AstonHill FINANCIAL

Management Discussion and Analysis

For the three month period ended March 31, 2013

This management discussion and analysis ("MD&A") dated May 6, 2013 for Aston Hill Financial Inc. ("Aston Hill" or the "Company") should be read in conjunction with the condensed unaudited interim Consolidated Financial Statements (the "interim Consolidated Financial Statements") for the period ended March 31, 2013 as well as the audited consolidated financial statements for the year ended December 31, 2012 (the "Consolidated Financial Statements"). The historical financial information of the Company can be found on SEDAR under Aston Hill Financial Inc.

This MD&A and the interim Consolidated Financial Statements and comparative information have been prepared in Canadian dollars, except where another currency has been indicated, and in accordance with International Financial Reporting Standards ("IFRS"), which are also generally accepted accounting principles ("GAAP") for publicly accountable enterprises in Canada. Certain amounts in prior periods have been reclassified to conform to the current year's presentation.

This MD&A contains forward-looking statements concerning anticipated future events, results, circumstances, performance or expectations with respect to Aston Hill and its products and services, including its business operations, strategy and financial performance and condition. When used in this MD&A, such statements use such words as "may", "will", "expect", "believe", and other similar terms. These statements are not historical facts but instead represent management beliefs regarding future events, many of which, by their nature are inherently uncertain and beyond management control. Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, such statements involve risks and uncertainties. Factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, including interest rates, global financial markets, changes in government regulations, industry competition, technological developments and other factors described under "Risk Management" or discussed in other materials filed with applicable securities regulatory authorities from time to time. The material factors and assumptions applied in reaching the conclusions contained in these forward-looking statements include that the investment fund industry will remain stable and that interest rates will remain relatively stable. The reader is cautioned against undue reliance on these forward-looking statements.

This MD&A includes several non-IFRS financial measures that do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and investment analysts prefer to include the use of these financial measures in analyzing Aston Hill's results. These non-IFRS measures and reconciliations to IFRS, where necessary, are shown as *italicized* footnotes to the discussion throughout the document.

Financial Highlights

(in thousands except assets under management and, per share amounts)

	As at March 31 2013	As at December 31 2012	As at March 31 2012	% change quarter-over-quarter	% change year-over-year
Assets under management (in billions)	**6.83**	**6.46**	5.95	6%	15%
Total assets	**64,178**	**65,241**	65,805	-2%	-2%
Shares outstanding	**73,211**	**72,400**	72,401	1%	1%

For the quarter ended	**March 31, 2013**	December 31, 2012	March 31, 2012	% change quarter-over-quarter	% change year-over-year
Total revenues	**$ 7,276**	$ 6,438	$ 6,159	13%	18%
Total expenses excluding finance expense	**5,549**	6,345	4,806	-13%	15%
Total finance expense	**1,040**	949	1,050	10%	-1%
Income (loss) before income taxes	**$ 687**	$ (856)	$ 303	180%	127%
Income taxes expense (recovery)	**256**	(109)	726	335%	-65%
Net income (loss)	**$ 431**	$ (747)	$ (423)	158%	202%
Per share - Basic	**$ 0.006**	$ (0.010)	$ (0.006)	160%	200%
Per share - Diluted	**$ 0.006**	$ (0.010)	$ (0.006)	160%	200%
Cash dividends recorded per share	**$ 0.0125**	$ 0.0125	$ 0.0100	0%	0%
EBITDA	**$ 1,985**	$ 371	$ 1,498	435%	33%
Average shares outstanding	**$ 72,943**	$ 72,393	$ 72,795	1%	0%

Overview

Aston Hill is a corporation listed on the Toronto Stock Exchange (the "TSX") under the symbol AHF. The Company is incorporated under the Business Corporations Act (Alberta). The principal business of Aston Hill is the management, marketing, distribution and administration of mutual funds, private equity funds, hedge funds, segregated institutional funds, as well as, oil and gas property management and other fee-based investment products for Canadian investors. The Company's expertise is in income products, resource investments, and the oil and gas industry. Aston Hill operates through two distinct divisions, Financial Portfolio Management and Advisory, and Oil & Gas Property Management. The Financial Portfolio Management division provides the majority of Aston Hill's income which derives its revenue principally from the fees earned on the management and sub-advisory fees of several families of mutual, pooled and closed-end funds, structured products and discretionary accounts. The Oil & Gas Property Management division earns its revenues principally from the management and administration of oil and gas entities.

