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

For the Three and Six Months Ended June 30, 2016
(As of August 11, 2016)

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Aldridge Minerals Inc. ("Aldridge", "we", "our" or the "Company"), our operations, financial performance and present and future business environment. This MD&A is prepared as of August 11, 2016 and should be read in conjunction with the interim consolidated financial statements and the related notes for the six months ended June 30, 2016 (the "Q2 2016 Financial Statements"), and the audited consolidated financial statements and the related notes (the "2015 Audited Financials") and MD&A for the year ended December 31, 2015 and dated March 24, 2015 (the "2015 Annual MD&A"), which are prepared in accordance with the International Financial Reporting Standards ("IFRS"). The Company's common shares are listed on the TSX Venture Exchange (TSX-V: AGM). Continuous disclosure materials, including the Company's Annual Information Form, are available on SEDAR at WWW.SEDAR.COM and on the Company's website at WWW.ALDRIDGEMINERALS.CA.

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

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

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

HIGHLIGHTS, OUTLOOK AND SELECTED FINANCIAL INFORMATION

Aldridge Minerals Inc. ('Aldridge' or the 'Company') is a development stage mining company focused on its wholly-owned Yenipazar Project, which is a polymetallic volcanogenic massive sulphide ("VMS") body that hosts a gold-silver-copper-lead-zinc mineral deposit in central Turkey. The Company completed the "Technical Report on the Yenipazar Optimization Study, Yozgat Province, Turkey" (the "Optimization Study") in April 2014 and presently holds the key permits required to develop the Yenipazar Project. In September 2014, a $45,000,000 financing, which included a $35,000,000 loan facility, was closed with proceeds to be used to advance the land acquisition process, engineering, and financing activities.

ALDRIDGE'S HIGHLIGHTS AND ACHIEVEMENTS

- **Update on Turkey** – On July 15, 2016, the Turkish Government announced that there was an attempted coup, which resulted in numerous deaths, injuries and arrests as reported widely in the media. The Company confirmed that all its personnel were accounted for and safe. There have been no disruptions to the Company's Yenipazar Project, which is located approximately 290 kilometres east-southeast of Ankara, or the Company's Ankara office.

- **Loan Extension and Silver Stream –** On July 28, 2016, the Company announced that it is in advanced stage discussions with an affiliate of Orion Mine Finance ("Orion"), with respect to a potential silver stream transaction (the "Potential Transaction") the proceeds of which would be used to repay outstanding indebtedness owed by the Company under its existing $35,000,000 loan facility with Orion (the "Loan") and to fund the Company's on-going land acquisition process and working capital requirements.

  Subject to the satisfaction of certain conditions precedent, including the finalization of definitive documentation, the Potential Transaction would, if completed, result in, among other things, the extension of the Loan's maturity date from August 29, 2016 to up to December 31, 2017. The implementation of the silver stream transaction and repayment of the Loan prior to the revised Loan maturity date would be subject to the Company achieving certain milestones related to the development of the Yenipazar Project in Turkey. Aldridge expects the silver stream deposit to equal $40,000,000.

- **Working Capital and Debt Facility –** The Company ended the second quarter with $3,607,954 in cash and negative working capital of $15,670,335. As at June 30 and August 11, 2016 the Company had drawn down $17,500,000 of its $35,000,000 Loan, which matures August 29, 2016.

- **Land Acquisition –** The land acquisition process ("LAP") that was initiated in 2014 continues with voluntary land sales running in parallel with the State-led compulsory LAP. During the second quarter of 2016 approximately $1,673,371 was spent acquiring land through voluntary sales. As at June 30, 2016 approximately 36% of the total project area had been acquired for a cost of $9,410,535. In addition interest has been capitalized in the amount of $2,613,375 related to the Loan. The Company has the right to use treasury land representing an additional 13% of the project area, which increased the total area the Company owned or to which it had access as at June 30, 2016 to approximately 49% of the project area.

In June 2016, the Company revised its offer price strategy in order to shorten the acquisition timeline and address the risk of the potential impact of the State-led compulsory LAP court process on the Company's social licence to operate. As a result, the initial offer of Turkish Lira ("TRY") 5.1 per square metre (m^2) was increased to TRY 9.1 per m^2 with a payment of TRY 5.1 per m^2 payable on title transfer and a deferred payment of TRY 4 (or $1.35) per m^2. The deferred payment is due 24 months after the title transfer date, or with a 5% extension charge, 36 months after the title transfer date, and in either case prior to beginning construction on site. The revised offer price resulted in significant acceptance by existing land owners.

