ABERDEEN
INTERNATIONAL

Management's Discussion and Analysis

FOR THE THREE AND NINE MONTHS ENDED
October 31, 2012 AND 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2012

(All amounts stated in Canadian dollars, unless otherwise indicated)

GENERAL

This management's discussion and analysis of the operations, results and financial condition of Aberdeen International Inc. ("Aberdeen", or the "Company") should be read in conjunction with the unaudited condensed interim financial statements for the three and nine months ended October 31, 2012 and 2011, including the notes thereto. The condensed interim financial statements and related notes of Aberdeen have been prepared 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"). A detailed summary of the Company's significant accounting policies is included in Note 3 of the Company's annual audited financial statements for the year ended January 31, 2012, which have been consistently applied. The Company's functional and reporting currency is the Canadian dollar. Unless otherwise noted, all references to currency in this Management's Discussion and Analysis ("MD&A") refer to Canadian dollars.

Additional information regarding Aberdeen, including our Annual Information Form ("AIF") dated April 25, 2012 and press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under the Company's profile at www.sedar.com. This MD&A reports on the Company's activities through December 14, 2012.

Aberdeen's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol AAB.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

The annual report, including this MD&A, may contain certain "Forward-Looking Information" within the meaning of applicable securities law, which are prospective and reflect management's expectations regarding Aberdeen's future growth, results of operations, performance and business prospects and opportunities. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding the Company's plan of business operations; projections regarding future success based on past success; availability of financing on acceptable terms; ability to identify and execute investments; investment philosophy and business purposes; projected costs and expenditures; potential benefits of the business; anticipated returns; potential mineralization; projection of future revenue; targets for cash operating costs; and future plans and objectives of Aberdeen are forward-looking information that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Aberdeen's expectations include, but are not limited to, in particular, past success or achievement does not guarantee future success; risks related to investment performance, market fluctuations, fluctuations in commodity prices, uncertainties relating to the availability and costs of financing needed in the future, the strength of the Canadian and US economies and financial markets, foreign exchange fluctuations, competition, political and economic risks in the countries and financial markets in which the Company's investments' interests are located and other risks included elsewhere in this MD&A under the heading "Risks and Uncertainties" as well as those factors discussed in or referred to in the AIF of the Company filed on April 25, 2012, under the profile of the Company at www.sedar.com. Estimates and assumptions that have been considered when formulating forward-looking information include, with respect to the investments and investment philosophy of Aberdeen, management expertise and knowledge of the resources industry and the continued involvement of the current management team with Aberdeen. With regard to all information included herein relating to investee companies, Aberdeen has relied exclusively on publicly available information disclosed by the respective companies.

Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking information. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Aberdeen undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors that affect this information, except as required by law.

OVERVIEW

Aberdeen is a publicly traded global investment and merchant banking company focused on small capitalization companies in the resource sector. In general, the Company's investment philosophy is to acquire equity participation in:

- pre-IPO and/or early stage public resource companies with undeveloped and undervalued high-quality resources;
- companies in need of managerial, technical and financial resources to realize their full potential; and
- companies undervalued in foreign capital markets.

Aberdeen provides valued-added managerial and board advisory services to these companies in addition to investment capital. The Company's strategy is to optimize the return on its investments over a 24 to 36 month investment time frame. Aberdeen also has access to key experts in the mining and financial sector who can provide further assistance in evaluating and monitoring companies and their progress. As part of its business model, Aberdeen's officers and directors take active management, director and ownership roles in a significant percentage of companies in which Aberdeen invests.

The Company began operating as a global investment and merchant banking company in July 2007. As at October 31, 2012, the portfolio had investments in 46 companies with an estimated fair market value of $45,856,008 (cost – $67,006,878).

FISCAL 2012 PERFORMANCE HIGHLIGHTS

Operating Results	For the three months ended October 31, 2012	For the three months ended October 31, 2011	For the nine months ended October 31, 2012	For the nine months ended October 31, 2011
Realized gain on investments, net	**$ (193,938)**	$ 1,833,176	**$ (65,384)**	$ 11,103,990
Unrealized (loss) on investments, net	**5,793,244**	(11,203,609)	**(20,876,536)**	(34,090,975)
Net investment (loss)	**5,599,306**	(9,370,433)	**(20,941,920)**	(22,986,985)
Other revenue	**507,401**	887,113	**1,577,809**	2,293,164
Net income (loss) for the period	**3,751,216**	(8,716,747)	**(22,271,013)**	(20,241,297)
Basic gain (loss) per share	**$0.04**	$(0.10)	**$(0.26)**	$(0.23)
Diluted gain (loss) per share	**$0.04**	$(0.10)	**$(0.26)**	$(0.23)

	October 31, 2012	January 31, 2012
Investments		
Equities, at fair value	**$ 45,856,008**	$ 72,327,350
Preferred shares, at fair value	**3,000,000**	-
Loans receivable	**25,310,109**	2,456,978
Total investments	**$ 74,166,117**	$ 74,784,328
Shareholders' equity	**$ 73,891,400**	$ 96,081,173

During the three months ended October 31, 2012, the Company realized loss on investments of $193,938 compared to gain of $1,833,176 for the same quarter in the previous year. The Company had a net investment gain of $5,599,306 compared to a loss of $9,370,433 for the same quarter in the previous year. The Company's net income for the three months ended October 31, 2012 was $3,751,216 ($0.04 per basic share) compared to a loss of $8,716,747($0.10 per basic share) for the same quarter in the previous year.

During the nine months ended October 31, 2012, the Company realized loss on investments of $65,384 compared to gain of $11,103,990 for the same period in the previous year. The Company had a net investment loss of $20,941,920 compared to $22,986,985 for the same period in the previous year. The Company's net loss for the nine months ended October 31, 2012 was $22,271,013 ($0.26 per basic share) compared to $20,241,297 ($0.23 per basic share) for the same period in the previous year.

As at October 31, 2012 the Company's investments decreased to $74,166,117 from $74,784,328 as at January 31, 2012. During the nine months ended October 31, 2012, the Company's shareholders' equity decreased to $73,891,400 from $96,081,173 as at January 31, 2012. The increase in losses and the further decline of the value of the Company's investment portfolio during the nine months ended October 31, 2012 reflects an extraordinary weak equity market experienced in the resource sector.

INVESTMENTS, AT FAIR VALUE THROUGH PROFIT AND LOSS, AS AT OCTOBER 31, 2012

At October 31 2012, the Company's investment portfolio consisted of 11 privately-held investments and 35 publicly-traded investments for a total fair value of $45,856,008.

Private Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Brazil Potash Corp.	(iii)	1,650,062 common shares	$ 2,500,000	$ 3,296,824	7.2%
Irati Energy Corp.		2,213,179 common shares	1,994,975	3,873,063	8.4%
DT Plantations Inc.		2,770,000 common shares	200,000	277,000	0.6%
Legacy Platinum Corp.	(ii,iii)	3,115,000 common shares	2,231,174	1,557,500	3.4%
Raven Minerals Corp.*	(ii)	1,600,000 common shares	400,000	720,000	1.6%
		800,000 w arrants			
Scandinavian Metals Inc.	(ii,iii)	22,762,765 common shares	2,038,139	569,069	1.2%
Tag Recources (Pty) Ltd.	(ii)	7,005,141 common shares	341,530	363,006	0.8%
Temujin Mining Corp.**	(ii,iii)	33,695,289 common shares	12,731,765	2,136,281	4.7%
		9,090,909 penalty shares B			
Total of 3 other investments	(iv)		135,364	118,538	0.3%
Total private investments			$ 22,572,947	$ 12,911,281	28.2%

* Warrants expire 12 months after listing date

** Penalty shares B w ill convert to common shares if future IPO or RTO issuance price is below the subscription price of $0.55 per share

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Aguia Resources Ltd.*		3,438,659 common shares	$ 2,267,976	$ 504,024	1.1%
		277,393 option expire Dec 31, 2014			
		4,145,556 performance shares A			
		3,318,763 performance shares B			
		1,917,074 performance rights - class A			
		2,875,615 performance rights - class B			
		2,875,615 performance rights - class C			
Alderon Iron Ore Corp.		446,100 common shares	466,100	773,726	1.7%
Alder Resources Ltd.	(iii)	2,235,000 common shares	227,740	192,875	0.4%
		1,250,000 w arrants expire Feb 1, 2014			
Allana Potash Corp.		3,337,500 common shares	1,177,441	1,635,375	3.6%
Belo Sun Mining Corp.	(iii)	2,017,767 common shares	1,151,723	2,723,985	5.9%
Black Iron Inc.	(iii)	6,000,000 common shares	3,504,812	1,080,000	2.4%
Cap-Ex Ventures Limited		1,313,500 common shares	1,089,209	422,733	0.9%
		1,175,000 w arrants expire Jan 13, 2014			
Castillian Resources Corp.	(iii)	18,374,000 common shares	2,969,075	644,227	1.4%
		2,273,000 w arrants expire Jun 21, 2013			
Dacha Strategic Metals Inc.	(iii)	60,951 common shares	34,247	30,476	0.1%
Desert Eagle Resources Ltd.**	(ii)	938,889 common shares	845,000	86,378	0.2%
		938,889 w arrants expire Sep 15, 2013			
East Asia Minerals Corporation	(iii)	4,000,000 common shares	1,990,180	970,580	2.1%
		3,800,000 w arrants expire Dec 15, 2013			
Ferro Iron Ore Corp.	(ii)	2,100,000 common shares	105,000	545,790	1.2%
		1,050,000 w arrants expire Sep 26, 2014			
Forbes & Manhattan (Coal) Corp.	(iii)	2,415,907 common shares	3,458,263	1,391,374	3.0%
		550,000 performance shares			
Goldstar Minerals Inc.***	(iii)	1,990,000 common shares	995,000	129,350	0.3%
Kincora Copper Limited		6,689,058 common shares	1,672,265	769,242	1.7%
Mason Graphite Inc.		1,315.000 common shares	737,355	1,016,000	2.2%
		500,000 w arrants expire Oct 30, 2013			
Ridgemont Iron Ore Corp.		3,320,000 common shares	902,600	376,354	0.8%
		660,000 w arrants expire Jun 14, 2014			
Rodinia Lithium Inc.	(iii)	3,978,333 common shares	2,426,646	748,800	1.6%
		1,500,000 w arrants expire Dec 26, 2013			
Sagres Energy Inc.	(ii,iii)	21,428,500 common shares	1,697,242	521,903	1.1%
		16,666,667 w arrants expire Sep 9, 2013			
Silver Bear Resources Inc.	(iii)	4,019,780 common shares	2,077,191	2,145,713	4.7%
		1,449,275 w arrants expire Jun 7, 2015			
Sulliden Gold Corporation Ltd.	(iii)	15,833,572 common shares	12,122,839	14,566,886	31.7%
Windamere Ventures Ltd.	(iii)	480,000 common shares	79,911	405,503	0.9%
		45,000 w arrants expire Oct 14, 2014			
Total of 13 other investments	(iv)		2,436,116	1,263,433	2.8%
Total public investments			$ 44,433,931	$ 32,944,727	71.8%
Total investments			$ 67,006,878	$ 45,856,008	100.0%

* Formerly New port Mining Ltd.,

** Formerly Garrison International Ltd.

*** Formerly Auger Resources Ltd.

Note

(i) The Company has issued a Section 102 report under the Ontario Securities Act for this investment.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at October 31, 2012.
(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation.
(iv) Total other investments held by the Company, which are not individually listed as at October 31, 2012. Directors and officers may hold investments personally.

