ABERDEEN
INTERNATIONAL

FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

April 30, 2010 AND 2009

UNAUDITED

ABERDEEN INTERNATIONAL INC.

BALANCE SHEET

As at,

(Unaudited)

	April 30, 2010	January 31, 2010
	$	$
ASSETS		
Current		
Cash and cash equivalents	**958,746**	3,266,356
Investments, at fair value (Notes 3(a) and 12)	**59,853,891**	56,227,559
Equity accounted investments (Note 3(b))	**1,142,005**	800,000
Amounts receivable (Note 5)	**3,192,754**	2,206,775
Income taxes recoverable	**-**	1,727,615
Loan - Simmer & Jack (Note 5)	**10,158,000**	10,693,000
Loans receivable (Note 4)	**7,720,654**	8,246,565
Prepaid expenses	**13,946**	14,508
	83,039,996	83,182,378
Long-term		
Royalty interests on mineral properties, net (Note 6)	**33,082,301**	35,045,928
Equipment, net	**48,842**	54,000
	116,171,139	118,282,306
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 12)	**337,419**	1,716,233
Taxes payable	**17,852**	-
Deferred revenue (Note 4)	**10,879**	414,400
Future income taxes	**3,618,000**	4,468,000
	3,984,150	6,598,633
Long-term		
Future income taxes	**8,005,000**	8,516,000
	11,989,150	15,114,633
SHAREHOLDERS' EQUITY		
Common shares (Note 7)	**44,174,159**	44,174,159
Warrants (Note 8)	**15,750,000**	15,750,000
Contributed surplus (Note 10)	**12,522,219**	12,016,560
Retained earnings	**37,301,271**	35,501,715
Comprehensive income (loss) (Note 6)	**(5,565,660)**	(4,274,761)
	104,181,989	103,167,673
	116,171,139	118,282,306

COMMITMENTS AND CONTINGENCIES (Notes 5 and 13)

SUBSEQUENT EVENTS (Notes 4, 10 and 16)

ABERDEEN INTERNATIONAL INC.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
For the three months ended
(Unaudited)

	April 30, 2010	*Restated* April 30, 2009
	$	$
Net investment gains (losses)		
Realized gain (loss) on investments, net	**6,260,639**	(290,500)
Unrealized gain (loss) on investments, net	**(1,832,301)**	7,295,081
Loss from equity accounted investments	**(157,995)**	(23,500)
	4,270,343	6,981,081
Other revenue		
Royalties	**514,074**	452,273
Unrealized gain on Simmer & Jack convertible royalty loan (Note 5)	**-**	(206,013)
Interest income (Note 12)	**201,744**	219,489
Advisory service fees (Note 12)	**245,887**	35,000
	961,705	500,749
Expenses		
General and administration (Note 12)	**885,227**	500,971
Stock-based compensation (Note 10)	**505,659**	-
Transaction costs	**2,396**	21,345
Interest expenses	**21,944**	-
Depletion of royalty interests on mineral properties (Note 6)	**212,729**	224,063
Amortization	**5,158**	3,230
	1,633,113	749,609
Income before the undernoted	**3,598,935**	6,732,221
Foreign exchange loss	**(926,000)**	(111,462)
Income before income taxes	**2,672,935**	6,620,759
Income taxes (Note 15)		
Current income tax recovery (expense)	**(1,774,379)**	2,970
Future income tax recovery (provision)	**901,000**	(2,229,933)
Net income for the period	**1,799,556**	4,393,796
Other comprehensive income items		
Currency translation adjustment, net of taxes (Note 6)	**(1,290,899)**	(1,378,439)
Comprehensive income for the period	**508,657**	3,015,357
Basic income per share	**0.02**	0.05
Diluted income per share	**0.02**	0.05
Weighted average common shares outstanding		
- basic	**87,503,839**	94,758,131
- diluted	**88,299,471**	94,785,131

ABERDEEN INTERNATIONAL INC.

STATEMENTS OF CASH FLOWS

For the three months ended

(Unaudited)

	April 30, 2010 $	*Restated* April 30, 2009 $
CASH AND CASH EQUIVALENTS (USED IN) PROVIDED BY		
OPERATING ACTIVITIES:		
Net income for the period	**1,799,556**	4,393,796
Adjustments to reconcile net income (loss) to cash		
provided from operating activities:		
Unrealized (gain) loss on investments, net	**1,832,301**	(7,295,081)
Realized (gain) loss on investments, net	**(6,260,639)**	290,500
Loss from equity accounted investments	**157,995**	23,500
Unrealized gain on Simmer & Jack convertible royalty loan	**-**	206,013
Depletion on royalty interests on mineral properties	**212,729**	224,063
Arrangement fee income	**(162,107)**	-
Stock-based compensation (Note 9)	**505,659**	-
Amortization	**5,158**	3,230
Unrealized foreign exchange	**783,977**	58,084
Future income tax	**(901,000)**	2,229,933
Net change in non-cash working capital	**1,029,846**	78,367
	(996,525)	**212,405**
FINANCING ACTIVITIES:		
Shares repurchased and cancelled (Note 11)	**-**	(72,057)
	-	(72,057)
INVESTING ACTIVITIES:		
Purchase of investments	**(13,858,172)**	(1,462,973)
Disposal of investments	**14,346,587**	2,499,200
Short-term loan provided	**(4,988,500)**	(308,955)
Short-term loan repaid	**3,189,000**	-
Purchase of equipment	**-**	(7,720)
	(1,311,085)	719,552
CHANGE IN CASH AND CASH EQUIVALENTS	**(2,307,610)**	859,900
CASH AND CASH EQUIVALENTS, beginning of period	**3,266,356**	1,356,436
CASH AND CASH EQUIVALENTS, end of period	**958,746**	2,216,336
Cash and cash equivalents consist of :		
Cash	**958,746**	1,016,066
Cash equivalents	**-**	1,200,270
	958,746	2,216,336
	-	
SUPPLEMENTAL INFORMATION		
Income taxes paid, net of refund	**56,361**	248,807
Special warrants received in exchange of debt outstanding	**2,160,000**	-
Interest paid	**21,944**	-

ABERDEEN INTERNATIONAL INC.
STATEMENTS OF SHAREHOLDERS' EQUITY

(Unaudited)

	Common shares		Share purchase warrants	Contributed surplus	Retained earnings	Other Comprehensive income Item	Shareholders' equity
	#	$	$	$	$	$	$
Balance - January 31, 2009	**94,874,339**	**47,894,974**	**17,203,500**	**8,503,997**	**13,886,722**	-	**87,489,193**
Cancellation of repurchased common shares	(7,370,500)	(3,720,815)	-	1,938,758	-	-	(1,782,057)
Warrants expired unexercised	-	-	(1,453,500)	1,453,500	-	-	-
Stock-based compensation expense	-	-	-	120,305	-	-	120,305
Net income for the year	-	-	-	-	21,614,993	-	21,614,993
Currency translation adjustment (Note 6)	-	-	-	-		(4,274,761)	(4,274,761)
Balance - January 31, 2010	**87,503,839**	**44,174,159**	**15,750,000**	**12,016,560**	**35,501,715**	**(4,274,761)**	**103,167,673**
Stock-based compensation expense	-	-	-	505,659	-	-	505,659
Net income for the year	-	-	-	-	1,799,556	-	1,799,556
Currency translation adjustment (Note 6)	-	-	-	-		(1,290,899)	(1,290,899)
Balance - April 30, 2010	**87,503,839**	**44,174,159**	**15,750,000**	**12,522,219**	**37,301,271**	**(5,565,660)**	**104,181,989**

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

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 foreign capital markets; and, (iii) operate in jurisdictions with low to moderate local political risk.

