ABERDEEN INTERNATIONAL

ANNUAL FINANCIAL STATEMENTS

For the years ended January 31, 2014 and 2013
(expressed in Canadian dollars)

McGovern, Hurley, Cunningham, LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Aberdeen International Inc.

We have audited the accompanying financial statements of Aberdeen International Inc., which comprise the statements of financial position as at January 31, 2014 and 2013, and the statements of comprehensive loss, statements of cash flows, and statements of changes in equity for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Aberdeen International Inc. as at January 31, 2014 and 2013, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

McGOVERN, HURLEY, CUNNINGHAM, LLP

McGovern, Hurley, Cunningham, LLP

Chartered Accountants
Licensed Public Accountants

TORONTO, Canada
April 30, 2014

ABERDEEN INTERNATIONAL INC.
Statements of Financial Position
As at
(In Canadian dollars)

	Notes	January 31, 2014 $	January 31, 2013 $
Assets			
Cash	15	**868,267**	322,185
Public investments, at fair value through profit and loss	3,15	**17,787,898**	32,292,172
Amounts receivable	4,15	**105,502**	14,903,734
Loans receivable	5,15	**3,902,617**	3,116,040
Prepaid expenses		**79,739**	72,700
Private investments, at fair value through profit and loss	3,15	**20,075,952**	21,039,834
Preferred shares, at fair value through profit and loss	6,15	**3,000,000**	3,000,000
Deferred tax assets	9	**3,096,000**	1,043,000
Total assets		**48,915,975**	75,789,665
Liabilities			
Due to broker	14	**-**	4,243,515
Accounts payable and accrued liabilities	8,11	**920,483**	599,856
Income taxes payable		**499,493**	5,496,236
Total liabilities		**1,419,976**	10,339,607
Shareholders' equity			
Share capital	10	**42,995,464**	42,974,278
Equity reserve and treasury shares	11	**3,818,764**	4,576,922
Retained earnings		**681,771**	17,898,858
Total shareholders' equity		**47,495,999**	65,450,058
Total liabilities and shareholders' equity		**48,915,975**	75,789,665
Commitments and contingencies	17		
Subsequent events	5,18		

Approved on behalf of the Board of Directors:

"Bernard Wilson" (signed)
Bernard Wilson, Director

"George Faught" (signed)
George Faught, Director

The accompanying notes are an integral part of the financial statements

ABERDEEN INTERNATIONAL INC.

Statements of Comprehensive Loss

(In Canadian dollars)

	Notes	Years ended January 31, 2014	2013
		$	$
Net investment (losses)			
Realized (loss) on investments, net		**(7,273,301)**	(8,370,001)
Unrealized (loss) on investments, net		**(7,019,594)**	(13,986,629)
Total investment (losses)		**(14,292,895)**	(22,356,630)
Other revenue			
Royalties	7	**-**	559,503
Interest and dividend income	16	**751,240**	1,143,251
Advisory service fees	16	**24,000**	240,000
Total other revenue		**775,240**	1,942,754
Expenses			
Operating, general and administration	11,12	**6,798,643**	8,959,879
Transaction costs		**32,911**	110,479
Interest expense		**809,472**	7,646
Provision for loan, interest, dividend and investment receivable	15	**1,627,940**	3,974,015
Loss on disposal of royalty interests	7	**-**	1,526,194
Depletion of royalty interests on mineral properties	7	**-**	151,700
Amortization		**-**	23,581
Total expenses		**9,268,966**	14,753,494
(Loss) before foreign exchange gain (loss)		**(22,786,621)**	(35,167,370)
Foreign exchange gain (loss)		**283,713**	(1,561,646)
(Loss) before income taxes		**(22,502,908)**	(36,729,016)
Income tax recovery	9	**6,209,972**	6,098,597
Net (loss) for the year		**(16,292,936)**	(30,630,419)
Other comprehensive income			
Currency translation adjustment, net of taxes	7	**-**	1,630,675
Total comprehensive (loss) for the year		**(16,292,936)**	(28,999,744)
(Loss) per common share based on net (loss) for the year			
Basic and diluted	13	**(0.19)**	(0.35)
Weighted average number of common shares outstanding			
Basic and diluted		**85,815,329**	86,418,499

The accompanying notes are an integral part of the financial statements

ABERDEEN INTERNATIONAL INC.

Statements of Cash Flows

(In Canadian dollars)

	Notes	Years ended January 31, 2014 $	2013 $
Cash flows from operating activities			
(Loss) before income taxes for the year		**(22,502,908)**	(36,729,016)
Income tax (paid)		**(1,627,864)**	(167,178)
Income tax recovered		**-**	722,682
Adjustments to reconcile net (loss) to cash used in operating activities:			
Realized loss on investments, net		**7,273,301**	8,370,001
Provision for loan, interest, dividend and investment receivable		**1,627,940**	3,974,015
Loss on disposal of royalty interests		**-**	1,526,194
Dividend income		**(170,723)**	-
Interest and penalties on tax assessment		**788,093**	-
Unrealized loss on investments, net		**7,019,594**	13,986,629
Depletion on royalty interests on mineral properties		**-**	151,700
Deferred revenue		**(60,000)**	-
Share-based compensation	11	**1,180,523**	402,947
Amortization		**-**	23,581
Unrealized foreign exchange (gain) loss		**(281,968)**	1,509,163
		(6,754,012)	(6,229,282)
Adjustments for:			
Sale of royalty interests		**-**	11,837,020
Purchase of investments		**(1,366,958)**	(21,146,168)
Disposal of investments		**18,359,595**	11,100,130
Short-term loans provided		**(3,637,720)**	(5,901,844)
Short-term loans repaid		**1,313,191**	1,896,585
Prepaid and other amounts receivable		**(603,556)**	(864,301)
Due to broker		**(4,243,515)**	4,243,515
Accounts payable and accrued liabilities		**320,704**	48,730
Net cash provided by (used in) operating activities		**3,387,729**	(5,015,615)
Cash flows from financing activities			
Repurchase of common shares relating to RSU	11	**(2,968,409)**	-
Dividend paid	10	**-**	(1,734,088)
Shares repurchased and cancelled	10	**(122,838)**	(408,230)
Proceeds from options exercised	10	**249,600**	108,000
Net cash (used in) financing activities		**(2,841,647)**	(2,034,318)
Change in cash for the year		**546,082**	(7,049,933)
CASH, beginning of year		**322,185**	7,372,118
CASH, end of year		**868,267**	322,185
Supplemental cash flow information			
Convertible debenture received as consideration for sale of royalty interests	7	**-**	9,400,000
Loan converted from amounts receivable	5	**118,650**	-
Shares received on conversion of loans and amounts receivable	5	**743,603**	1,198,996
Units received on conversion of loans receivable	5	**400,000**	9,789,820
Shares received on conversion of special warrants	5	**-**	500,000
		144	7,646

The accompanying notes are an integral part of the financial statements

ABERDEEN INTERNATIONAL INC.
Statements of Changes in Equity
(In Canadian dollars)

	Number of common shares	Share capital	Equity reserve and treasury shares	Retained earnings	Accumulated other comprehensive loss	Total shareholders' equity
	#	$	$	$	$	$
Balance - January 31, 2013	**85,994,602**	**42,974,278**	**4,576,922**	**17,898,858**	**-**	**65,450,058**
Repurchase of common shares	-	-	(122,838)	-	-	(122,838)
Cancellation of repurchased common shares	(725,180)	(361,950)	361,950	-	-	-
Options exercised	2,080,000	383,136	(133,536)	-	-	249,600
Options expired unexercised	-	-	(141,455)	141,455	-	-
Share-based compensation expense	-	-	1,180,523	-	-	1,180,523
Restricted share units	-	-	(1,902,802)	(1,065,606)	-	(2,968,408)
Net loss for the year	-	-	-	(16,292,936)	-	(16,292,936)
Balance - January 31, 2014	**87,349,422**	**42,995,464**	**3,818,764**	**681,771**	**-**	**47,495,999**
Balance - January 31, 2012	**86,100,139**	**43,311,233**	**20,337,970**	**34,062,645**	**(1,630,675)**	**96,081,173**
Repurchase of common shares	-	-	(408,230)	-	-	(408,230)
Cancellation of repurchased common shares	(1,005,500)	(502,735)	502,735	-	-	-
Cancellation of shares at registry	(37)	-	-	-	-	-
Options exercised	900,000	165,780	(57,780)	-	-	108,000
Options expired unexercised	-	-	(450,720)	450,720	-	-
Share-based compensation expense	-	-	402,947	-	-	402,947
Warrants expired unexercised	-	-	(15,750,000)	15,750,000	-	-
Dividend declared and paid	-	-	-	(1,734,088)	-	(1,734,088)
Net loss for the year	-	-	-	(30,630,419)	-	(30,630,419)
Currency translation adjustment	-	-	-	-	1,630,675	1,630,675
Balance - January 31, 2013	**85,994,602**	**42,974,278**	**4,576,922**	**17,898,858**	**-**	**65,450,058**

The accompanying notes are an integral part of the financial statements

1. Nature of operations

Aberdeen International Inc. ("Aberdeen", or the "Company") operates as a publicly traded global investment and merchant banking company focused on small capitalization companies in the resource sector. Aberdeen seeks to acquire equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high-quality resources. Aberdeen focuses on companies that: (i) are in need of managerial, technical and financial resources to realize their full potential; (ii) are undervalued in capital markets; or, (iii) operate in jurisdictions with low to moderate local political risk. Aberdeen has committed to pursue a strategy that would transition the Company from an investment holding company to an asset management business over the coming years. 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 annual financial statements of the Company have been prepared in accordance with International Financial Reporting standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The policies as set out below were consistently applied to all the periods presented unless otherwise noted.

The annual financial statements of the Company were approved by the Board of Directors on April 30, 2014.

