside the Yenipazar Project area. The Company announced the receipt of the Yenipazar Project EIA Permit on March 6, 2014. The Company also periodically reviews other prospective properties and exploration licenses in Turkey to identify future exploration targets.

In June 2011, the Company engaged Jacobs Minerals Canada Inc. ("Jacobs") to lead the FS on its flagship Yenipazar Project in central Turkey. Significant components of the FS were completed by experienced consultants including, P&E Mining, SGS UK, SRK Turkey and Golder Associates. The deposit includes recoverable quantities of gold, silver, copper, lead and zinc. The FS results and filing of the NI 43-101 Technical Report were announced on May 17, 2013.

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

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

OVERVIEW OF PROJECTS AND INVESTMENTS

The Company's flagship property and primary focus is the Yenipazar Project in Turkey. During previous years it held a number of exploration licenses and equity investments in mining companies, which have been significantly reduced through divestiture or abandonment. The following is a list of projects and investments reflected in the most recent financial statements:

- Yenipazar Project - Turkey;
- Exploration licenses - Turkey;
- Investments – Class A performance shares in Anatolia Energy Ltd. (Value at December 31, 2013 of $Nil); and
- Kili Teke License - Papua New Guinea – license was not renewed and discontinued PNG operations in July 2012.

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 200 kilometres east-southeast of Ankara, the capital city, and is easily accessible via public roads and has good access to rail transportation and electrical power supply.

The Yenipazar Project is a polymetallic 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.

The Company's expenditures on the Yenipazar Project decreased by $2,166,048 in the year ended December 31, 2013 to $5,682,708 as compared to the thirteen months ended December 31, 2012. The decrease resulted from higher expenditures incurred in the prior year period to support the completion of the FS.

PROPERTY OWNERSHIP STRUCTURE

On December 1, 2004, the Company entered into an agreement with Alacer to acquire a 65% interest in the Yenipazar Property. In July 2006, a revised option agreement was executed whereby, supplementary to earn-in conditions, the Company has the right to earn a 100% interest in the Yenipazar Property in exchange for consideration of 250,000 common shares of the Company (issued). In June 2013, the Company delivered the FS and exercise notice to Alacer and earned a 100% working interest in the Yenipazar Property. The Company will pay Alacer a 6% NPI until such time as operational revenues reach the amount of US$165,000,000, and a 10% NPI thereafter.

The Company has an operating license with respect to the Yenipazar Property, which is scheduled to expire on December 17, 2014. The Company's application for an extension of the license is in the final approval process, which should result in a license extension of five years to expire in 2019. The license extension approval is expected before the end of April 2014. Previous extensions have been granted in the past, however there is no guarantee the license extension will be granted. While the Company advances the project towards development and production, the Company is operating under a temporary shutdown permit that expired on January 4, 2014. The temporary shutdown permit is renewed annually and the Company has submitted a renewal application, which is expected to be approved in March or April 2014. While the shutdown permit was granted in the past, there can be no assurances that it will be granted going forward. If the shutdown permit is not granted, the Company is required to mine a fixed tonnage and incur related costs (approximately $900,000) in order to maintain the license in good standing. The exploration and operating licenses are registered to Aldridge Turkey.

POST-FEASIBILITY STUDY ACTIVITIES

Subsequent to the completion of the FS in May 2013, the Company advanced the Yenipazar Project in the following areas:

- Environmental Impact Assessment Permit;
- Project Optimization Study;
- Land Acquisition Plan; and
- Application for obtaining the Investment Incentive Certificate.

Environmental Impact Assessment Permit

In accordance with Turkish law, an EIA report on the Yenipazar Project must be submitted for approval by the Turkish government. The EIA approval process involves the filing of an initial application defining the scope of the proposed project, a public consultation process, and a final submission. The EIA report was submitted to the Ministry of the Environment and Urbanization in Turkey in August 2013. In early November a review meeting was held with the Ministry. The Company announced on March 6, 2014 that it had received the EIA Permit for the Yenipazar Project.

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

Project Optimization Study

The Company has engaged various consultants (including Promer, Jacobs, Orway and Norwest) to optimize project designs to reduce the capital costs as initially determined in the FS. Project optimization study financial results are expected in early April 2014, while the related technical report will follow later in Q2 2014. The Company also initiated additional metallurgical testing to further refine the conclusions in the FS.

Land Acquisition Plan

The Company’s LAP to acquire approximately 9.4 square kilometres of land was completed in December 2013. The LAP was prepared in accordance with Equator Principles III, thereby meeting the standards required by potential international financing organizations. The LAP builds on the present relationships with land owners and other stakeholders to facilitate project development. The timing of land purchases will be determined based on the availability of financing.

Investment Incentive Certificate ("IIC")

The Yenipazar Project is eligible to participate in the Turkish investment incentive plan. Based on the rates effective for projects qualifying after January 1, 2014 the expected income tax savings are equivalent to approximately 30% of the eligible depreciable capital expenditures required to build the project. The income tax savings will be received via a corporate income tax rate reduction from 20% to 6%. (The FS assumed the project would qualify for the higher 2013 IIC rates of 40% of depreciable capital expenditures, which would have been received through an income tax rate reduction from 20% to 4%.) The Company submitted its initial application, in October 2013, for the Investment Incentive Certificate pursuant to Turkey's 'Decree on State Incentives in Investments'. The IIC qualification level and approval is dependent upon a number of factors, including a minimum expenditure amount incurred in the calendar year in which the IIC is issued. As a result of receiving the EIA Permit in March, the Company expects to receive the IIC in Q2 2014.