These interim financial statements are unaudited and have not been reviewed by the Company's auditors.

The Company's management has prepared these unaudited interim financial statements in accordance with generally accepted accounting principles in Canada ("GAAP"). These unaudited interim financial statements have incorporated new accounting standards, the impact of which is summarized in Note 2. The disclosures in these unaudited interim financial statements do not include the full disclosure required under GAAP for annual financial reporting. These unaudited interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended January 31, 2010.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these unaudited interim financial statements. Operating results for the three months ended April 30, 2010 are not indicative of the results that may be expected for the full year ending January 31, 2011.

Certain comparative amounts have been reclassified to conform to the current quarter's presentation.

2. SIGNIFICANT ACCOUNTING POLICIES

Except as disclosed below, these unaudited interim financial statements are prepared using the same accounting policies and methods of application as those disclosed in Note 2 to the Company's annual audited financial statements for the year ended January 31, 2010.

New accounting pronouncements

(a) In January 2009, the CICA issued Handbook Section 1582, *Business Combinations*, replacing Section 1581, *Business Combinations*. The previous Section was removed in order to adopt the relevant extracts of the International Financial Reporting Standard, IFRS 3, *Business Combinations*. The new Section establishes standards for the recognition, measurement, presentation and disclosure of business combinations.

This new standard is applicable to business combinations realized during fiscal years beginning on or after January 1, 2011. The Company expects to implement this standard in its first quarter of fiscal year 2012. This new Section requires that most identifiable assets, liabilities, non-controlling interests and goodwill acquired in a business combination be recorded at "full fair value" and that liabilities associated with restructuring or exit activities be recognized only if they meet the definition of a liability as of the acquisition date. In addition, direct acquisition costs must be expensed when incurred. As a result, if the Company realizes significant business combinations, this new Section could have a material impact on its consolidated financial statements because the Company's current policy is to include these costs in the purchase price of the acquired business.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting pronouncements (continued)

(b) Section 1601, *Consolidated Financial Statements*, replaces and carries forward existing guidance from Section 1600, *Consolidated Financial Statements*, on the aspects of the preparation of consolidated financial statements subsequent to a business combination other than non-controlling interests. Section 1602, *Non-controlling interests*, provides guidance on accounting for non-controlling interests subsequent to a business combination. This Section replicates the provisions of IAS 27, *Consolidated and Separate Financial Statements*, other than the disclosure requirements. Under this new Section, non-controlling interests in subsidiaries must be presented in the consolidated balance sheet with equity, but separated from the parent shareholders' equity. In the statements of operations, a non-controlling interest must not be deducted in arriving at the consolidated net income, but must be allocated to the controlling interest and the non-controlling interest according to their percentage of ownership.

Sections 1601 and 1602 must be implemented concurrently with Section 1582, *Business Combinations*, discussed above. Both Sections are applicable for fiscal years beginning on or after January 1, 2011 with earlier adoption permitted as of the beginning of a fiscal year. Section 1602 is to be applied retrospectively, with certain exceptions. Entities planning business combinations for the years beginning on or after January 1, 2010 should consider adopting these new standards in or before that year to avoid restatement on transition to IFRS in 2011. The Company is currently assessing the impact of these standards on any future acquisitions.

(c) In 2005, the Accounting Standards Board of Canada ("AcSB") announced that accounting standards in Canada are to converge with IFRS. In May 2007, the CICA published an updated version of its "Implementation Plan for Incorporating International Financial Reporting Standards into Canadian GAAP". This plan includes an outline of the key decisions that the CICA will need to make as it implements the Strategic Plan for publicly accountable enterprises that will converge Canadian generally accepted accounting standards with IFRS. In April 2008, the AcSB published the exposure draft: *Adopting IFRS in Canada* ("Exposure Draft"). The AcSB proposes to incorporate the IFRS as set out in this Exposure Draft into the CICA Handbook – Accounting ("Handbook"). The Handbook will be updated as necessary thereafter so that, at any point in time, it includes the full body of IFRS then in effect. Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, IFRS will replace current Canadian GAAP for most publicly accountable enterprises. Companies will be required to provide comparative IFRS information for the previous fiscal year. The Company will implement these standards in its first quarter of fiscal year 2011 (April 30, 2011) and is currently evaluating the impact of their adoption on its financial statements.

3. INVESTMENTS

(a) At April 30, 2010, the Company's investments consisted of the following:

Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
2236967 Ontario Inc.*	(iv)	5,000,000 common shares	$ 250,000	$ 250,000	0.4%
Alderon Resources Corp.	(iii)	500,000 common shares	500,000	1,000,000	1.7%
Allana Resources Inc.	(i,ii)	4,500,000 common shares	924,222	4,225,338	7.1%
		2,000,000 warrants expire May 22, 2011			
		2,375,000 warrants expire June 16, 2011			
Apogee Minerals Ltd.	(i,ii,iii)	9,850,000 common shares	2,391,000	1,101,715	1.8%
		5,000,000 warrants expire May 23, 2010			
		1,175,000 warrants expire April 30, 2011			
		1,250,000 warrants expire Nov 22, 2011			
Auger Resources Ltd.*	(iii)	2,000,000 common shares	1,000,000	200,000	0.3%
		1,000,000 warrants expire Sept 16, 2010			
Avion Gold Corp.	(iii)	6,774,400 common shares	2,946,712	4,455,640	7.4%
		2,500,000 warrants expire May 8, 2011			
Brazil Potash Corp.*	(iii)	1,650,062 common shares	2,500,000	1,676,133	2.8%
Castillian Resources Corp.	(iii)	11,660,000 common shares	2,034,670	934,750	1.6%
		500,000 warrants expire June 30, 2011			
Crowflight Minerals Inc.	(iii)	1,470,612 common shares	395,638	308,829	0.5%
Crocodile Gold Inc.	(iii)	4,351,766 common shares	2,700,391	10,143,984	17.0%
		2,500,000 warrants expire June 15, 2012			
Dacha Capital Inc.	(i,ii,iii)	2,501,551 common shares	2,985,512	7,599,051	12.7%
		4,800,000 special warrants			
		2,501,551 common shares expire June 16, 2014			
Kria Resources Inc.	(iii)	2,599,000 common shares	2,599,000	404,115	0.7%
		1,000,000 warrants expire June 9, 2010			
		50,000 warrants expire June 16, 2010			
Largo Resources Inc.	(iii)	3,983,333 common shares	551,000	896,250	1.5%
Longford Energy Inc.	(iii)	3,659,869 common shares	1,595,502	1,098,069	1.8%
		1,000,000 warrants expire June 5, 2011			
Rodinia Minerals Inc.	(iii)	3,000,000 common shares	1,500,000	1,410,000	2.4%
Scandinavian Metals Inc*	(ii,iii)	2,000,000 common shares	1,000,000	500,000	0.8%
		1,000,000 warrants expire Sept 12, 2010			
Stetson Oil & Gas Ltd.	(iii)	10,000,000 preferred shares	740,290	150,000	0.3%
		10,000,000 warrants expire Sept 17, 2010			
Sulliden Gold Corporation Ltd.	(iii)	11,877,195 common shares	5,878,313	7,309,768	12.2%
		769,231 warrants expire April 23, 2011			
		1,361,946 warrants expire October 6, 2012			
Temujin Mining Corp*	(ii,iii)	11,000,909 common shares	5,657,000	6,157,000	10.3%
		1,910,000 warrants expire Nov 26, 2011			
		600,000 warrants expire Jan 14, 2012			
		4,545,455 warrants expire Jan 29, 2012			
Verena Minerals Corp.	(iii)	4,000,000 common shares	1,126,875	2,085,000	3.5%
		3,000,000 warrants expire March 3, 2012			
Vast Exploration Inc.	(iii)	1,350,000 common shares	1,062,686	1,869,165	3.1%
		2,050,000 warrants expire June 12, 2010			
		1,000,000 warrants expire June 5, 2011			
Total of 7 other investments	(iv)		5,533,863	6,079,084	10.2%
Total investments			$ 45,872,674	$ 59,853,891	100.0%

