



ABERDEEN

INTERNATIONAL

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended July 31, 2015 and 2014

(expressed in Canadian dollars)

ABERDEEN INTERNATIONAL INC.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ABERDEEN INTERNATIONAL INC.
Condensed Interim Consolidated Statements of Financial Position
As at
(Unaudited)
(In Canadian dollars)

	Notes	July 31, 2015 \$	January 31, 2015 \$
Assets			
Cash	13	412,186	355,188
Public investments, at fair value through profit and loss	3,13,14	9,549,852	18,971,776
Amounts receivable	4,13,14	458,111	311
Loan receivable	5	-	61,538
Prepaid expenses		6,480	16,200
Income tax recovery		4,913,795	2,834,817
Private investments, at fair value through profit and loss	3,13,14	15,313,996	17,700,622
Total assets		30,654,420	39,940,452
Liabilities			
Due to broker	12,13	706,271	387,585
Accounts payable and accrued liabilities	6,13	1,900,407	3,701,060
Loan payable	7,13	400,000	-
Total liabilities		3,006,678	4,088,645
Shareholders' equity			
Share capital	9	44,266,586	44,583,233
Equity reserve and treasury shares	10	4,756,135	4,938,376
(Deficit)		(21,374,979)	(13,669,802)
Total shareholders' equity		27,647,742	35,851,807
Total liabilities and shareholders' equity		30,654,420	39,940,452
Commitments and contingencies	15		
Subsequent events	16		

Approved on behalf of the Board of Directors:

"Bernard Wilson" (signed)
Bernard Wilson, Director

"Maurice Colson" (signed)
Maurice Colson, Director

ABERDEEN INTERNATIONAL INC.

Condensed Interim Consolidated Statements of Comprehensive (Loss)

(Unaudited)

(In Canadian dollars)

	Notes	Three months ended July 31,		Six months ended July 31,	
		2015	2014	2015	2014
		\$	\$	\$	\$
Net investment gain (losses)					
Realized gain (loss) on investments, net		557,112	(212,328)	3,942,384	(2,309,229)
Unrealized (loss) on investments, net		(8,697,421)	(5,815,283)	(10,756,988)	(4,140,667)
Total investment (losses)		(8,140,309)	(6,027,611)	(6,814,604)	(6,449,896)
Other revenue					
Interest and dividend income		44,687	88,515	66,900	181,090
Advisory service fees	14	187,035	-	434,855	-
Total other revenue		231,722	88,515	501,755	181,090
Expenses					
Operating, general and administration	11	719,484	1,319,703	1,831,479	2,380,417
Interest expense		9,521	142,350	13,734	142,350
Provision for loan, interest, dividend and investment receivable	13	-	2,582,609	-	2,609,483
Total expenses		729,005	4,044,662	1,845,213	5,132,250
(Loss) before other items		(8,637,592)	(9,983,758)	(8,158,062)	(11,401,056)
Foreign exchange gain (loss)		26,612	(8,419)	53,948	(27,774)
(Loss) before income taxes		(8,610,980)	(9,992,177)	(8,104,114)	(11,428,830)
Income tax recovery	8	-	(2,244,516)	-	(1,931,556)
Net (loss) and Comprehensive (loss) for the period		(8,610,980)	(12,236,693)	(8,104,114)	(13,360,386)
(Loss) per common share based on net loss for the period					
Basic and diluted		(0.09)	(0.14)	(0.08)	(0.15)
Weighted average number of common shares outstanding					
Basic and diluted		96,658,252	87,349,422	96,923,928	87,349,422

The accompanying notes are an integral part of the condensed interim consolidated financial statements

ABERDEEN INTERNATIONAL INC.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)
(In Canadian dollars)

	Notes	Six months ended July 31,	
		2015	2014
		\$	\$
Cash flows from operating activities			
(Loss) before income taxes for the period		(8,104,114)	(11,428,830)
Income tax (paid)		(2,078,978)	-
Adjustments to reconcile net income (loss) to cash used in operating activities:			
Realized loss (gain) on investments, net		(3,942,384)	2,309,229
Provision for loan, interest, dividend and investment receivable		-	2,609,483
Unrealized loss on investments, net		10,756,988	4,140,667
Interest and penalties on tax assessment		-	142,350
Share-based compensation		-	190,277
Unrealized foreign exchange (gain) loss		(63,687)	26,873
		(3,432,175)	(2,009,951)
Adjustments for:			
Purchase of investments		(5,259,679)	(30,002)
Disposal of investments		10,315,166	1,529,998
Short-term loans provided		-	(215,399)
Short-term loans repaid		-	242,739
Prepaid and other amounts receivable		(425,135)	(163,898)
Due to broker		318,686	-
Accounts payable and accrued liabilities		(1,791,199)	109,994
Net cash (used in) provided by operating activities		(274,336)	(536,519)
Cash flows from financing activities			
Debt financing		400,000	-
Shares repurchased and cancelled		(99,951)	-
Net cash provided by financing activities		300,049	-
Change in cash for the period		25,713	(536,519)
CASH, beginning of period		355,188	868,267
Effect of exchange rate on cash held		31,285	4,412
CASH, end of period		412,186	336,160
Supplemental cash flow information			
Shares received on conversion of loans and amounts receivable		153,846	376,052
Interest paid		348,217	21,088

The accompanying notes are an integral part of the condensed interim consolidated financial statements

ABERDEEN INTERNATIONAL INC.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited)
(In Canadian dollars)

