

**GOLDBROOK VENTURES INC.**  
**FINANCIAL STATEMENTS**

**April 30, 2009**

*(Audited)*

AUDITORS' REPORT

BALANCE SHEET

STATEMENT OF LOSS AND COMPREHENSIVE LOSS

STATEMENT OF DEFICIT

STATEMENT OF CASH FLOWS

NOTES TO FINANCIAL STATEMENTS



**B K R**  
Membre indépendant

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## AUDITORS' REPORT

To the shareholders of  
GOLDBROOK VENTURES INC.

We have audited the balance sheet of GOLDBROOK VENTURES INC. as at April 30, 2009 and 2008 and the statements of loss and comprehensive loss, deficit and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at April 30, 2009 and 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

VILLENEUVE VENNE, s.e.n.c.r.l.

Chartered accountants

Montreal, June 20, 2009  
August 7, 2009 for note 17 Subsequent event

By Yves Lacroix, chartered accountant auditor

**GOLDBROOK VENTURES INC.  
BALANCE SHEET**

	<b>April 30,</b>	
	<b>2009</b>	<b>2008</b>
		<i>(Restated)</i>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 5,204,353	\$ 127,779
Cash for exploration	6,029,701	-
Accounts receivable (Note 4)	5,897,869	9,053,062
Prepaid expenses	53,595	61,042
Inventory (Note 3 and 6)	1,553,133	1,964,700
Total Current Assets	18,738,651	11,206,583
<b>Marketable Securities</b> (Note 5)	1,048,000	219,260
<b>Deposits on Mineral Properties</b>	-	10,000
<b>Mineral Properties</b> (Note 3 and 8)	33,625,424	34,239,499
<b>Property and Equipment, net</b> (Note 7)	58,324	39,789
<b>TOTAL ASSETS</b>	\$ 53,470,399	\$ 45,715,131
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 99,098	\$ 4,759,461
Deferred exploration contribution	\$ 12,980,989	\$ -
	13,080,087	4,759,461
<b>Shareholders' Equity</b>		
Authorized: unlimited common shares and unlimited preferred shares		
Issued – 178,171,699 common shares		
(April 30, 2008 – 148,289,700 common shares) (Note 9(b))	43,576,144	41,081,214
Common shares subscribed not issued	-	673,951
Common share purchase warrants outstanding (Note 9(f))	10,761,069	10,531,999
Contributed surplus (Note 14)	3,611,371	3,211,371
Accumulated other comprehensive loss (Note 10)	(257,037)	(168,772)
	57,691,547	55,329,763
Deficit, accumulated during the development stage	(17,301,235)	(14,374,093)
Total Shareholders' Equity	40,390,312	40,955,670
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	\$ 53,470,399	\$ 45,715,131

APPROVED ON BEHALF OF THE BOARD:

(“sgd”) "David Baker"

(“sgd”) "Earl Terris"

**The accompanying notes are an integral part of these financial statements.**

**GOLDBROOK VENTURES INC.  
STATEMENT OF LOSS AND COMPREHENSIVE LOSS**

	<b>Year Ended April 30,</b>	
	<u><b>2009</b></u>	<u><b>2008</b></u>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>		
Depreciation on property and equipment	\$ 15,411	\$ 8,878
Consulting fees (Note 15)	590,154	445,057
Management fees	316,000	221,000
Office and general expenses (Note 15)	441,763	306,184
Professional fees (Note 15)	359,816	348,428
Regulatory fees & services	44,771	142,324
Shareholders' communication, travel & promotion (Note 15)	493,078	454,974
Stock option compensation (Note 9(e))	400,000	1,544,930
Wages and benefits	268,702	339,677
Total General and Administration Expenses	<u>(2,929,695)</u>	<u>(3,811,452)</u>
<b>LOSS BEFORE OTHER ITEMS</b>	<b>(2,929,695)</b>	<b>(3,811,452)</b>
<b>OTHER ITEMS</b>		
Interest income	9,138	59,359
Other income (Note 16)	33,815	-
Foreign exchange gain	160,489	-
Gain (loss) from sale of investments	(200,889)	7,150
	<u>2,553</u>	<u>66,509</u>
<b>NET LOSS BEFORE COMPREHENSIVE LOSS</b>	<b><u>(2,927,142)</u></b>	<b><u>(3,744,943)</u></b>
<b>OTHER COMPREHENSIVE LOSS</b>		
Unrealized loss from marketable securities	<u>(239,037)</u>	<u>(175,745)</u>
<b>COMPREHENSIVE LOSS FOR THE YEAR</b>	<b><u>(3,166,179)</u></b>	<b><u>(3,920,688)</u></b>

**The accompanying notes are an integral part of these financial statements**

**GOLDBROOK VENTURES INC.  
STATEMENT OF DEFICIT**

	<b>Year Ended April 30,</b>	
	<b>2009</b>	<b>2008</b>
<b>DEFICIT, BEGINNING OF YEAR</b>	<b>(14,374,093)</b>	<b>(10,629,150)</b>
<b>NET LOSS FOR THE YEAR</b>	<b>(2,927,142)</b>	<b>(3,744,943)</b>
<b>DEFICIT, END OF YEAR</b>	<b>\$ (17,301,235)</b>	<b>\$ (14,374,093)</b>
<b>Weighted Average Common Shares Outstanding (Note 13)</b>		
<b>- Basic</b>	<b>170,382,617</b>	<b>132,781,745</b>
<b>- Diluted</b>	<b>295,761,963</b>	<b>221,019,473</b>
<b>LOSS PER COMMON SHARE</b>		
<b>- Basic</b>	<b>\$ (0.02)</b>	<b>\$ (0.03)</b>
<b>- Diluted</b>	<b>\$ (0.02)</b>	<b>\$ (0.03)</b>