In July 2016 the Company received land owner commitment agreements representing more than 80% of the remaining 4,812,291 square meters of land to be purchased. Consequently land acquisitions and purchase commitments since June 30, 2016 improved as indicated in the following chart:

	30-Jun-16	**30-Jun-16**	**30-Jun-16**	**1-Aug-16**	**1-Aug-16**	**1-Aug-16**
				including Commitments*		
	Land Parcels	**Land Area (m^2)**	**% of Project Area**	**Land Parcels**	**Land Area (m^2)**	**% of Project Area**
Treasury land - 'Right to Use' per mining license	84	1,210,907	12.8%	84	1,210,907	12.8%
Private land - Wholly owned	154	2,493,281	26.3%	154	2,493,281	26.3%
Commitments from landowners* - Wholly owned				216	3,541,306	37.3%
Treasury, wholly-owned private land & commitments*	**238**	**3,704,188**	**39.0%**	**454**	**7,245,494**	**76.3%**
Private land - Partially owned	125	930,832	9.8%	80	858,975	9.0%
Commitments from landowners* - Partially owned				36	366,807	3.9%
Sub-total - Partially owned	*125*	*930,832*	*9.8%*	*116*	*1,225,782*	*12.9%*
Land Titles Owned & Right to Use	**363**	**4,635,020**	**48.8%**	**570**	**8,471,276**	**89.2%**
Remaining to purchase - Partial parcels		1,178,818	12.4%		457,794	4.8%
Remaining to purchase - Whole parcels	238	3,633,473	38.3%	31	514,541	5.4%
Pasture land - application in progress	2	48,338	0.5%	2	48,338	0.5%
Outstanding - Required Land	**240**	**4,860,629**	**51.2%**	**33**	**1,020,673**	**10.8%**
Yenipazar Project Area	603	9,495,649	100.0%	603	9,491,949	100.0%

*"Commitments" represents agreements made by landowners to sell their property to Aldridge. The Company expects to process the transactions and obtain the title deeds at the local land registry office beginning in August.

The Company has commenced the process of executing the purchases of land pursuant to the commitment agreements discussed above. Turkish regulations allow ownership of a share of land title, which allows non-exclusive access to the land parcels. The chart above segregates the partially-owned parcels indicating additional purchases or expropriation are required to gain exclusive access to these land parcels. The Company is committed to paying former land owners, who previously sold their land to the Company at the initial offer price of TRY 5.1 per m^2, the deferred payment of TRY 4 (or $1.35) per m^2 at the same deferred dates. Consequently the total cost of the LAP is estimated to increase by approximately $10,000,000 from the Optimization Study estimated cost.

The State-led compulsory LAP court process continued in parallel with the voluntary transactions based on the new commitment agreements. There are presently 120 court cases related to approximately 4,800,000 m^2, or all remaining project land to be acquired. As land titles are acquired on a voluntary basis, the related court cases have been and will continue to be dropped. The court process includes an initial hearing whereby land pricing experts are appointed to assess the value of the project land. The initial hearing has been completed for 117 of the 120 open court cases, and pricing experts have visited more than 89% of the land area subject to the court cases.

Initial pricing reports have been issued relating to more than 80% (approximately 3,871,000 m^2) of the 4,800,000 m^2 in land subject to the court cases, resulting in an average price of approximately TRY 7.44 per square metre (assuming a 15% : 85% ratio between irrigable land and other land). The revised offer of TRY 9.1 per m^2 is approximately 22% higher than the combined pricing reports' average price, while maintaining the TRY 5.1 per m^2 payable upon title transfer and adding a deferred payment of TRY 4 (or $1.35) per m^2.

Engineering and Development Schedule - The Company continued to develop alternative basic engineering schedules that will facilitate construction following the closing of project financing. A Technical, Environment, Health, Safety & Sustainability (TEHSS) Committee was established in Q2 to create a small team of management, directors and consultants to evaluate and support the project development plan and future operations. Initial activities of the TEHSS Committee include evaluating, as appropriate, the engineering and development schedule along with proposed engineering packages, quotations, letters of intent, negotiations strategies and terms.

STRATEGY AND OUTLOOK

The Company's short term focus will be on completing the definitive documentation related to the Potential Transaction and completing the land purchases based on the commitment agreements and the revised price offer. The engineering, procurement and construction (EPC) activities will continue to focus on advancing the Yenipazar project in line with the timing of obtaining the financing in 2017. As a result, the Company expects to advance the Yenipazar project as follows:

- **Loan Extension and Silver Stream –** The Potential Transaction's definitive documentation is expected to be completed in August 2016 prior to the Loan maturity date of August 29, 2016. The structure of the transaction is intended to allow the Company to complete the LAP and provide additional funds for general corporate requirements.

- **Land Acquisition** – The LAP will be advanced as follows:

    - Voluntary Land Sale/Purchase: Significant voluntary land title purchase transactions are expected to begin in August based on the revised TRY 9.1 per m^2 with a payment of TRY 5.1

per m^2 payable on title transfer and a deferred payment of $1.35 (or approximately TRY 4) per m^2.

- State-led Compulsory Land Sale/Purchase: The State-led LAP continues with more than 120 court cases to acquire the remaining privately held land required within the project fence line. The land pricing experts' reports received by the court to date indicated an average price of approximately TRY 7.44 per square metre. The court requested additional pricing analysis, including further comparisons to pricing factors used in other regions. Follow up court hearings are scheduled over the next three months, with the final decision on the price to be established by the judge hearing the court cases.

  Once the court determines the price for each parcel of land, the court will then request Aldridge to fund the State's purchase of the land. The land acquired through the court will be classified as Treasury land to which Aldridge is granted full access rights in accordance with the key permits received to date and Turkish mining law.

Throughout the court case phase of the State-led LAP, Aldridge plans to continue to purchase land from owners willing to sell. Consequently, the Company is working towards completing at least 85% of LAP by the end of 2016 and the balance in Q1 2017. However, there are inherent procedural risks outside of the Company's control, such as the court proceedings and absent land owners (see "Risk Factors") which may result in some land parcel purchases delayed.

