ABERDEEN INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008

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

The quarterly report, including this Management Discussion & Analysis may contain certain "Forward-Looking Information" within the meaning of applicable securities law, which are prospective and reflect management's expectations regarding Aberdeen's future growth, results of operations, performance and business prospects and opportunities. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding the Company's plan of business operations; projections regarding future success based on past success; availability of financing on acceptable terms; ability to identify and execute investments; investment philosophy and business purposes; projected costs and expenditures; potential benefits of the business; anticipated returns, potential mineralization, projection of future revenue, targets for cash operating costs, exploration results and future plans and objectives of Aberdeen are forward-looking information that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Aberdeen's expectations include, but are not limited to, in particular, past success or achievement does not guarantee future success: risks related to investment performance, market fluctuations, fluctuations in commodity prices, uncertainties relating to the availability and costs of financing needed in the future, the strength of the Canadian and US economies, foreign exchange fluctuations, competition, political and economic risks in the countries in which the Company's investments' interests are located and other risks included elsewhere in this MD&A under the heading "Risks and Uncertainties" as well as those factors discussed in or referred to in the Annual Information Form ("AIF") filed on April 30, 2008, under the profile of the Company at www.sedar.com. Estimates and assumptions that have been considered when formulating forward–looking information include, with respect to the valuation of the Simmer and Jack royalty, information disclosed by Simmer and Jack regarding the properties and their expected production schedule and timeline, mineral prices, all parties complying with the applicable contracts, and with respect to the investments and investment philosophy of Aberdeen, management expertise and knowledge of the resources industry and the continued involvement of the current management team with Aberdeen. With regard to all information included herein relating to investee companies, Aberdeen has relied exclusively on publicly available information disclosed by the respective companies.

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

ABERDEEN INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2008

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

Management's Discussion and Analysis of financial condition and results of operations for the quarter ended April 30, 2008

This Management's Discussion and Analysis ("MD&A") of the operations, results and financial condition of Aberdeen International Inc. ("Aberdeen", or the "Company") for the quarter ended April 30, 2008 should be read in conjunction with the related quarterly unaudited interim financial statements, including the notes thereto. A detailed summary of the Company's significant accounting policies is included in Note 2 of the Company's audited annual financial statements for the year ended January 31, 2008, which have been consistently applied. The financial statements and related notes of Aberdeen have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Additional information, including our AIF dated April 30, 2008 and press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under the Company's profile at www.sedar.com. This MD&A reports on the Company's activities through June 6, 2008.

On January 30, 2008, Aberdeen's common shares and the share purchase warrants issued in June 2007 began trading on the Toronto Stock Exchange ("TSX") under the symbol AAB and AAB.WT, respectively. Prior to that date, the Company's common shares traded on the TSX Venture Exchange under the symbol AAB.

OVERVIEW

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

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

Aberdeen provides valued-added managerial and board advisory services to these companies. The Company's intention is to optimize the return on its investments over an 18 to 24 month investment time frame. Aberdeen also has access to key experts in the mining and financial sector who can provide further assistance in evaluating and monitoring companies and their progress.

The Company began operating as a global investment and merchant bank in July 2007. During the three quarters since, the Company has made purchases of portfolio investments of $30,932,479. As at April 30, 2008, its portfolio investments had an estimated fair market value of $54,053,798.

Investment during the current quarter included Sulliden Exploration Inc., a gold resource company in Peru; Magma Metals Limited, an Australian listed company with a platinum/palladium project in the Thunder Bay region of Ontario; and, Longford Energy Inc., an oil and gas exploration company.

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

SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is a full discussion and description of the Company's critical accounting policies in the MD&A for the year ended January 31, 2008.

SIGNIFICANT DEVELOPMENTS

<u>Investments</u>

As at April 30, 2008, the Company held portfolio investments with an estimated fair market value of $54,053,798 and a cost base of $30,746,543, for a cumulative unrealized gain of $23,307,255 (after-tax: $15,499,325). Investments consisted of the following:

Issuer	Note	Security description	Cost	Estimated Fair value	% of (FV)
Avion Resources Corp.	(i,ii)	2,818,700 common shares			
		2,818,700 warrants expire October 12, 2009			
		1,500,000 warrants expire July 31, 2010			
		250,000 warrants expire July 31, 2009	$836,114	$2,336,093	4.3%
Central Sun Mining Inc.*	(i,ii)	6,619,000 common shares			
		3,309,500 warrants expire October 22, 2010	6,949,950	18,624,212	34.5%
Quinto Mining Corporation	(i,ii)	5,961,000 common shares			
		2,500,000 warrants expire January 10, 2010	3,893,870	11,421,410	21.1%
Russo-Forest Corporation	(i,ii)	6,125,000 common shares			
		4,000,000 warrants expire January 25, 2013	2,214,030	2,214,030	4.1%
Total of 12 other investments	(iii)		16,852,579	19,458,053	36.0%
Total investments			$30,746,543	$54,053,798	100.0%

* Formerly named Glencairn Gold Corporation.

