ALDERSHOT RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended January 31, 2012

1.1 DATE

This Management's Discussion and Analysis ("MD&A") of Aldershot Resources Ltd. and its subsidiaries ("Aldershot" or the "Company") has been prepared by management as of May 24, 2012 and should be read in conjunction with the audited consolidated financial statements and related notes thereto of the Company, as at and for the years ended January 31, 2012 and 2011.

Effective February 1, 2011, the Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Previously, the Company prepared its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"). The disclosures concerning this transition from Canadian GAAP to IFRS are provided in 1.13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION. The Company's Board of Directors have reviewed and approved this MD&A.

All amounts in the MD&A, financial statements and related notes are expressed in Canadian dollars ("CAD") unless otherwise noted. Other currencies which are referred to below are the United States dollar ("USD") and the Australian dollar ("AUD").

1.2 OVERALL PERFORMANCE

Current Year Highlights

- The Company completed its acquisition of Royal USA Inc. ("Royal USA"), the wholly-owned subsidiary of Royal Resources Limited ("Royal"), a company related by directors in common with the Company. The Company issued 35,000,000 shares and 31,609,667 warrants to acquire additional common shares at $0.10 per share which expire at various dates.

- The Company completed a private placement generating gross proceeds of $1,650,000 by issuing 33,000,000 units at $0.05 per unit, each unit representing one common share and a warrant to purchase an additional common share for two years at $0.10 per share.

- Exploration programs were conducted primarily on the Sage Plain area as described below.

- Exploration and evaluation expenses were $251,494 during the current year compared to $210,956 in the prior year.

- Operating expenses (other than exploration expenses) have decreased from $849,841 for the year ended January 31, 2011 to $560,547 for the year ended January 31, 2012. The major reason for this decrease is due to stock-based compensation of $191,236 for the year ended January 31, 2011 compared to $Nil for the year ended January 31, 2012.

- Net loss for the year ended January 31, 2012 was $910,360 ($0.01 per share) compared to $1,059,251 loss for the year ended January 31, 2011 ($0.01 per share).

Company Overview

Aldershot is a publicly traded corporation listed on the Toronto Venture Stock Exchange ("TSX-V") under the symbol ALZ. The address of the registered office of the Company is 10th Floor, 595 Howe Street, Vancouver, B.C. V6C 2T5.

The Company is engaged in the acquisition and exploration of resource properties. The Company has not yet determined whether its properties contain enough mineral reserves, such that their recovery would be economically viable.

The mission of Aldershot is to find and develop a mineral prospect to create wealth for shareholders. This is being achieved through acquiring and exploring properties which have the highest potential for future discoveries or development of existing mineral resources into mineable reserves. Management continues to rationalize all of its core mineral property holdings to maintain percentage ownership while granting other companies options to earn interests in the properties by them undertaking the exploration work at no cash cost to the Company.

Management is well-rounded with the necessary skills required to achieve success, both in the technical and financial area with experienced mining engineers and consulting geologists and those with entrepreneurial and financial experience. Shareholders are represented by a strong Board of Directors, experienced in the mining industry.

Our Exploration Process

Aldershot uses its management's strengths to find properties that can be tested, developed and ultimately brought into production, although there are no assurances that this will occur. We focus first on advanced prospects that can rapidly be tested or assessed to determine their potential and whether ongoing exploration is justifiable. These can be acquired through literature research, conceptual models or assessment of projects offered to the Company. After this process is completed, we develop the appropriate exploration/development strategies for each style of deposit and time frame with key decision points throughout the year. During periods where the Company's cash resources are limited and the markets are not receptive to financing, the Company enters into joint venture agreements with others to share the costs and risks associated with the necessary exploration work.

Our Exploration Results

Michael Leidich, Chief Operating Officer, a qualified person as defined by National Instrument 43-101, reviewed the technical information presented herein.

United States

On March 7, 2011, the Company entered into an agreement with Royal to acquire all of the shares of its wholly-owned subsidiary, Royal USA, which owns uranium properties in the United States. Royal is a related company to Aldershot through directors in common. This agreement was subject to shareholder approval (received) and TSX-V approval (received) and the agreement closed on September 14, 2011. As consideration, the Company issued 35,000,000 common shares with a fair value of $1,225,000 and 31,609,667 warrants, which are exercisable at $0.10 per share. These warrants total the number of existing stock options, warrants and potential warrants that existed within the Company prior to the close of this agreement (the "original securities outstanding") and they expire at various times from July, 2012 to September, 2015. The warrants issued to Royal may not be exercised prior to the exercise of an identical number of the original securities outstanding and expire when the original securities outstanding expire if not exercised.

Through this acquisition, the Company acquired several mining claims and licenses in the United States. All of the leases and mining claims are properly maintained and are in good standing. The significant exploration prospects acquired with Royal USA are outlined below.

Colorado Plateau Partners Joint Venture

Aldershot's 90% owned subsidiary, Lynx-Royal JV LLC ("Lynx-Royal"), and Energy Fuels Resources Inc. "Energy Fuels", (TSX.V: EFR) are each 50% owners of the joint venture company, Colorado Plateau Partners LLC ("CPP"). The parties each contributed their respective Colorado uranium properties to CPP and each contribute equally the expenditure commitments required. The Company's interest in CPP is 45% through Royal USA Inc.; Energy Fuels is 50% and Lynx2 LLC 5% with Lynx-Royal being the operating manager.

CPP currently has properties in the Sage Plain area of Utah and the Spud Patch area of Colorado. The properties consist of leases and mining claims with land holdings of 3,614.0 acres (1,462 Ha) and 1,830.6 acres (741 Ha), respectively. The Sage Plain area includes the historic uranium and vanadium producing Sage and Calliham Mines. The properties are strategically located between Dennison's White Mesa mill and Energy Fuels' planned Piñon Ridge uranium mill.

Summary of Claims & Leases

Claim Block	Area Designation	Claims	Acreage
LG	Spud Patch	3	62.0
LH	Bush Canyon	6	124.0
Sage Plain	Sage Plain	94	1,644.6
	Totals:	**103**	**1,830.6**

Leases	Area Designation	Type of Lease	Acreage
Crain Lease	Sage Plain	Private	640.0
Calliham Lease	Sage Plain	Private	320.0
ML 51963	Sage Plain	State of Utah	480.0
ML 51146	Sage Plain	State of Utah	640.0
ML 51145	Sage Plain	State of Utah	160.0
ML 49301	Sage Plain	State of Utah	733.0
DOE SR12	Spud Patch	Dept. of Energy	641.0
		Totals:	**3,614.0**

<u>Sage Plain Project</u>

There are two leases on private land: the Crain Lease and the Calliham Lease, consisting of 640 acres and 320 acres respectively.

