CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended April 30, 2012 and 2011
(expressed in Canadian dollars)

UNAUDITED

ABERDEEN INTERNATIONAL INC.

Condensed Interim Statements of Financial Position
As at
(Unaudited)
(In Canadian dollars)

	Notes	April 30, 2012	January 31, 2012
		$	$
ASSETS			
Current			
Cash		**2,034,272**	7,372,118
Investments, at fair value through profit and loss	3	**55,501,269**	72,327,350
Amounts receivable	4, 6	**762,061**	1,762,134
Loans receivable	5	**3,983,312**	2,456,978
Prepaid expenses		**454,744**	153,769
Royalty interests on mineral properties, net	7	**21,622,707**	-
Total current assets		**84,358,365**	84,072,349
Long-term			
Royalty interests on mineral properties, net	7	**-**	22,101,813
Equipment, net		**17,686**	23,581
Total assets		**84,376,051**	106,197,743
LIABILITIES			
Current			
Securities sold short	3	**111,000**	-
Accounts payable and accrued liabilities	8	**1,493,175**	664,242
Income taxes payable		**964,616**	1,578,328
Total current liabilities		**2,568,791**	2,242,570
Long-term			
Deferred tax liability	9	**2,630,000**	7,874,000
Total liabilities		**5,198,791**	10,116,570
SHAREHOLDERS' EQUITY			
Share capital	10	**43,425,855**	43,311,233
Equity reserve	11	**20,284,279**	20,337,970
Total share capital and equity reserve		**63,710,134**	63,649,203
Retained earnings		**17,313,207**	34,062,645
Accumulated other comprehensive loss	7	**(1,846,081)**	(1,630,675)
Total shareholders' equity		**79,177,260**	96,081,173
Total liabilities and shareholders' equity		**84,376,051**	106,197,743
Commitments and contingencies	15		
Subsequent events	7,16		

Approved on behalf of the Board of Directors:

"Bernard Wilson" (signed)
Bernard Wilson, Director

"George Faught" (signed)
George Faught, Director

The accompanying notes are an integral part of the financial statements

ABERDEEN INTERNATIONAL INC.

Condensed Interim Statements of Comprehensive Loss
(Unaudited)

(In Canadian dollars)

	Notes	Three months ended April 30, 2012	2011
		$	$
Net investment gains (losses)			
Realized (loss) gain on investments, net		**(335,653)**	4,203,005
Unrealized (loss) on investments, net		**(18,845,112)**	(7,953,338)
Total investment (losses)		**(19,180,765)**	(3,750,333)
Other revenue			
Royalties	7	**559,503**	519,103
Interest income		**83,374**	175,497
Advisory service fees		**45,000**	-
Total other revenue		**687,877**	694,600
Expenses			
Operating, general and administration	11,12,14	**2,932,868**	1,250,717
Interest expenses		**639**	6,884
Provision for loan, interest and investment receivable	5	**-**	1,258,688
Depletion on royalty interests on mineral properties	7	**151,700**	161,096
Amortization		**5,895**	3,553
Total expenses		**3,091,102**	2,680,938
(Loss) before foreign exchange (loss)		**(21,583,990)**	(5,736,671)
Foreign exchange (loss)		**(41,874)**	(935,537)
(Loss) before income taxes		**(21,625,864)**	(6,672,208)
Income tax recovery	9	**5,745,713**	2,787,432
Net (loss) for the period		**(15,880,151)**	(3,884,776)
Other comprehensive loss			
Currency translation adjustment, net of taxes	7	**(215,406)**	(1,160,025)
Total comprehensive (loss) for the period		**(16,095,557)**	(5,044,801)
(Loss) per common shares based on (loss) for the period			
Basic		**(0.18)**	(0.04)
Diluted		**(0.18)**	(0.04)
Weighted average number of common shares outstanding			
Basic		**86,556,960**	86,577,870
Diluted		**86,556,960**	86,577,870

The accompanying notes are an integral part of the financial statements

ABERDEEN INTERNATIONAL INC.

Condensed Interim Statements of Cash Flows

(Unaudited)

(In Canadian dollars)

	Notes	Three months ended April 30,	
		2012	2011
		$	$
Cash flows from operating activities			
(Loss) before income taxes for the period		**(21,625,864)**	(6,672,208)
Income tax (paid)		**-**	(2,558,918)
Adjustments to reconcile net (loss) to cash used in operating activities:			
Realized loss (gain) on investments, net		**335,653**	(4,203,005)
Unrealized loss on investments, net		**18,845,112**	7,953,338
Provision for loan, interest and investment receivable	5	**-**	1,258,688
Depletion on royalty interests on mineral properties	7	**151,700**	161,096
Arrangement fee income		**-**	(10,200)
Share-based compensation	11	**11,166**	449,343
Amortization		**5,895**	3,553
Unrealized foreign exchange		**20,610**	819,586
		(2,255,728)	(2,798,727)
Adjustments for:			
Prepaid and other amounts receivable		**(33,054)**	(824,592)
Accounts payable and accrued liabilities		**942,012**	(78,001)
Net cash used in operating activities		**(1,346,770)**	(3,701,320)
Cash flows from financing activities			
Dividend paid	10	**(869,287)**	(867,141)
Shares repurchased and cancelled	10	**(58,235)**	(643,778)
Shares issued through options exercised		**108,000**	62,600
Net cash used in financing activities		**(819,522)**	(1,448,319)
Cash flows from investing activities			
Purchase of investments		**(3,925,272)**	(7,151,951)
Disposal of investments		**1,694,458**	6,089,132
Advanced for investment		**(400,000)**	(92,128)
Short-term loans provided		**(1,539,540)**	(318,154)
Short-term loans repaid		**998,800**	-
Net cash used in investing activities		**(3,171,554)**	(1,473,101)
CHANGE IN CASH		**(5,337,846)**	(6,622,740)
CASH, beginning of period		**7,372,118**	14,049,856
CASH, end of period		**2,034,272**	7,427,116
Supplemental cash flow information			
Interest paid		**639**	6,884

The accompanying notes are an integral part of the financial statements

ABERDEEN INTERNATIONAL INC.

