CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THIRTEEN MONTHS ENDED DECEMBER 31, 2012
(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Aldridge Minerals Inc. (the "Company") are the responsibility of management and the Board of Directors.

The consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence 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 consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Mario Caron"
Mario Caron
Chief Executive Officer

"Jim O'Neill"
Jim O'Neill
Chief Financial Officer

Toronto, Canada
March 7, 2013

March 7, 2013

Independent Auditor's Report

To the Shareholders of Aldridge Minerals Inc.

We have audited the accompanying consolidated financial statements of Aldridge Minerals Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2012, November 30, 2011 and December 1, 2010 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the periods ended December 31, 2012 and November 30, 2011, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers LLP
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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Aldridge Minerals Inc. and its subsidiaries as at December 31, 2012, November 30, 2011 and December 1, 2010 and their financial performance and cash flows for the periods ended December 31, 2012 and November 30, 2011 in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Aldridge Minerals Inc.'s ability to continue as a going concern.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Aldridge Minerals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	As at December 31 2012	As at November 30 2011 (Note 19)	As at December 1 2010 (Note 19)
ASSETS			
Current			
Cash and cash equivalents	**$ 3,475,088**	$ 4,741,663	$ 1,652,989
Other receivables	**611,756**	817,353	178,188
Prepaid expenses	**387,912**	294,173	93,799
	4,474,756	5,853,189	1,924,976
Exploration license deposits (Note 14)	**193,392**	80,406	-
Loan receivable from Aldridge Uranium Inc. (Note 6)	**-**	-	254,384
Long-term investments (Note 5)	**-**	1,394,915	378,578
Property and equipment (Note 7)	**477,427**	391,741	114,864
Other assets (Note 8)	**113,126**	67,915	-
	$ 5,258,701	$ 7,788,166	$ 2,672,802
LIABILITIES			
Current			
Accounts payable and accrued liabilities	**$ 1,382,224**	$ 929,711	$ 457,757
Due to related parties (Note 15)	**22,233**	101,144	105,606
	1,404,457	1,030,855	563,363
Environmental rehabilitation (Note 16)	**49,281**	48,732	48,012
Other liabilities (Note 9)	**95,666**	38,541	19,821
	1,549,404	1,118,128	631,196
SHAREHOLDERS' EQUITY			
Share capital (Note 10)	**45,526,494**	35,090,168	25,755,113
Contributed surplus	**13,265,748**	12,988,103	9,968,882
Deficit	**(55,082,945)**	(41,408,233)	(33,682,389)
	3,709,297	6,670,038	2,041,606
	$ 5,258,701	$ 7,788,166	$ 2,672,802

Nature of Operations and Going Concern (Note 1)
Commitments (Note 14)

Approved by the Board of Directors:

"Mario Caron"
Mario Caron, Director

"Ed Guimaraes"
Ed Guimaraes, Director

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

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

	Thirteen months ended December 31 2012	Twelve months ended November 30 2011 (Note 19)
EXPENSES		
Exploration and evaluation expenditures (Note 11)	**$ 7,848,756**	$ 2,843,332
General and administrative (Note 12)	**4,502,221**	3,905,822
	(12,350,977)	(6,749,154)
OTHER INCOME (EXPENSE)		
Interest income	**72,136**	139,055
Other income	**135,822**	52,374
Foreign exchange gain (loss)	**(463)**	42,513
Gain on disposition of investment in Aldridge Uranium Inc. (Note 5)	**-**	2,299,527
Impairment loss on investment in Anatolia Energy Ltd. and Vetter Uranium Ltd. (Note 5)	**(712,043)**	(920,737)
Net gain on disposition of Vetter Uranium Ltd. and Anatolia Energy Ltd. (Note 5)	**80,381**	**-**
Change in fair value of Anatolia Energy Ltd. Class A Performance Shares	-	212,547
Gain on sale of equipment	-	20,426
	(424,167)	1,845,705
Net loss for the period before income tax and discontinued operations	**$ (12,775,144)**	**$** (4,903,449)
Net income tax recovery (Note 18)	**189,672**	-
Net loss from continuing operations	**$ (12,585,472)**	$ (4,903,449)
Net loss from discontinued operations (Note 13)	**(1,089,240)**	(2,822,395)
Net loss and comprehensive loss for the period attributable to equity shareholders of the Company	**$ (13,674,712)**	$ (7,725,844)
Basic and diluted net loss per share	**$ (0.29)**	$ (0.22)
Basic and diluted net loss per share - continuing operations	**$ (0.27)**	$ (0.14)
Weighted average number of shares outstanding - basic and diluted	**47,149,821**	35,275,115

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

Aldridge Minerals Inc.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive (Loss) Income	Deficit	Total
Balance, December 1, 2010	**$ 25,755,113**	**$ 9,968,882**	**$ -**	**$ (33,682,389)**	**$ 2,041,606**
Net loss for the period	-	-	-	(7,725,844)	(7,725,844)
Impairment of available-for-sale investment	-	-	920,737	-	920,737
Net unrealized loss on available-for-sale investments	-	-	(920,737)	-	(920,737)
Total comprehensive loss for the period	**-**	**-**	-	**(7,725,844)**	**(7,725,844)**
Shares issued for cash	12,424,650	-	-	-	12,424,650
Warrant valuation	(2,153,606)	2,153,606	-	-	-
Share issue cost	(1,369,489)	438,342	-	-	(931,147)
Shares issued for options exercised	195,500	-	-	-	195,500
Black-Scholes valuation of options exercised	112,700	(112,700)	-	-	-
Shares issued for warrants exercised	105,000	-	-	-	105,000
Black-Scholes valuation of warrants exercised	20,300	(20,300)	-	-	-
Stock based compensation	-	560,273	-	-	560,273
Balance, November 30, 2011	**$ 35,090,168**	**$12,988,103**	$ -	**$(41,408,233)**	**$ 6,670,038**
Net loss for the period	-	-	-	(13,674,712)	(13,674,712)
Total comprehensive loss for the period	**-**	**-**	**-**	**(13,674,712)**	**(13,674,712)**
Shares issued for cash	11,200,000	-	-	-	11,200,000
Share issue cost	(763,674)	-	-	-	(763,674)
Stock based compensation	-	470,718	-	-	470,718
Tax on expired warrants	-	(193,073)	-	-	(193,073)
Balance, December 31, 2012	**$ 45,526,494**	**$ 13,265,748**	**$ -**	**$(55,082,945)**	**$ 3,709,297**