Pursuant to a letter agreement dated July 28, 2011 between the Company's subsidiary and CPP's joint venture partner, the Company agreed to participate in the Crain Project by paying their 50% share of the costs of acquisition of this Crain Lease which amounted to $250,000 (paid). This Lease expires on April 18, 2015 and includes various royalties on any ore produced.

Pursuant to a letter agreement dated June 23, 2011 (amended September 12, 2011) between the Company's subsidiary and CPP's joint venture partner, the Company agreed to participate in Calliham Project by reimbursing the joint venture partner for 50% of the costs they have incurred on the Calliham Lease Area to date which totals $511,802 (USD $509,154). The Company is required to pay these costs by March 31, 2013 either by a cash payment or by paying the joint venture partner's share of the qualifying expenditures as required. As of January 31, 2012, the Company owes $342,089 (USD $340,319) to the joint venture partner. On the initial acquisition of Royal USA, the fair value of the amount owing to the joint venture partner was discounted using a discount rate of 15%, representing a fair value for accounting purposes. The difference between the fair value for accounting purposes and balance still remaining to be paid is amortized using the effective interest rate method over the period ending March 31, 2013.

A second phase exploration/drilling permit was acquired from Utah's Department of Oil, Gas and Mining (DOGM) and the US Bureau of Land Management (BLM) for 10 additional drill holes. The drilling program was started and completed in November. Ten holes were drilled for a total of 6,465 feet (1,971m) with intercepts ranging from trace to highly mineralize with the following notable results:

Hole ID	Max Gamma	Interval (ft)	Grade eU3O8 %
CH-11-001	11674	1.5	0.160
CH-11-002	15384	1.0	**0.263**
		3.5	0.140
CH-11-004	8504	1.0	0.135
		2.0	0.028
CH-11-005	39560	1.0	**0.456**
		1.0	**0.744**
CR-11-001	8028	1.0	0.138
		2.5	0.034
		1.5	0.039
CR-11-002	17998	1.0	**0.310**
		7.0	0.033
SM-11-001	13182	2.0	0.164
		1.0	0.090
		6.0	0.026
SM-11-002	26664	2.0	**0.397**

The drill results are measured using downhole geophysical probes which measure natural gamma radiation, from which an indirect estimate of uranium content can be made. The result is referred to as "eU_3O_8" for "equivalent U_3O_8". The downhole probe being used for this project was last calibrated August 24, 2011, in accordance with industry practices at the test pits of the Field Calibration Facilities, US Department of Energy Grand Junction Colorado Office. The Sage Plain area has not had issues with disequilibrium. Five foot intervals of the drill hole cuttings have been sent to ALS Chemex for analysis and confirmation.

Spud Patch Project

CPP's DOE SR-12 Exploration/Drilling permit application was withdrawn from the US Department of Energy (DOE) and the Colorado Department of Reclamation, Mining and Safety (DRMS) due to the ongoing Programmatic Environmental Impact Study that is being performed by the DOE. The applications are planned to be resubmitted at the conclusion of the study which should take 1 to 2 years.

Bush Canyon Area

A drilling plan was prepared and approved for an additional 10 drill holes. Drilling in this area has been deferred in consideration of more favourable areas.

Colorado Prospects—Uravan Mineral Belt

The land holdings in this area total 1,384.2 acres, or 560 Ha and are held through Lynx Royal who is the operating manager.

The target is sandstone hosted tabular uranium hosted in the palaeochannel dominated Salt Wash Member of the Jurassic Morrison Formation. The three project areas occur within the highly prospective and historically productive Uravan Mineral Belt of the Colorado Plateau, a well prospected but poorly explored uranium-vanadium province in the USA. Production since 1885 from the Uravan has delivered over 30% of the USA's uranium from over 2,500 uranium mining operations producing at an average grade of 0.32% U_3O_8.

Summary of Claims

Claim Block	*Area Designation*	*Claims*	*Acreage*
LJ	Wray Mesa	37	764.4
LG	Egnar South	30	619.8
	Totals:	**67**	**1,384.2**

Wray Mesa Project

An amendment to the original Colorado DRMS NOI prospecting permit for moving the location of 11 planned drill holes was prepared and submitted to the DRMS Durango Office. The amendment was deemed to be acceptable and complete. No additional bond was required by the DRMS. Approval from the DRMS was received on November, 28, 2011 and approval from the BLM on December 8, 2011.

The relocated drill locations have been staked and their new locations are a result of the completed drilling and new information regarding the previous underground mine workings and possible mineralized trends. A site visit in December confirmed that drilling would not be practical until after the spring melt.

Reclamation of the 13 completed sites on the same permit was completed.

Egnar South Project

Reclamation of all recently drilled sites was completed. Abandonment reports were submitted to the DRMS to close the permits and initiate the refund of the bond monies on the 8 completed sites in the Egnar Project.

Arizona Strip Partners Project

The Company, through its subsidiary, Royal USA, has entered into an agreement to earn a 50% interest in various joint venture properties owned by the Arizona Strip Partners LLC joint venture by expending $1,909,880 (USD $1.9 million) on exploration costs over six years, expiring June 30, 2014. As of January 31, 2012, the Company has expended USD $1.7 million of that requirement.

Summary of Claims & Leases

Claim Block	Area Designation		Claims	Acreage
ASP	Basalt		4	82.6
	C		9	185.9
	C		6	124.0
	Dream		5	103.3
	Pocket		14	289.2
	Wu		2	41.3
		Total	**40**	**826.3**
ASP-ASRJV	A		12	247.9
	AZ		10	206.6
	L		12	246.6
	MFT		5	90.9
	NB		12	247.9
	SS		16	330.6
	W		10	206.6
	WP		16	330.6
		Total	**93**	**1,907.6**

Tallahassee Creek Project

The land holdings in this area total 151 mining claims covering 2,779 acres, or 1,134 Ha and are held through the Company's 80% owned subsidiary, Geolynx LLC, who is the operating manager.

Summary of Claims

Claim Block	Area Designation	Claims	Acreage
CRAMPTON	Crampton	58	1,186.0
CRAMPTON ADDITION	Crampton Addition	6	124.0
CRAMPTON NORTH	Crampton N	5	81.1
ECHO	Echo	10	206.6
HANSEN	Hansen Marreel	26	445.7
HANSEN RIDGE	Hansen Ridge	16	251.5
SCHOOL VALLEY	School Valley	10	162.9
WEST SOAPY	West Soapy	10	161.0
WESTERN	Western	10	160.3
	Totals:	**151**	**2,778.8**

Exploration/Drilling permits were acquired from Colorado's Department of Reclamation, Mining, and Safety (DRMS) and the US Bureau of Land Management (BLM). Additional permitting is currently required by the county but the county has stated that they are reviewing that requirement. No activity is planned while the county is reviewing their policies.

