



**Condensed Consolidated Interim Financial Statements**

**For the Three and Nine Months Ended September 30, 2017  
(Expressed in United States Dollars)**

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

	As at September 30, 2017	As at December 31, 2016
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 3,519,489	\$ 4,289,055
Other receivables (Note 5)	342,234	488,235
Prepaid Expenses	57,539	167,656
Restricted Cash (Note 8(a))	357,037	352,658
	<b>4,276,299</b>	<b>5,297,604</b>
<b>Non-Current</b>		
License deposits (Note 6(b))	37,424	31,233
Mineral property under development (Note 6(a))	16,423,321	14,587,294
Property and equipment (Note 7)	38,049,136	31,199,914
Other assets (Note 8(b))	24,139	22,585
	<b>\$ 58,810,319</b>	<b>\$ 51,138,630</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 10 (a))	\$ 8,982,887	\$ 1,151,288
Due to related parties (Note 13)	16,842	13,846
Borrowings (Note 4)	36,027,617	-
	<b>45,027,346</b>	<b>1,165,134</b>
<b>Non-Current</b>		
Borrowings (Note 4)	-	33,209,792
Deferred revenue	2,114,617	2,114,617
Environmental rehabilitation provision (Note 14)	39,653	36,550
Other liabilities (Note 10 (b))	3,018,089	9,367,807
	<b>50,199,705</b>	<b>45,893,900</b>
<b>SHAREHOLDER'S EQUITY</b>		
Share capital (Note 11(b))	72,267,825	67,502,385
Contributed surplus	14,044,269	13,845,972
Deficit	(75,814,148)	(74,225,652)
Accumulated other comprehensive loss	(1,887,332)	(1,877,975)
	<b>8,610,614</b>	<b>5,244,730</b>
	<b>\$ 58,810,319</b>	<b>\$ 51,138,630</b>

Nature of Operations and Going Concern (Note 1)  
Subsequent events (Note 17)

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 United States dollars)**  
**(Unaudited)**

	Three months ended September 30,		Nine months Ended September 30,	
	2017	2016	2017	2016
<b>EXPENSES</b>				
General and administrative (Note 12)	\$ 470,937	\$ 1,613,399	\$ 1,768,145	\$ 3,312,169
	<b>(470,937)</b>	<b>(1,613,399)</b>	<b>(1,768,145)</b>	<b>(3,312,169)</b>
<b>OTHER INCOME (EXPENSE)</b>				
Interest income	12,729	22,709	22,981	57,397
Interest expense (net of capitalized interest)	-	113,721	-	-
Other Income	21,386	19,020	75,584	56,311
Other Expense	-	(59,116)	-	(59,440)
Foreign exchange gain/(loss)	38,574	(113,188)	81,084	(61,144)
	<b>72,689</b>	<b>(16,854)</b>	<b>179,649</b>	<b>(6,876)</b>
Net loss for the period before income tax	\$ (398,248)	\$ (1,630,253)	\$ (1,588,496)	\$ (3,319,045)
Net loss for the period	<b>(398,248)</b>	<b>(1,630,253)</b>	<b>(1,588,496)</b>	<b>(3,319,045)</b>
Items that may be reclassified to net loss:				
Change in unrealized foreign currency translation gains/(losses) on foreign operations	<b>(8,403)</b>	<b>(2,420)</b>	<b>(26,752)</b>	<b>(3,696)</b>
Items that will not be subsequently reclassified to net loss:				
Changes in gains/(losses) on employment termination benefits	-	-	17,395	(8,053)
Comprehensive loss for the period	\$ (406,651)	\$ (1,632,673)	\$ (1,597,853)	\$ (3,330,794)
Basic and diluted net loss per share	\$ (0.01)	\$ (0.02)	\$ (0.00)	\$ (0.03)
Weighted average number of shares outstanding – basic and diluted	<b>140,459,214</b>	106,955,881	<b>119,614,006</b>	106,955,881

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 United States dollars)**  
**(Unaudited)**

