ABERDEEN INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Three Months Ended April 30, 2009

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

The quarterly report, including this Management's Discussion & Analysis ("MD&A"), may contain certain "Forward-Looking Information" within the meaning of applicable securities law, which are prospective and reflect management's expectations regarding Aberdeen's future growth, results of operations, performance and business prospects and opportunities. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding the Company's plan of business operations; projections regarding future success based on past success; availability of financing on acceptable terms; ability to identify and execute investments; investment philosophy and business purposes; projected costs and expenditures; potential benefits of the business; anticipated returns; potential mineralization; projection of future revenue; targets for cash operating costs; and future plans and objectives of Aberdeen are forward-looking information that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Aberdeen's expectations include, but are not limited to, in particular, past success or achievement does not guarantee future success; risks related to investment performance, market fluctuations, fluctuations in commodity prices, uncertainties relating to the availability and costs of financing needed in the future, the strength of the Canadian and US economies and financial markets, foreign exchange fluctuations, competition, political and economic risks in the countries and financial markets in which the Company's investments' interests are located and other risks included elsewhere in this MD&A under the heading "Risks and Uncertainties" as well as those factors discussed in or referred to in the Annual Information Form ("AIF") of the Company filed on April 30, 2009, under the profile of the Company at www.sedar.com. Estimates and assumptions that have been considered when formulating forward-looking information include, with respect to the valuation of the Simmer and Jack royalty, the dispute with Simmer and Jack over the interpretation of the Convertible Royalty Loan Agreement, information disclosed by Simmer and Jack regarding the properties and their expected production schedule and timeline, projections regarding mineral prices; and with respect to the investments and investment philosophy of Aberdeen, management expertise and knowledge of the resources industry and the continued involvement of the current management team with Aberdeen. With regard to all information included herein relating to investee companies, Aberdeen has relied exclusively on publicly available information disclosed by the respective companies.

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

ABERDEEN INTERNATIONAL INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Three Months Ended April 30, 2009
(All amounts stated in Canadian dollars, unless otherwise indicated)

Management's Discussion and Analysis of financial condition and results of operations for the three months ended April 30, 2009

This discussion and analysis of the operations, results and financial condition of Aberdeen International Inc. ("Aberdeen", or the "Company") for the three months April 30, 2009 should be read in conjunction with the related annual audited financial statements, including the notes thereto. A detailed summary of the Company's significant accounting policies is included in Note 2 of the Company's audited annual financial statements for the year ended January 31, 2009, which have been consistently applied. The interim unaudited financial statements and related notes of Aberdeen have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Additional information, including our AIF dated April 30, 2009 and press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under the Company's profile at www.sedar.com. This MD&A reports on the Company's activities through June 8, 2009.

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

OVERVIEW

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

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

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

The Company began operating as a global investment and merchant bank in July 2007. Since July 2007, the Company has made net purchases of portfolio investments of over $53,000,000. As at April 30, 2009, the portfolio investments had an estimated fair market value of $37,098,824.

During the second half of Aberdeen's prior fiscal year, the lack of credit and growing concerns of a global recession negatively impacted commodity prices, driving down equity prices for stocks in the resource sector. This adversely affected the fair market value of Aberdeen's portfolio investments. During the first quarter of fiscal 2010, the fair market value of the Company's investments experienced a partial recovery and with no debt on its balance sheet, the Company is well positioned to deal with the current downturn and management believes that the fundamentals of the investment portfolio will still bring value appreciation when growth returns to the global economy.

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

SIGNIFICANT DEVELOPMENTS

Investments

As at April 30, 2009, the Company held portfolio investments with an estimated fair market value of $37,098,824 and a cost base of $53,513,248 for a cumulative unrealized loss of $16,414,424. Investments consisted of the following:

Issuer	Note	Security description	Cost	Estimated Fair value	% of FV
Allana Resources Inc.	(i,ii)	4,750,000 common shares			
		2,375,000 warrants expire June 16, 2011	$ 950,000	$ 742,663	2.0%
Amazon Potash Corp.**	(iii)	2,500,000 common shares	2,500,000	1,250,000	3.4%
Apogee Minerals Ltd.	(i,ii,iii)	5,000,000 common shares			
		5,000,000 warrants expire May 23, 2010			
		1,175,000 warrants expire April 30, 2011	2,141,000	440,688	1.2%
Auger Resources Ltd.**	(ii,iii)	2,000,000 common shares			
		1,000,000 warrants expire Sept 16, 2010	1,000,000	500,000	1.3%
Avion Resources Corp.	(i,ii,iii)	7,818,700 common shares			
		2,818,700 warrants expire October 12, 2009			
		1,500,000 warrants expire July 31, 2010			
		2,500,000 warrants expire May 5, 2010			
		2,000,000 warrants expire Sept 30, 2009	3,432,114	3,568,391	9.6%
B2Gold Corp.*	(i,ii,iii)	6,619,000 common shares			
		3,309,500 warrants expire October 22, 2010	4,845,754	4,402,500	11.9%
Cash Minerals Ltd.	(iii)	3,600,000 common shares			
		3,600,000 warrants expire July 2, 2010	900,000	405,000	1.1%
Castillian Resources Corp.	(iii)	2,500,000 common shares	1,075,000	100,000	0.3%
Consolidated Thompson	(iii)	692,200 common shares			
Iron Mines Ltd.		500,000 warrants expire January 10, 2010	6,343,413	2,057,072	5.5%
Crocodile Gold Inc.**	(iii)	2,500,000 common shares	500,000	500,000	1.3%
Crowflight Minerals Inc.	(iii)	5,000,000 common shares	2,565,322	919,710	2.5%
Franc-Or Resources Corp.	(i,ii,iii)	8,750,000 common shares			
		2,000,000 warrants expire June 6, 2011			
		6,750,000 warrants expire July 9, 2011	875,000	475,875	1.3%
Kria Resources Inc.**	(ii,iii)	2,750,000 common shares			
		375,000 warrants expire November 19, 2009			
		1,000,000 warrants expire June 9, 2010	2,750,000	1,375,000	3.7%
Largo Resources Inc.	(iii)	650,000 common shares	551,000	298,750	0.8%
Longford Energy Inc.	(i,ii,iii)	5,250,896 common shares			
		3,296,296 warrants expire February 28, 2010			
		1,000,000 warrants expire July 10, 2010	2,482,502	2,524,677	6.8%
Russo-Forest Corporation**	(ii,iii)	6,625,000 common shares			
		4,000,000 warrants expire January 25, 2013	2,274,565	1,137,283	3.1%
Scandinavian Metals Inc**	(ii,iii)	2,000,000 common shares			
		1,000,000 warrants expire Sept 12, 2010	1,000,000	500,000	1.3%
Stetson Oil & Gas Ltd.	(i,ii,iii)	10,000,000 common shares			
		10,000,000 preferred shares			
		10,000,000 warrants expire Sept 17, 2010	2,000,000	1,406,000	3.8%
Sulliden Exploration Inc.	(i,ii,iii)	9,526,072 common shares			
		769,231 warrants expire April 23, 2011	4,244,235	7,145,768	19.3%
U-308 Corp.	(i,ii)	2,644,600 common shares	4,032,592	1,084,286	2.9%
Vast Exploration Inc.	(iii)	4,100,000 common shares			
		2,050,000 warrants expire June 12, 2010	2,460,000	1,818,145	4.9%
Total of 7 other investments	(iv)		4,590,751	4,447,016	12.0%
Total investments			$ 53,513,248	$ 37,098,824	100.0%

* Formerly named Central Sun Mining Inc.
** Private company

(i) The Company has issued a Section 101 report under the Ontario Securities Act for these investments.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the company as at January 31, 2009.
(iii) A director and/or officer or 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, 2009. Directors and officers may hold investments personally.

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

As at January 31, 2009, the Company held portfolio investments with an estimated fair market value of $30,556,121 and a cost base of $54,265,625 for a cumulative unrealized loss of $23,709,504. Investments, as at January 31, 2009, consisted of the following:

Issuer	Note	Security description	Cost	Estimated Fair value	% of (FV)
Allana Recources Inc.	(i,ii,iii)	4,750,000 common shares			
		2,375,000 warrants expire June 16, 2010	$ 950,000	$ 541,738	1.8%
Amazon Potash Corp.**	(iii)	2,500,000 common shares	2,500,000	1,250,000	4.1%
Apogee Minerals Ltd.	(iii)	5,000,000 common shares			
		5,000,000 warrants expire May 23, 2010	2,000,000	294,500	1.0%
Auger Resources Ltd.**	(iii)	2,000,000 common shares			
		1,000,000 warrants expire Sept 16, 2010	1,000,000	500,000	1.6%
Avion Resources Corp.	(i,ii,iii)	7,818,700 common shares			
		2,818,700 warrants expire October 12, 2009			
		1,500,000 warrants expire July 31, 2010			
		2,500,000 warrants expire May 5, 2010			
		2,000,000 warrants expire Sept 30, 2009	3,432,114	2,062,575	6.8%
Cash Minerals Ltd.	(iii)	3,600,000 common shares			
		3,600,000 warrants expire July 2, 2010	900,000	228,600	0.7%
Castillian Resources Corp.	(iii)	2,500,000 common shares	1,075,000	125,000	0.4%
Central Sun Mining Inc.*	(i,ii,iii)	6,619,000 common shares			
		3,309,500 warrants expire October 22, 2010	6,949,950	7,341,464	24.0%
Consolidated Thompson	(iii)	692,200 common shares			
Iron Mines Ltd.		500,000 warrants expire January 10, 2010	6,343,413	1,074,796	3.5%
Crowflight Minerals Inc.	(iii)	5,000,000 common shares	3,068,200	1,000,000	3.3%
Franc-Or Resources Corp.	(i,ii,iii)	8,750,000 common shares			
		2,000,000 warrants expire June 6, 2011			
		6,750,000 warrants expire July 9, 2011	875,000	489,775	1.6%
Kria Resources Inc.**	(iii)	2,750,000 common shares			
		375,000 warrants expire November 19, 2009			
		1,000,000 warrants expire June 9, 2010	2,750,000	1,375,000	4.5%
Largo Resources Inc.	(iii)	650,000 common shares	351,000	42,250	0.1%
Longford Energy Inc.	(i,ii,iii)	5,250,896 common shares			
		3,296,296 warrants expire February 28, 2010			
		1,000,000 warrants expire July 10, 2010	2,482,502	1,336,506	4.4%
Russo-Forest Corporation**	(ii,iii)	6,625,000 common shares			
		4,000,000 warrants expire January 25, 2013	2,274,565	1,137,283	3.7%
Scandinavian Metals Inc**	(ii,iii)	2,000,000 common shares			
		1,000,000 warrants expire Sept 12, 2010	1,000,000	500,000	1.6%
Stetson Oil & Gas Ltd.	(iii)	10,000,000 common shares			
		10,000,000 preferred shares			
		10,000,000 warrants expire Sept 17, 2010	2,000,000	1,136,000	3.7%
Sulliden Exploration Inc.	(iii)	9,526,072 common shares	3,910,060	6,477,729	21.2%
U-308 Corp.	(i,ii)	2,644,600 common shares	4,032,592	885,941	2.9%
Vast Exploration Inc.	(iii)	4,100,000 common shares			
		2,050,000 warrants expire June 12, 2010	2,460,000	626,480	2.1%
Total of 7 other investments	(iv)		3,911,229	2,130,484	7.0%
Total investments			$ 54,265,625	$ 30,556,121	100.0%