- **Engineering** – The Company has established the TEHSS Committee to assist with the analysis of the EPC development plan and, more specifically, the review and analysis of prospective contracts and negotiations of certain basic engineering packages and letters of intent related to the supply of long lead-time process equipment and other services. As a result, basic engineering may begin in the second half of 2016, with continuation in 2017. Additionally, to ensure construction compliance, long lead equipment has been identified and letter of intent documentation is anticipated to be initiated during this time period. Aldridge will continue to refine its basic engineering schedule and Project Execution Plan to ensure the focus is on critical path items while considering the variability of the timing of land acquisition and project financing.

- **Financing –** The Company will actively consider various project financing alternatives, which may include senior and subordinated debt, equity, metal streams, off-take agreements and strategic investments. Although significant progress on the LAP is anticipated in the next few months, the timing risk related to the State-led court process suggests additional time may be required to obtain all the land necessary to comply with project financing conditions. Consequently, the Company may seek interim equity financing within six months, and prior to completing the full project financing required to build the Yenipazar Project. The Company's ability to close interim and project financing will be affected by general market conditions.

MARKET OVERVIEW

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

The market prices of gold, silver, copper, lead and zinc are primary elements for evaluating the potential economic returns of the Company's Yenipazar Project. During the first quarter of 2016, commodity prices fluctuated as indicated in the chart below:

		January 1 to June 30, 2016 Price Range				Spot	Optimization
		Low	High	Close	Average	July 31, 2016	Study (May 2014)
Gold	$/oz.	1,077	1,325	1,321	1,220	1,342	1,250
Silver	$/oz.	13.58	18.36	18.36	15.80	20.04	20.00
Copper	$/lb.	1.94	2.31	2.19	2.12	2.43	3.00
Lead	$/lb.	0.80	0.95	0.89	0.87	0.89	0.94
Zinc	$/lb.	0. 73	1.05	1.05	0.90	1.11	0.90

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

Turkey is a mining-friendly jurisdiction based on the key reforms to its mining regulations in 2010 and its investment incentive programs. The Company has successfully worked within the Turkish regulatory environment for more than ten years. Most recently its success was evidenced by the receipt of the investment incentive certificates (IIC's) for the Yenipazar Project in July 2015 and the "Public Benefit" letter (the approval of the State-led LAP) in June 2015. The Company will continue to work diligently with the various regulators and community stakeholders to facilitate the timely execution of its LAP and other project development activities.

On July 15, 2016, there was an attempted coup in Turkey. The Turkish Government declared a state of emergency to take measures to address the situation. As reported in the general media, various government sectors terminated or detained numerous people, including in the judiciary sector. The Higher Council for Judges and Prosecutors (HSYK) took action in order to deal with this extraordinary situation. HSYK immediately cancelled the traditional judicial holiday. Judges and public prosecutors had to cancel their annual holiday plans that were traditionally used up between July 20 and September 1. Consequently, the judiciary hope to deal with the increased workload without significant delays. In the Boğazlıyan court house, the judge and court clerks, who are dealing with our LAP cases, remained on duty.

The current political environment in Turkey, following the failed coup attempt, may have an adverse effect on the assessment of potential country risk related to acquiring land and, generally, as it relates to raising financing for a development project in Turkey.

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

		Exchange Rates – June 30, 2016					
From	**To**	**Six months High**	**Six months Low**	**Six months Average**	**Spot**	**Spot July 31, 2016**	**Optimization Study (May 2014)**
USD	TRY	3.05	2.79	2.92	2.89	2.98	2.10
USD	CAD	1.46	1.25	1.33	1.30	1.30	1.09

Source: www.oanda.com– Spot at July 31, 2016

Continued strength, in comparison to the Optimization Study exchange rates, in the USD relative to the TRY has reduced the USD equivalent costs in Turkey throughout 2016. The annualized inflation rate in Turkey was approximately 7.0% in June 2016, and has ranged from 6.6% to 9.6% over the past 12 months. Currently, the Company has not experienced any material adverse effects resulting from changing domestic input prices that have influenced its operations. However, persistent and prolonged inflation in Turkey may eventually increase the USD equivalent costs, depending on movements in exchange rates.

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

SELECTED FINANCIAL INFORMATION

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

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

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

The following table provides selected consolidated financial information that should be read in conjunction with the Q2 2016 Financial Statements of the Company.

	Six Months ended and as at June 30, 2016	**Six Months ended and as at June 30, 2015**	**Year Ended and as at December 31, 2015**
Loss before income tax	**$(1,688,792)**	$(2,723,183)	$(5,279,998)
Net loss	**(1,688,792)**	(2,723,183)	(5,279,998)
Net loss per share	**(0.02)**	(0.03)	(0.05)
Cash and cash equivalents	**3,607,954**	6,394,406	8,520,566
Working capital [(i)]	**(15,670,335)**	6,624,642	(10,005,830)
Total assets	**30,711,251**	24,280,358	30,814,033
Total non-current financial liabilities	**174,892**	9,582,084	126,974

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

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

	Three Months Ended June 30, 2016	**Three Months ended June 30, 2015**	**Six Months ended June 30, 2016**	**Six Months ended June 30, 2015**
Yenipazar project, Turkey	**$752,534**	$1,168,608	**$1,577,475**	$2,710,039
Total Exploration & Evaluation	**$752,534**	$1,168,608	**$1,577,475**	$2,710,039

OVERVIEW OF PROJECTS AND INVESTMENTS

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

Yenipazar Project - Turkey

The Yenipazar Property is approximately 100 square kilometres in area and is located at the geographic center of Turkey. It is approximately 290 kilometres east-southeast of Ankara, the capital city, and is easily accessible via public roads and has good access to rail transportation and electrical power supply.