Results of Feasibility Study

The FS results announced May 17, 2013 included a summary of the project economics, as noted earlier in the 'Highlights' section of this report. The results stated the after-tax NPV undiscounted value as $782 million and the after-tax NPV discounted at 7% as $361 million. The related NI 43-101 Technical Report was filed on SEDAR on May 16, 2013. The results confirm that Yenipazar is a highly attractive project with robust economics, while paving the way for the completion of additional technical work as the Company advances its project financing. The key highlights of the FS can be found in the section above entitled "Highlights". Estimated financial performance will be affected by potential changes in commodity prices and consequently the Company also considered results base on the FS Base Case prices less 10% as noted below. Furthermore, the spot price and long term forecast prices of silver are currently below the FS Base Case less 10%, which suggests that additional price sensitivity analysis is appropriate. (Note: Since the completion of the FS, the Company initiated an Optimization Study with an objective to reduce the pre-production capital expenditures). In addition, the Company anticipates updating its financial model to reflect current forecasts of commodity prices, including the prices of gold and silver, which have decreased below the prices used in the FS.

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

Reserves

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

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

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

The Probable mineral reserves are summarized in the table below:

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

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

Processing

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

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

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

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

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

<u>Project Economics</u>

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

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

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

Feasibility Study Project Costs

FS project costs for the team of consultants including Jacobs, P&E Mining, SGS UK, SRK Turkey and Golder Associates generally tracked on budget, except for the additional time and costs due to extra metallurgical testing, which led to higher mine planning and project management costs while increasing the level confidence level in the project design. As a result, consulting costs related to completed contracts as at December 31, 2013 were approximately 10.7% higher than the original budget established in 2011.

Independent Engineer Review

Subsequent to the completion of the FS the Company's financial advisor, CF&Co, engaged Roscoe Postle Associates Inc. ("RPA") to review the FS and prepare an Independent Engineer's Report. The independent engineer's work continued through August 2013. However, due to the adverse capital markets affecting the mining sector, the Company decided to slow down its project financing efforts in favour of focusing on advancing permitting, capital cost optimization and other project development initiatives. The IE review is expected to be completed in Q2 2014,following the scheduled completion of the ESIA and metallurgical tests.

EXPLORATION AND OPERATING LICENSES IN TURKEY

As at December 31, 2013, the Company held a total of 9 exploration and operation licenses, including one license for Yenipazar, which is discussed above in 'Property Ownership Structure' of the 'Yenipazar Project – Turkey' section.

Early in 2011, the Company decided to focus its efforts on the Yenipazar Project and determined that it should seek buyers for certain licenses and abandon certain other licenses. In July 2011, the Company agreed to assign 6 exploration licenses prospective for nickel and chromite, covering approximately 19,318 hectares in western Turkey, to Kenz Mining Inc. ("Kenz") pursuant to an assignment agreement that required Kenz to pay the Company US$50,000 within 30 days of the end of the first twelve month exploration period. Due to various delays and difficulties in obtaining the necessary drilling licenses, the acquirer requested a twelve month extension of the option to pay the additional US$50,000 to retain its exploration rights for the second and third years. The Company considered the various challenges faced by the acquirer and extended the initial exploration option by twelve months and received the US$50,000 payment in July 2013 as scheduled. By continuing exploration, Kenz commits to spending $1 million on exploration and evaluation over the next 24 months and agrees to pay Aldridge US$250,000 at the mid-point of the next 24 month exploration period.

The Company continues to seek interested buyers for its remaining exploration licenses, while periodically looking for other licenses and properties in Turkey for future exploration. Periodically the Turkish government holds auctions for available exploration licences and the Company's exploration team evaluates the available licenses to determine if it is appropriate for the Company to bid on them. A new exploration licence auction in Turkey closes in June 2014.

MARKET TRENDS

		FS Base Case	Approximate Spot Prices - as at February 15		
Metal	**FS Base Case**	**Less 10%**	**2014**	**2013**	**2012**
Gold (US$/oz.)	1,450	1,300	1,320	1,610	1,734
Silver (US$/oz.)	28.00	25.00	21.20	30.20	33.60
Copper (US$/lb.)	3.00	2.70	3.26	3.60	3.70
Lead (US$/lb.)	0.95	0.85	0.96	1.08	0.95
Zinc (US$/lb.)	0.90	0.80	0.92	0.96	0.93

	COMEX Gold Futures	COMEX Silver Futures
	At February 14, 2014	**At February 14, 2014**
Settlement Date	**US$**	**US$**
December 31, 2014	1,302	20.52
December 31, 2015	1,309	20.66
December 31, 2016	1,327	20.86
December 31, 2017	1,357	21.66

The Company's future financial performance is dependent on many external factors including the prices of certain precious and base metals. The markets for these commodities are volatile and difficult to predict as they are impacted by many factors including international political, social, and economic conditions. The most significant price change noted above is the reduction in the price of silver, followed by the price of gold. However, the base metal prices have remained steady, if not improving slightly compare to the prices used in the FS. The Company expects to consider current prices and trends when it updates its financial model based on the revised costs expected from the Optimization Study due to be completed shortly. These conditions, combined with volatility in the capital markets, could materially affect the future financial performance of the Company. For a summary of other factors and risks that may affect the Company and its financial position, please refer to "Risks Factors".