Australia

Northern Territory

During the year ended January 31, 2010, the Company partnered with Royal, a related company that has a director in common with the Company, granting Royal the option to acquire a 60% interest in certain of the Company's licences in the Northern Territory. Under the terms of the agreement, Royal paid the Company $83,937 (AUD $100,000) and must spend at least AUD $900,000 (CAD $958,770) of exploration expenditures on the properties over a three year period. During the year ended January 31, 2012, Royal and the Company have agreed that Royal has met the expenditure requirements of the agreement and they have now earned their 60% interest. The Company must pay its pro-rata share of costs to retain its 40% ownership of the property.

The Company also retains a 2% net smelter royalty on the Mt. Thomas licence in the Northern Territory.

George EL24550: Royal 60% and manages; Aldershot 40%

No field work was undertaken during the quarter due to monsoonal conditions. Annual reporting and planning for the forthcoming field season is underway.

Waterhouse West EL24563: Royal 60% and manages; Aldershot 40%

No field work was undertaken during the quarter due to monsoonal conditions. Annual reporting and planning for the forthcoming field season is underway.

ABC EL24555:Royal 60% and manages; Aldershot 40%

Intransigence by the Northern lands Council for clarity on access to this tenement has delayed all work during the reporting period.

Ngalia EL24571: Royal 60% and manages; Aldershot 40%

Annual reporting and planning for the forthcoming field season was undertaken during the quarter.

Western Australia

Turee Creek EL52/1763: 100% Aldershot

The Company is maintaining the licences in this area. On March 23, 2012 the Company entered into an agreement with Fortescue Metals Group Ltd. ("FMG"), granting FMG an option to acquire the Turee Creek licence by the payment of a non-refundable amount of $260,900 (AUD $250,000) which grants them the exclusive right to evaluate the licence for a period of two years by undertaking a specified exploration program. At the end of this two year period, FMG may exercise the option to acquire the licence by a further cash payment of $313,080 (AUD$300,000).

Yuinmery EL57/593: 100% Aldershot

During the year ended January 31, 2011, the Company entered into an agreement with Resource Star Ltd. ("RSL") granting RSL the option to acquire the Yuinmery licence for a total cash payment of AUD $60,000 (CAD $63,918) and the issuance of shares of RSL worth AUD $50,000 (CAD $53,265). Under the terms of the agreement, RSL paid the Company a non refundable option fee of $10,244 (AUD $10,000), which was recorded as a recovery of exploration costs. On June 7, 2011, RSL advised the Company that they do not intend to exercise this option. On October 20, 2011, the Company sold this licence to a different purchaser for a total cash payment of $62,178 (AUD $60,000).

South Australia

Martin's Well JV, Aldershot withdrawal

During the year ended January 31, 2011, the Company entered into an agreement with Strategic Minerals Corporation ("Strategic") whereby the Company may acquire a 70% interest in a mining licence in South Australia by spending AUD $250,000 (CAD $266,325) in exploration expenditures over a two year period. On June 8, 2011, the Company notified Strategic that it was withdrawing from any further exploration work on this licence.

Republic of Zambia

The Company has been granted two prospecting licences in the southern part of the Republic of Zambia, on the northern shores of Lake Kariba. During the year ended January 31, 2010, the Company entered into an agreement with African Energy Resources Zambia Ltd. ("African Energy") granting African Energy the option to acquire an initial 51% interest in these two licences in Zambia. Under the terms of the agreement, African Energy must spend at least AUD $500,000 (CAD $532,650) of exploration expenditures on the properties over a three year period. During the year ended January 31, 2012, African Energy has advised the Company that they are not continuing exploration on these licences and are withdrawing from this agreement. The Company still retains the licences in this area.

Applications were lodged for the Company's two Licenses to be transferred to its subsidiary, Aldershot Resources Zambia Limited. The applications are still pending. At the end of October 2011, the Zambian Minister of Mines and Natural Resources suspended the issuance of new applications, renewal and transfer of all mining and non-mining rights and dissolved the Mining Advisory Council (MAC), the body who approves and processes the applications. The processing will resume once an audit has been completed, new appointments have been made and new software and hardware is operational.

Risk Factors

Through its operations, the Company is exposed to various business risks outlined below. Additional risks and uncertainties, including those that we are not aware of now or that we currently deem immaterial, may also adversely affect our business.

- The Company has not been profitable since inception and it may continue to incur substantial losses.
- The Company operates in the highly speculative business of mining exploration and development and is currently in the exploration stage. The Company has not yet determined whether their properties contain enough mineral reserves, such that their recovery would be economically viable.
- The Company is exploring for mineral resources and these commodities are subject to pricing and other risks.
- The Company may not be able to secure adequate financing to support the expenditures required to sustain the Company until profitable operations are achieved.
- The Company operates in various jurisdictions and is subject to local political risk, civil risks and other risks to operate there. Although professional advice is obtained to ensure the Company meets all the local requirements, there may be deficiencies in some areas and there may be risks beyond the Company's control.
- The Company faces currency risks in its operations.
- The Company has limited personnel with various degrees of knowledge concerning their area of expertise and there may be instances where segregation of duties does not exist and reliance must be placed on outside advisors to assist with complex areas.

The Company undertakes its best efforts to mitigate the above risks using the resources at its disposal, but believes that uncertainties and risks do exist in its business operations.

The consolidated financial statements have been prepared using IFRS 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. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at January 31, 2012 the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management is of the opinion that sufficient working capital will be obtainable from external financing sources (primarily through private placements of common shares) to meet the Company's liabilities and commitments as they become due, although there is risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. Further details on financing alternatives available to the Company are more fully discussed in 1.6/1.7 LIQUIDITY AND CAPITAL RESOURCES.

Financial Performance

During the year ended January 31, 2012, the Company completed its acquisition of Royal USA and the results of Royal USA's operations are included in the Company's operations from the date of control, which is September 14, 2011. Their operations primarily relate to exploration activities with minimal impact on operating costs.

Exploration activities continued on the Company's properties acquired in the Royal USA acquisition and were minimal on the Company's Australian properties, consisting primarily of maintenance costs. Exploration costs amounted to $251,494 for the year ended January 31, 2012 compared to exploration costs of $210,956 for the year ended January 31, 2011. The Company also sold the Yuinmery licence during the year for total proceeds of $62,178 (AUD $60,000), which amount has been recorded as a recovery of exploration costs. In the prior year, the Company recorded a non-refundable option fee it received on the Yuinmery licence of $10,244 (AUD $10,000) as a recovery of exploration costs.