At January 31, 2012, the Company's investment portfolio consisted of 12 privately-held investments and 31 publicly-traded investments for a total fair value of $72,327,350.

Private Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Auger Resources Ltd.	(iii)	2,000,000 common shares	$ 1,000,000	$ 100,000	0.1%
Brazil Potash Corp.	(iii)	1,650,062 common shares	2,500,000	3,309,364	4.6%
Irati Energy Corp.		1,641,750 common shares	994,975	3,283,500	4.5%
Legacy Platinum Corp.	(ii,iii)	3,015,000 common shares	2,166,174	1,507,500	2.1%
Raven Minerals Corp.*	(ii)	1,600,000 common shares	400,000	720,000	1.0%
		800,000 w arrants			
Scandinavian Metals Inc.	(ii,iii)	22,762,765 common shares	2,038,139	569,069	0.8%
Temujin Mining Corp.**	(ii,iii)	33,695,289 common shares	14,416,529	6,739,058	9.3%
		9,090,909 penalty shares B			
Total of 5 other investments	(iv)		215,365	96,886	0.1%
Total private investments			$ 23,731,182	$ 16,325,377	22.6%

* Warrants expire 12 months after listing date

** Penalty shares B w ill convert to common shares if future IPO or RTO issuance price is below the subscription price of $0.55 per share

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Aguia Resources Ltd.*		3,438,659 common shares	$ 2,267,976	$ 1,773,478	2.5%
		277,393 option expire Dec 31, 2014			
		4,145,556 performance shares A			
		3,318,763 performance shares B			
		1,917,074 performance rights - class A			
		2,875,615 performance rights - class B			
		2,875,615 performance rights - class C			
Alderon Iron Ore Corp.	(iii)	446,100 common shares	466,100	1,500,842	2.1%
Alder Resources Ltd.	(iii)	2,500,000 common shares	250,000	712,750	1.0%
		1,250,000 w arrants expire Feb 1, 2014			
Alexis Mineral Corp.		2,500,000 common shares	250,000	112,500	0.2%
Allana Potash Corp.		3,375,000 common shares	1,190,671	2,666,250	3.7%
Bell Copper Corp.	(iii)	1,150,000 common shares	230,000	93,150	0.1%
		1,150,000 w arrants expire Nov 25, 2012			
Belo Sun Mining Corp.**	(iii)	1,053,667 common shares	813,796	3,081,844	4.3%
		3,000,000 w arrants expire March 3, 2012			
Black Iron Inc.	(iii)	6,000,000 common shares	3,504,812	3,900,000	5.4%
Cap-Ex Ventures Limited		1,175,000 common shares			
		1,175,000 w arrants expire Jan 13, 2014	998,750	1,684,833	2.3%
Castillian Resources Corp.	(iii)	18,374,000 common shares	2,969,075	1,426,692	2.0%
		2,273,000 w arrants expire June 21, 2013			
Dacha Strategic Metals Inc.	(iii)	392,951 common shares	220,789	204,335	0.3%
Desert Eagle Resources Ltd.****		938,889 common shares	845,000	301,383	0.4%
		938,889 w arrants expire Sep 15, 2013			
East Asia Minerals Corporation	(iii)	3,800,000 common shares	1,890,180	2,993,840	4.1%
		3,600,000 w arrants expire Dec 15, 2013			
Eurocontrol Technics Group Inc.	(iii)	1,333,333 w arrants expire Sep 17,2012	75,546	26,000	0.0%
Forbes & Manhattan (Coal) Corp.	(iii)	2,406,797 common shares	3,443,875	4,413,259	6.1%
		550,000 performance shares			
Largo Resources Ltd.	(iii)	2,063,333 common shares	285,413	598,367	0.8%
Longford Energy Inc.	(iii)	1,250,000 w arrants expire Jun 8, 2013	55,250	48,250	0.1%

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Pitchblack Resources Ltd.***	(ii)	2,180,303 common shares	410,988	342,220	0.5%
		3,030,303 w arrants expire Oct 29, 2012			
Rodinia Lithium Inc.	(iii)	3,978,333 common shares	1,831,925	843,992	1.2%
		416,667 w arrants expire Sep 10, 2012			
Silver Bear Resources Inc.	(iii)	1,674,230 common shares	1,339,384	987,796	1.4%
Stetson Oil & Gas Ltd.		9,724,000 preferred shares	-	97,240	0.1%
Sulliden Gold Corporation Ltd.	(iii)	15,904,572 common shares	12,109,150	25,288,269	35.0%
United Silver Corp.		1,215,050 common shares	644,860	614,679	0.8%
		1,372,550 common shares expire Aug 2, 2014			
Vast Exploration Inc.	(iii)	10,000,000 common shares	805,770	550,000	0.8%
Total of 7 other investments	(iv)		2,508,992	1,740,004	2.3%
Total public investments			$ 39,408,302	$ 56,001,973	77.4%
Total investments			$ 63,139,484	$ 72,327,350	100.0%

* Formerly New port Mining Ltd.,

** Formerly Verena Minerals Corp., 3,000,000 w arrants exercised subsequent to January 31, 2012

*** Formerly Cash Minerals Ltd.

**** Formerly Garrison International Ltd.

Note

(i) The Company has issued a Section 102 report under the Ontario Securities Act for this investment;

(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at January 31, 2012.

(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation.

(iv) Total other investments held by the Company, which are not individually listed as at January 31, 2012. Directors and officers may hold investments personally.

During the nine months ended October 31, 2012, the Company invested approximately $10.8 million in portfolio acquisitions and disposed of investments receiving proceeds of $4.6 million for a realized loss of $0.07 million. During the nine months ended October 31, 2012, the Company made new investments in East Asia Minerals Corporation (gold, copper and uranium), Belo Sun Mining Corp (gold), DT Plantations Inc. (agriculture), Ferro Iron Ore Corp. (iron), Goldstream Minerals Inc. (gold), Golden Raven Resources Ltd. (private energy), Irati Energy Corp. (energy), Legacy Platinum Corp. (private platinum), Mason Graphite (graphite), OMT Inc. (zinc), Ridgemont Iron Ore Corp. (iron), Rodinia Lithium Inc. (potash stream preferred shares), Savary Capital Corp. (gold), Sagres Energy Inc. (energy), Silver Bears Resources Inc. (silver), and received shares from Kincora Copper (copper). The Company reduced its holdings in the following companies: Alexis Minerals Corp (gold), Bell Copper Inc. (copper), Belo Sun Mining Corp (gold), Copper One Inc. (copper), Dacha Strategic Metals Inc. (rare earths), Largo Resources Inc. (Vanadium-PGM), Magdalena Coal (private; coal), Silver Bear Resources Inc. (silver), Sulliden Gold Corporation Limited (gold), United Silver Corp. (silver), Vast Exploration Inc. (energy) and Masusani Yellowcake Inc. (uranium).

During the nine months ended October 31, 2012, the fair market value of the Company's investment portfolio had a cumulated unrealized loss of $21,150,871. The Company had unrealized losses of approximately $11.6 million from its gold and silver holdings, $9.2 million from its based metals holdings, and approximately $0.4 million gain from its agriculture and energy holdings.

LOANS

As a normal course of business, Aberdeen may provide loans to junior resource companies both to support existing investments and to seed new investments. Loans are considered by management to be part of the investment portfolio and are provided in addition to, or as an alternative to equity financing, in order to enhance overall returns and reduce investment risk (e.g. secured loans).

Aberdeen's loan portfolio as at October 31, 2012 and January 31, 2012:

		October 31, 2012	January 31, 2012
Forbes & Manhattan West Africa Resources Inc.	Convertible	**$ 50,000**	$ -
Desert Eagle Resources Ltd.*	Unsecured	**1,108,053**	635,170
Legacy Platinum Corp.	Convertible	**1,312,547**	862,808
Pitchblack Resources Ltd.	Unsecured	**107,476**	100,000
Portex Minerals Inc.	Convertible	**1,000,000**	-
Premier Royalty Corporation	Convertible	**18,209,402**	-
Sable Platinum Holdings (Pty) Ltd.	Secured	**200,000**	-
Sagres Energy Inc.	Secured	**349,650**	-
Scandinavian Metals Inc.	Convertible	**1,744,622**	859,000
Temujin Mining Corp.	Convertible	**1,228,359**	-
		$ 25,310,109	$ 2,456,978

* Formerly Garrison International Ltd.

Desert Eagle Resources Ltd. (formerly Garrison International Ltd.)

On February 22, 2010, the Company entered into a secured debenture subscription agreement with Garrison International Ltd. ("Garrison"). The Company loaned Garrison $600,000, which were to mature and become due and repayable on February 22, 2013. The debenture bears interest at a rate of 10% calculated and payable semi-annually on the last day of June and December, commencing June 30, 2010 and continuing until the debenture is repaid in full. This debenture is secured against all of the assets of Garrison and ranks senior in priority to any and all other debts of Garrison subsequently incurred subject to applicable laws. On December 31, 2010, Garrison did not make its semi-annual interest payment. The Company notified Garrison of default in writing. As a result of failing to receive a rectification of default from Garrison, the Company made a provision on the full principal amount of $600,000 and interest of $27,509.