(Sources include: www.kitco.com; www.kitcometals.com; cmegroup.com)

FINANCING ACTIVITIES

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

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

Financial Advisors: Cutfield Freeman & Co. Ltd. ("CF&Co.")
CF&Co, a global specialist mining corporate finance firm engaged by the Company in February 2013, evaluated potential strategic financing options, including debt, equity, metal streaming and concentrate off-take-related financing that may be available to Aldridge. The analysis concluded that the Yenipazar Project attracted positive interest from various lending and financing organizations. However, due to the adverse capital markets affecting the mining sector, the Company decided to slow down its project financing efforts in 2013 and the CF&Co engagement was ended in November 2013. A confidential draft independent engineers' report was compiled in 2013, with planned report finalization scheduled in Q2 2014 following completion of the ESIA and metallurgical test work.

RESULTS OF OPERATIONS

For the three and twelve months ended December 31, 2013 compared with the four and thirteen months ended December 31, 2012:

	Twelve Months Ended December 31 2013	**Thirteen Months Ended December 31 2012**
Exploration and evaluation expenditures	**$ 3,209,780**	$ 7,848,756
General and administrative	**4,209,991**	4,502,221
	$ (7,419,771)	$ (12,350,977)
Other income (expense)	**31,904**	(424,167)
Net loss for the period before income tax	**$ (7,387,867)**	$ (12,775,144)
Income tax recovery	**343,433**	189,672
Net loss from continuing operations	**$ (7,044,434)**	$ (12,585,472)
Net loss from discontinued operations	**-**	(1,089,240)
Net loss for the period	**$ (7,044,434)**	$ (13,674,712)

For the fiscal year ended December 31, 2013, the Company incurred net losses from continuing operations of $7,044,434 versus losses of $12,585,472 during the prior fiscal year. The decrease mainly relates to the start of capitalization of mine development costs relating to Yenipazar beginning July 2013 upon the completion of the feasibility study. Exploration and evaluation costs in fiscal year 2012 were also generally higher due to consulting and drilling costs to advance the Yenipazar FS. In July 2012, the Company announced it discontinued operations in PNG and re-categorized the exploration and evaluation expenses incurred in PNG as net losses from discontinued operations. There were no further expenditures in PNG in fiscal year 2013.

With the completion of the FS and the exercise of the option to earn 100% working interest in the Yenipazar Property, the Company entered the development phase of the project at the beginning of Q3 and began to capitalize any further project development expenses accordingly. Comparing FY2013 to FY2012, the Company decreased Yenipazar project expenditures by $2,166,048 due to non-recurring costs and increased activity to complete the FS in the prior year. General and administrative expenses decreased by $292,230 from FY2012 to $4,209,991 in FY2013 due mainly to retirement allowances paid to former executives in the prior year.

Comparing the fourth quarter of FY 2013 to the same period in the prior year, the Yenipazar project costs decreased by $1,317,543 due to non-recurring expenditures related to the completion of the FS. Total general and administrative costs decreased by $777,402 to $563,281 when comparing the three-month period ended December 31, 2013 to the four-month period ended December 31, 2012 due mainly to the reversal of an accrued bonus in FY2013 and due to the lower salaries and benefits resulting from the departure of the CEO and Corporate Secretary in the third quarter of FY2013.

In the year ended December 31, 2012, the Company recognized an impairment loss totaling $712,043 that related to its investment in common shares of Anatolia. The Company divested these shares during the fiscal year ended December 31, 2012.