The Company's operating costs (other than exploration expenses) for this year were lower than the prior year, even after the inclusion of Royal USA's expenses from September 14, 2011. The main reason for this is that there was $191,236 in stock-based compensation expense for the previous year ended January 31, 2011, while there was $Nil in the current year ended January 31, 2012. As well, the Company incurred $187,789 in property investigation costs in the prior year and only $10,840 in the current year.

At January 31, 2012, the Company had cash and cash equivalents on hand of $415,499 compared to $121,705 on January 31, 2011. The Company will require further financing to fund its exploration programs, for operations and for general working capital purposes. Further details on financing alternatives available to the Company are more fully discussed in 1.6/1.7 LIQUIDITY AND CAPITAL RESOURCES.

Company Objectives and the Year Ahead

The Company's corporate objectives are to continue to pursue opportunities to enhance shareholder value including business combinations, joint venture agreements and any other appropriate business ventures. The Company has enhanced its land holdings through the Royal USA acquisition and will continue to explore these licences and mining claims. As well, the Company is now in the position of paying for its pro-rata share of the exploration on the Northern Territory property to retain its interest. The Company must obtain further financing to continue its operations.

1.3 SELECTED ANNUAL INFORMATION

	Year ended January 31		
	2012	**2011**	**2010**
	IFRS	**IFRS**	**IFRS**
Exploration costs (recoveries)	$ 251,494	$ 210,956	$ (84,438)
Consulting, admin and directors' fees	92,311	55,542	58,070
Depreciation	8,403	16,109	24,046
Professional fees	128,231	105,529	42,101
Property investigation costs	10,840	187,789	-
Salaries and benefits	154,056	166,696	130,584
Stock-based compensation	-	191,236	74,436
Equity loss from investment in joint venture	109,624	-	-
Finance costs	41,538	15,460	-
Other expenses	113,863	109,934	99,070
Net loss and comprehensive loss	910,360	1,059,251	343,869
Basic and diluted (loss) per share	$ (0.01)	$ (0.01)	$ (0.01)
Investment in joint venture	1,713,400	-	-
Exploration and evaluation assets	818,716	-	-
Total assets	3,061,103	189,937	257,798
Equity	2,463,493	44,175	194,937

The above financial information has been prepared in Canadian dollars in accordance with IFRS.

1.4 RESULTS OF 2012 OPERATIONS

On March 7, 2011, the Company entered into an agreement with Royal to acquire all of the shares of its wholly-owned subsidiary, Royal USA, which owns uranium properties in the United States. Royal is a related company to Aldershot through directors in common. This agreement was subject to shareholder approval (received) and TSX-V approval (received) and the agreement closed on September 14, 2011. As consideration, the Company issued 35,000,000 shares with a fair value of $1,225,000 and 31,609,667 warrants with a fair value of $480,448, which are exercisable at $0.10 per share. These warrants total the number of existing stock options, warrants and potential warrants that existed within the Company prior to the close of this agreement (the "original securities outstanding") and they expire at various times from July, 2012 to September, 2015. The warrants issued to Royal may not be exercised prior to the exercise of an identical number of the original securities outstanding and expire when the original securities outstanding expire if not exercised.

In conjunction with this agreement, Royal provided funds totalling $1,500,000 pursuant to a private placement of 30,000,000 units at $0.05 per unit, each unit comprising one common share and one warrant, exercisable at $0.10/share for a period of two years. In addition, another unrelated existing investor invested $150,000 on the same terms as noted above, which resulted in the total private placement raising $1,650,000 through the issuance of

33,000,000 units at $0.05 per unit, each unit comprising one common share and one warrant, exercisable at $0.10/share for a period of two years.

The value of the consideration paid is summarized as follows:

	$
Common shares	1,225,000
Warrants	480,448
Total consideration	**1,705,448**

The allocation of the consideration to the fair values of the identifiable assets and liabilities of Royal USA acquired is as follows:

	$
Cash and cash equivalents	3,928
Trade and other receivables	4,096
Reclamation bonds and deposits	52,472
Property, plant and equipment	19,238
Investment in joint venture	1,687,455
Exploration and evaluation assets	807,395
	2,574,584
Trade and other payables	(83,452)
Due to joint venture partner	(365,612)
Due to Aldershot Resources Ltd.	(420,072)
Net assets acquired	**1,705,448**

The transaction does not constitute a business combination as Royal USA does not meet the definition of a business under IFRS 3 *"Business Combinations"* and therefore has been accounted for as an asset acquisition. The results of operations of Royal USA have been included in the consolidated financial statements from the date of acquisition of September 14, 2011.

The acquisition of Royal USA resulted in the Company acquiring exploration assets in the United States. Exploration expenditures totalled $251,494 for the year ended January 31, 2012, representing exploration expenditures of $313,672 and a recovery of exploration costs of $62,178 relating to the sale of the Yuinmery licence. This compares to exploration expenditures of $221,200 and a recovery of exploration costs of $10,244 incurred for the year ended January 31, 2011. Most of the exploration expenditures were incurred in the United States, with amounts expended in Australia only on costs for maintaining the licences.

The Company's other operating expenses (other than exploration expenses) were lower during the current year compared to the prior comparative year. Significant changes in these expenses are outlined below.

Consulting, administrative and directors' fees increased from $55,542 for the year ended January 31, 2011 to $92,311 for the year ended January 31, 2012 primarily due to additional costs incurred in regards to IFRS conversions, consulting fees regarding the acquisition of Royal USA and the inclusion of Royal USA administrative fees since acquisition on September 14, 2011.

Professional fees increased from $105,539 for the year ended January 31, 2011 to $128,231 during the year ended January 31, 2012 due to an increase in legal and audit fees in regards to the Royal USA acquisition.

Project investigation costs were $10,840 for the year ended January 31, 2012 compared to $187,789 in the prior year as costs were incurred in the prior year to review a potential acquisition of properties in the United States.

Stock-based compensation was $Nil in the current year as no new stock options were granted, whereas the amount was $191,236 for stock options granted in the prior year.

Equity loss from investment in joint venture of $109,624 for the year ended January 31, 2012 arises from the investment in CPP acquired in the Royal USA transaction and only arose in the current year, so there are no comparative amounts for the year ended January 31, 2011.

The Company realized a **foreign exchange gain** of $44,054 in the current year compared to a loss of $4,468 in the prior comparative year due to fluctuations in the USD and the AUD compared to the CAD.

The Company's net loss for the year ended January 31, 2012 was $910,360, $0.01 per share, compared to a net loss of $1,059,251, $0.01 per share for the year ended January 31, 2011.

Aldershot's **cash and cash equivalents** amounted to $415,499 at January 31, 2012 compared to $121,705 at January 31, 2011. The Company will require further financing to fund its exploration programs, pay for its operations and for general working capital purposes. See details on financing alternatives available to the Company as more fully discussed in 1.6/1.7 LIQUIDITY AND CAPITAL RESOURCES.