Basis of preparation

The financial statements have been prepared using the historical cost convention except for certain financial instruments which have been measured at fair value. All monetary references expressed in these notes are references to Canadian dollar amounts ("$"). In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Significant accounting judgments, estimates and assumptions

The preparation of these annual financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates. The impacts of such estimates are pervasive throughout the annual financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies that have the most significant effect on the amounts recognized in the annual financial statements are as follows:

(i) Fair value of investment in securities not quoted in an active market or private company investments

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Refer to Notes 3 and 15 for further details.

2. Significant accounting policies (continued)

Significant accounting judgments, estimates and assumptions (continued)

(ii) Fair value of financial derivatives

Investments in options and warrants which are not traded on a recognized securities exchange do not have a readily available market value. When there are sufficient and reliable observable market inputs, a valuation technique is used; if no such market inputs are available, the warrants and options are valued at intrinsic value. Refer to Note 3 for further details.

(iii) Fair value / impairment of loans receivable

The recoverability of loans receivable is assessed when events occur indicating impairment. Recoverability is based on factors such as failure to pay interest on time and failure to pay the principal. An impairment loss is recognized in the period when it is determined that the carrying amount of the assets will not be recoverable. Convertible debentures and convertible notes issued to publicly traded companies are carried at the higher of the loan receivable value or the fair value of the common shares or units receivable from the conversion assuming the conversion can be done at the Company's option. Refer to Notes 3 and 15 for further details.

(iv) Fair value / impairment of preferred shares

Preferred shares are designated at fair value through profit or loss, with changes in fair value reported in the statement of comprehensive (loss). The preferred shares are initially recorded at cost, being the fair value at the time of acquisition. Upward or downward adjustments to carrying values are made when there is evidence of a change in value as indicated by the assessment of the financial condition of the investment.

(v) Recognition of deferred taxes

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. Refer to Note 9 for further details.

(vi) Share-based payments

The Company uses the Black-Scholes option pricing model to fair value options in order to calculate share-based compensation expense. The Black-Scholes model involves six key inputs to determine fair value of an option: risk-free interest rate, exercise price, market price of the Company's shares at date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates which involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share based compensation expense. Refer to Note 11 for further details.

(vii) Investment entity

The Company applies the exception to consolidation of particular subsidiaries available to investment entities. Management has determined that the Company qualifies for the exemption from consolidation given that the Company has the following typical characteristics of an investment entity:

(a) The Company has more than one investment;
(b) The Company has more than one investor;
(c) The Company has investors that are not related parties of the entity; and
(d) The Company has ownership interests in the form of equity or similar interests.

(viii) Contingencies

See Note 17 for details.

2. Significant accounting policies (continued)

Significant accounting judgments, estimates and assumptions (continued)

Information about assumptions and estimation uncertainties that have risk of resulting in a material adjustment within the next fiscal year are included in the following notes:

(i) Fair value of investment in securities not quoted in an active market or private company investments
(ii) Fair value / impairment of loans receivable
(iii) Fair value / impairment of preferred shares
(iv) Share-based payments
(v) Contingencies

Functional and presentation currency

The functional currency for each division within the Company is the currency of the primary economic environment in which it operates. The Company's financial statements are presented in Canadian dollars. The Canadian dollar is the functional currency of the Company's global investment and merchant banking operations. The United States dollar was the functional currency of the Company's royalty division, which was disposed of on May 31, 2012 (see Note 7).

Foreign currency translation

Monetary assets and liabilities denominated in other than the functional currency are translated at the exchange rate in effect at the statement of financial position date. Non-monetary assets and liabilities are translated using historical rates. Revenues and expenses denominated in other than the functional currency are translated at rates of exchange in effect at the time of the transaction. Gains and losses on translation are included in the statements of comprehensive (loss).

The results and financial position of the Company's royalty division that had a functional currency different from the presentation currency were translated into the presentation currency as follows:

All assets and liabilities were translated at the exchange rate in effect at the statement of financial position date. Revenues and expenses were translated at rates of exchange in effect during the period. Gains and losses on translation are included in equity as a separate component of equity under accumulated other comprehensive income or loss.

When the foreign division was disposed of, a proportionate share of the cumulative exchange differences previously recognized in equity was recognized in the statement of comprehensive (loss), as part of the gain or loss on sale.

Financial instruments

Financial assets and financial liabilities are recognized on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The Company's financial instruments consist of cash, amounts receivable, public and private investments, loans receivable, preferred shares, due to broker, accounts payable and accrued liabilities.

2. Significant accounting policies (continued)

Financial instruments (continued)

(i) Investments

Purchases and sales of investments are recognized on a trade date basis. Public and private investments at fair value through profit or loss are initially recognized at fair value, with changes in fair value reported in profit (loss).

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

Transaction costs are expensed as incurred in the statements of comprehensive (loss). The determination of fair value requires judgment and is based on market information where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such changes in valuations in the statements of comprehensive (loss). The Company is also required to present its investments (and other financial assets and liabilities reported at fair value) into three hierarchy levels (Level 1, 2, or 3) based on the transparency of inputs used in measuring the fair value, and to provide additional disclosure in connection therewith (see Note 15, "Financial instruments"). The three levels are defined as follows:

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

Publicly-traded investments:

1. Securities, including shares, options, and warrants which are traded on a recognized securities exchange and for which no sales restrictions apply are recorded at fair values based on quoted closing prices at the statement of financial position date or the closing price on the last day the security traded if there no trades at the statement of financial position date. These are included in Level 1 as disclosed in Note 15.

2. Securities which are traded on a recognized securities exchange but which are escrowed or otherwise restricted as to sale or transfer are recorded at amounts discounted from market value. Shares that are received as part of a private placement that are subject to a standard four-month hold period are not discounted. In determining the discount for such investments, the Company considers the nature and length of the restriction, business risk of the investee corporation, relative trading volume and price volatility and any other factors that may be relevant to the ongoing and realizable value of the investments. These are included in Level 2 in Note 15.

3. Warrants or options of publicly-traded securities which do not have a quoted price are carried at an estimated fair value calculated using the Black-Scholes option pricing model if sufficient and reliable observable market inputs are available. If no such market inputs are available or reliable, the warrants and options are valued at intrinsic value. These are included in Level 2 as disclosed in Note 15.

4. Performance shares are convertible into common shares if or when the investee companies meet certain milestones. Performance shares are recorded at fair value when the certainty of meeting these milestones is reasonably assured. These are included in Level 3 as disclosed in Note 15.

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

2. Significant accounting policies (continued)

Financial instruments (continued)

(i) Investments (continued)

Privately-held investments:

1. Securities in privately-held companies (other than options and warrants) are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements. These are included in Level 3 as disclosed in Note 15. Options and warrants of private companies are carried at their intrinsic value.

With respect to valuation, the financial information of private companies in which the Company has investments may not always be available, or such information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these may not be realized or realizable. In addition to the events described below, which may affect a specific investment, the Company will take into account general market conditions when valuing the privately-held investments in its portfolio. In the absence of occurrence of any of these events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

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

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

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

2. Significant accounting policies (continued)

Financial instruments (continued)

(i) Investments (continued)

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

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

Preferred shares:

Preferred shares are designated at fair value through profit or loss, with changes in fair value reported in the statement of comprehensive (loss). The preferred shares are initially recorded at cost, being the fair value at the time of acquisition. Upward or downward adjustments to carrying values are made when there is evidence of a change in value as indicated by the assessment of the financial condition of the investment. Cumulative dividends expected to be received are included in the fair value of each investment. Preferred shares are included in Level 3 as described in Note 15.

Investments in associates:

Investments in associates are those entities over which the Company has or is deemed to have significant influence, but not control over, the financial and operating policies. Investments in associates are held as part of the Company's investment portfolio and carried in the statement of financial position at fair value even though the Company may have significant influence over the companies. This treatment is permitted by IAS 28, Investment in Associates ("IAS 28"), which allows investments held by venture capital or similar organizations to be excluded from its scope where those investments are measured at fair value through profit or loss in accordance with IFRS 9, with changes in fair value recognized in the statement of comprehensive (loss) within unrealized gains or losses on investments.

Investments in subsidiaries:

As an investment entity, the Company does not consolidate its subsidiaries. Instead, the investment in a subsidiary is measured at fair value through profit or loss.

Loans receivable:

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

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

2. Significant accounting policies (continued)

Financial instruments (continued)

(ii) Amounts receivable

Receivables are classified as loans and receivables and are initially recorded at the fair value of the amount expected to be received and subsequently measured at amortized cost less any provision for impairment. Individual significant receivables are considered for recoverability when they are past due or when other objective evidence is received that a specific counterparty will default.

(iii) Financial liabilities

All financial liabilities are classified as at amortized cost except for financial derivatives and any financial liabilities from inception classified as at fair value through profit or loss. All financial liabilities are recognized initially at fair value plus directly attributable transaction costs except for those designated at fair value through profit and loss.

Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive (loss). Financial liabilities at amortized cost are measured at initial cost plus interest calculated using the effective interest rate method. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Financial assets other than investments at fair value

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

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

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and deposits that generally mature within 90 days from the date of acquisition. Deposits are held in Canadian chartered banks or in a financial institution controlled by a Canadian chartered bank. At January 31, 2014 and 2013, the Company had no cash equivalents.

Impairment of financial assets

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

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

2. Significant accounting policies (continued)

Due to broker

Due to broker consists of margin borrowings collateralized by the Company's investments held at brokers.

Revenue recognition

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

The Company earned royalty income in fiscal 2013. Such revenue was recognized based on contractual obligations and when collection was reasonably assured.

Income taxes

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

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

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

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

Loss per share

Basic (loss) per share is calculated by dividing the net (loss) by the weighted-average number of the Company's common shares outstanding during the period. Diluted earnings per share is calculated by dividing the applicable net (loss) by the sum of the weighted-average number of common shares outstanding if dilutive common shares had been issued during the period. The calculation of diluted earnings per share assumes that outstanding stock options and warrants with an average exercise price below market price of the underlying shares are exercised and the assumed proceeds are used to repurchase common shares of the Company at the average market price for the period. Diluted loss per share for the periods presented does not include the effect of stock options and warrants as they are anti-dilutive.