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

EXPLORATION AND EVALUATION EXPENDITURES

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

	THREE MONTHS ENDED DECEMBER 31 2013 ($)	FOUR MONTHS ENDED DECEMBER 31 2012 ($)	TWELVE MONTHS ENDED DECEMBER 31 2013 ($)	THIRTEEN MONTHS ENDED DECEMBER 31, 2012 ($)
Yenipazar Project				
Analytical	**623**	132,191	**40,094**	439,251
Depreciation	**17,490**	18,623	**43,499**	35,461
Drilling	**2,218**	87,688	**117,410**	1,678,672
Drilling site access fees	**3,140**	42,435	**15,713**	124,492
Engineering consulting	**467,084**	-	**552,222**	-
Environmental consulting	**40,623**	-	**173,239**	-
Feasibility studies and project management	**-**	974,985	**1,062,938**	2,221,324
Geotechnical consulting	**-**	249,578	**67,682**	557,576
Land acquisition and development	**34,161**	-	**263,498**	-
License	**-**	-	**4,161**	15,246
Metallurgical consulting	**63,217**	136,498	**328,260**	451,831
Permitting	**40,375**	-	**77,946**	-
Professional expenses	**191,354**	8,930	**491,672**	42,036
Project expenses and employee costs	**450,455**	724,963	**1,990,913**	1,598,165
Resource estimate and mine design	**-**	173,313	**183,338**	304,339
Travel	**35,634**	57,368	**157,957**	169,549
Vehicles and equipment maintenance	**24,114**	25,957	**95,464**	113,504
Other	**6,466**	61,968	**16,702**	97,310
	1,376,954	2,694,497	**5,682,708**	7,848,756
Exploration Licenses				
Licenses and fees	**-**	-	**3,534**	-
Kili Teke License, PNG (Discontinued)				
Drilling	**-**	-	**-**	78,182
Project expenses and employee costs	**-**	-	**-**	290,705
Transportation, including Helicopter	**-**	-	**-**	711,634
Travel	**-**	-	**-**	8,719
	-	-	**-**	1,089,240
Total exploration and project costs	**1,376,954**	2,694,497	**5,686,242**	8,937,996

During FY 2013, the exploration and evaluation expenditures relating to the Yenipazar Project decreased by $2,166,048 as compared to the prior year due to non-recurring expenditures relating to the completion of the feasibility study and the diamond drilling programme that began in April 2012 and concluded in

August 2012. During the last half of FY2013, the Company initiated a process to evaluate alternatives for optimizing the potential economics of the Yenipazar Project, which contributed to engineering consulting expenditures.

Exploration activities at the Kili Teke License, PNG were discontinued in July 2012. No further expenditures were incurred with respect to PNG in FY2013.

Yenipazar expenditures totaling $3,206,246 were incurred prior to June 30, 2013 and were recorded as exploration and evaluation expenditures in the Statement of Loss. Subsequently, further expenditures on Yenipazar were capitalized as mineral property under development in the Statement of Financial Position.

GENERAL AND ADMINISTRATIVE EXPENSES

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

	THREE MONTHS ENDED DECEMBER 31 2013 ($)	**FOUR MONTHS ENDED DECEMBER 31 2012 ($)**	**YEAR OVER YEAR CHANGE ($)**	**TWELVE MONTHS ENDED DECEMBER 31 2013 ($)**	**THIRTEEN MONTHS ENDED DECEMBER 31 2012 ($)**	**YEAR OVER YEAR CHANGE ($)**
Amortization	**15,251**	10,738	4,513	**62,193**	65,327	(3,134)
Directors' fees and expenses	**99,045**	68,667	30,378	**292,192**	234,781	57,411
Office and sundry	**134,609**	295,427	(160,818)	**637,969**	764,343	(126,374)
Professional fees	**99,786**	138,691	(38,905)	**1,174,073**	559,787	614,286
Salaries and benefits	**41,190**	572,090	(530,900)	**1,414,619**	1,628,564	(213,945)
Shareholder information	**27,122**	107,338	(80,216)	**193,815**	459,117	(265,302)
Stock-based compensation	**57,693**	62,450	(4,757)	**197,355**	423,322	(225,967)
Transfer and filing	**2,870**	(2,298)	5,168	**38,375**	41,093	(2,718)
Travel and promotion	**85,715**	87,580	(1,865)	**199,400**	325,887	(126,487)
General and administrative	**563,281**	1,340,683	(777,402)	**4,209,991**	4,502,221	(292,230)

Due to the Company's change in year end from November 30 to December 31 in FY2012, the results of operations for the current period may not be directly comparable to those of the prior year. Additional comments on individual expense item changes follow:

- Salaries and benefits decreased by $530,900 when comparing the three-month quarter ended December 31, 2013 to the four-month quarter in the previous fiscal year. This is largely due to lower salary costs for former executives who left the Company in the third quarter of 2013. Comparing the fiscal year ended December 31, 2013 to the same period in the prior year, salaries and benefits decreased by $213,945 due mainly to the reversal of a bonus accrual.

- Professional fees increased by $614,286 year over year mainly because of the engagement of CF&Co in February 2013 as the Company's project finance advisor along with RPA as the independent engineer.
- Directors' fees and expenses increased by $30,378 and $57,411 respectively when comparing the quarter and fiscal year ended December 31, 2013 to the corresponding periods in the prior year due to incidental expenses relating to an onsite Board meeting in Turkey in Q4.
- Comparing the fiscal year ended December 31, 2013 to the prior year, stock-based compensation decreased by $225,967. The Black-Scholes value of options issued in the prior year were higher than those issued in the current fiscal year due to a depressed stock price. The different timing and amounts of stock options granted are described in more detail in the consolidated financial statements for the year ended December 31, 2013.
- Shareholder information costs decreased by $80,216 and $265,302 respectively in the quarter and year ended December 31, 2013 as compared to the same periods in the prior year primarily because the Company realized some cost savings by electing not to renew certain investor relations consulting contracts.
- Travel and promotion expenses were $126,487 lower during the year ended December 31, 2013 as compared to FY 2012 primarily due to the significantly higher investor relations activity related to securing the initial investment by ANT in Q2 2012.