Aldershot acquired **reclamation bonds, investment in joint venture and exploration and evaluation assets** pursuant to its acquisition of Royal USA and the fair value of these assets was allocated as noted above. Trade and other payables have increased from the prior year due to exploration programs undertaken, primarily in the United States.

Commitments and Contingencies

The Company has an operating lease for premises rentals expiring on May 31, 2012 for $1,005 per month (USD $1,000 per month).

The Company has commitments relating to its exploration and evaluation assets as outlined in the consolidated financial statements. Once the joint venture interests are earned, the

Company must then fund their pro-rata share of the costs in order to maintain their interests in the properties.

The Company has no contingent liabilities.

Segmented Information

The Company has one business segment being the exploration and evaluation of mineral resources. The Company is organized by geographic area and as such, its reportable operating segments are located in Canada, United States, Australia and Zambia.

Information regarding the Company's geographic segments are as follows:

As at January 31, 2012	**Canada**	**United States**	**Australia**	**Total**
	$	**$**	**$**	**$**
Reclamation bonds and deposits	-	48,154	10,653	58,807
Property, plant and equipment	-	14,531	2,000	16,531
Investment in joint venture	-	1,713,400	-	1,713,400
Exploration and evaluation assets	-	818,716	-	818,716
Total non-current assets	**-**	**2,594,801**	**12,653**	**2,607,454**

As at January 31, 2011	**Canada**	**United States**	**Australia**	**Total**
	$	**$**	**$**	**$**
Reclamation bonds and deposits	-	-	8,914	8,914
Property, plant and equipment	3,753	-	29,892	33,645
Total non-current assets	**3,753**	**-**	**38,806**	**42,559**

1.5 SUMMARY OF QUARTERLY RESULTS

	2012				2011			
	Q4 IFRS	**Q3 IFRS**	**Q2 IFRS**	**Q1 IFRS**	**Q4 IFRS**	**Q3 IFRS**	**Q2 IFRS**	**Q1 IFRS**
Exploration and evaln expenses	$ 101,507	$ 130,597	$ 10,204	$ 9,186	$ (881)	$ 156,032	$ 52,179	$ 3,626
Consulting, admin, directors	40,857	13,369	19,175	18,910	6,500	17,250	10,500	21,292
Professional fees	4,948	31,066	54,775	37,442	20,860	49,076	14,590	21,003
Salaries and benefits	35,630	39,645	40,072	38,709	41,109	40,147	43,543	41,897
Stock based compensation	-	-	-	-	7,587	183,649	-	-
Other expenses	43,515	48,464	64,983	28,987	211,374	63,696	28,721	27,047
Equity loss	67,730	41,894	-	-	-	-	-	-
Finance costs	25,111	5,476	5,475	5,476	648	2,500	10,664	-
FX	(17,109)	(27,987)	1,828	(786)	501	(9,358)	5,083	8,242
Interest, rentals, other	2,118	(10,600)	(140)	(167)	(12,183)	(6,508)	(206)	(929)
Net loss	$ (304,307)	$ (271,924)	$ (196,372)	$ (137,757)	$ (275,515)	$ (496,484)	$ (165,074)	$ (122,178)
Loss per share								
Basic & diluted	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)
Total assets	$ 3,061,103	$ 3,517,373	$ 161,045	$ 153,944	$ 189,937	$ 488,510	$ 361,803	$ 421,023
Total liabilities	$ 597,610	$ 729,692	$ 450,999	$ 247,526	$ 145,762	$ 176,744	$ 117,053	$ 48,264
Shareholders' equity	$ 2,463,493	$ 2,787,681	$ (289,954)	$ (93,582)	$ 44,175	$ 311,766	$ 244,750	$ 372,759

Note: The above information is prepared in accordance with IFRS. Loss per share amounts disclosed above on a quarterly basis may not necessarily equal the cumulative amounts disclosed in the Company's annual financial statements, due to the timing of changes in the weighted average number of shares throughout the year versus the weighted average number of shares throughout the quarter.

Explanation of significant variances between the quarters is provided as follows. Exploration expenses increased in Q3 and Q4 2012 due to the acquisition of Royal USA and are higher in Q2 and Q3 2011 due to work being undertaken on the Martin's Well licence in South Australia. Consulting, admin and directors fees are higher in Q4 2012 due to the acquisition of Royal USA and are higher in Q1 2011 due to more regulatory matters being required to be done. Professional fees are higher throughout Fiscal 2012 due to the acquisition of Royal USA and higher legal and audit fees required as a result. No stock options were granted in Fiscal 2012 compared to Fiscal 2011. Other expenses increased in Q3/Q4 of 2011 due to property investigation costs in USA and the potential acquisition of Royal USA. Equity loss incurred in Q3 and Q4 2012 relates to the investment in CPP acquired with Royal USA. Finance costs are higher in Q4 2012 due to the accretion of interest on the amounts due to joint venture partner acquired in the Royal USA acquisition. Foreign exchange fluctuates with the exchange rates changes between CAD and USD and AUD. Interest and rental income in Q3/Q4 of 2011 and Q3 of 2012 has increased due to equipment rentals.

1.6/1.7 LIQUIDITY AND CAPITAL RESOURCES

The Company held cash and cash equivalents of $415,499 as at January 31, 2012 compared to $121,705 as at January 31, 2011. The Company reported working capital (deficiency) of ($97,631) at January 31, 2012 compared to $1,616 at January 31, 2011.

The Company used cash of $1,140,989 in its operations for the year ended January 31, 2012 compared to using cash of $867,651 for the year ended January 31, 2011. Aldershot used cash of $77,093 on investing activities for the current year compared to receiving cash of $2,435 on investing activities for the prior year. The Company generated $1,511,876 in financing activities for the year ended January 31, 2012 primarily related to private placements compared to generating $799,400 from private placements and debenture financing for the year ended January 31, 2011.

The Company has an operating lease for premises rentals expiring on May 31, 2012 for $1,005 per month (USD $1,000 per month). The Company has commitments relating to its exploration and evaluation assets as outlined in the consolidated financial statements. Once the joint venture interests are earned, the Company must then fund their pro-rata share of the costs in order to maintain their interests in the properties. The Company has no contingent liabilities.

On September 14, 2011, the Company completed a 33,000,000 unit non-brokered private placement at $0.05 per unit for gross proceeds of $1,650,000. Each unit consisted of one common share and one share purchase warrant exercisable at $.10 per share for two years until September 14, 2013. The Company valued the warrants issued in connection with this private placement using the *Black-Scholes Option Pricing Model* with the following assumptions: risk-free interest rate 1.12%; volatility 121%; dividend yield 0% and approximate expected lives of 2 years. The resultant value of $459,227 attributable to the warrants has been reclassified from share capital and credited to warrant reserve.