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income/(loss)	Deficit	Total
<b>Balance, December 31, 2015</b>	<b>\$ 67,502,385</b>	<b>\$ 13,714,090</b>	<b>\$ (1,874,704)</b>	<b>\$ (69,807,550)</b>	<b>\$ 9,534,221</b>
Net loss for the period	-	-	-	(3,319,045)	(3,319,045)
Unrealized foreign currency translation loss on foreign operations	-	-	(3,696)	-	(3,696)
Loss on employment termination benefits	-	-	(8,053)	-	(8,053)
Comprehensive loss for the period			(11,749)	(3,319,045)	(3,330,794)
Stock based compensation	-	113,489	-	-	113,489
<b>Balance, September 30, 2016</b>	<b>\$ 67,502,385</b>	<b>\$ 13,827,579</b>	<b>\$ (1,886,453)</b>	<b>\$ (73,126,595)</b>	<b>\$ 6,316,916</b>
Net loss for the period	-	-	-	(1,099,057)	(1,099,057)
Unrealized foreign currency translation gain on foreign operations	-	-	12,338	-	12,338
Loss on employment termination benefits	-	-	(3,860)	-	(3,860)
Comprehensive income/(loss) for the period	-	-	8,478	(1,099,057)	(1,090,579)
Stock based compensation	-	18,393	-	-	18,393
<b>Balance, December 31, 2016</b>	<b>\$ 67,502,385</b>	<b>\$ 13,845,972</b>	<b>\$ (1,877,975)</b>	<b>\$ (74,225,652)</b>	<b>\$ 5,244,730</b>
Net loss for the period	-	-	-	(1,588,496)	(1,588,496)
Unrealized foreign currency translation loss on foreign operations	-	-	(26,752)	-	(26,752)
Gain on employment termination benefits	-	-	17,395	-	17,395
Comprehensive loss for the period	-	-	(9,357)	(1,588,496)	(1,597,853)
Issuance of Common shares, net of share issuance cost	4,765,440	(19,099)	-	-	4,746,341
Stock based compensation	-	217,396	-	-	217,396
<b>Balance, September 30, 2017</b>	<b>\$ 72,267,825</b>	<b>\$ 14,044,269</b>	<b>\$ (1,887,332)</b>	<b>\$ (75,814,148)</b>	<b>\$ 8,610,614</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 United States dollars)**  
**(Unaudited)**

	Nine months Ended	
	September 30, 2017	September 30, 2016
<b>Cash Flows from (used in) Operating Activities</b>		
Net loss from operations	\$ (1,588,496)	\$ (3,319,045)
Add (deduct) items not affecting cash:		
Amortization	64,989	90,763
Stock-based compensation	142,592	86,698
Foreign exchange loss	(60,200)	(56,221)
	(1,441,115)	(3,197,805)
Changes in non-cash operating assets and liabilities (Note 16)	(17,573)	771,401
	(1,458,688)	(2,426,404)
<b>Cash Flows from Financing Activities</b>		
Proceeds from issuance of common shares, net of share issuance cost (Note 11 (b))	4,746,341	-
Repayment of borrowings	-	(22,581,488)
Proceeds from borrowings received	-	31,538,500
	4,746,341	8,957,012
<b>Cash Flows used in Investing Activities</b>		
Investment in mineral property under development	(1,084,487)	(1,439,707)
License deposits	(6,191)	(7,331)
Purchase of property and equipment	(2,974,029)	(6,569,244)
Restricted cash	(4,378)	(4,265,637)
	(4,069,085)	(12,281,919)
Impact of foreign exchange on cash balances	11,866	24,383
Net change in cash and cash equivalents	(769,566)	(5,726,928)
Cash and cash equivalents, beginning of year	4,289,055	8,520,566
Cash and cash equivalents, end of period	\$ 3,519,489	\$ 2,793,638
Total interest paid	-	\$ 3,081,488
Total income taxes paid	\$ 1,768	\$ 7,051

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 Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

