



**Condensed Consolidated Interim Financial Statements**

**For the Three and Six Months Ended June 30, 2014**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**



**Aldridge Minerals Inc.**  
**Condensed Consolidated Interim Statements of Financial Position**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

	As at June 30 2014	As at December 31 2013
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 2,673,751	\$ 7,055,868
Other receivables and current assets (Note 5)	392,359	429,441
Prepaid expenses	230,903	186,028
	<b>3,297,013</b>	7,671,337
Exploration license deposits (Note 6(b))	41,551	71,786
Mineral property under development (Note 6(a))	5,443,182	2,476,462
Property and equipment (Note 7)	789,116	860,314
Other assets (Note 8)	97,915	97,915
	<b>\$ 9,668,777</b>	<b>\$ 11,177,814</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 800,837	\$ 721,874
Due to related parties (Note 12)	18,060	31,886
	<b>818,897</b>	753,760
Environmental rehabilitation provision	49,281	49,281
Other liabilities (Note 9)	145,154	123,772
	<b>1,013,332</b>	926,813
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 10(b))	59,042,061	59,042,061
Contributed surplus	13,466,609	13,336,689
Deficit	(63,849,797)	(62,127,379)
Accumulated other comprehensive loss	(3,428)	(370)
	<b>8,655,445</b>	10,251,001
	<b>\$ 9,668,777</b>	<b>\$ 11,177,814</b>

Nature of Operations and Going Concern (Note 1)

Approved by the Board of Directors:

“Barry Hildred”  
Barry Hildred, Director

“Ed Guimaraes”  
Ed Guimaraes, Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**Aldridge Minerals Inc.**  
**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 30	June 30	June 30	June 30
	2014	2013	2014	2013
<b>EXPENSES</b>				
Exploration and evaluation expenditures (Note 6)	\$ -	\$ 1,172,528	\$ 5,029	\$ 3,209,780
General and administrative (Note 11)	907,994	1,354,930	1,713,564	2,373,922
	<b>(907,994)</b>	<b>(2,527,458)</b>	<b>(1,718,593)</b>	<b>(5,583,702)</b>
<b>OTHER INCOME (EXPENSE)</b>				
Interest income	8,460	39,442	24,407	62,070
Other income	3,422	678	7,043	8,272
Other expense	(55)	(3,754)	(2,606)	(11,145)
Foreign exchange gain/(loss)	(25,014)	(14,397)	(32,669)	(15,534)
	<b>(13,187)</b>	<b>21,969</b>	<b>(3,825)</b>	<b>43,663</b>
<b>Net loss for the period before income tax</b>	<b>\$ (921,181)</b>	<b>\$ (2,505,489)</b>	<b>\$ (1,722,418)</b>	<b>\$ (5,540,039)</b>
<b>Income tax recovery (Note 15)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>343,433</b>
<b>Net loss for the period</b>	<b>\$ (921,181)</b>	<b>\$ (2,505,489)</b>	<b>\$ (1,722,418)</b>	<b>\$ (5,196,606)</b>
Items that may be reclassified to net loss:				
Change in unrealized foreign currency translation gains on foreign operations	2,537	-	1,378	-
Items that will not be subsequently reclassified to net loss:				
Changes in gains/(losses) on employment termination benefits	21	-	(4,436)	-
<b>Comprehensive loss for the period</b>	<b>\$ (918,623)</b>	<b>\$ (2,505,489)</b>	<b>\$ (1,725,476)</b>	<b>\$ (5,196,606)</b>
<b>Basic and diluted net loss per share</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>	<b>\$ (0.07)</b>
<b>Weighted average number of shares outstanding - basic and diluted</b>	<b>84,733,660</b>	<b>84,733,660</b>	<b>84,733,660</b>	<b>76,956,274</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**Aldridge Minerals Inc.**  
**Condensed Consolidated Interim Statements of Changes in Equity**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive (Loss) Income	Deficit	Total
<b>Balance, December 31, 2012</b>	<b>\$ 45,526,494</b>	<b>\$ 13,265,748</b>	<b>\$ -</b>	<b>\$ (55,082,945)</b>	<b>\$ 3,709,297</b>
Net and comprehensive loss for the period	-	-	-	(5,196,606)	(5,196,606)
Shares issued for cash	15,028,914	-	-	-	15,028,914
Share issue cost	(1,513,347)	163,648	-	-	(1,349,699)
Stock based compensation	-	131,678	-	-	131,678
Tax on expired warrants	-	(343,433)	-	-	(343,433)
<b>Balance, June 30, 2013</b>	<b>\$ 59,042,061</b>	<b>\$ 13,217,641</b>	<b>-</b>	<b>\$ (60,279,551)</b>	<b>\$ 11,980,151</b>