* Private company

(i) The Company has issued a Section 101 report under the Ontario Securities Act for this investment.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at April 30, 2010.
(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation.
(iv) Total other investments held by the Company, which are not individually listed as at April 30, 2010. Directors and officers may hold investments personally.

3. **INVESTMENTS** (continued)

At January 31, 2010, the Company's investments consisted of the following:

Issuer	Note	Security description	Cost	Estimated	% of
Allana Resources Inc.	(i,ii)	6,750,000 common shares	$ 1,220,000	$ 3,348,300	6.0%
		2,000,000 warrants expire May 22, 2011			
		2,375,000 warrants expire June 16, 2011			
Apogee Minerals Ltd.	(i,ii,iii)	9,850,000 common shares	2,391,000	1,226,528	2.2%
		5,000,000 warrants expire May 23, 2010			
		1,175,000 warrants expire April 30, 2011			
		1,250,000 warrants expire Nov 22, 2011			
Auger Resources Ltd.*	(ii,iii)	2,000,000 common shares	1,000,000	500,000	0.9%
		1,000,000 warrants expire Sept 16, 2010			
Avion Gold Corp.	(iii)	8,774,400 common shares	3,631,919	6,002,634	10.7%
		2,500,000 warrants expire May 8, 2011			
Brazil Potash Corp.*	(iii)	1,650,062 common shares	2,500,000	1,776,127	3.2%
Castillian Resources Corp.	(iii)	11,660,000 common shares	2,034,670	1,179,350	2.1%
		500,000 warrants expire June 30, 2010			
Crocodile Gold Inc.	(iii)	6,319,478 common shares	3,546,424	16,929,174	30.1%
		2,500,000 warrants expire June 15, 2012			
		317,460 warrants expire Feb 9, 2010			
		1,017,429 warrants expire Feb 9, 2010			
Crowflight Minerals Inc.	(iii)	3,379,724 common shares	1,508,039	607,682	1.1%
		1,470,612 warrants expire April 30, 2011			
Dacha Capital Inc.	(i,ii,iii)	2,501,551 common shares	825,512	2,345,204	4.2%
		2,501,551 common shares expire June 16, 2014			
Kria Resources Inc.	(iii)	2,599,000 common shares	2,599,000	561,880	1.0%
		1,000,000 warrants expire June 9, 2010			
		50,000 warrants expire June 16, 2010			
Largo Resources Inc.	(iii)	3,983,333 common shares	551,000	896,250	1.6%
Longford Energy Inc.	(iii)	3,659,869 common shares	1,941,090	1,207,170	2.1%
		3,296,296 warrants expire February 28, 2010			
		1,000,000 warrants expire June 5, 2011			
Scandinavian Metals Inc.*	(ii,iii)	2,000,000 common shares	1,000,000	500,000	0.9%
		1,000,000 warrants expire Sept 12, 2010			
Stetson Oil & Gas Ltd.	(iii)	10,000,000 preferred shares	740,290	177,000	0.3%
		10,000,000 warrants expire Sept 17, 2010			
Sulliden Gold Corporation Ltd.	(iii)	10,403,303 common shares	4,920,283	7,621,216	13.6%
		769,231 warrants expire April 23, 2011			
		625,000 warrants expire October 6, 2012			
Temujin Mining Corp.*	(ii,iii)	7,364,545 common shares	3,667,200	3,758,400	6.7%
		7,364,545 warrants expire Nov 26, 2011			
		600,000 warrants expire Jan 14, 2012			
Vast Exploration Inc.	(iii)	1,350,000 common shares	1,062,686	1,518,170	2.7%
		2,050,000 warrants expire June 12, 2010			
		1,000,000 warrants expire June 5, 2011			
Total of 11 other investments	(iv)		5,274,928	6,072,474	10.6%
Total investments			$ 40,414,041	$ 56,227,559	100.0%

* Private company

(i) The Company has issued a Section 101 report under the Ontario Securities Act for this investment.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the investee as at January 31, 2010.
(iii) A director and/or officer of the Company is a director and/or officer of the investee corporation.
(iv) Total other investments held by the Company, which are not individually listed as at January 31, 2010. Directors and officers may hold investments personally.

3. INVESTMENTS (Continued)

(b) The Company's equity accounted investment is its ownership in Tucano Exploration Inc. ("Tucano") prior to Tucano's combination with Castillian Resources Corp. ("Castillian"). Prior to the combination, Aberdeen held 4,000,000 shares of Tucano which represent an equity interest of approximately 36.7%. Following the completion of the combination on January 29, 2010, in which shareholders of Tucano received 2.29 Castillian shares for each Tucano, the Company's ownership was reduced below 20% and the investment was no longer accounted for using the equity method.

Through the fourth quarter of 2010 and the first quarter of 2011, the Company made an investment of $800,000 and $500,000 respectively for a total of 40.7% interest in Forbes & Manhattan (Coal) Inc. ("Forbes Coal"). The investment has been accounted for as an equity investment.

The following is a schedule of the Company's equity accounted investments as at April 30, 2010 and January 31, 2009:

	April 30, 2010	January 31, 2010
Equity accounted investment – carrying value – beginning of period	**$ 800,000**	$ 1,924,387
Acquisition of equity accounted investment	**500,000**	800,000
Loss on equity investment	**(157,995)**	(972,268)
Reclassification of equity accounted investment to portfolio investment	**-**	(952,119)
Equity accounted investment – carrying value – end of period	**$ 1,142,005**	$ 800,000

Directors and an officer of Aberdeen also serve as directors and officer in Forbes Coal.