	Number of common shares #	Share capital \$	Equity reserve and treasury shares \$	(Deficit) \$	Total shareholders' equity \$
Balance - January 31, 2015	97,349,422	44,583,233	4,938,376	(13,669,802)	35,851,807
Repurchase of common shares	-	-	(99,951)	-	(99,951)
Cancellation of repurchased common shares	(691,170)	(316,647)	316,647	-	-
Options expired unexercised	-	-	(398,937)	398,937	-
Net income for the period	-	-	-	(8,104,114)	(8,104,114)
Balance - July 31, 2015	96,658,252	44,266,586	4,756,135	(21,374,979)	27,647,742
Balance - January 31, 2014	87,349,422	42,995,464	3,818,764	681,771	47,495,999
Share-based compensation expense	-	-	190,277	-	190,277
Restricted share units	-	-	532,803	(532,803)	-
Net loss for the period	-	-	-	(13,360,386)	(13,360,386)
Balance - July 31, 2014	87,349,422	42,995,464	4,541,844	(13,211,418)	34,325,890

The accompanying notes are an integral part of the condensed interim consolidated financial statements

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

July 31, 2015 and 2014

(Expressed in Canadian dollars unless otherwise noted)

1. Nature of operations

Aberdeen International Inc. ("Aberdeen", or the "Company") and its subsidiaries operate 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. Significant accounting policies

Statement of compliance

The condensed interim consolidated financial statements of the Company have been prepared in accordance with the International Accounting Standards ("IAS") 34, *Interim Financial Reporting* issued by the International Accounting Standard Board ("IASB"). These condensed interim consolidated financial statements have been prepared in accordance with the accounting policies described in Note 2 of the Company's annual consolidated financial statements as at and for the year ended January 31, 2015 and 2014 except as disclosed below. Accordingly, these condensed interim consolidated financial statements for the three and six month periods ended July 31, 2015 and 2014 should be read together with the annual consolidated financial statements as at and for the year ended January 31, 2015 and 2014.

The condensed interim consolidated financial statements of the Company were approved by the Board of Directors on September 10, 2015.

Basis of preparation

The condensed interim consolidated 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 ("\$"). In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Basis of consolidation

Subsidiaries consist of entities over which the Company is exposed to or has rights to, variable returns as well as the ability to affect these returns through the power to direct the relevant activities of the entity. To the extent that subsidiaries provide services that relate to the company's investment activities, they are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions. All other investments in subsidiaries are not consolidated, but are measured at fair value through profit or loss in accordance with IFRS 9.

These condensed interim consolidated financial statements comprise the financial statements of the Company and its wholly owned subsidiaries Great Lake Capital Management Inc. ("GLC"), incorporated on October 17, 2014 and Aberdeen (Barbados) Inc. ("ABI"), incorporated on March 6, 2015. All material intercompany transactions and balances between the Company and its subsidiaries have been eliminated on consolidation. Intercompany balances and any unrealized gains and losses or income and expenses arising from intercompany transactions are eliminated in preparing the condensed interim consolidated financial statements.

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

July 31, 2015 and 2014

(Expressed in Canadian dollars unless otherwise noted)

3. Investments at fair value through profit and loss

At July 31, 2015, the Company's investment portfolio consisted of 22 publicly-traded investments and 20 privately-held investments for a total fair value of \$24,863,848.

At January 31, 2015, the Company's investment portfolio consisted of 20 publicly-traded investments and 19 privately-held investments for a total fair value of \$36,672,398.

Public investments

At July 31, 2015, the Company's 22 publicly-traded investments had a total fair value of \$9,549,852.

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Agua Resources Ltd.		1,685,540 common shares	70,183	230,888	2.4%
Arena Minerals Inc.	(iii)	417,000 common shares	66,268	91,740	1.0%
Black Iron Inc.	(iii)	15,952,089 common shares	3,460,558	478,563	5.0%
Brookwater Ventures Inc.		1,538,458 common shares	153,846	92,307	1.0%
Buffalo Coal Corp.		2,394,596 common shares	3,418,812	95,784	1.0%
First Mining Corp.		431,252 common shares	132,693	159,563	1.7%
Fura Emeralds Inc.*	(i,ii,iii)	6,300,000 common shares	807,686	1,684,160	17.6%
		500,000 w arrants expire Sep 19, 2015			
		2,900,000 w arrants expire Jun 23, 2017			
Kincora Copper Limited		4,723,000 common shares	1,129,355	141,690	1.5%
Kombat Copper Inc.	(i,ii)	10,000,000 common shares	500,000	675,000	7.1%
		10,000,000 w arrants expire Feb 13, 2017			
Portex Minerals Inc.	(i,ii,iii)	21,172,315 common shares	1,058,616	105,862	1.1%
Rodinia Lithium Inc.	(i,ii,iii)	17,362,811 common shares	1,890,336	347,256	3.6%
Savary Gold Corp.		4,488,000 common shares	466,253	224,400	2.3%
Silver Bear Resources Inc.	(iii)	4,533,461 common shares	1,673,957	272,008	2.8%
		238,461 w arrants expire Dec 18, 2015			
		1,025,000 w arrants expire Jun 4, 2016			
Sulliden Mining Capital Inc.	(iii)	1,823,500 common shares	1,183,796	346,465	3.6%
Tahoe Resources Inc.		325,000 common shares	4,722,250	3,458,000	36.2%
Xanadu Mines Ltd.		5,000,000 common shares	289,110	454,338	4.8%
Total of 6 other investments	(iv)		2,999,020	691,828	7.3%
Total public investments			\$ 24,022,739	\$ 9,549,852	100.0%

* Formerly Wolf Resource Development Corp.