2. Significant accounting policies (continued)

Share-based payments

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

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

For options that expire unexercised, the recorded value is transferred to retained earnings.

New accounting policies

The Company has adopted the following new standards, along with any consequential amendments, effective February 1, 2013. These changes were made in accordance with the applicable transitional provisions.

IFRS 13 – Fair Value Measurement ("IFRS 13") was issued by the IASB in May 2011. IFRS 13 is a new standard which provides a precise definition of fair value and a single source of fair value measurement considerations for use across IFRS. IFRS 13 clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. IFRS 13 also requires additional disclosures. Additional disclosures where required are provided in the individual notes relating to the assets and liabilities whose fair values were determined. Fair value hierarchy is provided in Note 15.

IFRS 7 — Financial Instruments: Disclosures ("IFRS 7") was amended by the IASB in December 2011 to amend the disclosure requirements in IFRS 7 to require information about all recognised financial instruments that are offset in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation. The amendments also require disclosure of information about recognised financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. The adoption of this standard did not result in any changes to the Company's disclosure of its financial instruments.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended by the IASB in June 2011. As a result of the amendment, items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The adoption of this standard has not resulted in any disclosure requirements as the Company's net loss is equal to the Company's comprehensive loss.

IAS 19 - Employee Benefits ("IAS 19") was amended by the IASB in June 2011 to include revised requirements for pensions and other post-retirement benefits, termination benefits and other changes. IAS 19 requires the recognition of all changes in the net defined benefit liability (asset) when they occur such that service costs and net interest is recognized in profit or loss while re-measurements are recorded in other comprehensive income. The adoption of this standard has not resulted in any significant changes to the Company's post-employment benefits.

Deferred share unit ("DSU") incentive plan

The initial fair value of the DSU compensation liability is calculated as of the grant date. Subsequently, the Company's DSU compensation liability is accounted for based on the number of units outstanding and the quoted market value of the Company's common shares at the financial position date. The Company recognizes the compensation cost in the statements of comprehensive loss on the date of grant and makes adjustment for changes in fair value until the end of the performance date.

2. Significant accounting policies (continued)

New accounting policies (continued)

Restricted share unit ("RSU") incentive plan

The Company purchases shares of the Company from the open market to distribute to management as compensation. These shares are restricted and reserved in trust for future issuances. The RSUs vest in three tranches, 1/3 vesting on the date of grant, 1/3 vesting six months from the date of grant and the remaining 1/3 vesting twelve months from the date of grant. The RSUs are measured at the fair value at the grant date and reflected as an equity-settled share-based payment. The Company recognizes the compensation cost in the statements of comprehensive loss over the appropriate vesting periods using the graded vesting method.

Future accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after February 1, 2014 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 32 – Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014.

3. Investments at fair value through profit and loss

At January 31, 2014, the Company's investment portfolio consisted of 22 publicly-traded investments and 15 privately-held investments for a total fair value of $37,863,850.

At January 31, 2013, the Company's investment portfolio consisted of 34 publicly-traded investments and 14 privately-held investments for a total fair value of $53,332,006.

(Expressed in Canadian dollars unless otherwise noted)

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

Public investments

At January 31, 2014, the Company's 22 publicly-traded investments had a total fair value of $17,787,898

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Aguia Resources Ltd.		2,550,540 common shares	$ 276,923	$ 151,220	0.9%
		277,393 options expire Dec 31, 2014			
		1,437,808 options expire May 31, 2015			
Alderon Iron Ore Corp.		450,000 common shares	450,000	796,500	4.5%
Arena Minerals Inc. *	(iii)	417,000 common shares	69,899	150,228	0.8%
		45,000 w arrants expire Oct 10, 2014			
Black Iron Inc.	(iii)	5,616,000 common shares	3,280,504	1,038,960	5.8%
East Asia Minerals Corporation	(iii)	4,000,000 common shares	1,990,180	416,000	2.3%
		3,800,000 w arrants expire Dec 15, 2016			
Forbes & Manhattan (Coal) Corp.	(iii)	2,397,290 common shares	3,423,799	309,741	1.7%
Kincora Copper Limited		6,763,558 common shares	1,617,290	304,360	1.7%
Mason Graphite Corp.		210,000 common shares	210,785	368,125	2.1%
		500,000 w arrants expire Oct 30, 2014			
		250,000 w arrants expire Jun 28, 2015			
Portex Minerals Inc.	(i,ii,iii)	21,249,315 common shares	1,062,466	1,062,466	6.0%
Rodinia Lithium Inc.	(iii)	3,978,333 common shares	1,773,846	198,917	1.1%
Sandstorm Gold Ltd.**		563,303 w arrants expire Dec 4, 2014	266,501	119,026	0.7%
Savary Gold Corp.	(ii)	4,488,000 common shares	466,253	224,400	1.3%
Silver Bear Resources Inc.	(ii,iii)	5,969,961 common shares	2,354,316	854,671	4.8%
		1,449,275 w arrants expire Jun 7, 2015			
		238,461 w arrants expire Dec 18, 2015			
		1,025,000 w arrants expire Jun 4, 2016			
Sulliden Gold Corporation Ltd.	(iii)	14,500,000 common shares	11,084,289	11,020,000	62.0%
Xanadu Mines Ltd.		5,000,000 common shares	289,110	291,600	1.6%
Total of 7 other investments	(iv)		1,595,917	481,684	2.7%
Total public investments			$ 30,212,078	$ 17,787,898	100.0%

* Formerly Antofagasta Gold Inc.

** Formerly Premier Royalty Inc.

Note

(i) The Company has filed a Section 102 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, 2014.

(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at January 31, 2014.

(iv) Total other investments held by the Company, which are not individually listed as at January 31, 2014. Directors and officers may hold investments personally.

(Expressed in Canadian dollars unless otherwise noted)

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

Public investments (continued)

At January 31, 2013, the Company's 34 publicly-traded investments had a total fair value of $32,292,172.

Public Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Aguia Resources Ltd.		4,144,232 common shares	$ 2,262,886	$ 697,112	2.2%
		277,393 options expire Dec 31, 2014			
		4,145,556 performance shares A			
		3,318,763 performance shares B			
		1,917,074 performance rights - class A			
		2,875,615 performance rights - class B			
		2,875,615 performance rights - class C			
Alderon Iron Ore Corp.		446,100 common shares	466,100	801,692	2.5%
Alder Resources Ltd.	(iii)	1,816,000 common shares	192,544	115,960	0.4%
		1,250,000 warrants expire Feb 1, 2014			
Allana Potash Corp.		2,853,500 common shares	1,006,690	1,655,030	5.1%
Antofagasta Gold Inc. *	(iii)	480,000 common shares	79,911	370,152	1.1%
		45,000 warrants expire Oct 10, 2014			
Black Iron Inc.	(iii)	6,000,000 common shares	3,504,812	2,700,000	8.4%
Cap-Ex Ventures Limited		1,313,500 common shares	1,089,209	625,175	1.9%
		1,175,000 warrants expire Jan 13, 2014			
Castillian Resources Corp.	(iii)	6,321,000 common shares	1,072,560	158,025	0.5%
		2,273,000 warrants expire Jun 21, 2013			
East Asia Minerals Corporation	(iii)	4,000,000 common shares	1,990,180	1,240,460	3.8%
		3,800,000 warrants expire Dec 15, 2013			
Emerita Gold Corp.	(iii)	1,470,588 common shares	250,000	250,000	0.8%
Ferro Iron Ore Corp.	(ii)	2,100,000 common shares	105,000	536,970	1.7%
		1,050,000 warrants expire Sep 26, 2014			
Forbes & Manhattan (Coal) Corp.	(iii)	2,415,907 common shares	3,458,263	1,386,953	4.3%
		550,000 performance shares			
Kincora Copper Limited		6,668,558 common shares	1,667,140	433,456	1.3%
Portex Minerals Inc.	(i,ii)	21,249,315 common shares	1,062,466	1,062,466	3.3%
Premier Royalty Inc.	(iii)	3,884,849 warrants expire Dec 4, 2014	266,501	1,679,032	5.2%
Rodinia Lithium Inc.	(iii)	3,978,333 common shares	2,426,646	777,725	2.4%
		1,500,000 warrants expire Dec 26, 2013			
Silver Bear Resources Inc.	(iii)	4,019,780 common shares	2,077,191	1,634,024	5.1%
		1,449,275 warrants expire Jun 7, 2015			
Sulliden Gold Corporation Ltd.	(iii)	15,398,672 common shares	11,789,861	14,474,752	44.8%
Valencia Ventures Inc.	(ii,iii)	1,038,444 common shares	93,460	170,409	0.5%
		1,038,444 warrants expire Nov 1, 2014			
Total of 15 other investments	(iv)		4,483,464	1,522,779	4.7%
Total public investments			$ 39,344,884	$ 32,292,172	100.0%

* Formerly Windamere Ventures Ltd.

Note
(i) The Company has filed a Section 102 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, 2013.
(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at January 31, 2013.
(iv) Total other investments held by the Company, which are not individually listed as at January 31, 2013. Directors and officers may hold investments personally.

(Expressed in Canadian dollars unless otherwise noted)

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

Private investments

At January 31, 2014, the Company's 15 privately-held investments had a total fair value of $20,075,592.