4. LOANS RECEIVABLE

Russo-Forest Corporation

On August 19, 2008, the Company entered into a short-term loan agreement with Russo-Forest Corporation ("Russo-Forest"), a privately held company with timber operations in the Russian northwest. The Company loaned Russo-Forest $500,000 which was repayable on or before August 18, 2009 with interest payable on maturity at an annual rate of 15%. The loan is secured against all of the assets of Russo-Forest and its subsidiaries.

On November 10, 2008, the Company entered into a second short-term loan agreement whereby the Company loaned US$100,000 ($122,470) to Russo-Forest. The loan was repayable on or before June 30, 2009 with interest payable on maturity at an annual rate of 15%. The agreement also provides Aberdeen with the right to convert the loan into shares of Russo-Forest at a rate of $0.12 per share. The loan is secured against all of the assets of Russo-Forest and its subsidiaries.

In April and June 2009, the Company advanced a further US$250,000 ($308,955) and US$100,000 ($111,460), respectively, to Russo-Forest under similar terms as the second short-term loan agreement described above with a maturity date of June 30, 2009.

4. LOANS RECEIVABLE (Continued)

Russo-Forest Corporation (Continued)
The loans outstanding were not repaid at the respective due dates of June 30, 2009. On August 18, 2009, the Company advanced an additional US$213,710 ($232,410) to Russo and agreed to extend the maturity date of both loans initially to September 30, 2009 and subsequently to December 31, 2009. Interest charged on the outstanding US dollar short-term loan initially outstanding to June 30, 2009 was increased from 15% to 17% per annum as provided for in the loan agreement.

On February 2, 2009, it was announced that Russo-Forest had entered into a share exchange agreement with Nyah Resources Corp. ("Nyah"), a junior resource company traded on the TSX Venture exchange. Following the proposed acquisition, the current shareholders of Russo-Forest would have held approximately 80% of the combined company and the current Nyah shareholders would hold approximately 20%. On October 13, 2009, Nyah's shareholders voted in favour of the share exchange agreement; however, the finalization of the acquisition was delayed past October 31, 2009 which triggered a required payment from Russo-Forest to Nyah for $500,000, as outlined in the agreement. In December 2009, Nyah exercised its right to terminate the share exchange agreement.

As a result of the Russo-Forest's inability to finalize it share exchange agreement with Nyah and its difficulties executing its business plans and securing financing, the Company has recorded a provision against loans of $1,209,705 and accrued interest of $109,971 outstanding from Russo-Forest.

A director of Aberdeen also holds a position as director in Russo-Forest. A director and an officer of Aberdeen also hold a director and an officer position in Nyah. Aberdeen officers and directors may hold investments personally in Russo-Forest and Nyah.

Avion Gold Corp. (formerly Avion Resources Corp.)
On March 20, 2008, the Company entered into a short-term loan agreement with Avion Gold Corporation ("Avion"). The Company loaned Avion US$1,000,000 ($1,009,500) which was repayable on or before September 30, 2008 with interest payable monthly commencing April 30, 2008 at an annual rate of 10%. In addition, Avion provided, as consideration, 250,000 common share purchase warrants with an exercise price of $0.38 per common share and an expiry date of September 30, 2008. The grant date fair value of the warrants was estimated to be $36,100 which was applied against the carrying value of the loan receivable and was recognized as income over the term of the loan. The estimated grant date fair value was calculated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 98.5%; risk-free interest rate of 2.73%; and an expected life of five months. The 250,000 common share purchase warrants expired unexercised. The loan agreement provided for a general security agreement in Aberdeen's favour against the loan.

Avion did not repay the loan by September 30, 2008. Following discussions between Aberdeen and Avion, Aberdeen agreed to extend the term of the loan to September 30, 2009. In conjunction with the extension of the loan, it was agreed that the principal owing upon maturity shall increase by 30% for each US$100 incremental increase in the price of gold above US$900, based on the twelve month average of the London PM fix, to be calculated on a monthly, pro-rated basis, beginning on October 1, 2008. The value to this embedded derivative was estimated to be a nominal amount at the date of issue and subsequent period ends and therefore no value was attached to this derivative in the financial statements. Interest at a rate of 10% per year accrued.

4. LOANS RECEIVABLE (Continued)

Avion Gold Corp. (Continued)
As additional consideration for the extension of the loan, Avion issued 2,000,000 common share purchase warrants to Aberdeen, with each share purchase warrant entitling Aberdeen to purchase one common share at a price of $0.20 per share for a period of one year from September 30, 2008. The grant date fair value of the warrants was estimated to be $96,000, which was applied against the carrying value of the loan receivable to be recognized as income over the remaining term of the loan. The fair value was calculated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 93.7%; risk-free interest rate of 2.93%; and an expected life of one year. In September 2009, the Company exercised its options to acquire 2,000,000 Avion common shares at a cost of $400,000.

Avion also agreed to pay Aberdeen an extension fee in the amount of US$50,000 ($62,285) of which US$25,000 ($30,413) was paid on October 31, 2008 and US$25,000 ($31,872) was paid on March 6, 2009. The loan was secured against the assets of Avion and in a senior position.

As part of the sale of Ethiopian property rights to Avion, completed during the year ended January 31, 2008, deferred payments were payable to the Company by Avion, as outlined in Note 6, “Receivable on Sale of Mineral Property”. The payment of $750,000, due on June 30, 2008, was not received by the Company. Following discussions between Aberdeen and Avion, the $750,000 was added to the existing US$1,000,000 loan. In addition, the payment of $1,000,000 due on December 31, 2008 was also not received by the Company. At January 31, 2009, Avion had aggregate loans outstanding payable to Aberdeen of $1,750,000 and US$1,000,000, plus accrued interest.

In May 2009, following discussions between Avion and the Company, Avion repaid all of its outstanding loans to Aberdeen through a cash payment of $1,550,000, plus accrued interest of $38,004, and the assignment of the rights to a secured note receivable from Amazon Potash Corp. (“Amazon Potash”) for US$1,250,000. Amazon Potash is a private company with potash properties in Brazil. The note receivable was due June 30, 2009 with an annual interest rate of 12%, calculated monthly and payable upon maturity. In addition, the note agreement also provided Aberdeen with the option to convert the principal, in whole or in part, into common shares of Amazon Potash on or before June 30, 2009 at $1.00 per share. The secured note receivable was recorded on Aberdeen’s books at a discounted value of US$1,170,488 ($1,373,100) against a face value of US$1,250,000 and no gain or loss was recorded on the retirement of loans outstanding from Avion to the Company in exchange for cash and the Amazon Potash secured note receivable.

Amazon Potash Corp.
On May 27, 2009, the Company loaned an additional US$250,000 that was added to the existing secured note receivable from Amazon Potash. As consideration, the Company received a US$25,000 advisory service fee and 100,000 shares of Amazon Potash. Interest receivable accrued between assuming the secured note receivable on May 6, 2009 and May 27, 2009, totalling US$8,630, was capitalized as part of the loan.

Amazon Potash did not repay the loan on the June 30, 2009. The Company and Amazon Potash agreed to four separate quarterly extensions to the secured note receivable to June 30, 2010. As consideration for extending the note receivable the Company received an aggregate of US$100,000 and 200,000 Amazon Potash shares. At April 30, 2010, the carrying value of the secured note receivable was US$1,780,550 ($1,808,683), excluding accrued interest.