Note

- (i) The Company has filed a Section 62-103 report pursuant to the Ontario Securities Act for this investment and has filed this early warning report on SEDAR.
- (ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at July 31, 2015.
- (iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at July 31, 2015.
- (iv) Total other investments held by the Company, which are not individually listed as at July 31, 2015. Directors and officers may hold investments personally.

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

July 31, 2015 and 2014

(Expressed in Canadian dollars unless otherwise noted)

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

Public investments (continued)

At January 31, 2015, the Company's 20 publicly-traded investments had a total fair value of \$18,971,776.

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Black Iron Inc.	(iii)	4,971,500 common shares	\$ 2,904,028	\$ 248,575	1.3%
Buffalo Coal Corp.*		2,394,976 common shares	3,418,812	145,384	0.8%
Falco Resources Inc.		1,094,505 common shares	492,527	645,758	3.4%
Kincora Copper Limited		4,723,000 common shares	1,129,355	141,690	0.7%
Mason Graphite Corp.		157,500 common shares	105,483	106,725	0.6%
		250,000 warrants expire Jun 28, 2015			
Portex Minerals Inc.	(i,ii,iii)	21,172,315 common shares	1,058,616	105,862	0.6%
Rio Alto Mining Ltd.	(iii)	4,162,500 common shares	10,364,625	15,109,875	79.6%
Rodinia Lithium Inc.	(i,ii,iii)	17,362,811 common shares	1,890,336	694,512	3.7%
Savary Gold Corp.		4,488,000 common shares	466,253	179,520	0.9%
Silver Bear Resources Inc.	(iii)	4,533,461 common shares	1,845,261	226,673	1.2%
		1,449,275 warrants expire Jun 7, 2015			
		238,461 warrants expire Dec 18, 2015			
		1,025,000 warrants expire Jun 4, 2016			
Sulliden Mining Capital Inc.	(iii)	1,823,500 common shares	1,183,796	601,755	3.2%
Xanadu Mines Ltd.		5,000,000 common shares	289,110	444,150	2.3%
Total of 8 other investments	(iv)		2,653,342	321,297	1.7%
Total public investments			\$ 27,801,544	\$ 18,971,776	100.0%

* Formerly Forbes & Manhattan (Coal) Corp.

Note

- (i) The Company has filed a Section 62-103 report pursuant to the Ontario Securities Act for this investment and has filed this early warning report on SEDAR.
- (ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at January 31, 2015.
- (iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at January 31, 2015.
- (iv) Total other investments held by the Company, which are not individually listed as at January 31, 2015. Directors and officers may hold investments personally.

Private investments

At July 31, 2015, the Company's 20 privately-held investments had a total estimated fair value of \$15,313,996.

Private Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
African Thunder Platinum Ltd.	(ii,iii,v)	9,413,793 common shares	\$ 10,294,772	\$ 10,294,772	67.3%
Brazil Potash Corp.	(iii)	1,650,062 common shares	-	2,301,321	15.0%
DT Plantations Limited*	(ii,v)	6,102,891 common shares	533,289	-	0.0%
		500,000 warrants			
Indo Gold Limited	(ii,iii)	8,100,000 common shares	1,590,000	310,617	2.0%
Irati Energia Corp.	(iii)	2,213,179 common shares	1,994,975	388,272	2.5%
Legacy Platinum Corp.	(ii,iii,v)	3,515,000 common shares	2,352,377	-	0.0%
Forbes Ram Holdings Inc.	(ii,iii,v)	8,000,000 common shares	8,000,000	1,845,956	12.1%
Ram River Coal Corp.		750,000 common shares	37,500	173,058	1.1%
Total of 12 other investments	(iv)		5,763,236	-	0.0%
Total private investments			\$ 30,566,149	\$ 15,313,996	100.0%

* Warrants expire 12 months after listing date

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

July 31, 2015 and 2014

(Expressed in Canadian dollars unless otherwise noted)

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

Private investments (continued)

Note

- (ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at July 31, 2015.
- (iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at July 31, 2015.
- (iv) Total other investments held by the Company, which are not individually listed as at July 31, 2015. Directors and officers may hold investments personally.
- (v) The Company owns 44% of the outstanding common shares and voting rights of African Thunder Platinum Ltd., 80% of the outstanding common shares and voting rights of Forbes Ram Holdings Inc., 50% of the outstanding common shares and voting rights of Legacy Platinum Corp.; and 28% of the outstanding common shares and voting rights of DT Plantations Limited as at July 31, 2015. There are no contractual arrangements, financial support, or other restrictions with these Canadian corporations. Refer to Note 2 of the Company annual consolidated financial statements as at and for the years ended January 31, 2015 relating to the exemption to consolidating particular subsidiaries for investment entities.

At January 31, 2015, the Company's 19 privately-held investments had a total estimated fair value of \$17,700,622.