**The accompanying notes are an integral part of these financial statements**

**GOLDBROOK VENTURES INC.  
STATEMENT OF CASH FLOWS**

	<b>Year Ended April 30,</b>	
	<b>2009</b>	<b>2008</b>
		<i>(Restated)</i>
<b>FUNDS DERIVED FROM (Applied to)</b>		
<b>Operating Activities</b>		
Comprehensive loss for the year	\$(3,166,179)	\$(3,920,688)
Items not involving cash		
Depreciation on property and equipment	15,411	8,878
(Gain) loss from sale of investments	200,889	(7,150)
Stock-based compensation	400,000	1,544,930
Unrealized loss from marketable securities	239,037	175,745
	(2,310,842)	(2,198,285)
Changes in non-cash working capital balances		
(Increase) Decrease in accounts receivable	3,155,193	(6,332,252)
(Increase) Decrease in prepaid expenses	7,447	23,613
(Increase) Decrease in inventory	411,567	(1,964,700)
Increase (Decrease) in accounts payable	(4,660,363)	4,349,466
	(3,396,998)	(6,122,158)
<b>Investing Activities</b>		
Acquisition of investments in public company shares	(1,275,625)	(110,040)
Disposal of investments in public company shares	157,731	29,650
Deposits for mining camp services	10,000	1,127,792
Deferred acquisition & exploration costs	614,075	(17,182,689)
Deferred exploration contribution	12,980,989	-
Purchase of capital assets	(33,946)	(33,848)
	12,453,224	(16,169,132)
<b>Financing Activities</b>		
Common shares issued	2,724,000	20,887,753
Shares subscribed not issued	(673,951)	673,951
	2,050,049	21,561,704
<b>Cash, Increase (Decrease) During Year</b>	<b>11,106,275</b>	<b>(729,589)</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>127,779</b>	<b>857,368</b>
	<b>11,234,054</b>	<b>857,368</b>
<b>CASH, END OF YEAR</b>	<b><u>\$11,234,054</u></b>	<b><u>\$127,779</u></b>
<b>Supplemental Cash Flow Information</b>		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes (Note 12)	\$ -	\$ -

**The accompanying notes are an integral part of these financial statements.**

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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**Note 1. Nature of Operations and Going Concern**

The Company was incorporated as Goldbrook Explorations Inc. on May 20, 1983, in the Province of Ontario, Canada. On July 22, 2002, the Company changed its name to Goldbrook Ventures Inc. On April 14, 2003, the Company was granted a Certificate of Continuation under the Company Act of British Columbia.

The Company is a development stage enterprise in the process of exploring properties and has not yet determined whether the properties contain economically recoverable ore reserves. The recovery of the amounts shown as acquisition costs of mineral properties and the related deferred exploration costs is dependent upon the existence of economically recoverable reserves, confirmation of the Company's interest in the underlying mining claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses since inception of \$17,301,235, and the Company will need additional funds to continue to explore and, if exploration is successful, to develop its properties. These factors create substantial doubt as to the ability of the Company to continue as a going concern unless sufficient funds are raised for ongoing operations. The Company intends to raise funds by private placements. Realization values may be substantially different from the carrying values as shown in these financial statements should the Company be unable to continue as a going concern.

**Note 2. Summary of Significant Accounting Policies**

(a) Basis of Presentation

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. (GAAP)

(b) Translation of Foreign Currency

The Company utilizes the temporal method that translates assets, liabilities, revenues and expenses in a manner that retains their basis of measurement in terms of the Canadian dollar, which is used as the unit of measurement. In particular:

- (i) monetary items are translated at the rate of exchange in effect at the balance sheet date;
- (ii) non-monetary items are translated at historical exchange rates, unless such items are carried at market, in which case they are translated at the rate of exchange in effect at the balance sheet date;
- (iii) revenue and expense items are translated at the rate of exchange in effect on the dates they occur;
- (iv) depreciation or amortization of assets translated at historical exchange rates are translated at the same exchange rates as the assets to which they relate;
- (v) exchange gains or losses arising on conversion are included in other income or expense.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 2. **Summary of Significant Accounting Policies (cont'd)**

(c) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions, based on the best information judgment, that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

(d) Financial Instruments

(i) Financial Instruments – Change in Accounting Policies

The Company has adopted four new accounting standards related to financial instruments that were issued by the Canadian Institute of Chartered Accountants (“CICA”). These accounting policy changes were adopted on a prospective basis with no restatement of prior period financial statements. The new standards and accounting policy changes are as follows:

*Recognition and Measurement – Impact of adopting Sections 3855 and 3861*

In accordance with this new standard the Company now classifies all financial instruments as either held-to-maturity, available-for-sale, held for trading or loans and receivables. Financial assets held to maturity, loans and receivables and financial liabilities other than those held for trading, are measured at amortized cost. Available for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as held for trading are measured at fair value with unrealized gains and losses recognized on the statement of loss.

*Comprehensive Income – Impact of adopting Section 1530*

The standard introduces the concept of comprehensive loss, which consists of net loss and other comprehensive income. The Company’s financial statements now include a Statement of Comprehensive Loss integrated with the statement of operations, which includes the components of comprehensive income. For the Company, other comprehensive income (“OCI”) is comprised of the unrealized gains on available-for-sale financial assets arising during the year.

Cumulated changes in OCI are included in Accumulated Other Comprehensive Income (“AOCI”), which is presented as a new category within shareholders’ equity on the balance sheet.

*Hedges (CICA Handbook Section 3865)*

The new standard specifies the criteria under which hedge accounting can be applied and how hedge accounting can be executed. The Company has not designated any hedging relationships.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 2. **Summary of Significant Accounting Policies (cont'd)**

(d) Financial Instruments (cont'd)

(i) Financial Instruments – Change in Accounting Policies (cont'd)

*Valuation of Inventory – Impact of adopting Section 3031*

The Company has adopted the Section 3031 for the valuation of inventories at the lower of cost and replacement cost.

*Capital Disclosures*

On December 1, 2006, the CICA issued Section 1535, Capital Disclosures. Section 1535 requires the disclosure of (i) an entity's objectives, policies and process for managing capital; (ii) quantitative data about an entity's managed capital; (iii) whether an entity has complied with capital requirements; and, (iv) if an entity has not complied with such capital requirements, the consequences of such non-compliance. This standard became effective on January 1, 2008.

*Financial Instruments - Disclosures and presentation*

On December 1, 2006, the CICA issued two new accounting standards, Section 3862, Financial Instruments – Disclosures and Section 3862, Financial Instruments – Presentation. These standards replace Section 3861, Financial Instruments – Disclosure and Presentation and enhance the disclosure of the nature and extent of risks arising from financial instruments and how the entity manages those risks. These new standards became effective on January 1, 2008. The accounts receivable and payable are on the normal course of the business and valued at their stated value due to their short term maturity.

(ii) Credit Risk

The Company places its investment in public company shares in several financial instruments and, limits the amount of credit exposure.

(iii) Foreign Currency Risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency. The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure of the Company's financial instruments recorded on its balance sheet.

The impacts of foreign currency exchange are:

On mineral properties:	\$160,789
On net loss:	\$160,789 (realized gain)

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 2. **Summary of Significant Accounting Policies (cont'd)**

(d) Financial Instruments (cont'd)

(iv) Liquidity Risk

Pursuant to the new financial instrument standards (CICA Section 3855 and Section 1530), the Company classifies its marketable securities as “available for sale” and records the marketable securities at their fair values. The fair values are determined by using the close market prices of the last day of the period. At the same time, the unrealized gain or loss from change of fair value of the marketable securities are recognized as “other comprehensive income”.