---

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

Aldridge Minerals Inc. (the “Company”) is listed on the TSX Venture Exchange (TSX-V: AGM). The Company’s principal business activities are the exploration and development of mineral properties owned by its wholly-owned subsidiary Aldridge Mineral Madencilik Ltd. Sti. (‘Aldridge Turkey’) in Turkey. 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 economic recoverability of the mineral properties is dependent upon prevailing market conditions and metal prices, 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 nine months period of \$1,588,496 (nine months ended September 30, 2016 - \$3,319,045) and has an accumulated deficit of \$75,814,148 (December 31, 2016 - \$74,225,652). On June 20, 2017, the Company closed its non-brokered \$5,000,000 private placement (the “Private Placement”) less issuance cost of \$279,269 (net proceeds - \$4,720,731) to provide additional short term financing. The Company needs to secure additional financing to repay its borrowings (Note 4) and a portion of deferred land purchase price commitments (Note 10) which are due on or before September 30, 2018. Furthermore, the Company requires financing to advance the mine towards production, meet its obligations and keep its mineral claims in good standing. Although the Company has been successful in obtaining financing in the past, there can be no assurance of the success and sufficiency of future financing activities required to realize the economic value of the Yenipazar Project. 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 unaudited 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, 2016, which have been prepared in accordance with IFRS. The Board of Directors approved the unaudited condensed consolidated interim financial statements for issuance on November 16, 2017.

A summary of significant accounting policies is included in Note 2 of the Company’s annual financial statements for the year ended December 31, 2016. The accounting policies adopted are consistent with those of the previous financial year.

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

The Company identified no significant Accounting standards and amendments to be adapted for the nine months ended September 30, 2017.

*(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 recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, but is available for early adoption. In addition, the own credit risk 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.*
- ii) IFRS 15, issued in May 2014, establishes the principles that an entity shall apply to report the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15 replaces IAS 11, Construction contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs, IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers and Standard Interpretations Committee interpretation 31, Revenue – Barter Transactions Involving Advertising Services. IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements. In September 2015, an amendment to IFRS 15 was issued to defer the effective date to annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of this standard. In April 2016, the IASB issued amendments to IFRS 15, clarifying the application of certain of its underlying principles, including the identification of a performance obligation, and the determination of whether a company is a principal or is acting as an agent in the provision of a good or service. The amendments will become effective concurrent with the effective date of IFRS 15 on January 1, 2018. The Company is currently assessing the impact of this standard.*
- iii) In January 2016, the IASB issued IFRS 16, replacing IAS17, "Leases". IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its balance sheet providing the reader with greater transparency of an entity's lease obligations. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption provided. The Company has not evaluated the impact of this standard.*
- iv) In June 2016, the IASB issued amendments to IFRS 2, clarifying how to account for certain types of share-based payment transactions, including the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, accounting for share-based payment transactions with a net settlement feature for withholding tax obligations, and accounting for modifications to the terms and conditions of a share-based payment that changes the classification of the share-based payment transaction from cash-settled to equity-settled. The IFRS 2 amendments are effective for annual periods beginning on or after January 1, 2018. The Company has not evaluated the impact of adopting these amendments to its unaudited condensed consolidated interim financial statements.*

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

**3. CAPITAL MANAGEMENT**

The Company's capital management objectives, policies and processes have remained unchanged during the three and nine months ended September 30, 2017.

**4. BORROWINGS**

	As at September 30, 2017	As at December 31, 2016
<b>Carrying value of borrowings</b>	<b>\$ 36,027,617</b>	<b>\$ 33,209,792</b>

On September 16, 2016, the Company entered into a Loan Agreement with Banka Kombetare Tregtare sh.a. ("BKT") pursuant to which BKT agreed to make available to the Company a secured credit facility (the "Credit Facility") in the amount of up to \$40,000,000 including interest to be capitalized over the 24-month term of the Credit Facility.

BKT is a bank based in Albania and is headquartered in Tirana, the country's capital. BKT is a wholly-owned subsidiary of Calik Holding A.S., a conglomerate in Turkey.

The \$40,000,000 Borrowings including interest carries an interest rate of 6% per annum plus twelve months USD LIBOR, subject to a minimum aggregate interest rate of 9%. The financing costs will be amortized over the term of the borrowings using the effective interest rate method. Total interest recognized during the nine months ended September 30, 2017 before interest capitalization was \$2,843,895 (September 30, 2016 - \$2,329,281). The Company's borrowings become due as at September 16, 2018.