Aston Hill's Assets under Management and Advisory ("AUM") increased 6% from the fourth quarter of 2012 to $6.8 billion as at March 31, 2013. The increase in AUM is attributable to an AUM increase in assets under administration and through organic growth of the Company's assets under management and advisory. Revenues on managed funds have increased as a result of this increase in AUM. For the three months ended March 31, 2013, the Company generated net subscriptions within its proprietary mutual funds of $125.3 million.

Aston Hill's revenues for the first quarter of 2013 increased $838,000 from the fourth quarter of 2012 and increased $1.1 million from one year ago. The increase in revenue quarter over quarter is a result of the increase in AUM over the previous quarter. The increase in revenues year over year is the result of the addition of Argent Energy Trust ("Argent") to assets under administration, and organic growth of the Company's existing assets under management.

The $796,000 decrease in expenses (excluding finance expense) quarter over quarter is the result of decreases in G&A expenses of $182,000, reductions of product development costs of $298,000 and a gain on sale of investments of $305,000 (primarily due to gain on Argent units). The year to year increase in expenses (excluding finance expense) of $743,000 is primarily the result of increased G&A expenses as a result of increased salaries, consulting, and office expenses to manage growing AUM.

Financial Portfolio Management and Advisory

Aston Hill Asset Management Inc. ("AHAM"), is a Toronto-based registered Investment Fund Manager ("IFM") specializing in the development, sales, and management of closed-end mutual funds, open-end mutual funds and hedge funds.

AHAM manages the Aston Hill Group of Funds and has sub-advisory relationships with IA Clarington Investments Inc. ("IA Clarington"), Redwood Asset Management Inc. ("Redwood Funds"), First Asset Management Inc. ("First Asset"), and BMO Nesbitt Burns ("BMO"). Ten licensed portfolio managers including Ben Cheng, Barry A. Morrison, K. Leslie Williams, Jeffrey Burchell, Andrew Hamlin, Vivian Lo, and Robert Gill in the Toronto office, and Joanne Hruska and Carol Pretty in the Calgary office, are responsible for the Financial Portfolio Management and Advisory division of Aston Hill.

AHF Capital Partners ("AHFCP") manages and provides sub-advisory services for four funds under the Company's AUM. AHFCP has one licensed portfolio manager, Alexander (Sandy) Liang in the Toronto office.

Oil & Gas Property Management

Aston Hill identifies potential oil and natural gas exploration and development opportunities in both the private and public sectors within its oil and gas management division. The mandate is to identify, acquire, manage and administer oil and gas properties on behalf of both institutional and retail investors.

The Company holds an administration contract with Argent, a Canadian energy trust that is not a specified investment flow-through ("SIFT") trust. Argent holds oil and gas assets in the United States and provides its unitholders with a monthly distribution targeting approximately 10.5% in annual yield. On March 31, 2013, Argent represented $506 million in assets under administration which relates to an annual overhead recovery to Aston Hill of $2.0 million. Argent also reimburses Aston Hill for direct costs associated with the administration of Argent.

Business Outlook

The Company's primary focus for 2013 will be on its operations in the Financial Portfolio Management division. Aston Hill is focused on two primary objectives in this space. The first is to continue to make key strides in the performance, management, and marketing of the Aston Hill branded investment funds, in conjunction with delivering results to our IA Clarington and other sub-advisory mandates. The second objective is to continue to provide pension and high net-worth clients with superior yields and investment returns through the Company's disciplined, service-oriented approach. Aston Hill is actively pursuing other institutional and private equity investors as opportunities arise in both the Oil and Gas Property Management and the Financial Portfolio Management divisions. Further, the Company plans to expand its Aston Hill Securities Inc. ("Aston Hill Securities") business by recruiting quality investment brokers as employees, initially in Toronto, and eventually across Canada.