On September 14, 2011 the Company issued 35,000,000 shares and 31,609,667 warrants to acquire all of the issued and outstanding shares of Royal USA (see *1.4 Results of 2012 Operations* above for further details). The Company valued the warrants issued for the acquisition of Royal USA using *the Black-Scholes Option Pricing Model* with the following assumptions: risk-free interest approximate rate of 1.12%; expected life of 3 years; volatility of 121% and dividend yield of 0.0%. The resultant value of $480,448 has been credited to warrant reserve.

On July 9, 2010, the Company entered into a convertible debenture agreement for $100,000 with a company that has a director in common with the Company. The debenture is unsecured, bears interest at 10% per annum and is due on or before December 31, 2011. The debenture and any accrued interest owing is convertible into common shares of the Company at the lender's option at $0.10 per share. A total of 1,000,000 common shares may be issuable in conjunction with the conversion of this debenture.

Effective December 31, 2011, the Company and the debenture holder agreed to extend all terms of this debenture to March 31, 2012 and subsequent to the year-end, the terms of this debenture were further extended to September 30, 2012.

Pursuant to a letter agreement dated June 23, 2011 (amended September 12, 2011) between the Company's subsidiary and CPP's joint venture partner, the Company agreed to participate in this project by reimbursing the joint venture partner for 50% of the costs they had incurred on the Calliham Lease Area to date which totals $511,802 (USD $509,154). The Company is required to pay these costs by March 31, 2013 either by a cash payment or by paying the joint venturer partner's share of the qualifying expenditures as required. As of January 31, 2012, the Company owes $342,089 (USD $340,319) to the joint venture partner. On the initial acquisition of Royal USA the fair value of the amount owing to the joint venture partner was discounted using a discount rate of 15%, resulting in a value owing to the joint venture partner for accounting purposes of $365,612 (USD $368,821). As at January 31, 2012, the discounted amount owing to the joint venture partner is $287,578. The difference between the fair value for accounting purposes and the balance still remaining to be paid is amortized using the effective interest rate method over the period ending March 31, 2013. For the year ended January 31, 2012, interest accretion included in finance costs totaled $20,777 (USD - $20,377). Of the total amount due to the joint venture partner, $241,248 is expected to be paid within the next twelve months and is therefore shown as a current liability in the consolidated financial statements. The amount is unsecured.

On March 23, 2012 the Company agreed to grant FMG an option to acquire the Turee Creek licence by the payment of a non-refundable amount of $260,900 (AUD $250,000) which grants them the exclusive right to evaluate the licence for a period of two years by undertaking a specified exploration program. At the end of this two year period, FMG may exercise the option to acquire the licence by a further cash payment of $313,080 (AUD$300,000).

On April 10, 2012 the Company acquired all of the shares of Royal Uranium Inc. Limited, a 100% owned subsidiary of Royal for cash proceeds of $160,448 (USD $160,000). To finance this acquisition, the Company entered into a loan agreement with Royal to borrow $174,896 (AUD $170,000). The loan is unsecured, due on demand and bears interest at the Australian 90 day Bank Bill Swap Rate ("BBSW"—i.e., the Australian wholesale interbank rate which was approximately 4% on April 10, 2012), plus 4%. This deal is subject to approval from TSX-V.

The Company must raise additional funds to support its operations and it does require additional financing since it is an exploration stage company with no current sources of revenue. Funding options available to the Company are outlined below.

The Company will utilize the public market when practicable to raise the additional funds it requires, either through brokered or non-brokered private placements. Aldershot has been successful in optioning out its properties to share the costs and risks in exploring them. The Company also has been able to generate further funds from the sale of various licences. The Company has periodically raised funds through debt financing as well, but this option is limited.

Aldershot has 7,350,000 stock options outstanding, exercisable at a weighted average price of $0.10 which expire from 2012 to 2015. The Company also has 87,869,334 warrants outstanding exercisable at a weighted average price of $0.10, expiring from 2012 to 2015.

1.8 OFF-BALANCE SHEET ARRANGEMENTS

Aldershot does not utilize off-balance sheet arrangements.

1.9 TRANSACTIONS WITH RELATED PARTIES

The Company incurred the following transactions with management, directors, officers or companies which have directors in common, or in which the directors have significant influence and interests.

Key management personnel compensation

	Year ended January 31	
	2012	**2011**
	$	**$**
Compensation of directors		
Short-term benefits	10,000	10,000
Share-based payments	-	57,360
	10,000	67,360
Compensation of key management personnel		
Short-term benefits	208,569	157,426
Share-based payments	-	58,555
	208,569	215,981
Total remuneration of directors and key management personnel	**218,569**	**283,341**

Related party transactions

	Year ended January 31	
	2012	**2011**
	$	**$**
Exploration and evaluation expenses		
Geological consulting	17,845	45,828
Consulting, administrative and directors' fees	19,823	10,000
General and administrative	4,778	14,883
Finance costs	20,761	13,812
Proceeds on sale of property, plant and equipment	25,637	-
Interest, rentals and other income	10,451	17,389
Total trading transactions with related parties	**99,295**	**101,912**

Related party balances

The following amounts due to and from related parties are as follows:

	January 31, 2012	January 31, 2011	February 1, 2010
	$		$
Trade and other payables	63,544	11,645	2,804
Debenture payable	100,000	89,520	-
Total amounts due to related parties	**163,544**	**101,165**	**2,804**
Trade and other receivables	6,373	-	-
Total amounts due from related parties	**6,373**	**-**	**-**

The amounts due to or from related parties represent amounts due to directors and officers or companies which have directors in common, or in which the directors have significant influence and interests. These amounts are non-interest bearing and are due within the next twelve months.

In addition, the Company acquired Royal USA from Royal, which is a company related by directors in common. All of the details concerning this acquisition are outlined above.

The Company has a Management Agreement with its Chief Executive Officer which provides for termination pay equivalent to six months' salary for every year of service from 2001.

1.10 FOURTH QUARTER

Please see 1.5 SUMMARY OF QUARTERLY RESULTS for information on the fourth quarter of Fiscal 2012.

1.11 PROPOSED TRANSACTIONS

On April 10, 2012 the Company acquired all of the shares of Royal Uranium Inc. Limited, a 100% owned subsidiary of Royal for cash proceeds of $160,448 (USD $160,000). To finance this acquisition, the Company entered into a loan agreement with Royal to borrow $174,896 (AUD $170,000). The loan is unsecured, due on demand and bears interest at the Australian 90 day Bank Bill Swap Rate ("BBSW"—i.e., the Australian wholesale interbank rate which was approximately 4% on April 10, 2012), plus 4%. This deal is subject to approval from the TSX-V.