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

Aldridge Minerals Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Thirteen months ended December 31, 2012	Twelve months ended November 30, 2011 (Note 19)
Cash Flows from (used in) Operating Activities		
Net loss from continuing operations	$ **(12,585,472)**	$ (4,903,449)
Add (deduct) items not affecting cash:		
Amortization	**94,714**	35,204
Income tax recovery	**(193,072)**	-
Stock-based compensation	**470,718**	560,273
Gain on disposition of investment in Aldridge Uranium Inc.	-	(2,299,527)
Net gain on disposition of Anatolia Energy Ltd. and Vetter Uranium Ltd.	**(80,381)**	-
Unrealized foreign exchange loss/(gain) on cash and cash equivalents	**1,485**	(5,008)
Impairment loss on investments	**712,043**	920,737
Change in fair value of Anatolia Energy Ltd. Class A Performance Shares	-	(212,547)
Gain on sale of equipment	-	(20,426)
Accretion for asset retirement	**549**	720
Net loss from discontinued operations	**(1,089,240)**	(2,822,395)
	(12,668,656)	(8,746,418)
Changes in non-cash operating assets and liabilities (Note 20)	**497,371**	(421,242)
	(12,171,285)	(9,167,660)
Cash Flows from (used in) Financing Activities		
Share issue proceeds received, net of costs	**10,436,326**	11,493,503
Proceeds from options and warrants exercised	-	300,500
	10,436,326	11,794,003
Cash Flows from (used in) Investing Activities		
Purchase of property and equipment	**(180,398)**	(317,548)
Proceeds on sale of property and equipment	-	25,893
Proceeds on loan receivable	-	254,384
Proceeds on sale of investment in Aldridge Uranium Inc.	-	575,000
Exploration license deposit	**(112,986)**	(80,406)
Proceeds on sale of Anatolia Energy Ltd. and Vetter Uranium Ltd.	**763,253**	-
	469,869	457,323
Impact of foreign exchange on cash balances	**(1,485)**	5,008
Net change in cash and cash equivalents	**(1,266,575)**	3,088,674
Cash and cash equivalents, beginning of period	**4,741,663**	1,652,989
Cash and cash equivalents, end of period	**$ 3,475,088**	$ 4,741,663
Total interest paid	**$ -**	$ **-**
Total income taxes paid	**$ 3,400**	$ **-**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Aldridge Minerals Inc. (the "Company") is listed on the Toronto Stock Exchange – Venture (TSX-V: AGM). During the thirteen months ended December 31, 2012, the Company's principal business activities are the exploration and development of mineral properties in Turkey. The Company is incorporated under the laws of the Province of British Columbia, Canada, and its head office is located at 10 King Street East, Suite 300, Toronto, Ontario, M5C 1C3.

The Company is in the process of exploring its mineral properties and has not yet determined if the properties contain ore reserves that are economically recoverable. The profitability of the mineral properties is dependent upon the existence of reserves, confirmation of title, and the ability of the Company to obtain necessary financing to bring the property to commercial production.

These consolidated 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 thirteen month period ended December 31, 2012 of $13,674,712 (twelve months ended November 30, 2011 – $7,725,844) and reported an accumulated deficit of $55,082,945 (November 30, 2011 - $41,408,233 and December 1, 2010 - $33,682,389). In addition, the Company had working capital of $3,070,299 at December 31, 2012 (November 30, 2011 - $4,822,334 and December 1, 2010 - $1,361,613). As the Company moves into the development stage of its Yenipazar project, it will need to secure funding in addition to the amounts raised subsequent to year end (Note 21) to advance the mine towards production, meet its obligations and keep its mineral claims in good standing. Although the Company has successfully raised additional funding in the past, there can be no assurance that sufficient new funding will be obtained in the future. 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 consolidated 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 and adoption of International Financial Reporting Standards ("IFRS")

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, these are the Company's first annual consolidated financial statements prepared in accordance with IFRS as issued by the IASB. In these financial statements, the term "Canadian GAAP" refers to GAAP before the adoption of IFRS.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of preparation and adoption of International Financial Reporting Standards ("IFRS") (continued)

These consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of financial statements, including IAS 1 and IFRS 1. Subject to certain transition elections disclosed in Note 19, the Company has consistently applied the same accounting policies in its opening IFRS statement of financial position at December 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 19 discloses the impact of the transition to IFRS on the Company's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Company’s financial statements for the year ended November 30, 2011 prepared under Canadian GAAP.

The Board of Directors approved the consolidated financial statements for issuance on March 7, 2013.

(b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets to fair value, including available-for-sale investments and derivative instruments.

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are de-consolidated from the date that control ceases.

The following entity has been consolidated within the consolidated financial statements:

	Country of incorporation	Principal activity
Aldridge Mineral Madencilik Sanayi Ticaret Ltd. Sti.[1]	Turkey	Exploration company

[1] 405,600 shares outstanding, of which 1 share is owned by a Turkish national pursuant to Turkish regulations and the balance is owned by the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Foreign currencies

The functional currency, as determined by management, of Aldridge Minerals Inc. and its Turkish subsidiary is the Canadian Dollar. For the purpose of the consolidated financial statements, the results and financial position are expressed in Canadian Dollars.

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in the consolidated statement of loss and comprehensive loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(e) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash, and have an initial maturity of less than 90 days, and are subject to an insignificant risk of change in value.

(f) Financial instruments

Over the thirteen-month period ending December 31, 2012, the Company's financial instruments consisted of the following:

Financial assets:	**Classification:**
Cash and cash equivalents	Loans and receivables
Long-term investments:	
Anatolia Energy Ltd. – Ordinary shares	Available-for-sale
Anatolia Energy Ltd. – Class A performance shares	Fair value through profit and loss
Vetter Uranium Ltd.	Available-for-sale, measured at cost less impairment

Financial liabilities:	**Classification:**
Amounts payable and other liabilities	Other financial liabilities
Due to related parties	Other financial liabilities

The Company recognizes financial assets and financial liabilities when the Company becomes a party to a contract. Financial assets and financial liabilities, with the exception of financial assets classified as at fair value through profit or loss, are measured at fair value plus transaction costs on initial recognition. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the Company's obligations are discharged, cancelled or they expire.

Measurement in subsequent periods depends on the classification of the financial instrument.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial instruments (continued)

(i) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management (fair value option), or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the consolidated statements of loss. Financial asset at FVTPL are classified as current except for the portion expected to be realized beyond twelve months of the balance sheet date which is classified as non-current.

The investment in Anatolia Energy Class A performance shares is accounted for as a financial derivative with changes in fair value being recorded in the statement of loss.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such by management or not classified in any of the other categories. Available-for-sale financial assets are measured at fair value with changes recognized in other comprehensive loss. Upon sale or impairment, the accumulated changes in fair value recognized in other comprehensive loss are reclassified to the consolidated statements of loss.

Available-for-sale investments are classified as non-current, unless the investments mature within twelve months or management expects to dispose of them within twelve months.

The investment in Vetter Uranium Ltd. (“Vetter”) for which the Company does not have the ability to exercise significant influence over the operations of the entity was initially recorded at fair value and henceforth carried at cost as they do not have a quoted market price in an active market.

At December 31, 2012, the Company did not have any available-for-sale financial assets (November 30, 2011 - $1,394,915).

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets that have fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including transaction costs and other premiums or discounts) through the expected life of the instrument to the net carrying amount on initial recognition. Cash and cash equivalents are classified as loans and receivables.

(iv) Other financial liabilities

Other financial liabilities are financial liabilities that are not classified as FVTPL. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial instruments (continued)

(v) Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in statement of loss.

If the fair value of available-for-sale equity investments declines below the carrying amount, the Company undertakes qualitative and quantitative assessments of whether the decline is either significant or prolonged. The Company considers all relevant facts and circumstances for this assessment, particularly the length of time and extent to which fair value has been less than the carrying amount.

If an unrealized loss on an available-for-sale investment has been recognized in other comprehensive loss and it is deemed to be either significant or prolonged, any cumulative loss that had been recognized in other comprehensive loss is reclassified as an impairment loss in the consolidated statement of loss. The reclassification adjustment is calculated as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized. Once an impairment loss has been recognized, any additional fair value losses below the carrying value as at the date of impairment are recognized within profit or loss immediately.