Assets under Management, Advisory and Administration

Total AUM, which includes closed-end and open-ended mutual funds, hedge funds, separately managed accounts, structured products, pooled assets, and oil and gas properties, was $6.8 billion as at March 31, 2013, an increase of 6% from the prior quarter and 15% from the prior year. The following tables summarizes the AUM and various investment profiles managed by Aston Hill:

Assets Under Management, Advisory, and Administration

(in millions of Canadian dollars)

	March 31 2013	December 31 2012	March 31 2012
Assets Under Management and Advisory			
Financial Portfolio Management	**$ 2,233**	$ 2,040	$ 2,069
Oil and natural gas properties	**-**	-	182
Assets Under Management	**2,233**	2,040	2,251
Financial Portfolio Advisory	**4,089**	3,971	3,698
Assets Under Administration	**506**	448	-
Total Assets under Management, Advisory and Administration	**$ 6,828**	$ 6,459	$ 5,949

Breakdown of Managed and Advised Reporting Issuers:

Financial Portfolio Management:

Closed-end funds:

- Aston Hill Advantage VIP Income Fund
- Aston Hill VIP Income Fund
- Aston Hill Advantage Oil & Gas Income Fund
- Aston Hill Oil & Gas Income Fund
- Aston Hill Global Uranium Fund
- Aston Hill Senior Gold Producers Income Corp.
- Aston Hill Advantage Bond Fund
- Aston Hill Global Agribusiness Fund

Mutual funds:

- Aston Hill Growth & Income Fund & Corporate Class
- Aston Hill Capital Growth Fund & Corporate Class
- Aston Hill Opportunities Fund
- Aston Hill Strategic Yield Fund & Corporate Class
- Aston Hill Global and Income Fund & Corporate Class
- Aston Hill Money Market Fund & Corporate Class

Financial Portfolio Advisory:

Closed-end funds:

- BMO Star Yield Managers Class
- First Asset Preferred Share Investment Trust
- Strategic Income Allocation Fund

Mutual funds:

- IA Clarington Tactical Income Fund & Class
- IA Clarington Global Tactical Income Fund & Class
- IA Clarington Tactical Bond Fund & Class
- IA Clarington Energy Class
- Renaissance Millennium High Income Fund
- Redwood Income Strategies Fund
- Redwood Energy Growth Fund
- Redwood Energy Income Fund

Assets Under Administration:

- Argent Energy Trust

Results of Operations

Summary of Quarterly Results

(in thousands of Canadian dollars, except per share amounts)

Three months ended,	**March 31 2013**	December 31 2012	September 30 2012	June 30 2012
Revenues	**$ 7,276**	$ 6,438	$ 6,195	$ 5,779
Expenses				
General and administrative	**4,547**	4,729	3,597	3,883
Product Development	**101**	399	269	132
Share based compensation	**454**	384	564	631
Depreciation of property & equipment	**77**	155	171	94
Amortization of deferred sales commissions	**181**	123	104	111
Trailer fees	**453**	356	296	204
Commissions	**41**	47	35	35
Net losses (profits) on investments	**(305)**	152	(942)	8
Finance expense	**1,040**	949	1,052	1,055
Total expenses	**6,589**	7,294	5,146	6,153
Income (loss) before income taxes	**687**	(856)	1,049	(374)
Income taxes (recovery)	**256**	(109)	254	(166)
Net income (loss) for the period	**$ 431**	$ (747)	$ 795	$ (208)
Net income (loss) - per share - basic	**$ 0.006**	$ (0.010)	$ 0.011	$ (0.003)
Net income (loss) - per share - diluted	**$ 0.006**	$ (0.010)	$ 0.011	$ (0.003)

	March 31 2012	December 31 2011	September 30 2011	June 30 2011
Revenue	$ 6,159	$ 6,086	$ 5,366	$ 3,538
Expenses				
General and administrative	3,774	3,982	2,317	1,927
Product Development	121	397	6	259
Share based compensation	633	535	414	290
Depreciation of property & equipment	52	69	67	67
Amortization of deferred sales commissions	93	101	52	53
Trailer fees	170	67	118	73
Commissions	39	-	-	-
Net losses (profits) on investments	(76)	(546)	40	72
Finance expense	1,050	1,074	724	32
Total expenses	5,856	5,679	3,738	2,773
Income (loss) before income taxes	303	407	1,628	765
Income taxes	726	476	564	178
Net income (loss) for the period	$ (423)	$ (69)	$ 1,064	$ 587
Net income (loss) - per share	$ (0.006)	$ (0.001)	$ 0.015	$ 0.008
Net income (loss) - per share diluted	$ (0.006)	$ (0.001)	$ 0.015	$ 0.008