4. LOANS RECEIVABLE (Continued)

Amazon Potash Corp. (Continued)
The note receivable is secured by Amazon Potash's assets. In September 2009, Amazon Potash spun out some of its potash claims in Brazil to a wholly-owned subsidiary named Brazil Potash Corp. ("Brazil Potash"). The shares in Brazil Potash were distributed to its Amazon Potash shareholders. Aberdeen, as a shareholder of Amazon Potash, received 1,650,062 shares of Brazil Potash. Subsequent to the distribution of the shares, Brazil Potash completed a private placement equity financing for gross proceeds of US$25,000,000 at a price of US$1.00 per common share.

On May 6, 2009, Avion completed a previously announced acquisition of Dynamite Resources Ltd. ("Dynamite") whereby Avion acquire all of the issued and outstanding Dynamite common shares at an exchange ratio of 0.75 Avion common shares for each Dynamite common share.

Directors of Aberdeen hold director positions in Avion, and Aberdeen officers and directors may hold investments personally in Avion. Directors of Aberdeen hold a director and officer position in Amazon Potash and Brazil Potash and held director positions in Dynamite. Aberdeen officers and directors also may hold, or have held, investments personally in Amazon Potash, Brazil Potash and Dynamite.

Kria Resources Inc.
In June 2009, the Company entered into a secured debenture agreement with Kria Resources Inc. ("Kria Resources") to loan up to $600,000, with any amounts drawn being due and payable on December 31, 2010 and shall be subject to interest at a rate of 10% per annum. Kria Resources is a base metals exploration and development company whose properties are located in Manitoba and in New Brunswick. In July 2009, Kria Resources completed the acquisiton of Beartooth Platinum Corporation ("Beartooth") and began trading on the TSX Venture Exchange under the name Kria Resources Inc. Consideration provided to the Company by Kria Resources for entering into the secured debenture agreement included a $25,000 fee plus up to 250,000 share purchase warrants, of which 50,000 have been issued, with each share purchase warrant entitling Aberdeen to purchase one common share for a period of one year from the date of grant. The grant date fair value of the warrants issued was determined to be nominal and no value was recorded. As at April 30, 2010, Kria Resources paid the $25,000 fees but had not drawn down funds under the secured debenture agreement. The $25,000 fee was received and recorded as deferred revenue and is being recognized as income over the term of the agreement. Directors of Aberdeen serve as a director and officer in Kria Resources. Also, a director of Aberdeen served as a director of Beartooth.

Castillian Resources Corporation
In January 2010, the Company entered into a secured debenture agreement with Castillian Resources Corporation ("Castillian Resources") to loan up to $500,000, with any amounts drawn being due and payable on June 30, 2010 and shall be subject to interest at a rate of 10% per annum. The debenture is secured against Castillian's interest in the Kagera property in Tanzania. Castillian paid Aberdeen a advisory service fee in the amount of $25,000 and issued 500,000 share purchase warrants to Aberdeen, which entitle the Company to acquire one Castillian Resources common share at a price of $0.10 at any time prior to June 30, 2010. Castillian shall also issue 100,000 of the same share purchase warrants per $100,000 subsequent drawn against the line of credit. The warrants are subject to a statutory four month hold period. The grant date fair value of the warrants issued was estimated to be $7,550. The $25,000 advisory service fee and the $7,550 fair value of the warrants were discounted to the loan and are being recognized as income over the term of the agreement. At April 30, 2010 Castillian Resources drew down the $500,000 under the secured debenture agreement with an additional 375,000 share purchase warrants to be issued.

Directors of Aberdeen serve as directors of Castillian Resources.

4. LOANS RECEIVABLE (Continued)

Temujin Mining Corp.
On January 14, 2010, the Company entered into a loan agreement with Temujin Mining Corp. ("Temujin"). The Company loaned Temujin US$6,000,000 ($6,415,800), repayable on or before January 14, 2011 with interest payable at 10% per annum. As consideration for arranging the loan, Temujin agreed to pay the Company advisory service fees of US$360,000 ($384,948) and issued 600,000 warrants to purchase the common shares of Temujin at an exercise price of $0.55 per share until January 14, 2012. On February 11, US$3,000,000 of the loan was repaid. At April 30, 2010, the balance of the loan of US$3,000,000 and the advisory service fees of US$360,000 remained outstanding.

A director and an officer of Aberdeen serve as directors of Temujin.

Cash Minerals Ltd.
On February 2, 2010, the Company entered into a secured debenture subscription agreement with Cash Minerals Ltd. ("Cash Minerals"), a Canadian based energy company focussed on uranium and coal exploration and development, which owns the Division Mountain Coal Deposit and other prospective coal properties in the Yukon, and owns a 100% interest in the Mike Lake Gold Project, also in the Yukon. The Company loan Cash Minerals $500,000, which will mature and become due and payable on February 2, 2013. The debenture bears interest at a rate of 10% calculated and payable semi-annually on the last day of June and December commencing June 30, 2010 until full and complete payment of this Debenture. This Debenture is secured against all of the assets of Cash Minerals and shall rank senior in priority to any and all other debts of the Corporation subsequently incurred subject to applicable laws.

A director of Aberdeen serves as a director of Cash Minerals.

Dacha Capital Inc
On February 8, 2010, the Company entered into a secured convertible debenture agreement with Dacha Capital Inc. ("Dacha"), a global investment company focused on the purchase, storage and trading of certain strategic metals. The Company loaned to Dacha $2,156,830, which matured and payable on March 31, 2010. Dacha agreed to pay 5% advisory service fee in consideration of the debenture and 10% interest per annum calculated monthly and payable on maturity. The Company had the option to convert the Principal and Interest outstanding, in whole or in part, into funds to be used for a participation in Dacha's private placement announced on March 1, 2010.

On March 24, 2010, the Company exercised its conversion right in the participation of Dacha's private placement. The Company converted the debenture plus interest totaling $2,160,000 in exchange of 4,800,000 units of special warrants of Dacha at $0.45 per unit. The advisory service fees plus the remaining balance of accrued interest totaling $132,593 was repaid to the Company.

A director and an officer in Aberdeen serve as a director and an officer in Dacha.

Garrison International Ltd.
On February 22, 2010, the Company entered into a debenture subscription agreement with Garrison International Ltd. ("Garrison"), a junior mineral exploration company focused on acquiring and developing advanced stage gold properties in Mongolia. The Company loaned to Garrison $600,000, which will mature and be due and payable on February 22, 2013. The debenture bears interest at a rate of 10% calculated and payable semi-annually on the last day of June and December commencing June 30, 2010 until full and complete payment of this Debenture. This Debenture is secured against all of the assets of Garrison and shall rank senior in priority to any and all other debts of the Corporation subsequently incurred subject to applicable laws.