The Yenipazar deposit is a polymetallic VMS body that hosts a gold-silver-copper-lead-zinc mineral deposit within the Yenipazar Property. It has a currently determined strike length of at least 1,700 metres averaging 200 metres in width, with zones of approximately 20 metres in thickness at depths between 30 and 190 metres. Much of the ore body is sitting at a depth of approximately 50 to 120 metres. The Yenipazar Project includes approximately 9.4 square kilometres of land within the project fence line, of which 8.2 square kilometres was originally privately owned. The majority of the remaining 1.2 square kilometres (or 13% of the required land) is government-owned treasury or pasture land which the Company will be authorized to use for mining pursuant to the Yenipazar Operating Licence. At June 30, 2016 the Company had purchased approximately 36%, of the project area through voluntary acquisitions. The revised price offer of TRY 9.1 per m^2 (TRY 5.1 upon title transfer and the balance payable within 24 months) made in June resulted in significant acceptance of land owners, who made commitments to sell more than 40% of the project area. Future land acquisition will continue with the assistance of the State-led compulsory LAP, which is in the court case phase.

The Company's expenditures on the Yenipazar Project (excluding land) decreased by $1,132,564 in the second quarter ended June 30, 2016 to $1,577,475 as compared to the second quarter ended June 30, 2015. The decrease was mainly driven by staff reductions and engineering consulting fees.

PROPERTY OWNERSHIP STRUCTURE

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

Through Aldridge Turkey, the Company has an Operating Licence with respect to the Yenipazar Property, which was renewed in May 2014 for a period of five years. The related mining permits for each payable mineral will also expire at the same time. In accordance with the normal process in Turkey, the Company will request extensions to the Operating Licence and Operating Permits prior to 2019. The Company announced in March 2014 that it had received the EIA Permit for the Yenipazar Project. In addition, Aldridge has received the GSM Permit (local operating permit issued by the Governor), allowing the Company to conduct commercial activities in the Yenipazar region surrounding the Yenipazar Property; and the "Public Benefit" letter (the approval of the State-led LAP) and IICs, which demonstrates the Government of Turkey's full support for the project. With these key permits and documentation in place, the Company will proceed in due course with the application for routine construction and other ancillary permits.

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

DEVELOPMENT ACTIVITIES

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

- Land acquisition
- Engineering and Development Schedule

Land Acquisition

The Yenipazar Project involves approximately 9.496 square kilometres of required land, including approximately 1.259 square kilometres of treasury and pasture land (approximately 13%) and 8.237

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

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

Key milestones associated with the LAP are as follows:

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

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

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

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

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

- Q2 ending June 30, 2016 - During the second quarter of 2016 approximately $1,673,371 was spent acquiring land through voluntary sales. As at June 30, 2016 approximately 34.7% of the total project area had been acquired for a cost of $12,023,910, which includes capitalized interest of $2,613,375 related to the Loan.

- June 2016 - The Company revised its offer price strategy in order to shorten the acquisition timeline, and address the risk of the potential impact of the State-led compulsory LAP court process on the Company's social licence to operate. As a result, the initial offer of TRY 5.1 per square metre was increased to TRY 9.1 per m^2 with a payment of TRY 5.1 per m^2 payable on title transfer and a deferred payment of US$1.35 (or approximately TRY 4) per m^2 paid prior to the construction start date, but no later than 24 months after the purchase date. However, the payment terms allow for additional payments based on the actual date of the deferred payment, which would become payable as follows: (i) if the deferred payment is not made prior to August 31, 2017 an additional TRY 0.2 per m^2 is payable on that date; (ii) if the deferred payment is not made prior to August 31, 2018 an additional TRY 0.2 per m^2 is payable on that date; and (iii) if the deferred payment is not made prior to 24 months following the title transfer date an additional TRY 0.455 per m^2 will be added to the deferred payment amount and the due date will be automatically extended to 36 months following the title transfer date. The revised offer price resulted in significant acceptance by existing land owners.

- In July 2016 the Company received land owner commitment agreements representing more than 80% of the remaining 4,812,291 square meters of land to be acquired. Consequently land acquisitions and purchase commitments since June 30, 2016 improved as indicated in the following chart:

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Outstanding - Required Land	**240**	**4,860,629**	**51.2%**	**33**	**1,020,673**	**10.8%**
Yenipazar Project Area	603	9,495,649	100.0%	603	9,491,949	100.0%

*"Commitments" represents agreements made by landowners to sell their property to Aldridge. The Company expects to process the transactions and obtain the title deeds at the local land registry office beginning in August.