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

FOREIGN EXCHANGE AND INCOME TAXES

Net foreign exchange losses in the quarter and year ended December 31, 2013 were $38,004 and $118,120 respectively, compared to a gain of $28,162 and loss of $463 in the four- and thirteen-month periods ended December 31, 2012, respectively. The FY 2013 loss related primarily to the impact of a strengthening Canadian dollar against the Turkish Lira on a subsidiary's working capital balances.

Future income tax recoveries of $343,433 and $193,072 recorded during FY2013 and FY2012 respectively related to the expiration of outstanding warrants. Upon the expiration of the warrants, the Company recorded a reduction in contributed surplus related to the deferred tax liability for capital gains taxes and recorded an equivalent income tax recovery recording the application of accumulated losses to offset the deferred tax liability.

SUMMARY OF QUARTERLY RESULTS

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

Quarterly period ended[1]	Total revenues $	Loss before taxes and Discontinued Operations $	Loss before taxes and Discontinued Operations per share $	Net income (loss) $	Net income (loss) per share $	Total Assets $
December 31, 2013	Nil	(592,098)	(0.01)	(592,098)	(0.01)	11,177,814
September 30, 2013	Nil	(1,255,730)	(0.01)	(1,255,730)	(0.01)	11,811,215
June 30, 2013	Nil	(2,505,489)	(0.03)	(2,505,489)	(0.03)	12,918,454
March 31, 2013	Nil	(3,034,550)	(0.04)	(2,691,117)	(0.04)	15,702,807
December 31, 2012	Nil	(3,946,620)	(0.07)	(3,719,405)	(0.06)	5,258,701
August 31, 2012	Nil	(3,232,479)	(0.06)	(3,235,830)	(0.06)	8,809,249
May 31, 2012	Nil	(3,380,597)	(0.08)	(3,854,586)	(0.09)	12,288,958
February 29, 2012	Nil	(2,215,448)	(0.06)	(2,864,891)	(0.08)	5,260,640

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

Note: The Company has no history of declaring dividends.

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

LIQUIDITY AND CAPITAL RESOURCES

Historically, the Company's main source of funding has been the issuance of equity securities for cash, primarily through private placement offerings to accredited investors and institutions. In addition, in FY2012 the Company generated cash by disposing of non-core assets, including exploration licenses and investments in Anatolia Energy and Vetter Uranium. The Company has issued common shares in each of the past few years, pursuant to private placement financings and the exercise of warrants or stock options. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity financing, or that such access will be timely and in the amounts necessary to fund the Company's activities. There are many conditions beyond the Company's control which have a direct impact on the level of investor interest in the purchase of Company securities. The Company may also attempt to generate additional working capital through the operation, development, sale or possible joint venture development of its properties. However, there is no assurance that any such activity will generate funds that will be available for operations. See "Risk Factors".

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

Considering the present mining sector and capital markets environment, prospective spending plans will balance short and long term project development plans with a conservative cash management strategy. The Company recognizes that it needs a prudent approach to spending to ensure it optimizes the use of its strong cash position at December 31, 2013 to support a potentially longer financing process.

Cash and cash equivalents at December 31, 2013 totaled $7,055,868 (December 31, 2012 - $3,475,088). Excess cash is invested in guaranteed investment certificates ("cash equivalents") issued by the Company's primary Canadian bank. The Company's rate of spending will be closely monitored and the discretionary spending may be adjusted to reflect potential changes in requirements and the timing of financing activities.

At December 31, 2013, the Company had working capital (current assets less current liabilities) of $6,917,577 as compared to $3,070,299 at December 31, 2012. The increase in working capital of $3,847,278 is primarily the result of the closing of the Dundee Private Placement of $10,499,914 and the ANT investment of $4,529,000 in February 2013, which were partially offset by project expenditures on the Yenipazar Project and other costs.

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

The Company has certain obligations pursuant to the Yenipazar Option Agreement as described previously in this MD&A. In addition, the Company has certain obligations pursuant to its exploration licenses in Turkey including reports on exploration, annual reports on operation projects, per hectare fee deposits. The applicable deposits are proportional to the size of the mining area and are determined each year or re-valued according to prevailing economic conditions.

A significant objective for the Company to achieve in 2014 is to obtain additional financing for working capital needs, as well as financing to buy land for the project and ultimately to build the Yenipazar Project. Capital markets for junior mining companies were not favourable in 2013 and are expected to continue to be "soft" in 2014. During 2013 and in early 2014 there was an increase in political protests, alleged corruption, and changes affecting appointments of government ministers and senior bureaucrats that may affect the timeliness of certain review and approval processes. As a result of the perceived 'soft" capital markets and the uncertain political environment in Turkey, the present outlook for 2014 indicates that more time than previously estimated will be needed to obtain the level of financing required to achieve the Company's development objectives. Consequently, the Company is aware that it must continue to carefully balance its development plans and operating levels and its present cash resources with the potential changes to the expected time line for securing additional funding. The Company's financial reporting and forecast spending processes support prudent cash management and related cost control management.