(i) The Company has issued a Section 101 report under the Ontario Securities Act for these investments and have a fair value of greater than $500,000 as at April 30, 2008.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the company and these investments have a fair value greater than $500,000 as at April 30, 2008.
(iii) Total other investments held by the Company, which are not individually listed as at April 30, 2008.

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

As at January 31, 2008, the Company held portfolio investments with an estimated fair market value of $35,055,876 and a cost of $26,136,858. During the year, an unrealized gain of $8,919,018 (after-tax: $5,931,147) was recorded. Investments consisted of the following:

Issuer	Note	Security description	Cost	Estimated Fair value	% of (FV)
Avion Resources Corp.	(i,ii)	2,818,700 common shares			
		2,818,700 warrants expire October 12, 2009			
		1,500,000 warrants expire July 31, 2009	$836,114	$1,878,469	5.4%
Buchanan Renewable Energies	(ii)	3,000,000 common shares			
		1,500,000 warrants expire August 23, 2009	750,000	750,000	2.1%
Central Sun Mining Inc.*	(i,ii)	6,619,000 common shares			
		3,309,500 warrants expire October 22, 2010	6,949,950	16,197,686	46.2%
Quinto Mining Corporation	(i,ii)	5,000,000 common shares			
		2,500,000 warrants expire January 10, 2010	3,250,000	3,062,500	8.7%
Russo-Forest Corporation	(ii)	6,125,000 common shares			
		4,000,000 warrants expire January 25, 2013	2,214,030	2,214,030	6.3%
Total of 7 other investments	(iii)		12,136,764	10,953,191	31.2%
Total Investments			$26,136,858	$35,055,876	100.0%

* Formerly named Glencairn Gold Corporation.

(i) The Company has issued a Section 101 report under the Ontario Securities Act for this investment and it has a fair value of greater than $500,000 as at January 31, 2008.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee and this investment has a fair value greater than $500,000 as at January 31, 2008.
(iii) Total other investments held by the Company, which are not individually listed as at January 31, 2008.

Equity Accounted Investment

As at April 30, 2008, the Company held an equity accounted investment, Tucano Exploration Inc ("Tucano"). The ownership in Tucano consisted of 4,000,000 shares which represented an equity interest of 36.7%. The following is a schedule of the equity accounted investment as at April 30, 2008 and January 31, 2008:

	April 30, 2008	January 31, 2008
Equity accounted investment – carrying value – beginning of period	**$ 2,000,000**	$ -
Purchase of investment	-	2,000,000
Loss on equity investment	**(19,635)**	-
Equity accounted investment – carrying value – end of period	**$ 1,980,365**	$ 2,000,000

Loans Receivable

On March 20, 2008, the Company entered into a short-term loan agreement with Avion Resources Corp. ("Avion"). The Company loaned Avion US$1,000,000 which is repayable on or before September 30, 2008 with interest payable monthly commencing April 30, 2008 at an annual rate of 10%. In addition, Avion provided, as consideration, 250,000 warrants with an exercise price of $0.38 per common share and an expiry date of March 31, 2010. The fair value of the warrants was estimated to be $60,000 which has been applied against the carrying value of the loan receivable and will be recognized as income over the term of the loan. The fair value was calculated using the black-scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 92%; risk-free interest rate of 2.7%; and an expected life of two years. The carrying value of the loan receivable at April 30, 2008, was $949,500.

On April 30, 2008, the Company entered into a short-term loan agreement with Largo Resources Inc. ("Largo"). The Company loaned Largo US$4,500,000 which is repayable on or before June 30, 2008 with interest payable monthly at a rate of 1% per month. This loan is extendible to November 1, 2008 with an extension fee for $100,000. In addition, Largo provided US$250,000 cash and 650,000 shares as consideration to the Company. The fair value of these shares was estimated to be $351,000 based on the closing price of Largo's common shares on April 30, 2008. The cash payment along with the fair value of the shares have been applied against the carrying value of the loan receivable and which will be recognized as income over the term of the loan. The carrying value of the loan receivable at April 30, 2008, was $3,939,376.