Condensed Interim Statements of Changes in Equity

(In Canadian dollars)

	Number of shares	Common shares	Equity payment reserve	Treasury shares	Retained earnings	Accumulated other comprehensive loss	Total equity
	#	$	$	$	$	$	$
Balance - January 31, 2012	**86,100,139**	**43,311,233**	**20,337,970**	**-**	**34,062,645**	**(1,630,675)**	**96,081,173**
Repurchase of common shares	-	-	-	(58,235)	-	-	(58,235)
Cancellation of repurchased common shares	(101,900)	(51,158)	(7,077)	58,235	-	-	-
Options exercised	900,000	165,780	(57,780)	-	-	-	108,000
Share-based compensation expense	-	-	11,166	-	-	-	11,166
Dividend declared and paid	-	-	-	-	(869,287)	-	(869,287)
Net loss for the period	-	-	-	-	(15,880,151)	-	(15,880,151)
Currency translation adjustment	-	-	-	-	-	(215,406)	(215,406)
Balance - April 30, 2012	**86,898,239**	**43,425,855**	**20,284,279**	**-**	**17,313,207**	**(1,846,081)**	**79,177,260**
Balance - January 31, 2011	**86,677,339**	**43,600,623**	**20,818,067**	-	**73,618,578**	(1,722,659)	**136,314,609**
Repurchase of common shares	-	-	-	(643,778)	-	-	(643,778)
Cancellation of repurchased common shares	(712,700)	(358,358)	(58,497)	643,778	(226,923)	-	-
Options exercised	230,000	106,256	(43,656)	-	-	-	62,600
Share-based compensation expense	-	-	449,343	-	-	-	449,343
Dividend declared and paid	-	-	-	-	(867,141)	-	(867,141)
Net income for the period	-	-	-	-	(3,884,776)	-	(3,884,776)
Currency translation adjustment	-	-	-	-	-	(1,160,025)	(1,160,025)
Balance - April 30, 2011	**86,194,639**	**43,348,521**	**21,165,257**	**-**	**68,639,738**	**(2,882,684)**	**130,270,832**

The accompanying notes are an integral part of the financial statements

(Expressed in Canadian dollars unless otherwise noted)

1. Nature of operations

Aberdeen International Inc. ("Aberdeen", or the "Company") operates as a publicly traded global investment and merchant banking company focused on small capitalization companies in the resource sector. Aberdeen seeks to acquire equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high-quality resources. Aberdeen focuses on companies that: (i) are in need of managerial, technical and financial resources to realize their full potential; (ii) are undervalued in capital markets; or, (iii) operate in jurisdictions with low to moderate local political risk. The Company is a publicly listed company incorporated in the Province of Ontario. The Company's shares are listed on the Toronto Stock Exchange ("TSX"). The Company's head office is located at 65 Queen Street West, Suite 815, Toronto, Ontario M5H 2M5.

2. Basis of preparation

These condensed interim financial statements are unaudited and prepared on a condensed basis in accordance with the International Accounting Standards ("IAS") 34, *Interim Financial Reporting* issued by the International Accounting Standard Board. These condensed interim financial statements have been prepared in accordance with the accounting policies described in Note 3 of the Company's Annual Financial Statements as at and for the year ended January 31, 2012. Accordingly, these condensed interim statements for the three month periods ended April 30, 2012 and 2011 should be read together with the Annual Financial Statements as at and for the year ended January 31, 2012.

The financial statements have been prepared using the historical cost convention except for certain financial instruments which have been measured at fair value. All monetary references expressed in these notes are references to Canadian dollar amounts ("$").

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

These condensed interim financial statements of the Company were approved by the Board of Directors on June 12, 2012.

3. Investments at fair value through profit and loss

At April 30, 2012, the Company's investment portfolio consisted of 13 privately-held investments and 30 publicly-traded investments for a total fair value of $55,390,269 (net of securities sold short).

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	0.2%
Brazil Potash Corp.	(iii)	1,650,062 common shares	2,500,000	3,260,192	6.0%
Irati Energy Corp.		1,641,750 common shares	994,975	3,283,500	5.9%
Legacy Platinum Corp.	(ii,iii)	3,015,000 common shares	2,166,174	1,507,500	2.7%
Raven Minerals Corp.*	(ii)	1,600,000 common shares	400,000	720,000	1.3%
		800,000 warrants			
Scandinavian Metals Inc.	(ii,iii)	22,762,765 common shares	2,038,139	569,069	1.0%
Temujin Mining Corp.**	(ii,iii)	33,695,289 common shares	12,731,765	2,351,931	4.2%
		9,090,909 penalty shares B			
Total of 6 other investments	(iv)		865,400	1,110,635	2.0%
Total private investments			$ 22,696,453	$ 12,902,827	23.3%

* Warrants' expiry date extended to 12 months after Raven is publicly listed

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

(Expressed in Canadian dollars unless otherwise noted)

3. Investments at fair value through profit and loss (continued)

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Aguia Resources Ltd.*		3,438,659 common shares	$ 2,267,976	$ 922,875	1.7%
		277,393 options 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	1,328,385	2.4%
Alder Resources Ltd.	(iii)	2,500,000 common shares	250,000	499,875	0.9%
		1,250,000 warrants expire Feb 1, 2014			
Allana Potash Corp.		3,375,000 common shares	1,190,671	1,721,250	3.1%
Belo Sun Mining Corp.	(iii)	4,053,667 common shares	2,313,796	4,540,107	8.2%
Black Iron Inc.	(iii)	6,000,000 common shares	3,504,812	2,700,000	4.9%
Cap-Ex Ventures Limited		1,175,000 common shares			
		1,175,000 warrants expire Jan 13, 2014	998,750	1,290,503	2.3%
Castillian Resources Corp.	(iii)	18,374,000 common shares	2,969,075	837,968	1.5%
		2,273,000 warrants expire June 21, 2013			
Dacha Strategic Metals Inc.	(iii)	315,951 common shares	177,524	134,279	0.2%
Desert Eagle Resources Ltd.***		938,889 common shares	845,000	140,927	0.3%
		938,889 warrants expire Sep 15, 2013			
East Asia Minerals Corporation	(iiii)	4,000,000 common shares	1,990,180	1,467,320	2.6%
		3,600,000 warrants expire Dec 15, 2013			
Eurocontrol Technics Group Inc.	(iii)	1,333,333 warrants expire Sep 27, 2012	75,546	2,400	0.0%
Forbes & Manhattan (Coal) Corp.	(iii)	2,415,907 common shares	3,458,263	3,963,706	7.2%
		550,000 performance shares			
Kincora Copper Limited		6,739,058 common shares	1,684,765	1,415,202	2.6%
Longford Energy Inc.	(iii)	1,250,000 warrants expire Jun 8, 2013	55,250	15,750	0.0%
Pitchblack Resources Ltd.**	(ii)	2,180,303 common shares	410,988	352,818	0.6%
		3,030,303 warrants expire Oct 29, 2012			
Rodinia Lithium Inc.	(iii)	3,978,333 common shares	1,831,925	838,533	1.5%
		416,667 warrants expire Sep 10, 2012			
Sagres Energy Inc.	(iii)	21,428,500 common shares	1,697,242	766,188	1.4%
		16,666,667 warrants expire Sep 9, 2013			
Silver Bear Resources Inc.	(iii)	1,674,230 common shares	1,339,384	937,569	1.7%
Sulliden Gold Corporation Ltd.	(iii)	15,904,572 common shares	12,109,150	17,017,892	30.7%
Vast Exploration Inc.	(iii)	9,437,000 common shares	760,406	377,480	0.7%
Total of 9 other investments	(iv)		1,954,258	1,216,415	2.2%
Total public investments			$ 42,351,061	$ 42,487,442	76.7%
Total investments			$ 65,047,514	$ 55,390,269	100.0%
Reconciliation:					
Investments held as financial assets			$ 65,179,514	$ 55,501,269	
Investments held as financial liabilities			$ (132,000)	$ (111,000)	
			$ 65,047,514	$ 55,390,269	

