ALDRIDGE
MINERALS INC.

Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2018

(Expressed in United States Dollars)

Notice:

The following unaudited interim condensed consolidated financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not reviewed these interim financial statements.

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

	As at March 31 2018	As at December 31, 2017
ASSETS		
Current		
Cash and cash equivalents	**$ 1,747,985**	$ 2,551,079
Other receivables (Note 5)	**56,027**	45,912
Prepaid Expenses	**120,064**	157,949
Restricted Cash (Note 8(a))	**200,000**	200,000
	2,124,076	2,954,940
Non-Current		
License deposits (Note 6(b))	**40,337**	35,243
Mineral property under development (Note 6(a))	**17,505,212**	16,957,407
Property and equipment (Note 7)	**39,930,391**	39,115,641
Restricted cash (Note 8(b))	**164,677**	171,850
	$ 59,764,693	$ 59,235,081
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 10 (a))	**$ 12,098,918**	$ 11,002,227
Due to related parties (Note 13)	**17,495**	13,846
Borrowings (Note 4 (a))	**38,049,985**	37,046,317
	50,166,399	48,062,390
Non-Current		
Deferred revenue (Note 4 (b))	**2,114,617**	2,114,617
Environmental rehabilitation provision (Note 14)	**38,274**	39,290
Other liabilities (Note 10 (b))	**175,200**	1,112,873
	52,494,488	51,329,170
SHAREHOLDER’S EQUITY		
Share capital (Note 11(b))	**72,267,825**	72,267,825
Contributed surplus	**14,105,281**	14,085,987
Deficit	**(77,203,097)**	(76,534,067)
Accumulated other comprehensive loss	**(1,899,805)**	(1,913,834)
	7,270,204	7,905,911
	$ 59,764,693	$ 59,235,081

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

Approved by the Board of Directors: *“Jeremy South”* Jeremy South, Director *“Gage Jull”* Gage Jull, Director

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

Aldridge Minerals Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States dollars)
(Unaudited)

	Three Months ended			
		March 31, 2018		**March 31, 2017**
EXPENSES				
General and administrative (Note 12)	**$**	**646,342**	$	645,187
		(646,342)		(645,187)
OTHER INCOME (EXPENSE)				
Interest income		**9,673**		4,482
Other Income		**-**		4,707
Other Expense		**(69,878)**		-
Foreign exchange gain/(loss)		**37,517**		13,974
		(22,688)		23,163
Net loss for the period before income tax	**$**	**(669,030)**	$	(622,024)
Net loss for the period	**$**	**(669,030)**	$	(622,024)
Items that may be reclassified to net loss:				
Change in unrealized foreign currency translation gains/(losses) on foreign operations		**(9,399)**		(4,001)
Items that will not be subsequently reclassified to net loss:				
Changes in gains/(losses) on employment termination benefits		**23,428**		
Comprehensive loss for the period	**$**	**(655,001)**	$	(626,025)
Basic and diluted net loss per share	**$**	**(0.01)**	$	(0.01)
Weighted average number of shares outstanding – basic and diluted		**140,459,214**		107,091,108

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

Aldridge Minerals Inc.
Consolidated Statements of Changes in Equity
(Expressed in United States dollars)
(Unaudited)