* Formerly named Glencairn Gold Corporation.

** Private company

(i) The Company has issued a Section 101 report under the Ontario Securities Act for these investments.
(ii) The Company owns, on a partially diluted basis, at least a 10% interest in the company as at January 31, 2009.
(iii) A director and/or officer or 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, 2009. Directors and officers may hold investments personally

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

During the three months ended April 30, 2009, the Company spent $1,462,973 on portfolio investments. Significant investments included: Crocodile Gold Inc. a private company, which has recently acquired past producing gold assets in Australia; and, an additional investment in Apogee Minerals Ltd. and Sulliden Exploration Inc.

Along with the broader market in general, the resource sector experienced a sharp downturn during the prior fiscal year. The Company's portfolio investments recorded an unrealized loss of $32,628,522 for the year ended January 31, 2009. During the three month ended April 30, 2009, the fair market value of the Company's investment portfolio experienced an unrealized gain of $7,295,081, reducing the aggregate unrealized loss to $16,414,424. As at April 30, 2009, the estimated fair market value of the Company's portfolio investments were $37,098,824 (cost of $53,513,247)

Equity Accounted Investment

As at April 30, 2009, the Company held an equity accounted investment, Tucano Exploration Inc. ("Tucano"). The ownership in Tucano consisted of 4,000,000 shares which represented an equity interest of 36.8%. The following is a schedule of the equity accounted investment as at April 30, 2009 and January 31, 2009:

	April 30, 2009	January 31, 2009
Equity accounted investment – carrying value – beginning of period	**$ 1,924,387**	$ 2,000,000
Loss on equity investment	**(23,500)**	(75,613)
Equity accounted investment – carrying value – end of period	**$ 1,900,887**	$ 1,924,387

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 is 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 an additional US$100,000 ($122,470) to Russo-Forest. The loan is 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 2009, the Company advanced a further US$250,000 ($308,955) to Russo-Forest under similar terms as the second short-term loan agreement described above with a maturity date of June 30, 2009.

On February 2, 2009, it was announced that Russo-Forest had entered into an acquisition 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 hold approximately 80% of the combined company and the current Nyah shareholders would hold approximately 20%. A vote by Nyah's shareholders to approve the agreement is expected to be held in July 2009.

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 Resources Corp.

On March 20, 2008, the Company entered into a short-term loan agreement with Avion Resources Corp. ("Avion"). The Company loaned Avion US$1,000,000 ($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 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 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. As additional consideration for the extension of the loan, Avion issued 2,000,000 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.

The 250,000 Avion share purchase warrants issued to Aberdeen in March 2008 in connection with the loan expired unexercised. 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 April 30, 2009, Avion had aggregate loans outstanding payable to Aberdeen of $1,750,000 and US$1,000,000, plus accrued interest.

Subsequent to April 30, 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, 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 is due June 30, 2009 with an annual interest rate of 12%, calculated monthly and payable upon maturity. In addition, the note agreement provides 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.

On March 19, 2009, Avion announced that it had entered into a definitive agreement with Dynamite Resources Ltd. ("Dynamite") whereby Avion would issue shares to 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. On May 6, 2009, Avion announced that following a vote by Dynamite shareholders and receiving regulatory and court approvals, the acquisition of Dynamite had been completed.

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

Largo Resources Inc.

On April 30, 2008, the Company entered into a short-term loan agreement with Largo Resources Inc. ("Largo"). The Company loaned Largo US$4,500,000 ($4,535,100), repayable on or before June 30, 2008 with interest payable monthly at a rate of 1% per month. This loan was extendible to November 1, 2008 with the payment of a US$100,000 extension fee. In addition, Largo provided US$250,000 ($254,650) cash and 650,000 common shares in Largo as consideration to the Company. The fair value of these shares at the date of issue was estimated to be $351,000 based on the closing price of Largo's common shares on April 30, 2008. The cash payment along with the issue date fair value of the shares was applied against the carrying value of the loan receivable and was recognized as income over the term of the loan. The principal of the loan plus interest, totalling US$4,566,575 ($4,603,583), was fully repaid on June 20, 2008. Directors of Aberdeen also hold director positions in Largo and Aberdeen officers and directors may hold investments in Largo personally.

Other

At January 31, 2009, loans receivable also included a $557,550 demand note. In March 2009, the Company received an investment in payment of the demand note, which was unsecured, non-interest bearing and due on demand.

Simmer and Jack Convertible Loan Agreement

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. Repayment of the Convertible Royalty Loan, including interest and royalty payments, is in US dollars.