During the year ended January 31, 2012, the Company provided a working capital facility to Desert Eagle Resources Ltd. ("Desert Eagle") interest free, unsecured and due on demand. The Company continued to advance funds to Desert Eagle. On September 16, 2011, the Company participated in Desert Eagle's equity financing and acquired 16,900,000 units (now 938,889 units because of an 18:1 consolidation) of Desert Eagle at $0.05 per unit. A sum of $845,000 owed by Desert Eagle was applied against the subscription of the units. On January 31, 2012, the Company entered into a bridge loan agreement with Desert Eagle for the remaining balance of the working capital loan in the amount of $670,791 consisting of $635,171 in principal and $35,620 in accrued and unpaid interest. The principal of the loan will mature, and become due and payable on December 31, 2012. Interest is calculated and payable semi-annually at the rate of 10% per annum.

During the nine months ended October 31, 2012, the Company loaned an additional $472,757 to Desert Eagle. As of October 31, 2012, the loan principal and accrued interest, net of provision, totaling $1,219,630 remained outstanding.

Legacy Platinum Corp.

On June 10, 2011, the Company entered into a convertible loan agreement with Legacy Platinum Corp. ("Legacy"). The Company loaned Legacy $320,000, which was originally due and payable on June 10, 2012. The loan is unsecured and included an interest of 10% per annum calculated and payable semi-annually in kind by an increase to the principal amount owing. Legacy has an option to either repay the loan plus accrued interest any time prior to the maturity date in cash, or issue shares of Legacy that equals the total value of the principals plus accrued interest based on the share value of its most recent equity financing.

On June 21, 2011, the Company entered into a second loan agreement with Legacy for an additional loan of US$500,000, which was originally due and payable on June 21, 2012. This loan is unsecured and carries the same term and condition as the first loan.

On April 16, 2012, the Company loaned an additional US$400,000 to Legacy, which is due and payable on April 16, 2013. This loan is unsecured and carries the same terms and conditions as the First Loan.

As of October 31, 2012, the loan principal and accrued interest totaling $1,358,589 remained outstanding. Legacy is currently in negotiations with the Company for extending the term of the first and second loan. An officer of Aberdeen, Richard Bishop, also serves as a director of Legacy.

Pitchblack Resources Ltd. (formerly Cash Minerals Ltd.)

On February 2, 2010, the Company entered into a secured debenture subscription agreement with Pitchblack Resources Ltd. ("Pitchblack"). The Company loaned Pitchblack $500,000, which will mature and becomes due and repayable on February 2, 2013. The debenture bears interest at a rate of 10% calculated and payable semi-annually on the last day of June and December, commencing June 30, 2010, and continuing until the debenture is repaid in full. This debenture was secured against all of the assets of Pitchblack and ranked senior in priority to any and all other debts of Pitchblack subsequently incurred subject to applicable laws. On January 31, 2011, the Company acquired 3,030,303 units of Pitchblack through a private placement financing at a price of $0.165 per unit. The $500,000 loan outstanding was applied against the settlement of the Pitchblack units. Accrued interest totaling $36,986 was subsequently paid to the Company.

On October 7, 2011, Pitchblack issued a promissory note to the Company for a loan of $100,000. The note bears interest at a rate of 10% per annum, compounded annually. The outstanding principal amount and interest accrued are due and payable on demand anytime after March 1, 2012.

On March 1, 2012, the Company extended the term of the loan to be due on demand after June 30, 2012. As of October 31, 2012, loan principal plus accrued interest totaling $111,098 remained outstanding.

Scandinavian Metals Inc.

The Company entered into a loan agreement with Scandinavian Metals Inc. ("SMI") whereby loans will be provided to SMI from time to time at the sole discretion of the Company. The principal of the loan will mature, and become due and payable on December 31, 2012. The loans are unsecured and earn 10% interest per annum calculated and payable semi-annually. SMI has an option to either repay the loan plus accrued interest any time prior to the maturity date in cash, or issue shares of SMI that equal the total value of the principal plus accrued interest to the Company at a price per common share agreeable between both parties at the time of conversion.

During the year ended January 31, 2012, the principal amount of $1,038,138 loaned during fiscal 2011 and 2012 was converted into 20,762,765 shares of SMI at $0.05 per share.

During the nine months ended October 31, 2012, the Company loaned an additional $885,622 to SMI. As of October 31, 2012, the loan principal and accrued interest totaling $1,921,915 remained outstanding. A director of Aberdeen, Stan Bharti, also serves as a director of SMI.

Temujin Mining Corp.

On January 14, 2010, the Company entered into a loan agreement with Temujin Mining Corp. ("Temujin"), a privately held company. The Company loaned Temujin US$6,000,000 ($6,009,000), payable on or before January 14, 2011, with 10% interest per annum calculated monthly and payable on maturity. The debenture was secured against all of the assets of Temujin and shall ranked *pari-passu* in priority and preference to any other indebtedness or other encumbrance of Temujin. As consideration for arranging the loan, Temujin agreed to pay the Company advisory service fees of US$360,000 ($360,540), payable on demand, and issued 600,000 warrants to purchase common shares of Temujin at an exercise price of $0.55 per share until January 14, 2012. On February 11, 2010, US$3,000,000 ($3,189,000) of the loan was repaid.

On October 1, 2010, the Company entered into a secured debenture agreement with Temujin, whereby the term of the previous loan was extended to July 14, 2011 with a conversion right granted to the Company to convert the loan into common shares of Temujin at a conversion price of US$0.50 per share at anytime on or before the maturity date. The debenture was secured against all of the assets of Temujin and ranks *pari-passu* in priority and preference to any other indebtedness or other encumbrance of Temujin. Furthermore, the advisory service fees along with accrued interest totalling US$624,523 ($625,460) were discounted to the loan and recognized as income over the term of the agreement. This brings the total outstanding principal to US$3,624,523 ($3,612,562). Temujin did not repay the loan on maturity, and an amendment to the secured debenture was made to further extend the maturity date to January 31, 2012.

During the year ended January 31, 2012, the Company also loaned US$2,438,622 ($2,441,793) and $579,937 to Temujin pursuant to a loan agreement dated January 27, 2012. The principal of the loan will mature, and become due and payable on December 31, 2012. The loan was unsecured and earned interest of 10% per annum calculated and payable semi-annually. Temujin has an option to either repay the loan plus accrued interest any time prior to the maturity date in cash, or issue shares of Temujin that equal the total value of the principal plus accrued interest to the Company at a price per common share agreeable between both parties at the time of conversion.

On January 27, 2012, the Company exercised the conversion right and converted the principal plus accrued interests of the secured convertible debenture in the amount of US$4,105,145 ($4,110,482) into 10,276,205 shares of Temujin at $0.40 per share. The Company also converted the principal plus accrued interest of the unsecured loan in the sum of US$2,529,511 ($2,532,800) and $616,397 into 7,872,993 shares of Temujin at $0.40 per share. Upon conversion, and as of January 31, 2012, no debt was outstanding from Temujin, and the Company owned a total of 33,695,289 shares of Temujin.

During the nine months ended October 31, 2012, the Company loaned an additional $88,400 and US$1,141,100 ($1,153,502) to Temujin pursuant to the loan agreement dated January 27, 2012. As of October 31, 2012, the loan principal and accrued interest totaling $1,282,457 remained outstanding. A director and an officer of Aberdeen, Stan Bharti and David Stein, serve as directors of Temujin.

Premier Royalty Corporation

On May 31, 2012, the Company sold its Village Main Reef, Limited's and First Uranium Corporation's Mine royalties to Premier Royalty Corporation ("Premier Royalty") for consideration of $11,500,000 cash and a $9,400,000 convertible debenture. The unpaid amounts owing under the convertible debenture shall accrue interest at a rate of 8% per annum. Upon Premier Royalty completing a public offering, or any other comparable going public transaction, the convertible debenture shall automatically convert into that number of common shares of Premier Royalty equal to the principal amount and accrued interest divided by the amount equal to the offering price or deemed price in connection with the going public transaction less a 10% discount. In the event that a going public transaction is not completed on or before May 31, 2013, the principal amount and accrued interest under the convertible debenture shall be repaid by Premier Royalty in cash to Aberdeen in full, or if Premier Royalty elects, and subject to the approval of Premier Gold Mines Limited ("Premier Gold"), Premier shall satisfy the convertible debenture on Premier Royalty's behalf by issuing that number of common shares of Premier equal to the principal amount and accrued interest divided by the volume weighted average price of the common shares of Premier for the five trading days immediately prior to May 31, 2013. Further, in the event Premier Royalty completes a going public transaction, Premier Royalty shall issue to Aberdeen that number of warrants of Premier Royalty equal to 0.5 multiplied by the number of common shares of Premier Royalty issued under the convertible debenture. Each warrant shall entitle Aberdeen to acquire one common share of Premier Royalty at a price representing a 25% premium to the price per Premier Royalty common share issued in connection with a going public transaction for a period of two years from the closing date of the going public transaction.

On August 7, 2012, Premier Royalty entered into business combination agreement with Bridgeport Venture Inc. ("Bridgeport") and Premier Gold. Pursuant to the agreement, Premier Royalty shall issue Premier Royalty Shares to Aberdeen in such amount as is equal to the principal amount outstanding under the Aberdeen convertible debenture together with all accrued interest thereon as at the effective date divided by $1.26 (being the post-consolidation deemed price less 10%). Premier Royalty shall also issue warrants to Aberdeen in such amount as is equal to 50% multiplied by the number of Premier Royalty shares issued to Aberdeen. Each Premier warrant shall be exercisable to acquire one Premier Royalty common share at a price of $1.75 (being the post-consolidation deemed price multiplied by a factor of 1.25) for a period of two years following the date of issuance of such warrants, all in accordance with the terms of the Aberdeen Royalty Purchase Agreement.

As of October 31, 2012, principal of the convertible debenture plus accrued interest of $9,717,282 was owed to the Company.

On December 5, 2012, Premier gold and Bridgeport announced that they have completed their previously announced business combination of acquiring Premier Gold's subsidiary and Bridgeport to form a new publicly traded entity, Premier Royalty Inc., continuing under symbol BPV:TSX.

In light of the approval of the arrangement, the Company adjusted the carrying value of Premier Royalty debenture to reflect the fair value of the conversion as at October 31, 2012. A director of Aberdeen, George Faught, will serve as a director of Bridgeport.

Portex Minerals Inc.