<b>Balance, December 31, 2013</b>	<b>\$ 59,042,061</b>	<b>\$ 13,336,689</b>	<b>\$ (370)</b>	<b>\$ (62,127,379)</b>	<b>\$ 10,251,001</b>
Net loss for the period	-	-	-	(1,722,418)	(1,722,418)
Change in unrealized foreign currency translation gains on foreign operations	-	-	1,378	-	1,378
Change in gains (losses) on employment termination benefits	-	-	(4,436)	-	(4,436)
Comprehensive loss for the period	-	-	(3,058)	(1,722,418)	(1,725,476)
Stock based compensation	-	129,920	-	-	129,920
<b>Balance, June 30, 2014</b>	<b>\$ 59,042,061</b>	<b>\$ 13,466,609</b>	<b>\$ (3,428)</b>	<b>\$ (63,849,797)</b>	<b>\$ 8,655,445</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**Aldridge Minerals Inc.**  
**Condensed Consolidated Interim Statements of Cash Flows**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

	<b>Six Months Ended</b>	
	<b>June 30</b>	<b>June 30</b>
	<b>2014</b>	<b>2013</b>
<b>Cash Flows from (used in) Operating Activities</b>		
Net loss from continuing operations	\$ (1,722,418)	\$ (5,196,606)
Add (deduct) items not affecting cash:		
Amortization	30,444	47,055
Income tax recovery (Note 15)	-	(343,433)
Stock-based compensation	78,847	131,678
Unrealized foreign exchange loss/(gain)	(2,167)	(426)
Loss on disposal of assets	-	20,836
Other	-	20,683
	<b>(1,615,294)</b>	<b>(5,320,213)</b>
Changes in non-cash operating assets and liabilities (Note 14)	<b>(47,902)</b>	<b>(155,795)</b>
	<b>(1,663,196)</b>	<b>(5,476,008)</b>
<b>Cash Flows from (used in) Financing Activities</b>		
Share issue proceeds received, net of costs	-	13,679,215
	-	13,679,215
<b>Cash Flows from (used in) Investing Activities</b>		
Investment in mineral property under development	(2,732,767)	-
Purchase of property and equipment	(15,733)	(356,326)
Exploration license deposit	32,815	79,577
	<b>(2,715,685)</b>	<b>(276,749)</b>
Impact of foreign exchange on cash balances	(3,238)	426
Net change in cash and cash equivalents	(4,382,117)	7,926,884
Cash and cash equivalents, beginning of period	7,055,868	3,475,088
<b>Cash and cash equivalents, end of period</b>	<b>\$ 2,673,751</b>	<b>\$11,401,972</b>
Total interest paid	\$ -	\$ -
Total income taxes paid	\$ -	\$ -

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended June 30, 2014**  
**(Unaudited)**

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Aldridge Minerals Inc. (the "Company") is listed on the TSX Venture Exchange (TSX-V: AGM). During the three and six months ended June 30, 2014, the Company's principal business activities were the exploration and development of mineral properties in Turkey. As at June 30, 2014, the Company is incorporated under the Canadian Business Corporations Act, and its head office is located at 10 King Street East, Suite 300, Toronto, Ontario, M5C 1C3.

The unaudited condensed consolidated interim financial statements of the Company for the three and six months ended June 30, 2014 were approved and authorized for issue by the Board of Directors on August 20, 2014.

The economic recoverability of the mineral properties is dependent upon prevailing market conditions and metal prices, the successful acquisition of the land in which the minerals are located and the ability of the Company to obtain necessary financing to bring the property to commercial production.