* Formerly Newport Mining Ltd.,
**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 April 30, 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 April 30, 2012. Directors and officers may hold investments personally.

(Expressed in Canadian dollars unless otherwise noted)

3. Investments at fair value through profit and loss (continued)

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' expiry date extended to 12 months after Raven is publicly listed

** 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 options 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	0.023
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	(iiii)	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 27, 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			

(Expressed in Canadian dollars unless otherwise noted)

3. Investments at fair value through profit and loss (continued)

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Largo Resources Ltd.	(iii)	2,063,333 common shares	285,413	598,367	0.8%
Longford Energy Inc.	(iii)	1,250,000 warrants expire Jun 8, 2013	55,250	48,250	0.1%
Pitchblack Resources Ltd.***	(ii)	2,180,303 common shares	410,988	342,220	0.5%
		3,030,303 warrants expire Oct 29, 2012			
Rodinia Lithium Inc.	(iii)	3,978,333 common shares	1,831,925	843,992	1.2%
		416,667 warrants 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 warrants 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 Newport Mining Ltd.,

** Formerly Verena Minerals Corp., 3,000,000 warrants 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.

4. Amounts receivable

		April 30, 2012		January 31, 2012
Simmers settlement (Note 6)	$	-	$	1,002,800
Interest receivable		**187,397**		135,964
Royalty receivable (Notes 6,7)		**155,573**		181,960
Investment settlement receivable		**273,683**		394,259
Recoverable expenses		**108,414**		-
Other receivable		**36,994**		47,151
	$	**762,061**	$	1,762,134

5. Loans receivable

	Nature of debt		**April 30, 2012**		January 31, 2012
Desert Eagle Resources Ltd.*	Unsecured	**$**	**918,702**		635,170
Legacy Platinum Corp.	Convertible		**1,250,142**		862,808
Pitchblack Resources Ltd.	Unsecured		**104,027**		100,000
Scandinavian Metals Inc.	Convertible		**1,329,000**		859,000
Temujin Mining Corp.	Convertible		**381,441**		-
		$	**3,983,312**	$	2,456,978

* Formerly Garrison International Ltd.

5. Loans receivable (continued)

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), repayable 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 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. These warrants expired unexercised. 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 ranked *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 brought 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, whereby loans will be provided to Temujin 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 loan is 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 interest 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 three months ended April 30, 2012, the Company loaned an additional $381,441 to Temujin. As of April 30, 2012, the loan principal and accrued interest totaling $385,210 remained outstanding. A director and an officer of Aberdeen, Stan Bharti and David Stein, respectively, serve as directors of Temujin.

Legacy Platinum Corp.

On June 10, 2011, the Company entered into a loan agreement with Legacy Platinum Corp. ("Legacy"). The Company loaned Legacy $320,000 (the "First Loan"), which was due and payable on June 10, 2012. The loan is unsecured and earns 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 equal the total value of the principal 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 is due and payable on June 21, 2012. This loan is unsecured and carries the same terms and conditions 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 April 30, 2012, the loan principal and accrued interest totaling $1,282,923 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.

5. Loans receivable (continued)

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 becomes due and payable on December 31, 2012. The loan is unsecured and earns 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 three months ended April 30, 2012, the Company loaned an additional $470,000 to SMI. As of April 30, 2012, the loan principal and accrued interest totaling $1,421,782 remained outstanding.

A director of Aberdeen, Stan Bharti, also serves as a director of SMI.

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 will mature and becomes 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 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 loan agreement with Desert Eagle, whereby loans will be provided to Desert Eagle from time to time at the sole discretion of the Company. The principal of the loan will mature, and becomes due and payable on December 31, 2012. Interest is calculated and payable semi-annually at the rate of 10% per annum. As of January 31, 2012, an amount of $670,791 consisting of $635,171 in principal and $35,620 in accrued and unpaid interest was owed to the Company.

During the three months ended April 30, 2012, the Company loaned an additional $283,532 to Desert Eagle. As of April 30, 2012, the loan principal and accrued interest, net of provision, totaling $975,057 remained outstanding.

Pitchblack Resources Ltd. (formerly Cash Minerals Ltd.)

On October 7, 2011, Pitchblack issued a promissory note to the Company for $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 June 30, 2012 and capitalized $4,027 of unpaid accrued interest to the principal. As of April 30, 2012, loan principal plus accrued interest totaling $105,737 remained outstanding.

5. Loans receivable (continued)

China Railway Mining Corp.

On April 12, 2010, the Company entered into an agreement with Forbes & Manhattan, Inc. ("Forbes") to acquire 50% of the convertible debenture issued by China Railway Mining Corp ("China Railway") on March 9, 2009 to Forbes in return for a cash payment to Forbes in the amount of US$1,250,000. In addition, as return for the consideration, the Company received (a) 40,000 common shares of China Railway which represented 40% of the common shares that were issued and outstanding; and (b) 80,000 warrants of China Railway that were issued, which expired unexercised on December 15, 2010. The loan was convertible at the option of the lender on or before November 30, 2010 for common shares of Crystallex International Corporation ("Crystallex") at a price equal to the greater of $0.20 per share or 95% of the 5 day volume weighted average trading price of the common shares ending on the date of conversion.