On June 6, 2012, the Company entered into a senior unsecured convertible debenture with Portex Minerals Inc. ("Portex") whereby the Company agreed to loan Portex $500,000. The principal will be due and payable on the earlier of (a) March 6, 2013; (b) the date on which Portex completes $3,000,000 of equity financing; or (c) the Company declaring the principal due; (d) the conversion of the debenture into common shares; and (e) the redemption of the debenture. Interest on principal is calculated at 1% per month and payable on maturity. In the event of a default, Portex will be required to pay an additional 2% per annum on any overdue and unpaid amount. Such interest is calculated daily and compounded monthly and is payable on demand. In the event of a conversion, the price shall be the greater of (1) the 60 day volume weighted average price per Common Share on the CNSX System or the TSX Venture Exchange, as calculated on the last business day immediately preceding the conversion date and (b) $0.05. The debenture ranks senior in priority to any other indebtedness that Portex may have.

On September 12, 2012, the Company entered into a second senior unsecured convertible debenture agreement with Portex for an additional loan of $500,000 ("Second debenture"). The Second debenture ranks senior in priority to any other indebtedness that Portex may have and carries the same terms and conditions as the First debenture.

As of October 31, 2012, principal plus accrued interest of $1,032,548 was owed to the Company.

Tag Resources Pty Ltd.

On July 16, 2012, the Company entered into a loan agreement with Tag Resources Pty Ltd. ("Tag") whereby the Company agreed to loan Tag AU$100,000 and $32,500. The loan is interest free, due on demand and secured against all the assets of Tag. On October 22, 2012, the Company participated in the financing of Tag and applied the loan receivable towards the share subscription of Tag.

Forbes & Manhattan West Africa Resources Inc.

On July 23, 2012, the Company entered into an unsecured loan agreement with Forbes & Manhattan West Africa Resources Inc. ("Forbes West Africa"), whereby the Company agreed to advance Forbes West Africa up to $100,000 at any time on or before December 31, 2012. Each advance will mature and be due and payable on its anniversary date. Interest on principal as well as overdue and unpaid accrued interest is calculated and payable annually at 20% per annum. The first advance plus any unpaid interest accrued will be converted to shares of Forbes West Africa on maturity date at $0.10 per share. The second advance plus any unpaid interest accrued will be converted to shares of Forbes West Africa on maturity date at $0.12 per share. On July 19, 2012, the Company advanced $50,000 to Forbes West Africa. As of October 31, 2012, principal plus accrued interest of $52,877 was owed to the Company.

QMX Gold Corporation

On August 14, 2012, the Company entered into a debenture agreement with QMX Gold Corporation ("QMX") whereby the Company agreed to loan $500,000 to QMX. The loan accrued interest at 15% per annum and matured, became due and payable on the date QMX closed its sale of assets to Druk Capital Partners. QMX agreed to pay cash commission of $25,000 to the Company. The loan ranked senior to all other debts that QMX subsequently incurred. While the loan was outstanding, QMX may not enter into any sale, joint venture, merger, amalgamation without the Company's consent. QMX paid $25,000 cash commission upon drawing down the loan on August 16, 2012. QMX repaid the principal plus interest totaling $508,219 on September 24, 2012.

Sagres Energy Inc.

On October 18, 2012, Sagres Energy Inc. ("Sagres") issued a promissory note to the Company for a principal of US$350,000. The note bears interest at 8% per annum, calculated monthly and payable on maturity. The principal and accrued interest will mature, became due and payable on October 18, 2013. Overdue and unpaid principal and interests are subject to an additional 2% interest per annum, calculated daily and compounded monthly. The loan is secured against all assets of Sagres but ranks second in priority and preference to other debts owed to Canacol Energy Ltd.

As of October 31, 2012, principal plus accrued interest of US$350,767 ($350,416) was owed to the Company. A director of Aberdeen, Stan Bharti, was a former director and a current advisor of Sagres.

Sable Platinum Holdings (Pty) Ltd.

On October 23, 2012, the Company entered into a working capital bridge loan financing agreement with Sable Platinum Holdings (Pty) Ltd. ("Sable") whereby the Company agreed to loan $200,000 to Sable. The loan bears interest at 10% per annum, calculated and payable in quarterly instalments. The principal of the loan will mature, become due and payable on the earlier of (a) November 25, 2012, (b) the date which Sable closes the transaction with New CorpCapital Limited, and (c) when the Company declares the principal to be due and owing. The loan ranks senior in priority and preference to any other indebtedness or any encumbrance that Sable subsequently incurred.

On October 23, 2012, the Company also entered into a compensation deferral agreement with two executives of Sable whereby the two executives agreed to defer their compensations until the loan is repaid to Aberdeen.

As at October 31, 2012, principal plus interest totalling $200,329 was owed to the Company.

Sable is a wholly owned subsidiary of Legacy Platinum Corp. An officer of Aberdeen, Richard Bishop, serves as an officer of Legacy. Directors of Aberdeen, George Faught and David Stein, also serve as directors of Sable.

Subsequent to October 31, 2012, Sable repaid the principal of the loan to the Company.

PREFERRED SHARES

On June 27, 2012, the Company acquired 3,000,000 units of preferred shares of Rodinia Lithium Inc. ("Rodinia") at a price of $1.00 per unit. Each unit consists of one cumulative rate reset non-voting potash stream preferred share and one-half of a common share purchase warrant. Each whole warrant will entitle the Company to acquire one common share of Rodinia at a price of $0.45 until December 26, 2013. Holders of the potash stream preferred shares are entitled to receive a 9% cumulative, preferential cash dividend, and a price adjustment subject to certain market conditions ranging between an additional 0-2.5% dividend, payable annually on the last day of January following the relevant completed fiscal year ending December 31 of the first year of initial potash production. After the first year of potash production, the dividend rate will be reset such that quarterly dividends equal the total amount of net potash revenue for the quarter divided by 20,000,000, payable on the last day of the month following the quarter. Net potash revenue shall be calculated based on the quantity of potash sold and the potash sales price realized less a potash production cost of US$185 per tonne of potash sold. The potash stream preferred shares are not retractable, convertible or redeemable by the holder thereof. They are redeemable by Rodinia in certain circumstances.

As of October 31, 2012, the Company was owed $93,945 in accrued dividend. An Officer of Aberdeen, Ryan Ptolemy, also serves as an officer of Rodinia.

ROYALTY INTERESTS ON MINERAL PROPERTIES

Sale of Royalty Interests

On May 31, 2012, the Company closed its previously announced sale of its 1% net smelter return royalty on gold produced from certain mineral concessions comprising Village Main Reef Limited's Buffelsfontein Mine and First Uranium Corporation's Mine Waste Solutions tailings recovery project located in South Africa (the "Royalty") to Premier Royalty, an Ontario company, wholly-owned by Premier Gold Mines Limited (TSX:PG)

Pursuant to the terms of the royalty purchase agreement entered into among the Company, Premier Royalty and Premier on April 24, 2012, Premier has made to Aberdeen a cash payment in the amount of $11,500,000 and issued a convertible debenture to Aberdeen in the amount of $9,400,000. The unpaid amounts owing under the convertible debenture shall accrue interest at a rate of 8% per annum. Upon Premier Royalty completing a public offering, or any other comparable going public transaction, the convertible debenture shall automatically convert into that number of common shares of Premier Royalty equal to the principal amount and accrued interest divided by the amount equal to the offering price or deemed price in connection with the going public transaction less a 10% discount.

In the event that a going public transaction is not completed on or before May 31, 2013 the principal amount and accrued interest under the convertible debenture shall be repaid by Premier Royalty in cash to Aberdeen in full, or if Premier Royalty elects, and subject to the approval of Premier, Premier Gold shall satisfy the convertible debenture on Premier Royalty's behalf by issuing that number of common shares of Premier Gold equal to the principal amount and accrued interest divided by the volume weighted average price of the common shares of Premier for the five trading days immediately prior to May 31, 2013.

Further, in the event Premier Royalty completes a going public transaction, Premier Royalty shall issue to Aberdeen that number of warrants of Premier Royalty equal to 0.5 multiplied by the number of common shares of Premier Royalty issued under the convertible debenture. Each warrant shall entitle Aberdeen to acquire one common share of Premier Royalty at a price representing a 25% premium to the price per Premier Royalty common share issued in connection with a going public transaction for a period of two years from the closing date of the going public transaction.

Upon closing of the sale transaction, the Company received cash of $11,500,000 and a convertible debenture of $9,400,000, and recognized a loss on disposal of $1,526,194 on May 31, 2012. The Company also recognized $2,502,081 accumulated currency translation loss in the statement of comprehensive loss as a result of the sale of the royalty interests and the close out of the Company's royalty division.

On December 5, 2012, Premier gold and Bridgeport announced that they have completed their previously announced business combination of acquiring Premier Gold's subsidiary and Bridgeport to form a new publicly traded entity, Premier Royalty Inc., continuing under symbol BPV:TSX.

RESULTS OF OPERATIONS

The net income for the quarter ended October 31, 2012 was $3,751,216 compared to a loss of $8,716,747 for the quarter ended October 31, 2011. This was mainly due to realized loss offset by a significant unrealized gain recognized on the Premier Royalty debenture for the three months ended October 31, 2012 compared to 2011. The net loss for the nine months ended October 31, 2012 was $22,271,013 compared to $20,241,297 for the nine months ended October 31, 2011. This was a result of realized loss on investments, decrease in other revenue, and higher operating, general and administration expenses for the nine months ended October 31, 2012 compared to 2011.

The realized loss on investments of $193,938 and $65,384 and unrealized gain of $5,793,244 and unrealized loss of $20,876,536 during the three and nine months ended October 31, 2012 reflecting an extraordinary weak market experienced in the investment portfolio and the equity markets in the resource sector in 2012. This was partially offset by the unrealized gain of $8,809,402 recognized from the Premier royalty conversion subsequent to the shareholders approval of the plan of arrangement on November 30, 2012.

The Company sold its gold royalty interests on May 31, 2012. The pre-sale royalty revenue of $559,503 recorded for the nine months ended October 31, 2012 was based on gold price averaged US$1,689 per ounce and production of approximately 33,200 ounces from Simmers and First Uranium. During the nine months ended October 31, 2011, the gold price averaged US$1,564 per ounce and production from Simmers and First Uranium was approximately 115,338 ounces, resulting in royalty revenue of $1,769,412.

During the three and nine months ended October 31, 2012, the Company recorded interest and dividend revenue of $437,401 and $808,306 compared with $156,476 and 482,382 for the three and nine ended October 31, 2011. Interest was earned on the Company's loans outstanding. Loans receivable at October 31, 2012 totaled $25,310,109. Dividends were earned on the Company's preferred shares held.

During the three and nine months ended October 31, 2012, the Company recorded revenue for advisory service fees of $70,000 and $210,000 compared with $Nil and $41,370 for the three and nine months ended October 31, 2011 for debt financing / restructuring and equity financing services provided to pre-IPO or early stage public companies.