Simmer and Jack Convertible Loan Agreement

The Company has a US$10,000,000 Secured Gold Based Convertible Loan Agreement ("Convertible Loan Agreement") with Simmer and Jack Mines, Limited ("Simmers") of South Africa. The Convertible Loan Agreement has a three-year term with a 3% coupon at gold prices up to US$400 per ounce (2.5% 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. Repayment of the Convertible Loan Agreement, including interest and royalty payments, is in US dollars and matures at December 31, 2008.

Simmers has announced that it produced 28,537 ounces of gold from its South African Buffels mine in the first calendar quarter of 2008, compared with 26,868 ounces of gold in the first calendar quarter of 2007. Based on the average gold price during the applicable periods, royalty rates were 4.75% for the first quarter of the current year, versus 3.75% for the first quarter of the prior year. As a result, production from the Simmers' Buffels mine provided the Company with a gold royalty equivalent of $1,186,848 for the three month period ended April 30, 2008, compared with $850,338 during the comparative period in the prior year. In addition to the royalty revenue, the Company earned a 2.5% fixed interest rate on the loan facility, which totaled $62,902 during the current quarter, versus $66,680 in the comparative quarter.

The Company has an option to convert the Convertible Loan Agreement to equity of Simmers at ZAR 0.80 per share at any time after the first year of the loan, subject to Simmers shareholders' approval. If shareholder approval is not granted then the US$10,000,000 Convertible Loan Agreement will mature (provided that Simmers does not extend the loan) on December 31, 2008 and the Company will be entitled to a 1% NSR on gold produced for the life of the underlying assets consisting of the Greater Buffels property as further compensation for the failure to approve the loan conversion.

In December 2007, in addition to the royalty on Simmers' Buffels mine production, Aberdeen began receiving a gold royalty from the Buffels tailings dumps owned by First Uranium Corporation ("First Uranium"), a subsidiary of Simmers. The Buffels tailings dumps provide a gold and uranium resource of previously treated material. The recent rise in both the gold and uranium price suggests this resource can now be economically processed. The mineral resources contained in the tailings dumps were reviewed in a technical report entitled "Technical Report - Preliminary Assessment of the Buffelsfontein Project, Northwest Province, Republic of South Africa" dated November 8, 2006, prepared by R. Dennis Bergen, P.Eng. and Wayne Valliant, P.Geo. of Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA), each of whom is a qualified person under NI 43-101 and is independent of Aberdeen.

The tailings recovery project is 100%-owned and operated by First Uranium. The tailings dumps are being mined using high-pressure water cannons to produce a slurry, that is pumped to the processing plants and separated into gold and uranium using a leaching process. First Uranium purchased a 600,000 tonne per month gold recovery plant adjacent to the Buffels tailings dumps to help facilitate the acceleration of gold production. First Uranium plans to expand this gold plant and construct a new uranium plant. First Uranium's disclosed plan for the tailings recovery project is based on treating 1.8 million tonnes per month, producing an average 138,000 ounces of gold and 950,000 pounds of uranium per year over a 14-year mine life. Scott Wilson RPA estimated that a total of 1.9 million ounces of gold will be recovered from the tailings dumps.

These estimates were extracted from a NI 43-101 Technical Report entitled "An Independent Audit of the Mineral Resources and Mineral Reserves of the Buffelsfontein Gold Mine, Northwest Province, South Africa" dated April 18, 2006, prepared for Aberdeen by Daniel van Heerden and N. Johan Odendaal of Minxcon, each of whom is a qualified person under NI 43-101 and is independent of Aberdeen.

During the calendar first quarter of 2008, First Uranium announced that the Buffels tailings dumps had produced 6,598 ounces of gold. During the current fiscal quarter, the Company recorded royalty revenue of $323,629 from the Buffels tailings dumps.

The Company's Convertible Loan Agreement extends to all gold produced from the tailings dumps as well as the existing underground mining operations at Buffels. The royalty loan facility does not extend to uranium produced at Buffels.