The Company is exposed to liquidity risk which is the risk that the Company will encounter difficulty in selling all of these common shares at an amount at least equivalent to its cost.

(e) New Accounting Policies

(i) Newly Adopted Accounting Policies

*EIC-174, Mining Exploration Costs*

On March 27, 2009, the Emerging Issues Committee issued EIC-174, “Mining Exploration Costs”, to provide additional guidance for mining exploration enterprises on when an impairment test is required. This Abstract should be applied to financial statements issued after March 27, 2009. The adoption of this Abstract had no impact on the financial statements of the Company.

*Section 1400, “General Standards of Financial Statement Presentation”*

Section 1400, “General Standards of Financial Statement Presentation” provides revised guidance on management’s responsibility to assess and disclose the Company’s ability to continue as a going concern.. The adoption of this standard did not have any impact on the Company’s financial statements.

(ii) Future Accounting Policies

Canada’s Accounting Standards Board ratified a plan that will result in Canadian GAAP being converged with International Financial Reporting Standards (“IFRS”) by 2011. Management has performed a preliminary analysis and highlighted areas where its current Canadian accounting practices differ from IFRS. The impact on the Company’s financial statements has not yet been determined.

In January 2009, the Accounting standards Board issued CICA Handbook Sections 1582, “Business Combinations”, 1601, “Consolidated Financial Statements”, and 1602, “Non-controlling Interests” which replaced CICA Handbook Sections 1581, “Business Combinations” and 1600, “Consolidated Financial Statements”.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 2. **Summary of Significant Accounting Policies (cont'd)**

(e) New Accounting Policies (cont'd)

(iii) Future Accounting Policies (cont'd)

Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after May 1, 2011. Early adoption of this section is permitted.

Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 and 1602 may be applicable for the Company's interim and annual financial statements for its fiscal year beginning May 1, 2011. Early adoption of these sections is permitted and all three sections must be adopted concurrently, if applicable.

(f) Environmental Issues

The Company is not aware of any environmental studies made and of any present or past obligations.

The operations of the company may in the future be affected from time to time to varying degrees by changes in environmental regulations, including those for future removal and site restoration costs. Both the likelihood of new regulations and their overall effect upon the company vary greatly and are not predictable. The company's policy is to meet or, if possible, surpass standards set by relevant legislation, by application of technically proven and economically feasible measures.

(g) Recognition Criteria

Items recognized in these financial statements are accounted for in accordance with the accrual basis of accounting which recognizes the effect of transactions and events in the period in which they occurred. Revenues are generally recognized when performance is achieved and reasonable assurance regarding measurement and collectibility of the consideration exists. Gains are generally recognized when realized. Expenses and losses are generally recognized when an expenditure or previously recorded asset has no future economic benefit.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 2. **Summary of Significant Accounting Policies (cont'd)**

(h) Mineral Properties Acquisition Costs and Deferred Exploration Costs

- i) The Company capitalizes all deferred exploration costs that are associated with the properties until such time as the properties are either placed into production or title is lost or abandoned. Quebec corporate tax credits and mining duties credits based on exploration expenses incurred on Quebec properties are recorded as a decrease to deferred exploration costs. When properties are brought into production, associated costs are amortized over the useful life of the properties. When title is lost or abandoned, the associated costs are written off.
- ii) Acquisition costs of mineral properties are capitalized by the Company, and are dealt with in the same manner as deferred exploration costs in (i) above. Mineral property sale proceeds or option payments received for exploration rights are credited to current operations.
- iii) An impairment loss is recognized when the carrying amount of mineral properties is not recoverable and exceeds its fair value. Mineral properties are tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The factors considered by management in performing this assessment include current operating results, trends, and prospects, as well as the effects of obsolescence, demand, competition, and other economic factors.

(i) Stock-based compensation

The Company has adopted in 2004 the CICA Handbook Section 3870, "Stock-based compensation and other stock-based payments", effective April 1, 2004. This Section establishes accounting standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments. This Section sets out a fair value based method of accounting and is required for certain stock-based transactions and applied to awards granted on or after April 1, 2004. The Company, as permitted by Handbook Section 3870, has elected to account for all stock options granted to non-employees and employees by applying the fair value based method of accounting. The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of the grant.

(j) Property and Equipment

The Company depreciates its property and equipment on the declining balance method, at the following rates per year based upon their estimated useful lives.

Office equipment	20%
Computer equipment	30%

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 2. **Summary of Significant Accounting Policies (cont'd)**

(k) Impairment of Long-Lived Assets

The Company assesses the impairment of long-lived assets, which consist primarily of mineral property, property and equipment, whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Recoverability of assets to be held and used are measured by a comparison of the carrying values of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the amount of the impairment is measured by the amount by which the carrying amount of the asset exceeds its fair value.

(l) Income Taxes

Future income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the balance sheet and their corresponding tax values, using the enacted or substantively enacted, as applicable, income tax rates at each balance sheet date. Future income tax assets also result from unused loss carry-forwards and other deductions. The valuation of future income tax assets is reviewed on a regular basis and adjusted, if necessary, by use of valuation allowances to reflect the estimated realizable amount.

(m) Loss Per Common Share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the stock options and warrants that are used to purchase common shares at the average market price during the year. During the years ended April 30, 2009 and 2008, all of the outstanding stocks are antidilutive (see Note 13).

Note 3. **Prior Years Reclassification**

As at April 30, 2007 and 2008, the Company incorrectly recorded the fuel inventory as expenses capitalized at the mining properties.

Adjustments have been made with retroactive effect, and accordingly the comparative figures have been restated. The impact of these changes on the April 30, 2008 balance sheet are the increase of inventory of \$1,964,700 and the decrease of mining properties of \$1,964,700.