(g) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activity.

Once a project has been established as commercially viable and technically feasible, related development expenditure is capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

(h) Property and equipment

Property and equipment ("PE") are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of PE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to the statement of loss in the period in which they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Property and equipment (continued)

Amortization is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Automotive	30% per annum, declining balance
Equipment	30% per annum, declining balance
Computer equipment and software	30% per annum, declining balance
Furniture	20% per annum, declining balance
Leasehold improvements	Straight line over the term of the lease

An asset's residual value, useful life and depreciation method are reviewed, and adjusted if appropriate, on an annual basis.

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of gain or loss on sale of equipment in the statement of loss.

(i) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets are impaired. Where such an indication exists, the recoverable amount of the asset is estimated. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

(j) Leases

Leases where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is depreciated over the shorter of the useful life and the lease term.

Minimum lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability. The finance expenses are allocated to each year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Other leases are operating leases, which are not recognized on the Company's balance sheet. Payments made under operating leases are recognized in profit or loss in general and administrative expenses on a straight-line basis over the term of the lease.

(k) Discontinued Operations

A discontinued operation is a component of the Company that represents a separate line of business or geographical area of operations that has been disposed of or is held for sale or distribution, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive loss is re-presented as if the operation had been discontinued from the start of the comparative year. Results of operations and any gain or loss from disposal are excluded from income of operations and are reported separately as income from discontinued operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity or other comprehensive loss, in which case it is recognized in equity or other comprehensive loss.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are presented as non-current.

(m) Share based payment transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in contributed surplus. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using an appropriate option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest based on an estimate of the forfeiture rate.

Cancelled options are accounted as an acceleration of vesting and the amount that otherwise would have been recognized for services received over the vesting period are recognized immediately.

(n) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs are discounted to their net present value using a risk-free rate and are provided for as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a

unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Loss per share

The Company presents basic loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period.

(p) Significant accounting judgments and estimates

The preparation of these audited 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. These audited consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the audited consolidated 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.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- All inputs used in the option pricing models for determining the fair value of share based payment transactions and warrants issued. (Note 10)
- The estimated useful lives and residual value of PE used for calculating the amortization. (Note 7)

Critical accounting judgments

- Management's assumptions in determining the functional currencies of the Company's subsidiary.
- Going concern presentation of the financial statements which assumes 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.
- Management's assessment of significant or prolonged decline in fair value of available-for-sale investments.

(q) Change in year end

The Company changed its year end from November 30 to December 31, effective for the period ended December 31, 2012. The year end change was made to align the year end of the Company with the year end of its wholly-owned subsidiary Aldridge Madencilik Sti., which is required by the laws of Turkey to have its fiscal year end on December 31. The change in year end requires the Company to have a transition year with a thirteen month period ended December 31, 2012 with comparatives for the twelve month period ended November 30, 2011.

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

Unless otherwise noted, the following revised standard and amendments are applicable to the Company and are effective for annual periods beginning on or after January 1, 2013 with earlier application permitted. The Company has assessed the impact of the standards and amendments that are effective January 1, 2013 and has not identified any material adjustments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Accounting standards and amendments issued but not yet adopted (continued)

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

(ii) IFRS 10 – Consolidated financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard which identifies the concept of control as the determining factor in assessing whether an entity should be included in the consolidated financial statements of the parent company. Control is comprised of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. IFRS 10 shall be applied to the fiscal year beginning January 1, 2013. No material impact is expected.

(iii) IFRS 11 – Joint arrangements ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the latter case account for the arrangement using the equity method. No material impact is expected.

(iv) IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. IFRS 12 is effective for the fiscal year beginning on January 1, 2013. No material impact is expected.

(v) IFRS 13 – 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fairvalue measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. Fair value measurement ("IFRS 13") was issued by the IASB in May 2011. It is effective for the fiscal year beginning on January 1, 2013. No material impact is expected.

(vi) IAS 1 – Presentation of financial statements ("IAS 1") IAS 1 was amended to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. No material impact is expected.

3. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

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

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

The Company considers its capital to be equity, comprising share capital, contributed surplus, accumulated other comprehensive income and deficit which at December 31, 2012 totaled $3,709,297 (November 30, 2011 - $6,670,038 and December 1, 2010 - $2,041,606).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on its exploration and development activities. The Company's capital management objectives, policies and processes have remained unchanged during the thirteen months ended December 31, 2012.

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

4. FINANCIAL RISK FACTORS

(a) Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

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, 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 issued by financial institutions in Canada with which it keeps its bank accounts and management believes the risk to be remote. Management believes the risk of loss to be minimal given the apparent financial strength of its financial institutions.

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

4. FINANCIAL RISK FACTORS (continued)

(a) Financial risk (continued)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2012, the Company had cash and cash equivalents of $3,475,088 (November 30, 2011 - $4,741,663; November 30, 2010 - $1,652,989) to settle current liabilities of $1,404,457 (November 30, 2011 - $1,030,855; November 30, 2010 - $563,363). All of the Company's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Although the Company has successfully raised additional funding in the past, there can be no assurance that sufficient new funding will be obtained. These circumstances may cast significant doubt as to the Company's ability to continue as a going concern and the ultimate appropriateness of the use of accounting principles applicable to a going concern. At December 31, 2012, cash equivalents includes a cashable guaranteed investment certificate (GIC) of $3,000,000 (November 30, 2011 - $3,006,497; December 1, 2010 - $1,500,000). The GIC can be cashed at any time with accrued interest and without penalty.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity and equity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's policy is to invest excess cash in fixed interest investment-grade short-term deposit certificates. The Company regularly monitors its cash management policy.

Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar. Major purchases are transacted in Canadian Dollars, Turkish Lira ("TRY"), British Pound Sterling ("GBP"), Euros, and United States Dollars ("USD"). The Company funds exploration expenditures in Turkey. In Turkey, the Company maintains separate bank accounts for Turkish Lira, Euro United States Dollars and Canadian Dollars with sufficient funds to support monthly forecasted cash outflows over the following month. Management believes the foreign currency risk derived from currency conversions is minimal and therefore does not hedge its foreign currency risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of commodities for which it is exploring. The Company closely monitors commodity prices, particularly as they relate to precious minerals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken by the Company.

(b) Sensitivity analysis

Based on management's knowledge of and experience with the financial markets, the Company believes the following movements are "reasonably possible" over a one year period:

(i) Short-term investments are subject to fixed interest rates. The Company has no debt and receives low interest rates on its cash balances. As such the Company does not have significant interest rate risk.

4. FINANCIAL RISK FACTORS (continued)

(b) Sensitivity analysis (continued)

(ii) The Company maintains bank accounts, and has other current assets and current liabilities denominated in TRY, AUD, EUR, GBP, PGK and USD and is subject to foreign currency risk. As at December 31, 2012, had these foreign currencies weakened/strengthened by 10% against the Canadian dollar with all other variables held constant, the Company's loss would have been approximately $30,400 lower/higher and reported shareholders' equity would have been approximately $30,400 lower/higher. Management believes there is no significant exposure to foreign currency risk for any of the currencies described.

