Update Report

August 27, 2008

ALDERSHOT RESOURCES LTD.

($0.06, TSX-V: ALZ)

Data Source: www.BigCharts.com

Recommendation
n/a

Risk
High

Price (August 27)
$0.06

52-Week Range
$0.265-$0.045

Target Price
$0.-$0.10

Shares O/S
65.2 million

Market Cap
$3.9 million

Average Daily Volume
50-Day: 62,000
200-Day: 169,800

Year-End
January 31

($)	BVPS	EPS
2006A	$0.03	$(0.08)
2007A	$0.03	$(0.07)
2008A	$0.04	$(0.10)
2009E	$0.03	$(0.05)

BVPS: Book Value Per Share
EPS: Earnings Per Share

Analysts
Eric Eng BA, MBA
Bob Weir, B.Sc., B.Comm., CFA

UPFRONT

The much needed cash ($210,000) from a joint venture with Cameco Australia Pty Ltd. will allow Aldershot Resources Ltd. ("Aldershot" or the "Company") to maintain its operations for the next several months. However, long-term financing of its exploration program is a crucial key to bring Aldershot's stock price up to the $0.10 to $0.15 level. When the junior mining sector slumps causing investor disinterest, access to financing dries up. Without cash flow, a company is forced to scale back activities or even curtail operations completely. This would leave a company such as Aldershot a few possible options: (i) to shut down its operations; (ii) to partially dispose of its assets; (iii) to enter into joint venture partnerships; or (iv) to sell the company (not usually from a position of strength). If Aldershot is not able to raise required financing and is forced to shut down, then we calculate that its liquidation value is, at best, $0.03 per share.

PROFILE

The Company is engaged in the acquisition, exploration and development of resource properties in Australia, Zambia, and Canada (Quebec). Aldershot's most advanced projects are located in Northern Territory, Australia and have a historic resource estimate.

HIGHLIGHTS

- Company has shifted its property strategy to focus on Australian and Zambia.
- An exploration license in Northern Australia was sold for $136,764.
- An unsecure convertible debenture of AUD$100,000 was issued in July 2008.
- Joint venture agreement (August 2008) will reduce exploration costs.
- Monthly burn rate was reduced to $41,000 from $82,000 in F2008.
- Acquisition costs ($142,500) of B.C. resource properties were written off as a result of the government's establishing a "no registration reserve".
- Over 100 claims ($1.16 million) were either written down or written off since 2007.

CONTENTS

Aldershot Resources Ltd.
Suite 900
Two Bentall Centre
555 Burrard Street
Vancouver, B.C.
Canada, V7X 1M8

Telephone: (604) 682-6718
Facsimile: (604) 682-6722

Email: info@aldershotresources.com
Website: www.aldershotresources.com

THE COMPANY

Aldershot is involved in the exploration and development of early-stage uranium mineral properties in Canada, Australia and Zambia. The Company was incorporated in British Columbia in September 1987 as Quattro Resources Ltd., and changed its name to Aldershot Resources Ltd. in October 2001. Aldershot trades on the TSX Venture Exchange under the symbol "ALZ".

PROPERTIES SUMMARY

Table 1: Property

Property	Ownership	Claims	Conditions in the agreement	Remark
(1) Quebec, Canada				
Pool Group	Option to acquire 100%	42 (Uranium)	Pay $140,000 ($60,000 paid) Issue 750,000 shares (150,000 issued) Capex to spend $500,000	* Conditions over a five-year period 2005-2010
Halliwell Group	Option to acquire 100%	17 (Uranium)	Pay $100,000 ($45,000 paid) Issue 500,000 shares (300,000 issued) Capex to spend $400,000	* Conditions over a five-year period 2005-2010
Hupon Group	Option to acquire 100%	6 (Uranium)	Pay $360,000 ($15,000 paid) Issue 175,000 shares (105,000 issued) Capex to spend $100,000	* Conditions over a five-year period 2005-2010
Huddersfield	Owns 100%	6 (Uranium)	Paid $17 million Issued 100,000 shares	* This acquisition took place in August 2006
Litchfield	Owns 100% Vendor holds 2% NSR	25 (Uranium)	Paid $25,000 Issued 200,000 shares	* This acquisition took place in August 2007
Sandy Creek	Option to acquire 100%	24 (Uranium)	Pay $45,000 ($20,000 paid) Issue 650,000 shares (300,000 issued) Spend $350,000 in capex	* Conditions over a three-year period 2006-2009 * Company is negotiating for an amendment to the agreement
Forestville	Option to acquire 100% Vendor to hold 2% NSR	88 (Uranium)	Pay $600,000 ($200,000 paid) Issue 3 million shares (1 million issued)	1% of NSR may be acquired by the Company for $1 million
Latour	(a) Option to acquire 100% Vendor to hold 2% NSR (b) Option to acquire 100%	40 (Uranium) 99 (Uranium)	Pay $125,000 ($60,000 paid) Issue 850,000 shares (250,000 issued) Issue 3 million shares (750,000 issued)	* Conditions over a five-year period 2006-2011 * Conditions over a three-year period 2007-2010
Otis Mountains	Owns 100%	628 (Uranium)	Paid $51,750 Issued 1 million shares	
Saguenay River	Option to acquire 100%	70 (Uranium)	Pay $115,000 ($75,000 paid) Issue 1.2 million shares (600,000 issued)	* Conditions over a three-year period 2007-2010
Sept Iles	(a) Option to acquire 100% (b) Option to acquire 100%	40 (Uranium) 108 (Uranium)	Pay $250,000 ($92,500 paid) Issue 1 million shares (350,000 issued) Pay $375,000 (75,000 paid) Issue 2,625,000 shares (750,000 issued)	* Conditions over a five-year period 2006-2011 * Conditions over a five-year period 2006-2011
(2) Australia				
The Company has licenses in the Northern Territory and Western Australia. * In the first quarter 2008, The Company sold an exploration license in Mt. Thomas in the Northern Territory for $136,764. * The Company still holds licenses in Yuinmery and Turee Creek properties (Western) and George, Waterhouse, ABC, Ngalia uranium properties (Northern Territory)				
(3) Kariba Project, Republic of Zambia				
The Company holds license covering 780 square km.				
(4) British Columbia, Canada				
5 properties	Paid $150,000 Issued 875,000 shares		Total costs of $353,286 were written off as a result of the BC government announcing a moratorium on uranium, which establishes a "no registration reserve" under the Mineral Tenure Act for uranium.	
(5) Chile				
The Company decided not to pursue its claims in Chile and wrote off $2,227 in the first quarter of 2008.				