Operating Activities: Cash used in operating activities mainly comprise expenses to complete the FS on the Company's Yenipazar Project, and general and administrative expenses. Cash used in operating activities for the three and twelve month periods ended December 31, 2013 was $557,708 and $7,435,029 respectively, as compared to $3,525,745 and $12,171,285 for the four and thirteen month period ended December 31, 2012. Operating activities for the three months ended December 31, 2013 were affected by the net increase in non-cash working capital balances of $69,344 (versus an decrease of $246,839 in the four month period ended December 31, 2012) primarily due to a decrease in other receivables of $105,122, increase in prepaid expenses of $10,501, and a decrease in accounts payable and other liabilities of $169,107. Operating activities for the year ended December 31, 2013 were affected by the net increase in non-cash working capital balances of $440,742 (versus a decrease of $478,568 in the thirteen month period ended December 31, 2012) primarily because of decreases in accounts payable of $849,805, offset by decreases in other receivables of $188,834 and decreases in prepaid expenses of $201,884. During FY 2013, the Company also recorded a stock-based compensation expense of $250,726, amortization of $77,382, an income tax recovery of $343,433, loss on disposal of assets of $18,082 and other items not affecting cash of $20,683.

Investing Activities: For the three and twelve month period ended December 31, 2013, cash outflows arising from investing activities totaled $1,379,198 and $2,657,803 as compared to cash inflows of $518,963 and $469,869 for the three and thirteen months ended December 31, 2012. For the three and twelve month periods ended December 31, 2013, cash outflows mainly consisted of net expenditures on the Yenipazar Project that were capitalized to Mineral Property under development of $1,297,441 and $2,230,719 respectively and net purchases of property and equipment of $81,757 and $506,661 respectively. During the twelve months ended December 31, 2013, the Company had inflows of $79,577 relating to deposits for relinquished exploration licenses. In the prior fiscal year, net expenditures on the Yenipazar Project were expensed and not capitalized.

Leases: The Company entered into two vehicle lease commitments during the year ended December 31, 2013. The leases are for three years beginning on February 1, 2013 and four years beginning on May 27, 2013. There were no changes to existing commitments.

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.

Transactions with key management personnel were as follows:

	Three months ended December 31 2013	Four months ended December 31 2012	Twelve months ended December 31 2013	Thirteen months ended December 31 2012
Salaries and benefits [(1)]	**$ 149,233**	$ 288,658	**$ 699,534**	$ 1,050,770
Termination and retirement benefits	**-**	-	**466,867**	225,000
Share based payments	**67,888**	72,404	**172,978**	335,928
Total compensation	**$ 217,121**	$ 361,062	**$ 1,339,379**	$ 1,611,698
Legal and consulting fees[(2)]	**131,274**	73,738	**404,774**	246,457
Common share subscriptions[(3)]	**-**	-	**845,011**	-
Total transactions with key management personnel	**$ 348,395**	$ 434,800	**$ 2,589,164**	$ 1,858,155

(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 legal and consulting fees paid or payable to various current and former officers and directors of the Company or to companies controlled by such individuals.
(3) At the closing of the private placement on February 14, 2013, key management personnel subscribed to 1,778,970 common shares at $0.475 per share.

Amounts payable to key management personnel were as follows:

Balance payable as at December 31, 2013	Balance payable as at December 31, 2012
$ 31,886	$ 22,233

On July 16, 2013, the Company announced that the President and Chief Executive Officer had resigned his position effective July 31, 2013, which resulted in retirement benefits of $406,867.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

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

The Company's contractual obligations are summarized as follows:

	Payments Due by Period				
Contractual Obligations	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**	**Total**
Operating leases	$388,267	$309,857	$179,736	$-	**$877,860**

Additional disclosure concerning the Company's contractual obligations is provided in Note 14 "Commitments" contained in the consolidated financial statements for the year ended December 31, 2013.

SHARE CAPITAL AS AT MARCH 7, 2014

Authorized and issued share capital:

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

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

The Company has a Stock Option Plan (the "Plan") to promote the interests of the Company to assist the Company in attracting, retaining and motivating its directors, officers, employees and consultants by providing greater incentive to further develop and promote the business and financial success of the Company. In May 2013, the shareholders of the Company approved amendments to the Plan. The amendments define the maximum number of shares that may be issuable pursuant to the options granted under the Plan as 10% of the Company's issued share capital, or as at March 7, 2014, 8,473,366 common shares.

As at March 7, 2014, the following stock options were outstanding:

Expiry Date		Exercise Price	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
October 9, 2014		1.40	935,000	935,000	0.59
November 29, 2014		0.88	375,000	375,000	0.73
April 28, 2015		0.88	200,000	200,000	1.14
November 9, 2015		1.11	200,000	200,000	1.68
November 30, 2015		1.40	300,000	300,000	1.73
February 22, 2016		1.46	50,000	50,000	1.96
March 21, 2016		1.06	50,000	50,000	2.04
March 30, 2016		1.29	60,000	60,000	2.07
June 15, 2016		1.25	400,000	300,000	2.28
June 20, 2016		1.05	200,000	150,000	2.29
August 3, 2016		0.80	110,000	82,500	2.41
February 28, 2017		0.54	75,000	37,500	2.98
March 28, 2017		0.64	233,000	116,500	3.06
May 1, 2017		0.61	200,000	100,000	3.15
November 26, 2018		0.20	1,450,000	362,500	4.73
	$	**0.84**	**4,838,000**	**3,319,000**	**2.54**

As at March 7, 2014, the maximum additional number of stock options that can be issued pursuant to the Plan is 3,635,366.