(c) Fair value hierarchy

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at December 31, 2012, November 30, 2011, and December 1, 2010:

	Level 1	Level 2	Level 3	Total
Cash - December 31, 2012	$ 3,475,088	$ -	$ -	$ 3,475,088
Long-term investments - December 31, 2012	$ -	$ -	$ -	$ -
Cash - November 30, 2011	$ 4,741,663	$ -	$ -	$ 4,741,663
Long-term investments - November 30, 2011	$ 1,149,178	$ -	$ -	$ 1,149,178
Cash – December 1, 2010	$ 1,652,989	$ -	$ -	$ 1,652,989
Long-term investments - December 1, 2010	$ -	$ -	$ -	$ -

The different levels of valuation are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability are not based on observable market data (unobservable inputs).

5. LONG-TERM INVESTMENTS

	December 31, 2012	November 30, 2011	December 1, 2010
Aldridge Uranium Inc.	$ -	$ -	$ 378,578
Anatolia Energy Ltd. - Ordinary shares	-	936,631	-
Anatolia Energy Ltd. - Class A performance shares	-	212,547	-
Vetter Uranium Ltd.	-	245,737	-
Long-term investments	$ -	$ 1,394,915	$ 378,578

5. LONG-TERM INVESTMENTS (continued)

In February 2011 the Company completed the spin-off of Aldridge Uranium Inc. ("Aldridge Uranium") to Anatolia Energy Limited ("Anatolia"). Following the transaction, the Company owned 8,150,633 Anatolia shares, 3,051,196 Class A performance shares in Anatolia Energy (described below) and 5,666,506 shares in Vetter Uranium Limited ("Vetter"), a private company holding a 65% interest in Aldridge Uranium. As a result of this transaction, a gain of $2,299,527 was recognized.

The Class A performance shares are non-transferable, non-voting and are not entitled to any dividends or any amount on the winding up of Anatolia. If the Aldridge Uranium properties (the "Project") were found to have an Australian Joint Ore Reserves Committee ("JORC") Code compliant resource estimate of between 15 million pounds and 20 million pounds of contained uranium each Class A performance share of Anatolia would entitle the holder to be issued 0.303092 Anatolia ordinary shares for each 1 million pounds of contained uranium in the resource estimate in excess of 15 million pounds, but up to 20 million pounds (or a maximum conversion of 1.51546 Anatolia ordinary shares per Class A Performance share). The cost of Anatolia's Class A performance shares was initially recorded at an estimated fair value of $nil based on the assessment of the likelihood of achieving the minimum performance requirement as defined above.

During 2011, Anatolia announced an increase in reserves to 17.41 million pounds of contained uranium. Anatolia declared a pro rata conversion of the Class A performance shares calculated as 40% of the maximum conversion rate of 1.51546, resulting in 1,849,571 ordinary shares being issued to the Company in February 2012 upon the expiry of the 12 month escrow period. As at December 31, 2012, the Company continued to hold 3,051,196 Class A Performance shares in Anatolia with a maximum conversion ratio of 0.90928. At December 31, 2012, the Class A Performance shares were held at its estimated fair value of $nil, which was based on the assessment of the likelihood of achieving the minimum performance requirement as defined above. Specific conditions of the Class A Performance Shares prohibit their sale.

Over the thirteen-month period ended December 31, 2012, impairment losses on Anatolia shares totaled $535,305 (2011 – $920,737) while impairment losses on Vetter shares totaled $176,738 (2011 - $nil). On November 12, 2012, the Company announced that it sold its interests in Anatolia and Vetter for total proceeds of $763,253. As a result of the transaction, a loss of $100,619 was recorded on the sale of Anatolia shares, offset by a gain of $181,000 on the sale of Vetter shares.

6. LOAN RECEIVABLE

On March 26, 2010, the Company executed a loan agreement with Aldridge Uranium pursuant to which it advanced $250,000 to Aldridge Uranium. On March 1, 2011, the Company received $256,233 as full payment of the loan receivable with accrued interest.

7. PROPERTY AND EQUIPMENT

Cost	Automotive	Equipment	Computer software	Computer equipment	Land	Leasehold Improvements	Total
Balance, December 1, 2010	$ 151,820	$ 124,808	$ 26,623	$ -	$ 29,681	$ -	$ 332,932
Net additions (dispositions)	122,145	81,192	34,770	28,179	(667)	-	265,619
Balance, November 30, 2011	273,965	206,000	61,393	28,179	29,014	-	598,551
Net additions	-	29,824	105,789	14,533	15,128	15,124	180,398
Balance, December 31, 2012	$ 273,965	$ 235,824	$ 167,182	$ 42,712	$ 44,142	$ 15,124	$ 778,949

7. PROPERTY AND EQUIPMENT (continued)

Accumulated amortization	Automotive	Equipment	Computer software	Computer equipment	Land	Leasehold Improvements	Total
Balance, December 1, 2010	$ 118,568	$ 81,144	$ 18,356	$ -	$ -	$ -	$ 218,068
Amortization for the period	(44,070)	22,441	6,145	4,226	-	-	(11,258)
Balance, November 30, 2011	74,498	103,585	24,501	4,226	-	-	206,810
Amortization for the period	51,069	21,345	12,245	9,597	-	456	94,712
Balance, December 31, 2012	$ 125,567	$ 124,930	$ 36,746	$ 13,823	$ -	$ 456	$ 301,522

Carrying value	Automotive	Equipment	Computer software	Computer equipment	Land	Leasehold Improvements	Total
Balance, December 1, 2010	$ 33,252	$ 43,664	$ 8,267	$ -	$ 29,681	$ -	$ 114,864
Balance, November 30, 2011	$ 199,467	$ 102,415	$ 36,892	$ 23,953	$ 29,014	$ -	$ 391,741
Balance, December 31, 2012	$ 148,398	$ 110,894	$ 130,436	$ 28,889	$ 44,142	$ 14,668	$ 477,427

As at December 31, 2012, contractual commitments for the acquisition of property, plant and equipment totaled $99,240 (November 30, 2011 - $nil; November 30, 2010 - $nil).

8. OTHER ASSETS

	As at December 31, 2012	As at November 30, 2011	As at December 1, 2010
Deferred Rent	**$ 15,211**	$ -	$ -
Rent deposits held by lessor	**67,915**	67,915	-
Restricted cash	**30,000**	-	-
	$ 113,126	$ 67,915	$ -

9. OTHER LIABILITIES

	As at December 31, 2012	As at November 30, 2011	As at December 1, 2010
Deferred Rent	**$ 12,407**	$ -	$ -
Rent deposits from sublessee	**18,864**	-	-
Employee termination benefits	**64,395**	38,541	19,821
	$ 95,666	$ 38,541	$ 19,821

10. SHARE CAPITAL

(a) Authorized
100,000,000 common shares without par value.

(b) Issued

	Number of Shares	Amount
Balance, December 1, 2010	28,470,741	$ 25,755,113
Shares issued for cash (i)	8,283,100	12,424,650
Warrant valuation (i)	-	(2,153,606)
Share issue cost (i)	-	(1,369,489)
Exercise of stock options	270,000	195,500
Value of options exercised transferred from contributed surplus	-	112,700
Exercise of warrants	70,000	105,000
Value of warrants exercised transferred from contributed surplus	-	20,300
Balance, November 30, 2011	**37,093,841**	**$ 35,090,168**
Shares issued for cash (ii)	16,000,000	11,200,000
Share issue cost (ii)	-	(763,674)
Balance, December 31, 2012	**53,093,841**	**$ 45,526,494**

(i) On February 17, 2011, the Company closed a brokered private placement of 8,283,100 units ("Units") of the Company at a price of $1.50 per Unit for gross proceeds of $12,424,650. Each Unit was comprised of one common share and one-half of one common share purchase warrant ("Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share of the Company at a price of $2.00 until February 17, 2013.