As at April 30, 2008, the fair value of the Convertible Loan Agreement (which includes gold production from both Simmers and First Uranium) was estimated to be $49,001,130. The key assumptions used in determining the fair value of the Convertible Loan Agreement included the following: 1) receipt of a graduated royalty until December 31, 2008; 2) repayment of the US$10 million loan on December 31, 2008 and thereafter receipt of a 1% NSR for the life of the mines; 3) 5% discount rate; 4) US$850 gold price through fiscal year 2010, and US$700 thereafter; and, 5) life of mines and gold production estimates as publicly disclosed by Simmers and First Uranium Corporation.

During the quarter, Simmers announced that they will be releasing new technical reports on the Buffels Underground and the tailings recovery projects. The results of the new technical reports, according to Simmers, will result in an extended life of mine for the underground operation, averaging 294,000 ounces of gold production per year for the next 21 years. They also announced the implementation of the Mega-Float project using the North Plant to process broken low grade ore to recover approximately 35,000 ounce of gold for seven years over which Aberdeen would receive a 1% tail royalty. The Company's Convertible Loan Agreement also provides for a notarial bond covering the North Plant. Simmers' also announced its intention to explore the conversion of 35 million conceptual ounces of gold in the past producing Strathmore shaft by exploration drilling over the next six years. While the Company has attributed no value as yet for the Strathmore project, Simmers has stated the possibility of recovering 11.9 million ounces from the Strathmore project over its potential life of mine. At current gold prices, this would equate to over $100 million of undiscounted cash flow to Aberdeen under its 1% tail royalty.

The Convertible Loan Agreement also provides the Company with a right of first refusal on any future financings that Simmers completes on any of their properties. Under the Agreement, the Company has 60 days to match financing terms provided by a third party to Simmers. During calendar 2007, Simmers completed a third party financing without providing the Company the right to match the terms offered. Following discussions with Simmers, which did not resolve the Company's concerns, Aberdeen initiated legal proceedings to claim damages caused by the breach of the Agreement. The litigation is before the courts in South Africa and the final outcome is uncertain.

Sale of Mineral Property - Ethiopia

During the year ended January 31, 2008, the Company completed the sale of Ethiopian property rights it held to Avion Resources Corp. ("Avion"). The Company obtained these Ethiopian property rights through an earn-in agreement with Ethio-Gibe Mining PLC ("Ethio-Gibe"). Aberdeen had earned 100% of the exclusive rights granted by the Ethiopian Government to Ethio-Gibe for consideration consisting of cash and shares payable over a five-year period. The terms of the agreement with Avion were as follows:

(i) $250,000 upon receipt of regulatory approval for the transaction;
(ii) $750,000 on or before June 30, 2008;
(iii) $1,000,000 on or before December 31, 2008;
(iv) 1.5% net smelter royalty in respect of the exploration licences;
(v) 1,500,000 share purchase warrants of Avion exercisable at $0.48 for 18 months; and
(vi) Avion will assume Aberdeen's obligations to Ethio-Gibe for cash and share payments.

The payments to be made by Avion subsequent to the initial $250,000 shall be made in cash or common shares of Avion, upon the mutual agreement of both parties, with any common shares to be issued at a price equal to the volume weighted average trading price for the 30 days prior to the payment due date for Avion common shares.

At January 31, 2008, the cash payments to be received from Avion, including the initial $250,000, were recorded as a receivable at a discounted value of $1,837,477 and the 1,500,000 warrants were fair valued at $216,000, for total consideration of $2,053,477. The fair value of the warrants was estimated using the Black-Scholes option pricing model using the following assumptions: expected dividend yield of 0%; expected volatility of 91%; risk-free interest rate of 3.2%; and an expected life of 18 months.

The initial payment of $250,000 under the agreement was received by the Company on February 14, 2008. The carrying value of the remaining receivable at April 30, 2008 was $1,645,591.

In an earlier portfolio investment, during the three months ended October 31, 2007, the Company acquired 2,818,700 common shares of Avion, which represented approximately 19.9% of Avion, along with 2,818,700 warrants. Stan Bharti, a director of Aberdeen, is also a director of Avion and is related to Avion's chief executive officer. Currently, Aberdeen owns 2,818,700 common shares of Avion along with 4,568,700 warrants and 5,000,000 subscription receipts, each of which is convertible into one common share and one-half of one share purchase warrant, at no cost to Aberdeen.