Private Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Brazil Potash Corp.	(iii)	1,650,062 common shares	$ -	$ 4,594,598	22.9%
DT Plantations Limited*	(ii,v)	6,102,891 common shares	533,289	610,289	3.0%
		500,000 warrants			
Forbes Ram Holdings Inc.	(ii,iii,v)	8,000,000 common shares	8,000,000	8,000,000	39.8%
Indo Gold Limited	(ii,iii)	7,500,000 common shares	1,560,000	1,458,000	7.3%
Irati Energy Ltd.		2,213,179 common shares	1,994,975	3,873,062	19.3%
Legacy Platinum Corp.	(ii,iii,v)	3,515,000 common shares	2,352,377	492,100	2.5%
Metal Prospecting AS	(iii)	202,310 common shares	179,752	85,990	0.4%
Ram River Coal Corp.		750,000 common shares	37,500	750,000	3.7%
Total of 7 other investments	(iv)		5,465,034	211,913	1.1%
Total private investments			$ 20,122,927	$ 20,075,952	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, 2014.
(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at January 31, 2014.
(iv) Total other investments held by the Company, which are not individually listed as at January 31, 2014. Directors and officers may hold investments personally.
(v) The Company owns 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, 2014. There are no contractual arrangements, financial support, or other restrictions with these Canadian corporations. Refer to Note 2 relating to the exemption to consolidating particular subsidiaries for investment entities.

At January 31, 2013, the Company's 14 privately-held investments had a total fair value of $21,039,834.

Private Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Brazil Potash Corp.	(iii)	1,650,062 common shares	$ -	$ 3,291,214	15.6%
DT Plantations Limited.		2,770,000 common shares	200,000	277,000	1.3%
Forbes Ram Holdings Inc.	(ii,iii,v)	8,000,000 common shares	8,000,000	8,000,000	38.0%
Indo Gold Limited	(ii,iii)	7,500,000 common shares	1,560,000	1,560,000	7.4%
Irati Energy Ltd.		2,213,179 common shares	1,994,975	3,873,063	18.5%
Legacy Platinum Corp.	(ii,iii,v)	3,115,000 common shares	2,231,174	1,557,500	7.4%
Ram River Coal Corp.		750,000 common shares	37,500	750,000	3.6%
Raven Minerals Corp.*	(ii)	1,600,000 common shares	400,000	720,000	3.4%
		800,000 warrants			
Scandinavian Metals Inc.	(ii,iii,v)	22,762,765 common shares	2,038,139	569,069	2.7%
Tag Resources (Pty) Ltd.	(ii)	7,005,141 common shares	341,530	364,968	1.7%
Total of 4 other investments	(iv)		2,635,365	77,020	0.4%
Total private investments			$ 19,438,683	$ 21,039,834	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, 2013.
(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation as at January 31, 2013.
(iv) Total other investments held by the Company, which are not individually listed as at January 31, 2013. Directors and officers may hold investments personally.
(v) The Company owns 80% of the outstanding common shares and voting rights of Forbes Ram Holdings Inc.; 45% of the outstanding common shares and voting rights of Legacy Platinum Corp.; and 28% of the outstanding common shares and voting rights of Scandinavian Metals Inc. as at January 31, 2013. There are no contractual arrangements, financial support, or other restrictions with these Canadian corporations. Refer to Note 2 relating to the exemption to consolidating particular subsidiaries for investment entities.

(Expressed in Canadian dollars unless otherwise noted)

4. Amounts receivable

		January 31, 2014		January 31, 2013
Amount receivable	**$**	**10,443**	$	-
Interest receivable (Notes 5, 16)		**95,059**		123,932
Investment settlement receivable *		**-**		14,503,051
Other receivable (Note 6, 16)		**-**		276,751
	$	**105,502**	$	14,903,734

* The Company sold its holding of Premier Royalty Corporation on January 31, 2013 for proceeds of $14.3 million, which was reported as investment settlement receivable. The proceeds were subsequently received by the Company on February 4, 2013.

5. Loans receivable

			January 31, 2014		January 31, 2013
Brookwater Venture Inc.	Unsecured	**$**	**125,000**	$	-
Coastal Gold Corp.	Unsecured		**118,650**		-
Forbes Royalty Corporation	Unsecured		**348,940**		-
Amazon Potash Corp.	Unsecured		**245,036**		-
Legacy Platinum Corp.	Convertible		**1,909,092**		1,367,338
Metal Prospecting AS	Convertible		**212,520**		219,120
Pitchblack Resources Ltd.	Unsecured		**-**		107,476
Rodinia Lithium Inc.	Secured LOC		**943,379**		-
Temujin Mining Corp.	Convertible		**-**		1,342,106
Other loans	Convertible		**-**		80,000
		$	**3,902,617**	$	3,116,040

Brookwater Venture Inc.

On February 7, 2013, Brookwater Venture Inc. ("Brookwater") issued a promissory note to the Company for $100,000. The principal of the note will mature, be due and payable on February 7, 2014. The note is unsecured and earns interest at 13% per annum calculated monthly and payable on maturity. In the event of default, interest at 15% will be charged on overdue and unpaid principal and accrued interest calculated daily and compounded monthly.

On November 5, 2013, Brookwater issued another promissory note to the Company for $25,000. The principal of the note will mature, be due and payable on November 5, 2015. The note is unsecured and earns interest at 10% per annum calculated monthly and payable on maturity. In the event of default, interest at 12% will be charged on overdue and unpaid principal and accrued interest calculated daily and compounded monthly.

As of January 31, 2014, principal plus accrued interest totalling $138,347 remained outstanding.

Coastal Gold Corp.

On April 11, 2013, the Company entered into a term loan agreement with Coastal Gold Corp. ("Coastal") and converted the outstanding receivable of $118,650 to a term loan. The loan is unsecured and earns 10% interest per annum. Principal of the loan plus accrued interest will mature, be due and payable in cash on December 31, 2014. In the event of a change of control that occurs to Coastal, the outstanding principal and all interest accrued will become due and payable in cash on the date on which such change of control occurs.

As of January 31, 2014, principal plus accrued interest totaling $128,272 remained outstanding. A director of Aberdeen, Michael Hoffman, serves as a former director of Coastal.

5. Loans receivable (continued)

Forbes Royalty Corporation

On September 10, 2013, the Company entered into a loan agreement with Forbes Royalty Corporation ("Forbes Royalty"), whereby the Company agreed to loan to Forbes Royalty from time to time up to a maximum of $500,000. The loan is unsecured and earns 10% interest per annum. The funds shall be used for paying for certain fees and expenses related to a going public transaction or private financing to be completed by Forbes Royalty. The principal and accrued interest will mature and be due and payable on the date on which the borrower completes an initial public offering of the common shares, or a reverse takeover transaction, or any similar going public transaction on the Toronto Stock Exchange or any other internationally recognized stock exchange or a private financing which shall occur no later than January 1, 2015.

During 2014, the Company loaned an aggregate total of $348,940 to Forbes Royalty. As of January 31, 2014, principal plus accrued interest totaling $361,994 remained outstanding. Directors and an officer of Aberdeen, Stan Bharti, George Faught and Ryan Ptolemy, serve as directors and an officer of Forbes Royalty.

Irati Energy Ltd. / Amazon Potash Corp.

During fiscal 2014, the Company provided Irati Energy Ltd. ("Irati") with cash advances of $400,000 and $200,000 respectively. These cash advances were unsecured and interest free with no fixed term of repayment. Of the $200,000 advanced, $115,107 was repaid to the Company on September 18, 2013 and the remaining balance was written off. Of the $400,000, an agreement of assignment of debt was made on March 19, 2014 among the Company, Irati and Amazon Potash Corporation ("APC"), whereby the Company agreed to forgive US$156,080 ($173,842) of the indebtedness effective December 31, 2013, leaving a remaining loan balance of US$220,000 ($245,036) ("assigned indebtedness"). Pursuant to the term of the agreement, APC, to which the indebtedness was assigned, agreed to repay the US$220,000 ($245,036) to the Company in full on May 15, 2014.

As of January 31, 2014, the forgiven amount US$156,080 ($173,842) was written off leaving US$220,000 ($245,036) as the remaining balance of the loan. Directors of Aberdeen, Stan Bharti and George Faught, serve as directors of APC.

Legacy Platinum Corp.

On June 10, 2011, the Company entered into a loan agreement with Legacy Platinum Corp. ("Legacy"). The Company loaned Legacy $320,000 (the "First Loan"), which was originally due and payable on June 10, 2012, and extended further to December 31, 2013 and 2014 respectively. The loan is unsecured and earns interest of 10% per annum calculated and payable semi-annually in kind by an increase to the principal amount owing. Legacy has an option to either repay the loan plus accrued interest any time prior to the maturity date in cash, or issue such number of shares of Legacy with an aggregate value equal to the value of the principal outstanding plus accrued interest based on the price per share equal to the net asset value of Legacy's common shares at the time of conversion.

On June 21, 2011, the Company entered into a second loan agreement with Legacy for an additional loan of US$500,000, which was originally due and payable on June 21, 2012, extended further to December 31, 2013 and 2014 respectively. This loan is unsecured and carries the same terms and conditions as the First Loan.

On April 16, 2012, the Company loaned an additional US$400,000 to Legacy, which is due and payable on demand. This loan is unsecured and carries the same terms and conditions as the First Loan. On August 15, 2013, the term of the agreement was amended to include a) a loan to a maximum amount of US$1,000,000, b) the loan is secured against all the assets of Legacy and ranks senior in priority and preference to any unsecured indebtedness of Legacy and is due and payable on December 31, 2013, extended further to December 31, 2014.

During fiscal 2014, the Company loaned an additional US$241,979 ($253,022) to Legacy. As of January 31, 2014, the loan principal and accrued interest totaling $414,499 and US$1,375,654 ($1,532,203) remained outstanding. An officer of Aberdeen, Richard Bishop, serves as an officer of Legacy.

5. Loans receivable (continued)

Metal Prospecting AS

On November 12, 2012, the Company entered into an unsecured loan agreement with Metal Prospecting AS ("Metpro"), whereby the Company agreed to advance Metpro Norwegian Krone ("NOK") 1,200,000 ($219,120). The principal of the loan will mature, to be due and payable in cash on the earlier of (a) December 31, 2013, and (b) the date when Portex Minerals Inc. ("Portex") completes its acquisition of Metpro, (c) at any time when the Company declares the principal to be due in the event of a default, or (d) the Company exercises the option to convert the outstanding loans into shares of Metpro at NOK2.40 ($0.44) per share in the event of default. Interest on the principal is calculated at a rate of 1.5% per month, compounded monthly and payable quarterly commencing January 1, 2013. The loans rank senior in priority and preference to any other indebtedness of Metpro.