Source: The Company

COMMENT: *None of the Company's properties has a resource estimate. Exploration activities during the first half of 2008 were minimal due to financing difficulties. The Company has not provided a time guideline for either a resource estimate, or a NI 43-101 report on any of its properties.*

MANAGEMENT AND DIRECTORS

Jeremy Caddy, President & CEO, Director
Mr. Caddy is a mining engineer with over three decades of experience in the industry, including four years in Broken Hill, Australia with Consolidated Zinc Corp. (now Rio Tinto). He has also worked as an engineering consultant and served three years as CEO of a mining investment firm in Malaysia before joining Osborne and Chapple International, the Malaysian engineering and tin mine management firm. Mr. Caddy was appointed executive director and was responsible for taking the company public in 1985. In 1992, he joined G Four Ltd., a British mining venture capital firm, as executive chairman and assisted the management of several mining companies develop their businesses. He also reorganized Thundelarra Exploration Ltd. and retired as a director of that company in 2003. Mr. Caddy joined Aldershot as president and CEO in 2001.

Frank DeMarte, CFO, Corporate Secretary
Mr. DeMarte is a Chartered Accountant with more than 22 years of experience in the Australian natural resources industry. He is a member of the Australian Institute of Company Directors and is a Fellow of the Chartered Secretaries of Australia. Mr. DeMarte is also currently serving as Executive Director and Secretary of Thundelarra Exploration Ltd.

Ian Faris, VP Exploration
Mr. Faris is a recent addition to the Aldershot team, and is their manager of global uranium exploration programs. A geologist, he has more than 30 years of mining and exploration experience, including substantial experience in uranium exploration in Australia. Mr Faris holds a B.Sc.(Hons), and a M. Applied Sc. (Mining Exploration).

Brian Richardson, Director
Mr. Richardson is a mining professional with over 21 years of exploration experience in the Australian mining industry. He has served several companies in management-level exploration functions, including Gascoyne Gold Mines NL (discovering the Southern Star Mine) and Resource Exploration NL (now Mawson West Ltd.). Mr. Richardson is currently a Director of Thundelarra Exploration Ltd. and United Gold Ltd.

Ian Adam, Director
Mr. Adam is a retired audit partner of Ernst and Young. He has extensive experience with start-up junior and major mining companies.

Michael Clements, Director
Mr. Clements has held the position of Senior Sales Specialist with Telus Communications Co. since 1994. He holds an MBA from the Richard Ivey School of Business.

FINANCIAL REVIEW AND OUTLOOK

Cash: Total cash on hand was $257,594 as of April 30, 2008. The Company sold a license in Northern Australia for cash proceeds of $136,764 in Q1/2008. We estimate the outstanding cash balance at the end of August 2008 to be $100,000, based on the current cash burn rate and limited exploration activities that have been taken place.

Burn Rate: Adershot's monthly burn rate (administrative and operating expenses) in F2008 (ended January 2008) was approximately $82,000. This amount was reduced to $41,000 per month in Q1/2008. Monthly cash burn on capital expenditures and exploration costs declined substantially in the last quarter to $46,000, compared to $235,000 in F2008. The reduction reflects limited exploration activities during the quarter.

COMMENT: *The future burn rate (on operating expenses and exploration activities) will be dependent on how fast and how much the Company can obtain financing. Assuming the Company cuts its burn rate by 50% of the last quarter burn, it could run out of cash in a few months if no further financing is secured.*

Capex: The Company's capital and exploration program is constrained to date by its inability to obtain financing. Capital expenditures (including exploration expenses and capital expending) were approximately $3.6 million in F2008. In the first quarter of 2008, the Company spent $138,408 on exploration activities; however, no money was spent on drilling activities.

Financing: In H1/2008, the Company sold a license in Australia for $136,764. In July 2008, the Company issued $100,000 in an unsecured convertible debenture (to be payable on or before Dcemeber, 31, 2008). In August 2008, the joint venture agreement between the Company and Cameco will provide the Company with AUD$210,000 in reimbursement for its exploration costs. Also, the Company is expected to receive a reimbursement from the Quebec government in the amount of $150,000 -$200,000. This would allow the Company to keep its properties in good standing. However, securing future financing presents a significant challenge to Aldershot due to: (1) the currently tight capital market; and (2) no specific time-frame for a resource estimate on any of its properties being provided. Debt financing is not possible given that the Company is in a very early stage of exploration. Equity financing through private placements can also be difficult. With a low stock price ($0.065 on August 27, 2008, compared to a 52 week high of $0.30), issuing new shares would result in a significant dilutive impact.

COMMENT: *Without a plausible game plan, there may be no investor interest for the issuance of shares by Aldershot in the current difficult operating environment for junior mining exploration companies.*

As of April 30, 2008, the options and warrants outstanding were as follows:

Table 2: Options and Warrants

Exercise Price	Number	Expiry Date	Comments	Potential Equity
Warrants:				
$ 0.42	20,405,774	27-Apr-09	Out-of-the-Money	$ 8,570,425
Options:				
$ 0.26	5,280,000	2009-2012	Out-of-the-Money	$ 1,372,800

Note: Comments were made as of August 3, 2008. Current stock price is $0.05/share.