The Company is unable to evaluate the inventory as at April 30, 2007 even though it has recognized the existence assertion at this date.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

**Note 4. Accounts Receivable**

The followings are included in accounts receivable

	<b>April 30,</b>	
	<b>2009</b>	<b>2008</b>
GST receivable	\$ 54,602	\$ 54,061
QST receivable	40,074	93,882
Quebec Mining Duties credit receivable (Note 8(i))	1,315,218	1,991,365
Quebec Corporate Tax credit receivable (Note 8(i))	32,628	6,901,261
Receivable from related parties (Note 11)	134,459	12,493
Receivable from joint venture partner (Note 8(i))	4,320,888	-
<b>Total</b>	<b>\$ 5,897,869</b>	<b>\$ 9,053,062</b>

**Note 5. Marketable Securities**

As April 30, 2009, the Company had available for sale securities as follows:

	<b>April 30, 2009</b>			<b>April 30, 2008</b>		
	<b># of shares</b>	<b>Cost</b>	<b>Market value</b>	<b># of shares</b>	<b>Cost</b>	<b>Market value</b>
<b><u>Common Shares</u></b>						
Resolve Ventures Inc. (Note 11)	15,000	\$33,000	\$3,000	1,060,000	\$233,200	\$106,000
Masuparia Gold Corp. (Note 11)	-	-	-	566,300	154,833	113,260
Other marketable securities	4,750,000	1,272,037	1,045,000			
		<b>\$1,305,037</b>	<b>\$1,048,000</b>		<b>\$388,033</b>	<b>\$219,206</b>

**Note 6. Inventory**

	<b>2009</b>	<b>2008</b> <i>(Restated)</i>
Fuel inventory	<b><u>\$1,553,133</u></b>	<b><u>\$1,964,700</u></b>

**Note 7. Property and Equipment**

<b>April 30, 2009</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Net</b>
Office equipment	\$ 35,153	\$ 13,971	\$ 21,182
Computer equipment	84,519	47,377	37,142
<b>Total</b>	<b>\$ 119,672</b>	<b>\$ 61,348</b>	<b>\$ 58,324</b>
<b>April 30, 2008</b>			
Office equipment	\$ 18,673	\$ 10,734	\$ 7,939
Computer equipment	67,053	35,203	31,850
<b>Total</b>	<b>\$ 85,726</b>	<b>\$ 45,937</b>	<b>\$ 39,789</b>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 8. **Mineral Properties**

	Balance, April 30, 2008 <i>(Restated)</i>	Increased (recovered) in the year ended April 30, 2009	Balance, April 30, 2009
<b>(a) Onaman River</b>			
Acquisition costs	\$ -	\$ -	\$ -
Deferred exploration costs			
- Claims maintenance & staking	4,736	4,362	<b>9,098</b>
Total deferred exploration costs	4,736	4,362	<b>9,098</b>
<b>Total Onaman River</b>	<b>4,736</b>	<b>4,362</b>	<b>9,098</b>
<b>(b) Belanger</b>			
)			
Acquisition costs			
- Cash	121,200	-	<b>121,200</b>
- Shares	620,772	-	<b>620,772</b>
Total acquisition costs	741,972	-	<b>741,972</b>
Deferred exploration costs			
- Assays	214,274	14,384	<b>228,658</b>
- Claims maintenance & staking	144,446	-	<b>144,446</b>
- Consultants	307,282	(17,905)	<b>289,377</b>
- Drilling	3,008,223	-	<b>3,008,223</b>
- Equipment and rental	235,468	-	<b>235,468</b>
- Field work & mobilization	9,708,038	76,051	<b>9,784,089</b>
- Geophysical survey	2,586,660	(8,079)	<b>2,578,581</b>
- Legal	54,100	-	<b>54,100</b>
- Field office and general	27,883	-	<b>27,883</b>
- Reports & maps	97,923	-	<b>97,923</b>
- Site visits	13,023	-	<b>13,023</b>
- Fuel and fuel storage	(328,678)	-	<b>(328,678)</b>
- Salaries and wages	484,685	-	<b>484,685</b>
Total deferred exploration costs	16,553,327	64,451	<b>16,617,778</b>
Mineral exploration credits	(6,700,767)	(517,192)	<b>(7,217,959)</b>
<b>Total Belanger</b>	<b>\$ 10,594,532</b>	<b>(452,741)</b>	<b>\$ 10,141,791</b>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 8. **Mineral Properties (cont'd)**

	Balance, April 30, 2008 <i>(Restated)</i>	Increased (recovered) in the year ended April 30, 2009	Balance, April 30, 2009
(c) <b>Nuvilik</b>			
Acquisition costs			
- Cash	\$ 67,033	\$ -	\$ 67,033
- Shares	445,848	-	445,848
Total acquisition costs	512,881	-	512,881
Deferred exploration costs			
- Assays & sampling	8,299	-	8,299
- Claims maintenance & staking	164,958	-	164,958
- Consultants	98,859	-	98,859
- Drilling	37,141	-	37,141
- Equipment & rental	7,593	-	7,593
- Field work & mobilization	299,723	-	299,723
- Geophysical survey	568,992	-	568,992
- Legal	16,606	-	16,606
- Field office & general	28,541	-	28,541
- Reports & maps	8,227	-	8,227
- Site visits	8,253	-	8,253
- Fuel & fuel storage	37,687	-	37,687
- Salaries & wages	43,501	-	43,501
Total deferred exploration costs	1,328,380	-	1,328,380
Mineral exploration credits	(484,232)	-	(484,232)
<b>Total Nuvilik</b>	1,357,029	-	1,357,029
(d) <b>Ungava</b>			
) Acquisition costs			
- Cash	134,828	-	134,828
- Shares	323,736	-	323,736
Total acquisition costs	458,564	-	458,564
Deferred exploration costs			
- Assays	38,305	-	38,305
- Claims maintenance & staking	494,731	-	494,731
- Consultants	234,665	(5,675)	228,990
- Drilling	330,479	-	330,479
- Equipment & rental	44,428	-	44,428
- Fees & licenses	2,096	-	2,096
- Field work & mobilization	2,211,962	-	2,211,962
- Geophysical survey	954,785	-	954,785
- Office & general	36,987	-	36,987
- Recoveries	(55,245)	-	(55,245)
- Reports, maps, & general	28,327	-	28,327
- Site visits	12,384	-	12,384
- Fuel & fuel storage	135,308	-	135,308
- Salaries & wages	164,871	-	164,871
Total deferred exploration costs	4,634,083	(5,675)	4,628,408
Mineral exploration credits	(1,703,385)	-	(1,703,385)
<b>Total Ungava</b>	\$ 3,389,262	(5,675)	\$ 3,383,587

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 8. **Mineral Properties (cont'd)**