**5. OTHER RECEIVABLES**

	As at September 30, 2017	As at December 31, 2016
Interest receivable	\$ 43	\$ 38,534
Sales taxes receivable	342,191	449,701
	<b>\$ 342,234</b>	<b>\$ 488,235</b>



**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

**6. MINERAL PROPERTY UNDER DEVELOPMENT**

a) *Yenipazar Project, Turkey*

<b>Mineral Property Under Development</b>	<b>Yenipazar Project</b>
<b>Balance, December 31, 2015</b>	<b>\$ 11,433,524</b>
Additions	2,333,641
<b>Balance, September 30, 2016</b>	<b>\$ 13,767,165</b>
Additions	820,129
<b>Balance, December 31, 2016</b>	<b>\$ 14,587,294</b>
Additions	1,836,027
<b>Balance, September 30, 2017</b>	<b>\$ 16,423,321</b>

Aldridge 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 Yenipazar Project towards development and production, the Company is operating under a temporary shutdown permit. The temporary shutdown permit is renewed annually, with the current temporary shutdown permit valid until February 22, 2018.

During the three and nine months ended September 30, 2017, additions to the mineral property under development mainly related to the employee expenses, engineering consulting and interest capitalization for the Yenipazar project.

The additional expenditures on the mineral property during the three and nine months ended September 30, 2017 and September 30, 2016 in Yenipazar were as follows:

## Aldridge Minerals Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and September 30, 2016

(Expressed in United States Dollars)

(Unaudited)

#### 6. MINERAL PROPERTY UNDER DEVELOPMENT (continued)

a) Yenipazar Project, Turkey (continued)

	Three months ended		Nine months ended	
	September 30, 2017	September 30, 2016 <sup>(1)</sup>	September 30, 2017	September 30, 2016 <sup>(1)</sup>
Yenipazar Property				
Amortization	\$ 16,185	\$ 19,935	\$ 48,540	\$ 59,987
Engineering consulting	48,259	69,417	141,452	294,294
Environmental consulting	828	-	5,983	4,000
Land acquisition planning and development	43,089	40,613	121,399	147,422
Permitting	1,118	16,222	17,903	43,378
Employee costs	280,088	281,957	738,055	846,017
Community relations	6,839	8,803	29,085	34,507
Travel	4,383	15,324	20,542	53,044
Vehicles and equipment maintenance	13,559	11,394	41,544	32,125
Interest capitalization	216,390	278,935	628,194	787,162
Camp costs	10,387	12,723	31,294	29,078
Other	3,416	843	12,036	2,627
	<b>\$ 644,541</b>	<b>\$ 756,166</b>	<b>\$ 1,836,027</b>	<b>\$ 2,333,641</b>

<sup>(1)</sup> 2016 mineral property expenses categories are reclassified for comparative purpose.

As at September 30, 2017, the Company capitalized cumulative borrowing costs amounting to \$2,653,520 on qualifying assets (\$2,025,326 cumulative as at December 31, 2016). A year-to-date capitalization rate of 8.2% (September 30, 2016- 11.5%), representing the weighted average cost of general borrowing, was applied.

b) License Deposits, Turkey

#### License deposits

<b>Balance, December 31, 2015</b>	<b>\$ 34,697</b>
Addition	7,331
Impact of foreign exchange	16
<b>Balance, September 30, 2016</b>	<b>\$ 42,044</b>
Addition	-
Impact of foreign exchange	(10,811)
<b>Balance, December 31, 2016</b>	<b>\$ 31,233</b>
Addition	6,052
Impact of foreign exchange	139
<b>Balance, September 30, 2017</b>	<b>\$ 37,424</b>

# Aldridge Minerals Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and September 30, 2016

(Expressed in United States Dollars)

(Unaudited)

### 7. PROPERTY AND EQUIPMENT

Cost	Furniture And Equipment	Computer & Software Equipment	Land	Leasehold Improvements	Building	Total
Balance, December 31, 2015	\$ 686,668	\$ 412,907	\$ 9,446,761	\$ 51,130	\$ 376,009	\$ 10,973,475
Additions	4,867	13,942	21,076,190	-	-	21,094,999
Disposal	(57,090)	-	-	(34,165)	-	(91,255)
Balance, December 31, 2016	\$ 634,445	\$ 426,849	\$ 30,522,951	\$ 16,965	\$ 376,009	\$ 31,977,219
Additions	3,035	-	6,959,716	-	-	6,962,751
Balance, September 30, 2017	\$ 637,480	\$ 426,849	\$ 37,482,667	\$ 16,965	\$ 376,009	\$ 38,939,970