For the quarter ended March 31, 2013, Aston Hill reported net income before income taxes of $687,000 compared to a loss of $856,000 in the prior quarter due to an increase in revenues of $838,000 and a reduction in expenses of $705,000. For the quarter ended March 31, 2013, Aston Hill reported a net income after tax of $431,000 ($0.006 per share) compared to net loss after tax of $747,000 ($0.010 loss per share) for the prior quarter.

Finance expense of $1.0 million was recorded for the quarter ended March 31, 2013 compared with $949,000 for the quarter ended December 31, 2012 and $1.1 million for the quarter March 31, 2012. The decrease in finance expense from the prior-year period is the result of a decrease in the term credit facility. The increase in finance expense over prior quarter was due to the increase in the revolving line of credit. Aston Hill's debt and borrowing costs are further discussed under "Liquidity and Capital Resources."

Pre-Tax Operating Earnings

(in thousands of Canadian dollars, except per share amounts)

		Quarter ended Mar 31, 2013		Quarter ended Dec 31, 2012		Quarter ended Mar 31, 2012
Income (loss) before income taxes	**$**	**687**	$	(856)	$	303
Less:						
Service fee revenue		**-**		-		(49)
Add:						
Net losses (profits) on investments		**(305)**		152		(76)
Amortization of deferred sales commissions		**181**		123		93
Share based payments expense		**454**		384		633
Pre-tax operating earnings (loss)	**$**	**1,017**	$	(197)	$	904
Per share	**$**	**0.014**	$	(0.003)	$	0.012

Aston Hill uses pre-tax operating earnings to assess its underlying profitability. Aston Hill defines pre-tax operating earnings as income before income taxes less service fee revenue, non-cash management fees, performance fees and investment gains, plus investment losses, amortization of deferred sales commissions, depreciation of property and equipment and share-based payments expense.

Pre-tax operating earnings, as set out in the table above, was $1.0 million in the first quarter of 2013, an increase of 616% from the fourth quarter of 2012 and an increase of 13% from the first quarter of the prior year. The increase in pre-tax operating earnings from the prior quarter is the result of the lower G&A costs, lower product development costs and increased revenues. Year-over-year increase in pre-tax operating earnings is a reflection of an increase in revenues due to the addition of Argent as an asset under administration offset by increased G&A costs.

EBITDA

(in thousands of Canadian dollars, except per share amounts)

		Quarter ended Mar 31, 2013		Quarter ended Dec 31, 2012		Quarter ended Mar 31, 2012
Net Income (loss) for the period	**$**	**431**	$	(747)	$	(423)
Add (deduct):						
Finance expense		**1,040**		949		1,050
Current Income tax expense (recovery)		**123**		(794)		394
Future income tax expense (recovery)		**133**		685		332
Amortization of deferred sales commissions		**181**		123		93
Depreciation of property and equipment		**77**		155		52
EBITDA		**1,985**		371		1,498
Per diluted share	**$**	**0.027**	$	0.005	$	0.021
EBITDA margin (as a % of revenue)		**27%**		6%		24%

Aston Hill uses EBITDA (earnings before interest, taxes, depreciation and amortization) to assess its underlying profitability prior to the impact of financing expenses, income taxes the amortization of deferred sales commissions, and property and equipment. EBITDA permits comparisons of companies within the industry, before any distortion caused by different financing methods and levels of taxation. EBITDA is used as a measure of operating performance, facilitates valuation and is a substitute for cash flow.

EBITDA for the quarter ended March 31, 2013 was $2.0 million ($0.027 per share) compared with EBITDA of $371,000 ($0.005 per share) for the quarter ended December 31, 2012 and $1.5 million ($0.021 per share) for the quarter ended March 31, 2012. The 435% increase from the prior quarter is primarily the result of an increase in revenues of $838,000, a decrease in G&A expenses of $182,000, net gains on investments (mainly of Argent units) of $305,000 and a decrease in product development expense of $298,000. The 33% year-over-year increase in quarterly EBITDA was due to increases in revenue due to the addition of Argent as an asset under management offset by increased G&A costs.