	Balance, April 30, 2008 <i>(Restated)</i>	Increased (recovered) in the year ended April 30, 2009	Balance, April 30, 2009
<b>(e) Wakeham</b>			
Acquisition costs			
- Cash	\$ 26,730	\$ -	\$ 26,730
- Shares	1,797,104	-	1,797,104
<b>Total acquisition costs</b>	<b>1,823,834</b>	<b>-</b>	<b>1,823,834</b>
Deferred exploration costs			
- Assays	35,284	165	35,449
- Claims maintenance & staking	220,796	-	220,796
- Consultants	217,215	(205)	217,010
- Drilling	491,419	-	491,419
- Equipment & rental	79,985	-	79,985
- Field work & mobilization	2,157,108	872	2,157,980
- Geophysical survey	842,577	(92)	842,485
- Field office & general	45,922	-	45,922
- Recoveries	(1,885)	-	(1,885)
- Reports & maps	20,207	-	20,207
- Site visits	8,336	-	8,336
- Fuel & fuel storage	141,811	-	141,811
- Salaries & wages	153,425	-	153,425
<b>Total deferred exploration costs</b>	<b>4,412,200</b>	<b>740</b>	<b>4,412,940</b>
Mineral exploration credits	(1,654,187)	(5,928)	(1,660,115)
<b>Total Wakeham</b>	<b>\$ 4,581,847</b>	<b>(5,188)</b>	<b>\$ 4,576,659</b>
<b>(f) Masuparia</b>			
Acquisition costs			
- Shares	1,792,040	-	1,792,040
<b>Total acquisition costs</b>	<b>1,792,040</b>	<b>-</b>	<b>1,792,040</b>
Deferred exploration costs			
- Assays	17,479	-	17,479
- Claims maintenance & staking	175,480	-	175,480
- Consultants	123,873	-	123,873
- Drilling	75,252	-	75,252
- Equipment & rental	15,384	-	15,384
- Field work & mobilization	647,430	-	647,430
- Geophysical survey	458,702	-	458,702
- Field office & general	28,685	-	28,685
- Recoveries	(969)	-	(969)
- Reports & maps	13,042	-	13,042
- Site visits	4,000	-	4,000
- Fuel & fuel storage	92,434	-	92,434
- Salaries & wages	88,138	-	88,138
<b>Total deferred exploration costs</b>	<b>1,738,930</b>	<b>-</b>	<b>1,738,930</b>
Mineral exploration credits	(647,712)	-	(647,712)
<b>Total Masuparia</b>	<b>\$ 2,883,258</b>	<b>-</b>	<b>\$ 2,883,258</b>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 8. **Mineral Properties (cont'd)**

	Balance, April 30, 2008 <i>(Restated)</i>	Increased (recovery) in the year ended April 30, 2009	Balance, April 30, 2009
<b>(g) Bravo</b>			
Acquisition costs			
- Cash	\$ 6,000,000	-	\$ 6,000,000
- 5,000,000 shares @ \$0.33, 2,000,000 shares @ \$0.35, and 4,000,000 share purchase warrants @ \$0.35	2,350,000	-	2,350,000
<b>Total acquisition costs</b>	<b>8,350,000</b>	<b>-</b>	<b>8,350,000</b>
Deferred exploration costs			
- Assays	79,472	5,554	85,026
- Claims & maintenance	128,015	20,000	148,015
- Consultants	84,852	(6,914)	77,938
- Drilling	890,785	-	890,785
- Equipment & rental	42,225	-	42,225
- Field work & mobilization	3,043,079	29,368	3,072,447
- Geophysical survey	806,828	(3,120)	803,708
- Reports & maps	31,305	-	31,305
- Fuel & fuel storage	(131,631)	-	(131,631)
- Salaries & wages	183,322	-	183,322
Deferred exploration costs	5,158,252	44,888	5,203,140
Mineral exploration credits	(2,079,417)	(199,721)	(2,279,138)
<b>Total Bravo</b>	<b>\$ 11,428,835</b>	<b>(154,833)</b>	<b>\$ 11,274,002</b>
<b>(h) Raglan Joint Venture Project</b>			
Deferred exploration costs			
- Claims and government fees	-	1,402,351	1,402,351
- Camp management and logistics	-	1,938,752	1,938,752
- Contractor support services	-	13,373	13,373
- Drilling	-	1,815,344	1,815,344
- Equipment, supplies, and consumable	-	43,219	43,219
- Fuel and fuel storage	-	1,076,790	1,076,790
- General administration	-	52,906	52,906
- General transport and shipping	-	15,693	15,693
- Geochemistry and research analysis	-	256,899	256,899
- Geophysics and remote sensing	-	4,440,907	4,440,907
- Permitting and community relations	-	91,756	91,756
- Professional services	-	515,128	515,128
- Project air support	-	1,905	1,905
- Project travel	-	97,993	97,993
- Salaries & benefits	-	976,883	976,883
Deferred exploration costs	-	12,739,899	12,739,899
<b>Total Raglan Joint Venture Project</b>	<b>-</b>	<b>12,739,899</b>	<b>12,739,899</b>
<b>Payment from joint venture partner</b>	<b>-</b>	<b>(12,739,899)</b>	<b>(12,739,899)</b>
<b>Total Mineral Properties</b>	<b>34,239,499</b>	<b>(614,075)</b>	<b>33,625,424</b>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 8. **Mineral Properties (cont'd)**

(a) **Onaman River Property**

For the year ended April 30, 2002, these mining leases and patents claims were carried at a nominal value of \$1.00 and represented a 80% interest in the Onaman River Property, Onaman Lake Township, Ontario, subject to 30% net profits royalties on one group and a 10% net profits royalties on the balance of leased claims. The Company wrote-off the nominal value of \$1.00 in the year ended April 30, 2003. Fifteen leases had expired in 2006 and ten more leases in 2007. The Company is working in conjunction with a third party and the Ontario government to return these leases and patents to be in good standing. There are seven patents and eight lease claims which are in good standing. During the year ended April 30, 2009, the Company paid claim renewal fees to Ontario government to keep the lease claims in good standing.

**(b) – (h) Raglan Area Properties – District of Northern Quebec**

The Company is holding six property blocks in Raglan area as follows:

	Claims	Acres
Belanger	1,056	107,400
Nuvulik	1,402	142,433
Masuparia	983	99,677
Wakeham	1,817	182,835
Ungava	1,801	181,310
Bravo	1,799	177,674

The Company holds 100% interest in all these claims except for the claims located within the Bravo block.

Belanger block is located in the west region of Raglan exploration area. These claims are within 60km southwest of Raglan Mine.

Nuvulik block is north to Belanger block, about 40km due west of the Raglan Mine.

Masuparia block is less than 10 km due south of Raglan Mine.

Wakeham block is in the east region of Raglan exploration area. These claims are 20km of the Raglan Mine.

Ungava block is located south of the Wakeham block. These claims are within 30 km of the Raglan Mine.