Valuation Following Simmers Shareholder Vote to Deny Equity Conversion Request

The Convertible Royalty Loan also had an option that allowed the Company 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% life of mine NSR on the gold produced on the underlying assets, beginning October 16, 2008. In addition, it is the Company's position that a payment of $1,623,586 is due from Simmers which is the 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 the 1% life of mine 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, 2009, reflects Aberdeen's interpretation of the agreement. As a result, the US$10,000,000 ($11,930,000) loan is recorded as still outstanding at April 30, 2009 and continues to be outstanding subsequent to the end of the quarter.

Management's interpretation is that, pursuant to section 2.6 of the Convertible Royalty Loan 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 Convertible Royalty Loan 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 Convertible Royalty Loan agreement, the principal is repayable in cash until shareholders approve the equity conversion. Aberdeen intends to aggressively contest any alternative interpretation of the Convertible Royalty Loan 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 Convertible Royalty Loan agreement in advance of the February 16, 2009 Simmers shareholder meeting. Aberdeen also filed the Convertible Royalty Loan agreement between the Company and Simmers on SEDAR (www.sedar.com) under the Company's profile. Following the vote by Simmers' shareholder not to allow for the conversion, the Company provided Simmers' board and management with a letter reiterating Aberdeen understanding of Simmers' obligations under the Convertible Royalty Loan agreement. Aberdeen was told by Simmers' board and management that their position regarding the agreement, as described above, had not changed. As a result, the Company has engaged a leading South African law firm and is in the process of filing a claim against Simmers to enforce its rights under the loan agreement. 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, 2009. The description of the Convertible Royalty Loan agreement herein is subject to, and qualified in all respect by, the provisions of the Convertible Royalty Loan agreement.

In connection with the Convertible Royalty Loan agreement, Aberdeen holds a notarial special covering bond in the amount of US$10,000,000 plus ZAR5,000,000 ($593,000) over the assets of the North Plant on Simmers' greater Buffels property.

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

Aberdeen's balance sheet, as at April 30, 2009, reflected the February 16, 2009 shareholder vote to deny the conversion requested by Aberdeen, along with the Company's interpretation of the Convertible Royalty Loan agreement. At April 30, 2009, the loan and royalty elements of the Convertible Royalty Loan had a total estimated fair value of US$43,043,046 ($51,350,354) based on a US/Cdn dollar foreign exchange rate of 1.1930 (January 31, 2009 – US$43,544,000 ($53,583,802)), excluding accrued interest and royalty receivables. The estimated fair value is recorded on the balance sheet as follows:

	April 30, 2009	January 31, 2009
Loan – Simmers and Jack Mines, Limited	$11,930,000	$12,364,000
Royalty		
Current	2,546,573	2,664,442
Long-term	36,873,781	38,809,360
	39,420,354	41,473,802
	$51,350,354	$53,837,802

Aberdeen carries the Simmers loan and Simmers and First Uranium royalty on the balance sheet at its estimated fair value with the movement between periods being charged to the statement of operations. The US$10,000,000 Simmers loan is carried at the April 30, 2009 Cdn/US exchange rate of 1.1930. The estimated fair value of the royalty is based on a discounted cash flow analysis of expected cash flow from the 1% NSR, with the key assumptions being: 1) life of mines and gold production estimates as per Simmers and First Uranium; 2) US$850 gold price through fiscal 2010, and US$700 thereafter; and, 3) a 5% discount rate.

In addition, at April 30, 2009, the Company had receivables from Simmers and First Uranium totaling $1,871,837. This included $1,566,596 related to the graduated royalty between October 16, 2008 and December 31, 2008 and $160,801, which related to the interest receivable on the US$10,000,000 loan between October 16, 2008 and April 30, 2009. It is Simmers' contention that these amounts are not due.

Simmers' Buffels Mine

Simmers produced 29,013 ounces of gold from its South African Buffels mine in the first fiscal quarter of 2010, compared with 27,694 ounces of gold in the comparative period. Production from the Buffels mine during the current quarter was subject to the 1% NSR, versus a 4.75% rate on the graduated royalty in the comparative period. As a result, production from the Simmers' Buffels mine provided the Company with gold royalty revenue of $324,021 for the three month period April 30, 2009. During the three months ended April 30, 2008, royalty revenue from the Buffels mine was $1,186,848.

First Uranium Mine Waste Solutions Tailings Recovery Operation

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

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

These estimates were extracted from a NI 43-101 Technical Report entitled "Technical Report on the Mine Waste Solutions ("MWS") Tailings Recovery Project located near Stilfontein, North West Province, South Africa" dated March 31, 2008, prepared for First Uranium by Daniel van Heerden and N. Johan Odendaal of Minxcon, each of whom is a qualified person under NI 43-101 and is independent of Aberdeen.

During the first three months of fiscal 2010, First Uranium produced 11,551 ounces of gold from treating the MWS Tailings Dumps, compared with 6,768 ounces in the first three months of comparative fiscal year. Production from the MWS Tailings Dumps during the current quarter was subject to the 1% NSR, versus 4.75% in the comparative period. As a result, the Company recorded royalty revenue of $128,252 from the Buffels tailings dumps for the first quarter of fiscal 2010, versus $323,629 for the first quarter of fiscal 2009.