During the three months ended April 30, 2008, Aberdeen made a US$1,000,000 short-term loan to Avion in order for Avion to secure assets owned by Nevsun Resources Ltd. ("Nevsun") in Malia, including the Tabakota and Segala mine and plant which Nevsun spent over US$100 million commissioning.

Normal Course Issuer Bid

On January 31, 2008**,** the Company announced its intention to make a Normal Course Issuer Bid ("NCIB") to buy back its common shares for cancellation through the facilities of the Toronto Stock Exchange ("Exchange").

The maximum number of common shares that may be purchased for cancellation pursuant to the NCIB is that number of common shares that represents 10% of the common shares in the public float on the date that the Exchange approved the NCIB. Based on the 81,888,340 common shares in the public float as at January 31, 2008, the maximum number of shares was 8,188,834. The number of shares in the public float is less than the number of issued and outstanding common shares because the public float number does not include common shares held by insiders of the Company. The actual number of common shares to be purchased and the timing of such purchases will be determined by the Company considering market conditions, stock prices, its cash position, and other factors.

Purchases under the NCIB commenced on February 4, 2008 and will terminate on February 3, 2009, or the date upon which the maximum number of common shares have been purchased by the Company pursuant to the NCIB. There cannot be any assurance as to how many common shares will ultimately be acquired by Aberdeen under the NCIB. The Company intends that shares acquired pursuant to the NCIB will be canceled. During the three months ended April 30, 2008, the Company used $380,846 to purchase and cancel 721,600 shares at an average price of approximately $0.53 per share. The stated value of these shares in the Company's shareholders' equity was $364,264, or approximately $0.50 per share. The difference of $16,582 was charged to contributed surplus.

As at June 6, 2008, an additional 500,000 shares had been purchased for cancellation subsequent to the end of the quarter at an average price of $0.65 per share, bring the total number of shares purchased for cancellation under the NCIB to 1,221,600.

LIQUIDITY AND CAPITAL RESOURCES

As at April 30, 2008, the Company had a working capital of $88,513,904 and generated $283,157 from its operating activities year to date. The working capital consisted largely of cash and cash equivalents of $19,050,103, the estimated fair value of its portfolio investments of $54,053,798 and the current portion of its convertible royalty loan of $17,380,562, partially offset by current liabilities of $11,322,944. The current liabilities included future income taxes of $8,422,000.

At April 30, 2008, the Company had cash of $1,132,129 and cash equivalents of $17,917,974. The cash equivalents were invested in Banker's Acceptance Paper issued by Canadian Schedule 1 Financial Institutions and the Company is not aware of any concerns with the commercial paper.

RESULTS OF OPERATIONS

The net income for the quarter under review was $12,002,434, compared to a loss of $2,177,154 in the prior year's quarter. The net income was largely from realized and unrealized gains on investments of $14,550,301 (after-tax of $9,675,950), royalties and an unrealized gain on the convertible royalty loan of $5,071,859, partially offset by general and administrative expense of $2,011,430 and a total income tax provision of $5,982,902. The loss in the comparable quarter was largely the result of an unrealized loss on the convertible royalty loan, partially offset by an income tax recovery.

The gain on Aberdeen's portfolio investments included net realized gains of $225,000 and net unrealized gains of $14,325,301. At April 30, 2008, the Company's investment portfolio had an estimated fair market value of $54,053,798 and a cost base of $30,746,543. At January 31, 2008, the Company's investment portfolio had an estimated fair market value of $35,055,876 and a cost base of $26,136,858.

The Company's convertible royalty loan generated royalty income of $1,510,477 in the first quarter of fiscal 2009 ($850,338 for the comparable quarter in fiscal 2008). The increase was due to higher production, with the production from the Buffels tailings dumps coming online and higher gold prices and royalty rates, partially offset by a weaker US dollar.

Aberdeen also recorded an unrealized gain on its convertible royalty loan of $3,561,382 during the quarter under review, compared with a loss of $3,921,418 in the comparative quarter. The current period gain was due to increased life of mine and gold production estimates as publicly disclosed by Simmers and First Uranium and higher long-term gold price assumptions, which was increased from US$600 per ounce to US$700 per ounce.

During the quarter, the Company recorded revenue for advisory service fees of $44,500 relating to services provided to pre-IPO or early stage public companies. Also during the quarter, the Company recorded total interest revenue of $372,887, compared with $89,253 in the comparative quarter. The increase during the current year was due to interest earned on larger cash balances resulting from the $60,000,000 private placement in June 2007.