As of January 31, 2014, principal plus accrued interest totalling NOK1,275,742 ($225,934) remained outstanding. An officer, also a director of Aberdeen, David Stein, serves as a director of Metpro.

Subsequent to January 31, 2014, loan principal plus accrued interest totaling NOK1,308,382 ($243,359) was converted into 545,159 shares of Metpro.

Pitchblack Resources Ltd.

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

On March 1, 2012, the Company extended the term of the loan to be due on demand after June 30, 2012. As of January 31, 2013, loan principal plus accrued interest totalling $111,286 remained outstanding. On May 8, 2013, the Company extended the maturity date of the loan to July 31, 2014.

On September 30, 2013, the loan principal plus accrued interest totalling $121,203 was repaid by 400,000 shares of Legacy that was owned by Pitchblack.

Rodinia Lithium Inc.

On February 25, 2013, the Company entered into a secured loan agreement with Rodinia Lithium Inc. ("Rodinia") whereby the Company agreed to make available to Rodinia a secured line of credit up to a maximum of $2,000,000 ("Line of Credit"). Rodinia made an initial drawdown of $300,000 on February 27, 2013. All subsequent drawdown requests from Rodinia are subject to approval by the Company. Interest on each drawdown shall be accrued at 10% per annum, calculated and payable quarterly with the first quarterly interest payment due on June 30, 2013. The principal and accrued interest of the final drawdown will mature and become due and payable on demand on the third anniversary date, or in an event of default, the Company may declare the principal due. The Line of Credit is secured against each of the properties that Rodinia owns in Salar de Centenario and shall rank senior in priority and preference to any unsecured indebtedness of Rodinia. On July 30, 2013, the term of the agreement was amended to include a monthly drawdown of $100,000 per month up to $600,000 until December 31, 2013. The overdue and unpaid quarterly interest installment was capitalized to loan principal.

During fiscal 2014, Rodinia made an additional $600,000 drawdown. As of January 31, 2014, principal plus accrued interest totalling $951,391 remained outstanding. A director, who is also an officer, and an officer of Aberdeen, David Stein and Ryan Ptolemy, serve as director and officer of Rodinia.

5. Loans receivable (continued)

Temujin Mining Corp.

Pursuant to a loan agreement dated January 27, 2012, the Company agreed to provide a loan facility to Temujin Mining Corp. ("Temujin") from time to time at the sole discretion of the Company. The principal of the loan was to mature, and become due and payable on December 31, 2012, and was subsequently extended to December 31, 2013 and 2014 respectively. The loan is unsecured and earned interest of 10% per annum calculated and payable semi-annually. Temujin has an option to either repay the loan plus accrued interest any time prior to the maturity date in cash, or issue shares of Temujin that equal the total value of the principal plus accrued interest to the Company at a price per common share agreeable between both parties at the time of conversion.

During fiscal 2013, the Company loaned $88,400 and US$1,257,100 ($1,253,706) to Temujin. As of January 31, 2013, the loan principal and accrued interest totalling $95,592 and US$1,337,434 ($1,333,823) remained outstanding.

During fiscal 2014, the Company loaned an additional $19,620 and US$145,898 ($150,160) to Temujin, and received cash repayment of US$618,000 ($674,084) and 5 million shares of Xanadu Mining Ltd. with a fair value of $289,110. During the year ended January 31, 2014, the Company reviewed the recoverability of the loan and determined that an impairment provision was required. Consequently, the loan principal and accrued interest totaling US$860,829 ($958,791) was written off. A director and an officer, who is also a director of Aberdeen, Stan Bharti and David Stein, serve as directors of Temujin.

DT Plantations Limited.

On March 12, 2013, DT Plantations Limited ("DT") issued a promissory note to the Company for US$300,000 ($308,040). The note will mature, be due and payable on the earlier of (a) March 7, 2014, or (b) the date upon which DT completes a financing for greater than USD$1,000,000. The note is unsecured and earns interest at 10% per annum. In the event of default, interest at 12% will be charged on overdue and unpaid principal and accrued interest calculated daily and compounded monthly. In consideration of the debt financing, the Company received 500,000 DT warrants to purchase shares of DT at $0.15 per share for a period of 12 months from the date DT becomes publicly listed.

On November 1, 2013, the loan principal plus accrued interest totaling US$319,151 ($333,289) was converted into 3,332,891 shares of DT.

Silver Bear Resources Inc.

On April 2, 2013, Silver Bear Resources Inc. ("Silver Bear") issued a promissory note to the Company for $400,000. The note will mature and be due and payable on the earlier of (a) October 2, 2013; (b) the date upon which Silver Bear completes a financing for an amount equal or greater than $2,000,000; and (c) any other date when the Company declares the principal due in the event of a default. In the event of (b), the Company is only entitled to interest accrued as of the date of repayment on a pro rata basis, except in the event when the Company chooses to convert the principal into shares of Silver Bear. In such case, the principal and full amount of interest payable shall be repaid in the form of shares on the closing date of Silver Bear's equity financing. The note is unsecured and earns interest at 30% per annum calculated bi-annually and payable upfront in the amount of $60,000 upon the date of signing the promissory note.

The Company loaned $400,000 to Silver Bear and received $60,000 interest on April 3, 2013. On June 4, 2013 and December 18, 2013, the Company converted $369,000 and $31,000 of its loan respectively into units of Silver Bear through Silver Bear's financing. A director of Aberdeen, Stan Bharti, serves as a director of Silver Bear.

Forbes & Manhattan, Inc.

On September 17, 2013, the Company entered into a loan agreement with Forbes & Manhattan, Inc. ("Forbes"), whereby the Company agreed to advance $500,000 to Forbes. The loan is unsecured and earns 10% interest per annum. Principal of the loan plus accrued interest matured and was due and payable in cash on September 30, 2013. On October 25, 2013, the outstanding principal plus accrued interest totaling $505,068 was repaid to the Company. A director of Aberdeen, Stan Bharti is the Executive Chairman of Forbes.

5. Loans receivable (continued)

Forbes & Manhattan West Africa Resources Inc.

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

During fiscal 2014, the Company reviewed the recoverability of the loan and determined an impairment provision was required. Consequently, a provision on the loan principal of $50,000 and accrued interest of $10,356 was made.

Forbes & Manhattan (Russia) Inc.

On November 14, 2012, the Company entered into an unsecured loan agreement with Forbes & Manhattan (Russia) Inc. ("Forbes Russia"), and Forbes & Manhattan, Inc. ("Forbes"), the second lender, whereby each lender advanced Forbes Russia $30,000 on the date of the loan and, agreed to loan additional funds from time to time up to a maximum of $250,000. Each advance will mature and be due and payable on its anniversary date. Interest on principal as well as overdue and unpaid accrued interest is calculated and payable annually at 10% per annum. Each lender may convert the outstanding loan plus interest into shares of Forbes Russia at $0.05 per common shares at any time before the maturity date.

On February 13, 2013, Forbes Russia repaid $24,000. During fiscal 2014, the Company reviewed the recoverability of the loan and determined an impairment provision was required. Consequently, a provision on the loan principal of $6,000 and accrued interest of $1,032 was made.

Sagres Energy Inc.

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

In fiscal 2013, the Company reviewed the recoverability of the loan and determined that an impairment provision was required. Consequently, the loan principal of US$350,000 ($349,055) and accrued interest of US$7,825 ($7,804) was written off. A director of Aberdeen, Stan Bharti, was a former director and is a current advisor of Sagres.

Scandinavian Metals Inc.

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

Through fiscal 2011 and 2012, the Company loaned a total of $1,897,138 to SMI, of which, $1,038,138 was converted into 20,762,765 shares of SMI at $0.05 per share during the year ended January 31, 2012.

During fiscal 2013, the Company loaned an additional $1,020,622 to SMI. At the end of fiscal 2013, the Company reviewed the recoverability of the loan and made an impairment provision on the loan principal of $1,879,622 and accrued interest of $224,878.

During fiscal 2014, the Company loaned an additional $90,000 to SMI. This amount was also written off. A director of Aberdeen, Stan Bharti, also serves as a director of SMI.

(Expressed in Canadian dollars unless otherwise noted)

5. Loans receivable (continued)

Desert Eagle Resources Ltd.

On January 31, 2012, the Company entered into a loan agreement with Desert Eagle Resources Ltd. ("Desert Eagle"), whereby loans will be provided to Desert Eagle from time to time at the sole discretion of the Company. The principal of the loan will mature, and become due and payable on December 31, 2012, subsequently extended to June 30, 2013. Interest is calculated and payable semi-annually at the rate of 10% per annum. As of January 31, 2012, an amount of $670,791 consisting of $635,171 in principal and $35,620 in accrued and unpaid interest was owed to the Company.

During fiscal 2013, the Company loaned an additional $157,000 and US$316,500 to Desert Eagle. At the end of fiscal 2013, the Company reviewed the recoverability of the loan and made an impairment provision on the full amount of the loan principal and accrued interest.

During fiscal 2014, the Company loaned $2,938 to Desert Eagle. This amount was also written off.

6. Preferred shares

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

During fiscal 2014, the Company accrued dividend income of $Nil (2013 - $162,000). During the year ended January 31, 2014, the Company reviewed the recoverability of the dividend and made an impairment provision on the $162,000 dividend receivable. Officers of Aberdeen, David Stein, also a director, and Ryan Ptolemy, serves as director and officer of Rodinia.

7. Royalty interests on mineral properties

On May 31, 2012, the Company sold its Village Main Reef Limited and First Uranium Corporation's Mine royalties to Premier Royalty for consideration of $11,500,000 cash and a $9,400,000 convertible debenture.