Bravo block is the newly acquired property conveniently located between Masuparia, Nuvulik, and Belanger block.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 8. **Mineral Properties (cont'd)**

**(b) – (h) Raglan Area Properties – District of Northern Quebec (cont'd)**

On June 20, 2007, the Company had closed its acquisition from Novawest Resources Inc. (“Novawest”) of all of Novawest’s interest in its properties in the Raglan belt and associated assets (the “Property”). As consideration for the sale of the Property, the Company has (i) paid to Novawest \$4 million by cash; (ii) issued to Novawest 5,000,000 shares; and (iii) issued 2,000,000 common share purchase warrants with each warrant entitling Novawest to purchase one common share of the Company at \$0.35 per share for a period of five years from the closing date.

The Company also agreed to complete a \$2 million exploration program on the Property during 2007 and has granted a 1% net smelter royalty on the Property to Novawest, with the exception of any portion of Property that carries any royalty to any other person. One half of the royalty may be purchased by the Company at any time for \$1 million.

On August 17, 2007, the Company announced that it had closed its acquisition from Cascadia International Resources Inc. (“Cascadia”) of all of Cascadia’s interest in its properties in the Raglan belt and associated assets (the “Property”). As consideration for the sale of the Property, the Company had (i) paid to Cascadia \$2 million; (ii) issued to Cascadia two million shares; (iii) issued two million common share purchase warrants, each warrant entitling Cascadia to purchase one common share of the Company at \$0.35 per share until August 16, 2012; and (iv) granted a 0.5% net smelter royalty on the Property to Cascadia, with the exception of any portion of the Property that carries any royalty to any other person, other than Novawest Resources Inc.

On August 29, 2008, the Company announced that it had entered into a definitive option and joint venture agreement (the “Agreement”) with Jilin Jien Nickel Industry Co. Ltd. of Panshi, Jilin China (“Jien”) for the exploration and development of the Company’s Raglan District Properties (the “Property”) comprising some 891,000 acres in northern Quebec. Pursuant to the Agreement:

- Jien may earn a 50% interest in the Property by providing funding of \$45 million over three years for exploration on the property (plus any funds rebated by the government for expenditures during the first two years), with a minimum expenditure in the first year of \$12.5 million, a minimum of \$15 million in the second year plus any rebates for expenditures in the first year and a minimum expenditure in the third year of \$17.5 million plus any rebates for expenditures in the second year.
- Upon Jien acquiring a 50% interest, any government rebate from exploration expenditures in the third year will be applied to a fourth year work program and other costs will be funded 50% by Jien and 50% by the Company.
- Jien may earn an additional 10% interest by funding and completing a pre-feasibility study.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 8. **Mineral Properties (cont'd)**

**(b) – (h) Raglan Area Properties – District of Northern Quebec (cont'd)**

- Jien may earn an additional 10% interest by funding and completing a bankable feasibility study.
- Jien may earn an additional 5% interest by providing the Company its share of financing for development on commercial terms in which case the Company will repay its share of the debt from a portion of the net cash flow from production.

As at April 30, 2009, Jien has provided funding of \$21.4 million to the Company, \$12.5 million of which was for the expenditures of the first year, and \$8.9 million of which is part of the funding for the second year.

The Company has retained PI Financial Corp. (“PI”) as its financial advisor in connection with the Jien transaction and, as consideration for such services, has paid \$100,000 to PI. 6,974,999 common shares of the Company have been issued and a \$505,000 finder’s fee has been paid to a third party in connection with the Agreement and in accordance with the policies of the TSX Venture Exchange.

In July 2008, the Company’s commenced its 2008 nickel-copper PGE sulphide exploration program in the Raglan Belt, northern Quebec.

**(i) Mineral Exploration Credits**

As a result of the Company incurring exploration expenditures on its Quebec mineral properties, the Company has an accumulated Quebec corporate tax credits and Quebec mining duties credits of \$14,272,532; of which, \$6,901,261 Quebec corporate tax credits were received in November 2008 and \$402,360 Quebec mining duties credits were received in March 2009. \$1,315,218 Quebec mining duties credits and \$32,628 Quebec corporate tax credits have not been received as at April 30, 2009 and have been included in accounts receivable (Note 4). Also include in accounts receivable (Note 4) are \$4,320,888 Quebec corporate tax credits and Quebec mining duties credits that will be claimed by Jien (Note 8(b)-(h)) and will be used in next year’s Raglan project exploration.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 9. **Capital Stock**

(a) **Authorized: unlimited common shares and unlimited preference shares**

(b) **Issued and outstanding:**

	For the year ended April 30, 2009		For the year ended April 30, 2008	
	Number of Common Shares	\$	Number of Common Shares	\$
<b>Balance, April 30, 2008 and 2007</b>	<b>148,289,700</b>	<b>\$ 41,081,214</b>	80,236,843	\$ 25,728,559
<u>Common shares issued for cash</u>				
- Private Placement @ \$0.125	21,887,000	2,735,875		
- Private Placement @ \$0.35			19,513,034	6,829,562
- Private Placement @ \$0.40			15,000,000	6,000,000
- Private Placement @ \$0.43			4,162,790	1,790,000
- Private Placement @ \$0.35			12,551,357	4,392,975
- Private Placement @ \$0.43			6,080,000	2,614,400
- Commissions & legal fees		(11,875)		(1,628,084)
- Commissions taken in shares	1,020,000		768,176	-
- Warrants exercised @ \$0.30			1,689,500	506,850
- Options exercised @ \$0.23			160,000	36,800
- Options exercised @ \$0.225			460,000	103,500
- Options exercised @ \$0.365			254,000	92,710
- Options exercised @ \$0.36			414,000	149,040
<u>Common shares issued for property acquisition</u>				
- Novawest @ \$0.33			5,000,000	1,650,000
- Cascadia @ \$0.35			2,000,000	700,000
<u>Common shares issued as finder's fee</u>	6,974,999	-		
<u>Valuation adjustments of warrants &amp; options</u>				
Black-Scholes valuation on warrants granted		(229,070)		(8,325,773)
Reverse Black-Scholes valuation on warrants exercised				219,635
Reverse Black-Scholes valuation on options exercised				221,040
Subtotal	<b>29,881,999</b>	<b>2,494,930</b>	68,052,857	15,352,655
<b>Balance April 30, 2009 and 2008</b>	<b>178,171,699</b>	<b>\$ 43,576,144</b>	148,289,700	\$ 41,081,214

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 9. **Capital Stock (cont'd)**

**(c) Private Placement and Other Issuance of Common Shares**

On June 18, 2008, the Company closed its non-brokered private placement by issuing 21,887,000 units at a price of \$0.125 per unit for gross proceeds of \$2,735,875. Each unit consists of: (a) one common share; and (b) one common share purchase warrant. Each warrant is exercisable into one common share of the Company for a period of one year from the closing at an exercise price of \$0.25.