General and administrative expense for the quarter under review was $2,011,430, compared to $161,431 for the comparative quarter. The increase was largely due to the management bonus accrual and increased expenses related to Aberdeen's new business activities. The bonus was an accrual based on providing management with an annual bonus equal to 10% of the realized pre-tax profit on the Company's portfolio investments. For the three months ended April 30, 2008, a bonus of $1,455,030 was accrued as an expense based on net portfolio investment gains during the quarter.

During the three months ended April 30, 2008, the Company recorded a current income tax expense of $442,902 and a future tax provision of $5,540,000. The income tax expense, which was up from $233,637 during the comparative period, was the result of the royalty income, interest income, realized gains on investments and advisory service fees, partially offset by general and administrative expenses that are currently deductible. The future income tax provision largely resulted from the unrealized gains on both the portfolio investments and the convertible royalty loan. A future income tax recovery was recorded in the comparative quarter largely due to the unrealized loss recorded on the convertible royalty loan.

Selected Annual Information

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

	2008	2007	2006
Net income (loss) for the year	$2,584,409	$2,478,763	$(1,903,809)
Basic and diluted income (loss) per share	$0.04	$0.09	$(0.12)
Total assets	$113,842,465	$15,168,428	$12,945,093
Total liabilities	$15,040,315	$3,417,665	$3,831,948
Working capital (deficiency)	$81,244,913	$(145,874)	$595,850

Quarterly Information

The quarterly results have been as follows:
Tabular amounts in $000, except for per share amounts.

Summary Financial Information for the Eight Quarters Ended April 30, 2008

Period	Investment gains & revenues	Total assets	Net income (loss)	Basic and diluted income (loss) per share	Long-term liabilities
1st Quarter 2009	20,045	131,459	12,002	0.12	9,712
4th Quarter 2008	2,876	113,842	2,258	0.02	7,395
3rd Quarter 2008	10,460	111,466	3,565	0.03	9,999
2nd Quarter 2008	(1,360)	107,564	(1,062)	(0.03)	11,832
1st Quarter 2008	(2,928)	51,069	(2,177)	(0.08)	12,826
4th Quarter 2007	820	15,168	1,227	0.04/0.03	102
3rd Quarter 2007	945	13,854	464	0.02/0.01	3,120
2nd Quarter 2007	1,028	13,450	768	0.03/0.02	3,150

The Company is currently generating royalty and interest revenue from its convertible royalty loan which is tied to the price of gold, as previously discussed. In addition, the Company began making investments in pre-IPO and early stage public resource companies in the third quarter of fiscal 2008. These investments are fair valued with an unrealized gain or loss going through the statement of operations on a quarterly basis. During the third quarter of fiscal 2008, the Company recorded an unrealized gain on investments of $10,985,310 and during the fourth quarter of fiscal 2008 recorded an unrealized loss of $2,066,292. As discussed above, during the first quarter of fiscal 2009, the Company recorded net gains on portfolio investments of $14,550,301. The Company also adjusts the fair value of its convertible royalty loan through income. With the weakening of the US dollar against the Canadian dollar during the previous fiscal year, as well as having the loan delivering income to the Company, Aberdeen recorded unrealized losses on the fair value of the convertible royalty loan in each of the four fiscal quarters in 2008. During the first quarter of 2009, due to higher gold price assumptions and increased production estimates, an unrealized gain on the convertible royalty loan was recorded.

Historically, the net losses have resulted primarily from corporate overheads, including non-cash stock-based compensation expenses. Stock-based compensation represents an estimate of the fair value of stock options granted to directors, officers and consultants of the Company, calculated by applying the Black-Scholes option pricing model.

The general trend of increasing total assets has resulted from the Company raising funds through private equity and using these funds to acquire portfolio investments. In addition, the large increase in total assets during the first fiscal quarter of 2008 was the result of the Company applying the new accounting standards for financial instruments that required the convertible royalty loan be carried at fair value. The increase of total assets for the second fiscal quarter of 2008 was the result of the $60,000,000 private placement, which was completed in July 2007. In the first fiscal quarter of 2009, the increase was largely due to the increase in the estimated value of the Company's portfolio investments.

CASH FLOWS

Cash provided by operating activities during the quarter ended April 30, 2008 was $283,157, compared to $469,645 in the prior year's quarter. The difference between the operating cash flow and net earnings reflects the non-cash nature of the many of the gains recorded during the quarter and increases in cash taxes paid.