Source: Company and eResearch

COMMENT: *All options and warrants are deeply out-of-the-money and, therefore, are not expected to be exercised in the foreseeable future.*

Table 3: Selected Financial Information

	3 Months Ending April 30: 2007	2008	Year Ending January 31: 2006	2007	2008	2009E
Statement of Income/(Loss):						
Revenues	0	0	0	0	0	0
Interest Income	4,070	2,264	5,638	19,848	62,950	2,260
General & Administrative Expense	(250,506)	(123,517)	(561,168)	(753,100)	(983,808)	(800,000)
Amortization	(828)	(10,516)	(2,954)	(3,423)	(40,426)	(41,000)
Stock-based Compensation	0	(60,969)	(441,479)	(255,354)	(736,641)	(400,000)
Other Non-Cash Items	0	(119,994)	(119,632)	(62,000)	(1,013,750)	(120,000)
Exploration Costs	(271,682)	(138,408)	(619,892)	(1,016,235)	(2,825,573)	(3,000,000)
Recovery of Exploration Costs		136,764				136,764
Other Income/(Expenses)	(83,733)	(19,650)	(369,664)	(333,207)	(290,747)	(20,000)
Net Income/(Loss)	(602,679)	(334,026)	(2,109,151)	(2,403,471)	(5,827,995)	(4,241,976)
Total Shares Outstanding	61,248,308	64,883,308	27,786,988	37,710,683	65,083,308	126,169,433
Weighted Average Shares Outstanding	41,027,561	65,083,308	25,064,630	33,241,630	57,847,811	95,626,371
Earnings (Loss) Per Share	(0.01)	(0.01)	(0.08)	(0.07)	(0.10)	(0.04)
Statement of Cash Flow:						
Net Income (Loss)	(602,679)	(334,026)	(2,109,151)	(2,403,471)	(5,827,995)	(4,241,976)
All Non-Cash Items	828	187,216	564,065	320,777	1,790,817	444,236
Cash Flow from Operations	(601,851)	(146,810)	(1,545,086)	(2,082,694)	(4,037,178)	(3,797,740)
Capital Expenditures (Properties)	(170,250)	0	(159,223)	(340,679)	(790,912)	(800,000)
Other Investing Items	0	130,547	(373,200)	281,940	0	130,547
Free Cash Flow	(772,101)	(16,263)	(2,077,509)	(2,141,433)	(4,828,090)	(4,467,193)
Working Capital Changes	589	(16,883)	(11,422)	74,095	(13,656)	(385,232)
Equity Financing	4,887,397	0	1,929,614	2,230,433	4,886,890	5,000,000
Due to/from Related Parties	(7,707)	5,800	(17,146)	(34,000)	(9,529)	5,800
Change in Cash	4,108,178	(27,346)	(176,463)	129,095	35,615	153,375
Cash, Beginning of the Period	249,325	284,940	205,433	28,970	249,325	284,940
Cash, End of the Period	4,357,503	257,594	28,970	158,065	284,940	438,315

	As at April 30: 2008	As at January 31: 2006	2007	2008	2009E
Balance Sheet:					
Cash	257,594	28,970	158,065	284,940	438,315
Other Current Assets	193,781	423,389	245,551	252,098	200,000
Mineral Properties	2,054,125	471,300	1,040,075	2,194,625	3,035,625
Other Assets (Equipment)	131,088	9,259	11,914	247,382	135,000
Total Assets	2,636,588	932,918	1,455,605	2,979,045	3,808,940
Current Liabilities	358,729	110,867	250,463	428,129	500,000
Debt Obligations	0	0	0	0	0
Total Liabilities	358,729	110,867	250,463	428,129	500,000
Shareholders' Equity	2,277,859	822,051	1,205,142	2,550,916	3,308,940
Total Liabilities & Equity	2,636,588	932,918	1,455,605	2,979,045	3,808,940
Book Value (S.E.) Per Share	$0.04	$0.03	$0.03	$0.04	$0.03

E = Estimate by eResearch
Source: Company and eResearch

COMMENT: *Net losses are expected to continue for several years. The Company cut G&A expenses substantially and is expected to reduce these expenses further. Future financing presents a significant challenge to Aldershot, as the credit market remains tight. Our estimate (see next page) shows that if no financing is secured, the Company may run out of cash by the end of September. Book Value per share remained stable at the $0.03 to $0.04 level.*

ANALYSIS OF FINANCING AND LIQUIDITY

CASE 1: The Company Can Obtain Financing

Like many other junior mining companies, Aldershot faces a significant challenge in securing financing for its future exploration activities. Since April 2007, the Company has not issued new equity and the cash balance has run down significantly. We are assessing the financing requirement for the Company over the next 12 months under different scenarios to determine the likelihood of its financing success and, henceforth, its ability to survive.

Table 4: Scenario Analysis

Projection Over the Next 12 Months			
CASE 1: THE COMPANY CAN OBTAIN FINANCING	**Next 12 months (all in C$)**		
Assumptions	**Scenario A**	**Scenario B**	**Scenario C**
Administrative and Operating Expenses	500,000	500,000	240,000
Exploration Costs	2,800,000	552,000	-
Capital Expenditures	800,000	-	-
Total Financing Requirement	4,100,000	1,052,000	240,000
Assuming 100% equity financing:			
Number of new shares to be issued at the current price	82,000,000	21,040,000	4,800,000
Shares outstanding at the end of August 2008	65,233,000	65,233,000	65,233,000
Total shares outstanding at the end of the next 12 months	147,233,000	86,273,000	70,033,000
CASE 2: NO FINANCING			
Cash on hand at Apirl 30, 2008	257,594		
Cash from issuing Debenture	100,000		
Current Liability less Current assets	164,948		
Cash Available	192,646		
Cash burn (assuming $20,000 per month)	20,000		
Exploration costs	-		
Capital expenditures	-		
Number of months Cash On Hand can cover G&A expenses:	10		
Under this scenario, cash would run out by the end of December 2008 (Debenture will be repaid in Dec. 2008)			

Source: eResearch

Scenario A: We assume that the monthly cash burn rate on G&A expenses will be the same as the last quarter, which is approximately $41,000. Exploration costs and capital expenditures are assumed to remain the same as they were in F2008. Under this scenario, the Company would have to come up with $4.1 million to carry on its exploration activities. However, given the tight credit market, this scenario is unlikely.

Scenario B: We keep our assumption of the burn rate as in Scenario A. We assume that no capital expenditures will be spent over the next 12 months and exploration expenditures remain the same as in the last quarter, which is approximately $46,000 per month or $552,000 over the next 12 months. Under this scenario, the Company would have to raise approximately $1 million in capital. This scenario is possible but we believe it will be difficult for the Company to achieve.