A finder's fee of \$11,875 and 1,020,000 units were paid in connection with a portion of the private placement. All of the securities issued pursuant to the private placement are subject to a hold period expiring four months and one day from the closing date.

During the year ended April 30, 2009, the Company issued 6,974,999 common shares to a third party as part of the finder's fee in connection with the option and joint venture agreement on Raglan area properties (Note 8(b) – 8(h)).

**(d) Shareholder Rights Plan**

On November 17, 2005, the Board of Directors of the Company proposed a shareholder right plan (the "Plan"). The Plan was approved by the shareholders of the Company at the Annual General Meeting held on December 22, 2005.

Under the Plan, the Company has issued one right for no consideration in respect of each outstanding common share of the Company to all holders of record on November 17, 2005. All common shares issued by the Company during the term of the Plan will have one right represented by the certificates representing the common shares of the Company. The term of the Plan is three years, subject to re-approval by the shareholders of the Company at their 2008 Annual Meeting. At the recent Annual General Meeting held on November 18, 2008, the Plan was ratified and extended.

The Plan is intended to provide the Board of Directors with adequate time to consider value enhancing alternatives to a take-over bid and allow competing bids to emerge, and to provide the shareholders of the Company adequate time to properly assess a take-over bid without undue pressure. The Plan is also intended to ensure that the shareholders of the Company are provided equal treatment under a takeover bid. The Company is not currently aware of any pending or threatened take-over bid for the Company.

The Rights issued under the Plan become exercisable only if a person acquires 20% or more of the common shares of the Company without complying with the "permitted bid" provisions in the Plan or without the approval of the Board of Directors of the Company. Should such an acquisition occur, rights holders (other than the acquiring person or related persons) can purchase common shares of the Company at half the prevailing market price (as defined in the Plan) at the time the Rights become exercisable. Each Right, upon exercise, would permit the purchase of shares of the Company at a substantial discount to the market price.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 9. **Capital Stock (cont'd)**

**(d) Shareholder Rights Plan (cont'd)**

“Permitted bids” under the Plan must be made to all shareholders for all shares of the Company, and must be open for acceptance for a minimum of 60 days. If at least 50% of the outstanding shares have been tendered and not withdrawn after 60 days, if at least 50% of the outstanding shares have been tendered and not withdrawn after 60 days, the bidder may take up the shares, but must make a public announcement of that take-up and extend the bid for a further 10 days to allow other shareholders to tender to the bid.

**(e) Stock Options – Common Shares**

The Company, in accordance with a Stock Option Plan approved by shareholders and accepted by the TSX Venture Exchange, is authorized to grant options to directors, officers and employees to acquire up to 10% of issued and outstanding common stock. The exercise price of each option equals the market price of the Company’s stock on the date of grant.

On July 18, 2008, the Company announced that pursuant to the company’s stock option plan, an aggregate of 5,000,000 incentive stock options had been granted to certain directors, officers, employees and consultants. The options have an exercise price of \$0.125 with a five year term.

During the year ended April 30, 2009, 1,090,000 stock options were cancelled and 982,000 stock options expired.

A summary of the Company’s outstanding stock options as of April 30, 2009 and the changes during the period are presented below:

	<u>Number of Shares Under Stock Options</u>	<u>Weighted Average Exercise Price Per Share</u>
<b>Balance Outstanding, April 30, 2008</b>	12,851,000	\$ 0.259
Granted	5,000,000	0.125
Expired	(982,000)	0.225
Cancelled	(350,000)	0.365
Cancelled	(640,000)	0.360
Cancelled	(100,000)	0.210
<b>Balance Outstanding, April 30, 2009</b>	<u><u>15,779,000</u></u>	

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 9. **Capital Stock (cont'd)**

(e) **Stock Options – Common Shares (cont'd)**

Incentive stock options outstanding at April 30, 2009 to directors, officers and employees are as follows:

Number of options Outstanding and exercisable	Expiry date	Exercise price
913,000	June 17, 2009	\$ 0.225
525,000	September 1, 2009	\$ 0.225
500,000	November 1, 2009	\$ 0.260
328,000	February 22, 2010	\$ 0.225
350,000	January 10, 2011	\$ 0.225
670,000	March 3, 2011	\$ 0.230
2,693,000	June 27, 2012	\$ 0.360
4,800,000	January 13, 2013	\$ 0.210
5,000,000	July 17, 2013	\$ 0.125
<hr/> 15,779,000 <hr/>		

The fair value of the 5,000,000 stock options granted on July 18, 2008 are estimated on the date of grant using a Black-Scholes option pricing model with the following weighted average assumptions:

Dividend Yield	Nil
Expected volatility	103%
Risk free rate of return	5.5%
Expected life of options	5 years

The weighted average fair value of the 5,000,000 options granted on July 18, 2008 was \$0.08 per option granted. Those stock options resulted in a stock-based compensation of \$400,000 which is expensed during the year ended April 30, 2009.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

**Note 9. Capital Stock (cont'd)**

**(f) Share Purchase Warrants – Common Shares**

	<u>Warrants</u>	<u>Expiry Date</u>	<u>Exercise Price</u>
	8,372,300	Oct. 27, 2010	\$0.30
	9,196,613	Oct. 4, 2009	\$0.45
	9,196,612	Oct. 4, 2009	\$1.00
	1,770,000	Oct. 4, 2008	\$0.45
	17,552,517	June 7, 2010	\$0.50
	17,552,517	June 7, 2010	\$1.00
	3,451,303	June 7, 2009	\$0.50
	2,081,395	September 4, 2010	\$0.50
	35,800	September 6, 2010	\$0.50
	35,800	September 6, 2010	\$1.00
	416,279	September 6, 2009	\$0.50
	6,275,679	September 27, 2010	\$0.50
	6,275,678	September 27, 2010	\$1.00
	1,255,135	September 27, 2009	\$0.50
	2,715,000	October 21, 2010	\$0.50
	660,288	November 18, 2009	\$0.50
	325,000	November 18, 2010	\$0.50
	2,000,000	June 19, 2012	\$0.35
	2,000,000	August 16, 2012	\$0.35
<b>Balance Outstanding, April 30, 2008</b>	91,167,916		
Issued	22,907,000	June 17, 2009	\$0.25
Expired	(1,770,000)		\$0.45
<b>Balance Outstanding, April 30, 2009</b>	<b>112,304,916</b>		

**(g) Share Reserved – Common Shares**

	<u>Number of shares</u>	
	<u>April 30,</u>	
	<u>2009</u>	<u>2008</u>
Stock options	15,779,000	12,851,000
Share Purchase Warrants	112,304,916	91,167,916
Total	<u>128,083,916</u>	<u>104,018,916</u>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