Accumulated Amortization	Furniture And Equipment	Computer & Software Equipment	Land	Leasehold Improvements	Building	Total
Balance, December 31, 2015	\$ 434,583	\$ 119,621	\$ -	\$ 17,373	\$ 74,742	\$ 646,319
Additions	49,651	107,864	-	7,555	35,594	200,664
Disposal	(57,090)	-	-	(12,588)	-	(69,678)
Balance, December 31, 2016	\$ 427,144	\$ 227,485	\$ -	\$ 12,340	\$ 110,336	\$ 777,305
Additions	27,550	57,362	-	1,922	26,695	113,529
Balance, September 30, 2017	\$ 454,694	\$ 284,847	\$ -	\$ 14,262	\$ 137,031	\$ 890,834

Net	Furniture And Equipment	Computer & Software Equipment	Land	Leasehold Improvements	Building	Total
Balance, December 31, 2016	\$ 207,301	\$ 199,364	\$ 30,522,951 <sup>(1)</sup>	\$ 4,625	\$ 265,673	\$ 31,199,914
Balance, September 30, 2017	\$ 182,786	\$ 142,002	\$ 37,482,667 <sup>(1)</sup>	\$ 2,703	\$ 238,978	\$ 38,049,136

<sup>(1)</sup> As at September 30, 2017, the cumulative borrowing costs capitalized by the Company amounted to \$6,116,111 (December 31, 2016 - \$3,900,410)

## Aldridge Minerals Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and September 30, 2016

(Expressed in United States Dollars)

(Unaudited)

#### 8. RESTRICTED CASH AND OTHER ASSETS

##### (a) Restricted Cash

	As at September 30, 2017	As at December 31, 2016
Currency hedging	\$ 200,000	\$ 200,000
Bank letter of guarantee	157,037	152,658
	<b>\$ 357,037</b>	<b>\$ 352,658</b>

As at September 30, 2017, the short-term restricted cash includes \$200,000 held as collateral for the foreign currency hedging transactions (December 31, 2016 - \$200,000) with no fixed scheduled expiry date and restricted cash of \$157,037 (December 31, 2016 - \$152,658) held as a letter of guarantee issued in July 2016 and renewed monthly to support commitments related to pasture land converted to treasury land.

##### (b) Other assets

	As at September 30, 2017	As at December 31, 2016
Restricted cash	\$ 24,139	\$ 22,585
	<b>\$ 24,139</b>	<b>\$ 22,585</b>

As at September 30, 2017, the other assets relate to restricted cash of \$24,139 (December 31, 2016 - \$22,585) held as collateral for the corporate credit card. The agreement has no scheduled expiry date.

#### 9. FINANCIAL INSTRUMENTS

##### Financial liabilities

- i)* The Company had borrowings of \$36,027,617 as at September 30, 2017 (December 31, 2016 - \$33,209,792). The initial recognition of the Borrowing is classified as a Level 2 fair value measurement. Total interest recognized during the nine months ended September 30, 2017 was \$2,843,895 (December 31, 2016 - \$3,163,784). Of this, \$628,194 was capitalized to mineral property under development and \$2,215,701 was capitalized to land purchase with respect to the Yenipazar Project.
- ii)* As at September 30, 2017, the Company has registered pledges with a value of \$173,062 (December 31, 2016 - \$174,684) on its land, which has a net book value of \$5,247,196 (December 31, 2016 - \$5,247,196) and it has pledged all of its shares in its wholly-owned subsidiary, Aldridge Turkey, as collateral for the Company's borrowings.

## Aldridge Minerals Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and September 30, 2016

(Expressed in United States Dollars)

(Unaudited)

#### 10. LIABILITIES

##### (a) Accounts payable and accrued liabilities

	As at September 30, 2017	As at December 31, 2016
Other accounts payable and accrued liability	\$ 824,479	\$ 1,151,288
Deferred land price commitment <sup>(1)</sup>	8,158,408	-
	<b>\$ 8,982,887</b>	<b>\$ 1,151,288</b>

As at September 30, 2017, the cumulative land price commitment was \$10,982,625. Of this, \$8,158,408 was deemed payable on or before September 30, 2018 per the land purchase agreement. However, the Company has an option to extend payment with an additional 5% extension fee on the balance owing.