Scenario C: We assume no capital and exploration expenditures over the next 12 months. We also assume that the operating burn rate is reduced by 50% of the rate that incurred in the last quarter. Under this scenario, the Company would have to raise $240,000 to keep it in survival mode over the next 12 months. Raising this sum of money is possible, given expected cash flow from the Quebec government reimbursement.

CASE 2: No Financing

We assume that the Company will stop its exploration and capital expenditures and will reduce the operating cash burn rate to $20,000 per month. Under this scenario, cash is expected to run out by the end of December 2008.

VALUATION

We are valuing Aldershot by employing three valuation methods: (1) Peer Comparison; (2) Attributed Resource Value, and (3) Liquidation Assessment.

(1) Peer Comparison
We are using the same companies as we did in our Initiating Report in our Peer Comparison methodology:

- **Laramide Resources (Laramide)** is a junior exploration and development company with advanced exploration properties in Australia and the USA. Laramide's properties are known to host significant resources.

- **Uranium One Inc. (Uranium One) (formerly sxr Uranium One Inc.)** is an exploration and development company with a large number of uranium exploration interests (and significant resources) in South Africa, Australia, the American southwest and Canada. The company adopted the name after the acquisition of Energy Metals Corp. in 2007. Energy Metals Corp. was in our peer comparison group in our Initiating Report.

- **Purepoint Uranium Group (Purepoint)** is a junior exploration and development company with a large Canadian uranium exploration position in the Athabasca Basin. They also have Athabasca joint-venture agreements with Cameco Corporation and Areva Resources Canada Inc.

- **Western Prospectors Group (WPG)** is a junior exploration and development company with exploration interests in Ontario, the Yukon, and Mongolia. On July 14, 2008, Tino Holdings Industrial Company Limited offered to acquire WPG for $1.34 per share in cash. The offer will expire September 11, 2008. We use the offered price in our valuation model.

In this valuation methodology, we take into account the companies' different accounting practices with respect to recording capital expenditures as to whether these expenditures are deferred or expensed. We also look at the fact that group peers are not in the same stage of exploration by examining whether there are merely mineralization opportunities on the property or whether there are actual resources, and if there are, whether the estimate is NI 43-101 compliant. We then adjust our property ratio accordingly.

Table 5: Peer Comparison - Property Valuation

		Alderdhot Resource ALZ: TSX-V	Laramide Resources LAM: TSX-V	Uranium One Inc. UUU: TSX	Purepoint Uranium PTU: TSX-V	Western Prospector WNP: TSX-V
		April-08	March-08	March-08	March-08	March-08
Corporate:						
Share Price as at August 26/2008	1	C$ 0.07	C$ 2.84	C$ 3.52	C$ 0.20	C$ 1.34
Shares O/S	2	65,233,000	62,545,092	468,397,000	50,621,000	54,256,000
Market Cap		C$ 4,566,310	C$ 177,628,061	C$ 1,648,757,440	C$ 10,124,200	C$ 72,703,040
Mineral Properties:						
Book Value (Cost)		C$ 6,654,125	C$ 73,011,679	C$ 4,505,518,000	C$ 24,975,798	C$ 91,202,429
Market Value		C$ 3,983,847	C$ 134,371,028	C$ 1,101,929,440	C$ 6,707,648	C$ 61,625,957
Difference		-C$ 2,670,278	C$ 61,359,349	-C$ 3,403,588,560	-C$ 18,268,150	-C$ 29,576,472
Property Ratio		0.60	1.84	0.24	0.27	0.68
Average Ratio (Peers)		0.73				
Adjusted Book Value (Cost)	3	C$ 10,254,125				
Adjusted Property Ratio		0.39				
Selected Ratio		1.50				
Common Equity (Per Statements)		C$ 2,277,859				
Adjusted Common Equity (Selected Ratio)	3	C$ 11,004,922				
Equity Per Share (Per Statements)		C$ 0.03				
Adjusted Equity Per Share (Selected Ratio)	3	C$ 0.09				

Note 1: Share price as at August xx, 2008.
Note 2: Assuming 100% equity financing for the estimated $3.6 million Capex and Exploration Costs with equity to be issued at the current price. Total shares outstanding at the end of the next 12 month period would be approximately 133,000,000 shares.
Note 3: Properties and common equity are adjusted for estimated capex of $3.6 million for the next 12 months.

Source: eResearch

Analysis: The Property Ratio (P-Ratio) of 0.60x for Aldershot presents a medium point in the peer group. However, this ratio is considerably below the group's mean average at 0.73x. The P-Ratio average is skewed upward toward Laramide.

- Laramide has the highest P-Ratio at 1.84x reflecting one of its properties having a NI 43-101 compliant resource estimate of 60 million pounds of U3O8 (uranium oxide), which is in the top 10 largest uranium resource in Australia. It has completed a scoping study.
- Uranium One has the lowest P-Ratio at 0.24x, but it has the largest capitalization in the group at $1.65 billion. The large capitalization reflects the fact that this company has been in production, producing approximately 2.0 million pounds of U3O8 in 2007 (the 10th largest uranium producer in the world). Production is expected to grow to 6.2 million pounds in 2009 (feasibility study has been completed on the Wyoming ISR projects, with a measured resource of 5.9 million pounds U3O8 at 0.10%). In our opinion, this company presents the highest risk-adjusted return potential due to its strong liquidity position and cash flow relative to its peers. Its current low P-Ratio reflects the battering the stock has taken since mid 2007 when the company substantially missed its production targets.
- The price we use in our model is $1.34/share for WPG, which is the price Tino Holdings offered to buy WPG, representing a 72% premium on the value of the shares at the time of the offer. Without the proposed acquisition price, the P-Ratio for this company would have been similar to that of Aldershot.