These unaudited condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. The Company has incurred a net loss in the current six-month period of \$1,722,418 (June 30, 2013 - \$5,196,606) and has an accumulated deficit of \$63,849,797 (December 31, 2013 - \$62,127,379). In addition, the Company had working capital, being current assets less current liabilities, of \$2,478,116 at June 30, 2014 (December 31, 2013 - working capital of \$6,917,577). As the Company moves into the development stage of its Yenipazar project, it will need to secure additional funding to advance the mine towards production, meet its obligations and keep its mineral claims in good standing. Although the Company has successfully raised additional funding in 2014 (Note 16) and the Company has reached a major project milestone by earning a 100% working interest in the Yenipazar Property after the completion of the related feasibility study, there can be no assurance that sufficient new funding will be obtained. These circumstances may cast significant doubt as to the Company's ability to continue as a going concern and the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These unaudited condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and condensed consolidated interim statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(a) Basis of preparation*

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting. The condensed consolidated interim financial statements do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual consolidated financial statements and accordingly, should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2013, which have been prepared in accordance with IFRS.

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended June 30, 2014**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

A summary of significant accounting policies is included in Note 2 of Company's annual financial statements for the year ended December 31, 2013. The accounting policies adopted are consistent with those of the previous financial year, except as described below.

*(b) Accounting standards and amendments issued and adopted*

- (i) 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. The Company identified no significant impacts as a result of the adoption of this interpretation.
- (ii) 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. The Company identified no significant impacts as a result of the adoption of this interpretation.

*(c) Accounting standards and amendments issued but not yet adopted*

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

**3. CAPITAL MANAGEMENT**

There have been no changes to the Company's capital management objectives, nor to the way by which its capital structure is monitored. As at June 30, 2014, the Company is not subject to any capital requirements imposed by a lending institution. Subsequent to June 30, 2014, the Company closed an interim financing consisting of debt and equity issuances that are subject to certain lender-imposed covenants and capital requirements (Note 16).

**4. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Company holds Class A Performance shares in Anatolia Energy Limited (“Anatolia”). Shareholders of these Performance shares are entitled to be issued common shares in Anatolia if Anatolia issues Australian Joint Ore Reserves Committee (“JORC”) Code compliant resource estimates that meet predetermined thresholds. These thresholds are described in Note 7 of the consolidated financial statements for the year ended December 31, 2013. As at June 30, 2014, the Company continued to hold the Class A Performance shares at an estimated fair value of \$nil (December 31, 2013 - \$nil) based on the assessment of the likelihood of Anatolia achieving the minimum performance requirement. The valuation processes and results are reviewed and approved by Management. The shares are classified as Level 3 fair value measurements.



**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
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**5. OTHER RECEIVABLES AND CURRENT ASSETS**

	<b>As at June 30 2014</b>	<b>As at December 31 2013</b>
Deferred rent	\$ 2,173	\$ 6,519
Interest receivable	7,712	63,106
Sales taxes receivable	382,474	359,816
Other receivables	\$ 392,359	\$ 429,441

**6. EXPLORATION & DEVELOPMENT EXPENDITURES ON MINERAL PROPERTIES**

*a) Yenipazar Project, Turkey*

<b>Mineral Property Under Development</b>	<b>Yenipazar Project</b>
<b>Balance, December 31, 2013</b>	<b>\$ 2,476,462</b>
Additions	2,966,720
<b>Balance, June 30, 2014</b>	<b>\$ 5,443,182</b>

In accordance with the Company's accounting policy, upon determination of technical feasibility and commercial viability of a project, related development expenditures are capitalized. At the beginning of the third quarter of 2013, the Company began to capitalize expenditures as mineral property under development with respect to the Yenipazar project. Prior to that time, expenditures relating to the Yenipazar project were expensed in exploration and evaluation expenditures when incurred.

The Company's wholly-owned subsidiary in Turkey holds an Operational License for the Yenipazar Project. On May 21, 2014 the Company's Operational License and related mining permits for the Yenipazar Project were renewed for 5 years.

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. The temporary shutdown permit was renewed in April 2014 and expires in January 2015.

During the six months ended June 30, 2014, additions to the mineral property under development mainly related to the completion of the Optimization Study for the Yenipazar Project.