The Company paid cash commission and expenses of $931,147 and issued non-transferable broker warrants to acquire 579,817 Units of the Company at a price per Unit of $1.50 ("broker warrant"). Each broker warrant is exercisable until February 17, 2013 and entitles the holders to purchase an aggregate of 579,817 common shares and 289,908 Warrants of the Company. The common shares, Warrants and broker warrants were subject to a four-month hold period until June 17, 2011.

The grant date fair value of the 4,141,550 Warrants was determined to be $2,153,606 using a relative fair value method based on the estimated fair value of the Warrants using the Black-Scholes option pricing formula with the following assumptions: share price at grant date of $1.53; expected dividend yield of 0%; expected volatility of 91% based on historical volatility of the Company's share; risk free interest rate of 1.9% and expected life of 2 years.

The grant date fair value of the 579,817 broker warrants was estimated at $438,342 using an option pricing formula with the following assumptions: share price at grant date of $1.53; expected dividend yield of 0%; expected volatility of 91% based on historical volatility of the Company's share; risk free interest rate of 1.9% and expected life of 2 years.

(ii) On April 26, 2012, the Company closed a private placement with ANT Holding Anonim Sti. ("ANT") by which ANT has purchased a total of 16,000,000 common shares of the Company at a price of $0.70 per share for gross proceeds of $11,200,000. The Company paid cash commission and expenses of $763,674 with respect to this private placement. Upon closing of the Private Placement, ANT held approximately 30.1% of the Company's outstanding Shares. The Company's Shareholder Rights Plan has been waived in respect of this transaction and otherwise remains in effect.

10. SHARE CAPITAL (continued)

(c) Warrants

The following table shows the continuity of warrants for the period ended December 31, 2012:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 1, 2010	6,011,135	$ 1.50
Issued (Note 10(b)(i))	4,721,367	1.94
Exercised	(70,000)	1.50
Expired	(832,330)	1.50
Balance, November 30, 2011	9,830,172	$ 1.71
Expired	(5,108,805)	1.50
Balance, December 31, 2012	**4,721,367**	**$ 1.94**

As at December 31, 2012, the following warrants were outstanding:

Expiry date	Weighted Average Exercise Price	Warrants Outstanding	Value Assigned on Issue Date
February 17, 2013	2.00	4,141,550 [1]	2,153,606
February 17, 2013	1.50	579,817 [2]	438,342
	$ 1.94	**4,721,367**	**$ 2,591,948**

[1] Each Warrant is exercisable for one common share.
[2] Each broker warrant is exercisable for one common share and one-half Warrant.

(d) Stock options

The Company adopted a Stock Option Plan (the "Plan"), which was amended on June 15, 2011, 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. A maximum of 5,514,322 common shares of the Company may be issued pursuant to the Plan.

The following table shows the continuity of stock options for the period ended December 31, 2012:

10. SHARE CAPITAL (continued)

(d) Stock options (continued)

	Number of Stock Options	Weighted Average Exercise Price
Balance, December 1, 2010	4,229,000	$ 1.40
Granted	1,520,000	1.05
Exercised [(i)]	(270,000)	0.72
Cancelled	(184,000)	1.48
Expired	(170,000)	1.93
Balance, November 30, 2011	5,125,000	$ 1.31
Granted	508,000	0.61
Forfeited	(75,000)	1.06
Cancelled	(30,000)	1.82
Expired	(930,000)	1.41
Balance, December 31, 2012	**4,598,000**	**$ 1.22**

[(i)] Weighted average share price at date of exercise was $1.81.

The fair value of stock options was estimated on the measurement date using the Black-Scholes option-pricing 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:

	2012	2011
Share price at grant date	$0.63	$1.08
Risk-free interest rate	1.30%	1.98%
Expected life of options	5 years	5 years
Expected volatility	85%	84%
Dividend yield	Nil	Nil
Estimated forfeiture rate	Nil	Nil

The expected volatility used in the Black-Scholes option pricing model is based on historical volatility of the Company.

The weighted average per share fair value of options granted was $0.43 (2011 - $0.76).

10. SHARE CAPITAL (continued)

(d) Stock options (continued)

As at December 31, 2012, the following stock options were outstanding:

Expiry Date	Exercise Price	Number Outstanding	Number Exercisable	Weighted Average Remaining Contractual Life (years)
February 6, 2013	2.24	33,000	33,000	0.10
February 19, 2013	2.40	37,000	37,000	0.14
July 15, 2013	2.40	200,000	200,000	0.54
July 29, 2013	1.31	550,000	550,000	0.58
December 22, 2013	2.04	65,000	65,000	0.98
January 21, 2014	1.11	200,000	200,000	1.06
October 9, 2014	1.40	935,000	935,000	1.77
April 28, 2015	0.88	200,000	200,000	2.32
November 9, 2015	1.11	200,000	200,000	2.86
November 30, 2015	1.40	300,000	300,000	2.92
February 22, 2016	1.46	50,000	50,000	3.15
March 21, 2016	1.06	50,000	50,000	3.22
March 30, 2016	1.29	60,000	60,000	3.25
June 15, 2016	1.25	400,000	200,000	3.46
June 20, 2016	1.05	200,000	100,000	3.47
August 3, 2016	0.80	110,000	55,000	3.59
November 15, 2016	0.88	500,000	250,000	3.88
February 28, 2017	0.54	75,000	18,750	4.16
March 28, 2017	0.64	233,000	58,250	4.24
May 1, 2017	0.61	200,000	50,000	4.33
	$1.22	**4,598,000**	**3,612,000**	**2.47**

As at December 31, 2012, 3,612,000 stock options were exercisable. The remaining 986,000 outstanding stock options vest over the following three years.

11. EXPLORATION AND EVALUATION EXPENDITURES ON MINERAL PROPERTIES

Exploration activities include:

	Thirteen months ended December 31 2012	Twelve months ended November 30 2011
Yenipazar Property		
Acquisition costs	**$ -**	$ 504,900
Analytical	**439,251**	217,303
Project expenses and employee costs	**1,598,165**	841,055
Geotechnical consulting	**557,576**	91,475
Metallurgical consulting	**451,831**	-
Resource estimate and mine design	**304,339**	-
Feasibility studies and project management	**2,221,324**	343,921
Drilling	**1,678,672**	701,447
Drilling site access fees	**124,492**	-
Vehicles and equipment	**113,504**	-
Travel	**169,549**	72,068
License	**15,246**	-
Depreciation	**35,461**	-
Professional	**42,036**	-
Other	**97,310**	-
	$ 7,848,756	$ 2,772,169
Derinkoy Property		
Project expenses and employee costs	**$ -**	$ 2,314
	$ -	$ 2,314
Exploration Licenses		
Analytical	**$ -**	$ 840
Project expenses and employee costs	-	33,526
Travel and transportation	-	2,243
Licenses and fees	-	32,240
	$ -	$ 68,849
Total exploration activities	**$ 7,848,756**	$ 2,843,332

11. EXPLORATION AND EVALUATION EXPENDITURES ON MINERAL PROPERTIES (continued)

Yenipazar Property, Turkey

The Yenipazar Property is located in central Turkey and hosts a polymetallic volcanogenic massive sulphide ("VMS") body. On December 1, 2004, the Company entered into an agreement with Alacer Gold Corp. (formerly Anatolia Minerals) ("Alacer") to acquire a 65% interest in the Yenipazar property ("the Yenipazar Property"). In July 2006, a revised option agreement was executed whereby, supplementary to earn-in conditions, the Company has the right to earn a 100% interest in the Yenipazar Property in exchange for consideration of 250,000 common shares (issued). In October 2010, the Company announced that a second amended and restated option agreement had been executed with Alacer to extend the period within which the Company may earn a 100% working interest in the Yenipazar Property (collectively, the "Option Agreement"). In October 2012, the Company obtained a formal extension from Alacer to deliver the feasibility study by March 31, 2013.