The principal of the debenture plus interest of 6% per annum was repayable on December 31, 2010. On December 31, 2010, China Railway did not repay the loan and interest owed. In February 2011, the Company issued a demand letter to China Railway requesting repayment of the principal plus interest in full. The Company also made a provision for the loan and interest receivable totaling $1,258,688 in April 2011. The Company is currently pursuing the collection of the loan.

6. Loan - Simmer & Jack (acquired by Village Main Reef Limited)

During the fourth quarter of fiscal 2006, the Company loaned US$10,000,000 to Simmer and Jack Mines, Limited ("Simmers"). The loan had a three-year term maturing December 31, 2008, a 3% coupon at gold prices up to US$400 per ounce (5% at gold prices above US$400 per ounce) and a net smelter royalty ("NSR") tied to the price of gold, ranging from a 0.5% NSR at US$300 per ounce to a 4.75% NSR at gold prices of US$750 per ounce or higher, on a graduated scale. The NSR was payable against gold produced from Simmers' northwest assets and included First Uranium Corporation's ("First Uranium") Mine Waste Solutions tailings recovery operation.

The loan also had an option that allowed Aberdeen to call for its conversion into equity of Simmers at ZAR 0.80 per share at any time from January 1, 2007 to December 31, 2008, subject to Simmers' shareholders' approval. On October 16, 2008, the Company called for conversion to equity and a shareholder vote was held on February 16, 2009, whereby the Simmers' shareholders voted against the conversion as unanimously recommended by Simmers' board of directors. As a result, it was Aberdeen's position that the US$10,000,000 loan was due, as of its maturity date of December 31, 2008, and Aberdeen was entitled to a 1% NSR on the gold produced on the underlying assets starting October 16, 2008. However, it was Simmers' position that the request for conversion into equity has caused the loan facility to terminate, ending the remaining graduated royalty payment and forfeiting repayment of the US$10,000,000 principal and remaining interest payments. Accordingly, Simmers' management contended that the shareholder vote to deny the conversion request had resulted in Aberdeen receiving only the 1% NSR, but not the US$10,000,000 loan principal.

On June 27, 2011, Simmers was acquired by Village Main Reef Limited ("Village Main Reef").

On October 8, 2011, through arbitration, a settlement agreement was reached for the outstanding claim of US$10,000,000 loan principal and balance payable on the graduated gold royalty from the fourth quarter of calendar 2008. Village Main Reef has agreed to pay Aberdeen an amount of US$9,000,000 in cash and will continue to pay Aberdeen in perpetuity, the 1% NSR on the gold produced from the Buffelsfontein mine. Accordingly, the Company recognized a loss of $2,399,198 on the settlement during the year ended January 31, 2012.

The US$9,000,000 was received in installments as follows:

- US$4,000,000 - October 10, 2011 (received $3,986,800)
- US$1,000,000 plus interest of 10% per annum on remaining balance – October 25, 2011 (received $1,017,180)
- US$1,000,000 plus interest of 10% per annum on remaining balance – November 25, 2011 (received $1,071,191)
- US$1,000,000 plus interest of 10% per annum on remaining balance – December 25, 2011 (received $1,038,357)
- US$1,000,000 plus interest of 10% per annum on remaining balance – January 25, 2012 (received $1,022,327)
- US$1,000,000 plus interest of 10% per annum on remaining balance – February 25, 2012 (received $1,019,775)

Village Main Reef has provided a corporate guarantee in respect of Aberdeen's continuing 1% NSR.

(Expressed in Canadian dollars unless otherwise noted)

7. Royalty interests on mineral properties

The following tables summarize the Company's royalty interests as at April 30, 2012 and January 31, 2012:

Village Main Reef, Limited [1]	Cost	Accumulated Depletion	Impairment	Net
Balance, January 31, 2011	$ 22,895,929	$ (791,189)	$ (3,904,772)	$ 18,199,968
Depletion / impairment	-	(185,430)	(3,556,398)	(3,741,828)
CTA adjustment	23,625	(2,476)	-	21,149
Balance, January 31, 2012	22,919,554	(979,095)	(7,461,170)	14,479,289
Depletion / impairment	-	(35,292)	-	(35,292)
CTA adjustment	(215,139)	230	-	(214,909)
Balance, April 30, 2012	$ 22,704,415	$ (1,014,157)	$ (7,461,170)	$ 14,229,088

First Uranium Corporation	Cost	Accumulated Depletion	Impairment	Net
Balance, January 31, 2011	$ 10,684,790	$ (701,258)	$ -	$ 9,983,532
Depletion / impairment	-	(496,601)	(1,872,242)	(2,368,843)
CTA adjustment	12,959	(5,124)	-	7,835
Balance, January 31, 2012	10,697,749	(1,202,983)	(1,872,242)	7,622,524
Depletion / impairment	-	(116,408)	-	(116,408)
CTA adjustment	(113,258)	761	-	(112,497)
Balance, April 30, 2012	$ 10,584,491	$ (1,318,630)	$ (1,872,242)	$ 7,393,619

[1] Formerly Simmer and Jack Mines, Limited

Royalty Interests	Cost	Accumulated Depletion	Impairment	Net
Village Main Reef, Limited (1)	$ 22,919,554	$ (979,095)	$ (7,461,170)	$ 14,479,289
First Uranium Corporation	10,697,749	(1,202,983)	(1,872,242)	7,622,524
Total as of January 31, 2012	$ 33,617,303	$ (2,182,078)	$ (9,333,412)	$ 22,101,813
Village Main Reef, Limited [1]	$ 22,704,415	$ (1,014,157)	$ (7,461,170)	$ 14,229,088
First Uranium Corporation	10,584,491	(1,318,630)	(1,872,242)	7,393,619
Total as of April 30, 2012	$ 33,288,906	$ (2,332,787)	$ (9,333,412)	$ 21,622,707

The Company owns a 1% NSR royalty interest on gold production from Simmers' producing Northwest assets and on First Uranium's Mine Waste Solutions tailings recovery operation. The Company received both the Simmers and First Uranium royalties as a result of the Simmers' shareholder February 16, 2009 vote against the conversion of the US$10,000,000 loan outstanding as more fully described above in Note 6, "Loan - Simmer & Jack (acquired by Village Main Reef Limited). Prior to the vote to deny the conversion of the loan into shares of Simmers, the Company had carried the convertible loan on its statements of financial position at its estimated fair market value based on a discounted cash flow analysis. Following the vote to deny conversion, the Company began accounting for the resulting 1% NSR royalties as tangible assets with the carrying value being the estimated fair market value of the royalty portion on February 16, 2009. The fair value was estimated using the following assumptions: 1) life of mines and gold production estimates as per Simmers and First Uranium; 2) US$850 gold price through fiscal 2012, and US$700 thereafter; and, 3) discount rate ranging from 2.5% to 5%. The carrying values of the royalty interests are depleted using the unit-of-production method over the life of the property to which the royalty interest relates.