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended June 30, 2014**  
**(Unaudited)**

**6. EXPLORATION & DEVELOPMENT EXPENDITURES ON MINERAL PROPERTIES (continued)**

*a) Yenipazar Project, Turkey (continued)*

The expenditures on the mineral property in Yenipazar were as follows:

	Three months ended June 30 2014	Three months ended June 30 2013	Six months ended June 30 2014	Six months ended June 30 2013
<b>Yenipazar Property</b>				
Analytical	\$ 1,129	\$ 4,802	\$ 1,326	\$ 25,025
Depreciation	28,254	7,719	56,486	15,190
Drilling	-	43,578	-	112,318
Drilling site access fees	8,633	6,850	13,221	10,586
Engineering consulting for Optimization Study	588,719	-	1,205,680	-
Environmental consulting	38,846	-	60,587	-
Feasibility studies and project management	-	294,272	-	1,039,803
Geotechnical consulting	-	11,009	-	67,682
Land acquisition planning and development	-	74,101	-	165,455
License	8,008	1,088	10,414	3,741
Metallurgical consulting	18,755	20,035	104,236	201,614
Permitting	61,055	-	138,074	-
Professional expenses	58,145	136,543	156,270	161,978
Project expenses and employee costs	535,161	455,792	1,037,001	1,075,523
Resource estimate and mine design	-	36,533	-	183,338
Travel	63,343	52,409	132,177	91,683
Vehicles and equipment	20,807	24,199	44,818	44,969
Other	2,798	3,598	6,430	7,342
	<b>\$ 1,433,653</b>	<b>\$ 1,172,528</b>	<b>\$ 2,966,720</b>	<b>\$ 3,206,247</b>

*b) Other Exploration Licenses, Turkey*

**Exploration license deposits**

<b>Balance, December 31, 2013</b>	<b>\$ 71,786</b>
Refunded	(32,815)
Impact of foreign exchange	2,580
<b>Balance, June 30, 2014</b>	<b>\$ 41,551</b>

At June 30, 2014, the Company held a total of 2 exploration licenses (December 31, 2013 - 8). Exploration and evaluation expenditures for the three and six months ended June 30, 2014 include amounts related to other licenses and fees in Turkey of \$5,029 (six months ended June 30, 2013 - \$3,533).

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended June 30, 2014**  
**(Unaudited)**

**7. PROPERTY AND EQUIPMENT**

<b>Cost</b>	<b>Equipment</b>	<b>Computer equipment</b>	<b>Land</b>	<b>Leasehold Improvements</b>	<b>Building</b>	<b>Total</b>
Balance, December 31, 2013	\$ 709,651	\$ 117,830	\$ 64,700	\$ 20,890	\$ 338,040	\$ 1,251,111
Additions	13,394	2,339	-	-	-	15,733
Disposals	-	-	-	-	-	-
Balance, June 30, 2014	\$ 723,045	\$ 120,169	\$ 64,700	\$ 20,890	\$ 338,040	\$ 1,266,844

<b>Accumulated amortization</b>	<b>Equipment</b>	<b>Computer equipment</b>	<b>Land</b>	<b>Leasehold Improvements</b>	<b>Building</b>	<b>Total</b>
Balance, December 31, 2013	\$ 320,548	\$ 52,982	\$ -	\$ 6,268	\$ 10,999	\$ 390,797
Net amortization	54,565	14,082	-	1,382	16,902	86,931
Balance, June 30, 2014	\$ 375,113	\$ 67,064	\$ -	\$ 7,650	\$ 27,901	\$ 477,728

<b>Carrying value</b>	<b>Equipment</b>	<b>Computer equipment</b>	<b>Land</b>	<b>Leasehold Improvements</b>	<b>Buildings</b>	<b>Total</b>
Balance, December 31, 2013	\$ 389,103	\$ 64,848	\$ 64,700	\$ 14,622	\$ 327,041	\$ 860,314
Balance, June 30, 2014	\$ 347,932	\$ 53,105	\$ 64,700	\$ 13,240	\$ 310,139	\$ 789,116

**8. OTHER ASSETS**

	<b>As at June 30, 2014</b>	<b>As at December 31, 2013</b>
Rent deposits held by lessor	\$ 67,915	\$ 67,915
Restricted cash	30,000	30,000
	\$ 97,915	\$ 97,915

**9. OTHER LIABILITIES**

	<b>As at June 30, 2014</b>	<b>As at December 31, 2013</b>
Deferred rent	\$ 36,799	\$ 16,092
Statutory employee termination benefits	108,355	107,680
	\$ 145,154	\$ 123,772

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended June 30, 2014**  
**(Unaudited)**

**10. SHARE CAPITAL**

**(a) Authorized**

Authorized share capital is unlimited.