4. LOANS RECEIVABLE (Continued)

5. SIMMER & JACK LOAN

During the fourth quarter of fiscal year 2006, the Company loaned US$10,000,000 to Simmer and Jack Mines, Limited (“Simmers”). The loan had a three-year term maturing December 31, 2008, a 3% coupon at gold prices up to US$400 per ounce (2.5% at gold prices above US$400 per ounce) and a net smelter royalty (“NSR”), tied to the price of gold, ranging from a 0.5% NSR at US$300 per ounce to a 4.75% NSR at gold prices of US$750 per ounce or higher, on a graduated scale. The NSR was payable against gold produced from Simmers’ northwest assets and included First Uranium Corporation’s (First Uranium”) Mine Waste Solutions tailings recovery operation.

The loan also had an option that allowed Aberdeen to call for its conversion into equity of Simmers at ZAR 0.80 per share at any time from January 1, 2007 to December 31, 2008, subject to Simmers shareholders’ approval. On October 16, 2008, the Company called for conversion to equity and a shareholder vote was held on February 16, 2009, where the Simmers’ shareholders voted against the conversion as unanimously recommended by Simmers’ board of directors. As a result, it is Aberdeen’s position that the US$10,000,000 loan was due, as of its maturity date of December 31, 2008, and Aberdeen was entitled to a 1% NSR on the gold produced on the underlying assets starting October 16, 2008. In addition, it is the Company’s position that a payment of approximately US$1,363,000 is due from Simmers which is the interest and graduated royalty calculated at a rate of 4.75% on the gold produced between October 16, 2008 and December 31, 2008, the maturity date of the loan, in addition to a 1% NSR royalty on gold produced starting October 16, 2008.

However, it is Simmers’ position that the request for conversion into equity has caused the loan facility to terminate, ending the remaining graduated royalty payment and forfeiting repayment on the US$10,000,000 principal and remaining interest payments. Accordingly, Simmers’ management contends that the shareholder vote to deny the conversion request has resulted in Aberdeen receiving only the 1% NSR, but not the US$10,000,000 principal.

Aberdeen’s balance sheet, as at April 30, 2010, reflects Aberdeen’s interpretation of the agreement. As a result, the US$10,000,000 ($10,158,000) loan was still outstanding at April 30, 2010 and is recorded on the balance sheet. In addition, as at April 30, 2010, the Company had recorded receivables from Simmers and First Uranium totaling US$1,626,434 ($1,652,132). This includes the amount related to the interest and graduated royalty for the period between October 16, 2008 and December 31, 2008. It is Simmers’ contention that these amounts are not due.

5. SIMMER & JACK LOAN (Continued)

Management's interpretation is that, pursuant to section 2.6 of the Convertible Royalty Loan Agreement (the "Agreement"), the graduated royalty is calculated on production until December 31, 2008, notwithstanding Aberdeen's request for conversion. In addition, pursuant to section 2.10 of the Agreement, if the Simmers shareholders do not approve the loan conversion, the 1% NSR would be in addition to the repayment of the US$10,000,000 principal and, pursuant to section 2.4 of the Agreement, the principal is repayable in cash until shareholders approve the equity conversion. Aberdeen intends to aggressively contest any alternative interpretation of the Agreement. The Company provided Simmers' management and directors with a demand letter and a letter from Aberdeen's legal counsel outlining Aberdeen's interpretation of the Agreement in advance of the February 16, 2009 Simmers shareholder meeting. Aberdeen has also filed the Agreement between the Company and Simmers on SEDAR (www.sedar.com) under the Company's profile. Following the vote by Simmers' shareholders not to allow for the conversion, the Company provided Simmers' board and management with a letter reiterating Aberdeen's understanding of Simmers' obligations under the Agreement. Aberdeen was informed by Simmers' board and management that their position regarding the Agreement, as described above, had not changed. As a result, the Company engaged a leading South African law firm and in July 2009 filed a claim against Simmers and First Uranium to recover the outstanding US$10,000,000 principal and balance payable on the graduated gold royalty from the fourth quarter of calendar 2008. The aggregate amount of damages claimed by the Company is approximately US$11,400,000. Aberdeen firmly believes that its interpretation of the Agreement is correct and expects to realize the values attached to the royalty and loan on the balance sheet as of April 30, 2010. In November 2009, Simmers filed a statement of defense. The description of the Agreement herein is subject to, and qualified in all respects by, the provisions of the Agreement. The case moves forward and the trial date has been set for November 18, 2010.

In connection with the Agreement, Aberdeen holds a notarial special covering bond in the amount of US$10,000,000 plus ZAR5,000,000 ($688,000) over the assets of the North Plant on Simmers' greater Buffels property.

Aberdeen's balance sheet, as at April 30, 2010, reflects the Simmers shareholders' February 16, 2009 vote to deny the conversion requested by Aberdeen, along with the Company's interpretation of the Agreement. At April 30, 2010, the Simmers loan was carried at US$10,000,000 ($10,158,000), excluding accrued interest, based on a US/Cdn dollar foreign exchange rate of 1.0158 (January 31, 2010 – 1.0693).

6. ROYALTY INTERESTS ON MINERAL PROPERTIES

The following table summarizes the Company's royalty interests as at April 30, 2010 and January 31, 2010:

				April 30, 2010		
		Cost		**Accumulated Depletion**		**Net**
Royalty interests						
Simmers and Jack Mines, Limited	$	23,222,851	$	(576,803)	$	22,646,048
First Uranium Corporation		10,837,354		(401,101)		10,436,253
Total	$	34,060,205	$	(977,904)	$	33,082,301

6. ROYALTY INTERESTS ON MINERAL PROPERTIES (Continued)

	January 31, 2010		
	Cost	**Accumulated Depletion**	**Net**
Royalty interests			
Simmers and Jack Mines, Limited	$ 24,445,948	$ (501,983)	$ 23,943,965
First Uranium Corporation	11,408,134	(306,171)	11,101,963
Total	$ 35,854,082	$ (808,154)	$ 35,045,928

The Company owns a 1% NSR royalty interest on gold production from Simmers' producing Northwest assets and on First Uranium's Mine Waste Solutions tailings recovery operation. The Company received both the Simmers and First Uranium royalties as a result of the Simmers' shareholder February 16, 2009 voted against the conversion of the US$10,000,000 loan outstanding as more fully described above in Note 5, Simmers and Jack Loan". Prior to the vote to deny the conversion of the loan into shares of Simmers, the Company had carried the convertible loan on its balance sheet at its estimated fair market value based on a discounted cash flow analysis. Following the vote to deny conversion, the Company began accounting for the resulting 1% NSR royalties as tangible assets with the carrying value being the estimated fair market value of the royalty portion on February 16, 2009. The carrying value of royalty interests are depleted using the units-of-production method over the life of the property to which the royalty interest relates.

The functional currency of the Company's royalty interests on mineral properties is the US dollar. All assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at rates of exchange in effect during the period. Gains and losses on translation are included in equity as separate component of other comprehensive income or loss. During the three months ended April 30, 2010, a translation adjustment loss of $1,750,899 (net of taxes - $1,290,899 (January 31, 2010 - $5,792,761 (net of taxes - $4,274,761)) was recorded.