The functional currency of the Company's royalty interests on mineral properties division is the US dollar. During the three months ended April 30, 2012, a translation adjustment loss of $327,406 (net of tax $215,406); three months ended April 30, 2011 – loss of $1,546,026 (net of tax $1,160,025) was recorded.

(Expressed in Canadian dollars unless otherwise noted)

7. Royalty interests on mineral properties (continued)

On May 31, 2012, the Company closed the previously announced sale of its Village Main Reef, Limited's and First Uranium Corporation's royalties to Premier Royalty Corporation ("Premier Royalty"), an Ontario company, wholly-owned by Premier Gold Mines Limited (TSX:PG) ("Premier").

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 payable 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 and 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 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.

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.

The Company wrote-down the carrying value of the royalty interests by $5.4 million at January 31, 2012 in anticipation of the sale of its royalty interests. At April 30, 2012, the royalty interests have been presented as held for sale under current assets following the signing of the agreement with Premier Royalty on April 24, 2012. Upon the close of the sale of the royalty interests on May 31, 2012, the Company's royalty division, which functional currency is the USD, ceased to exist. The Company recognized the accumulated currency translation loss of the disposed royalty interests in the statement of comprehensive (loss), as part of the gain or loss on the sale.

8. Accounts payable and accrued liabilities

		April 30, 2012		January 31, 2012
Trade payables	**$**	**45,020**	$	137,327
Investment settlement payable		**-**		120,473
Payroll liabilities		**35,518**		2,933
Accrued expenses		**1,412,637**		403,509
	$	**1,493,175**	$	664,242

(Expressed in Canadian dollars unless otherwise noted)

9. Income taxes

Significant component of income tax benefit (expense)

		April 30, 2012	April 30, 2011
Current tax recovery (expense)	$	613,713	(475,568)
Deferred tax benefit		5,132,000	3,263,000
	$	5,745,713	2,787,432

Provision for income taxes

The following are major items causing the Company's income tax rate to differ from the Canadian combined federal and provincial statutory rate of approximately 26% (2012 - 28%) during the year ended:

		April 30, 2012	April 30, 2011
(Loss) before income taxes	$	(21,625,864)	(6,672,208)
Expected income tax recovery	$	(5,668,000)	(1,874,000)
Adjustments to benefit resulting from:			
Share-based compensation		3,000	126,000
Net realized gain on foreign exchange		68,000	14,000
Change in expected tax rate		507,530	(949,267)
Other		(656,243)	(104,165)
Provision for income tax (recovery)	$	(5,745,713)	(2,787,432)

Deferred taxes as at:

		April 30, 2012		January 31, 2012
Deferred taxes				
Investments		3,046,000		(2,438,000)
Royalty interest in mineral properties		(5,667,000)		(5,525,000)
Simmers Loan		-		44,000
Resource properties		93,000		97,000
Other		(102,000)		(52,000)
Deferred tax liability	$	(2,630,000)	$	(7,874,000)

(Expressed in Canadian dollars unless otherwise noted)

10. Share capital

Authorized: Unlimited common shares with no par value

Common shares

Issued and outstanding common shares	Number of shares		Amount
Balance, January 31, 2011	**86,677,339**	**$**	**43,600,623**
Shares issued on exercise of options	1,967,500		610,974
Option valuation on options exercised	-		379,651
Shares repurchased and cancelled (NCIB)	(2,544,700)		(1,280,015)
Balance, January 31, 2012	**86,100,139**	**$**	**43,311,233**
Shares issued on exercise of options	900,000		108,000
Option valuation on options exercised	-		57,780
Shares repurchased and cancelled (NCIB)	(101,900)		(51,158)
Balance, April 30, 2012	**86,898,239**	**$**	**43,425,855**

Dividends

On March 12, 2012, the Company declared and paid its semi-annual dividend payment of $0.01 to shareholders of record as of the close of business on March 16, 2012 on March 30, 2012. This is the first of two semi-annual payments previously announced as part of the Company's annual dividend policy of $0.02 per common share.

During the three months ended April 30, 2012, 86,928,739 (2011 - 86,780,739) shares were recorded for the first semi-annual dividend and dividend payment of $869,287 (2011 - $867,141) were paid to shareholders.

Normal course issuer bid ("NCIB")

On February 8, 2011, the Company instituted a NCIB, in respect of its common shares. Pursuant to the terms of the NCIB, and in accordance with the policies of the TSX, during the period commencing February 9, 2011 and ending on February 8, 2012, the Company could purchase up to 7,442,350 representing 10% of the common shares in the public float as at February 4, 2011. Daily purchases were limited to 66,652 common shares other than block purchase exceptions. Purchases were made in open market transactions through the facilities of the TSX and on other published markets at market prices prevailing at the time of acquisition. All common shares purchased under the NCIB were cancelled.

During the year ended January 31, 2012, the Company purchased and cancelled 2,544,700 common shares at an average price of $0.75 per share under the NCIB approved by the TSX.

On February 23, 2012, the Company instituted a NCIB, in respect of its common shares. Pursuant to the terms of the NCIB, and in accordance with the policies of the TSX, during the period commencing February 27, 2012 and ending on February 26, 2013, the Company may purchase up to 7,474,230 representing 10% of the common shares in the public float as at February 22, 2012. Daily purchases will be limited to 30,714 common shares other than block purchase exceptions. Purchases will be made in open market transactions through the facilities of the TSX and on other published markets at market prices prevailing at the time of acquisition. All common shares purchased under the NCIB will be cancelled.