The State-led compulsory LAP court process continued in parallel with the voluntary actions. There are presently more than 120 court cases related to approximately 4,815,558 m^2, or all the remaining privately held land required within the project fence line. Initial pricing reports, relating to more than 80% (approximately 3,871,000 m^2) of the 4,800,000 m^2 in land subject to the court cases, resulting in an average price of approximately TRY 7.44 per square metre (assuming a 15% : 85% ratio between irrigable land and other land). The revised offer of TRY 9.1 per m^2 is approximately 22% higher than the combined pricing reports' average price, while maintaining the TRY 5.1 per m^2 payable upon title transfer and adding a deferred payment of TRY 4 (or $1.35) per m^2.

The court requested additional pricing analysis, including further comparisons to pricing factors used in other regions. The initial hearings have been completed for 117 of the 120 open court cases, and pricing experts have visited more than 89% of the land area subject to the court cases. Follow up court hearings are scheduled over the next three months. The final decision on the price is made by the judge hearing the court cases.

Once the court determines the price for each parcel of land, the court will then request Aldridge to fund the State's purchase of the land. The land acquired through the court will be classified as Treasury land to which Aldridge is granted full access rights in accordance with the key permits received to date and Turkish mining law.

The Company is committed to award former land owners, who previously sold their land to the Company at the initial offer price of TRY 5.1 per m^2, the deferred payment of US$1.35 (or approximately TRY 4) per m^2 at the same deferred date. Consequently the total cost of land is estimated to increase by approximately $10,000,000 compared to the OS.

There is a risk that the price to be determined by the court could exceed the Company's offer price upon title transfer of TRY 5.1 per m^2, or the total offer price of TRY 9.1 per m^2. If the court-determined price exceeds the Company's offer at title transfer of TRY 5.1 per m^2 there may be adverse impact on the Company's short term cash position. A court-determined price greater than TRY 9.1 per m^2 would further increase total land costs. Pursuant to Equator Principles, Aldridge would top-up the price paid for land previously acquired through voluntary sales.

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

Engineering and Development Schedule - The Company continued to develop alternative basic engineering schedules that will facilitate construction following the closing of project financing. A Technical, Environment, Health, Safety & Sustainability (TEHSS) Committee was established in Q2 to create a small team of management, directors and consultants to evaluate and support the project development plan and future operations. Initial activities of the TEHSS Committee include evaluating, as appropriate, the engineering and development schedule along with proposed engineering packages, quotations, letters of intent, negotiations strategies and terms.

Resource Development – The Company is developing a geo-metallurgical program which includes plans for a small infill drilling program that would support the mine plan in the first three years of operations, along with investigating the licence area immediately adjacent to the existing ore body. Drilling activity may be scheduled in 2017, subject to Project Financing and other EPC requirements.

NEW MINING LEGISLATION IN TURKEY

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

EXPLORATION AND OPERATING LICENCES IN TURKEY

As at June 30, 2016, and the date of this report, the Company holds one operational licence for the Yenipazar Property and no other exploration licences. Prior to 2015, the Company held a number of exploration licences in different regions in Turkey, which were evaluated and either abandoned or sold.

In July 2011, the Company agreed to assign 6 exploration licences prospective for nickel and chromite to Kenz Mining Inc. ("Kenz") pursuant to an assignment agreement that required Kenz to pay the Company certain amounts at fixed intervals. By continuing exploration, Kenz committed to spending $1 million on exploration and evaluation over a period ending in June 2017. Upon completion of this exploration phase, Kenz may advance the licences to the operation period upon payment to Aldridge of $250,000.

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

RESULTS OF OPERATIONS

For the three and six months ended June 30, 2016 and June 30, 2015:

	Three Months Ended June 30 2016	**Three Months Ended June 30 2015**	**Six Months Ended June 30 2016**	**Six Months Ended June 30 2015**
EXPENSES				
General and administrative	**$ 879,138**	$ 1,168,068	**$ 1,698,770**	$ 2,174,618
	$ (879,138)	$ (1,168,068)	**$ (1,698,770)**	$ (2,174,618)
OTHER EXPENSES/(INCOME)	**(72,949)**	(50,134)	**9,978**	(548,565)
Net loss for the period	**$ (952,087)**	$ (1,218,202)	**$ (1,688,792)**	$ (2,723,183)

During the second quarter ended June 30, 2016 the Company incurred net losses from continuing operations of $1,688,792 as compared to net losses of $2,723,183 during the comparable period in the prior year. The decreased expenses mainly relate to salaries and benefits and foreign exchange losses in the comparable period in the prior year.