**(b) Issued**

	Number of Shares	Amount
<b>Balance, December 31, 2013</b>	<b>84,733,660</b>	<b>\$ 59,042,061</b>
<b>Balance, June 30, 2014</b>	<b>84,733,660</b>	<b>\$ 59,042,061</b>

**(c) Warrants**

The following table shows the continuity of warrants for the period ended June 30, 2014:

	Number of Warrants	Weighted Average Exercise Price
<b>Balance, December 31, 2013</b>	<b>738,213</b>	<b>\$ 0.475</b>
Expired	-	-
Issued	-	-
<b>Balance, June 30, 2014</b>	<b>738,213</b>	<b>\$ 0.475</b>

As at June 30, 2014, the following warrants were outstanding:

Description	Expiry date	Weighted Average 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
		\$ 0.475	738,213	\$ 163,648

**(d) Stock options**

The following table shows the continuity of stock options for the six months ended June 30, 2014:

	Number of Stock Options	Weighted Average Exercise Price
<b>Balance, December 31, 2013</b>	<b>5,038,000</b>	<b>\$ 0.85</b>
Expired	(200,000)	1.11
Issued	1,000,000	0.235
<b>Balance, June 30, 2014</b>	<b>5,838,000</b>	<b>\$ 0.74</b>

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
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**10. SHARE CAPITAL (continued)**

**(d) Stock options (continued)**

On April 7, 2014 the Company granted 1,000,000 stock options to its new President and Chief Executive Officer. All options are exercisable at a price of \$0.235 per common share. One quarter of the options vest immediately, one quarter on the first anniversary, one quarter on the second anniversary and the balance on the third anniversary. They expire in 5 years. The fair value of options granted is \$149,900 on the date of issuance.

**11. GENERAL AND ADMINISTRATIVE**

	<b>Three months ended June 30 2014</b>	<b>Three months ended June 30 2013</b>	<b>Six months ended June 30 2014</b>	<b>Six months ended June 30 2013</b>
Amortization	\$ 15,258	\$ 16,617	\$ 30,447	\$ 31,865
Directors' fees and expenses	94,944	83,303	158,605	134,803
Office and sundry	137,443	165,188	279,232	360,396
Professional fees	115,765	516,051	273,667	868,663
Salaries and benefits	393,669	379,103	741,166	631,082
Shareholder information	41,733	73,221	66,142	131,808
Stock-based compensation	47,374	53,482	78,847	102,221
Transfer and filing	12,493	13,843	24,509	28,049
Travel and promotion	49,315	54,122	60,949	85,035
General and administrative expenses	\$ 907,994	\$ 1,354,930	\$ 1,713,564	\$ 2,373,922

**12. RELATED PARTY TRANSACTIONS**

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Related party transactions include consulting fees, management fees and compensation paid to key management personnel or to companies controlled by such individuals. Key management personnel are defined as officers and directors of the Company.

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended June 30, 2014**  
**(Unaudited)**

**12. RELATED PARTY TRANSACTIONS (continued)**

	Three months ended June 30 2014	Three months ended June 30 2013	Six months ended June 30 2014	Six months ended June 30 2013
Salaries and benefits <sup>(1)</sup>	\$ 209,202	\$ 201,316	\$ 335,886	\$ 403,501
Share based payments	76,420	47,489	102,342	91,301
Total compensation	\$ 285,622	\$ 248,805	\$ 438,228	\$ 494,802
Consulting and management fees <sup>(2)</sup>	103,632	118,168	307,067	176,264
Common share subscriptions <sup>(3)</sup>	-	-	-	845,011
Total transactions with key management personnel	\$ 389,254	\$ 366,973	\$ 745,295	\$ 1,516,077

<sup>(1)</sup> 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.

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

<sup>(3)</sup> 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 owed to key management personnel were \$18,060 as at June 30, 2014 (December 31, 2013 - \$31,886).

**13. SEGMENTED INFORMATION**

Segmented information is provided on the basis of geographical segments as the Company operates in one industry, exploration and evaluation of mineral properties and manages its business and exploration activities in one geographical region, namely Turkey. The business segments presented reflect the management structure of the Company and the way in which the Company's Board of Directors review business performance. The Company evaluates performance of its operating and reportable segments as noted below:

Three months ended June 30, 2014	Corporate	Turkey	Total
Exploration and evaluation expenditures	\$ -	\$ -	\$ -
General and administrative	613,026	294,968	907,994
	\$ (613,026)	\$ (294,968)	\$ (907,994)
Interest income	8,460	-	8,460
Other income	-	3,422	3,422
Other expenses	-	(55)	(55)
Foreign exchange gain/(loss)	(7,029)	(17,985)	(25,014)
Income tax recovery	-	-	-
<b>Net loss – three months ended June 30, 2014</b>	<b>\$ (611,595)</b>	<b>\$ (309,586)</b>	<b>\$ (921,181)</b>