General and administrative expense for the three and nine months ended October 31, 2012 was $1,093,475 and $7,928,428 compared to $1,144,352 and $3,574,382 for the three and nine months ended October 31, 2011. For the nine months ended October 31, 2012, other major expenses of the Company that comprise general and administrative expenses include share-based compensation $397,176 (2011 - $500,876) as the Company granted 2,500,000 (2011 – 1,045,000) options to directors, officers, employees and consultants of the Company; consulting, salaries, wages, administrative expense and bonuses of $6,064,747 (2011 - $1,118,068); legal, accounting and professional fees $606,449 (2011 - $540,381); filing and transfer agent fees of $39,886 (2011 - $44,305); shareholder communications and promotions $190,168 (2011 – $288,736), travel costs of $229,031 (2011 – $200,155); office expenses of $167,957 (2011 - $138,311); charitable donation of $25,000 (2011 – $nil), reversal of capital tax of $62,240 (2011 – $Nil) and unrecoverable GST/HST of $270,254 (2011 – $743,550). The Company made a recovery on the investment settlement receivable of $9,766 (2011 – provision on loan and interest receivable $1,258,688 from China Railway Mining Corp.) and recognized a loss on loan settlement of $Nil (2011 - $2,399,552).

The accounting treatment of the royalty changed following the vote to deny the Company the conversion of the loan into shares. Aberdeen became entitled to a 1% NSR on the underlying assets of Simmers and First Uranium. Prior to the vote, the combined convertible royalty loan was carried at the estimated fair market value. Following the vote, the royalty interests are accounted for as tangible assets separate from the loan. The carrying value of royalty interests are depleted using the units-of-production method over the life of the property to which the royalty interest relates. During the three and nine months ended October 31, 2012, the Company recorded depletion expense on its royalty interest of $Nil and $151,700 compared to $194,878 and 508,309 in the three and nine months ended October 31, 2011. The Company sold its gold royalty interests on May 31, 2012 and recognized a loss of $1,526,194 (2011 - $Nil) on disposal.

The Company recorded a foreign exchange loss of $16,631 and $1,563,041 during the three and nine months ended October 31, 2012 compared with a foreign exchange gain of $828,371 and loss of $21,116 during three and nine months ended October 31, 2011. The functional currency of the Company's royalty division was the US dollar. On May 31, 2012, the Company sold its gold royalty interests and recognized $2,502,081 accumulated currency translation loss on the closure of the royalty division. Without the currency translation loss, the Company had a foreign exchange gain of $939,040 during the nine months ended October 31, 2012 resulting from stronger US dollar vis-à-vis the Canadian dollar over the year. As at January 31, 2012, the US/Cdn dollar exchange rate was 0.9879, compared with 0.999 at October 31, 2012.

During the three and nine months ended October 31, 2012, the Company recorded a current income tax recovery of $317,980 and expense of $2,853,116 and a deferred tax provision of $1,568,000 and a recovery of $11,120,000. The current income tax expense was the result of the gain on the sale of the royalty interests, portfolio investments and other revenues; partially offset by general and administrative expenses. The deferred income tax provision was the result of gain on the Premier Royalty debenture, partially offset by benefit resulted from the unrealized losses on the portfolio investments.

CASH FLOWS

Cash used in operating activities during the three and nine months ended October 31, 2012 was $606,612 and $6,168,093 compared with $427,958 generated and $8,034,795 used during the three and nine months ended, 2011. The difference between the operating cash flow and the net income for the periods largely reflects the unrealized nature of many of the losses recorded on the investments. Operating cash flow was largely generated by royalty, and interest income, offset by general and administrative expenses and net changes in non-cash working capital.

Cash used in financing activities during the three and nine months ended October 31, 2012 was $938,697 and $1,946,611 compared to $1,351,567 and $2,536,638 during the three and nine months ended October 31, 2011. The Company purchased and cancelled 727,800 shares at an average price of $0.44 per share during the nine months ended October 31, 2012 under NCIB, which was offset by cash of $108,000 generated through the exercise of share purchase options. The Company also paid dividends of $1,734,088 during the current year.

Cash (used) generated in investing activities during the three and nine months ended October 31, 2012 was ($1,409,767) and $1,861,259 compared to $4,940,081 and $4,838,038 in the three and nine months ended October 31, 2011. During the three and nine months ended October 31, 2012, $1,787 and 11,837,020 were provided from the sale of royalty interests, $941,692 and $10,765,713 were used in the purchase of portfolio investments, while proceeds on the disposal of portfolio investments were $958,988 and $4,638,293, short-term loans provided of $1,815,380 and $5,335,481, short-term loans repaid of $636,530 and $1,737,140, and $250,000 and $250,000 was advanced. In the three and nine months ended October 31, 2011, $422,117 and $15,890,887 was used to purchase portfolio investments, while proceeds on the disposal of portfolio investments were $2,813,966 and $20,860,350, short-term loans totaling $1,860,768 and $5,396,425 were provided, $4,664,000 and $5,664,000 were repaid, and $255,000 and $399,000 were advanced.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2012, the Company had working capital of $68,183,502. The Company used cash of $606,612 and $6,168,093 from its operating activities during the three and nine months ended October 31, 2012. The working capital consisted largely of the estimated fair value of its portfolio investments of $45,856,008, loans receivable of $25,310,109, amounts receivables of $1,237,930 and cash of $1,118,673. This was partially offset by current liabilities of $5,726,795. The Company also maintains up to $10 million margin loan facility with its prime broker to help to manage its short-term cash flow needs.

SELECTED ANNUAL INFORMATION

The following are highlights of audited financial data of the Company for the most recently completed three financial years ended January 31:

	IFRS	IFRS	Canadian GAAP
	2012	**2011**	**2010**
Investment (losses) gains and revenues	**$(36,883,707)**	**$64,224,744**	**$37,036,888**
Net (loss) income for the year	**$(37,813,636)**	**$34,840,202**	**$21,614,993**
Basic (loss) income per share	**$(0.44)**	**$0.40**	**$0.24**
Diluted (loss) income per share	**$(0.44)**	**$0.37**	**$0.23**
Total assets	**$106,197,743**	**$168,294,702**	**$118,282,306**
Total liabilities	**$10,116,570**	**$31,980,093**	**$15,114,633**
Total non-current liabilities	**$7,874,000**	**$22,701,000**	**$12,984,000**
Working capital	**$81,829,779**	**$130,794,315**	**$76,583,745**
Total dividends declared and distributed	**$1,742,297**	**$-**	**$-**

QUARTERLY INFORMATION

The following is a summary of unaudited financial data for the most recently completed eight quarters:

(Tabular amounts in $000, except for per share amounts)

Summary Financial Information for the Eight Quarters Ended October 31, 2012

Period	Investment (losses) gains & revenues	Total assets	Net (loss) income	Basic and diluted (loss) income per share	Long-term liabilities
2013					
3rd Qtr	6,107	79,618	3,751	0.04	-
2nd Qtr	(6,978)	76,578	(10,142)	(0.12)	-
1st Qtr	(18,493)	84,376	(15,880)	(0.18)	2,630
2012					
4th Qtr	(16,190)	106,198	(17,572)	(0.20)	7,874
3rd Qtr	(8,483)	130,849	(8,716)	(0.10)	12,955
2nd Qtr	(9,155)	142,939	(7,640)	(0.09)	15,056
1st Qtr	(3,056)	156,268	(3,885)	(0.05)	19,052
2011					
4th Qtr	36,645	168,295	21,513	0.24	22,701

During the eight quarters listed above, the Company generated royalty and interest revenue from its Simmers and First Uranium royalty and Simmers loan which is tied to the price of gold, as previously discussed. The Company began making investments in pre-IPO and early stage public resource companies in the third quarter of 2008. These investments are fair valued with an unrealized gain or loss going through the statements of operations and comprehensive income. For the past four financial quarters in fiscal 2013 and 2012, the Company recorded realized and unrealized loss on its investment portfolio, with the exception of the second and third quarter of 2013. During the second quarter, the Company recorded a realized gain and unrealized loss on its investment portfolio. During the third quarter, the Company recorded an unrealized gain on its loans receivable.

OUTLOOK

After a healthy rebound in early Q3, the junior market turned sour again, this combined with negative company-specific news from Sulliden and Forbes Coal, two of our largest holdings, led to the unrealized loss for the nine months ended October 31, 2012. On a brighter note, shareholders of Bridgeport Ventures Inc. voted on November 30, 2012 to approve the RTO transaction with Premier Royalty Inc. As a result of the positive shareholder vote, the Company wrote up the carrying value of the of the convertible debenture resulting in an unrealized gain of $8.8 million on the position and net income of $3.8 million for the quarter.

NORMAL COURSE ISSUER BID ("NCIB")

On February 23, 2012, the Company announced its intention to make a NCIB, to buy back its common shares through the facilities of the Exchange. The maximum number of common shares that may be purchased for cancellation pursuant to the NCIB is that number of common shares that represents 10% of the common shares in the public float on the date that the Exchange approves the NCIB. Based on the 74,742,306 common shares in the public float as at February 22, 2012, the maximum number of shares was 7,474,230. The number of shares in the Company's public float is less than the 86,100,339 issued and outstanding Aberdeen common shares as of February 22, 2012, because the public float number does not include common shares held by Aberdeen insiders. Daily purchases were limited to 30,714 common shares other than block purchase exceptions. Purchases under the NCIB are permitted to commence on February 27, 2012 and will terminate on February 6, 2013 or the date upon which the maximum number of common shares have been purchased by Aberdeen pursuant to the NCIB. Aberdeen intends to cancel all shares acquired pursuant to the NCIB. Any purchases made pursuant to the NCIB will be made in accordance with the rules of the TSX and will be made at the market price of the common shares at the time of the acquisition. Aberdeen will make no purchases of common shares other than open market purchases that may be made during the period that the NCIB is outstanding.

During the nine months ended October 31, 2012, the Company purchased and cancelled 727,800 (2011 – 1,772,700) shares at an average price of $0.44 (2011 - $0.79) per share under the new NCIB.

COMMITMENT AND CONTINGENCIES

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $1,600,000 ranging from 30 days to 25 months and additional contingent payments of up to approximately $13,200,000 upon the occurrence of a change of control.