In assigning an adjusted P-Ratio for Aldershot, we take into account the financing challenge facing the Company. We believe that the Company's exploration activities would cease should the funding not be obtained within the next few months. Assuming the financing for 2009 will be done, we assign Aldershot an adjusted P-Ratio of 1.50x, which is double the current group average. However, should all companies in the peer group use the same accounting practice recording capital and exploration costs, the average P-Ratio should have been roughly 1.50x, which is the value we assign to Aldershot. At the 1.50x P-Ratio, Aldershot's intrinsic value is $0.09 per share.

(2) Per Attributable Resource Pound

The table below shows the in-situ value for the historic uranium resources at Yuinmery and Turee Creek with pricing varying from US$3.25/lb to US$16.25/lb, or 5 % to 25% of the current uranium spot price (US$65/lb. as of August 6, 2008).

Table 6: Matrix of Values Per Attributable Historic Resource Pound

Per Attributable Historic Resource Pound U3O8 (US$)	$3.25	$6.50	$9.75	$13.00	$16.25
Per Cent of Spot Price	5%	10%	15%	20%	25%
Market Cap in millions (C$ @C$1=US$1) Using 2,000,000 Resource Pounds	$6.50	$13.00	$19.50	$26.00	$32.50
Value Per Share	$0.06	$0.11	$0.17	$0.22	$0.28
Number of Shares in millions (estimate)	116.66	116.66	116.66	116.66	116.66

* Number of shares outstanding are estimated, taking into account financing capital expenditures of $3.6 million over the next 12 months.

Source: eResearch

We use a conservative approach when assigning a percentage of the spot price to the value of the property. The reason is that the resource estimate is simply historic and not NI 43-101 compliant. To achieve a NI 43-101 report on the property, substantial capital expenditures will have to be committed over the next few years. Over the next 12 months, we do not expect the Company to complete a NI 43-101 report on the property and, since our Target Price is a 12-month target, we believe that a percentage of 15% of the current spot price is appropriate, which gives the stock an intrinsic value of $0.17 per share.

(3) Liquidation

The table on the next page shows eResearch's estimate of the value of Aldershot under the liquidation assumption. Under this scenario, we assume the Company would close down its operations and sell all of its assets.

Table 7: Property Valuation Under Liquidation

Properties	Carrying Value ($)	Fixed Assets	Net Book Value ($)
Pool, Halliwell and Hupon (2)	362,375	Computer Equipment	27,507
Huddersfield	48,500	Furniture and Fixtures	3,976
Lichfield	65,000	Leasehold Improvements	-
Sandy Creek (2)	116,000	Mining Equipment	99,605
Forestville	275,000		
Latour (2)	315,000		
Otish Mountain (2)	401,750		
Saquenay River (2)	160,000		
Sept Oles (2)	310,500		
Canadian Properties	$2,054,125	Equipment	$131,088
Australia Properties (1)	Not Available		
Kariba Project	Not Available		
Total	$2,054,125		

Properties Under No Obligations		Discount at Liquidation (%)	Liquidation Value
Australia Properties (1)	$6,500,000	75%	$1,625,000
Forestville (carrying value)	275,000	50%	$137,500
Lichfield (carrying value)	65,000	50%	$32,500
Huddersfield (carrying value)	48,500	50%	$24,250
Equipment (net book value)	131,088	50%	$65,544
e Research Estimate			$1,884,794
Cash Outstanding (estimate)			$100,000
Current Liability less Current Assets			(164,948)
Total Asset Value			$1,819,846
Total shares outstanding			65,233,000
Price per share at Liquidation			**$0.028**

(1) We assign 5% of the current spot price to the historical resource estimate and dicount it by 75% to arrive at an estimate selling price

(2) Properties with obligations are assumed to have zero value at the time of liquidation.

Source: Company and eResearch

Under this scenario, we value the total assets of the Company at $1.82 million. Should the Company sell assets and distribute all the cash to the share holders, each share would receive $0.028. Our assumptions include:

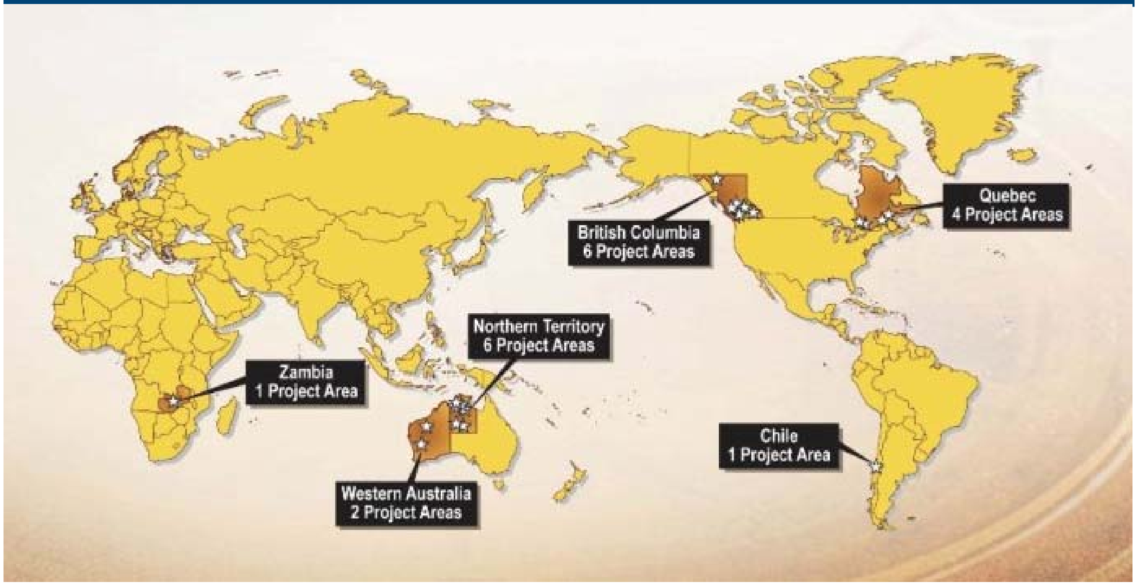
- The value of the Company's Canadian properties, which the Company is under contractual obligations to make cash payment or issue shares, is assumed to have no value since the Company would have no more cash to pay and would just walk away from the deal under the option agreement.
- The Company's Australian properties are valued using the same method as it is in the Per Attributable Resource Pound Method. However, under our liquidation assumptions, we further discount the assessed value of the assets to reflect the market difficulties and costs associated with the asset sales.