During the second quarter of 2008, First Uranium filed a new technical report for Mine Waste Solutions Tailings Recovery Project and released a new cash flow model dated April 18, 2008 for the Buffels Underground. The estimates presented in the new technical reports will result in an extended life of mine for the underground operation, averaging 294,000 ounces of gold production per year for the next 21 years. They also announced the implementation of the Mega-Float project using the North Plant to process broken low grade ore to recover approximately 35,000 ounces of gold for seven years over which Aberdeen would receive a 1% tail royalty. Simmers also announced its intention to explore the conversion of 35 million conceptual ounces of gold in the past producing Strathmore shaft by exploration drilling over the next six years. Simmers has stated the possibility of recovering 11.9 million ounces from the Strathmore project over its potential life of mine. At current gold prices, this would equate to approximately $100 million of undiscounted cash flow to Aberdeen under the 1% NSR.

Right of First Refusal Litigation

The Convertible Royalty Loan agreement provides the Company with a right of first refusal on any future financings that Simmers completes on any of their properties. Under the agreement, the Company has 60 days to match financing terms provided by a third party to Simmers. During calendar 2007, Simmers completed a third party financing without providing the Company the right to match the terms offered. Following discussions with Simmers, which did not resolve the Company's concerns, Aberdeen initiated legal proceedings to claim damages caused by the breach of the agreement. On September 5, 2008, a lower court applied a narrow interpretation of the Convertible Royalty Loan agreement and found that the right of first refusal only applies to debt financing. Aberdeen believes a broader interpretation is appropriate and has requested and been granted leave to appeal to South Africa's Supreme Court of Appeal.

Sale of Mineral Property - Ethiopia

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

(i) $250,000 upon receipt of regulatory approval for the transaction (paid);
(ii) $750,000 on or before June 30, 2008 (not paid);
(iii) $1,000,000 on or before December 31, 2008 (not paid);
(iv) 1.5% net smelter royalty in respect of the exploration licences;
(v) 1,500,000 share purchase warrants of Avion exercisable at $0.48 for 18 months; and
(vi) Avion will assume Aberdeen's obligations to Ethio-Gibe for cash and share payments.

At January 31, 2008, the cash payments to be received from Avion, including the initial $250,000, were recorded as a receivable at a discounted value of $1,837,477 and the 1,500,000 warrants were estimated to have a fair value of $216,000, for total consideration of $2,053,477. The initial payment of $250,000 under the agreement was received by the Company on February 14, 2008.

The agreement outlines that payments to be made by Avion subsequent to the initial $250,000 shall be made in cash or common shares of Avion, upon the mutual agreement of both parties, with any common shares to be issued at a price equal to the volume weighted average trading price for the 30 days prior to the payment due date for Avion common shares. The payment of $750,000 due on June 30, 2008 was not received by the Company. In December 2008, as outlined above under "Loans Receivable – Avion Resources Corp.", following discussions between Aberdeen and Avion, the $750,000 was added to the existing US$1,000,000 loan from Aberdeen to Avion that is due September 30, 2009.

The remaining $1,000,000 payment due on December 31, 2008 was also not received by the Company. Subsequent to January 31, 2009, following discussions between Avion and the Company, Avion repaid all of its outstanding loans payable to Aberdeen through a cash payment and the assignment of a note receivable. Further details are provided above under the section entitled "Loans Receivable – Avion Resources Corp."

Normal Course Issuer Bid

On February 3, 2009, the Company announced its intention to make a Normal Course Issuer Bid ("NCIB") to buy back its common shares through the facilities of the Exchange. During the year ended January 31, 2009, under a previous NCIB, the Company purchased and cancelled 8,056,334 shares at an average price of approximately $0.32 per share. The stated value of these shares in the Company's shareholders' equity was $4,067,042, or approximately $0.50 per share. The difference between the cost to repurchase and the stated value of $1,477,314 was allocated as an increase to contributed surplus ($1,580,796) and a decrease to retained earnings ($103,482).

The maximum number of common shares that may be purchased for cancellation pursuant to the most recently announced 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 73,707,006 common shares in the public float as at February 2, 2009, the maximum number of shares available for purchase and cancellation was 7,370,700.

Purchases under the NCIB were permitted to commence on February 5, 2009 and during the three months ended April 30, 2009, Aberdeen acquired 295,500 securities with a weighted average price of $0.24 per share. The stated value of these shares in the Company's shareholders' equity was $149,176, or approximately $0.50 per share. The difference between the cost to repurchase and the stated value of $72,057 was allocated as an increase to contributed surplus of $77,119.

Subsequent to April 30, 2009, the Company purchased and cancelled the remaining 7,075,200 common shares available under the NCIB at an average price of $0.24 per share.

All purchases made pursuant to the NCIB were made in accordance with the rules of the TSX and at the market price of the common shares at the time of the acquisition. Aberdeen made no purchases of common shares other than open market purchases.

LIQUIDITY AND CAPITAL RESOURCES

As at April 30, 2009, the Company had working capital of $65,142,198 and generated $212,405 from its operating activities during the three months ended April 30, 2009. The working capital consisted largely of the estimated fair value of its portfolio investments and equity investment of $38,999,711, loans receivable of $14,689,596, receivables of $2,976,627, cash and cash equivalents of $2,216,336, current portion of the royalty of $2,546,573 and a future income tax asset of $3,595,000. This was partially offset by current liabilities of $417,314. At April 30, 2009, Aberdeen did not have any long-term debt.