In assessing the probability of realizing income tax assets and the valuation of income tax liabilities, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers relevant tax planning opportunities that are within the Company's control, are feasible and within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

FINANCIAL INSTRUMENTS

Fair value

IFRS require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statements of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The Company has determined the carrying value of its financial instruments as follows:

i. The carrying value of cash, amounts receivable and accounts payable and accrued liabilities reflected on the statements of financial position approximate fair value because of the limited terms of these instruments.
ii. Loans, Simmer & Jack loan and investments are carried at amounts in accordance with the Company's accounting policy as set out in Note 3 of the annual audited financial statements for the year ended January 31, 2012.
iii. Prior to maturity, the outstanding loans receivable are carried at their discounted value. Following their maturity, loans receivable are carried at their estimate realizable value.

The following table illustrates the classification of the Company's financial instruments, measured at fair value on the statements of financial position as at October 31, 2012 and January 31, 2012 categorized into levels of the fair value hierarchy:

Investments, fair value	**Level 1** (Quoted Market price)	**Level 2** (Valuation technique- observable market Inputs)	**Level 3** (Valuation technique- non-observable market inputs)	Total
Publicly traded investments	$ 32,002,970	$ -	$ -	$ 32,002,970
Non-trading warrants on public investments	-	941,757	-	$ 941,757
Private investments, performance and preferred shares	-	-	15,911,281	$ 15,911,281
Convertible debenture	-	-	23,544,930	23,544,930
October 31, 2012	$ 32,002,970	$ 941,757	$ 39,456,211	$ 72,400,938
Publicly traded investments	$ 51,916,759	$ -	$ -	$ 51,916,759
Non-trading warrants on public investments	-	4,085,214	-	4,085,214
Private investments and performance shares	-	-	16,325,377	16,325,377
Convertible debenture	-	-	1,721,808	1,721,808
January 31, 2012	$ 51,916,759	$ 4,085,214	$ 18,047,185	$ 74,049,158

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 for the quarter ended October 31, 2012 and the year ended January 31, 2012. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized losses and net unrealized gains are recognized in the statements of operations and comprehensive income.

Investments, fair value	**Nine months ended October 31, 2012**	**Year ended January 31, 2012**
Balance, beginning of period	**$ 18,047,185**	$ 24,903,640
Net purchases	**2,307,628**	5,771,063
Disposal	**(100,000)**	(222,198)
Unrealized and realized loss, net	**(3,155,862)**	(11,123,935)
Transfer of investment from private to public, net	**(2,465,862)**	(3,003,193)
Preferred shares additions	**3,000,000**	-
Convertible debenture additions	**21,823,122**	1,721,808
Balance, end of period	**$ 39,456,211**	$ 18,047,185

TRANSACTIONS WITH RELATED PARTIES

The Company's officers and directors may have investments in and hold management and/or director and officer positions in some of the investments that the Company holds. The following is a list of the investments and the nature of the relationship of the Company's officers or directors with the investment as at October 31, 2012.

Investment	Nature of relationship	Estimated Fair value
Alder Resources Ltd.	Director (Pierre Pettgrew), officer (Ryan Ptolemy) and shareholders	$ 192,875
Belo Sun Mining Corp.**	Director (Stan Bharti), officers (Michael Hoffman, Ryan Ptolemy), and shareholders	2,723,985
Black Iron Inc.	Director (Pierre Pettigrew), officer (Stan Bharti) and shareholders	1,080,000
Brazil Potash Corp.*	Director (Stan Bharti), officer (Ryan Ptolemy) and shareholders	3,296,824
Castillian Resources Corp.	Director (Michael Hoffman) and shareholders	644,227
Dacha Strategic Metals Inc.	Directors (Stan Bharti, George Faught, Jean-Guy Lambert), Officer (Ryan Ptolemy) and shareholders	30,476
Goldstar Minerals Inc.***	Major shareholder (Stan Bharti) and shareholders	129,350
East Asia Minerals Ltd.	Director (David Stein) and shareholders	970,580
Forbes & Manhattan (Coal) Corp.	Directors (Stan Bharti, Bernard Wislon) and shareholders	1,391,374
Legacy Platinum Inc.*	Officer (Richard Bishop) and shareholders	1,557,500
Rodinia Lithium Inc.	Officer (Ryan Ptolemy) and shareholdrs	748,800
Sagres Energy Inc.	Advisor (Stan Bharti) and shareholders	521,903
Scandinavian Metals Inc.*	Director (Stan Bharti) and shareholders	569,069
Silver Bear Resources Inc.	Director (Stan Bharti) and shareholders	2,145,713
Sulliden Gold Corporation Ltd.	Directors (Stan Bharti,George Faught) and shareholders	14,566,886
Temujin Mining Corp.*	Directors (Stan Bharti, David Stein) and shareholders	2,136,281
Windamere Ventures Ltd.	Officer (Ryan Ptolemy) and shareholdrs	405,503
Total Investments		**$ 33,111,346**

* Private company

** Formerly Verena Minerals Corp.

*** Formerly Auger Resources Ltd.

In addition to the investments listed above, the Company also provided loans to companies which directors and officers are also directors and officers of Aberdeen. Directors and officers of Aberdeen may also hold investments in these companies. Below are transactions and balance outstanding at the end of each reporting period:

	Loans provided to related parties				Loans receivable from related parties as at	
	Three months ended October 31,		Nine months ended October 31,			
	2012	2011	2012	2011	October 31, 2012.	January 31, 2012
Legacy Platinum Corp.*	$ 35,723	$ 818,350	$ 434,883	$ 818,350	$ 1,312,547	$ 862,808
Sable Platinum Holidngs (Pty.) Ltd.	$ 200,000	$ -	$ 200,000	$ -	$ 200,000	$ -
Sagres Energy Inc.	$ 349,650	$ -	$ 349,650	$ -	$ 349,650	$ -
Scandinavian Metals Inc.	$ 60,622	$ -	$ 885,622	$ -	$ 1,774,622	$ 859,000
Temujin Mining Corp.	$ 157,059	$ 1,529,048	$ 1,241,902	$ 2,022,669	$ 1,228,359	$ -
United Silver Corp.	$ -	$ -	$ -	$ 1,000,000	$ -	$ -

* loan receivable included capitalized interest

In addition, the Company also earned financing advisory service fees from companies which directors and officers are also directors and officers of Aberdeen. Directors and officers of Aberdeen may also hold investments in these companies. Below are transactions and balance outstanding at the end of each reporting period:

	Advisory service fees earned from related parties				Advisory service fees due from related parties as at	
	Three months ended October 31,		Nine months ended October 31,			
	2012	2011	2012	2011	October 31, 2012	January 31, 2012
Castillian Resources Corp.	$ 45,000	$ -	$ 135,000	$ -	$ 75,000	$ -
Longford Energy Inc.	$ -	$ -	$ -	$ 41,370	$ -	$ -

The Company earned or accrued interest income and debt arrangement fees from the following companies. Below are transactions and balance outstanding at the end of each reporting period:

	Interest and dividends earned from related parties				Interest/dividend receivable from related parties as at	
	Three months ended October 31,		Nine months ended October 31,			
	2012	2011	2012	2011	October 31, 2012	January 31, 2012
Castillian Resources Corp.*	$ -	$ 12,602	$ -	$ 52,126	$ -	$ -
Legacy Platinum Corp.**	$ 32,882	$ 30,550	$ 87,545	$ 30,550	$ 46,042	$ 10,705
Rodinia Lithium Inc.	$ 68,055	$ -	$ 93,945	$ -	$ 93,945	$ -
Sable Platinum Holidngs (Pty.) Ltd.	$ 329	$ -	$ 329	$ -	$ 329	$ -
Sagres Energy Inc.	$ 766	$ -	$ 766	$ -	$ 766	$ -
Scandinavian Metals Inc.	$ 45,467	$ -	$ 111,201	$ -	$ 176,573	$ 65,372
Temujin Mining Corp.*	$ 29,982	$ 91,056	$ 54,137	$ 261,990	$ 54,098	$ -
Trevali Mining Corp.*	$ -	$ -	$ -	$ 44,767	$ -	$ -
Longford Energy Inc.	$ -	$ -	$ -	$ 3,630	$ -	$ -
United Silver Corp.	$ -	$ 23,178	$ -	$ 28,110	$ -	$ -

* interest and debt arrangement fees earned partially capitalized to loan receivable

** overdue interest was capitalized to loan receivable

During the period, the Company entered into the following transactions in the ordinary course of business with related parties.

	Sales of goods and services				Purchases of goods and services			
	Three months ended October 31,		Nine months ended October 31,		Three months ended October 31,		Nine months ended October 31,	
	2012	2011	2012	2011	2012	2011	2012	2011
Forbes & Manhattan, Inc.	$ 832	$ -	$ 19,271	$ 31,322	$ 87,049	$ 57,500	$ 227,299	$ 102,500
Other miscellaneous	$ -	$ -	$ 220	$ -	$ -	$ 2,775	$ -	$ 7,660
Legacy Platinum Corp.	$ -	$ 97,083	$ -	$ 97,083	$ -	$ -	$ -	$ -

The Company shares office space with other companies who may have similar officers or directors. The costs associated with this space are administered by an unrelated Company.

Mr. Stan Bharti, a director of the Company, is an officer of Forbes & Manhattan, Inc. An administration fee of $25,000 per month was charged by Forbes & Manhattan, Inc. pursuant to a consulting agreement.

The amounts outstanding are unsecured. No guarantees have been given or received. No expense has been recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

Compensation of Key Management Personnel of the Company

The remuneration of directors and other members of key management personnel during the period were as follows:

	Three months ended October 31,		Nine months ended October 31,	
	2012	2011	2012	2011
Short-term benefits*	$ 292,500	$ 266,235	$ 4,354,060	$ 759,059
Share-based payments	$ 3,780	$ 19,288	$ 431,650	$ 282,413

* Benefits include fees paid to Forbes & Manhattan

During the nine months ended October 31, 2012, a director of the Company exercised 900,000 options at $0.12 per share.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Note 3 to annual financial statements for the year ended January 31, 2012. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions which affect the amounts reported in the financial statements and accompanying notes. The following is a list of the accounting policies that the Company believes are critical, due to the degree of uncertainty regarding the estimates and assumptions involved and the magnitude of the asset, liability, revenue or expense being reported.

Investments

Purchases and sales of investments are recognized on a trade date basis. Investments at fair value through profit or loss are initially recognized at fair value.

At each financial reporting period, the Company's management estimates the fair value of its investments based on the criteria below and reflects such valuations in the financial statements.