##### (b) Other liabilities

	As at September 30, 2017	As at December 31, 2016
Deferred rent and sales tax	\$ 1,777	\$ 4,586
Statutory employee termination benefits	192,095	153,618
Deferred land price commitment <sup>(1)</sup>	2,824,217	9,209,603
	<b>\$ 3,018,089</b>	<b>\$ 9,367,807</b>

<sup>(1)</sup> The deferred land price commitment costs represent the deferred land purchase price (\$1.35/m<sup>2</sup>) payable under the revised land purchase price offer for all land purchased to date. The Company has the option to extend the payment date of deferred land payments which become due at the earlier date of the start of construction and 24 months following the land title transfer dates. The Company, in exchange for increasing the deferred payments by 5%, has the option to extend the deferred payment due dates from 24 months to 36 months following the title transfer dates.

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

**11. SHARE CAPITAL**

**(a) Authorized**

Authorized share capital is unlimited, 140,045,921 issued and outstanding with no par value.

**(b) Issued**

	<b>Number of Shares</b>	<b>Amount</b>
<b>Balance, December 31, 2015</b>	<b>106,955,881</b>	<b>\$ 67,502,385</b>
<b>Balance, September 30, 2016</b>	<b>106,955,881</b>	<b>\$ 67,502,385</b>
<b>Balance, December 31, 2016</b>	<b>106,955,881</b>	<b>\$ 67,502,385</b>
Issued	33,503,333	\$ 4,765,440
<b>Balance, September 30, 2017</b>	<b>140,459,214</b>	<b>\$ 72,267,825</b>

On January 20, 2017, a previous employee of the Company exercised their stock options of 170,000 shares at the exercise price of CAD\$0.20 per common share. On June 20, 2017, the Company closed its non-brokered \$5,000,000 private placement (the "Private Placement") less issuance cost of \$279,269 (net proceeds - \$4,720,731). Pursuant to the Private Placement, the Company issued an aggregate 33,333,333 common shares ("Common Shares") of the Company at \$0.15 (or approximately CAD\$0.20) per Common Share for aggregate gross proceeds of \$5,000,000 to Mr. Ahmet Taçyildiz, Chairman and controlling shareholder of ANT Holding Anonim Sti. ("ANT") and a director of the Company. Following the closing of the Private Placement, ANT and its wholly-owned subsidiaries, together with Mr. Taçyildiz, owns, or exercises control or direction over, a total of 66,617,442 Common Shares or approximately 47.4% of the outstanding Common Shares. Subsequent to the Private Placement, ANT sold 16,000,000 Common Shares, or approximately 11.4% of the outstanding Common Shares to MYA Gayrimenkul ("MYA"), lowering the holdings of ANT/ Taçyildiz to approximately 36.0% of the outstanding Common Shares.

**(c) Stock options**

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. Pursuant to the Plan, the Company may grant options to purchase common shares of the Company to directors, officers, employees and consultants. 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 14,045,921 shares (December 31, 2016 – 10,695,588).

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

**11. SHARE CAPITAL (continued)**

**(c) Stock options (continued)**

The following table shows the continuity of stock options for the nine months ended September 30, 2017 and the year ended December 31, 2016:

	Number of Shares	Weighted Average Exercise Price
<b>Balance, December 31, 2015</b>	<b>8,068,438</b>	<b>CAD \$ 0.33</b>
Issued	807,000	CAD \$ 0.285
Expired	(857,000)	CAD \$ 1.15
<b>Balance, December 31, 2016</b>	<b>8,018,438</b>	<b>CAD \$ 0.24</b>
Exercised	(170,000)	CAD \$ 0.20
Issued	2,808,000	CAD \$ 0.22
Expired	(1,428,000)	CAD \$ 0.33
<b>Balance, September 30, 2017</b>	<b>9,228,438</b>	<b>CAD\$ 0.22</b>

The Company granted 2,808,000 stock options on August 15, 2017, to directors, officers, employees and consultants. The options are exercisable at a price of CAD\$0.22 per common share and expire in 5 years. Of this, 1,489,500 of the options vest immediately and 1,318,500 options vest on each of first, second and third anniversaries. The fair value of the 2,808,000 stock options granted on August 15, 2017 was \$301,579 on the date of issuance.