Private Issuer	Note	Security description	Cost	Estimated	
				Fair value	% of FV
African Thunder Platinum Ltd.	(ii,iii,v)	7,000,000 common shares	\$ 7,475,222	\$ 7,475,222	42.3%
Brazil Potash Corp.	(iii)	1,650,062 common shares	-	3,130,399	17.7%
DT Plantations Limited*	(ii,v)	6,102,891 common shares 500,000 warrants	533,289	-	0.0%
Indo Gold Limited	(ii,iii)	8,100,000 common shares	1,590,000	800,000	4.5%
Irati Energy Corp.		2,213,179 common shares	1,994,975	1,000,000	5.6%
Legacy Platinum Corp.	(ii,iii,v)	3,515,000 common shares	2,352,377	-	0.0%
Forbes Ram Holdings Inc.	(ii,iii,v)	8,000,000 common shares	8,000,000	4,754,286	26.9%
Ram River Coal Corp.		750,000 common shares	37,500	445,714	2.5%
Total of 11 other investments	(iv)		5,763,237	95,001	0.5%
Total private investments			\$ 27,746,600	\$ 17,700,622	100.0%

* Warrants expire 12 months after listing date

Note

- (ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at January 31, 2015.
- (iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at January 31, 2015.
- (iv) Total other investments held by the Company, which are not individually listed as at January 31, 2015. Directors and officers may hold investments personally.
- (v) The Company owns 42% of the outstanding common shares and voting rights of African Thunder Platinum Ltd., 80% of the outstanding common shares and voting rights of Forbes Ram Holdings Inc., 50% of the outstanding common shares and voting rights of Legacy Platinum Corp.; and 28% of the outstanding common shares and voting rights of DT Plantations Limited as at January 31, 2015. There are no contractual arrangements, financial support, or other restrictions with these Canadian corporations. Refer to Note 2 of the Company annual consolidated financial statements as at and for the years ended January 31, 2015 relating to the exemption to consolidating particular subsidiaries for investment entities.

4. Amounts receivable

	July 31, 2015	January 31, 2015
Amount receivable	\$ 311	\$ 311
Advisory service fees receivable	457,800	-
	\$ 458,111	\$ 311

5. Loans receivable

	July 31, 2015	January 31, 2015
Brookwater Venture Inc.	Unsecured \$ -	\$ 61,538
	\$ -	\$ 61,538

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

July 31, 2015 and 2014

(Expressed in Canadian dollars unless otherwise noted)

5. Loans receivable (continued)

On May 8, 2015, the Company received 1,538,458 common shares of Brookwater Venture Inc. ("Brookwater") in full settlement of all outstanding amounts owing of \$153,846 pursuant to the shares for debt settlement agreement signed in November 2014. The fair market value of these Brookwater shares and the carrying value of the loan had an unrealized gain of \$92,308 on the date of debt settlement.

6. Accounts payable and accrued liabilities

	July 31, 2015	January 31, 2015
Trade payables	1,171,115	1,454,480
Accrued expenses	729,292	2,246,580
	<u>\$ 1,900,407</u>	<u>\$ 3,701,060</u>

7. Loan payable

On July 30, 2015, the Company entered into a secured loan agreement with Black Iron Inc. ("Lender") for \$400,000. The loan is secured against 5,800,000 common shares of Fura Emeralds Inc. and shall rank senior in priority and have preference to any other indebtedness of the Company. The principal and all accrued interest at 8% per annum will mature and become due and payable on the earlier of (i) three months from the date thereof; (ii) 10 business days after closing of the Company's proposed transaction with Landmark Capital Partners; or (iii) any other due date declares by the Lender. The Company received the principal amount of \$400,000 cash on July 31, 2015.

A director of Aberdeen, Stan Bharti, is deemed to be an executive officer of Black Iron Inc.

8. Income taxes

Significant components of income tax recovery

	July 31, 2015	July 31, 2014
Current tax recovery	\$ -	\$ 1,164,444
Deferred tax (expense)	-	(3,096,000)
Income tax (expense)	<u>\$ -</u>	<u>\$ (1,931,556)</u>

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 26.5% (2015 – 26.5%) during the periods ended:

	July 31, 2015	July 31, 2014
Income (loss) before income taxes	<u>\$ (8,104,114)</u>	<u>\$ (11,428,830)</u>
Expected income tax expense (recovery)	\$ (2,148,000)	\$ (3,029,000)
Adjustments to benefit resulting from:		
Share-based compensation	-	50,000
Net realized gain on foreign exchange	59,000	83,000
Other	1,360,509	530,556
Tax benefits realized	728,491	4,297,000
Provision for income tax expense	<u>\$ -</u>	<u>\$ 1,931,556</u>

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

July 31, 2015 and 2014

(Expressed in Canadian dollars unless otherwise noted)

9. Share capital

Authorized: Unlimited common shares with no par value

Common shares

	Number of shares	Amount
Issued and outstanding common shares		
Balance, January 31, 2014	87,349,422	\$ 42,995,464
Shares issued on private placement	10,000,000	2,000,000
Value of warrants issued with private placement	-	(396,532)
Share issue costs	-	(15,699)
Balance, January 31, 2015	97,349,422	\$ 44,583,233
Shares repurchased and cancelled (NCIB)	(691,170)	(316,647)
Balance, July 31, 2015	96,658,252	\$ 44,266,586

Normal course issuer bid ("NCIB")

On February 12, 2015, the Company announced its intention to make a NCIB to buy back its common shares through the facilities of the TSX. Any purchases made pursuant to the NCIB will be made in accordance with the rules of the TSX. 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. Based on the 77,965,256 common shares in the public float as at February 11, 2015, the maximum number of shares to be purchased and cancelled would be 7,796,525. Daily purchases will be limited to 40,078 common shares other than block purchase exceptions. Purchases under the NCIB are permitted to commence on February 16, 2015 and will terminate on February 15, 2016 or the date upon which the maximum number of common shares have been purchased by Aberdeen pursuant to the NCIB. Aberdeen intends that any shares acquired pursuant to the NCIB will be cancelled.