During the three months ended April 30, 2012, the Company purchased and cancelled 101,900 (2011 – 712,700) common shares at an average price of $0.57 (2011 - $0.90) per share under the new NCIB.

(Expressed in Canadian dollars unless otherwise noted)

11. Equity reserve

	Number of warrants	Weighted average exercise price	**Value of warrants**	Number of options	Weighted average exercise price	**Value of options**	**Treasury shares adjustment**	**Total Value**
January 31, 2011	37,500,000	$ 1.00	**$15,750,000**	7,795,000	$ 0.33	**$ 1,510,042**	**$ 3,558,025**	**$20,818,067**
Granted	-	-	**-**	1,045,000	0.85	**524,098**	-	**524,098**
Options vested			**-**	-	-	**(6,509)**	-	**(6,509)**
Exercised	-	-	**-**	(1,967,500)	0.31	**(379,651)**	-	**(379,651)**
NCIB allocation	-	-	**-**	-	-	**-**	**(618,035)**	**(618,035)**
January 31, 2012	37,500,000	$ 1.00	**$15,750,000**	6,872,500	$ 0.41	**$ 1,647,980**	**$ 2,939,990**	**$20,337,970**
Options vested			**-**	-	-	**11,166**	-	**11,166**
Exercised	-	-	**-**	(900,000)	0.12	**(57,780)**	-	**(57,780)**
NCIB allocation	-	-	**-**	-	-	**-**	**(7,077)**	**(7,077)**
April 30, 2012	37,500,000	$ 1.00	**$15,750,000**	5,972,500	$ 0.46	**$ 1,601,366**	**$ 2,932,913**	**$20,284,279**

Warrants

No. outstanding	No. exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Expected Volatility	Risk-free Rate	Expected Life (years)	Expected Dividend Yield
37,500,000	37,500,000	27-Jul-07	6-Jun-12	$ 1.00	$ 15,750,000	92%	4.50%	5.00	0%

Employee share option plan

The Company has adopted a stock option plan (the "Plan"). Pursuant to the Plan, the Company may grant stock options to acquire up to 10% of the number of issued and outstanding common shares of the Company. The Plan provides that the Company cannot grant stock options to any one person representing more than 5% of the outstanding common shares of the Company. Directors, officers, employees and certain consultants are eligible to receive stock options under the Plan in accordance with the terms and conditions determined by the Board, upon the recommendations of the Compensation Committee. Vesting terms will be determined at the discretion of the Board. The Board also determines the term of stock options granted under the Plan, provided that no stock option shall be outstanding for a period greater than five years.

During the three months ended April 30, 2012, Nil options (2011 – 845,000) were granted to certain directors, officers and employees of the Company with a weighted-average grant date fair value of $Nil (2011 - $0.52) per option. The options granted in 2011 vested immediately. Share based compensation expense of $11,166 (2011 - $449,343) relating to these options and others that vested during the three months ended April 30, 2012 and 2011 was recorded in operating, general and administration fees. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, expected forfeiture rate, and behavioral considerations. Expected volatility is based on the historical share price volatility over the expected life of the option. The expected life of the options was calculated based on the history of options exercised.

(Expressed in Canadian dollars unless otherwise noted)

11. Equity reserve (continued)

Employee share option plan (continued)

The following share-based payment arrangements were in existence as at April 30, 2012:

No. outstanding	No. exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Expected Volatility	Risk-free Rate	Expected Life (years)	Expected Dividend Yield
900,000	900,000	4-Oct-07	4-Oct-12	$ 0.80	$ 437,400	89%	4.50%	5.00	0%
100,000	100,000	11-Aug-08	11-Aug-13	$ 0.48	$ 30,640	83%	3.11%	5.00	0%
50,000	50,000	5-Sep-08	5-Sep-13	$ 0.35	$ 11,890	84%	3.00%	5.00	0%
200,000	200,000	1-Oct-08	1-Oct-13	$ 0.29	$ 39,400	74%	2.04%	5.00	0%
2,080,000	2,080,000	14-Jan-09	14-Jan-14	$ 0.12	$ 133,536	68%	1.52%	5.00	0%
62,500	62,500	1-Feb-10	1-Feb-15	$ 0.47	$ 19,000	79%	2.47%	5.00	0%
50,000	50,000	23-Feb-10	23-Feb-15	$ 0.45	$ 13,320	70%	2.51%	5.00	0%
1,185,000	1,185,000	25-Feb-10	25-Feb-15	$ 0.43	$ 311,537	70%	2.49%	5.00	0%
100,000	87,500	5-Oct-10	5-Oct-15	$ 0.48	$ 25,650	64%	2.00%	5.00	0%
200,000	200,000	30-Nov-10	30-Nov-15	$ 0.64	$ 70,880	64%	2.35%	5.00	0%
845,000	845,000	20-Apr-11	20-Apr-16	$ 0.87	$ 438,978	70%	2.65%	5.00	0%
200,000	100,000	30-Jun-11	30-Jun-16	$ 0.79	$ 85,120	63%	2.30%	5.00	0%
5,972,500	5,860,000				$ 1,617,351				

The weighted average exercise price of stock options outstanding and exercisable as at April 30, 2012 was $0.45 (April 30, 2011 - $0.39). The weighted average remaining contractual life of options outstanding and exercisable as at April 30, 2012 was 2.20 years (April 30, 2011 – 3.17 years).