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

	Nine months ended September 30, 2017	Year ended December 31, 2016
Share price at grant date	CAD \$0.22	CAD \$0.285
Risk-free interest rate	1.50%	0.71%
Expected life of options	5 years	5 years
Expected volatility	61%	66%
Dividend yield	Nil	Nil
Estimated forfeiture rate	Nil	Nil

**Aldridge Minerals Inc.**  
**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the Three and Nine Months Ended September 30, 2017 and September 30, 2016**  
**(Expressed in United States Dollars)**  
**(Unaudited)**

**12. GENERAL AND ADMINISTRATIVE**

	Three Months Ended		Nine months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Amortization	\$ 21,443	\$ 30,409	\$ 64,989	\$ 90,763
Directors' fees and expenses	39,766	40,391	134,768	125,676
Office and sundry	98,304	116,564	284,646	339,757
Professional fees	129,437	937,835	362,239	1,250,460
Salaries and benefits <sup>(1)</sup>	11,990	411,061	615,798	1,228,639
Shareholder information	34,382	20,724	77,368	80,916
Stock-based compensation	108,865	34,804	142,592	86,698
Transfer and filing	5,203	4,725	23,509	22,299
Travel and promotion	21,547	16,886	62,236	86,961
<b>General and administrative expenses</b>	<b>\$ 470,937</b>	<b>\$ 1,613,399</b>	<b>\$ 1,768,145</b>	<b>\$ 3,312,169</b>

<sup>(1)</sup> The 2017 salary and benefits include the reversal of unpaid 2016 bonus of approximately \$273,000.

**13. 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.

	Three Months Ended		Nine months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Salaries and benefits <sup>(1)</sup>	\$ 188,775	\$ 178,126	\$ 556,997	\$ 533,980
Share based payments	127,154	23,646	170,482	74,000
<b>Total compensation</b>	<b>\$ 315,929</b>	<b>\$ 201,772</b>	<b>\$ 727,479</b>	<b>\$ 607,980</b>
Consulting and management fees <sup>(2)</sup>	114,255	60,222	345,348	448,976
<b>Total transactions with key management personnel</b>	<b>\$ 430,184</b>	<b>\$ 261,994</b>	<b>\$ 1,072,827</b>	<b>\$ 1,056,956</b>

<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 legal fees paid or payable to a company owned by a director of the Company.

As at September 30, 2017, the Company's net amount owing to key management personnel was \$16,842 (December 31, 2016 - \$13,846).



## Aldridge Minerals Inc.

### Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and September 30, 2016

(Expressed in United States Dollars)

(Unaudited)

#### 14. ENVIRONMENTAL REHABILITATION

The Company's asset retirement obligations ("ARO") are based on management's estimates of costs to abandon and reclaim mineral properties and facilities, as well as an estimate of the future timing of costs to be incurred. As at September 30, 2017, the aggregate carrying amount of the ARO associated with the retirement of the Company's Yenipazar property was \$39,653 (December 31, 2016 - \$36,550). This obligation pertains to the exploration shaft on the Yenipazar Property in Turkey.

#### 15. 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 September 30, 2017	Corporate	Turkey	Total
<b>General and administrative</b>	\$ 222,299	\$ 248,638	\$ 470,937
	\$ (222,299)	\$ (248,638)	\$ (470,937)
Interest income	8,691	4,038	12,729
Other income	-	21,386	21,386
Foreign exchange gain/(loss)	28,191	10,383	38,574
<b>Net loss – Three months ended September 30, 2017</b>	<b>\$ (185,417)</b>	<b>\$ (212,831)</b>	<b>\$ (398,248)</b>

Three months ended September 30, 2016	Corporate	Turkey	Total
<b>General and administrative</b>	\$ 1,294,622	\$ 318,777	\$ 1,613,399
	\$ (1,294,622)	\$ (318,777)	\$ (1,613,399)
Interest expense	113,721	-	113,721
Interest income	922	21,787	22,709
Other income	7,975	11,045	19,020
Other expenses	-	(59,116)	(59,116)
Foreign exchange gain/(loss)	(5,061)	(108,127)	(113,188)
<b>Net loss – Three months ended September 30, 2016</b>	<b>\$ (1,177,065)</b>	<b>\$ (453,188)</b>	<b>\$ (1,630,253)</b>

# Aldridge Minerals Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2017 and September 30, 2016

(Expressed in United States Dollars)

(Unaudited)