Investments which are designated, based on management's intentions, as held-for-trading using the fair value option are reported at fair value. Transaction costs are expensed as incurred in the statements of comprehensive (loss) income. The determination of fair value requires judgment and is based on market information where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such changes in valuations in the statements of comprehensive (loss) income. The Company is also required to present its investments (and other financial assets and liabilities reported at fair value) into three hierarchy levels (Level 1, 2, or 3) based on the transparency of inputs used in measuring the fair value, and to provide additional disclosure in connection therewith. The 3 levels are defined as follows:

Level 1 – investment with quoted market price;
Level 2 – investment which valuation technique is based on observable market inputs; and
Level 3 – investment which valuation technique is based on non-observable market inputs.

Publicly-traded investments:

1. Securities, including shares, options, and warrants which are traded on a recognized securities exchange and for which no sales restrictions apply are recorded at fair values based on quoted closing prices at the statements of financial position date or the closing price on the last day the security traded if there were no trades at the statements of financial position date. These are included in Level 1 as disclosed in Note 13.

2. Securities which are traded on a recognized securities exchange but which are escrowed or otherwise restricted as to sale or transfer are recorded at amounts discounted from market value. Shares that are received as part of a private placement that are subject to a standard four-month hold period are not discounted. In determining the discount for such investments, the Company considers the nature and length of the restriction, business risk of the investee corporation, relative trading volume and price volatility and any other factors that may be relevant to the ongoing and realizable value of the investments. These are included in Level 2 in Note 13.

3. Warrants or options of publicly-traded securities which do not have a quoted price are carried at an estimated fair value calculated using the Black-Scholes option pricing model based on the underlying security. These are included in Level 2 as disclosed in Note 13.

4. Performance Shares are convertible into common shares if or when the investee companies meet certain milestones. These Performance Shares are recorded at fair value when the certainty of meeting these milestones is probable. These are included in Level 3 as disclosed in Note 13.

The amounts at which the Company's publicly-traded investments could be disposed of may differ from carrying values based on market quotes, as the value at which significant ownership positions are sold is often different than the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity. Such differences could be material.

Privately-held investments:

1. Securities in privately-held companies (other than options and warrants) are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements. Options and warrants of private companies are carried at nil. These are included in Level 3 as disclosed in Note 13.

2. An upward adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated, professional investor at a transaction price higher than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable. Such events include, without limitation:

    - political changes in a country in which the investee company operates which, for example, reduce the corporate tax burden, permit mining where, or to an extent that, it was not previously allowed, or reduce or eliminate the need for permitting or approvals;
    - receipt by the investee company of environmental, mining, aboriginal or similar approvals, which allow the investee company to proceed with its project(s);
    - filing by the investee company of a National Instrument 43-101 technical report in respect of a previously non-compliant resource;
    - release by the investee company of positive exploration results, which either proves or expands their resource prospects; and
    - important positive management changes by the investee company that the Company's management believes will have a very positive impact on the investee company's ability to achieve its objectives and build value for shareholders.

3. Downward adjustments to carrying values are made when there is evidence of a decline in value as indicated by the assessment of the financial condition of the investment based on third party financing, operational results, forecasts, and other developments since acquisition, or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable. Such events include, without limitation:

    - political changes in a country in which the investee company operates which increases the tax burden on companies, which prohibit mining where it was previously allowed, which increases the need for permitting or approvals, etc.;
    - denial of the investee company's application for environmental, mining, aboriginal or similar approvals which prohibit the investee company from proceeding with its projects;
    - the investee company releases negative exploration results;
    - changes to the management of the investee company take place which the Company believes will have a negative impact on the investee company's ability to achieve its objectives and build value for shareholders;
    - the investee company is placed into receivership or bankruptcy; and
    - based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern.

The resulting values may differ from values that would be realized had a ready market existed. The amounts at which the Company's privately-held investments could be disposed of may differ from the carrying value assigned. Such differences could be material.

Loans Receivable:

1. Secured debentures are carried at cost. The recoverability of the secured debentures is assessed when events occur indicating impairment. Recoverability is based on factors such as failure to pay interest on time and failure to pay the principal. An impairment loss is recognized in the period when it is determined that the carrying amount of the assets will not be recoverable. At that time the carrying amount is written down to fair value. Secured debentures are financial instruments classified as loans and receivables.

2. Convertible debentures and convertible notes issued to publicly traded companies are carried at the higher of the value of the loan or the fair value of the common shares or units receivable from the conversion assuming the conversion can be done at the Company's option. The conversion feature of convertible debentures and convertible notes issued to private companies are carried at nominal value. Convertible debentures and convertible notes are financial instruments classified as held for trading.

Financial assets other than investments at fair value

Financial assets which are managed to collect contractual cash flows made up of principal and interest are designated as at amortized cost. All other financial assets are designated as at fair value through profit or loss. All financial assets are recognized initially at fair value plus, in the case of financial assets designated at amortized cost, directly attributable transaction costs. Financial assets at amortized cost are measured at initial cost plus interest calculated using the effective interest rate method less cumulative repayments and cumulative impairment losses.

A financial asset is derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred substantially all the risks and rewards of the asset. The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. For amounts deemed to be impaired, the impairment provision is based upon the expected loss.

Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Financial assets are considered to be impaired if objective evidence indicates that a change in the market, economic or legal environment in which the Company invested has had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale investment is calculated by reference to its fair value.

Impairment losses are recognized in the statement of comprehensive (loss) income. For financial assets measured at amortized cost, any reversal of impairment is recognized in the statement of comprehensive (loss) income.

Revenue Recognition

Realized gains and losses on the disposal of investments and unrealized gains and losses in the value of investments are reflected in the statement of comprehensive (loss) income on a trade date basis and are calculated on an average cost basis. Upon disposal of an investment, previously recognized unrealized gains or losses are reversed, so as to recognize the full realized gain or loss in the period of disposition. All transaction costs are expensed as incurred. Dividend income is recorded on the ex-dividend date. Interest income and other income are recorded on an accrual basis. Deferred revenue is recognized over the period for which the revenue is earned.

The Company earns royalty income as well as interest income. Such revenue is recognized based on contractual obligations and when collection is reasonably assured.

Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to the translation gain or loss on the royalty division, recognized directly in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Stock-Based Payments

Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

Fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period in which options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. For options that expire unexercised, the recorded value is transferred to retained earnings.

SIGNIFICANT ACCOUNTING POLICIES

Except as disclosed below, the audited financial statements are prepared using the same accounting policies and methods of application as those disclosed in Note 3 to the Company's annual audited financial statements for the year ended January 31, 2012.

Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. Assets as such are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is consider highly probable.

Future accounting pronouncements

IFRS 9 *Financial Instruments* ("IFRS 9") was issued in November 2009 and contains requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. This standard is required to be applied for accounting periods beginning on or after January 1, 2013, with earlier adoption permitted. On December 16, 2011, the IASB deferred the mandatory effective date of IFRS 9 TO January 1, 2015. The amendments also provides relief from restating comparative information and requires disclosures (in IFRS7) to enable users of financial statements to understand the effect of applying IFRS. The Company has not yet determined the impact of the amendments to IFRS 9 on its financial statements.

IFRS 7 *Financial instruments - Disclosures* ("IFRS 7") was amended by the IASB in October 2010 and provides guidance on identifying transfers of financial assets and continuing involvement in transferred assets for disclosure purposes. The amendments introduce new disclosure requirements for transfers of financial assets including disclosures for financial assets that are not derecognized in their entirety, and for financial assets that are derecognized in their entirety but for which continuing involvement is retained. The amendments to IFRS 7 are effective for annual periods beginning on or after July 1, 2011. The Company has not yet determined the impact of the amendments to IFRS 7 on its financial statements.

IFRS 10 *Consolidated Financial Statements* ("IFRS 10") provides a single model to be applied in the control analysis for all investees, including entities that currently are special purpose entities in the scope of SIC 12. In addition, the consolidation procedures are carried forward substantially unmodified from IAS 27 *Consolidated and Separate Financial Statements*. This standard is effective for annual period beginning on or after January 1, 2013. Earlier application is permitted. The Company has not yet determined the impact of the amendments to IFRS 10 on its financial statements.

IFRS 11 *Joint Arrangements* ("IFRS 11") replaces the guidance in IAS 31 *Interests in Joint Ventures*. Under IFRS 11, joint arrangements are classified as either joint operations or joint ventures. IFRS 11 essentially carves out of previous jointly controlled entities, those arrangements which although structured through a separate vehicle, such separation is ineffective and the parties to the arrangement have rights to the assets and obligations for the liabilities and are accounted for as joint operations in a fashion consistent with jointly controlled assets/operations under IAS 31. In addition, under IFRS 11, joint ventures are stripped of the free choice of equity accounting or proportionate consolidation; these entities must now use the equity method.

Upon application of IFRS 11, entities which had previously accounted for joint ventures using proportionate consolidation shall collapse the proportionately consolidated net asset value (including any allocation of goodwill) into a single investment balance at the beginning of the earliest period presented. The investment's opening balance is tested for impairment in accordance with IAS 28 *Investments in Associates* and IAS 36 *Impairment of Assets*. Any impairment losses are recognized as an adjustment to opening retained earnings at the beginning of the earliest period presented. The Company intends to adopt IFRS 11 in its financial statements for the annual period beginning on January 1, 2013. The Company has not yet determined the impact of the amendments to IFRS 11 on its financial statements.

IFRS 12, *Disclosure of Interests in Other Entities,* establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. This standard is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet determined the impact of this standard on its financial statements.

IFRS 13 *Fair Value Measurement* converges IFRS and US GAAP on how to measure fair value and the related fair value disclosures. The new standard creates a single source of guidance for fair value measurements, where fair value is required or permitted under IFRS, by not changing how fair value is used but how it is measured. The focus will be on an exit price. IFRS 13 is effective for annual periods beginning on or after February 1, 2013, with early adoption permitted. The Company has not yet determined the impact of the amendments to IFRS 13 on its financial statements.

IAS 1 – *Presentation of Financial Statements* was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012. The Company has not yet determined the impact of the standard on its financial statements.

RISKS AND UNCERTAINTIES

The investment in pre-IPO and early stage public resource companies involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Certain risk factors listed below are related to investing in the resource industry in general while others are specific to Aberdeen. For an additional discussion of risk factors and other information please refer to the Company's Annual Information Form filed on April 25, 2012, under the profile of the Company at www.sedar.com.