EBITDA as a percentage of total revenues (EBITDA margin) for the first quarter of 2013 was 27%, compared to 24% from the same quarter last year and 6% from the prior quarter. The increase in EBITDA as a percentage of revenues year-over-year is the result of the increases in revenues offset by increased G&A costs. The increase in EBITDA margin from the prior quarter is due to increased revenue, increased net gains on investments, and decreased G&A and product development expenses.

The Company expensed $101,000 (prior quarter - $399,000) in product development in the first quarter of 2013. Based on the early stage of development of some of the Company's investment funds, the Company feels it is in its best interest to bear the burden of some of these fund expenses to maintain the management expense ratio of each of its primary funds at an acceptable level.

Revenues

Revenues were $7.3 million for the quarter ended March 31, 2013, an increase of 18% from the $6.2 million earned during the quarter ended March 31, 2012 and up 18% from $6.4 million for the quarter ended December 31, 2012. The changes year-over-year were mainly attributable to the addition of Argent to assets under administration and an increase in fees from the Company's proprietary mutual funds and funds under advisory. The increase in revenues over prior quarter was mainly attributable to an increase in management fees and recoveries from the Company's proprietary mutual funds, funds under advisory, and assets under administration

Revenue

(in thousands of Canadian dollars)

		Quarter ended Mar 31, 2013		Quarter ended Dec 31, 2012		Quarter ended Mar 31, 2012
Managed	**$**	**3,481**	$	3,234	$	3,333
Advisory		**3,026**		2,820		2,826
Administration		**769**		384		-
Total revenues	**$**	**7,276**	$	6,438	$	6,159

Expenses

G&A expenses were $4.5 million for the quarter ended March 31, 2013, an increase of 13% from the first quarter of 2012 and a decrease of 4% from the prior quarter. The $182,000 decrease in G&A quarter over quarter is the result of decreases in consulting, office, and legal expenses. The year to year increase in G&A of $773,000 is primarily the result of increased salaries, consulting, and office expenses which was the result of managing a higher AUM.

Share based payment expenses were $454,000 for the quarter ended March 31, 2013 compared with an expense of $633,000 in the quarter ended one year ago and $356,000 in the prior quarter. The decrease in share based payments over the prior year due to the prior year expense being driven up by stock based compensation being issued in 2011 related to corporate acquisitions. In addition, the Company's stock volatility has been decreasing which has been reducing the Black-Scholes valuation of stock based compensation.

Liquidity and Capital Resources

Aston Hill generated $2.2 million of operating cash flow in the three months ended March 31, 2013, up $120,000 compared with $2.1 million for the same period last year. Aston Hill measures its operating cash flow before the change in working capital and the actual cash amount paid for interest and income taxes, as these items can distort cash flow generated during the year. Working capital is affected by seasonality as interest on the convertible debentures is paid semi-annually, and tax installments paid can differ materially from the current tax expense accrual. Aston Hill's main uses of capital are the repayment of principal owing on its term credit facility, interest payments on its convertible debenture, investments in marketable securities, funding of sales commissions, payment of dividends on its shares, funding capital expenditures, and the repurchase of shares through its normal course issuer bid program. At current levels of cash flow, Aston Hill produces sufficient cash to meet its obligations and pay down debt.

Aston Hill paid deferred sales commissions of $492,000 in the three months ended March 31, 2013 compared to $322,000 in the same period last year. This is a result of incremental sales on the Aston Hill mutual funds under the low-load, deferred sales charge option. This option was created in 2011 as a sales incentive on specified series of units or shares in specified funds.

The fair value of marketable securities at March 31, 2013 was $2.3 million. Marketable securities are comprised of seed capital investments in its funds, investment in Argent as well as other strategic investments. In the three months ended March 31, 2013, Aston Hill sold $159,000 of seed capital invested in the capital of funds and classes of the Company's proprietary funds. As at March 31, 2013, the Company's investment in Argent has a fair value of $1.8 million. During the first quarter of 2013, the Company recorded net realized and unrealized gains on its marketable securities of $305,000 compared to $76,000 in the same quarter last year.