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income/(loss)	Deficit	Total
Balance, December 31, 2016	**$ 67,502,385**	**$ 13,845,972**	**$ (1,877,975)**	**$ (74,225.652)**	**$ 5,244,730**
Net loss for the period	-	-	-	(622,024)	(622,024)
Change in unrealized foreign currency translation gain/(loss) on foreign operations	-	-	(4,001)	-	(4,001)
Comprehensive income/(loss) for the period	-	-	(4,001)	(622,024)	(626,025)
Stock option exercised	44,709	(19,099)	-	-	25,610
Stock based compensation	-	23,909	-	-	23,909
Balance, March 31, 2017	**$ 67,547,094**	**$ 13,850,782**	**$ (1,881,976)**	**$ (74,847,676)**	**$ 4,668,224**
Net loss for the period	-	-	-	(1,686,391)	(1,686,391)
Change in unrealized foreign currency translation gain/(loss) on foreign operations	-	-	(27,113)	-	(27,113)
Change in gain/(loss) on Employment termination benefits	-	-	(4,745)	-	(4,745)
Comprehensive income/(loss) for the period	-	-	(31,858)	(1,686,391)	(1,718,249)
Share issuance cost	4,720,731	-	-	-	4,720,731
Stock based compensation	-	235,205	-	-	235,205
Balance, December 31, 2017	**$ 72,267,825**	**$ 14,085,987**	**$ (1,913,834)**	**$ (76,534,067)**	**$ 7,905,911**
Net loss for the period	-	-	-	(669,030)	(669,030)
Change in unrealized foreign currency translation gain/(loss) on foreign operations	-	-	(9,399)	-	(9,399)
Change in gain/(loss) on Employment termination benefits	-	-	23,428	-	(23,428)
Comprehensive income/(loss) for the period	-	-	14,029	(669,030)	(655,001)
Stock based compensation	-	19,294	-	-	19,294
Balance, March 31, 2018	**$ 72,267,825**	**$ 14,105,281**	**$ (1,899,805)**	**$ (77,203,097)**	**$ 7,270,204**

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

Aldridge Minerals Inc.
Consolidated Statements of Cash Flows
(Expressed in United States dollars)
(Unaudited)

	Three Month ended March 31, 2018	March 31, 2017
Cash Flows from (used in) Operating Activities		
Net loss from operations	**$ (669,030)**	$ (622,024)
Add (deduct) items not affecting cash:		
Amortization	**15,198**	23,486
Stock-based compensation	**10,558**	16,995
Loss on assets write-off	**52,320**	-
Foreign exchange loss/(gain)	**41,368**	(3,955)
	(549,586)	(585,498)
Changes in non-cash operating assets and liabilities (Note 16)	**207,722**	302,704
	(341,864)	(282,794)
Cash Flows from Financing Activities		
Proceeds from issuance of common shares, net of share issuance cost	**-**	25,610
	-	25,610
Cash Flows used in Investing Activities		
Investment in mineral property under development	**(282,340)**	(356,762)
License deposits	**(6,052)**	(6,052)
Purchase of property and equipment	**(137,993)**	(2,094,046)
Restricted cash	**6,554**	-
	(419,831)	(2,431,250)
Impact of foreign exchange on cash balances	**(41,399)**	6,285
Net change in cash and cash equivalents	**(803,094)**	(2,707,759)
Cash and cash equivalents, beginning of period	**2,551,079**	4,289,055
Cash and cash equivalents, end of period	**$ 1,747,985**	$ 1,581,296
Total interest paid	-	$ -
Total income taxes paid	**$ 2,663**	$ 486

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

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 mailing address is 100-2 Toronto Street, Suite 215, Toronto, ON M5C 2B5

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 period of $669,030 (March 31, 2017 - $622,024) and has an accumulated deficit of $77,203,097 (December 31, 2017 - $76,534,067). 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 (a)), which become due, including additional 2018 interest costs, on September 16, 2018 and a portion of deferred land purchase price commitments (Note 11) which are due on or before March 31, 2019. If the Company is unsuccessful in raising funds or renegotiating the terms of the Banka Kombetare Tregtare sh.a. loan prior to maturity, the bank may exercise its right to take possession of the assets subject to the security terms described in Note 4. Furthermore, the Company requires financing to meet its 2018 obligations, keep its mineral claims in good standing and advance the mine towards production. The Company's cash and cash equivalents at March 31, 2018 may not be sufficient to meet its 2018 obligations prior to obtaining financing in 2018. 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 consolidated 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, 2017, which have been prepared in accordance with IFRS. The Board of Directors approved the unaudited condensed consolidated interim financial statements for issuance on May 24, 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, 2017. The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new and amended standards as set out below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Accounting standards and amendments issued and 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 has evaluated the impact of applying IFRS 9, and has concluded that the adoption of the standard did not have a material impact on the condensed consolidated interim financial statements.