During the six months ended July 31, 2015, the Company purchased and cancelled 691,170 shares at an average price of \$0.145 per share. At July 31, 2015, a balance of 7,105,355 common shares remains available for purchase under the NCIB commencing February 16, 2015.

10. Equity reserve

	Number of warrants	Weighted average exercise price	Value of warrants	Number of options	Weighted average exercise price	Value of options	Number of RSU	Weighted average exercise price	Value of RSU	Treasury shares adjustment	Total Value
January 31, 2014	-	\$ -	\$ -	4,907,500	\$ 0.56	\$ 1,268,237	6,066,671	\$ 0.15	\$ 1,808,816	\$2,284,138	\$3,818,764
Granted and vested RSUs settled	10,000,000	0.30	396,532	-	-	-	3,033,329	0.15	190,277	-	586,809
	-	-	-	-	-	-	-	-	(456,666)	989,469	532,803
January 31, 2015	10,000,000	\$ 0.30	\$396,532	4,907,500	\$ 0.55	\$ 1,268,237	9,100,000	\$ 0.30	\$ 1,542,427	\$3,273,607	\$4,938,376
Expired NCIB allocation	-	-	-	(1,447,500)	0.48	(398,937)	-	-	-	-	(398,937)
	-	-	-	-	-	-	-	-	-	216,696	216,696
July 31, 2015	10,000,000	\$ 0.30	\$396,532	3,460,000	\$ 0.55	\$ 869,300	9,100,000	\$ 0.30	\$ 1,542,427	\$3,490,303	\$4,756,135

ABERDEEN INTERNATIONAL INC.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

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10. Equity reserve (continued)

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.

The Company did not grant any options during the six months ended July 31, 2015 and 2014.

The following stock options were in existence as at July 31, 2015:

Number outstanding	Number exercisable	Grant date	Expiry date	Exercise price	Fair value at grant date	Expected Volatility	Risk-free Rate	Expected Life (years)	Expected Dividend Yield
100,000	100,000	5-Oct-10	5-Oct-15	\$ 0.48	\$ 25,650	64%	2.00%	5	0%
100,000	100,000	30-Nov-10	30-Nov-15	\$ 0.64	\$ 35,440	64%	2.35%	5	0%
810,000	810,000	20-Apr-11	20-Apr-16	\$ 0.87	\$ 332,910	70%	2.65%	5	3%
2,450,000	2,450,000	12-Jun-12	12-Jun-17	\$ 0.44	\$ 475,300	66%	1.21%	5	3%
3,460,000	3,460,000				\$ 869,300				

The weighted average exercise price of stock options outstanding and exercisable as at July 31, 2015 was \$0.55 (January 31, 2015 - \$0.53). The weighted average remaining contractual life of options outstanding and exercisable as at July 31, 2015 was 1.51 years (January 31, 2015 - 1.49 years).

11. Expenses by nature

Details included in operating, general and administration expenses for the three and six months ended July 31, 2015 and 2014:

	Three months ended July 31,		Six months ended July 31,	
	2015	2014	2015	2014
Compensation of directors, officers, employees and consultants (including salaries, consulting fees, bonuses, RSUs, DSUs and stock options)	\$ 555,044	\$ 627,196	\$ 1,128,587	\$ 1,301,138
Severance payment	-	-	237,300	-
Legal, accounting and professional fees	4,844	245,636	53,307	266,998
Filing and transfer agent fees	3,071	11,429	35,152	26,860
Shareholder communication and promotion	25,360	31,441	88,596	37,581
Travel	45,533	31,782	121,909	43,213
General office and administration costs	85,632	89,903	166,628	178,311
Business development costs*	-	282,316	-	526,316
	\$ 719,484	\$ 1,319,703	\$ 1,831,479	\$ 2,380,417

* Incurred in strategic asset management venture and other business development activities.

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12. Capital disclosure

The Company considers its capital to consist of share capital, equity reserve and treasury shares, and retained earnings. The Company's objectives when managing capital are:

- a) to allow the Company to respond to changes in economic and/or marketplace conditions by maintaining the Company's ability to purchase new investments;
- b) to give shareholders sustained growth in value by increasing shareholders' equity; while
- c) taking a conservative approach towards financial leverage and management of financial risks.

The Company's management reviews its capital structure on an on-going basis and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying investments. The Company's current capital is composed of its shareholders' equity and, to-date, has adjusted or maintained its level of capital by:

- a) raising capital through equity financings;
- b) realizing proceeds from the disposition of its investments; and
- c) repurchasing the Company's own shares for cancellation pursuant to its normal course issuer bid.

The Company may on occasion utilize leverage in the form of broker margin or bank indebtedness. As at July 31, 2015 there was a margin loan of \$706,271 (January 31, 2015 - \$387,585) outstanding. The margin loan is secured against the Company's holdings on Tahoe Resources Inc. at rates that are based on the Investment Industry Regulatory Organization of Canada (IIROC) Policy. The interest rate on the margin loan is 1.25% per annum. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX which requires adequate working capital or financial resources such that, in the opinion of TSX, the listed issuer will be able to continue as a going concern. TSX will consider, among other things, the listed issuer's ability to meet its obligations as they come due, as well as its working capital position, quick asset position, total assets, capitalization, cash flow and earnings as well as accountants' or auditors' disclosures in financial statements regarding the listed issuer's ability to continue as a going concern. There were no changes to the Company's capital management during the six months ended July 31, 2015 and 2014. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

13. Financial instruments

Financial assets and financial liabilities as at July 31, 2015 are as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit or loss	TOTAL
July 31, 2015			
Cash	\$ 412,186	\$ -	\$ 412,186
Public investments	-	9,549,852	9,549,852
Amounts receivables	458,111	-	458,111
Private investments	-	15,313,996	15,313,996
Due to broker	(706,271)	-	(706,271)
Accounts payable and accrued liabilities	(1,900,407)	-	(1,900,407)
Loan payable	(400,000)	-	(400,000)

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, 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:

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13. Financial instruments (continued)

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 July 31, 2015 which made up of approximately 41% (January 31, 2015 – 41%) of the total equity portfolio.