Financing activities used $380,846 during the quarter under review, which related to the NCIB to buy back its common shares for cancellation announced in January 2008.

Purchases under the NCIB commenced on February 4, 2008 and during the three months ended April 30, 2008, the Company repurchased and cancelled 721,600 shares at an average price of approximately $0.53 per share. The stated value of these shares in the Company's shareholders' equity was $364,264, or approximately $0.50 per share. The difference between the cost to repurchase and the stated value of $16,582 was charged to contributed surplus.

Cash used in investing activities during the quarter ended April 30, 2008 was $9,788,616, compared to $553,870 in the comparative quarter during the prior year. During the quarter under review, $5,011,621 was used for the purchase of portfolio investments and $5,552,250 was used for short-term loans, while proceeds of $975,000 were received on the disposal of investments. In addition, cash of $199,745 was used which related to the prior year's disposal of the Ethiopian mineral property rights. Cash used during the comparative quarter also largely related to the Ethiopian mineral property rights.

SIGNIFICANT FUTURE OBLIGATIONS

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $550,000 and additional contingent payments of approximately $2,790,000 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.

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

TRANSCTIONS WITH RELATED PARTIES

All of the related party transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

The Company's officers and directors may have investments in and/or director and officer positions in certain investments that the Company holds. The following is a list of the investments and the nature of the relationship of the Company's officers or directors with the investment:

Investment	Nature of relationship		Fair value April 30, 2008
Avion Resources Corp.	Directors, officers and shareholders	$	3,345,593
	Related to investee's CEO		
Central Sun Mining Inc.*	Directors and shareholders		18,624,212
Quinto Mining Corporation	Shareholders		11,421,410
Russo-Forest Corporation	Directors and shareholders		2,214,030
Total of 12 other investments	Directors, officers and shareholders		19,458,052
Total Investments		$	54,053,798

* Formerly named Glencairn Gold Corporation.

In addition to the investments listed above, Aberdeen has an equity investment in Tucano Exploration Inc. and loans receivable from Avion Resource Corp. and Largo Resource Inc. Directors and officers of Aberdeen hold director and officer positions in these companies and may hold investments.

While it is at the discretion of the Board, it is expected that an annual bonus equal to 10% of the realized pre-tax profit on the Company's portfolio investments will be paid to management. For the three months ended April 30, 2008, the Company had net realized gains on investments of $225,000 and net unrealized gains of $14,325,301. As a result, $1,455,030 was accrued as bonus expense. The total amount accrued as a bonus, as at April 30, 2008, was $2,346,932.

The Company was charged $22,500 during the quarter under review (fiscal 2008 - $7,500) by a company controlled by a director of the Company for administration services. As well, the Company paid $109,000 to directors and officers of the Company for consulting services and fees for acting as directors and officers during the three months ended April 30, 2008 (fiscal 2008 - $61,250).

The Company shares its premises with other corporations that have common directors and/or officers. The Company reimburses the related corporations for their proportional share of expenses.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Note 2 to the annual audited financial statements for the year ended January 31, 2008. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses and cash flows for the periods reported. Such estimates and assumptions affect, among other items, the carrying value of its investments and other assets and valuations of stock-based compensation, warrants and tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

CHANGES IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

Section 1535, *Capital Disclosures*

Effective February 1, 2008, the Company adopted CICA Handbook Section 1535, *Capital Disclosures*. This standard requires disclosure of information that enables users of the Company's financial statements to evaluate its objectives, policies and processes for managing capital. As a result of the adoption of this new standard, the Company has developed the additional disclosure as described in Note 14 to its unaudited interim financial statements for the three months ended April 30, 2008.

Section 3862, *Financial Instruments - Disclosure* and Section 3863 *Financial Instruments – Presentation*

Effective February 1, 2008, the Company adopted the requirements of the CICA Handbook Section 3862, *Financial Instruments - Disclosure* and Section 3863, *Financial Instruments - Presentation*, which apply to fiscal years beginning on or after October 1, 2007. The objective of Sections 3862 and 3863 is to provide financial statement disclosure to enable users to evaluate the significance of financial instruments on the Company's financial position and performance and the nature and extent of risks arising from financial instruments that the Company is exposed to during the reporting period and the balance sheet date and how those risks are managed. As a result of the adoption of these new standards, the Company has developed additional disclosure as described in Note 15 to its unaudited interim financial statements for the three months ended April 30, 2008.