RESULTS OF OPERATIONS

The net earnings for the quarter under review were $3,015,357, compared to net income of $12,002,434 for the comparative period. The earnings were largely from an unrealized gain on investments of $7,295,081, royalty revenue of $452,273, interest revenue of $219,489 and advisory service fees of $35,000, partially offset by an unrealized loss on the convertible royalty loan of $2,487,448, general and administrative expense of $500,971 and a foreign exchange loss of $111,462.

The unrealized gain on investments of $7,295,081 reflects a partial recovery of the investment portfolio following the poor performance of the portfolio, and equity markets in general, over the second half of the prior fiscal year. Share prices of junior resource companies, the sector in which the Company holds most of its investments, experienced a sharp downturn last year. At April 30, 2009, the Company's investment portfolio had an estimated fair market value of $37,098,824 and a cost base of $53,513,248. At January 31, 2009, the Company's investment portfolio had an estimated fair market value of $30,556,121 and a cost base of $54,265,625.

During the comparative quarter, the net income was largely the result of an unrealized gain on investments of $14,325,301, royalty revenue of $1,510,477, an unrealized gain on the convertible royalty loan of $3,561,382 and interest income of $372,887, partially offset by general and administrative expense of $2,011,430 and income tax expense of $5,982,902.

During the first fiscal quarter of 2009, the gold price averaged US$919 per ounce and production from Simmers and First Uranium was approximately 41,000 ounces of gold, resulting in royalty revenue of $452,273. The average US/Cdn dollar exchange rate during the quarter was 1.2449. During the first quarter of the prior fiscal year, the gold price averaged $933 per ounce, resulting in an average royalty rate of 4.75% under the previous graduated royalty. Based on approximately 34,000 ounces produced and an average US/Cdn dollar exchange rate of 1.0052, the Company recorded royalty revenue of $1,510,477.

The unrealized loss on the Convertible Royalty Loan of $2,487,448 was largely due to a weaker US dollar. The US/Cdn dollar exchange rate at April 30, 2009 was 1.1930. Using the January 31, 2009 exchange rate of 1.2364, the aggregate fair value of the royalty and Simmers and Jack loan would be $53,218,422, a difference of $1,868,068.

During the first quarter of fiscal 2010, the Company recorded total interest revenue of $219,489, compared with $372,887 in the comparative period. The decrease during the current period was due to lower cash balances due to investing activities during the year and lower interest rates earned on cash holdings, partially offset by the higher interest rates earned on the various loans outstanding.

During the quarter, the Company recorded revenue for advisory service fees of $35,000 (First quarter of 2009 - $44,500) relating to services provided to pre-IPO or early stage public companies.

The decrease in general and administrative expense, from $2,011,430 to $500,971, is largely due to the management bonus accrual recorded during the prior quarter of $1,455,030. While it is at the discretion of the Board, it is expected that an annual bonus equal to 10% of the realized pre-tax profit on the Company's portfolio investments will be paid to management. While the Company had net unrealized gains on investments during the current quarter no bonuses were accrued. This reduction in general and administrative expense was partially offset by an increase to consulting costs as Aberdeen has largely completed the transition into a resource investment and merchant banking company. Other increases are from professional fees, filing and transfer agent fees, general and office expenses and travel costs.

Transaction costs on the purchase of portfolio investments are expensed as incurred. During the quarter, the Company incurred transaction costs of $21,345.

During the quarter ended April 30, 2009, the Company recorded a current income tax recovery of $2,970 and a future tax provision of $1,551,000. The current income tax recovery, which was down from a provision of $442,902 during the comparative period, was the result of royalty and interest income and advisory service fees, largely offset by general and administrative expenses that are currently deductible and the realized loss on the disposal of investments. The future income tax provision resulted from the unrealized gain on the portfolio investments, partially offset by the unrealized loss on the Convertible Royalty Loan.

Selected Annual Information

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

	2009	**2008**	**2007**
Net income (loss) for the year	$(9,051,379)	$2,584,409	$2,478,763
Basic and diluted income (loss) per share	$(0.09)	$0.04	$0.09
Total assets	$100,099,467	$113,842,465	$15,168,428
Total liabilities	$12,610,274	$15,040,315	$3,417,665
Working capital (deficiency)	$60,814,810	$81,244,913	$(145,874)

Quarterly Information

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

Summary Financial Information for the Eight Quarters Ended April 30, 2009
(First Quarter Fiscal 2010)

Period	Investment gains (losses) & revenues	Total assets	Net income (loss)	Basic and diluted income (loss) per share	Long-term liabilities
1st Quarter 2010	5,200	102,494	3,015	0.03	11,644
4th Quarter 2009	30,411	100,099	22,166	0.23	12,191
3rd Quarter 2009	(66,234)	72,609	(44,639)	(0.46)	-
2nd Quarter 2009	2,284	132,455	1,420	0.01	10,324
1st Quarter 2009	20,045	131,459	12,002	0.12	9,712
4th Quarter 2008	2,876	113,842	2,258	0.02	7,395
3rd Quarter 2008	10,460	111,466	3,565	0.03	9,999
2nd Quarter 2008	(1,360)	107,564	(1,062)	(0.03)	11,832