The following are the Company's new accounting policies for its financial instruments under IFRS 9:

The Company recognizes a financial asset when the Company becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value and subsequently re-measured either at (i) amortized cost or (ii) fair value either through profit or loss ("FVPL") or through comprehensive income ("FVOCI") based on the classification of the financial asset. The classification of the financial assets within each measurement category is based on the business model and cash flow characteristics of the instrument.

Gains and losses in respect to equity investments that have been irrevocably designated at FVOCI based on eligibility and the Company's election are recognized in other comprehensive income or loss in the consolidated statements and are not transferred to profit or loss upon disposition. Gains and losses in respect to equity investments not designated as FVOCI are recognized as other expense (income) in the consolidated statements.

Financial assets are derecognized when the Company has transferred substantially all the risks and rewards of ownership of the financial asset or when the cash flows expire.

For financial liabilities, IFRS 9 retains most of the IAS 39 requirements. The adoption of IFRS 9 did not impact the Company accounting policies for financial liabilities as disclosed in the annual consolidated financial statements for the year ended December 31, 2017.

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. In April 2017, 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 became effective concurrent with the effective date of IFRS 15 on January 1, 2018. The Company has evaluated the impact of applying IFRS 15, and has concluded that the adoption of the standard did not have a material impact on the condensed consolidated interim financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

iii) 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 evaluated the potential impact of applying IFRS 2 amendments, and has concluded that the adoption of the standard will not have a material impact on the condensed consolidated interim financial statements.

iv) IFRIC Interpretation 22, Foreign Currency Transactions and Advance Consideration, clarifies which date should be used for translation when a foreign currency transaction involves an advance payment or receipt. The Interpretation is applicable for annual periods beginning on or after January 1, 2018. The Company intends to adopt the Interpretation in its financial statements for the annual period beginning on January 1, 2018. The Company has evaluated the potential impact of applying IFRIC 22, and has concluded that the adoption of the standard will not have a material impact on the condensed consolidated interim financial statements.

(b) Accounting standards and amendments issued but not yet adopted

i) In January 2017, 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 yet determined the potential the impact of the adoption of this standard on the condensed consolidated interim financial statements.

i) IFRIC 23, Uncertainty over Income Tax Treatments, provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Interpretation requires: (a) an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; (b) an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and (c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. The Company intends to adopt the Interpretation in its financial statements for the annual period beginning on January 1, 2019. The Company has not yet determined the potential the impact of the adoption of this standard on the consolidated financial statements.

(Expressed in United States Dollars)

3. CAPITAL MANAGEMENT

The Company's capital management objectives, policies and processes have remained unchanged during the three months ended March 31, 2018.

4. BORROWINGS

a) 2016 Financing

	As at March 31, 2018	As at December 31, 2017
Carrying value of borrowings	**$ 38,049,985**	**$ 37,046,317**

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.

Additional details of the 2016 Financing are as follows:

- The Credit Facility provides for total borrowings of up to $40,000,000 (including interest to be capitalized).
- The Company is entitled to prepay outstanding advances under the Credit Facility, in whole or in part, prior to the maturity date without penalty or premium.
- The Company's obligation in relation to the Credit Facility is guaranteed by Aldridge Turkey.
- BKT will have a first priority security interest in certain material assets of the Company, including its shares in its wholly-owned subsidiary, Aldridge Turkey and the mining licences owned by Aldridge Turkey. Such security will be released following full repayment of the Credit Facility plus all accrued interest.