Portfolio Exposure

Given the nature of Aberdeen's activities, the results of operations and financial condition of the Company are dependent upon the market value of the securities that comprise the Company's investment portfolio. Market value can be reflective of the actual or anticipated operating results of companies in the portfolio and/or the general market conditions that affect the resource sector. Various factors affecting the resource sector could have a negative impact on Aberdeen's portfolio of investments and thereby have an adverse effect on its business. Additionally, the Company's investments are mostly in small-cap businesses that may never mature or generate adequate returns or may require a number of years to do so. Junior exploration companies may never achieve commercial discoveries and production. This may create an irregular pattern in Aberdeen's investment gains and revenues (if any) and an investment in the Company's securities may only be suitable for investors who are prepared to hold their investment for a long period of time. Macro factors such as fluctuations in commodity prices and global political and economical conditions could have an adverse effect on the resource industry, thereby negatively affecting the Company's portfolio of investments. Company-specific risks, such as the risks associated with mining operations generally, could have an adverse effect on one or more of the investments in the portfolio at any point in time. Company-specific and industry-specific risks that materially adversely affect the Company's investment portfolio may have a materially adverse impact on operating results.

Dependence on Management, Directors and Investment Committee

Aberdeen is dependent upon the efforts, skill and business contacts of key members of management, for among other things, the information and deal flow they generate during the normal course of their activities and the synergies that exist amongst their various fields of expertise and knowledge. Accordingly, the Company's success may depend upon the continued service of these individuals who are not obligated to remain consultants to Aberdeen. The loss of the services of any of these individuals could have a material adverse effect on the Company's revenues, net income and cash flows and could harm its ability to maintain or grow existing assets and raise additional funds in the future.

Sensitivity to Macro-Economic Conditions

Due to the Company's focus on the resource industry, the success of Aberdeen's investments is interconnected to the strength of the mining, agriculture and other commodity industries. The Company may be adversely affected by the falling share prices of the securities of investee companies; as such share prices have directly and negatively affected the estimated value of Aberdeen's portfolio of investments. The Company may also be adversely affected by fluctuations in commodity prices which may dictate the prices at which resource companies can sell their product. The participation and involvement of Aberdeen representatives with investee companies, the related demand or their time and the capitals resources required of Aberdeen may be expected to increase in the event of any weaknesses in the macro-economic conditions affecting these companies, as it would be expected that the Company would be required to expend increased time and efforts incurring strategic alternatives and attracting any funding required for such investee companies. The factors affecting current macro-economic conditions are beyond the control of the Company.

Cash Flow and Revenue

Aberdeen's revenue and cash flow is generated primarily from financing activities and proceeds from the disposition of investments, in addition to royalty income earned from the Simmers royalty and First Uranium Royalties. The availability of these sources of income and the amounts generated from these sources are dependent upon various factors, many of which are outside of the Company's direct control. The Company's liquidity and operating results may be adversely affected if its access to the capital markets is hindered, whether as a result of a downturn in the market conditions generally or to matters specific to the Company, or if the value of its investments decline, resulting in losses upon disposition.

Private Issuers and Illiquid Securities

Aberdeen invests in securities of private issuers. Securities of private issuers may be subject to trading restrictions, including hold periods, and there may not be any market for such securities. These limitations may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers are subject to a relatively high degree of risk. There can be no assurance that a public market will develop for any of Aberdeen's private company investments, or that the Company will otherwise be able to realize a return on such investments.

The value attributed to securities of private issuers will be the cost thereof, subject to adjustment in limited circumstances, and therefore may not reflect the amount for which they can actually be sold. Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed for the investments.

Aberdeen also invests in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that the Company will be unable to realize its investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy. In some cases, the Company may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate.

The Company may also make direct investments in publicly-traded securities that have low trading volumes. Accordingly, it may be difficult to make trades in these securities without adversely affecting the price of such securities.

Possible Volatility of Stock Price

The market prices of the Company's Common Shares and warrants have been and may continue to be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions and other factors. Market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations may adversely affect the market price of the Common Shares and warrants. The purchase of Common Shares and warrants involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Securities of the Company should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company should not constitute a major portion of an investor's portfolio.

Trading Price of Common Shares Relative to Net Asset Value

Aberdeen is neither a mutual fund nor an investment fund and due to the nature of its business and investment strategy and the composition of its investment portfolio, the market price of its Common Shares, at any time, may vary significantly from the Company's net asset value per Common Share. This risk is separate and distinct from the risk that the market price of the Company's Common Shares may decrease.

Available Opportunities and Competition for Investments

The success of the Company's operations will depend upon: (i) the availability of appropriate investment opportunities; (ii) the Company's ability to identify, select, acquire, grow and exit those investments; and (iii) the Company's ability to generate funds for future investments. Aberdeen can expect to encounter competition from other entities having similar investment objectives, including institutional investors and strategic investors. These groups may compete for the same investments as Aberdeen, may be better capitalized, have more personnel, have a longer operating history and have different return targets. As a result, the Company may not be able to compete successfully for investments. In addition, competition for investments may lead to the price of such investments increasing that may further limit the Company's ability to generate desired returns. There can be no assurance that there will be a sufficient number of suitable investment opportunities available to invest in or that such investments can be made within a reasonable period of time. There can be no assurance that the Company will be able to identify suitable investment opportunities, acquire them at a reasonable cost or achieve an appropriate rate of return. Identifying attractive opportunities is difficult, highly competitive and involves a high degree of uncertainty. Potential returns from investments will be diminished to the extent that the Company is unable to find and make a sufficient number of investments.

Share Prices of Investments

Investments in securities of public companies are subject to volatility in the share prices of the companies. There can be no assurance that an active trading market for any of the subject shares is sustainable. The trading prices of the subject shares could be subject to wide fluctuations in response to various factors beyond Aberdeen's control, including, quarterly variations in the subject companies' results of operations, changes in earnings, results of exploration and development activities, estimates by analysts, conditions in the resource industry and general market or economic conditions. In recent years equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific companies. Such market fluctuations could adversely affect the market price of the Company's investments.

Concentration of Investments

Other than as described herein, there are no restrictions on the proportion of the Company's funds and no limit on the amount of funds that may be allocated to any particular investment. The Company may participate in a limited number of investments and, as a consequence, its financial results may be substantially adversely affected by the unfavourable performance of a single investment. Completion of one or more investments may result in a highly concentrated investment in a particular company, commodity or geographic area, resulting in the performance of the Company depending significantly on the performance of such company, commodity or geographic area.

Additional Financing Requirements

The Company anticipates ongoing requirements for funds to support its growth and may seek to obtain additional funds for these purposes through public or private equity, or debt financing. There are no assurances that additional funding will be available at all, on acceptable terms or at an acceptable level. Any additional equity financing may cause shareholders to experience dilution, and any debt financing would result in interest expense and possible restrictions on the Company's operations or ability to incur additional debt. Any limitations on the Company's ability to access the capital markets for additional funds could have a material adverse effect on its ability grow its investment portfolio.

No Guaranteed Return

There is no guarantee that an investment in the Company's securities will earn any positive return in the short term or long term. The task of identifying investment opportunities, monitoring such investments and realizing a significant return is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize a return on such investments successfully. In addition, past performance provides no assurance of future success.

Management of Aberdeen's Growth

Significant growth in the business, as a result of acquisitions or otherwise, could place a strain on the Company's managerial, operational and financial resources and information systems. Future operating results will depend on the ability of senior management to manage rapidly changing business conditions, and to implement and improve the Company's technical, administrative and financial controls and reporting systems. No assurance can be given that the Company will succeed in these efforts. The failure to effectively manage and improve these systems could increase costs, which could have a materially adverse effect the Company's operating results and overall performance.

Due Diligence

The due diligence process undertaken by the Company in connection with investments may not reveal all facts that may be relevant in connection with an investment. Before making investments, the Company conducts due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Company may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the Company relies on resources available, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that is carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

Exchange Rate Fluctuations

A significant portion of the Company's investment portfolio could be invested in US dollar denominated investments or other foreign currencies. Changes in the value of the foreign currencies in which the Company's investments are denominated could have a negative impact on the ultimate return on its investments and overall financial performance.

Non-controlling Interests

The Company's investments include debt instruments and equity securities of companies that it does not control. Such instruments and securities may be acquired through trading activities or through purchases of securities from the issuer. These investments are subject to the risk that the company in which the investment is made may make business, financial or management decisions with which Aberdeen does not agree or that the majority stakeholders or the management of the investee company may take risks or otherwise act in a manner that does not serve the company's interests. If any of the foregoing were to occur, the values of the Company's investments could decrease and its financial condition, results of operations and cash flow could suffer as a result.

SUBSEQUENT EVENT

NCIB

Subsequent to October 31, 2012, the Company purchased and cancelled 277,700 additional common shares at an average price of $0.32 per share. At December 6, 2012, a balance of 6,468,730 common shares remains available for purchase under the NCIB commencing February 23, 2012.

CHANGE OF MANAGEMENT

On June 4, 2012, the Company announced that David Stein, the current president and chief operating officer, has been appointed as the chief executive officer of the company. George Faught has resigned as chief executive officer, and has been appointed as the vice-chairman of the board of directors and will remain a director of the company. The company would like to congratulate Mr. Faught for his successful tenure as chief executive officer over the past seven years and thanks him for his continued support of the company as he transitions to his new role as vice-chairman.

TRANSACTION WITH DACHA STRATEGIC METALS INC. ("DACHA")

On October 15, 2012, the Company terminated the previously announced business combination agreement entered into between Aberdeen and Dacha made on August 15, 2012 as a result of failing the income test required by TSX. No break fees will be paid as result of the termination and each party will pay its respective expenses incurred in connection to the proposed business combination.

MULTILATERAL INSTRUMENT 52-109 DISCLOSURE

Evaluation of disclosure controls and procedures

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in annual filings, interim filings or other reports filed or submitted under provincial and territorial securities legislation, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

We have evaluated the effectiveness of our disclosure controls and procedures and have concluded, based on our evaluation that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

Internal controls over financial reporting

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO), together with other members of Management, have designed internal controls over financial reporting based on the Internal Control–Integrated Framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). These controls are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

We have not identified any changes to our internal control over financial reporting which would materially affect, or is reasonably likely to materially affect, our internal control over financial reporting.

The CEO and CFO, together with other members of Management, have evaluated the effectiveness of internal controls over financial reporting as defined by National Instrument 52-109, and have concluded, based on our evaluation that they are operating effectively as at October 31, 2012.

SUPPLEMENT TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

As at December 14, 2012, the following common shares, common share and purchase options were issued and outstanding:

- 85,994,602 common shares;
- 7,522,500 common share purchase options with exercise prices ranging from \$0.12 to \$0.87, expiring between August 11, 2013 and June 12, 2017.