12. Expenses by nature

Included in operating, general and administrative expenses for the three months ended April 30, were:

	Three months ended April 30 **2012**	2011
Salaries, consulting, benefits and bonus	**$ 2,508,225**	$ 322,946
Stock options granted to directors, officers, employees and consultants	**11,166**	449,343
Legal, accounting and professional fees	**57,062**	40,814
Filing and transfer agent fees	**34,862**	33,224
Shareholders communication and promotion	**40,284**	63,165
Travel	**70,230**	67,858
General office and administration costs	**36,516**	77,304
Charitable donation	**25,000**	-
Unrecoverable GST/HST	**149,523**	196,063
	$ 2,932,868	$ 1,250,717

(Expressed in Canadian dollars unless otherwise noted)

13. Financial instruments

Financial assets and financial liabilities as at April 30, 2012 and January 31, 2012 were as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit or loss	TOTAL
April 30, 2012			
Cash	$ 2,034,272	$ -	$ 2,034,272
Investments	-	55,501,269	55,501,269
Amounts receivables	762,061	-	762,061
Loans receivable	1,022,729	2,960,583	3,983,312
Securities sold short		(111,000)	(111,000)
Accounts payable and accrued liabilities	(1,493,175)	-	(1,493,175)
January 31, 2012			
Cash	$ 7,372,118	$ -	$ 7,372,118
Investments	-	72,327,350	72,327,350
Amounts receivables	1,762,134	-	1,762,134
Loans receivable	735,170	1,721,808	2,456,978
Accounts payable and accrued liabilities	(664,242)	-	(664,242)

Aberdeen's operations involve the purchase and sale of securities and in addition, the Company has loans receivable outstanding. Accordingly, the majority of the Company's assets are currently comprised of financial instruments which can expose it to several risks, including market, liquidity, interest rate, credit and currency risks. There have been no significant changes in the risks, objectives, policies and procedures from the previous year. A discussion of the Company's use of financial instruments and their associated risks is provided below:

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favorable prices. In addition, most of the Company's investments are in the resource sector. The Company mitigates this risk by attempting to have a portfolio which is not singularly exposed to any one issuer, with exception to the Company having one position as at April 30, 2012, which made up of approximately 31% (January 31, 2012 – 35%) of the portfolio.

For the three months ended April 30, 2012, a 10% decrease in the closing prices of its portfolio investments would result in an estimated increase in net loss of $4.1 million, or $0.05 per share (January 31, 2012 - $5.1 million, or $0.06 per share). This estimated impact on the statement of comprehensive (loss) includes the estimated value of the non-traded warrants held, as determined using the Black-Scholes option pricing model.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company's investments declines, resulting in losses upon disposition. In addition, some of the investments the Company holds are lightly traded public corporations or not publicly traded and may not be easily liquidated. The Company generates cash flow from its royalty interests, interest on loans receivable, financing activities and proceeds from the disposition of its investments, in addition to interest income and advisory service fees. On May 31, 2012, the Company received $11.5 million cash from the proceeds of sale of its royalty interest. As the Company currently has no debt, Aberdeen believes that it has sufficient marketable securities which are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions.

13. Financial instruments (continued)

Credit risk

Credit risk is the risk associated with the inability of a third party to fulfill its payment obligations. The Company is exposed to the risk that third parties that owe it money or securities will not perform their underlying obligations. Security was obtained against specific assets of the counterparty, in case of non-performance. The total carrying value of these financial instruments at April 30, 2012 was $4,747,373 (January 31, 2012 - $4,219,112).

As at April 30, 2012 and January 31, 2012, the Company had a provision of $1,258,688 against the outstanding loans and interest receivable from China Railway Mining Corp.

As at April 30, 2012 and January 31, 2012, the Company had a total provision of $1,072,866 against the outstanding loans and interest receivable from Desert Eagle and Amazon Potash.

As at April 30, 2012 and January 31, 2012, the Company had a total provision of $537,962 and $685,152 respectively against recoverable investment pool expenses.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's operations are exposed to foreign exchange fluctuations, which could have a significant adverse effect on its results of operations from time to time. The Company currently has financial instruments denominated in U.S. dollars, Australian dollars and South African Rand.

A change in the foreign exchange rate of the Canadian dollar versus another currency may change the value of its financial instruments.

The following assets and liabilities were denominated in foreign currencies as of April 30, 2012 and January 31, 2012:

		April 30, 2012		January 31, 2012
Denominated in U.S dollars:				
Cash	**$**	**548,443**	$	1,113,707
Amounts receivables		**192,816**		1,218,807
Loans receivable		**1,478,200**		648,316
Accounts payable		**(74)**		(4,710)
Denominated in South African Rand:				
Cash		**92,343**		78,804
Accounts payable and accrued liabilities		**(84)**		(31,266)
	$	**2,311,644**	$	3,023,658

A 10% increase in the value of the Canadian dollar against all foreign currencies in which the Company held financial instruments as of April 30, 2012 would result in an estimated increase in net loss of approximately $0.2 million or $0.002 per share (January 31, 2012 - net loss of approximately $0.2 million or $0.002 per share). The Company does not currently hedge its foreign currency exposure.

(Expressed in Canadian dollars unless otherwise noted)

13. Financial instruments (continued)

Fair value of financial instruments

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

i. The carrying values of cash, amounts receivable, and accounts payable approximate their fair values due to the short-term nature of these instruments.
ii. Loans receivable, and investments are carried at amounts in accordance with the Company's accounting policy as set out in Note 3 of its Annual Financial Statement as at and 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 estimated realizable value.

The following table illustrates the classification of the Company's financial instruments, measured at fair value in the statements of financial position as at April 30, 2012 and January 31, 2012, categorized into levels of the fair value hierarchy.

Investments, fair value	Level 1 *(Quoted market parices*	Level 2 *(Valuation technique- market inputs)*	Level 3 *(Valuation technique- non-observable market inputs*	Total
Publicly traded investments	$ 41,332,712	$ -	$ -	$ 41,332,712
Non-trading w arrants on public investments	-	1,154,730	-	1,154,730
Private investments and performance shares	-		12,902,827	12,902,827
Convertible debentures	-	-	2,960,583	2,960,583
April 30, 2012	$ 41,332,712	$ 1,154,730	$ 15,863,410	$ 58,350,852
Publicly traded investments	$ 51,916,759	$ -	$ -	$ 51,916,759
Non-trading w arrants on public investments	-	4,085,214	-	4,085,214
Private investments and performance shares	-	-	16,325,377	16,325,377
Convertible debentures	-	-	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 periods ended April 30, 2012 and 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 comprehensive (loss) income.