During the prior eight quarters, the Company generated royalty and interest revenue from its Convertible Royalty Loan which is tied to the price of gold, as previously discussed. The Company began making investments in pre-IPO and early stage public resource companies in the third quarter of 2008. These investments are fair valued with an unrealized gain or loss going through the statement of operations. During the third quarter of fiscal 2008, the Company recorded an unrealized gain on investments of $10,985,310 and during the fourth quarter of fiscal 2008 recorded an unrealized loss of $2,066,292. In the first quarter of fiscal 2009, the Company recorded a net gain in portfolio investment of $14,550,301 and during the second quarter of fiscal 2009, the Company recorded net losses on portfolio investments of $657,082. In the third quarter of fiscal 2009, as a result of the global economic crisis and financial market downturn, which has negatively impacted the Company's portfolio investments, the Company recorded net losses on portfolio investments of $49,413,164. During the fourth quarter of 2009, the Company recorded a net gain on portfolio investments of $3,562,484. The Company also adjusts the fair value of its Convertible Royalty Loan through the statement of operations. With a stronger US dollar against the Canadian dollar during the year, Aberdeen recorded an unrealized gain on the fair value of the Convertible Royalty Loan during the 2009 fiscal year. The US dollar subsequently weakened against the Canadian dollar during the first quarter of fiscal 2010.

Prior to the third quarter of 2008, the net losses have resulted primarily from corporate overheads, including non-cash stock-based compensation expenses. Stock-based compensation represents an estimate of the fair value of stock options granted to directors, officers and consultants of the Company, calculated by applying the Black-Scholes option pricing model.

The general trend of increasing total assets until the third quarter of 2009 resulted from the Company raising funds through private equity and debt placements and using these funds to acquire portfolio investments. The decrease in total assets in the third and fourth quarters of 2009 was mainly due to the decline in fair value of the Company's portfolio investments.

CASH FLOWS

Cash provided by operating activities during the three months ended April 30, 2009 was $212,405, compared to $283,157 in the first quarter of the prior year. The difference between the operating cash flow and net earnings for both the current and comparative periods reflects the unrealized nature of the net gains recorded. Operating cash flow was largely generated by royalty and interest income and advisory service fees, offset by general and administrative expenses and net changes in non-cash working capital.

Financing activities used $72,057 during the quarter under review as a result of activity under the NCIB. This compares to $380,846 used during the comparative period under the prior year's NCIB.

Cash provided by investing activities during the three months ended April 30, 2009 was $719,552, compared to $9,788,616 used in the comparative period. During the current quarter, $1,462,973 was used for the purchase of portfolio investments, while proceeds on the disposal of portfolio investments were $2,499,200. Short-term loans totaling $308,955 were provided. In the comparative quarter, $5,011,621 was used to purchase portfolio investments, the disposal of investments generated cash flow of $975,000, short-term loans totalling $5,552,250 were provided and changes in working capital relating to the sale of mineral property in Ethiopia used $199,745.

SIGNIFICANT FUTURE OBLIGATIONS

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $570,000 and additional contingent payments of approximately $2,790,000 upon the occurrence of a change of control. As the likelihood of a change of control is not determinable, the contingent payments have not been reflected in the annual audited financial statements for the fiscal year ended January 31, 2009.

FINANCIAL INSTRUMENTS

Fair value

Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

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

i. The carrying value of cash equivalents, amounts receivable and accounts payable and accrued liabilities reflected on the balance sheet approximate fair value because of the limited terms of these instruments.
ii. Investments are carried at amounts in accordance with the Company's accounting policy as set out in Note 2 of the annual audited financial statements for the year ended January 31, 2009.
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 of the unaudited interim financial statements for the three months ended April 30, 2009.

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

TRANSACTIONS WITH RELATED PARTIES

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

In accordance with the investment strategy of Aberdeen, the Company's officers and directors have investments in and/or hold officer and director positions in certain companies in which the Company invests. The following is a list of the investments as of April 30, 2009, and the nature of the relationship of the Company's officers or directors with the investment (estimated fair value as of April 30, 2009):

Investment	Nature of relationship		Estimated Fair value
Allana Resources Inc.	Shareholders	$	742,663
Amazon Potash Corp.**	Directors and shareholders		1,250,000
Apogee Minerals Ltd.	Directors and shareholders		440,688
Auger Resources Ltd.**	Directors and shareholders		500,000
Avion Resources Corp.	Directors and shareholders		3,568,391
B2Gold Corp.*	Directors and shareholders		4,402,500
Cash Minerals Ltd.	Directors and shareholders		405,000
Castillian Resources Corp.	Directors and shareholders		100,000
Consolidated Thompson	Directors, officers and shareholders		2,057,072
Crocodile Gold Inc.**	Directors, officers and shareholders		500,000
Crowflight Minerals Inc.	Directors, officers and shareholders		919,710
Franc-Or Resources Corp.	Directors, officers and shareholders		475,875
Kria Resources Inc.**	Directors, officers and shareholders		1,375,000
Largo Resources Inc.	Directors and shareholders		298,750
Longford Energy Inc.	Directors and shareholders		2,524,677
Russo-Forest Corporation**	Directors and shareholders		1,137,283
Scandinavian Metals Inc**	Directors and shareholders		500,000
Stetson Oil & Gas Ltd.	Directors and shareholders		1,406,000
Sulliden Exploration Inc.	Directors and shareholders		7,145,768
Vast Exploration Inc.	Directors and shareholders		1,818,145
Total of 8 other investments	Shareholders		5,531,302
Total Investments		$	37,098,824

* Formerly named Central Sun Mining
** Private company

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

While it is at the discretion of the Board, it is expected that an annual bonus equal to 10% of the realized pre-tax profit on the Company's portfolio investments will be paid to management. For the quarter ended April 30, 2009, the Company had net realized losses on investments of $290,500 and net unrealized gains of $7,295,081. As at April 30, 2009, the investment portfolio had accumulated unrealized losses of $16,315,311. As a result of the overall net unrealized losses on the portfolio investments as at April 30, 2009, no management bonuses were paid or accrued during the quarter.