The Company made the option payments, incurred the minimum exploration expenditures and issued 250,000 common shares of the Company pursuant to the Option Agreement in satisfaction of the financial conditions precedent to becoming eligible to exercise its option in respect of the Yenipazar Property.

The Company's only outstanding obligation to complete its earn in of a 100% interest in the Yenipazar Property is to deliver a feasibility report to Alacer by March 31, 2013. Under the Option Agreement, should the feasibility study not be completed within this timeframe, the Company's rights in respect of the Yenipazar Property will remain unimpaired provided that it is seen to be diligently and continuously working to complete such feasibility study. In addition to the condition which must be satisfied prior to the Company exercising its option on the Yenipazar Property, upon commercial production, the Company will pay Alacer a 6% net profit interest ("NPI") until such time as operational revenues reach the amount of US$165,000,000. Should operational revenues exceed this threshold amount, the NPI will increase to 10%. The Company's wholly-owned subsidiary in Turkey holds an Operational License for an area that encompasses the Yenipazar Property and an Operational Mining License for a smaller area within the Yenipazar Property that contains the mineral resources referred to in the related National Instrument 43-101 compliant Technical Report and Preliminary Economic Assessment completed in 2010. These licenses may be amended or renewed based on the completed feasibility study and earlier than the licenses' expiry date December 17, 2014.

In June 2011, the Company engaged a consulting company to oversee the completion of the Yenipazar feasibility study pursuant to the Option Agreement.

Derinkoy Property, Turkey

The Derinkoy Property is located in north eastern Turkey and is primarily prospective for gold, silver and copper. The Company terminated its option agreements relating to the property in 2011.

Exploration Licenses, Turkey

The Company holds exploration licenses in Western Turkey which are prospective for nickel and chromite. During the second half of the year ended November 30, 2011, the Company evaluated all of its licenses to determine which licenses should be held for further development and which licenses should be either sold, written down, or abandoned.

In July 2011, the Company entered into an agreement with Kenz Mining Inc. ("Kenz") to assign the rights to 6 licenses in exchange for US$50,000 ($52,374) received in July 2011 and the Kenz's further commitment to spend US$250,000 in exploration within the first year. If Kenz achieves the first year spending commitment, it has the option of paying an additional US$50,000 to retain its exploration rights and to make a further commitment of spending US$1,000,000 during the second and third years combined. At the end of the second year, Kenz has to pay the Company US$250,000 to retain its exploration rights and commit to paying a 3% net smelter royalty on production from the properties. The six licenses were transferred to Kenz in October 2011 and recorded as a disposal of licenses. Due to various delays in obtaining the necessary drilling licenses, Kenz has requested an extension of the option to pay the additional US$50,000 to retain its exploration rights for the second and third years. The Company considered the various challenges faced by the acquirer and extended the option by one year such that the

11. EXPLORATION AND EVALUATION EXPENDITURES ON MINERAL PROPERTIES (continued)

option is expected to be settled in July 2013.

In August 2011, the Company entered into an agreement to sell six licenses for US$100,000 subject to certain conditions including full payment. As at December 31, 2012, the Company still had not received full payment and the agreement was considered breached. The non-refundable deposit of US$66,000 was recorded as other income during the fiscal year 2012. The Company continues to hold these licenses.

At December 31, 2012, the Company held a total of 15 exploration licenses (November 30, 2011 – 15; November 30, 2010 - 19).

Uranium Exploration Licenses, Turkey

In accordance with the terms of the spin-off arrangement for Aldridge Uranium in 2011 (Note 5), the uranium exploration licenses owned by Aldridge Uranium continued to be held in trust by the Company with Aldridge Uranium paying for all ongoing license maintenance fees. In 2012, these licenses have been transferred to Aldridge Uranium and the Company retains no further obligations with respect to these exploration licenses.

12. GENERAL AND ADMINISTRATIVE

	Thirteen months ended December 31 2012	Twelve months ended November 30 2011
Accretion	**$ 549**	$ 720
Amortization	**64,778**	36,808
Consulting fees	-	303,915
Directors' fees	**234,781**	277,167
Management fees	-	343,250
Office and sundry	**764,343**	543,479
Professional fees	**559,787**	636,532
Salaries and benefits	**1,628,564**	384,577
Shareholder information	**459,117**	405,180
Stock-based compensation	**423,322**	560,273
Transfer and filing	**41,093**	107,862
Travel and promotion	**325,887**	306,059
General and administrative expenses	$ **4,502,221**	$ 3,905,822

13. DISCONTINUED OPERATIONS

Kili Teke License, Papua New Guinea

The Company held an exploration license for an area in the Southern Highlands province of Papua New Guinea (the "Kili Teke License"). The Company completed an exploration and drilling program on certain parts of the area subject to the Kili Teke License. An application for renewal of the license was submitted in accordance with local mining regulations in January 2011 and the license remained in effect until a response was received from the local authorities.

On July 6, 2012, the Company reported the receipt of a formal notice from the Registrar of Tenements in Papua New Guinea that the Company's license renewal application for its Kili Teke property had not been approved. With the receipt of the formal

notice, the Company has determined that it will take no further action in Papua New Guinea, in order to focus management efforts on the Yenipazar project in Turkey and to avoid any litigation costs to seek redress. The Company had no significant assets remaining at the PNG Property.

	Thirteen months ended December 31 2012	Twelve months ended November 30 2011
Project expenses and employee costs	$ 281,826	$ 624,558
Drilling	78,182	561,571
Assays and Analytical	8,879	140,695
Transportation	711,634	1,352,818
Travel	8,719	142,753
Net loss from discontinued operations	$ 1,089,240	$ 2,822,395

14. COMMITMENTS

Operating Lease Agreements

The Company entered into an agreement to lease office space in Ankara, Turkey from July 1, 2011 to June 30, 2014. During the thirteen-month period ended December 31, 2012, the Company agreed to lease additional office space to expand its office in Ankara. The commitment for the gross rent, operating costs and realty taxes is estimated to be approximately $5,232 per month, or $62,784 per annum.

On July 13, 2011 the Company entered into an agreement to lease office space in Toronto from November 1, 2011 to September 29, 2014. The commitment for the gross rent, including operating costs and realty taxes is estimated at $16,979 per month or $203,747 per annum.