(4) Valuation Conclusion

The Peer Comparison methodology gave Aldershot a value of $0.09 per share over the 12-month period. The Attributable Resource methodology gave a value of $0.17 per share. Under our Liquidation methodology, we arrived at $0.028 per share for Aldershot, which is ness than 50% of the current market price of $0.07 per share. Taking into account that the Company is facing a challenge obtaining future financing, we are setting the 12-month Target Price of $0.10 per share. This Target Price is conditional upon Aldershot obtaining financing in a timely fashion to survive. However, should the Company not obtain financing within the next two to three months, we would question its ability to continue to carry on exploration activities going forward, and henceforth, its survivability. Under this scenario, we would value the Company at $0.03 per share.

CAPITAL EXPENDITURES ON PROPERTIES

Figure 1: Aldershot Projects



Source: The Company

Table 8: Capex on Properties

CDN$	**CANADA**			**AUSTRALIA**		**ZAMBIA**	**CHILE**	
		British	Northern				Homitos	
31-Jan	Quebec	Columbia	Territory	Yuinmery	Turee Creek	Lake Kariba	Pal Negro	**Total**
2007	315,043	176,760	302,019	143,924	108,464			1,046,210
2008	895,655	332,598	536,223	475,687	136,775	410,327	38,308	2,825,573
Increase ($)	580,612	155,838	234,204	331,763	28,311	n/a	n/a	1,779,363
Increase (%)	184%	88%	78%	231%	26%	n/a	n/a	170%

Source: The Company

The above is a summary of exploration and development costs incurred by the Company related to its mineral property interests, as of January 31, 2007 and 2008. Only $138,408 has been spent on capex since the beginning of 2008.

Significant property developments since our Initiating Report are as follows:

(1) Australia

Turee Creek Property: The Turee Creek property has a historical resource of nearly 810,000 lbs contained U3O8. In 2007 an airborne radiometric-magnetic survey was completed and an orientation ground EM-IP survey commenced. Access prevented the EM-IP survey being completed and an airborne EM (Tempest) survey was commissioned in September 2007. The survey was completed in March 2008 with the final data received in June 2008. Ground follow-up of the airborne radiometric anomalies during 2007 did not locate any major anomalies beyond the known occurrences but anomalism was located associated graphitic units near the level of the unconformity.

In July 2008 Aldershot signed a joint venture agreement with Cameco Australia Pty Ltd covering the Turee Creek Project. Cameco will reimburse A$210,000, a portion of Aldershot's costs, undertake a minimum 1000m of drilling within the next 12 months and spend A$2.5M within 4 years to earn a 70% interest.

The final Tempest survey data arrived after the signing of the joint venture and was forwarded directly to Cameco for interpretation.

Yuinmery Property: In March 2008, the Company announced new drilling results from the Yuinmery uranium prospect. Highlights from the drilling program include:

- Individual assays up to 1509 ppm U3O8
- Average grade of 356 ppm U3O8 (for intersections above 200 ppm U3O8)
- Shallow mineralization, 0-5m deep with an average thickness of 1-2m
- Consistent mineralization traced over 3.0km strike
- Mineralization extends at least 500m further west and 2000m further east
- Only one third of the 5.5km target zone has been drill tested

George Property: In February 2008, the Company announced that assay results from channel samples, structural mapping and surface radiometric surveys have returned up to 4.02% U3O8 and identified a new polymetallic mineralized trend in the Adelaide River Mine area which forms part of the George Project in the Australian Northern Territory. Re-interpretation of historical data (results from 2007) identified a structure linking the significant uranium mineralization intersected in ARDDH002 (including 7.1m at a grade of 0.41% U3O8), the ore mined historically, the historical drill intercept in DDH11 (visible pitchblende between 60m and 62m, 0.05% eU3O8, BMR, 1960), surface radiometric anomalism and the recently received surface assay results (up to 0.10% U3O8). The proposed exploration activities for 2008 are currently with the Government awaiting approval.

Mt. Thomas Property: The Company sold a 100% interest in the Mount Thomas property (EL24557) in the Northern Territory of Australia for $136,764 (net cash) in Q1/08. Aldershot is entitled to a 2% NSR through an accompanying Royalty Deed.

ABC Property: The Company reported in May 2008 that successful negotiations with traditional owners resulted in a draft Exploration Agreement being received. The Agreement extends through to the mining phase. Historical government work identified a small resource with grades of up-to 4.29% eU3O8 reported.

Ngalia Property: The Company has completed an airborne radiometric survey and undertook a reconnaissance trip after the heritage clearances were obtained. Airborne anomalies have been selected for ground checking.

(2) Zambia – The Kariba Project

- Located 170 km south of Lusaka on the north shore of Lake Kariba
- Prospecting Licence PL LS310 covering over nearly 825 km2
- Sinazongwe Application covering nearly 250km2
- Underlain by highly prospective Grit Marker Horizon of the Karoo Supergroup
- Rock chip sampling by Aldershot in 2007 returned 1460 ppm U (Makonkoto Prospect) and 1355 ppm U (Zeze Prospect).
- Over 10 Mt (23M lbs) of uranium resources reported to the north.
- Up to 0.89% U3O8 recorded from historic drilling in the Sinazongwe application area.
- Uraninite and coffinite identified in Sinazongwe application area.

The Company is expected to be granted a license for Sinazongwe during 2008. Aldershot is currently using a experienced Zambian based consultancy group to conduct its exploration.

(3) Canada

(A) Quebec

Otish Mountains Uranium Claims: During the year ended January 31, 2008, the Company staked 450 claims in the Otish Mountain area in northern Quebec for cash payments totaling $51,750. In addition, pursuant to an agreement dated June 19, 2007, the Company acquired 178 additional claims in the Otish Mountain area by issuing 1,000,000 common shares which were valued at $350,000.