MINERAL PROPERTY UNDER DEVELOPMENT

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

	THREE MONTHS ENDED JUNE 30, 2016 ($)	**THREE MONTHS ENDED JUNE 30, 2015 ($)**	**SIX MONTHS ENDED JUNE 30, 2016 ($)**	**SIX MONTHS ENDED JUNE 30, 2015 ($)**
Yenipazar Property				
Depreciation	**19,969**	24,653	**40,052**	48,118
Drilling	**-**	91,453	**-**	262,786
Drilling site access fees	**-**	-	**-**	4,026
Engineering consulting	**81,956**	278,775	**336,351**	615,687
Environmental consulting	**-**	4,000	**-**	8,000
Land Acquisition Plan and Development	**106,809**	54,517	**106,809**	73,556
License	**-**	-	**-**	4,454
Permitting	**(1,469)**	8,453	**31,156**	18,952
Professional expenses	**-**	23,087	**-**	154,190
Employee costs	**195,235**	336,175	**399,528**	737,370
Community relations	**23,393**	46,708	**25,704**	191,796
Travel	**25,193**	23,924	**28,651**	57,704
Vehicles and Equipment maintenance	**11,364**	17,664	**20,731**	40,867
Interest Capitalization	**253,088**	203,629	**508,227**	372,725
Camp costs	**36,214**	24,466	**78,482**	86,828
Other	**782**	31,104	**1,784**	32,980
	752,534	1,168,608	**1,577,475**	2,710,039
Total exploration and evaluation expenditures	**752,534**	1,168,608	**1,577,475**	2,710,039

During the second quarter ended June 30, 2016 the expenditures on mineral property under development relating to the Yenipazar Project decreased by $1,132,564 to $1,577,475 compared to the same period last year. The decreased expenses mainly relate to the value engineering activities and drilling that occurred in Q2 2015, but were not required this year.

General and Administrative Expenses

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

	Three Months Ended June 30, 2016 ($)	Three Months Ended June 30, 2015 ($)	Year over Year Change ($)	Six Months Ended June 30, 2016 ($)	Six Months Ended June 30, 2015 ($)	Year over Year Change ($)
Amortization	**30,177**	19,174	11,003	**60,354**	30,390	29,964
Directors' fees and expenses	**44,304**	52,820	(8,516)	**85,285**	94,746	(9,461)
Office and sundry	**114,446**	135,132	(20,686)	**223,193**	284,277	(61,084)
Professional fees	**154,508**	243,175	(88,667)	**312,625**	433,373	(120,748)
Salaries and benefits	**442,416**	522,398	(79,982)	**817,578**	947,364	(129,786)
Shareholder information	**31,017**	72,258	(41,241)	**60,192**	140,702	(80,510)
Stock-based compensation	**22,083**	46,944	(24,861)	**51,894**	122,838	(70,944)
Transfer and filing	**8,172**	11,928	(3,756)	**17,574**	23,335	(5,761)
Travel and promotion	**32,015**	64,239	(32,224)	**70,075**	97,593	(27,518)
General and administrative	**879,138**	1,168,068	(288,930)	**1,698,770**	2,174,618	(475,848)

Additional comments on individual expense item changes follow:

- Office and sundry expenses decreased by $20,686 and $61,084 during the three and six months ended June 30, 2016 as compared to the same periods prior year, mainly due to having fewer staff and the strengthening of USD against CAD and TRY.
- Professional fees decreased by $88,667 and $120,748 during the three and six months ended June 30, 2016 as compared to the corresponding periods in the prior year due to the deferral of legal consulting and the engagement of a finance advisor to assist with the evaluation of project financing alternatives.
- Salaries and benefits decreased by $79,982 and $129,786 during the three and six months ended June 30, 2016 as compared to the same periods in the prior year, mainly due to staff terminations later in 2015.
- Shareholder information costs decreased by $41,241 and $80,510 during the three and six months ended June 30, 2016 when compared to the three and six months ended June 30, 2015 primarily due to a reduction in investor relations consulting activities.
- Stock-based compensation decreased by $70,944 for the second quarter ended June 30, 2016 as compared to the prior year mainly because of the timing of stock option awards.

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

SUMMARY OF QUARTERLY RESULTS

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters. Net losses are mainly driven by the Company's expenditures on exploration and evaluation activities at Yenipazar.

Quarterly period ended	Total revenues $	Loss before taxes $	Loss before taxes per share $	Net income (loss) $	Net income (loss) per share $	Total Assets $
June 30, 2016	Nil	(952,087)	(0.01)	(952,087)	(0.01)	30,711,251
March 31, 2016	Nil	(736,705)	(0.01)	(736,705)	(0.01)	30,711,621
December 31, 2015	Nil	(863,594)	(0.01)	(863,594)	(0.01)	30,814,033
September 30, 2015	Nil	(1,693,221)	(0.02)	(1,693,221)	(0.02)	26,359,752
June 30, 2015	Nil	(1,218,202)	(0.01)	(1,218,202)	(0.01)	24,280,358
March 31, 2015	Nil	(1,504,981)	(0.01)	(1,504,981)	(0.01)	24,827,014
December 31, 2014	Nil	(702,760)	(0.01)	(702,760)	(0.01)	25,829,329
September 30, 2014	Nil	(917,298)	(0.01)	(917,298)	(0.01)	26,498,234
June 30, 2014	Nil	(843,979)	(0.01)	(843,979)	(0.01)	9,069,297

Note: The Company has no history of declaring dividends.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents at June 30, 2016 totaled $3,607,954 (December 31, 2015 - $8,520,566). At June 30, 2016 the Company had negative working capital (current assets less current liabilities) of $15,670,335 as compared to negative working capital of $10,005,830 as at December 31, 2015, a decrease of $5,664,505. This significant swing to negative working capital results from the reclassification of the borrowings (the $17,500,000 drawn portion of the $35,000,000 Loan facility, plus accrued interest) maturing on August 29, 2016.