The 4,721,367 warrants outstanding at December 31, 2012 expired on February 17, 2013. As at March 7, 2014, the following warrants, granted in February 2013 in connection with the private placement offered through Dundee, were outstanding:

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

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

CAPITAL MANAGEMENT

The Company’s objectives when managing capital are:

a) to safeguard its ability to continue as a going concern;
b) to continue the development and exploration of its mineral properties; and
c) to maintain a capital structure which optimizes the cost of capital at an acceptable level of risk.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus, deficit, and accumulated other comprehensive loss which at December 31, 2013 totaled $10,251,001 (December 31, 2012 - $3,709,297).

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

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated monthly based on its exploration and development activities. The Company’s capital management objectives, policies and processes evolved during the year ended December 31, 2013 to recognize the positive impact of completing the Yenipazar FS in Q2 2013 and the challenging capital markets for junior mining companies. Consequently, the Company adjusted its plans to include completing the Optimization Study aimed at reducing the pre-production capital expenditures, and adjusting its financing targets in recognition of a need and opportunity for a staged financing approach.

The revised financing plan, as disclosed in November 2013, includes:

- an interim financing for working capital needs;
- land acquisition financing; and
- project financing.

The Company is actively seeking alternative sources to achieve its financing plan. The timing and amount of potential financing will be affected by the results to be generated by the Optimization Study, as well as the availability of debt, equity or other financing to junior mining companies such as Aldridge.

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

RISK FACTORS

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

- *Nature of Activities:* The exploration for and development of mineral Projects involves significant risks which even a combination of careful evaluation, experience and knowledge may not mitigate. Few properties that are explored are ultimately developed into producing mines. The Company's property is nearing the development stage, but it is impossible to provide any assurance that the property and any exploration further planned by the Company will result in a profitable commercial mining operation.

- *Exploration and Development Costs:* Actual exploration, development or other costs and economic returns may differ significantly from those the Company has anticipated and there are no assurances that any future development activities will result in profitable mining operations. The Company has limited operating history and there can be no assurance of its ability to operate its projects profitably.

- *Commodity Prices:* Changes in the market price for mineral production, which have fluctuated widely in the past, will affect the future profitability of the Company's operations and financial condition.
- *Financing and Dilution:* The Company's historical capital needs have been met primarily by the issuance of common shares. The Company will require substantial additional funds to further explore and develop its properties. The Company has limited financial resources and no current source of recurring revenue. The junior resource market where the Company raises funds is extremely volatile, companies are subject to high level of competition for the same pool of investment dollars, and there is no guarantee that the Company will be able to raise adequate funds in a timely manner to conduct its business. The Company will require external financing or may need to enter into a strategic alliance or joint venture to develop its mineral properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.
- *Trading Price*: Market prices of shares of development stage companies are often volatile. Factors such as announcement of mineral discoveries and financial results have a significant effect on the price of the Company's shares. The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares. The Company has no dividend payment policy and does not intend to pay any dividends in the foreseeable future.
- *Title:* Although the Company has taken steps to verify title to its mineral property interests there is no guarantee that the mineral properties will not be subject to title disputes or undetected defects.
- *Regulatory:* Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of applicable governments or governmental officials. The Yenipazar Project operating permit expires in December 2014 and an application to extend it by five years has been submitted and is awaiting approval. The Company also requires a temporary shutdown permit to be

renewed each year. The 2014 permit application was submitted as required in January 2014 and is awaiting approval. The Company intends to apply for benefits, including a Turkey corporate income tax rate reduction from 20% to 6%, pursuant to Turkey's Investment Incentive Program. On March 6, 2014 the Company announced the receipt of the EIA Permit for the Yenipazar Project. Although the receipt of the EIA Permit is a significant milestone and suggests a positive regulatory environment, no assurance can be given that the Company will be successful in obtaining or maintaining any or all of the various approvals, licenses and permits required to operate its businesses in full force and effect or without modification or revocation. Delays or a failure to obtain such permits or failure to comply with the terms of any such permits that have been obtained could have a material adverse impact on the Company. In Turkey, political protests, alleged corruption, and the recent changes in appointments of certain government ministers and senior bureaucrats may affect the timeliness of the review and approval processes related to various licenses and permits. Consequently, there is a risk that additional time for approvals may result in additional overhead and other costs that may be incurred during the additional time that may be required for approvals.