Investments, fair value	April 30, 2012	January 31, 2012
Balance, beginning of period	**$ 18,047,185**	$ 24,903,640
Net purchases	**750,035**	5,771,063
Disposal	**(100,000)**	(222,198)
Unrealized and realized loss, net	**(2,387,820)**	(11,123,935)
Transfer of investment from private to public, net	**(1,684,765)**	(3,003,193)
Convertible debenture additions	**1,238,775**	1,721,808
Balance, end of period	**$ 15,863,410**	$ 18,047,185

(Expressed in Canadian dollars unless otherwise noted)

14. Related party disclosures

The Company's directors and officers 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 directors or officers with the investment:

Investment	Nature of relationship	Estimated Fair value
Alderon Iron Ore Corp.	Director (Stan Bharti) and shareholders	$ 1,328,385
Alder Resources Ltd.	Director (Pierre Pettgrew), officer (Ryan Ptolemy) and shareholders	499,875
Auger Resources Ltd.*	Director (Stan Bharti) and shareholders	100,000
Belo Sun Mining Corp.**	Director (Stan Bharti), officers (Michael Hoffman, Ryan Ptolemy), and shareholders	4,540,107
Black Iron Inc.	Director (Pierre Pettigrew), officer (Stan Bharti) and shareholders	2,700,000
Brazil Potash Corp.*	Director (Stan Bharti), officer (Ryan Ptolemy) and shareholders	3,260,192
Castillian Resources Corp.	Director (Michael Hoffman) and shareholders	837,968
Dacha Strategic Metals Inc.	Directors (Stan Bharti, George Faught, Jean-Guy Lambert), officer (Ryan Ptolemy) and shareholders	134,279
East Asia Minerals Ltd.	Director (David Stein) and shareholders	1,467,320
Eurocontrol Technics Group Inc.	Directors (Stan Bharti, Pierre Pettgrew) and shareholders	2,400
Forbes & Manhattan (Coal) Corp.	Directors (Stan Bharti, David Stein) and shareholders	3,963,706
Legacy Platinum Inc.*	Officer (Richard Bishop) and shareholders	1,507,500
Longford Energy Inc.	Directors (Stan Bharti, Pierre Pettgrew) and shareholders	15,750
Rodinia Lithium Inc.	Director (David Stein), officer (Ryan Ptolemy) and shareholders	838,533
Scandinavian Metals Inc.*	Director (Stan Bharti) and shareholders	569,069
Silver Bear Resources Inc.	Director (Stan Bharti) and shareholders	937,569
Sulliden Gold Corporation Ltd.	Directors (Stan Bharti,George Faught) and shareholders	17,017,892
Temujin Mining Corp.*	Directors (Stan Bharti, David Stein) and shareholders	2,351,931
Vast Exploration Inc.	Director (Stan Bharti) and shareholders	377,480
Total of 24 other investments	Shareholders/warrant holders	12,940,313
Total Investments		**$ 55,390,269**

* Private company
** Formerly Verena Minerals Corp.

In addition to the investments listed above, the Company also provided loans to companies of 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 balances outstanding at the end of each reporting period:

	Loans provided to related parties During the three months ended		Loans receivable from related parties as at	
	April 30, 2012	April 30, 2011	April 30, 2012	January 31, 2012
Legacy Platinum Corp.*	$ 387,334	$ -	$ 1,250,142	$ 862,808
Scandinavian Metals Inc.	$ 470,000	$ -	$ 1,329,000	$ 859,000
Temujin Mining Corp.*	$ 381,441	$ -	$ 381,441	$ -

* loan receivable included capitalized interest

(Expressed in Canadian dollars unless otherwise noted)

14. Related party disclosures (continued)

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:

	Interests earned from related parties During the three months ended		Loans receivable from related parties as at	
	April 30, 2012	April 30, 2011	April 30, 2012	January 31, 2012
Castillian Resources Corp.*	$ -	$ 22,345	$ -	$ -
Legacy Platinum Corp.**	$ 22,164	$ -	$ 32,781	$ 10,705
Scandinavian Metals Inc.	$ 27,409	$ -	$ 92,782	$ 65,372
Temujin Mining Corp.*	$ 3,769	$ 83,642	$ 3,769	$ -
Trevali Mining Corp.*	$ -	$ 28,630	$ -	$ -

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

** overdue interest was capitalized to loan receivable

In addition, the Company also earned financing advisory service fees from companies of 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 During the three months ended		Advisory service fees due from related parties as at	
	April 30, 2012	April 30, 2011	April 30, 2012	January 31, 2012
Castillian Resources Corp.	$ 45,000	$ -	$ 15,000	$ -

During the three months ended April 30, 2012 and 2011, the Company entered into the following transactions in the ordinary course of business with related parties.

	Sales of goods and services During the three months ended		Purchases of goods and services During the three months ended	
	April 30, 2012	April 30, 2011	April 30, 2012	April 30, 2011
Forbes & Manhattan, Inc.	$ 17,761	$ 31,636	$ 75,000	$ 22,500
Other miscellaneous	$ 220	$ 1,094	$ -	$ -

The Company shares office space with other companies who may have common 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 $7,500 per month was previously charged by Forbes & Manhattan, Inc. pursuant to a consulting agreement. Effective September 1, 2011, the contract with Forbes & Manhattan, Inc. was increased to $25,000 per month.

The amounts outstanding are unsecured, non-interest bearing, with no fixed terms of repayment. 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.

(Expressed in Canadian dollars unless otherwise noted)

14. Related party disclosures (continued)

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the periods ended April 30, 2012 and 2011 were as follows:

	Three months ended April 30			
		2012		2011
Short-term benefits*	$	1,913,236	$	212,000
Share-based payments	$	10,331	$	319,493

* Benefits included fees paid to Forbes & Manhattan

During the three months ended April 30, 2012, an officer 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.

15. Commitments and contingencies

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $950,000 (April 30, 2011 - $700,000) ranging from 30 days to 12 months and additional contingent payments of approximately $7,300,000 (April 30, 2011 - $8,700,000) upon the occurrence of a change of control. As the likelihood of a change of control is not determinable, the contingent payments have not been reflected in these financial statements.

16. Subsequent events

Normal Course Issuer Bid

Subsequent to April 30, 2012, the Company purchased and cancelled 384,900 additional common shares at an average price of $0.46 per share under the new NCIB. At June 12, 2012, a balance of 6,987,430 common shares remains available for purchase under the NCIB commencing February 27, 2012.

Sale of Royalty Interests

On May 31, 2012, the Company closed the 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 to Premier Royalty Corporation, 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 payable 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 and 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.

16. Subsequent events (continued)

Sale of Royalty Interests (continued)

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 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.

Change of equity reserve

On June 6, 2012, 37,500,000 share purchase warrants of the Company expired unexercised.

On June 12, 2012, the Company granted 2,500,000 share purchase options to consultants, directors and officers to purchase shares of the Company at $0.44 per share until June 12, 2017. These options vest immediately.