On July 26, 2012, the Company entered into a lease agreement for smaller office premises in Toronto, Ontario, in conjunction with a sublet agreement for its existing office premises in order to realize cost savings on rental payments. The new lease agreement is effective from September 1, 2012 to March 31, 2018. The commitment for the gross rent, including operating costs and realty taxes is estimated at $11,179 per month or $134,148 per annum for the first two years and $11,928 per month or $143,136 per annum for the balance of the term. On the sublet agreement, the total of future minimum sublet payments expected to be received is $350,561, to be received over the sublease term to September 30, 2014.

14. COMMITMENTS (continued)

Operating Lease Agreements (continued)

The minimum lease payments with respect to the arrangements described above (excluding expected proceeds from the sublet of the previous Toronto office) total $1,233,208 and are to be paid as follows:

Fiscal year ending December 31, 2013	$	414,320
Fiscal year ending December 31, 2014		354,461
Fiscal year ending December 31, 2015		143,131
Fiscal year ending December 31, 2016		143,131
Fiscal year ending December 31, 2017		143,131
Fiscal year ending December 31, 2018		35,034

Mineral Property Licenses in Turkey

The Turkish Mining Law was amended during 2005 whereby exploration licenses are now granted for three years and can be extended for an additional two years, upon application. Furthermore, pre-operation licenses are no longer granted and any outstanding pre-operation licenses shall be treated as exploration licenses until expiration.

Exploration license holders are required to submit reports on exploration at the end of the second, third and fifth years of the exploration period. Operation license holders are required to submit annual reports on operation projects to the relevant departments. To obtain the appropriate licenses, deposits must be made based on a per hectare fee. The applicable deposits are proportional to the size of the mining area and are determined each year or re-valued according to prevailing economic conditions. In the event the required reports and projects are not submitted on time, deposits for that period are forfeited. If a site is abandoned, the remaining part of the deposit is returned.

As at December 31, 2012, the Company is in compliance with reporting and license fees requirements. License fees paid during the thirteen months ended December 31, 2012 totaled $112,986 ($80,406 during the twelve months ended November 30, 2011). License deposits recorded on the balance sheet as at December 31, 2012 totaled $193,392 ($80,406 and $nil as at November 30, 2011 and December 1, 2010 respectively).

15. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiary 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.

15. RELATED PARTY TRANSACTIONS (continued)

Transactions with key management personnel were as follows:

	Thirteen months ended December 31 2012	Twelve months ended November 30 2011
Salaries and benefits [(1)]	**$ 1,050,770**	$ 461,890
Termination benefits	**225,000**	-
Share based payments	**335,928**	380,280
Total compensation	**$ 1,611,698**	$ 842,170
Consulting and management fees[(2)]	**$ 246,457**	$ 626,113
Total transactions with key management personnel	**$ 1,858,155**	**$** 1,468,283

[(1)] Directors do not have employment or service contracts with the Company, but are 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.

Amounts owed to key management personnel were as follows:

Balance owed as at December 31 2012	Balance owed as at November 30 2011	Balance owed as at December 1, 2010
$ **22,233**	$ 101,144	$ 105,606

16. 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.

The following table presents the reconciliation of the beginning and ending aggregate carrying amount of the ARO associated with the retirement of the Company's Yenipazar property:

	December 31, 2012	November 30, 2011	December 1, 2010
Balance, beginning of period	**$ 48,732**	$ 48,012	$ 47,302
Accretion for asset retirement	**549**	720	710
Balance, end of period	**$ 49,281**	$ 48,732	$ 48,012

16. ENVIRONMENTAL REHABILITATION (continued)

The Company has estimated its total asset retirement obligations to be $49,281 at December 31, 2012 (November 30, 2011 - $48,732), which has been calculated using an annual inflation rate of 1.5%, and a risk free rate of 7%. This obligation pertains to the exploration shaft on the Yenipazar Property in Turkey.

17. 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 through geographical regions - Canada, Turkey and Papua New Guinea. 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. Segmented expenses reflect actual amounts recognized by each geographic region. The Company evaluates performance of its operating and reportable segments as noted below:

	Canada	Turkey	Papua New Guinea (Discontinued)	Total
Exploration and evaluation expenditures	$ -	$ 7,848,756	$ 1,089,240	$ 8,937,996
General and administrative	3,689,999	812,222	-	4,502,221
Total expenses – thirteen months ended December 31, 2012	$ 3,689,999	$ 8,660,978	$ 1,089,240	$ 13,440,217

	Canada	Turkey	Papua New Guinea (Discontinued)	Total
Exploration and evaluation expenditures	$ -	$ 2,843,332	$ 2,822,395	$ 5,665,727
General and administrative	3,314,861	590,961	-	3,905,822
Total expenses – twelve months ended November 30, 2011	$ 3,314,861	$ 3,434,293	$ 2,822,395	$ 9,571,549

	Canada	Turkey	Papua New Guinea (Discontinued)	Total
Long-term investments	$ -	$ -	$ -	$ -
Corporate and other assets	3,831,960	1,426,741	-	5,258,701
Total assets - December 31, 2012	$ 3,831,960	$ 1,426,741	$ -	$ 5,258,701

	Canada	Turkey	Papua New Guinea (Discontinued)	Total
Long-term investments	$ 1,394,915	$ -	$ -	$ 1,394,915
Corporate and other assets	5,586,991	825,063	(18,803)	6,393,251
Total assets - November 30, 2011	$ 6,981,906	$ 825,063	$ (18,803)	$ 7,788,166

17. SEGMENTED INFORMATION (continued)

	Canada	Turkey	Papua New Guinea (Discontinued)	Total
Long-term investments	$ 378,578	$ -	$ -	$ 378,578
Corporate and other assets	2,003,676	290,548	-	2,294,224
Total assets - December 1, 2010	$ 2,382,254	$ 290,548	$ -	$ 2,672,802

Geographic Information

The Company has options on mining properties in Turkey. The book value of those properties is $nil. The Company has cash, other receivables, exploration license deposits, and property and equipment in Turkey. All the rest of the Company's assets are located in Canada.

18. INCOME TAXES

The following table reconciles the expected income tax recovery at the Canadian Federal and Provincial statutory rate to the amounts recognized in the statements of loss:

For the fiscal year	2012	2011
Net loss before income taxes	$ **(12,775,144)**	$ (4,903,449)
Expected income tax recovery	**(3,400,153)**	(1,397,483)
Expenses not deductible	**939,177**	376,658
Effect of current and future tax rate difference	**198,501**	109,532
Unrecognized benefit of deferred tax assets	**2,072,803**	911,293
Income tax recovery reflected in the statement of operations	$ **(189,672)**	$ -

The applicable tax rate was 26.6% (2011 - 28.5%). The decrease is caused by a reduction in the Canadian federal statutory tax rate.