Upon closing of the sale transaction on May 31, 2012, the Company received the pre-closing 1% NSR on gold produced from the Buffelsfontein mine of $337,020 in addition to the proceeds and recognized a $1,526,194 loss (net after tax loss of $1,121,753) on disposal of its royalty interests. The Company also recognized $151,700 on depletion of royalty interests and a $2,502,081 loss (net after tax loss of $1,839,030) on accumulated currency translation in the statement of comprehensive loss as a result of the sale of the royalty interests.

8. Accounts payable and accrued liabilities

		January 31, 2014		January 31, 2013
Trade payables	**$**	**151,673**	$	310,430
Accrued expenses (Note 11)		**768,810**		289,426
	$	**920,483**	$	599,856

(Expressed in Canadian dollars unless otherwise noted)

9. Income taxes

Significant components of income tax recovery

		January 31, 2014		January 31, 2013
Current tax recovery (expense)	**$**	**4,156,972**	$	(3,362,403)
Deferred tax recovery		**2,053,000**		9,461,000
Income tax recovery	**$**	**6,209,972**	$	6,098,597

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% (2013 – 26.5%) during the years ended:

		January 31, 2014		January 31, 2013
(Loss) before income taxes	**$**	**(22,502,908)**	$	(36,729,016)
Expected income tax (recovery)	**$**	**(5,963,000)**	$	(9,626,000)
Adjustments to benefit resulting from:				
Share-based compensation		**313,000**		106,000
RSU purchases		**(786,629)**		-
Net realized gain on foreign exchange		**174,000**		(190,000)
Change in expected tax rate		**(127,892)**		50,106
Other		**180,549**		3,561,297
Provision for income tax (recovery)	**$**	**(6,209,972)**	$	(6,098,597)

Deferred taxes as at:

		January 31, 2014		January 31, 2013
Deferred tax assets				
Investments	**$**	**3,102,000**	$	3,443,000
Premier royalty convertible debenture		**-**		(2,238,000)
Resource properties		**82,000**		86,000
Other		**(88,000)**		(248,000)
Deferred tax asset	**$**	**3,096,000**	$	1,043,000

The realization of deferred tax assets is dependent upon future taxable income during the periods in which those temporary differences become deductible. Management considers the expected reversal of net deferred income tax assets and projected future taxable income in making this assessment. Based upon the level of historical taxable income and historical market trends of a comparable market index, management believes it is probable that the Company will generate sufficient taxable income to realize the benefits of these deductible differences.

(Expressed in Canadian dollars unless otherwise noted)

10. Share capital

Authorized: Unlimited common shares with no par value

Common shares

Issued and outstanding common shares	Number of shares		Amount
Balance, January 31, 2012	**86,100,139**	**$**	**43,311,233**
Shares issued on exercise of options	900,000		108,000
Option valuation on options exercised	-		57,780
Shares cancelled through registry	(37)		-
Shares repurchased and cancelled (NCIB)	(1,005,500)		(502,735)
Balance, January 31, 2013	**85,994,602**	**$**	**42,974,278**
Shares issued on exercise of options	2,080,000		249,600
Option valuation on options exercised	-		133,536
Shares repurchased and cancelled (NCIB)	(725,180)		(361,950)
Balance, January 31, 2014	**87,349,422**	**$**	**42,995,464**

Dividends

The Company has suspended its dividend policy in fiscal 2014. During the year ended January 31, 2014, the Company did not declare or pay any dividends.

In fiscal 2013, the Company declared a semi-annual dividend payment of $0.01 per share payable on March 31, 2012 and September 30, 2012 respectively. On March 30, 2012 and September 28, 2012, 86,928,739 and 86,480,102 shares were recorded for the first and second semi-annual dividend respectively. Dividend payments totaling $1,734,088 were paid to shareholders during the year ended January 31, 2013.

Normal course issuer bid ("NCIB")

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

On May 28, 2013, the Company announced its intention to make a NCIB, subject to TSX approval, 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 70,739,102 common shares in the public float as at May 27, 2013, the maximum number of shares to be purchased and cancelled would be 7,073,910. Daily purchases will be limited to 50,036 common shares other than block purchase exceptions. Purchases under the NCIB are permitted to commence on May 30, 2013 and will terminate on May 29, 2014 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 year ended January 31, 2014, the Company purchased and cancelled 725,180 shares (2013 – 1,005,500) at an average price of $0.17 per share (2012 – $0.41).

(Expressed in Canadian dollars unless otherwise noted)

11. Equity reserve

	Number of warrants	Weighted average exercise price	Value of warrants	Number of options	Weighted average exercise price	Value of options	Number of RSU	Weighted average exercise price	Value of RSU	Treasury shares adjustment	Total Value
January 31, 2012	37,500,000	$ 1.00	**$ 15,750,000**	6,872,500	$ 0.41	**$ 1,647,980**	-	$ -	**$ 1,647,980**	**$ 2,939,990**	**$ 20,337,970**
Granted and vested	-	-	**-**	2,500,000	0.44	**402,947**	-	-	**402,947**	**-**	**402,947**
Exercised	-	-	**-**	(900,000)	0.12	**(57,780)**	-	-	**(57,780)**	**-**	**(57,780)**
Expired	(37,500,000)	1.00	**(15,750,000)**	(950,000)	0.45	**(450,720)**	-	-	**(450,720)**	**-**	**(16,200,720)**
NCIB allocation	-	-	**-**	-	-	-	-	-	-	**94,505**	**94,505**
January 31, 2013	-	$ 0.00	**$ -**	7,522,500	$ 0.41	**$ 1,542,427**	-	$ -	**$ 1,542,427**	**$ 3,034,495**	**$ 4,576,922**
Granted and vested	-	-	**-**	-	-	**801**	6,066,671	0.15	**1,179,722**	-	**1,180,523**
RSUs settled	-	-	**-**	-	-		-	-	**(913,333)**	**(989,469)**	**(1,902,802)**
Exercised	-	-	**-**	(2,080,000)	0.12	**(133,536)**	-	-	**-**	-	**(133,536)**
Expired	-	-	**-**	(535,000)	0.45	**(141,455)**	-	-	**-**	-	**(141,455)**
NCIB allocation	-	-	**-**	-	-	**-**	-	-	**-**	**239,112**	**239,112**
January 31, 2014	-	$ -	**$ -**	4,907,500	$ 0.53	**$ 1,268,237**	6,066,671	$ 0.15	**$ 1,808,816**	**$ 2,284,138**	**$ 3,818,764**

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 fiscal 2014. During the year ended January 31, 2013, 2,500,000 options were granted to certain directors, officers and employees of the Company with a weighted-average grant date fair value of $0.19 per option. These options vested immediately. Share based compensation expense of $402,947 relating to these options and others that vested during the year ended January 31, 2013 was recorded in operating, general and administration fees. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted based on management’s best estimate for the effectors of non-transferability, exercise restriction, expected forfeiture rate, and behavioral considerations. Expected volatility is based on the historical share price volatility over the expected life of the option. The expected life of the options was calculated based on the history of options exercised.

(Expressed in Canadian dollars unless otherwise noted)

11. Equity reserve (continued)

Employee share option plan (continued)

The following share-based payment arrangements were in existence as at January 31, 2014:

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
62,500	62,500	1-Feb-10	1-Feb-15	$ 0.47	$ 19,000	79%	2.47%	5	0%
1,185,000	1,185,000	25-Feb-10	25-Feb-15	$ 0.43	$ 311,537	70%	2.49%	5	0%
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%
200,000	200,000	30-Jun-11	30-Jun-16	$ 0.79	$ 68,400	63%	2.30%	5	3%
2,450,000	2,450,000	12-Jun-12	12-Jun-17	$ 0.44	$ 475,300	66%	1.21%	5	3%
4,907,500	4,907,500				$ 1,268,237				

The weighted average exercise price of stock options outstanding and exercisable as at January 31, 2014 was $0.53 (January 31, 2013 - $0.41). The weighted average remaining contractual life of options outstanding and exercisable as at January 31, 2014 was 2.49 years (January 31, 2013 – 2.65 years).

Deferred share unit incentive plan

During fiscal 2014, the Company approved the adoption of a DSU plan. The Company granted and issued an aggregate of 800,000 DSUs to the Company's independent directors. The DSUs that are deferred and will be issued in the form of cash in an amount that represents the value of one common share of the Company for each DSU held on the date upon which the holder ceases to be a director of the Company.

During fiscal 2014, a director received $34,000 cash in relation to 200,000 DSUs that vested at $0.17 per share upon his resignation on July 18, 2013. The remaining balance of DSUs was valued at $78,000 and recorded under operating, general and administration expenses and included in accounts payable and accrued liabilities as at January 31, 2014.

Restricted share unit incentive plan

During fiscal 2014, the Company approved the adoption of a RSU plan. The Company is authorized to grant and issue an aggregate of 9,100,000 RSUs to directors and officers of the Company. Each RSU shall entitle the director or officer to receive one common share of the Company upon completion of certain terms. The common shares are to be purchased by the Company from the open market and held in trust for subsequent conversion of RSUs.

During fiscal 2014, the Company purchased a total of 9,100,000 common shares of the Company from the open market for an aggregate cost of $2,968,409. These shares are restricted and reserved in trust for future issuances pursuant to the Company's RSU plan.

During fiscal 2014, the Company granted and issued 6,066,671 RSUs to certain directors and officers of the Company. The RSUs vest in three tranches, 1/3 vesting on the date of grant, 1/3 vesting six months from the date of grant and the remaining 1/3 vesting twelve months from the date of grant. The grant date fair value of these RSUs was determined to be $1,370,000 based on the quoted price of the Company's share on the date of grant.

During fiscal 2014, compensation cost of $1,179,722 was recognized in the statements of comprehensive loss using the graded vesting method and a loss of $1,065,606 was charged to retained earnings upon the settlement of the RSUs that had vested.