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
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**(Unaudited)**

**13. SEGMENTED INFORMATION (continued)**

Three months ended June 30, 2013	Corporate	Turkey	Total
Exploration and evaluation expenditures	\$ -	\$ 1,172,528	\$ 1,172,528
General and administrative	1,109,889	245,041	1,354,930
	\$ (1,109,889)	\$ (1,417,569)	\$ (2,527,458)
Interest income	39,442	-	39,442
Other income	-	678	678
Other expenses	-	(3,754)	(3,754)
Foreign exchange gain/(loss)	(21,085)	6,688	(14,397)
Income tax recovery	-	-	-
<b>Net loss – three months ended June 30, 2013</b>	<b>\$ (1,091,532)</b>	<b>\$ (1,413,957)</b>	<b>\$ (2,505,489)</b>

  

Six months ended June 30, 2014	Corporate	Turkey	Total
Exploration and evaluation expenditures	\$ -	\$ 5,029	\$ 5,029
General and administrative	1,186,413	527,151	1,713,564
	\$ (1,186,413)	\$ (532,180)	\$ (1,718,593)
Interest income	24,407	-	24,407
Other income	-	7,043	7,043
Other expenses	-	(2,606)	(2,606)
Foreign exchange loss	(9,623)	(23,046)	(32,669)
<b>Net loss – Six months ended June 30, 2014</b>	<b>\$ (1,171,629)</b>	<b>\$ (550,789)</b>	<b>\$ (1,722,418)</b>

  

Six months ended June 30, 2013	Corporate	Turkey	Total
Exploration and evaluation expenditures	\$ -	\$ 3,209,780	\$ 3,209,780
General and administrative	1,867,951	505,971	2,373,922
	\$ (1,867,951)	\$ (3,715,751)	\$ (5,583,702)
Interest income	62,070	-	62,070
Other income	-	8,272	8,272
Other expenses	-	(11,145)	(11,145)
Foreign exchange gain/(loss)	(21,591)	6,057	(15,534)
Income tax recovery	343,433	-	343,433
<b>Net loss – Six months ended June 30, 2013</b>	<b>\$ (1,484,039)</b>	<b>\$ (3,712,567)</b>	<b>\$ (5,196,606)</b>

**Aldridge Minerals Inc.**  
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**13. SEGMENTED INFORMATION (continued)**

	Corporate	Turkey	Total
Mineral property under development	\$ -	\$ 5,443,182	\$ 5,443,182
Corporate and other assets	3,644,569	581,026	4,225,595
<b>Total assets - June 30, 2014</b>	<b>\$ 3,644,569</b>	<b>\$ 6,024,208</b>	<b>\$ 9,668,777</b>

	Corporate	Turkey	Total
Mineral property under development	\$ -	\$ 2,476,462	\$ 2,476,462
Corporate and other assets	7,321,743	1,379,609	8,701,352
Total assets - December 31, 2013	\$ 7,321,743	\$ 3,856,071	\$ 11,177,814

**Geographic Information**

	Canada	Turkey	The Netherlands	Total
Exploration license deposits	\$ -	\$ 41,551	\$ -	\$ 41,551
Mineral property under development	-	5,443,182	-	5,443,182
Property and equipment	57,411	731,705	-	789,116
Other assets	97,915	-	-	97,915
<b>Total non-current assets – June 30, 2014</b>	<b>\$ 155,326</b>	<b>\$ 6,216,438</b>	<b>\$ -</b>	<b>\$ 6,371,764</b>

	Canada	Turkey	The Netherlands	Total
Exploration license deposits	\$ -	\$ 71,786	\$ -	\$ 71,786
Mineral property under development	-	2,476,462	-	2,476,462
Property and equipment	62,822	797,492	-	860,314
Other assets	97,915	-	-	97,915
Total non-current assets - December 31, 2013	\$ 160,737	\$ 3,345,740	\$ -	\$ 3,506,477

**14. CHANGES IN NON-CASH OPERATING ASSETS AND LIABILITIES**

	Six months ended June 30, 2014	Six months ended June 30, 2013
Changes in non-cash operating assets and liabilities:		
Other receivables	\$ 37,082	\$ 156,999
Prepaid expenses	(45,157)	293,961
Other assets	-	4,346
Accounts payable, accrued liabilities, and other liabilities	(26,001)	(624,843)
Due to related parties	(13,826)	13,742
	<b>\$ (47,902)</b>	<b>\$ (155,795)</b>



**Aldridge Minerals Inc.**  
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**15. INCOME TAXES**

Income tax recoveries are recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The Company recorded an income tax recovery of \$nil during the three and six months ended June 30, 2014 (three months ended June 30, 2013 - \$343,433) to reflect the expiration of outstanding warrants.