As at March 31, 2013, the Company's long-term investment in Journey had an estimated fair value of $6.6 million (December 31, 2012 - $6,597,000). The Company recorded no change in the fair value through other comprehensive income of long-term investments for the period ended March 31, 2013. The fair value of the investment in Journey is recalculated quarterly based on internal and external reserve evaluations and estimates as well as conventional valuation methods for valuing privately held interests in accordance with generally accepted accounting principles. The fair value is affected significantly by a volatile oil and natural gas pricing environment; therefore, changes in the fair value from the Journey investment may fluctuate materially from quarter to quarter.

Summary Balance Sheet Data

(in thousands of Canadian dollars)

		March 31 2013		December 31 2012
Current Assets	**$**	**8,303**	$	9,523
Non current assets		**55,875**		55,718
Total Assets	**$**	**64,178**	$	65,241
Current liabilities	**$**	**5,666**	$	6,964
Non current liabilities		**38,782**		38,898
Total Liabilities	**$**	**44,448**	$	45,862
Shareholders' Equity		**19,730**		19,379
Total Liabilities & Shareholders' Equity	**$**	**64,178**	$	65,241

The balance sheet for Aston Hill at March 31, 2013 reflects total assets of $64.2 million, a decrease of $1.0 million from $65.2 million at December 31, 2012. This change can be attributed to a decrease in current assets of $1.2 million. The decrease in current assets is due to a decrease in cash which is a result of repayment of financing.

Accounts receivable decreased to $3.8 million at March 31, 2013 from $4.1 million at December 31, 2012. The decrease relates to a lower GST ITC receivables balance, and one time receivable amounts at December 31, 2012 being received in the quarter.

Total liabilities decreased $1.4 million from $45.9 million at December 31, 2012 to $44.4 million at March 31, 2013. The primary contributor to this change was the principal repayments on the Non-Revolving Credit Facility. At March 31, 2013 the Convertible Debentures debt component had a carrying value of $34.6 million and the Non-Revolving Facility has a carrying value of $1.6 million.

Final principal payments on the Non-Revolving Credit Facility are due and payable in two equal quarterly installments of $500,000 on the last business day of each of April 30, 2013 and July 31, 2013.

The limit on the Revolving Facility at March 31, 2013 was $4.0 million, and had an outstanding balance of $1.6 million.

Aston Hill's annualized debt-to-EBITDA ratio excluding the Convertible Debentures as at March 31, 2013 was 0.3 to 1. Aston Hill expects that the amount of excess cash flow generated will pay down debt and the ratio of debt to EBITDA will trend lower. Aston Hill is within its financial covenants with respect to its credit facility, which requires that the debt-to-EBITDA ratio remain below 1.2 to 1, and assets under management not fall below $4.6 billion.

Shareholders' equity increased by $351,000 during the three months ended March 31, 2013 mainly as a result of cash proceeds from options exercised of $712,000 and net income of $431,000 offset by dividends paid of $914,000.

Risk Management

For a full understanding of the risks that impact Aston Hill, the following discussion should be read in conjunction with our 2012 annual MD&A.

Aston Hill is exposed to a number of risks through the pursuit of our strategic objectives. Some of these risks impact the investment industry as a whole, and others are unique to our operations. Actively managing these risks improves our ability to effectively execute our business strategy. Our exposure to market risk, credit risk, concentration risk, investment performance of the funds, dependence on senior management, competition, risk of significant redemptions of Aston Hill's Assets under Management, sufficiency of insurance, general business risk and liability, regulations of Aston Hill, commitment of key personnel, and capital requirements have not changed substantially since December 31, 2012. A more in-depth discussion of material risk factors affecting the Company can be found in our annual MD&A for the year ended December 31, 2012.

Liquidity Risk & the impact of Credit Facilities & Convertible Debentures

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. In addition to the Company's current balance of cash and cash equivalents, other potential sources of liquidity include the Company's marketable securities, accounts receivable, and its revolving credit facility. The Company's continued ability to access capital markets to raise funds is dependent on market conditions that are subject to change.