For the six months ended July 31, 2015, a 10% decrease (increase) in the closing prices of its portfolio investments would result in an estimated increase (decrease) in after-tax net loss of \$1.8 million, or \$0.02 per share (January 31, 2015 - \$2.7 million, or \$0.03 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 interest on loans receivable, and proceeds from the disposition of its investments, in addition to interest income and advisory service fees. 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. All of the Company's liabilities and obligations are due within one year.

The following table shows the Company's source of liquidity by assets as at July 31, 2015.

Liquidity by period					
Assets	Total	Less than 1 year	1-3 years	After 4 years	Non-liquid assets
Cash	\$ 412,186	\$ 412,186	\$ -	\$ -	\$ -
Public investments	9,549,852	9,549,852	-	-	-
Amount receivable	458,111	458,111	-	-	-
Prepaid expenses	6,480	6,480	-	-	-
Income tax recovery	4,913,795	4,913,795	-	-	-
Private investments	15,313,996	5,019,224	10,294,772	-	-
Total assets - July 31, 2015	\$ 30,654,420	\$ 20,359,648	\$ 10,294,772	\$ -	\$ -

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 July 31, 2015 was \$458,111 (January 31, 2015 - \$61,849).

Management has considered the potential impairment of loans and amount receivables. There were no provisions made on loan impairment during the six months ended July 31, 2015.

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13. Financial instruments (continued)

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, South African Rand and European Euro.

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 presented in Canadian dollars as of:

	July 31, 2015			
	US Dollars	Australian Dollars	South African Rand	European Euro
Cash	\$ 2,642	\$ -	\$ 1,023	\$ -
Amount receivable	457,800	-	-	-
Public investment	517,858	230,888	-	-
Private investment	12,596,093	310,617	-	-
Accounts payable and accrued liabilities	(6,449)	-	(137)	(16,072)
	\$ 13,567,944	\$ 541,505	\$ 886	\$ (16,072)

A 10% increase (decrease) in the value of the Canadian dollar against all foreign currencies in which the Company held financial instruments as of July 31, 2015 would result in an estimated increase (decrease) in after-tax net loss of approximately \$1.1 million or \$0.01 per share (January 31, 2015 – after-tax net loss of approximately \$0.7 million or \$0.01 per share). The Company does not currently hedge its foreign currency exposure.

Fair value of financial instruments

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

- The carrying values of cash, amounts receivable, due to broker, and accounts payable and accrual liabilities approximate their fair values due to the short-term nature of these instruments.
- Loans receivable, public investments, private investments and preferred shares are carried at amounts in accordance with the Company's accounting policies as set out in Note 2 of the Company's annual consolidated financial statements as at and for the years ended January 31, 2015 and 2014.
- 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 and hierarchy of the Company's financial instruments, measured at fair value in the statements of financial position as at July 31, 2015:

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13. Financial instruments (continued)

Fair value of financial instruments (continued)

	Level 1 (Quoted Market price)	Level 2 (Valuation technique - observable market Inputs)	Level 3 (Valuation technique - non-observable market inputs)	Total
Investments, fair value				
Publicly traded investments	\$ 8,950,692	\$ -	\$ -	\$ 8,950,692
Non-trading warrants on public investments	-	599,160	-	599,160
Private investments, performance and preferred shares	-	-	15,313,996	15,313,996
July 31, 2015	\$ 8,950,692	\$ 599,160	\$ 15,313,996	\$ 24,863,848

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 for the six months ended July 31, 2015 and year ended January 31, 2015. 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 loss.

Investments, fair value	For the period ended	
	July 31, 2015	January 31, 2015
Balance, beginning of period	\$ 17,700,622	\$ 25,197,564
Purchases - shares	2,819,550	7,580,222
Unrealized and realized loss net	(5,206,176)	(13,198,911)
Conversion - debt to shares	-	243,359
Conversion of debenture to private / public company shares	-	(376,052)
Convertible debenture net (reduction) additions	-	(1,745,560)
Balance, end of period	\$ 15,313,996	\$ 17,700,622

14. Related party disclosures

The annual consolidated financial statements include the financial statements of the Company and its subsidiary at its respective ownership listed in the following table.

	Country of Incorporation	% equity interest
Great Lakes Capital Management Inc.	Canada	100%
Aberdeen (Barbados) Inc.	Barbados	100%

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 the Executive Chairman of Forbes & Manhattan, Inc. ("F&M"), a corporation that provides administrative and consulting services to the Company, including but not limited to strategic planning and business development. F&M charges a monthly consulting fee of \$25,000. As of July 31, 2015, \$Nil (January 31, 2015 - \$Nil) was owed to F&M.