**16. SUBSEQUENT EVENT**

On August 29, 2014, the Company announced that it has executed definitive agreements with Orion Fund JV Limited, an affiliate of the Orion Mine Finance funds, in connection with a US\$10 million equity private placement which includes participation by the Company's two largest shareholders (the "Private Placement") and a secured US\$35 million bridge loan facility (the "Loan"). The Company has also entered into lead concentrate and gold offtake agreements with an Orion affiliate (the "Offtakes"), which are conditional upon the Company receiving funding from Orion under the Private Placement and the Loan. Closing of the Private Placement (the "Closing Date") and the initial advance under the Loan are expected to occur in September 2014.

On the Closing Date, Orion will purchase 11,660,611 common shares of the Company through a non-brokered private placement for gross proceeds of US\$5,247,275, representing a purchase price of US\$0.45 per common share. Subject to certain conditions, Orion will have the right to participate in future securities offerings by the Company in order to maintain its ownership share in the Company.

The Company's two largest shareholders, ANT Holding Anonim Sti. ("ANT") and APMS Investment Fund Ltd. (formerly Mavi Investment Fund Ltd.) ("APMS"), will participate in the Private Placement to maintain their approximate ownership positions of 30% and 17%, respectively. ANT will purchase 6,696,732 common shares at a price of US\$0.45 per common share for gross proceeds of US\$3,013,529. APMS will purchase 3,864,879 common shares at a price of US\$0.45 per common share for gross proceeds of US\$1,739,195. ANT and APMS will also receive one common share purchase warrant ("Warrant") for each common share purchased through the Private Placement. Each Warrant will entitle the holder to acquire one common share at a price of US\$1.00 for a period of two years from the Closing Date. The common shares and the Warrants, and the common shares issuable on exercise of the Warrants, will be subject to a four-month hold period from the Closing Date under applicable securities laws.

In connection with the Private Placement, Orion, which, following completion of the Private Placement, will own approximately 11% of the outstanding common shares, has been granted the right to nominate one individual for election to the Board of Directors of the Company for 24 months following the Closing Date and thereafter for such time as Orion owns at least 10% of the outstanding common shares, subject to certain adjustments.

Highlights of the Loan include:

- Principal amount of US\$35 million.
- Term of 2 years following the Closing Date.
- Interest is 9% per annum plus the greater of 3 month USD LIBOR and 1%. Interest will accrue over the term of the Loan and will be capitalized monthly.
- Early repayment of the Loan may occur at any time without charges (other than customary breakage costs).
- The Loan is not subject to any structuring or arrangement fees.
- Orion will have first priority security interest in all of the material assets of the Company. Such security will be released following full repayment of the Loan plus all accrued interest.

**Aldridge Minerals Inc.**  
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**16. SUBSEQUENT EVENT (continued)**

The Company and Orion, have also entered into definitive Offtakes which are conditional upon the Company receiving funding from Orion under the Private Placement and the Loan. Under the Offtakes, the Company has agreed to sell and Orion has agreed to purchase on a take-or-pay basis certain lead concentrate and gold expected to be produced at the Company's Yenipazar Project. The Company will sell 50% of the gold produced over the first ten years of the mine plan at Yenipazar, subject to certain minimum delivery requirements. The Company will also sell 5,000 dry metric tonnes of lead concentrate per annum to Orion over the first ten years of the mine plan at Yenipazar, corresponding to approximately 20% of the total lead concentrate volume, subject to minimum total deliveries of 50,000 dry metric tonnes of lead concentrate. The payment price for both the lead concentrate and gold will be determined in the context of the market at the time of delivery, subject to certain quotational periods.

Subject to the approval of the Exchange, a director of Aldridge will receive approximately US\$332,000 in finder's fees in connection with securing the Private Placement investments from ANT and APMS.