(Expressed in Canadian dollars unless otherwise noted)

12. Expenses by nature

Details included in operating, general and administration expenses for the years ended January 31, 2014 and 2013 are as follows:

	Years ended January 31 2014	2013
Compensation of directors, officers, employees and consultants (including salaries, consulting fees, bonuses, RSUs, DSUs, and stock options)	$ 3,790,108	$ 7,146,763
Legal, accounting and professional fees	292,748	698,880
Filing and transfer agent fees	47,454	41,578
Shareholder communication and promotion	141,696	230,590
Travel	161,035	341,291
General office and administration costs	354,337	475,777
Charitable donation	-	25,000
Business development costs *	2,011,265	-
	$ 6,798,643	$ 8,959,879

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

13. (Loss) per share

During the year ended January 31, 2014, the total shares issuable from 4,907,500 options (2013 - 7,522,500) were excluded from the calculation of diluted loss per share because their effect would be anti-dilutive.

14. 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 January 31, 2014, there was a margin loan of $Nil (2013 - $4,243,515) outstanding. Aberdeen is not subject to any capital requirements imposed by a regulator and there were no changes to capital management during the years ended January 31, 2014 and 2013. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

In fiscal 2014, the Company suspended its dividend policy and did not declare or pay any dividends.

In fiscal 2013, the Company declared a semi-annual dividend payment of $0.01 per share payable on March 31, 2012 and September 30, 2012 respectively and paid a total of $1,734,088 to shareholders.

(Expressed in Canadian dollars unless otherwise noted)

15. Financial instruments

Financial assets and financial liabilities as at January 31, 2014 and 2013 are as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit or loss	TOTAL
January 31, 2014			
Cash	$ 868,267	$ -	$ 868,267
Public investments	-	17,787,898	17,787,898
Amounts receivables	105,502	-	105,502
Loans receivable	1,781,005	2,121,612	3,902,617
Private investments	-	20,075,952	20,075,952
Preferred shares	-	3,000,000	3,000,000
Accounts payable and accrued liabilities	(920,483)	-	(920,483)
January 31, 2013			
Cash	$ 322,185	$ -	$ 322,185
Public investments	-	32,292,172	32,292,172
Amounts receivables	14,903,734	-	14,903,734
Loans receivable	107,476	3,008,564	3,116,040
Private investments	-	21,039,834	21,039,834
Preferred shares	-	3,000,000	3,000,000
Due to broker	(4,243,515)	-	(4,243,515)
Accounts payable and accrued liabilities	(599,856)	-	(599,856)

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:

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 January 31, 2014, which made up of approximately 27% (January 31, 2013 – 26%) of the total equity portfolio.

For the year ended January 31, 2014, 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 $2.8 million, or $0.03 per share (January 31, 2013 - $4 million, or $0.05 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.

(Expressed in Canadian dollars unless otherwise noted)

15. Financial instruments (continued)

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 January 31, 2014 and 2013.

Liquidity by period

Assets	Total	Less than 1 year	1-3 years	After 4 years	Non-liquid assets
Cash	$ 868,267	$ 868,267	$ -	$ -	$ -
Public investments	17,787,898	17,787,898	-	-	-
Amount receivable	105,502	105,502	-	-	-
Loans receivable	3,902,617	2,934,238	968,379	-	-
Prepaid expenses	79,739	79,739	-	-	-
Private investments	20,075,952	-	20,075,952	-	-
Preferred shares	3,000,000	-	-	-	3,000,000
Deferred tax assets	3,096,000	-	-	-	3,096,000
Total assets - January 31, 2014	$ 48,915,975	$ 21,775,644	$ 21,044,331	$ -	$ 6,096,000

Liquidity by period

Assets	Total	Less than 1 year	1-3 years	After 4 years	Non-liquid assets
Cash	$ 322,185	$ 322,185	$ -	$ -	$ -
Public investments	32,292,172	32,292,172	-	-	-
Amount receivable	14,903,734	14,903,734	-	-	-
Loans receivable	3,116,040	3,116,040	-	-	-
Prepaid expenses	72,700	72,700	-	-	-
Private investments	21,039,834	-	21,039,834	-	-
Preferred shares	3,000,000	-	-	-	3,000,000
Deferred tax assets	1,043,000	-	-	-	1,043,000
Total assets - January 31, 2013	$ 75,789,665	$ 50,706,831	$ 21,039,834	$ -	$ 4,043,000

15. Financial instruments (continued)

Credit risk

Credit risk is the risk associated with the inability of a third party to fulfill its payment obligations. The Company is exposed to the risk that third parties that owe it money or securities will not perform their underlying obligations. Security was obtained against specific assets of the counterparty, in case of non-performance. The total carrying value of these financial instruments at January 31, 2014 was $4,008,119 (January 31, 2013 - $18,019,774).

Management has considered the potential impairment of loan and amount receivables. The following summarizes provisions made on loan impairment during the years ended January 31, 2014 and 2013:

Provisions on loan and amount receivables	Year ended January 31, 2014	2013
Desert Eagle Resources Ltd.	$ **2,938**	$ 1,248,867
Irati Energy Ltd.	**239,857**	-
Forbes & Manhattan West Africa Resources Inc	**60,356**	-
Forbes & Manhattan (Russia) Inc.	**7,032**	-
Rodinia Lithium, Inc.	**162,000**	-
Scandinavian Metals Inc.	**90,000**	2,104,500
Sagres Energy Inc.	-	356,858
Temujin Mining Corp.	**958,791**	-
Investment receivable	**106,966**	263,790
	$ **1,627,940**	$ 3,974,015

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, Norwegian Krone, South African Rand and UK Pound Sterling.

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:

January 31, 2014

	US Dollars	Australian Dollars	South African Rand	Norwegian Krone	UK Pound Sterling
Cash	$ 304,334	$ -	$ 345	$ -	$ -
Amounts receivables	31,788	-	-	13,414	-
Public investment	-	442,820	15,704	-	-
Loans receivable	1,745,452	-	-	212,520	-
Private investment	4,594,598	1,458,000	-	85,990	111,914
Accounts payable and accrued liabilities	(27,287)	-	(132)	-	-
	$ 6,648,885	$ 1,900,820	$ 15,917	$ 311,924	$ 111,914

(Expressed in Canadian dollars unless otherwise noted)

15. Financial instruments (continued)

Currency risk (continued)

January 31, 2013

	US Dollars	Australian Dollars	South African Rand	Norwegian Krone	UK Pound Sterling
Cash	$ 7,436	$ 75,060	$ 82,391	$ -	$ -
Amounts receivables	98,315	-	-	3,287	-
Public investment	-	697,112	46,549	-	-
Loans receivable	2,250,362	-	-	219,120	-
Private investment	3,291,214	1,924,968	-	-	57,021
Accounts payable and accrued liabilities	(1,015)	-	-	-	(9,553)
	$ 5,646,312	$ 2,697,140	$ 128,940	$ 222,407	$ 47,468

A 10% increase (decrease) in the value of the Canadian dollar against all foreign currencies in which the Company held financial instruments as of January 31, 2014 would result in an estimated increase (decrease) in after-tax net loss of approximately $0.7 million or $0.01 per share (January 31, 2013 – after-tax net loss of approximately $0.6 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:

i. 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.

ii. Loans receivable, public investments, private investments and preferred shares are carried at amounts in accordance with the Company's accounting policy as set out in Note 2 as at and for the years ended January 31, 2014 and 2013.

iii. Prior to maturity, the outstanding loans receivable are carried at their discounted value. Following their maturity, loans receivable are carried at their estimated realizable value.

The following table illustrates the classification and hierarchy of the Company's financial instruments, measured at fair value in the statements of financial position as at January 31, 2014:

Investments, fair value	**Level 1** *(Quoted Market price)*	**Level 2** *(Valuation technique - observable market Inputs)*	**Level 3** *(Valuation technique - non-observable market inputs)*	Total
Publicly traded investments	$ 17,216,988	$ -	$ -	$ 17,216,988
Non-trading warrants on public investments	-	570,910	-	570,910
Private investments, performance and preferred shares	-	-	23,075,952	23,075,952
Convertible debenture	-	-	2,121,612	2,121,612
January 31, 2014	$ 17,216,988	$ 570,910	$ 25,197,564	$ 42,985,462

(Expressed in Canadian dollars unless otherwise noted)

15. Financial instruments (continued)

Fair value of financial instruments (continued)

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 January 31, 2013:

Investments, fair value	Level 1 (Quoted Market price)	Level 2 (Valuation technique - observable market Inputs)	Level 3 (Valuation technique - non-observable market inputs)	Total
Publicly traded investments	$ 29,844,392	$ -	$ -	$ 29,844,392
Non-trading warrants on public investments	-	2,447,780	-	2,447,780
Private investments, performance and preferred shares	-	-	24,039,834	24,039,834
Convertible debenture	-	-	3,008,564	3,008,564
January 31, 2013	$ 29,844,392	$ 2,447,780	$ 27,048,398	$ 59,340,570

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 for the years ended January 31, 2014 and 2013. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized losses and net unrealized gains are recognized in the statements of comprehensive loss.

Investments, fair value	Year ended January 31, 2014	2013
Balance, beginning of year	**$ 27,048,398**	$ 18,047,185
Purchases - shares	**684,245**	11,905,128
Disposal - shares	**(1,607,941)**	(12,831,765)
Unrealized and realized loss net	**(1,648,127)**	8,106,955
Transfer of investment (to) from public and to (from) private, net	**1,607,941**	(2,465,862)
Conversion of debenture to public company shares	**(400,000)**	(10,400,000)
Preferred shares net additions	**-**	3,000,000
Convertible debenture net (reduction) additions	**(486,952)**	11,686,757
Balance, end of year	**$ 25,197,564**	$ 27,048,398

(Expressed in Canadian dollars unless otherwise noted)

16. Related party disclosures

The Company's directors and officers may have investments in and hold management and/or director and officer positions in some of the investments that the Company holds. The following is a list of total investments and the nature of the relationship of the Company's directors or officers with the investment as of January 31, 2014 and 2013.