The Company is party to a cost sharing policy with F&M whereby the Company will be responsible for 50% of costs, including any reasonable third party costs such as legal, technical, and/or accounting expenses jointly incurred in connection with, or arising as a result of the pursuit of certain investment opportunities and the subsequent development of any such investment opportunities that are acquired by the Company and F&M up to a maximum of \$500,000. In the event any expenses incurred with respect to the investment opportunities are recouped by either party, such amounts will be allocated 50% to each party. During the six months ended July 31, 2015, the Company incurred \$70,615 (2014 - \$Nil) legal and professional fees in relation to the policy. Mr. Stan Bharti, a director of the Company, is the Executive Chairman of F&M.

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14. Related party disclosures (continued)

The Company earns 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. During the six months ended July 31, 2015, the Company earned US\$350,000 (\$434,855) (2014 - \$Nil) in advisory fees from African Thunder Platinum Ltd. ("ATP"). At July 31, 2015, US\$350,000 (\$457,800) included in amount receivable were advisory service fees owed to the Company. Stan Bharti and George Faught are common directors of both Aberdeen and ATP.

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 total investments and the nature of the relationship of the Company's directors or officers with the investment as of July 31, 2015 and January 31, 2015.

Investment	Nature of relationship	Estimated Fair value	% of FV
African Thunder Platinum Ltd.*	Directors (Stan Bharti, George Faught) and shareholders	10,294,772	41.4%
Apio Africa Ltd.	Director (Stan Bharti) and shareholders	517,858	2.1%
Arena Minerals Inc.	Officer (Ryan Ptolemy), and shareholders	91,740	0.4%
Amazon Potash Corporation*	Directors (Stan Bharti, George Faught) and shareholders	-	0.0%
Black Iron Inc.	Former directors (Bruce Humphrey, Pierre Pettigrew), officer (Stan Bharti) and shareholders	478,563	1.9%
Brazil Potash Corp.*	Director (Stan Bharti), officer (Ryan Ptolemy) and shareholders	2,301,321	9.3%
Forbes Ram Holdings Inc.*	Directors (Stan Bharti and David Stein) and shareholders	1,845,956	7.4%
Fura Emeralds Inc.**	10% security holder (Stan Bharti) and shareholders	1,684,160	6.8%
Indo Gold Limited *	Director (David Stein) and former officer (Stan Bharti)	310,617	1.2%
Irati Energia Corp.*	Officer (Ryan Ptolemy) and shareholders	388,272	1.6%
Legacy Platinum Inc.*	Former officer (Richard Bishop) and shareholders	-	0.0%
Metal Prospecting AS *	Director (David Stein)	-	0.0%
Portex Minerals Inc.	Former officer (Richard Bishop)	105,862	0.4%
Rodinia Lithium Inc.	Director (David Stein), officer (Ryan Ptolemy) and shareholders	347,256	1.4%
Scandinavian Metals Inc.*	Director (Stan Bharti) and shareholders	-	0.0%
Silver Bear Resources Inc.	10% security holder (Stan Bharti) and shareholders	272,008	1.1%
Sulliden Mining Capital Inc.	Former directors (Bruce Humphrey, Pierre Pettigrew), Director (Stan Bharti) and shareholders	346,465	1.4%
Temujin Mining Corp.*	Directors (Stan Bharti, David Stein) and shareholders	-	0.0%
Total of 24 other investments	Shareholders/warrant holders	5,878,998	23.6%
Total Investments - July 31, 2015		\$ 24,863,848	100.0%

* Private company

** Formerly Wolf Resource Development Corp.

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14. Related party disclosures (continued)

Investment	Nature of relationship	Estimated Fair value	% of FV
African Thunder Platinum Limited*	Directors (Stan Bharti, George Faught) and shareholders	7,475,222	20.4%
Arena Minerals Inc.	Former director (Bruce Humphrey), Officer (Ryan Ptolemy), and shareholder	37,530	0.1%
Amazon Potash Corporation*	Directors (Stan Bharti, George Faught) and shareholders	-	0.0%
Black Iron Inc.	Former directors (Bruce Humphrey, Pierre Pettigrew), officer (Stan Bharti) and shareholders	248,575	0.7%
Brazil Potash Corp.*	Director (Stan Bharti), officer (Ryan Ptolemy) and shareholders	3,130,399	8.5%
Coastal Gold Corp	10% security holder (Stan Bharti) and shareholders	53,077	0.1%
Forbes Ram Holdings Inc.*	Director (Stan Bharti) and shareholders	4,754,286	13.0%
Indo Gold Limited *	Director (Stan Bharti)	800,000	2.2%
Legacy Platinum Inc.*	Officer (Richard Bishop) and shareholders	-	0.0%
Metal Prospecting AS *	Director (David Stein)	-	0.0%
Portex Minerals Inc.	Officer (Richard Bishop)	105,862	0.3%
Rio Alto Mining Ltd.	Former director (Bruce Humphrey) and shareholders	15,109,875	41.2%
Rodinia Lithium Inc.	Director (David Stein), officer (Ryan Ptolemy) and shareholders	694,512	1.9%
Scandinavian Metals Inc.*	Director (Stan Bharti) and shareholders	-	0.0%
Silver Bear Resources Inc.	Former director (Stan Bharti) and shareholders	226,673	0.6%
Sulliden Mining Capital Inc.	Former directors (Bruce Humphrey, Pierre Pettigrew), Director (Stan Bharti) and shareholders	601,755	1.6%
Temujin Mining Corp.*	Directors (Stan Bharti, David Stein) and shareholders	-	0.0%
Wolf Resource Development Corp.	10% security holder (Stan Bharti) and shareholders	82,500	0.2%
Total of 21 other investments	Shareholders/warrant holders	3,352,132	9.2%
Total Investments - January 31, 2015		\$ 36,672,398	100.0%

* Private company

The Company has a diversified base of investors. There were no shareholders who each held more than 10% of the Company's common shares.