The timing of cash outflows relating to financial liabilities are as follows:

(in thousands of Canadian dollars)

As at March 31, 2013		Carrying amount	Contractual cash flows	Less than one year	One - two years	Two - five years	More than five years
Financial liabilities:							
Trade and other payables		$ 1,341	$ 1,341	$ 1,341	$ -	$ -	$ -
Term credit facility	-principal	941	941	941	-	-	-
	-interest		16	16	-	-	-
Revolving line of credit		1,600	1,600	1,600	-	-	-
Convertible debentures	-principal	34,598	34,598	-	-	34,598	-
	-interest		8,593	1,875	5,127	1,591	-
		$ 38,480	**$ 47,089**	**$ 5,773**	**$ 5,127**	**$ 36,189**	**$ -**

Related Party Transactions

In addition to those disclosed elsewhere in the financial statements, the Company had the following related party transactions:

a) The Company's wholly owned subsidiaries receive management fees and sub-advisory fees and pay for expenses incurred by its various funds under management. These expenses are then charged back to the funds and are recovered under non-interest bearing, normal credit terms. Management fees, sub-advisory fees and other amounts due from funds under management and included in accounts receivable at March 31, 2013 is $985,000 (December 31, 2012 - $381,000). Other amounts due to funds under management recorded in accounts payable as at March 31, 2013, was $96,000 (December 31, 2012 - $358,000). For the period ended March 31, 2013 $3.5 million (March 31, 2012 - $2.5 million) was recorded as revenue in respect of these management fees. In addition, for the period ended March 31, 2013, the Company absorbed $101,000 (March 31, 2012 - $121,000) of expenses incurred by funds under management.

b) As at March 31, 2013, the Company had accounts receivable of $879,000 (December 31, 2012 - $807,000) and Argent RTUs receivable of $616,000 (December 31, 2012 - $346,000) from Argent Energy Trust (“Argent”), a company under common management. The Company has an Administrative Services Contract (the “Contract”) in which the Company has recorded revenues for the period ended March 31, 2013 of $769,000 (March 31, 2012 - $nil) including $500,000 (March 31, 2012 - $nil) of administration fees and $269,000 (March 31, 2012 - $nil) of revenue related to Argent RTUs receivable. For the period ended March 31, 2013, the Company recorded $279,000 (March 31, 2012 - $nil) in overhead recoveries for shared overhead costs that have been reimbursed by Argent.

   On August 10, 2012, 210,000 Argent RTUs were granted with a par value of $10.00 per unit to the Company for services rendered under the contract. As at March 31, 2012 (December 31, 2012 - $9.21), the closing bid price for Argent per unit on the TSX was $10.44.

c) Until termination of a management agreement on April 20, 2012, the Company managed a private oil and gas company. In conjunction with this management agreement, the Company was paid a quarterly management fee. For the period ended March 31, 2013 $nil (March 31, 2012 - $304,000) was recorded as revenue.

d) Notes receivable as at March 31, 2013 of $342,000 (December 31, 2012 - $342,000) are promissory notes due from funds under management. The notes are receivable on demand and accrue interest at a rate of prime plus 1% (2012 - 1%) annually. Interest is calculated daily on the remaining balance and is receivable on a monthly basis on the last day of each month.

e) As at March 31, 2013, $453,000 (December 31, 2012 - $603,000) of the financial assets at fair value through profit or loss is related to holdings in the Company’s funds under management. For the period ended March 31, 2013, $nil (March 31, 2012 - $32,000) of the net gains on investments recorded during the period was related to these investments in funds under the management of the Company.

f) As at March 31, 2013, $7,000 (December 31, 2013 - $7,000) of trade and other receivables and $67,000 (December 31, 2013 - $nil) of trade and other payables related to amounts related to RJT Capital Inc., a company which owns 49% of the outstanding shares of a subsidiary of the Company.

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

Commitments and Guarantees

The Company is committed to lease office premises with future base rent payments as follows:

(in thousands of Canadian dollars)

		March 31 2013		December 31 2012
Less than one year	**$**	**603**	$	603
Between one and five years		**1,316**		1,526
More than five years		**233**		323
	$	**2,152**	$	2,452

The Company is also required to pay its proportionate share of operating and property tax costs for the premises.