The Company was charged $22,500 during the quarter ended April 30, 2009 (2009 - $22,500) by a corporation controlled by a director of the Company for administration services.

During the quarter ended April 30, 2009, the Company earned advisory service fees of $35,000 (2009 – $44,500) from corporations with common directors and officers. In addition, the Company earned interest income totaling $145,338 during the quarter ended April 30, 2009 (2009 – $10,510) from Avion and Russo-Forest, all of which have certain common directors with Aberdeen.

The Company paid or accrued $152,000 during the three months ended April 30, 2009 (2009 – $134,917) to directors and officers of the Company for consulting services and fees for acting as directors and officers. Of the amounts paid, $nil was paid by way of bonus (2009 –$nil).

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, 2009 is $12,789 (January 31, 2009 - $20,258) owing to such corporations. Such amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Note 2 to the annual audited financial statements for the year ended January 31, 2009. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses and cash flows for the periods reported. Such estimates and assumptions affect, among other items, the carrying value of its investments and other assets and valuations of stock-based compensation, warrants and tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is a full discussion and description of the Company's critical accounting policies in the MD&A for the year ended January 31, 2009.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING PRONOUNCEMENTS

Section 3064, *Goodwill and Intangible Assets*

In February 2008, the CICA issued Handbook Section 3064, *Goodwill and Intangible Assets*, in replacing Section 3062, *Goodwill and Other Intangible Assets,* and Section 3450, *Research and Development Costs*. Various changes have been made to other sections of the CICA Handbook for consistency purposes. The new Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. This new standard is applicable to fiscal years beginning on or after October 1, 2008. The Company implemented this standard in its first quarter of fiscal year 2010, which did not have an impact on its financial statements.

New accounting pronouncements

Section 1582, *Business Combinations*

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 will implement this standard in its first quarter of fiscal year 2011. 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 actual policy is to include these costs in the purchase price of the acquired business.

Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-controlling interests*

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.

International Financial Reporting Standards ("IFRS")

In 2005, the Accounting Standards Board of Canada ("AcSB") announced that accounting standards in Canada are to converge with IFRS. In May 2007, the CICA published an updated version of its "Implementation Plan for Incorporating International Financial Reporting Standards into Canadian GAAP". This plan includes an outline of the key decisions that the CICA will need to make as it implements the Strategic Plan for publicly accountable enterprises that will converge Canadian generally accepted accounting standards with IFRS. In April 2008, the AcSB published the exposure draft: *Adopting IFRS in Canada* ("Exposure Draft"). The AcSB proposes to incorporate the IFRS 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.

OUTLOOK

With no debt on its balance sheet, the Company believes that it is well positioned to deal with the current downturn and believes that the fundamentals of the investment portfolio will still bring value appreciation as growth returns to the global economy. Aberdeen will continue to actively investigate potential investment opportunities; however, with a cash position, as at April 30, 2009, of only $2,216,336, additions to Aberdeen's investment portfolio will be limited. The Company will also continue to actively monitor its existing investments and assess opportunities to dispose of certain holdings and redeploy any proceeds. With respect to the Convertible Royalty Loan, the Company has engaged a leading South African law firm to enforce its rights under the loan agreement. Aberdeen firmly believes that its interpretation of the loan agreement is correct and expects to realize the values attached to the royalty and the loan as was outlined above.

RISKS AND UNCERTAINTIES

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

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

SUBSEQUENT EVENTS

Normal Course Issuer Bid

Subsequent to April 30, 2009, the Company purchased for cancellation 7,075,200 common shares, the remaining available under the recently announced NCIB, at an average price of $0.24 per share. Additional details on the NCIB are above under the section entitled "Normal Course Issuer Bid".

Avion Resources Corp.

Subsequent to April 30, 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, and the assignment of the rights to a note receivable from Amazon Potash for US$1,250,000. Additional details are provided above under the section entitled "Loans Receivable – Avion Resources Corp.".

MULTILATERAL INSTRUMENT 52-109 DISCLOSURE

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

Internal controls over financial reporting
The Chief Executive Officer (CEO) and Chief Financial Officer (CFO), together with other members of Management, have designed internal controls over financial reporting based on the Internal Control–Integrated Framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). These controls are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP.

We have not identified any changes to our internal control over financial reporting which would materially affect, or is reasonably likely to materially affect, our internal control over financial reporting.

The CEO and CFO, together with other members of Management, have evaluated the effectiveness of internal controls over financial reporting as defined by National Instrument 52-109, and have concluded, based on our evaluation that they are operating effectively as at April 30, 2009.

SUPPLEMENT TO THE FINANCIAL STATEMENTS

As at June 8, 2009, the following common shares, common share purchase options and share purchase warrants were issued and outstanding:

- 87,503,639 common shares;
- 37,500,000 share purchase warrants with an exercise price of $1.00, expiring June 6, 2012; and
- 5,650,000 common share purchase options with exercise prices ranging from $0.12 to $0.85, expiring between September 19, 2010 and January 14, 2014.