1.12 CRITICAL ACCOUNTING ESTIMATES

Not applicable as the Company is a venture issuer.

1.13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Changes in accounting policies

None.

Initial adoption of accounting policies and accounting standards

The Company adopted IFRS effective February 1, 2011 and as required by IFRS 1 "*First-time Adoption of International Financial Reporting Standards",* retroactively restated its financial position and results of operations from the previous accounting basis of Canadian Generally Accepted Accounting Principles ("GAAP") to its opening transitional statement of financial position at February 1, 2010 (the "Transition Date"). The comparative amounts for 2010 are also converted to IFRS for comparative purposes.

IFRS 1 sets forth guidance for the initial adoption of IFRS and outlines optional exemptions that may be adopted on the first-time adoption of IFRS. Under IFRS 1, the standards are applied retrospectively at the transitional statement of financial position date with all adjustments to the statement of financial position taken to deficit unless certain exemptions are applied. The Company has applied the following optional transition exemptions:

- The Company has applied the exemption that relates to cumulative translation differences on translation of foreign operations to its opening statement of financial position as of February 1, 2010. IFRS 1 allows a first-time adopter to elect not to calculate the translation difference related to foreign operations retrospectively. Instead, an entity may reset translation differences at the date of transition, determined in accordance with Canadian GAAP, to zero. If, subsequent to adoption, a foreign operation is disposed of, the translation differences that arose before the date of transition to IFRS will not affect the gain or loss on disposal of the foreign operation.
- The Company has applied the exemption that relates to share-based payments, wherein IFRS 1 allows a first-time adopter to elect not to apply the guidelines provided for by IFRS 2 to equity instruments that were granted on or before November 7, 2002 or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to February 1, 2010, which have been accounted for in accordance with Canadian GAAP.
- The Company has applied the exemption that relates to business combinations, wherein IFRS 1 allows a first-time adopter to elect not to apply the guidelines of IFRS 3 to acquisitions of subsidiaries or of interests in associates and joint ventures that occurred before February 1, 2010.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While the adoption of IFRS has not changed the Company's actual cash flows, it has resulted in changes to the Company's reported financial position and results of operations. In order to allow the users of the financial statements to better understand these changes, the Company's Canadian GAAP statement of comprehensive loss, statement of financial position, statement of changes in equity and statement of cash flows have been reconciled with those presented under IFRS, as at the Transition Date with the resulting differences explained.

The Canadian GAAP statement of financial position has been reconciled to IFRS as at January 31, 2011 and February 1, 2010 as follows:

		January 31, 2011			**February 1, 2010**		
	Notes	**Canadian GAAP**	**Effect of transition to IFRS**	**IFRS**	**Canadian GAAP**	**Effect of transition to IFRS**	**IFRS**
		$	**$**	**$**	**$**	**$**	**$**
Cash and cash equivalents		121,705	-	121,705	187,521	-	187,521
Trade and other receivables		12,356	-	12,356	1,705	-	1,705
Prepaid expenses and deposits		13,317	-	13,317	7,469	-	7,469
Total current assets		147,378	-	147,378	196,695	-	196,695
Reclamation bonds		8,914	-	8,914	12,284	-	12,284
Property, plant and equipment		33,645	-	33,645	48,819	-	48,819
Total non-current assets		42,559	-	42,559	61,103	-	61,103
TOTAL ASSETS		**189,937**	**-**	**189,937**	**257,798**	**-**	**257,798**
Trade and other payables		56,242	-	56,242	62,861	-	62,861
Debenture payable		89,520		89,520	-		-
Total current liabilities		145,762	-	145,762	62,861	-	62,861
Equity							
Share capital		12,441,509	-	12,441,509	12,231,269	-	12,231,269
Warrant reserve	Note below	-	4,204,169	4,204,169	-	3,532,350	3,532,350
Share-based payment reserve	Note below	6,602,284	(4,204,169)	2,398,115	5,721,376	(3,532,350)	2,189,026
Accumulated deficit		(18,999,618)	-	(18,999,618)	(17,757,708)	-	(17,757,708)
Total equity		44,175	-	44,175	194,937	-	194,937
TOTAL LIABILITIES AND EQUITY		**189,937**	**-**	**189,937**	**257,798**	**-**	**257,798**

There are no changes between the equity reported under Canadian GAAP to the equity reported under IFRS as noted below:

	January 31 2011	**February 1 2010**
	$	**$**
Equity previously reported under Canadian GAAP	44,175	194,937
Changes on conversion to IFRS	-	-
Equity reported under IFRS	**44,175**	**194,937**

There are no changes to the statement of comprehensive loss reported under Canadian GAAP to the statement of comprehensive loss reported under IFRS for the year ended January 31, 2011:

	Year ended January 31, 2011		
	Canadian GAAP	**Effect of transition to IFRS**	**IFRS**
	$	**$**	**$**
Expenses	(1,060,797)	-	(1,060,797)
Operating loss	(1,060,797)	-	(1,060,797)
Other items	1,546	-	1,546
Net loss	(1,059,251)	-	(1,059,251)
Comprehensive loss	**(1,059,251)**	**-**	**(1,059,251)**

Note describing changes in tables above:

> This is a reclassification only between equity accounts from contributed surplus, the Canadian GAAP term used for this account, to share-based payment reserve or warrant reserve accounts, the IFRS terms for these accounts.

The adoption of IFRS has had no impact on the net cash flows of the Company. The changes made to the statements of financial position have resulted from terminology only and do impact the statement of cash flows. Since there have been no changes to the net operating, investing and financing cash flows previously reported, no reconciliations have been presented.

1.14 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT, INCLUDING CAPITAL DISCLOSURE

Capital Disclosure

The Company manages its capital to ensure that it will be able to continue as a going concern, while supporting the Company's business and maximizing the return to its stakeholders. The Company's capital structure is adjusted based on management's decisions to issue debt or equity instruments to fund expenditures. In order to maximize ongoing exploration efforts, the Company does not pay dividends. The Company's Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of management and other professionals to sustain future development of the business. The capital of the Company consists of equity attributable to owners of the parent comprised of share capital, stock options and warrants.

The Company's principle activities are in the exploration and evaluation stage and, as a result, the Company currently has no source of operating cash flow. In order to facilitate the management of capital and exploration of its mineral properties, the Company needs to raise capital as and when required to complete its projects and for working capital. The sources of future funds presently available to the Company are through the issuance of new share capital, through the issue of debt instruments to related parties, through the exercise of stock options and/or warrants or through divestiture of certain assets. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions, as well as the business performance of the Company. There can be no assurances that the Company will be successful in its efforts to arrange additional financing, when required, on terms satisfactory to the Company.