The Company has agreed to indemnify certain individuals, who have acted at the Company's request to be an officer or director of the Company, to the extent permitted by law, against any and all damages, liabilities, costs, charges or expenses suffered by or incurred by the individual as a result of their services. The nature of the indemnification agreements prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to the beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks associated with such indemnification.

In the ordinary course of business, the Company and its subsidiaries enter into contracts which contain indemnification provisions, such as letter agreements, service agreements and purchase and sale agreements. In such contracts, the Company may indemnify counterparties to the contracts if certain events occur. In some cases the Company requires indemnities from its service providers, related to the Company's indemnification obligations to customers. These indemnification provisions vary on an agreement by agreement basis. In some cases, there are no pre-determined amounts or limits included in the indemnification provisions and the occurrence of contingent events that will trigger payment under them is difficult to predict. Therefore, the maximum potential future amount that the Company could be required to pay cannot be estimated.

Significant Accounting Policies & Estimates

The March 31, 2013 interim Consolidated Financial Statements have been prepared in accordance with IFRS. The Company has consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect. For a discussion of all significant accounting policies, please refer to Note 3 of the December 31, 2012 Notes to the Consolidated Financial Statements. Also included in the Notes to the Consolidated Financial Statements is Note 14 which includes a discussion on the recoverable amount of the Company's intangible assets compared to its carrying value. In addition, Note 4 includes a discussion on the determination of the fair values of the Company's investments.

The Company carries significant intangible assets on its balance sheet. Aston Hill uses valuation models that use estimates of sales and redemptions of investment products as the primary determinants of fair value. Aston Hill uses a valuation approach based on a multiple of assets under management. Aston Hill has assessed these variables in light of the current economic climate. Estimates of sales and redemptions are very likely to change as economic conditions either improve or deteriorate.

The March 31, 2013 interim Consolidated Financial Statements have been prepared in accordance with IFRS. The accounting policies followed in these interim Consolidated Financial Statements is the same as those applied in the Company's annual Consolidated Financial Statements for the period ended December 31, 2012 except as described in changes in accounting policies.

Changes in accounting policies

The following standards and amendments have been adopted as of January 1, 2013. No restatement of financial statement line items was required as a result of the adoption of the following policies.

IFRS 10 – Consolidation

IFRS 10, *Consolidated Financial Statements* ("IFRS 10"), requires an entity to consolidate an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, *Consolidation - Special Purpose Entities,* and parts of IAS 27, *Consolidated and Separate Financial Statements*.

IFRS 13 - Fair Value Measurement

IFRS 13, *Fair Value Measurement*, is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

Effectiveness of Disclosure Controls and Procedures & Internal Control over Financial Reporting

The Chief Executive Officer and the Chief Financial Officer have designed or caused the design of the Internal Controls over Financial Reporting ("ICFR") and Disclosure Controls and Procedures. There has been no material weaknesses identified relating to the design of the ICFR and there has been no changes to the Company's internal controls for the quarter ended March 31, 2013 that has materially affected or is reasonably likely to materially affect the internal controls over financial reporting.

Outstanding Share Data

Capital	Authorized		Outstanding as at May 6, 2013	Common Shares Underlying Convertible Securities
Common shares [1]	Unlimited		73,281,000	Not applicable
Stock options	Not applicable		6,246,000	6,246,000
Convertible debentures (face value) 6.00% maturing 2016	Not applicable	$	34,598,000	13,567,843

[1] The Company received shareholder approval to reserve for issuance up to 10% of the issued and outstanding Common Shares at the date of the creation for its incentive stock option plan.

Reference is made in this Management Discussion & Analysis to the Company's Consolidated Financial Statements disclosure for the relevant periods filed on the SEDAR website at www.sedar.com where additional disclosure relating to the Company can also be located.

Company Contact: Larry Titley, Vice President and Chief Financial Officer

Company Address: Suite 500, 321 – 6th Avenue S.W., Calgary, Alberta, T2P 3H3

Company Phone Number: (403) 770-4800

Company Fax Number: (403) 770-4850