### 15. SEGMENTED INFORMATION (continued)

Nine months ended September 30, 2017	Corporate	Turkey	Total
<b>General and administrative</b>	\$ 1,031,970	\$ 736,175	\$ 1,768,145
	\$ (1,031,970)	\$ (736,175)	\$ (1,768,145)
Interest income	11,389	11,592	22,981
Other income	1,652	73,932	75,584
Foreign exchange gain/(loss)	58,605	22,479	81,084
<b>Net loss – Nine months ended September 30, 2017</b>	\$ (960,324)	\$ (628,172)	\$ (1,588,496)

Nine months ended September 30, 2016	Corporate	Turkey	Total
<b>General and administrative</b>	\$ 2,350,588	\$ 961,581	\$ 3,312,169
	\$ (2,350,588)	\$ (961,581)	\$ (3,312,169)
Interest expense	-	-	-
Interest income	9,807	47,590	57,397
Other income	7,975	48,336	56,311
Other expenses	-	(59,440)	(59,440)
Foreign exchange gain/(loss)	135,151	(196,295)	(61,144)
<b>Net loss – Nine months ended September 30, 2016</b>	\$ (2,197,655)	\$ (1,121,390)	\$ (3,319,045)

	Corporate	Turkey	Total
Mineral property under development	\$ -	\$ 16,423,321	\$ 16,423,321
Corporate and other assets	9,813,262	32,573,736	42,386,998
<b>Total Assets– As at September 30, 2017</b>	\$ 9,813,262	\$ 48,997,057	\$ 58,810,319

	Corporate	Turkey	Total
Mineral property under development	\$ -	\$ 14,587,294	\$ 14,587,294
Corporate and other assets	6,951,264	29,600,072	36,551,336
<b>Total Assets– As at December 31, 2016</b>	\$ 6,951,264	\$ 44,187,366	\$ 51,138,630

**Aldridge Minerals Inc.****Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Nine Months Ended September 30, 2017 and September 30, 2016****(Expressed in United States Dollars)****(Unaudited)****15. SEGMENTED INFORMATION (continued)**

	Corporate	Turkey	Total
Borrowings	\$ 36,027,617	\$ -	\$ 36,027,617
Other liabilities	355,468	13,816,620	14,172,088
<b>Total liabilities – As at September 30, 2017</b>	<b>\$ 36,383,085</b>	<b>\$ 13,816,620</b>	<b>\$ 50,199,705</b>

	Corporate	Turkey	Total
Borrowings	\$ 33,209,792	\$ -	\$ 33,209,792
Other liabilities	643,499	12,040,609	12,684,108
<b>Total liabilities – As at December 31, 2016</b>	<b>\$ 33,853,291</b>	<b>\$ 12,040,609</b>	<b>\$ 45,893,900</b>

<b>Geographic Information</b>	Corporate	Turkey	Total
Exploration license deposits	\$ -	\$ 37,424	\$ 37,424
Mineral property under development	-	16,423,321	16,423,321
Property and equipment	6,263,139	31,785,997	38,049,136
Other assets	24,139	-	24,139
<b>Total non-current assets – As at September 30, 2017</b>	<b>\$ 6,287,278</b>	<b>\$ 48,246,742</b>	<b>\$ 54,534,020</b>

<b>Geographic Information</b>	Corporate	Turkey	Total
Exploration license deposits	\$ -	\$ 31,233	\$ 31,233
Mineral property under development	-	14,587,294	14,587,294
Property and equipment	4,100,010	27,099,904	31,199,914
Other assets	22,585	-	22,585
<b>Total non-current assets – As at December 31, 2016</b>	<b>\$ 4,122,595</b>	<b>\$ 41,718,431</b>	<b>\$ 45,841,026</b>

**Aldridge Minerals Inc.****Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Nine Months Ended September 30, 2017 and September 30, 2016****(Expressed in United States Dollars)****(Unaudited)**

---

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

	<b>Nine months Ended</b>	
	<b>September 30, 2017</b>	<b>September 30, 2016</b>
Changes in non-cash operating assets and liabilities:		
Other receivables	<b>\$ 146,001</b>	\$ (253,982)
Prepaid expenses	<b>110,117</b>	129,294
Accounts payable, accrued liabilities, and other liabilities	<b>(276,687)</b>	894,863
Due to related parties	<b>2,996</b>	1,226
	<b>\$ (17,573)</b>	\$ 771,401

---

**17. SUBSEQUENT EVENTS**

Effective November 16, 2017, Mr. Barry Hildred and Mr. Ed Guimaraes resigned as Directors of the Company.