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 period ended March 31, 2018 before interest capitalization was $1,001,005 (March 31, 2017 - $930,060). The Company's borrowings become due as at September 16, 2018.

b) 2014 Financing

As a part of September 25, 2014 borrowings, an Orion affiliate entered into a purchase agreement with the Company, on a take-or-pay basis, to buy certain lead concentrate and gold offtakes produced at the Yenipazar Project. Under the agreement, the Company will sell and Orion will purchase, 50% of the gold produced (subject to a minimum of 237,089 ounces) and 5,000 dry metric tonnes of lead concentrate per annum (subject to a minimum total delivery of 50,000 dry metric tonnes), over the first ten years of the mine plan at Yenipazar. Payment price for both the gold and lead concentrate will be determined at the time of delivery by market values, subject to specific quotational periods. Deferred revenues relating to the offtakes totaling $2,114,617 have been recorded and will be taken into profit and loss as deliveries are made. Deferred revenues have been calculated as the net residual value after deducting the fair market values of all other individual financing components, excluding the offtakes, from the gross proceeds of the Borrowings.

(Expressed in United States Dollars)

5. OTHER RECEIVABLES

	As at March 31, 2018	As at December 31, 2017
Interest receivable	$ 95	$ 69
Sales taxes receivable	55,932	45,843
	$ 56,027	$ 45,912

6. MINERAL PROPERTY UNDER DEVELOPMENT

a) Yenipazar Project, Turkey

Mineral Property Under Development	Yenipazar Project
Balance, December 31, 2016	**$ 14,587,294**
Additions	584,457
Balance, March 31, 2017	**$ 15,171,751**
Additions	1,785,656
Balance, December 31, 2017	**$ 16,957,407**
Additions	**547,805**
Balance, March 31, 2018	**$ 17,505,212**

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. The Company has pledged all of its mining licences wholly-owned by its subsidiary, Aldridge Turkey, as collateral for the Company's borrowings.

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. The Company's renewal application was submitted on February 19, 2018.

During the period ended March 31, 2017, additions to the mineral property under development mainly related to the employee expenses, engineering consulting and interest capitalization for the Yenipazar project.

(Expressed in United States Dollars)

6. MINERAL PROPERTY UNDER DEVELOPMENT (continued)

(a) Yenipazar Project, Turkey (continued)

The additional expenditures on the mineral property during the period ended March 31, 2018 and March 31, 2017 in Yenipazar were as follows:

a) Yenipazar Project, Turkey (continued)	Three Months ended March 31, 2018	March 31, 2017
Yenipazar Property		
Amortization	**$ 13,254**	$ 16,776
Engineering consulting	**30,032**	47,873
Environmental consulting	**-**	3,500
Land acquisition planning and development	**-**	39,800
Permitting	**17,231**	15,640
Employee costs	**203,093**	211,080
Community relations	**6,724**	10,901
Travel	**5,498**	9,192
Vehicles and equipment maintenance	**18,043**	12,325
Interest capitalization	**243,476**	204,004
Camp costs	**9,609**	11,080
Other	**845**	2,286
	$ 547,805	$ 584,457

As at March 31, 2018, the Company capitalized cumulative borrowing costs amounting to $3,126,439 on qualifying assets ($2,882,963 cumulative as at December 31, 2017). A period-to-date capitalization rate of 2.7% (March 31, 2017 – 2.7%) representing the weighted average cost of general borrowing, was applied.

b) License Deposits, Turkey

License deposits	
Balance, December 31, 2016	**$ 31,233**
Addition	6,052
Impact of foreign exchange	(751)
Balance, March 31, 2017	**$ 36,534**
Addition	-
Impact of foreign exchange	(1,291)
Balance, December 31, 2017	**$ 35,243**
Addition	6,052
Impact of foreign exchange	(958)
Balance, March 31, 2018	**$ 40,337**

(Expressed in United States Dollars)