7. COMMON SHARES

Authorized: Unlimited common shares with no par value

Issued and outstanding:

	Number of shares	Amount
Balance, January 31, 2009	**94,874,339**	**$ 47,894,974**
Shares repurchased and cancelled (NCIB) [1]	(7,370,500)	(3,720,815)
Balance, January 31 and April 30, 2010	**87,503,839**	**$ 44,174,159**

[1] See Note 11.

8. WARRANTS

	April 30, 2010		January 31, 2010	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
Balance, beginning of period	**37,500,000**	**$1.00**	42,000,000	$0.98
Granted	**-**	**-**	-	-
Expired *	**-**	**-**	(4,500,000)	$0.80
Balance, end of period	**37,500,000**	**$1.00**	37,500,000	$1.00

* Compensation Options were exercisable into Units at a price of $0.80 per Unit consisting of one common share of the Company and one-half of one common share purchase warrant. Compensation Options expired unexercised June 6, 2009.

The following is a summary of the outstanding warrants as of April 30, 2010:

Estimated grant date fair value	Number of Warrants	Exercise price	Expiry date
$ 15,750,000	37,500,000	$1.00	June 6, 2012

9. STOCK-BASED COMPENSATION

The following are the stock option transactions during the three months ended April 30, 2010 and the year ended January 31, 2010:

	April 30, 2010		January 31, 2010	
	Number of stock option	**Weighted average exercise price**	Number of stock option	Weighted average exercise price
Balance, beginning of period	**6,900,000**	**$0.31**	5,850,000	$0.34
Granted	**1,785,000**	**$0.44**	1,300,000	$0.27
Expired	**-**	**-**	-	-
Forfeited	**-**	**-**	(250,000)	$0.71
Balance, end of period	**8,685,000**	**$0.34**	6,900,000	$0.31

9. STOCK-BASED COMPENSATION (Continued)

As of April 30, 2010, the following stock options were outstanding:

Estimated grant date fair value	Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
$ 33,150	50,000	50,000	$0.85	September 19, 2010
269,500	500,000	500,000	$0.69	October 25, 2010
62,500	100,000	100,000	$0.80	January 20, 2011
32,100	50,000	50,000	$0.82	February 28, 2011
437,400	900,000	900,000	$0.80	October 4, 2012
30,640	100,000	100,000	$0.48	August 11, 2013
11,890	50,000	50,000	$0.35	September 5, 2013
39,400	200,000	200,000	$0.29	October 1, 2013
234,330	3,650,000	3,650,000	$0.12	January 14, 2014
200,125	1,250,000	468,750	$0.27	September 1, 2014
13,465	50,000	12,500	$0.43	January 5, 2015
76,000	250,000	250,000	$0.47	February 1, 2015
13,320	50,000	6,250	$0.45	February 23, 2015
390,407	1,485,000	1,485,000	$0.43	February 25, 2015
$ 1,844,227	8,685,000	7,822,500		

During the three months ended April 30, 2010, 1,785,000 stock options were granted to certain directors, officers and consultant of the Company (April 30, 2009 – nil). Of the total options granted, 1,735,000 vest immediately. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model, with the weighted average assumptions of expected dividend yield – 0%; expected volatility – ranging from 70% to 79%; risk free interest rate – ranging from 2.47% to 2.49%: expected life – 5 years. The remaining 50,000 options vest quarterly in eight equal tranches with the first tranche vesting on the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model, with the weighted average assumptions of expected dividend yield – 0%; expected volatility – 70%; risk free interest rate – 2.51%: expected life – 5 years.

10. CONTRIBUTED SURPLUS

	April 30, 2010	January 31, 2010
Balance, beginning of period	**$ 12,016,561**	$ 8,503,997
Stock options granted and/or vested during the period:		
Consultant	**57,365**	2,978
Officers and directors	**422,003**	117,327
Advisory board member	**26,290**	-
Warrants expired, reallocation of valuation	**-**	1,453,500
Cancellation of repurchased common shares (Note 11)	**-**	1,938,758
Balance, end of period	**$ 12,522,219**	$ 12,016,560

11. NORMAL COURSE ISSUER BID

On February 4, 2010, the Company announced its intention to make a Normal Course Issuer Bid, subject to TSX approval, to buy back its common shares through the facilities of the Exchange.

The maximum number of common shares that may be purchased for cancellation pursuant to the NCIB is that number of common shares that represents 10% of the common shares in the public float on the date that the Exchange approves the NCIB. Based on the 75,350,006 common shares in the public float as at January 29, 2010, the maximum number of shares would be 7,535,000. The number of shares in the Company's public float is less than the 87,503,839 issued and outstanding Aberdeen common shares as of January 29, 2010, because the public float number does not include common shares held by Aberdeen insiders. Daily purchases will be limited to 70,144 common shares other than block purchase exceptions. The actual number of common shares that would be purchased, if any, and the timing of such purchases will be determined by Aberdeen considering market conditions, stock prices, its cash position, and other factors.

Purchases under the NCIB were permitted to commence on February 5, 2010 and will terminate on February 4, 2011 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.

Any purchases made pursuant to the NCIB will be made in accordance with the rules of the TSX and will be made at the market price of the common shares at the time of the acquisition. Aberdeen will make no purchases of common shares other than open market purchases that may be made during the period that the NCIB is outstanding.

During the three months ended April 30, 2010, no common shares were repurchased for cancellation.

12. RELATED PARTY TRANSACTIONS

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

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

Investment	Nature of relationship		Estimated Fair value
2236967 Ontario Inc.*	Shareholders	$	250,000
Alderon Resources Corp.	Directors and shareholders		1,000,000
Allana Resources Inc.	Shareholders		4,225,338
Apogee Minerals Ltd.	Directors and shareholders		1,101,715
Auger Resources Ltd.*	Directors and shareholders		200,000
Avion Gold Corp.	Directors and shareholders		4,455,640
Brazil Potash Corp.*	Directors and shareholders		1,676,133
Castillian Resources Corp.	Directors and shareholders		934,750
Crowflight Minerals Inc.	Directors and shareholders		308,829
Crocodile Gold Inc.	Directors, officers and shareholders		10,143,984
Dacha Capital Inc.	Directors, officers and shareholders		7,599,051
Kria Resources Inc.	Directors, officers and shareholders		404,115
Largo Resources Inc.	Directors and shareholders		896,250
Longford Energy Inc.	Directors and shareholders		1,098,069
Rodinia Minerals Inc.	Directors, officers and shareholders		1,410,000
Scandinavian Metals Inc*	Directors and shareholders		500,000
Stetson Oil & Gas Ltd.	Directors and shareholders		150,000
Sulliden Gold Corporation Ltd.	Directors and shareholders		7,309,768
Temujin Mining Corp*	Directors and shareholders		6,157,000
Verena Minerals Corp.	Directors and shareholders		2,085,000
Vast Exploration Inc.	Directors and shareholders		1,869,165
Total of 7 other investments	Shareholders/warrant holders		6,079,084
Total Investments		$	59,853,891

* Private company

In addition to the investments listed above, Aberdeen has an equity investment in Forbes and Manhattan (Coal) Inc. and loans receivable from Amazon Potash Corp. Directors and officers of Aberdeen hold director and officer positions in these companies and may hold investments.