Litchfield Uranium Claims: On August 30, 2007, the Company entered into an agreement to acquire a 100% interest in a group of 25 mineral claims in the Litchfield area on the southern edge of the Fort Coulonge Claims in Quebec. During the year ended January 31, 2008, the Company paid $25,000 and issued 200,000 common shares valued at $40,000 to the vendor in order to earn its 100% interest in the claims. The vendor has a 2% net smelter royalty ("NSR"), of which up to 1% NSR may be acquired by the Company for $1,000,000.

Sandy Creek Uranium Claims: On February 28, 2006, the Company entered into an option agreement to acquire a 100% interest in a group of 14 mineral claims in the Sandy Creek Area and a group of 9 mineral claims in the Rive Uranium Prospect, all located within Quebec. The Company may earn its 100% interest in the claims for the purchase price of $45,000 and the issuance of 650,000 common shares and by spending $350,000 in exploration expenditures over a three-year period. By the end of January 31, 2008, the Company paid the vendor $20,000 cash and issued 300,000 common shares valued at $96,000.

Kert Uranium Claims: The Company paid the vendor $15,000 cash and issued 200,000 common shares valued at $41,000. The Company decided not to pursue its interest in these claims and, therefore, all related acquisition costs totaling $56,000 have been written off.

Latour Uranium Claims: The Company paid the vendor $60,000 and issued 250,000 common shares valued at $80,000. The Company decided not to pursue its interest in these claims and, therefore, all related acquisition costs totaling $140,000 have been written off.

Saguenay River Uranium Claims: The Company paid the vendor $75,000 and issued 600,000 common shares valued at $162,000. The Company decided not to pursue its interest in these claims and, therefore, all related acquisition costs totaling $237,000 have been written off.

Lac Cassette Uranium Claims: The Company paid the vendor $60,000 and issued 250,000 common shares valued at $80,000. The Company decided not to pursue its interest in these claims and, therefore, all related acquisition costs totaling $140,000 have been written off.

(B) British Columbia

The Company paid the vendor $150,000 and issued 875,000 common shares valued at $201,250. The Company decided not to pursue its interest in these claims and, therefore, all related acquisition costs totaling $210,750 have been written off. During the three months ended April 30, 2008, the British Columbia provincial government announced a complete moratorium on uranium exploration in the province and, therefore, the Company wrote-off the remaining costs in this area totaling $144,763.

(4) Chile

Hornitos and Palo Negro Group of Claims: The Company paid the vendor $30,000 and issued 1,000,000 common shares valued at $200,000. The Company decided not to pursue its interest in these claims and therefore all related acquisition costs totaling $230,000 have been written off. During the three months ended April 30, 2008, additional exploration costs totaling $2,227 were written off.

COMMENT: *A total of $1.16 million or about 35% of the Company's property value has been written off. This reflects badly on management.*

The Company's global expansion strategy has been negatively impacted by the tight credit market and the Company's inability to obtain sufficient financing to maintain its planned exploration program.

See *e*Research's Initiating Report dated May 11, 2007 for more details on the Company's properties.

THE URANIUM MARKET

Figure 2: Uranium Prices: Long-Term Contract Vs Spot

Source: Cameco

The market, like other commodity markets, is volatile in nature, moving with the changes in demand and supply conditions. However, the spot market has more exposure to the role-play of speculators and political influence than other commodities such as copper or nickel. According to the Conservation Council of South Australia, about half of the total production is for military use; only 430 out of a total of 1,100 operating nuclear reactors are for commercial use.

Most demand for uranium comes from the five super powers (the U.S.A., Russia, the U.K., France, and China). After the end of the Cold War, the demand for uranium declined significantly. In addition, the Chernobyl and Three Mile Island incidents caused the demand for nuclear power generation to plummet further, as public interest for nuclear power generation waned. This explains the low prices in the 1990s and the first half of 2000s.

In the advent of China and India emerging as new economic powers, the world's increasing attention for global warming, and the U.S. focusing on shifting away from reliance on uneconomic oil and gas-fired fuels for new power plants, demand is increasing for cleaner energy and, henceforth nuclear power generation. With a few mines still in production and very limited exploration activities in the early 2000s, the world experienced excess demand and the price started trending up sharply. The upward trend started in mid 2004, reaching its peak in June 2007 at US$135/lb. Another factor causing supply shortage was that two major mines were flooded during this period. The first one was Cameco's Cigar Lake (the world's largest undeveloped high-grade deposits) in October 2006 that pushed its expected production date back to 2011 from 2008. Renewed flooding in August 2008 has pushed this date back even further, to at least 2012, maybe 2013. The other one was Energy Resources (Australia). That flood significantly reduced the mine production to 7.5 million pounds from a planned production of 11.5 million pounds, or 4% of the world's total output. However, the steep upward slope of the spot price between Jaunuary 2004 and June 2007 did not reflect the shift in demand/supply conditions since the changes in these conditions are more gradual rather than what is indicated by the chart above.

The spot price started trending down after June 2007. This can be explained by: (1) lack of buying interest on the spot market since 85% of commercial transactions are long-term contracts. The spot price tends to be more volatile and does not necessarily reflect long-term contract prices since spot prices are recorded on the latest contract being delivered while the long-term contracts are negotiated between the producers and utility companies; (2) lack of market liquidity which had a significant impact on prices, as speculators and hedge funds were selling off their positions. According to StockReview.com, only a few million pounds being offered to sell in the spot market would put considerable downward pressure on prices.

The current spot market price is about US$65/lb. We believe the current spot price, again, does not reflect long-term contract prices. TradeTech's long-term price forecast is US$95/lb. Currently, the average long-term contract price is about $80/lb, and has been fairly stable between $80 and $95 per lb since late 2006. Fundamentally, future prices will revolve around demand-supply forces. However, we acknowledge that there are some issues that could cause a significant shift in long-term contract prices, as well as the spot market behaviour. The major demand issues include financing the many proposed mega projects, overcoming potential labour shortages, and dealing with government policies and regulations. The supply issues include the uncertainty as to whether Kazakhstan can achieve its goal of producing 39 million lbs U_3O_8 by 2010, whether Cameco can realize on its targeted re-opening of Cigar Lake by 2012 (possibly 2013), whether Australia's Olympic Dam can be expanded to its objective of 30 million lbs by 2014, and whether AREVA's Niger mine can open in 2010 and reach optimum output of 10 million lbs by 2014.