7. PROPERTY AND EQUIPMENT

Cost	Furniture And Equipment	Computer & Software Equipment	Land	Leasehold Improvements	Building	Total
Balance, December 31, 2016	**$ 634,445**	**$ 426,849**	**$ 30,522,951**	**$ 16,965**	**$ 376,009**	**$ 31,977,219**
Additions	5,614	-	8,122,770	-	-	8,128,384
Balance, December 31, 2017	**$ 640,059**	**$ 426,849**	**$ 38,645,721**	**$ 16,965**	**$ 376,009**	**$ 40,105,603**
Additions	1,090	1,578	892,854	-	-	895,522
Disposal	(23,697)	(37,386)	-	(8,370)	(80,572)	(150,025)
Balance, March 31, 2018	**$ 617,452**	**$ 391,041**	**$ 39,538,575**	**$ 8,595**	**$ 295,437**	**$ 40,851,100**

Accumulated Amortization	Furniture And Equipment	Computer & Software Equipment	Land	Leasehold Improvements	Building	Total
Balance, December 31, 2016	**$ 427,144**	**$ 227,485**	**$ -**	**$ 12,340**	**$ 110,336**	**$ 777,305**
Additions	81,183	91,263	-	4,617	35,594	212,657
Balance, December 31, 2017	**$ 508,327**	**$ 318,748**	**$ -**	**$ 16,957**	**$ 145,930**	**$ 989,962**
Additions	6,298	12,750		507	8,897	28,452
Disposal	(19,856)	(31,558)	-	(9,148)	(37,143)	(97,705)
Balance, March 31, 2018	**$ 494,769**	**$ 299,940**	**$ -**	**$ 8,316**	**$ 117,684**	**$ 920,709**

Net	Furniture And Equipment	Computer & Software Equipment	Land	Leasehold Improvements	Building	Total
Balance, December 31, 2016	$ 207,301	$ 199,364	$ 30,522,951(1)	$ 4,625	$ 265,673	$ 31,199,914
Balance, December 31, 2017	$ 131,732	$ 108,101	$ 38,645,721(1)	$ 8	$ 230,079	$ 39,115,641
Balance, March 31, 2018	**$ 122,683**	**$ 91,101**	**$ 39,538,575(1)**	**$ 279**	**$ 177,753**	**$ 39,930,391**

(1) *As at March 31, 2018, the cumulative borrowing costs capitalized by the Company amounted to $7,661,943 (December 31, 2017 - $6,904,414)*

(Expressed in United States Dollars)

8. RESTRICTED CASH AND OTHER ASSETS

(a) Restricted Cash - Current

	As at March 31, 2018	As at December 31, 2017
Currency hedging	**$ 200,000**	$ 200,000
	$ 200,000	$ 200,000

As at March 31, 2018, the short-term restricted cash includes $200,000 held as collateral for the foreign currency hedging transactions (December 31, 2017 - $200,000). The Company cancelled the foreign currency hedging facility, which released the related cash security, effective May 1, 2018.

(b) Restricted Cash – Non-current

	As at March 31, 2018	As at December 31, 2017
Restricted cash	**$ 23,299**	$ 23,918
Bank letter of guarantee	**141,378**	147,932
	$ 164,677	$ 171,850

As at March 31, 2018, the other assets relate to restricted cash of $23,299 (December 31, 2017 - $23,918) held as collateral for the corporate credit card. The agreement has no scheduled expiry date. The restricted cash of $141,378 (December 31, 2017 - $147,932) held as a letter of guarantee issued in July 2016 and renewed annually to support the reclamation activities related to pasture land converted to treasury land.

9. FINANCIAL INSTRUMENTS

Financial liabilities

i) The Company had borrowings of $38,049,985 as at March 31, 2018 (December 31, 2017 - $37,046,317). The initial recognition of the Borrowing is classified as a Level 2 fair value measurement. Total interest recognized during the period ended March 31, 2018 was $1,001,005 (December 31, 2017 - $3,861,641). Of this, $243,476 was capitalized to mineral property under development and $757,529 was capitalized to land purchase with respect to the Yenipazar Project.

ii) As of March 31, 2018, the Company has registered pledges with a value of $1,140,901 (December 31, 2017 - $1,140,901) on its land, which has a land value of $5,247,196 (December 31, 2017 - $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. In addition, the Company has registered pledges for the land purchased since June 2016 related to the US$1.35/m2 deferred payments with an amount of $1,516,497 (December 31, 2017: $977,924) on its land which has a value of $6,368,151 (December 31, 2017: $3,470,108).