On July 28, 2016, the Company announced that it is in advanced stage discussions with an affiliate of Orion, with respect to the Potential Transaction, the proceeds of which would be used to repay outstanding indebtedness owing by the Company under the Loan and to fund the Company's on-going land acquisition process and working capital requirements.

Subject to the satisfaction of certain conditions precedent, including the finalization of definitive documentation, the Potential Transaction would, if completed, result in, among other things, the extension of the Loan's maturity date from August 29, 2016 to up to December 31, 2017. The implementation of the silver stream transaction and repayment of the Loan prior to the revised Loan maturity date would be subject to the Company achieving certain milestones related to the development of the Yenipazar mine in Turkey. Aldridge expects the silver stream deposit to equal US$40,000,000. Based on the proceeds expected from the Potential Transaction, land acquisition purchases and working capital requirements including project development expenditures, the Company may need to raise interim financing within six to eight months. Interim financing would allow additional time to source the full project financing required to build the Yenipazar Project.

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

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

In the meantime, considering the present mining sector and capital markets environment, prospective spending plans will balance short and long term project development plans with a conservative cash management strategy.

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

As at June 30, 2016 all the Company's shares in wholly-owned Aldridge Turkey, its mining licences, and land with a net book value of $5,232,543 were pledged as collateral for the Company's borrowings.

Operating Activities: During the second quarter of 2016, cash used in operating activities mainly comprised of general and administrative expenses. Cash used in operating activities for the half year ended June 30, 2016 totaled $1,661,858 compared to $1,756,733 for the six months ended June 30, 2015. The Company has various commitments relating to rental office space and to IT support services as indicated in 'Note 14 Commitments' of the 2015 Audited Financials.

Investing Activities: For the six months ended June 30, 2016 cash outflows arising from investing activities totaled $3,315,293 as compared to cash outflows of $5,585,563 for the second quarter ended June 30, 2015. The cash outflows consisted mainly of net expenditures on the Yenipazar Project that were capitalized to mineral property under development of $1,021,551, and net purchases of property and equipment, consisting primarily of land within the Yenipazar Project, of $1,686,071.

RELATED PARTY TRANSACTIONS

Related party transactions include legal and consulting fees, management fees and compensation paid to key management personnel, and are recorded as either G&A expenses or exploration and evaluation expenditures, depending on their nature. Key management personnel are defined as officers and directors of the Company. Transactions between the Company and its subsidiaries have been eliminated on consolidation and not disclosed.

Amounts receivable from key management personnel were $43,187 as at June 30, 2016 (As at December 31, 2015, amount owing to key management personnel was - $16,337). Transactions with key management personnel were as follows:

	Three months ended June 30 2016	Three months ended June 30 2015	Six months ended June 30 2016	Six months ended June 30 2015
Salaries and benefits [(1)]	**$ 174,257**	$ 185,885	**$ 355,854**	$ 367,837
Share based payments[(1)]	**25,248**	44,853	**50,354**	115,450
Total compensation	**$ 199,505**	$ 230,738	**$ 406,208**	$ 483,287
Consulting and management fees[(2)]	**210,562**	254,522	**388,754**	414,292
Total transactions with key management personnel	**$ 410,067**	$ 485,260	**$ 794,962**	$ 897,579

[(1)] Directors do not have employment or service contracts with the Company, but may be entitled to director fees while officers have employment contracts and earn salaries and benefits for their services. Both directors and officers are also eligible for share-based payments.
[(2)]These amounts represent consulting fees paid or payable to various current and former officers and directors of the Company or to companies controlled by such individuals.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

The Company does not have any off-balance sheet arrangements that are likely to have or are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that have not been disclosed in the Company's Q2 2016 Financial Statements.

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

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments as of June 30, 2016 consist of cash and cash equivalents, receivables, trade and other payables, financial derivatives and borrowings. The Company's financial instruments are denominated primarily in USD, CAD, EUR and TRY.

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, which are held in financial institutions in Canada, Turkey, The Netherlands, the Cayman Islands and other receivables. The Company has no significant concentration of credit risk arising from operations. The Company's policy is to invest excess cash in fixed interest investment-grade short-term deposit certificates and overnight deposits in Canada and Turkey. Management believes the risk of loss to be minimal given the apparent financial strength of the financial institutions with whom the Company transacts.

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

Interest rate risk is generally associated with the Company's cash balances that are invested in fixed interest investment-grade short-term deposit certificates and overnight deposits. During the second quarter June 30, 2016, the Company recorded interest income of $34,688 and interest expense of $1,525,725 before interest capitalization to mineral property and land. Future net cash flows from interest income on cash and cash equivalents and interest expense on variable rate borrowings will be affected by interest rate fluctuations. The Company closely monitors prevailing interest rates and will take appropriate mitigating actions should interest rate risk become material.

Foreign currency risk is generally associated with financial instruments and transactions denominated in non-USD currencies. While the Company has borrowings in USD, it funds development and exploration expenditures in Turkey primarily in TRY, CAD and USD. The Company maintains separate bank accounts for these currencies with sufficient funds to support monthly forecasted cash outflows over the following month. The Company is utilizing 'vanilla collars' to hedge a portion of its TRY expenditures over the next four months. As a result, the Company has protected the USD/TRY exchange rate based on a floor strike price of TRY2.80 and ceiling strike price of TRY3.001 for US$250,000 on each of May 27, June 24, July 26 and August 25, 2016. The May 27, June 24 and July 26 contracts expired unused at this time.