The Company was charged $22,500 during the three months ended April 30, 2010 (2010 - $22,500) by a corporation controlled by a director of the Company for administration services.

During the three months ended April 30, 2010, the Company earned advisory service fees of $245,887 (April 30, 2009 - $35,000) from corporations with common directors and officers. Of the total service fees earned, 114,563 were receivable at April 30, 2010. The Company also earned or accrued interest income of $186,592 during the three months ended April 30, 2010 from Temujin Mining Corp., Amazon Potash, Dacha Capital, Kria Resources, Castillian Resources and Cash Minerals (2010 – $145,338 from Avion and Russo-Forest), all of which have certain common directors with Aberdeen. Of the total interest earned or accrued, $158,007 was receivable at April 30, 2010 (January 31, 2010 - $514,907).

At April 30, 2010 and January 31, 2010, the Company has a provision of $1,317,676 against the outstanding loan and interest receivable from Russo-Forest.

12. RELATED PARTY TRANSACTIONS (Continued)

The Company shares its premises with other corporations that have common directors and/or officers. The Company reimburses and recovers from the related corporation for their proportional share of expenses. Included in accounts payable at April 30, 2010 is $570 (January 31, 2010 - $44,282) owing to and $Nil (January 31, 2010 - $2,320) owing from, and $7,461 (January 31, 2010 - $2,862) advanced to such corporations. Such amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

13. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $785,000 and additional contingent payments of approximately $4,699,000 upon the occurrence of a change of control. As the likelihood of a change of control is not determinable, the contingent payments have not been reflected in these financial statements.

As outlined in Note 5, "Simmer and Jack Royalty and Loan", Simmers' management has adopted an interpretation of the Convertible Royalty Loan Agreement different to that of Aberdeen's interpretation. The amounts under dispute on the balance sheet as at April 30, 2010 include the Simmers loan valued at $10,158,000 and a receivable for $1,652,132. While the Company is confident that its interpretation of the agreement is correct and has filed a claim against Simmers and First Uranium to recover the outstanding US$10,000,000 principal and balance payable on the graduated gold royalty, some uncertainty surrounds the timing and actual collectability of these amounts.

In June 2009, the Company entered into a secured debenture agreement to loan up to $600,000 to Kria Resources with any amounts drawn being due and payable on December 31, 2010. Additional details are provided under Note 4, "Loans Receivable".

14. CAPITAL DISCLOSURE

The Company considers its capital to consist of its common shares, warrants and contributed surplus balances. 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. Aberdeen is not subject to any capital requirements imposed by a regulator and there were no changes to capital management since January 31, 2009. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current balance sheet date. Aberdeen does not currently pay a dividend and does not expect to pay one in the foreseeable future.

15. FINANCIAL INSTRUMENTS

Aberdeen's operations involve the purchase and sale of securities and, in addition, the Company has loans outstanding. Accordingly, the majority of the Company's assets are currently comprised of financial instruments which can expose it to several risks, including market, liquidity, interest rate, credit and currency risks. 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 favourable prices. In addition, most of the Company's investments are in the resource sector. The Company manages this risk by having a portfolio which is not singularly exposed to any one issuer.

For the three months ended April 30, 2010, a 10% decrease in the closing prices on its portfolio investments would result in an estimated increase in net after-tax loss of $4.1 million, or $0.05 per share. This estimated impact on net after-tax income includes the estimated value of the non-traded warrants held, as determined using the Black-Scholes option pricing model.

Liquidity risk

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

Commodity price risk

Commodity price risk is the risk that the fair value of the Company's financial instruments will fluctuate because of changes in commodity prices. The estimated fair market value of the Company's investments are sensitive to the prevailing and expected commodity prices and changes in commodity prices could have a significant adverse effect on the value of the Company's investment.

The estimated fair value of the Company's royalty assets and related royalty income are sensitive to the prevailing and expected gold price.

Interest rate risk

The Company's interest rate risk is primarily related to the Company's loans receivable. The loans were extended based partially on interest rates in effect at the time. Changes in market interest rates affect the fair market value of the loans receivable. However, as these loans are short-term in nature, the impact of changes in market interest rates would likely not be significant.

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. The Company's largest credit risk is the counterparty to its loan outstanding with Simmers. Security was obtained against specific assets of the counterparty, in case of non-performance.

The Company also has credit risk in the form of other loans receivable and accounts receivable. The total carrying value of these financial instruments at April 30, 2010 was $21,071,408.

At April 30, 2010, the Company has a provision of $1,317,676 against the outstanding loan and interest receivable from Russo-Forest.

Currency risk

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

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

The following assets and liabilities were denominated in foreign currencies as of April 30, 2010 and January 31, 2010.

	April 30, 2010	January 31, 2010
Denominated in U.S dollars:		
Amounts receivables	$ 2,808,148	$ 2,124,913
Loans receivable	6,133,673	8,246,565
Simmer & Jack loan	10,158,000	10,693,000
Accounts payable	-	(472)
Denominated in Australian dollars:		
Amounts receivables	321,118	397,794
Denominated in South African Rand:		
Income tax receivable	1,302,428	1,329,877
Accounts payable and accrued liabilities	-	(8,767)
	$ 20,723,368	$ 22,782,910

A 10% increase in the value of the Canadian dollar against all foreign currencies in which the Company had financial instrument exposure as of April 30, 2010 would result in an estimated increase in net after-tax loss of approximately $1.4 million, or $0.02 per share. The Company does not currently hedge its foreign currency exposure.

15. FINANCIAL INSTRUMENTS (Continued)

Fair value of financial instruments

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

i. The carrying value of cash equivalents, amounts receivable, loans receivable, receivable on sale of mineral property and accounts payable approximate their fair values due to the short-term nature of these instruments.
ii. Investments are carried at amounts in accordance with the Company's accounting policy as set out above in Note 2 of the annual audited financial statements.
iii. Prior to maturity, the outstanding loans receivable are carried at their discounted value. Following their maturity, loans receivable are carried at their estimate realizable value.
iv. The Simmers and First Uranium royalty is carried at its estimated fair value based on management's assumptions as discussed in Note 5, "Convertible Royalty Loan".

The following table illustrates the classification of the Company's Financial Instruments, measured at fair value on the balance sheet as at April 30, 2010, categorized into levels of the fair value hierarchy in accordance with Section 3862 of the CICA Handbook and as described in Notes 2, "Accounting changes".:

	Level 1 *(Quoted Market price)*	**Level 2** *(Valuation technique- observable market Inputs)*	**Level 3** *(Valuation technique- non-observable market inputs)*
Cash	$ 958,746	$ -	$ -
Investments			
Publicly traded investments	$ 38,420,102	$ -	$ -
Non-trading warrants on public investments	$ -	$ 10,117,476	$ -
Private investments	$ -	$ -	$ 11,316,313

The following table presents the changes in fair value measurements of financial instruments classified as Level 3 for the three months ended April 30, 2010. 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 statement of operations and comprehensive income.

Investments, fair value	
Ending balance, January 31, 2010	$ 6,934,527
Net purchases	4,421,490
Change in unrealized gains, net	(39,704)
Ending balance, April 30, 2010	$ 11,316,313