- *Environmental:* The Company is subject to laws and regulations related to environmental matters, including provisions for reclamation, discharge of hazardous material and other matters. The Company conducts its exploration activities in compliance with applicable environmental legislation and is not aware of any existing environmental problems related to its mineral property interests that may be the cause of material liability to the Company. The Company received its EIA Permit in March 2014 after submitting its EIA Permit application in August 2013. In addition, the Company is nearing completion of its ESIA report, which is expected to comply with international standards.
- *Insurance:* Mining is inherently dangerous and subject to conditions or elements beyond the Company's control, which could have a material adverse effect on the Company's business. The Company's insurance coverage does not cover all of its potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable.
- *Personnel:* The Company may experience difficulty in attracting and retaining qualified management to meet the needs of its anticipated growth, and the failure to manage the Company's growth effectively could have a material adverse effect on its business and financial condition. Insofar as certain directors and officers of the Company hold similar positions with other mineral resource companies, conflicts may arise between the obligations of these directors and officers to the Company and to such other mineral resource companies.
- *Country Risk:* The Company's business is subject to the risks normally associated with conducting business in foreign countries. Some of these risks are more prevalent in countries that are less developed or have emerging economies. The Company's continuing exploration properties are in Turkey while its head office is in Toronto, Canada. The Company discontinued its PNG operations in July 2012. In Turkey, the Company's assets and operations are subject to various political, economic and other uncertainties and changes arising therefrom, including, among other things: the risks of war and civil unrest or other risks that may limit or disrupt a project, restrict the movement of funds or product, or result in the deprivation of contract rights or the taking of property by nationalization or appropriation without fair compensation; expropriation; nationalization; renegotiation, nullification, termination or rescission of existing concessions or of licenses, permits, approvals and contracts; taxation policies; foreign exchange and repatriation restrictions; changing political conditions; changing fiscal regimes and uncertain regulatory environments; international monetary and market securities fluctuations; and currency controls and foreign governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. During 2013

and in early 2014 there was an increase in political protests, alleged corruption, and changes affecting appointments of government ministers and senior bureaucrats that may affect the timeliness of certain review and approval processes.

- *Tax:* Changes in taxation legislation or regulations in the countries in which the Company operates could have a material adverse effect on the Company's business and financial condition. The government of Turkey continues to promote its investment incentive programs, which include corporate income tax rate reductions and certain exemptions. A successful application by the Company to qualify for these incentives may have a positive impact on the potential results from developing the Yenipazar Project.

- *Foreign Exchange:* The Turkish lira (TRY) fluctuated in value between approximately TRY1.80 = US$1 and TRY2.30 = US$1 from March 2013 through February 2014 and was trading in February at approximately TRY 2.20 to US$1. The Company is also affected by fluctuations in the CAD – USD exchange rate. Currency fluctuations may impact the cost of present and future activities in Turkey, including the estimated pre-production capital expenditures required to build the Yenipazar Project.

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

- *Significant Shareholders:* As at the date of this MD&A, ANT owned approximately 30.1% of the Company's outstanding Common Shares. In addition, as described under the heading "Financing Activities" in the MD&A for the thirteen months ended December 31, 2012. ANT Holding has certain contractual rights entitling them to nominate directors of the Company. As at the date of this MD&A, Mavi owned approximately 17.4% of the Company's outstanding Common Shares. In addition, Mavi has certain contractual rights entitling them to nominate a director of the Company. The liquidity of the Common Shares may be affected as only 52.5% of the Common Shares are being freely traded.

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

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

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

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

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

- *Community Relations:* The Company's relationship with the communities in which it operates is critical to the successful development, construction and operation of its properties. The Company is committed to operating in a socially responsible manner. The Company's strategy includes developing its land acquisition plan and the ESIA in accordance with Equator Principles III, and employing a Community Relations Manager. However, there is no guarantee that its projects will be accepted by the communities in which they are located.

QUALIFIED PERSONS

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

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of the Company's financial statements requires the Company to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as revenues and expenses. The Company's accounting policies and estimates are thoroughly described in Note 2 to the consolidated financial statements for the year ended December 31, 2013.

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED AND ADOPTED

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

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

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

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

(iv) IFRS 13 – ‘Fair value measurement’ (“IFRS 13”), aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 was issued by the IASB in May 2011. IFRS 13 became effective for the Company on January 1, 2013. The adoption did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at December 31, 2013. Enhanced disclosures are included in the consolidated financial statements.

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

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED AND NOT YET ADOPTED

(i) IFRS 9 – ‘Financial instruments’, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. In July 2013, the IASB voted to defer the mandatory adoption date of IFRS 9 for annual periods beginning on or after January 1, 2015. The IASB agreed that the mandatory effective date should be left open pending finalization of the impairment and classification and measurement requirements. Early adoption will continue to be permitted. The Company has not elected to adopt early and is assessing the impact of the new standard.

(ii) IFRIC 21 – Levies (“IFRIC 21”) is an interpretation of IAS 37, ‘Provisions, contingent liabilities and contingent assets’. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for the fiscal year beginning January 1, 2014.

(iii) Amendment to IAS 36 – Impairment of assets (“IAS 36”) addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendments are effective for the fiscal year beginning January 1, 2014.

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 that the new process being developed by the Company will take longer to develop than anticipated or that it will not be successfully developed; risks of being unable to sell production in the event of the development of a project; foreign investment risks in Turkey; changes in Turkish laws or regulations; future actions by the Turkish government; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company's property interests; uninsured hazards; disruptions to the Company's supplies or service providers; reliance on key personnel; retention of key employees; absence of dividends and competition.

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

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