COMMENT: *Despite the challenging conditions now existing in the commodity markets, we believe that there will be a continuing narrowing in the price differential between the "spot" price and the "contract" price for uranium. We expect that future movements in the two prices will correlate more closely once again and the "spot-contract" price divergence will soon disappear. In our opinion, the price of uranium will rise to and then stabilize in the $90 - $95 per pound range over the next 18 months. On this basis, once commodity prices resume their upward trend and investor interest returns to the junior mining sector, we anticipate the shares of uranium companies will recover and perform well. Given the need for all forms of energy sources, the long-term outlook for the uranium industry is very positive.*

ANALYST CERTIFICATION

Each Research Analyst who was involved in the preparation of this Research Report hereby certifies that: (1) the views, opinions, and recommendations expressed in this Research Report reflect accurately the Research Analyst's personal views concerning any and all securities and issuers that are discussed herein and are the subject matter of this Research Report; and (2) the fees, earnings, or compensation, in any form, payable to the Research Analyst, are not and will not, directly or indirectly, be related to the specific views, opinions, and recommendations expressed by the Research Analyst in this Research Report.

***e*Research analysts on this report: Eric Eng, BA (Acct., Econ.), MBA -** Eric Eng worked at DBRS as a Analyst/ Vice President for 10 years. He obtained a BA in Accounting and Economics and a MBA in Finance at the University of Toronto. He joined eResearch in January 2008.
Bob Weir, B.Sc., B. Comm, CFA. Bob Weir has 42 years of investment research and analytical experience in both the equity and fixed-income sectors, and in the commercial real estate industry. He was at Dominion Bond Rating Service (DBRS) from 1994 to 2001, latterly as Executive Vice-President responsible for conducting the day-to-day management affairs of the company. He joined *e*Research in 2004.

*e*Research Analyst Group

Director of Research: Bob Weir, CFA

Financial Services
Robin Cornwell

Biotechnology/Health Care
Scott Davidson
Marita Hobman

Transportation & Environmental Services/ Industrial Products
Bill Campbell

Oil & Gas
Eugene Bukoveczky
Achille Desmarais
Dick Fraser
Ross Deep

Mining & Metals
George Cargill
James Darcel
Eric Eng
Adrian Manlagnit
Kirsten Marion
Oliver Schatz
Amy Stephenson
Graham Wilson
Michael Wood

Special Situations
Asim Bukhtiar
Bill Campbell
Bob Leshchyshen
Ross Deep
Nigel Heath
Amy Stephenson

*e*Research Recommendation System

Strong Buy: Expected total return within the next 12 months is at least 40%.

Buy: Expected total return within the next 12 months is between 10% and 40%.

Speculative Buy: Expected total return within the next 12 months is substantial, but Risk is High (see below).

Hold: Expected total return within the next 12 months is between 0% and 10%.

Sell: Expected total return within the next 12 months is negative.

---

*e*Research Risk Rating System

A company may have some, but not necessarily all, of the following characteristics of a specific risk rating to qualify for that rating:

High Risk: *Financial* - Little or no revenue and earnings, limited financial history, weak balance sheet, negative free cash flows, poor working capital solvency, no dividends.

Operational - Weak competitive market position, early stage of development, unproven operating plan, high cost structure, industry consolidating, business model/technology unproven or out-of-date.

Medium Risk: *Financial* - Several years of revenue and positive earnings, balance sheet in line with industry average, positive free cash flow, adequate working capital solvency, may or may not pay a dividend.

Operational - Competitive market position and cost structure, industry stable, business model/technology is well established and consistent with current state of industry.

Low Risk: *Financial* - Strong revenue growth and earnings over several years, stronger than average balance sheet, strong positive free cash flows, above average working capital solvency, company may pay (and stock may yield) substantial dividends or company may actively buy back stock.

Operational - Dominant player in its market, below average cost structure, company may be a consolidator, company may have a leading market/technology position.

---

*e*Research Disclosure Statement

*e*Research accepts fees from the companies it researches (the "Covered Companies"), and from financial institutions or other third parties. The purpose of this policy is to defray the cost of researching small and medium capitalization stocks which otherwise receive little or no research coverage.

Aldershot Resources Ltd. paid *e*Research a fee of $20,000+GST to conduct research on the Company on an Annual Continual Basis.

To ensure complete independence and editorial control over its research, *e*Research follows certain business practices and compliance procedures. For instance, fees from Covered Companies are due and payable prior to the commencement of research, are accepted only in cash or currency and will not accept payment in shares, warrants, convertible securities or options of Covered Companies.

All Analysts are required to sign a contract with *e*Research prior to engagement, and agree to adhere at all times to the CFA Institute Code of Ethics and Standards of Professional Conduct. *e*Research analysts are compensated on a per-report, per-company basis and not on the basis of his/her recommendations. Analysts are not allowed to accept any fees or other consideration from the companies they cover for *e*Research. Analysts are also not allowed to trade in the shares, warrants, convertible securities or options of companies they cover for *e*Research.

In addition, *e*Research, its officers and directors, cannot trade in shares, warrants, convertible securities or options of any of the Covered Companies. *e*Research's sole business is providing independent equity research to its institutional and retail subscribers.

*e*Research will not conduct investment banking or other financial advisory, consulting or merchant banking services for the Covered Companies. *e*Research is not a brokerage firm and does not trade in securities of any kind.

*e*Research makes all reasonable efforts to provide its research, via e-mail, simultaneously to all subscribers. *e*Research posts all of its research on its own website (www.eresearch.ca), disseminates its research through its extensive electronic distribution network, and provides notification of its research through newswire agencies.

Additional distribution of our research may be done through agreements with newswire agencies.

For further information:
Independent Equity Research Corp.
130 Adelaide St. West, Suite 2215, Toronto, ON, Canada M5H 3P5
Telephone: 416-643-7650 Toll-free: 1-866-854-0765
www.eresearch.ca