	As at December 31, 2012	As at November 30 2011
Current tax expense:		
Adjustments in respect of prior years	**$ 3,400**	$ -
Deferred tax recovery:		
Origination and reversal of temporary differences	**(193,072)**	-
Income tax recovery	**$ (189,672)**	$ -

18. INCOME TAXES (continued)

The gross movement on the deferred income tax asset account, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	For the Thirteen Months Ended December 31, 2012	For the Twelve Months Ended November 30, 2011
Balance at the beginning of the period	$ -	$ -
Non-capital losses arising from accelerated tax depreciation charged to the Statement of Loss	**4,508**	-
Balance at the end of the period	$ **4,508**	$ -

The gross movement on the deferred income tax liability account, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	For the Thirteen Months Ended December 31, 2012	For the Twelve Months Ended November 30, 2011
Balance at the beginning of the period	$ -	$ -
Accelerated tax depreciation charged to the Statement of Loss	**4,508**	-
Balance at the end of the period	$ **4,508**	$ -

Deferred tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. The Company did not recognize deferred income tax assets with respect to the following deductible temporary differences:

	As at December 31, 2012	As at November 30, 2011
Non-capital losses	**$ 14,727,247**	$ 13,506,568
Mineral properties	**16,806,549**	11,687,902
Equipment	-	484,110
Undeducted share issue costs	**1,080,777**	1,362,308
Capital losses	**947,042**	947,042
Other	**154,974**	1,073,350
Total	**$ 33,716,589**	$ 29,061,280

18. INCOME TAXES (continued)

The Company's non-capital income tax losses total $14,727,247 and expire as follows:

Year of expiry		Amount
2013	$	573,692
2014		955,552
2015		364,588
2016		1,371,183
2017		882,866
2025		597,635
2026		735,702
2027		546,144
2028		1,435,562
2029		1,366,169
2030		2,098,525
2031		3,365,066
2032		434,563

19. CONVERSION TO IFRS

(i) Overview

As stated in significant accounting policies note 2, these audited consolidated financial statements are prepared in accordance with IFRS as issued by the IASB.

(ii) First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1 First-time Adoption of International Financial Reporting Standards ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS, effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Company has elected to apply the following optional exemption in its preparation of an opening IFRS statement of financial position as at December 1, 2010, the Company's "Transition Date".

- To apply IFRS 2 Share-based Payments only to equity instruments issued after November 7, 2002, and that had not vested by the transition date.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the transition date will be consistent with those made under current Canadian GAAP. If necessary, estimates will be adjusted to reflect any difference in accounting policy.

(iii) Transition elections and adjustments

The Company has changed certain accounting policies to be consistent with IFRS as is expected to be effective on December 31, 2012, the Company's first annual IFRS reporting date. The IFRS adjustments have resulted in certain changes to the recognition and measurement of assets, liabilities, equity and expenses within its financial statements.

The following summarizes the significant changes to the Company's accounting policies on adoption of IFRS.

19. CONVERSION TO IFRS (continued)

(a) Impairment of (non-financial) assets

IAS 36, Impairment of Assets ("IAS 36") requires a write down of assets if the recoverable amount (defined as the higher of the fair value less costs to sell and the value in use of an asset or a cash generating unit) is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Under Canadian GAAP, a write down to estimated fair value was required only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value. The Company has changed its accounting policies related to impairment of assets to be consistent with the requirements under IFRS.

IAS 36 also requires the reversal of any previous impairment losses, with the exception of goodwill, where circumstances have changed such that the level of impairment in the value of the assets has been reduced. Canadian GAAP prohibits the reversal of impairment losses.

The Company has changed its accounting policies related to impairment of assets to be consistent with the requirements under IFRS. The changes in accounting policies related to impairment did not have a significant impact on the Company's consolidated financial statements.

(iii) Transition elections and adjustments (continued)

(b) Decommissioning Liabilities (Asset Retirement Obligations)

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

The Company's accounting policies related to decommissioning liabilities have been changed to reflect these differences. There is no impact on the consolidated financial statements.

(c) Property, Plant & Equipment

IAS 16, Property, Plant and Equipment ("IAS 16") requires the Company to choose, for each class of capital assets, between the cost model or the revaluation model. The Company has selected the cost model in accounting for all of its capital assets.

The Company has changed its accounting policies to reflect the requirement under IAS 16 that when an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment and amortized over their respective useful lives. This change in accounting policies did not have a significant impact on the Company's consolidated financial statements.

(d) Exploration and evaluation

On transition to IFRS, the Company elected to expense exploration and evaluation expenditures as incurred. Previously, the Company's Canadian GAAP policy was to capitalize exploration and evaluation expenditures as incurred.

(iv) Presentation

Certain amounts in the consolidated statements of financial position, statements of loss and comprehensive loss and statements of cash flows have been reclassified to conform to the presentation adopted under IFRS.

(v) Reconciliation between IFRS and Canadian GAAP

Reconciliation of equity and comprehensive loss previously reported under Canadian GAAP to IFRS.

19. CONVERSION TO IFRS (continued)

Equity

	As at November 30 2011	As at December 1 2010
Equity as reported under Canadian GAAP	$ 23,396,653	$ 15,797,796
IFRS adjustments decrease:		
Exploration and evaluation expenditures* (Note 19 (iii)(d))	(16,726,615)	(13,756,190)
Equity reported under IFRS	$ 6,670,038	$ 2,041,606

* Includes deferred tax liabilities of $1,520,610 as at November 30, 2011 and $1,204,386 as at December 1, 2010

Comprehensive loss (income)

	Twelve months ended November 30 2011
Comprehensive loss as reported under Canadian GAAP	$ 4,755,419
IFRS adjustments increase:	
Exploration and evaluation expenditures* (Note 19 (iii)(d))	2,970,425
Comprehensive loss reported under IFRS	$ 7,725,844

* Includes deferred tax recoveries of $316,224.

Cash flow statement

The IFRS transition adjustments above did not have an impact on the Company's cash and cash equivalents. Differences in the cash flow statements between Canadian GAAP and IFRS are the result of non-cash adjustments to items in the statement of loss and comprehensive loss.

20. CHANGES IN NON-CASH OPERATING ASSETS AND LIABILITIES

Changes in non-cash operating assets and liabilities		
Other receivables	**$ 205,599**	$ (639,165)
Prepaid expenses	**(93,739)**	(268,289)
Other assets	**(45,212)**	-
Accounts payable, accrued liabilities, and other liabilities	**509,634**	490,674
Due to related parties	**(78,911)**	(4,462)
	$ **497,371**	$ (421,242)

21. SUBSEQUENT EVENTS

On February 14, 2013, the Company closed a $10.5 million private placement offering through Dundee Securities Ltd. The financing involved the issuance of 22,105,082 common shares at a price of $0.475. On February 22, 2013, the Company's largest shareholder, ANT Holding Anonim Sti. ("ANT"), maintained its pro rata interest in the Company by purchasing an additional 9,534,737 common shares on a private placement basis at the same price of $0.475, for gross proceeds of $4.5 million. Following the transaction, ANT maintained its pro rata interest in the Company with a 30.1% ownership interest. In connection with this private placement, Dundee received $400,000 in cash commission and 515,750 compensation warrants ("Dundee warrants"), each such compensation warrant to be exercisable to acquire one common share at the issuing price of $0.475 for a period of 24 months after the closing of the offering. In order to maintain ANT's pro rata interest in the Company, ANT also received 222,463 warrants to acquire one common share per warrant at an issuing price of $0.475, which become exercisable upon the exercise of the Dundee warrants. In addition, the Company paid a total finder's fees of $716,441 to an arm's length Turkish-based party.

The 4,721,367 warrants outstanding at December 31, 2012 expired on February 17, 2013. On February 6, 2013, 33,000 stock options expired. On February 19, 2013, 37,000 stock options expired.

22. RECLASSIFICATION

Certain balance sheet items have been reclassified to conform to the presentation for the thirteen-month period ended December 31, 2012.