The settlement dates and notional amounts for each collar presently outstanding are as follows:

		Strike Price (TRY/USD)	
Settlement Date	**Notional Amount**	**Call**	**Put**
August 12, 2016	$250,000	2.80	3.001
August 24, 2016	$250,000	2.80	3.001

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

Net foreign exchange loss of $73,101 and a gain of $52,044 for the three and six months ended June 30, 2016, compared to the loss of $82,791 and $509,090 for the same prior year periods. The 2016 was related primarily to the impact of a weakening of USD against CAD and TRY. The Company will take the necessary steps, including cash flow hedging, to manage any foreign exchange risks with respect to its US-denominated borrowings in accordance with its foreign exchange risk management policy.

SHARE CAPITAL AS AT AUGUST 11, 2016

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

The Company has a Stock Option Plan (the "Plan") to promote the interests of the Company to assist the Company in attracting, retaining and motivating its directors, officers, employees and consultants by providing greater incentive to further develop and promote the business and financial success of the Company. The maximum number of shares that may be issuable pursuant to the options granted under the Plan is 10% of the Company's issued share capital, or as at August 11 2016, 10,695,588 common shares.

As at August 11, 2016 the following stock options were outstanding:

Expiry Date	Exercise Price (CAD)	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
February 28, 2017	0.54	75,000	75,000	0.55
March 24, 2017	0.42	370,000	351,250	0.62
March 28, 2017	0.64	203,000	203,000	0.63
November 26, 2018	0.20	1,255,000	1,255,000	2.29
April 7, 2019	0.24	1,000,000	750,000	2.65
December 18, 2019	0.20	2,858,438	1,770,938	3.35
March 26, 2020	0.20	750,000	375,000	3.62
June 1, 2020	0.20	200,000	100,000	3.81
December 15, 2020	0.17	500,000	125,000	4.35
	0.23	**7,211,438**	**5,005,188**	**2.94**

As at August 11, 2016 the following warrants were outstanding:

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

RISK FACTORS

The Company's principal activity of mineral exploration and development is considered to be very high risk and the mining industry in general is intensely competitive in all its phases. Companies involved in this industry are subject to many and varied types of risks, including but not limited to, environmental, commodity prices, political and economic. The section entitled "Risk Factors" in the 2015 Annual MD&A contains further details.

QUALIFIED PERSONS

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

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company's accounting policies and significant estimates and judgments are described in Note 2 to the 2015 Audited Financials.

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED

Amendments to accounting standards adopted and not yet adopted are described in Note 2 of the 2015 Audited Financials and Q2 2016 Financial Statements.

INTERNAL CONTROL AND DISCLOSURE CONTROLS OVER FINANCIAL REPORTING

Management of the Company is responsible for the design, implementation and monitoring of effective internal controls over financial reporting (as defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings), to provide reasonable assurance regarding the reliability of financial reporting and the preparation of audited consolidated financial statements in accordance with IFRS. Management has established processes which are in place to provide the Company's certifying officers with sufficient knowledge to support management representations to confirm that reasonable diligence has been exercised that (i) the Consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited consolidated financial statements; and (ii) the Consolidated financial statements fairly present in all material respects the financial condition, results of the operations and cash flows of the Company, as of the date of and for the periods presented by the Consolidated financial statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information may include, but is not limited to, information with respect to the future financial and operating performance of the Company, its affiliates and subsidiaries, the estimation of mineral reserves and mineral resources, realization of mineral reserves and resource estimates, costs and timing of development of the Company’s projects, costs and timing of future exploration, timing and receipt of approvals, consents and permits under applicable legislation, results of future exploration and drilling and adequacy of financial resources. Forward-looking information is often characterized by words such as “plan”, “expect”, “budget”, “target”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words or statements that certain events or conditions “may” or “will” occur.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including risks associated with investments in publicly listed companies, such as the Company; risks associated with general economic conditions; the risk that further funding may be required, but unavailable, for the ongoing development of the Company’s projects; changes in government regulations, policies or legislation; unforeseen expenses; fluctuations in commodity prices; fluctuation in currency exchange rate; litigation risk; restrictions on the repatriation of earnings by the Company’s subsidiaries; conflicts of interest of certain directors of the Company; inability to effect service of process or to enforce judgments within Canada upon and against the directors and officers of the Company and certain experts; the inherent risks and dangers of mining exploration and operations in general; risk of continued negative operating cash flow; the possibility that required permits may not be obtained; environmental risks; uncertainty in the estimation of mineral resources and mineral reserves; risks that the current inferred resource at the Yenipazar Project will not be converted to a sufficient amount of indicated or measured resources to warrant development; risks that the hydrogeological characteristics at the Yenipazar Project will not permit an adequate extraction rate; general risks associated with the feasibility and development of each of the Company’s projects; risks of being unable to sell production in the event of the development of a project; foreign investment risks in Turkey; changes in Turkish laws or regulations; future actions by the Turkish government; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company’s property interests; uninsured hazards; disruptions to the Company’s supplies or service providers; reliance on key personnel; retention of key employees; absence of dividends and competition.

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

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