Management forecasts its financing requirements in advance and they review their capital management approach on an ongoing basis and believes that this approach is reasonable, given the relative size of the Company. The Company's investment policy is to hold cash in interest-bearing accounts at high credit quality financial institutions to minimize risk and maximize liquidity.

The Company's overall strategy remains unchanged from the prior period. The Company is in compliance with the terms of the debenture payable, except that interest is not being paid quarterly, which requirement has been waived by the debenture holder. The accrued interest payable was substantially paid subsequent to the year-end. The Company is not subject to any other externally imposed capital requirements.

Financial Instruments and Risk Management

The Company operates in the mining industry and faces a number of risks that could adversely affect the Company's operations. These risks include industry risk, credit risk, liquidity risk, interest rate risk, foreign currency risk, commodity price risk. Management reviews and develops policies for managing each of these risks which are summarized below.

Industry Risk
The Company is engaged primarily in the mineral exploration field, which is subject to inherent risks of success as well as compliance with environmental, political and regulatory requirements. The Company is potentially at risk for environmental reclamation obligations associated with resource property interests. As well, the Company operates in foreign countries and is subject to local political risks, as well as local regulatory requirements regarding ownership and maintenance of mineral licences. Management is of the opinion that they have the expertise to address these risks and makes all efforts to conduct their business in compliance with local industry standards, however environmental and local industry laws and practices are complex, and there is no certainty that all exposure to liability or costs have been mitigated.

Credit Risk
Credit risk is the risk of loss associated with a counter-party's ability to fulfill its payment obligations. The Company's primary exposure to credit risk is attributable to its cash and cash equivalents, as well as trade and other receivables. This risk relating to cash and cash equivalents is considered low since the Company only invests its cash in major banks which are high credit quality financial institutions. The trade and other receivables primarily comprise Harmonized Sales Tax and other amounts due from governmental agencies and amounts due from related parties for reimbursement of costs and rentals, as such, management considers the risk with their collection minimal. The cash and cash equivalents is invested in short-term investment certificates for periods less than 180 days. The trade and other receivables are due in less than 90 days.

Liquidity Risk
Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available cash in order to meet its liquidity requirements and to forecast cash requirements in advance of their requirements. The Company currently does not have a source of operating cash flow and must raise funds for its exploration and evaluation programs and for general working capital. There are risks associated with raising the funds required, and there can be no assurances that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. The Company is in compliance with its obligations to repay the debenture, except that interest is not being paid quarterly, which requirement has been waived by the debenture holder. The accrued interest payable was substantially paid subsequent to the year-end. The Company's trade and other payables are generally due within 90 days, with all amounts due within twelve months.

Interest Rate Risk
Interest rate risk refers to the risk that the fair values of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk on its cash equivalents which represent excess cash invested in short-term investments and these accrue interest at variable market rates, as well as interest rates associated with the debenture payable. The Company monitors their short-term investments with its need for cash flow and is satisfied with the return on these investments, given the timing of the need for cash in the Company. The interest on the debenture is a fixed rate of 10% and the Company believes that this is reasonable given the nature of the risk associated with the repayment of this amount to the debenture holder. The Company also mitigates the interest rate risk on financings by offering non-cash options

and conversion features to purchase common shares of the Company in conjunction with any financing undertaken.

If interest rates increased or decreased by 0.5%, the loss for the year would be higher or lower by $294 (January 31, 2011 - $445). The Company has no fluctuating interest-bearing liabilities, since the debenture payable is at a fixed rate of 10%.

Foreign Currency Risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates in Canada, Australia and Zambia and portions of its expenditures are incurred in Australian dollars ("AUD") as well as US dollars ("USD"). The Company's presentation currency is the Canadian dollar ("CAD") and it has no foreign operating subsidiaries at the present time. The Company manages this risk by matching receipts and payments in the same currency where possible, but not all of its expenditures can be matched as the Company has no current source of operating cash flow and so must fund the currency as required to pay the expenditures. Consequently, the Company is exposed to changes in CAD compared to the AUD and USD and a significant fluctuation in the exchange rates could have an effect on the Company's results of operations, financial position or cash flows. The Company does not engage in any hedging activities to reduce its foreign currency risk, but does manage the currency of its cash resources to complement the denomination of the expenditures required.

The Company is exposed to currency risk through the following CAD equivalent of financial assets and liabilities denominated in currencies other than Canadian dollars:

	January 31, 2012	**January 31, 2011**	**February 1, 2010**
	$	**$**	**$**
Cash and cash equivalents	377,587	28,787	23,551
Trade and other receivables	6,373	4,144	741
Prepaid expenses and deposits	1,558	-	-
Reclamation bonds	58,807	8,914	12,284
Trade and other payables	(155,560)	(12,720)	(25,649)
Due to joint venture partner	(287,578)	-	-
	1,187	**29,125**	**10,927**

Based on the above net exposures at January 31, 2012, a 10% depreciation or appreciation in the USD or AUD dollar against the CAD dollar would result in a $119 (January 31, 2011 – $2,913; February 1, 2010 - $1,093) increase or decrease in the Company's comprehensive loss and foreign currency translation reserve.

Commodity Price Risk
The Company is exposed to price risk with respect to commodity prices. Commodity price risk is the potential adverse impact on earnings and economic value of its exploration and evaluation assets, due to commodity price movements and volatilities. The Company monitors commodity prices (primarily uranium) to determine the appropriate course of action to be taken by the Company.

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, deposits, reclamation bonds, trade and other payables, debenture payable and amounts due to joint venture partner. Cash and cash equivalents, deposits and reclamation bonds are measured at face value, representing fair value, and are classified as fair value through profit and loss. Their fair value is in accordance with "Level 1", unadjusted quoted prices in active markets for identical assets. Trade and other receivables are designated as loans and receivables. Debenture payable, amounts due to joint venture partner and trade and other payables are designated as other financial liabilities.

1.15 OTHER MD&A REQUIREMENTS

DISCLOSURES FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The information required on the Company's exploration and evaluation assets and the related exploration expenses are readily available from the Company's consolidated financial statements for the year ended January 31, 2012 and therefore are not required to be repeated here.

DISCLOSURE OF OUTSTANDING SHARE DATA

The information on the Company's share capital including numbers of shares outstanding, details of any conversion features, number of shares issuable on conversion of stock options and warrants, etc. are detailed in the Company's consolidated financial statements for the year ended January 31, 2012. The number of common shares outstanding as of the date of this report on May 24, 2012 is 156,492,975 shares.

Additional disclosures pertaining to Aldershot including material change reports, press releases and other information are available at www.sedar.com.