Investment	Nature of relationship		Estimated Fair value	% of FV
Arena Minerals Inc. **	Director (Bruce Humphrey), officer (Ryan Ptolemy) and shareholders	$	150,228	0.4%
Amazon Potash Corporation	Directors (Stan Bharti, George Faught) and shareholders		-	0.0%
Black Iron Inc.	Directors (Bruce Humphrey,Pierre Pettigrew), officer (Stan Bharti) and shareholders		1,038,960	2.5%
Brazil Potash Corp.*	Director (Stan Bharti), officer (Ryan Ptolemy) and shareholders		4,594,598	11.2%
Coastal Gold Corp.	Former director (Michael Hoffman) and shareholders		67,682	0.2%
East Asia Minerals Ltd.	Director (David Stein) and shareholders		416,000	1.0%
Forbes & Manhattan (Coal) Corp.	Directors (Stan Bharti, Bernard Wilson) and shareholders		309,741	0.8%
Forbes Ram Holdings Inc.*	Director (Stan Bharti) and shareholders		8,000,000	19.6%
Indo Gold Limited *	Officer (Stan Bharti) and shareholders		1,458,000	3.6%
Legacy Platinum Inc.*	Officer (Richard Bishop) and shareholders		492,100	1.2%
Metal Prospecting AS	Director (David Stein) and shareholders		85,990	0.2%
Portex Minerals Inc.	Officer (Richard Bishop) and shareholders		1,062,466	2.6%
Rodinia Lithium Inc.	Director (David Stein), Officer (Ryan Ptolemy) and shareholders		3,198,917	7.8%
Scandinavian Metals Inc.	Director (Stan Bharti) and shareholders		-	0.0%
Silver Bear Resources Inc.	Director (Stan Bharti) and shareholders		854,671	2.1%
Sulliden Gold Corporation Ltd.	Directors (Stan Bharti, George Faught, Pierre Pettigrew, Bruce Humphrey) and shareholders		11,020,000	27.0%
Valencia Ventures Inc.	Director (Bernard Wilson) and shareholders		-	0.0%
Wolf Resource Development Corp. ***	Director (George Faught) and shareholders		131,381	0.3%
Total of 19 other investments	Shareholders/warrant holders		7,983,116	19.5%
Total Investments - January 31, 2014		$	40,863,850	100.0%

* Private company

** Formerly Antofagasta Gold Inc.

*** Formerly Ferro Iron Ore Corp.

(Expressed in Canadian dollars unless otherwise noted)

16. Related party disclosures (continued)

Investment	Nature of relationship	Estimated Fair value	% of FV
Alder Resources Ltd.	Director (Pierre Pettgrew), officer (Ryan Ptolemy), and shareholders	$ 115,960	0.2%
Antofagasta Gold Inc. **	Officer (Ryan Ptolemy) and shareholders	370,152	0.7%
Black Iron Inc.	Director (Pierre Pettigrew), officer (Stan Bharti), and shareholders	2,700,000	4.8%
Brazil Potash Corp.*	Director (Stan Bharti), officer (Ryan Ptolemy), and shareholders	3,291,214	5.8%
Castillian Resources Corp.	Director (Michael Hoffman) and shareholders	158,025	0.3%
Goldstar Minerals Inc.***	Major shareholder (Stan Bharti) and shareholders	46,850	0.1%
East Asia Minerals Ltd.	Director (David Stein) and shareholders	1,240,460	2.2%
Emerita Gold Corp.	Major shareholder (Stan Bharti) and shareholders	250,000	0.4%
Forbes & Manhattan (Coal) Corp.	Directors (Stan Bharti, Bernard Wilson) and shareholders	1,386,953	2.5%
Forbes Ram Holdings Inc.*	Director (Stan Bharti) and shareholders	8,000,000	14.2%
Indo Gold Limited *	Officer (Stan Bharti) and shareholders	1,560,000	2.8%
Legacy Platinum Inc.*	Officer (Richard Bishop) and shareholders	1,557,500	2.8%
Premier Royalty Inc.	Director (George Faught) and shareholders	1,679,032	3.0%
Rodinia Lithium Inc.	Officer (Ryan Ptolemy) and shareholders	3,777,725	6.7%
Sagres Energy Inc.	Advisor (Stan Bharti) and shareholders	43,333	0.1%
Scandinavian Metals Inc.*	Director (Stan Bharti) and shareholders	569,069	1.0%
Silver Bear Resources Inc.	Director (Stan Bharti) and shareholders	1,634,024	2.9%
Sulliden Gold Corporation Ltd.	Directors (Stan Bharti, George Faught, Pierre Pettigrew), and shareholders	14,474,752	25.7%
Valencia Ventures Inc.	Director (Bernard Wilson) and shareholders	170,409	0.3%
Total of 29 other investments	Shareholders/warrant holders	13,306,548	23.6%
Total Investments - January 31, 2013		$ 56,332,006	100.0%

* Private company

** Formerly Windamere Ventures Ltd.

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

	Advisory service fees earned from related parties Years ended January 31,		Advisory service fees due from related parties As at January 31,	
	2014	2013	2014	2013
Coastal Gold Corp.	$ -	$ 165,000	$ -	$ 105,000
	$ -	$ 165,000	$ -	$ 105,000

(Expressed in Canadian dollars unless otherwise noted)

16. Related party disclosures (continued)

In addition, 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 Years ended January 31,				Loans receivable from related parties As at January 31,			
		2014		2013		2014		2013
Coastal Gold Corp.	$	118,650	$	-	$	118,650	$	-
Forbes & Manhattan Inc.	$	500,000	$	-	$	-	$	-
Forbes Royalty Corporation	$	348,940	$	-	$	348,940	$	-
Legacy Platinum Corp.*	$	253,022	$	399,160	$	1,909,092	$	1,367,338
Metal Prospecting AS	$	-	$	211,256	$	212,520	$	219,120
Rodinia Lithium Inc.	$	900,000	$	-	$	943,379	$	-
Sagres Energy Inc.**	$	-	$	347,620	$	-	$	-
Scandinavian Metals Inc.**	$	90,000	$	1,020,622	$	-	$	-
Silver Bear Resources Inc.	$	400,000	$	-	$	-	$	-
Temujin Mining Corp.**	$	169,780	$	1,342,106	$	-	$	1,342,106
	$	2,780,392	$	3,320,764	$	3,532,581	$	2,928,564

* loan receivable includes capitalized interest

** loan written off during year-end January 31, 2014 and/or 2013

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 Years ended January 31,				Interest and dividend receivable from related parties As at January 31,			
		2014		2013		2014		2013
Coastal Gold Corp.	$	9,622	$	-	$	9,622	$	-
Forbes & Manhattan Inc.	$	5,068	$	-	$	-	$	-
Forbes Royalty Corporation	$	13,054	$	-	$	13,054	$	-
Legacy Platinum Corp.*	$	160,910	$	121,442	$	37,610	$	23,479
Metal Prospecting AS	$	41,400	$	3,287	$	13,414	$	3,287
Potash Atlantico Corp.	$	183,889	$	-	$	-	$	-
Rodinia Lithium Inc.(*)(**)	$	51,391	$	162,000	$	8,012	$	162,000
Sable Platinum Holdings (Pty.) Ltd	$	-	$	250	$	-	$	-
Sagres Energy Inc.**	$	-	$	7,805	$	-	$	-
Scandinavian Metals Inc.**	$	-	$	159,505	$	-	$	-
Silver Bear Resources Inc.	$	60,000	$	-	$	-	$	-
Temujin Mining Corp.**	$	160,735	$	87,432	$	-	$	87,309
	$	686,069	$	541,721	$	81,712	$	276,075

* overdue interest was capitalized to loan receivable

** interest and/or dividend written off during the year ended January 31, 2014 and/or 2013.

During fiscal 2014, the Company received dividend income of $183,889 from Potash Atlantico Corp. An officer of Aberdeen, Ryan Ptolemy serves as an officer of Potash Atlantico Corp.

(Expressed in Canadian dollars unless otherwise noted)

16. Related party disclosures (continued)

During the years ended January 31, 2014 and 2013, the Company entered into the following transactions in the ordinary course of business with related parties.

	Sales of goods and services Years ended January 31,		Purchases of goods and services Years ended January 31,	
	2014	2013	2014	2013
Forbes & Manhattan, Inc.	$ -	$ 24,469	$ 300,000	**$ 300,000**
Other miscellaneous	$ -	$ 220	$ -	$ -
	$ -	$ 24,689	$ 300,000	$ 300,000

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., a corporation that provides administrative and consulting services to the Company, including but not limited to strategic planning and business development. Forbes & Manhattan, Inc. charges a monthly consulting fee of $25,000.

The amounts outstanding on advisory service fees and other fees are unsecured, non-interest bearing, with no fixed terms of repayment. No guarantees have been given or received. No expense has been recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties on these fees.

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 years ended January 31, 2014 and 2013 were as follows:

	Years ended January 31, 2014	2013
Short-term benefits*	$ 1,289,667	$ 4,644,560
Share-based payments	$ 857,334	$ 440,112
	$ 2,147,001	$ 5,084,672

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

During fiscal 2014, the Company paid $34,000 to a director who retired as director from the Company.

During fiscal 2014, two directors of the Company exercised a total of 1,900,000 options at $0.12 per share.

During fiscal 2013, a director of the Company exercised 900,000 options at $0.12 per share.

17. Commitments and contingencies

Management contracts

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $1,200,000 (January 31, 2013 - $1,600,000) ranging from 30 days to 12 months and additional contingent payments of up to approximately $12,200,000 (January 31, 2013 - $13,300,000) 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 financial statements.

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.

Strategic advisor

The Company engaged a strategic advisor to provide the Company with advice regarding potential strategic financing alternatives. The Company paid the strategic advisor $500,000 with $250,000 paid on May 23, 2013 and $250,000 paid on November 30, 2013. In addition, the Company will pay the strategic advisor a monthly retainer at the end of each month starting December 23, 2013 if the agreement is not terminated at the Company's option. In addition, the Company is committed to paying success fees to the strategic advisor on the occurrence of certain successful events.

18. Subsequent event

See Note 5 Loans receivable for detail.