10. LIABILITIES

(a) Accounts payable and accrued liabilities

		As at March 31, 2018		As at December 31, 2017
		$		
Other accounts payable and accrued liability		**1,017,823**	$	813,449
Deferred land price commitment(1)		**11,081,095**		10,188,778
	$	**12,098,918**	$	11,002,227

As at March 31, 2018, the cumulative land price commitment of $11,081,095 deemed payable on or before March 31, 2019 per the land purchase agreement. However, the Company has an option to extend payments by 12 months by adding an extension fee of 5% to the balance owing. The deferred land price commitment costs represent the deferred land purchase price ($1.41/m^2) 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.

(b) Other liabilities

		As at March 31, 2018		As at December 31, 2017
Deferred rent and sales tax	**$**	**-**	$	704
Statutory employee termination benefits		**175,200**		202,108
Deferred land price commitment		**-**		910,061
	$	**175,200**	$	1,112,873

(Expressed in United States Dollars)

11. SHARE CAPITAL

(a) Authorized

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

(b) Issued

	Number of Shares	Amount
Balance, December 31, 2016	**106,955,881**	**$ 67,502,385**
Issued	33,503,333	$ 4,765,440
Balance, December 31, 2017	**140,459,214**	**$ 72,267,825**
Balance, March 31, 2018	**140,459,214**	**$ 72,267,825**

(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, 2017 – 14,045,921).

The following table shows the continuity of stock options for the three months ended March 31, 2018:

	Number of Shares	Weighted Average Exercise Price
Balance, December 31, 2016	**8,018,438**	**CAD $ 0.24**
Exercised	(170,000)	CAD $ 0.20
Issued	3,208,000	CAD $ 0.21
Expired / Forfeited	(1,428,000)	CAD $ 0.33
Balance, December 31, 2017	**9,628,438**	**CAD $ 0.21**
Expired / Forfeited	(2,000,000)	CAD $ 0.21
Balance, March 31, 2017	**7,628,438**	**CAD $ 0.21**

(Expressed in United States Dollars)

12. GENERAL AND ADMINISTRATIVE

	Three Months ended	
	March 31, 2018	**March 31, 2017**
Amortization	**$ 15,198**	$ 23,486
Directors' fees and expenses	**100,942**	47,421
Office and sundry	**99,716**	87,868
Professional fees	**80,121**	125,009
Salaries and benefits	**286,316**	281,101
Shareholder information	**18,015**	27,350
Stock-based compensation	**10,558**	16,995
Transfer and filing	**7,166**	10,944
Travel and promotion	**28,309**	25,013
General and administrative expenses	**$ 646,342**	$ 645,187

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	
	March 31, 2018	**March 31, 2017**
Salaries and benefits (1)	**$ 159,023**	$ 183,128
Share based payments	**18,358**	19,283
Total compensation	**$ 177,381**	$ 202,411
Consulting and management fees(2)	**118,744**	111,992
Total transactions with key management personnel	**$ 296,125**	$ 314,403

(1) Directors do not have employment or service contracts with the Company, but may be entitled to director fees while officers have employment contracts and earn salaries and benefits for their services. Both directors and officers are also eligible for share-based payments.

(2) These amounts represent legal fees paid or payable to a company owned by a director of the Company.

As at March 31, 2018, the Company's net amount owing to key management personnel was $17,495 (December 31, 2017 - $13,846).