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		Loans receivable from related parties	
	Six months ended July 31, 2015	2014	As at July 31, 2015	As at January 31, 2015
Forbes Royalty Corporation(**)	\$ -	\$ 33,134	\$ -	\$ -
Legacy Platinum Corp.(*)(**)	\$ -	\$ 163,665	\$ -	\$ -
Temujin Mining Corp.(**)	\$ -	\$ 18,600	\$ -	\$ -
	\$ -	\$ 215,399	\$ -	\$ -

* loan receivable includes capitalized interest

** loan written off during the year-ended January 31, 2015

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14. Related party disclosures (continued)

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

	Interest and dividend income earned from related parties		Interest and dividend receivable from related parties	
	Six months ended July 31,		As at July 31,	As at January 31,
	2015	2014	2015	2015
Forbes Royalty Corporation(**)	\$ -	\$ 17,740	\$ -	\$ -
Legacy Platinum Corp.(*)(**)	\$ -	\$ 101,456	\$ -	\$ -
Metal Prospecting AS(***)	\$ -	\$ 6,071	\$ -	\$ -
Rodinia Lithium Inc.(*)(***)	\$ -	\$ 47,192	\$ -	\$ -
	<u>\$ -</u>	<u>\$ 172,459</u>	<u>\$ -</u>	<u>\$ -</u>

* overdue interest was capitalized to loan receivable

** interest/dividend written off during the year-ended January 31, 2015

*** interest converted to shares during year ended January 31, 2015

Compensation of key management personnel of the Company

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.

The remuneration of directors and other members of key management personnel during the six months ended July 31, 2015 and 2014 were as follows:

	Six months ended July 31,	
	2015	2014
Short-term benefits (*)(**)	\$ 824,799	\$ 635,000
Share-based payments	\$ -	\$ 522,665
	<u>\$ 824,799</u>	<u>\$ 1,157,665</u>

* Benefits include fees paid to Forbes & Manhattan, Inc.

** Benefits include severance payment

At July 31, 2015, the Company had accounts payable and accrued liabilities balance of \$243,922 (January 31, 2015 - \$308,701) owing to its key management and related companies for severance, deferred share units accrual, expense reimbursement and proxy contest related legal fees and expenses. Such amounts are unsecured, non-interest bearing and with no fixed terms of payment.

15. Commitments and contingencies

Management contracts

The Company is party to certain management contracts. These contracts contain aggregate minimum commitments of approximately \$1,200,000 (January 31, 2015 - \$1,426,000) ranging from 30 days to 13 months and additional contingent payments of up to approximately \$3,100,000 (January 31, 2015 - \$6,250,000) upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these condensed interim consolidated financial statements.

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15. Commitments and contingencies (continued)

Tax positions

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.

F&M costs sharing policy

The Company entered into a costs and liabilities sharing policy with F&M as disclosed in Note 14. Pursuant to the policy, the Company will be responsible for 50% of costs, including any reasonable and third party costs such as legal, technical, and/or accounting expenses jointly incurred in connection with, or arising as a result of the pursuit of certain investment opportunities and the subsequent development of any such investment opportunities that are acquired by the Company and F&M up to a maximum of \$500,000. In the event any expenses incurred with respect to the investment opportunities are recouped by either party, such amounts will be allocated 50% to each party.

16. Subsequent events

On August 13, 2015, the Company entered into an agreement to sell certain public and private equity holdings to Ore Acquisition Partners, LP, an investment vehicle owned by funds managed by Landmark Equity Advisors, LLC ("Landmark"). As part of the transaction, Aberdeen will also transfer its shares in Tahoe Resources to the partnership, with payment for those shares being deferred until such shares are sold.

Aberdeen is selling a portfolio of public and private holdings owned prior to September 2014 for an aggregate price of approximately \$11.8 million to Ore Acquisition Partners L.P. Transaction highlights include, upon closing, Aberdeen will receive gross proceeds of approximately \$8.1 million. Included in the sale are 325,000 shares of Tahoe Resources, for which payment will be deferred until the entire Tahoe position is sold. The deferred payment to Aberdeen will be equal to the net proceeds received from the future sales of these Tahoe shares. As part of the terms of the sale, Aberdeen has the right to an additional \$2,000,000 earn out, which is payable upon achievement of certain milestones. Aberdeen will provide management and administrative services to the partnership for a minimum of three and up to five years and will receive a management fee in addition to a small minority interest in the net profits of the partnership.

Aberdeen will retain a number of significant recent investments, including its 44% interest in African Thunder Platinum with a book value of \$10.3 million and a portfolio of several smaller publicly traded holdings with a current market value of approximately \$3.3 million as at July 31, 2015. Aberdeen intends to use a substantial amount of the net proceeds from the sale for future investments in pre-IPO and/or public resource companies and/or projects with undervalued high quality resources, in keeping with the current business model of Aberdeen. Going forward the Aberdeen portfolio will consist largely of cash and holdings in acquisitions made since the Letter of Intent ("LOI") was announced in September 2014, including its stake in African Thunder Platinum.

On September 10, 2015, the Company closed the transaction with Landmark.