Recent Accounting Pronouncements

International Financial Reporting Standards ("IFRS")

In 2005, the Accounting Standards Board of Canada ("AcSB") announced that accounting standards in Canada are to converge with IFRS. In May 2007, the CICA published an updated version of its "Implementation Plan for Incorporating International Financial Reporting Standards into Canadian GAAP". This plan includes an outline of the key decisions that the CICA will need to make as it implements the Strategic Plan for publicly accountable enterprises that will converge Canadian generally accepted accounting standards with IFRS. In April 2008, the AcSB published the exposure draft: *Adopting IFRS in Canada* ("Exposure Draft"). The AcSB proposes to incorporate the IFRS set out in this Exposure Draft into the CICA Handbook – Accounting ("Handbook"). The Handbook will be updated as necessary thereafter so that, at any point in time, it includes the full body of IFRS then in effect. Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, IFRS will replace current Canadian GAAP for most publicly accountable enterprises. Companies will be required to provide comparative IFRS information for the previous fiscal year. At the same time, the AcSB proposes to amend Section 1506, *Accounting Changes*, to accommodate the adoption of IFRS in Canada by providing relief in respect of the requirement to disclose information about new primary sources of GAAP that have been issued but are not yet effective. The Company will implement this standard in its first quarter of fiscal year 2012 and is currently evaluating the impact of their adoption on its financial statements.

OUTLOOK

On June 7, 2007, the Company closed a private placement financing raising gross proceeds of $60,000,000. During the subsequent quarters, the Company has made purchases of portfolio investments of $30,932,479. At April 30, 2008, Aberdeen had portfolio investments with an estimated fair market value of $54,053,798 and cash and cash equivalents of $19,050,103. In connection with its business as a publicly traded global investment company and merchant bank focused on the resources industry, Aberdeen will continue to actively investigate potential investment opportunities. With respect to the convertible royalty loan, the Company is following the progress on the Buffels mines closely and is currently considering the conversion right, thereby allowing the Company to crystallize the full value of the royalty loan.

RISKS AND UNCERTAINTIES

As the Company's future revenue stream is based on gold production operations in foreign jurisdictions and gains on its portfolio investments, risks include, but are not limited to, uneconomic grades or costs of recovery, falling commodity prices, a strengthening Canadian dollar versus particularly the United States dollar, unfavourable costs, falling capital markets, key personnel changes, changes in domestic and foreign laws, environmental legislation, labour relations, and other risks and hazards associated with mining operations. For further discussion of risk factors and other information please refer to the AIF filed on April 30, 2008 under the profile of the Company at www.sedar.com.

With the change in business focus to that of an investment company complete, the Company is required to value its investments on a periodic basis. The investment valuations, often in the absence of readily ascertainable market values will be estimated by management and approved by the Board of Directors. However, because of the inherent uncertainty of valuation, the estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

SUBSEQUENT EVENTS

As of June 6, 2008, the Company had spent $5,775,000 on various investments subsequent to April 30, 2008. In addition, as at June 6, 2008, an additional 500,000 shares had been repurchased for cancellation at an average price of $0.65 per share, bringing the total number of shares repurchased for cancellation under the NCIB to 1,221,600.

MULTILATERAL INSTRUMENT 52-109 DISCLOSURE

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

Internal controls over financial reporting
The Chief Executive Officer and Chief Financial Officer, together with other members of management, after having designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reporting in accordance with the issuer's GAAP as of April 30, 2008, have not identified any changes to the Company's internal controls over financial reporting which would materially affect, or is reasonably likely to materially affect the Company's internal control over financial reporting.

SUPPLEMENT TO THE FINANCIAL STATEMENTS

As at June 6, 2008, the following common shares, common share purchase options and share purchase warrants were issued and outstanding:

- 101,709,073 common shares;
- 37,500,000 share purchase warrants, exercisable for an equal number of common shares at an exercise prices of $1.00, expiring June 6, 2012;
- 5,900,000 common share purchase options exercisable for an equal number of common shares at exercise prices ranging from $0.69 to $0.90, expiring between September 19, 2010 and October 4, 2012; and,
- 4,500,000 Compensation Option Warrants each of which is exercisable for one common share and one-half of one share purchase warrant at an exercise price of $0.80 expiring June 6, 2009.

In addition, subsequent to April 30, 2008, Aberdeen had spent approximately $5,775,000 on various investments (as at June 6, 2008).