(Expressed in United States Dollars)

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 March 31, 2018, the aggregate carrying amount of the ARO associated with the retirement of the Company's Yenipazar property was $38,274 (December 31, 2017 - $39,290). 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:

Period ended March 31, 2018	**Corporate**	**Turkey**	**Total**
General and administrative	**$ 424,791**	**$ 221,551**	**$ 646,342**
	$ (424,791)	**$ (221,551)**	**$ (646,342)**
Interest income	**6,310**	**3,363**	**9,673**
Other expenses	**(8,838)**	**(61,040)**	**(69,878)**
Foreign exchange gain/(loss)	**25,301**	**12,216**	**37,517**
Net loss – Three Months ended March 31, 2018	**$ (402,018)**	**$ (267,012)**	**$ (669,030)**

Period ended March 31, 2017	**Corporate**	**Turkey**	**Total**
General and administrative	$ 428,382	$ 216,805	$ 645,187
	$ (428,382)	$ (216,805)	$ (645,187)
Interest income	1,255	3,227	4,482
Other income	1,652	3,055	4,707
Foreign exchange gain/(loss)	9,835	4,139	13,974
Net loss – Three Months ended March 31, 2017	$ (415,640)	$ (206,384)	$ (622,024)

(Expressed in United States Dollars)

15. SEGMENTED INFORMATION (continued)

	Corporate	Turkey	Total
Mineral property under development	$ -	**$ 17,505,212**	**$ 17,505,212**
Corporate and other assets	**9,042,417**	**33,217,064**	**42,259,481**
Total Assets – As at March 31, 2018	**$ 9,042,417**	**$ 50,722,276**	**$ 59,764,693**

	Corporate	Turkey	Total
Mineral property under development	$ -	$ 16,957,407	$ 16,957,407
Corporate and other assets	9,644,655	32,633,019	42,277,674
Total Assets– As at December 31, 2017	$ 9,644,655	$ 49,590,426	$ 59,235,081

	Corporate	Turkey	Total
Borrowings	**$ 38,049,985**	**$ -**	**$ 38,049,985**
Other liabilities	**343,047**	**14,101,456**	**14,444,503**
Total liabilities – As at March 31, 2018	**$ 38,393,032**	**$ 14,101,456**	**$ 52,494,488**

	Corporate	Turkey	Total
Borrowings	$ 37,046,317	$ -	$ 37,046,317
Other liabilities	329,607	13,953,246	14,282,853
Total liabilities – As at December 31, 2017	$ 37,375,924	$ 13,953,246	$ 51,329,170

(Expressed in United States Dollars)

15. SEGMENTED INFORMATION (continued)

Geographic Information	**Corporate**	**Turkey**	**Total**
Exploration license deposits	**$ -**	**$ 40,337**	**$ 40,337**
Mineral property under development	**-**	**17,505,212**	**17,505,212**
Property and equipment	**7,770,432**	**32,159,959**	**39,930,391**
Other assets	**23,299**	**141,378**	**164,677**
Total non-current assets – As at March 31, 2018	**$ 7,793,731**	**$ 49,846,886**	**$ 57,640,617**

Geographic Information	**Corporate**	**Turkey**	**Total**
Exploration license deposits	$ -	$ 35,243	$ 35,243
Mineral property under development	-	16,957,407	16,957,407
Property and equipment	7,034,112	32,081,529	39,115,641
Other assets	23,918	147,932	171,850
Total non-current assets – As at December 31, 2017	$ 7,058,030	$ 49,222,111	$ 56,280,141

16. CHANGES IN NON-CASH OPERATING ASSETS AND LIABILITIES

	Period ended March 31, 2018	**Period ended March 31, 2017**
Changes in non-cash operating assets and liabilities:		
Other receivables	**$ 2,315**	$ 60,445
Prepaid expenses	**37,885**	22,772
Accounts payable, accrued liabilities, and other liabilities	**163,873**	215,598
Due to related parties	**3,649**	3,889
	$ 207,722	$ 302,704

17. SUBSEQUENT EVENTS

The Company’s temporary shutdown permit was approved as at May 3, 2018. The temporary shutdown permit is renewed annually, with the current temporary shutdown permit valid until February 19, 2019.