**Note 10. Accumulated Other Comprehensive Loss**

Pursuant to the new financial instrument standards (CICA Section 3855 and Section 1530), the Company classifies its marketable securities as “available for sale” and records the marketable securities at their fair values (Note 5). The change of unrealized gain or loss of the marketable securities is recorded as unrealized gain or loss. An adjustment in the amount of \$6,973 to the opening accumulated other comprehensive income was made at May 1, 2007 to bring the opening value of marketable securities from lower of cost and market to market value. The accumulated other comprehensive loss during the years ended April 30, 2009 and 2008 includes:

	<b>2009</b>	<b>2008</b>
Balance, beginning of year	<b>\$ (168,772)</b>	-
Modification to accounting principles related to investments available for sale (Note 2(d)(i))	-	\$ 6,973
Reverse loss realized from selling of marketable securities	<b>150,772</b>	-
Unrealized loss from marketable securities	<b>(239,037)</b>	<b>(175,745)</b>
Balance, end of year	<b>\$ (257,037)</b>	<b>\$ (168,772)</b>

**Note 11. Related Party Transactions**

The Company retains the services of certain directors and officers of the Company, or by companies controlled by directors, officers, and related parties. Fees are paid for these services on a month-by-month basis without formal agreements.

There is no amount due to related parties included in accounts payable and accrued liabilities at April 30, 2009 (April 30, 2008 - \$Nil).

During the year ended April 30, 2009 and 2008, the Company was charged the following amounts by directors and officers, and their immediate family of the Company or by companies controlled by directors, officers, and related parties:

	<b>Year ended April 30,</b>	
	<b>2009</b>	<b>2008</b>
Consulting fees		
- Financial	\$ 32,500	\$ 30,000
- Marketing	58,000	51,950
- Shareholders' communication	66,500	63,750
Equipment rental	90,617	59,757
Management fees	316,000	221,000
Professional fees	86,425	45,600
Rent	180,216	80,534
Salaries	122,400	129,890
Website fees	37,000	32,175
Deferred exploration costs	122,400	172,880
Total	<b>\$ 1,112,058</b>	<b>\$ 887,536</b>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

**Note 11. Related Party Transactions (cont'd)**

During the year ended April 30, 2009, the Company disposed 910,000 common shares of Resolve Ventures Inc., a company with common directors and management (Note 5). The Company also disposed 566,300 common shares of Masuparia Gold Corp., a company with common directors and management (Note 5) during the current year.

As at April 30, 2009, accounts receivable include miscellaneous expenses paid on behalf of Masuparia Gold Corp. in the amount of \$12,493 (2008: \$12,493). Accounts receivable also include exploration expenditures of \$121,966 incurred on behalf of Resolve Ventures Inc.

All transactions with related parties were concluded in the normal course of operation at the exchange amount which is the amount established and accepted by the parties.

**Note 12. Income Taxes**

The Company presently has no taxable income. The benefit of a potential reduction in future income taxes has not been recorded as a future income tax assets at April 30, 2009, as it is reduced by a valuation allowance, due to uncertainty of utilization of the losses. The losses may be claimed up to the end of the following fiscal years ending April 30:

2010	615,657
2014	892,606
2015	1,589,874
2026	1,223,581
2027	1,263,900
2028	2,718,893
2029	2,839,742
	<u>\$ 11,144,253</u>

The income tax effect of temporary differences comprising the deferred tax assets and deferred tax liabilities on the balance sheets is a result of the following:

	2009	2008
Share issue expenses	\$ 451,662	\$ 647,759
Mineral properties	(4,357,644)	(2,847,000)
Property and equipment	(2,502)	4
Non capital losses carried forward	3,443,574	2,657,867
Valuation allowance	464,910	(458,630)
Net future tax assets	<u>\$ -</u>	<u>\$ -</u>

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 12. **Income Taxes (cont'd)**

The provision for income taxes presented in the financial statements is different from what would have resulted from applying the combined federal and provincial tax rate of 30.90% for 2009 and 2008 as a result of the following:

	<b>Year ended April 30,</b>	
	<b>2009</b>	<b>2008</b>
Loss before income taxes	<b>(\$3,166,179)</b>	\$ (3,920,688)
Combined federal and provincial income taxes	( <b>\$978,349</b> )	(1,250,699)
Amortization of property and equipment	<b>(2,505)</b>	(1,907)
Stock option based compensation	<b>123,600</b>	492,833
Shares issue expenses	<b>(156,163)</b>	(160,251)
Loss on disposal of investment	<b>62,075</b>	-
Non taxable portion of gain from sales of investments	-	(1,140)
Unrealized loss from marketable securities	<b>73,862</b>	56,063
Re-evaluation of marketable securities at May 1, 2007	-	(2,224)
Valuation allowance	<b>877,480</b>	867,325
Effective income taxes	<b>\$ -</b>	\$ -

The unamortized balance for tax purposes of share issue expenses amounting to approximately \$1,461,690 is deductible over the next four years.

The federal and provincial deferred exploration expenditures of \$19,523,017 are available to reduce future years' taxable income; these expenditures carry forward indefinitely.

The Company has financed their operations in part through the insurance of the flow-through shares.

During the year ended April 30, 2008, the Company issued flow-through common shares for total consideration of \$10,404,400; these funds were committed for Canadian exploration expenditures and tax benefits were renounced and transfers to the investors during the year ended April 30, 2008. No flow-through common shares were issued during the year ended April 30, 2009.

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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Note 13. **Loss per Common Share**

	<b>Year ended April 30, 2009</b>	
	<b>Weighted Average Common Shares Outstanding</b>	<b>Loss Per Common Share</b>
Basic	170,382,617	<u>\$0.017</u>
Effect of stock options	15,330,364	
Effect of stock purchase warrants	110,048,982	
Diluted	295,761,963	<u>\$0.017</u>
Anti Dilutive	170,382,617	

The diluted loss per common share does not increase above the basic loss per common share, due to anti-dilutive factors.

Note 14. **Contributed Surplus**

Stock Based Compensation

	<b>Year ended April 30,</b>	
	<u><b>2009</b></u>	<u><b>2008</b></u>
Balance, Beginning of the year	\$ 3,211,371	\$ 1,887,481
Reverse fair value of exercised options	-	(221,040)
Stock-based compensation	400,000	1,544,930
Balance, End of the year	\$ 3,611,371	\$ 3,211,371

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

Note 15. **General and Administrative Expenses**

	Year ended April 30,	
	2009	2008
<u>Consulting fees</u>		
Financial	\$ 197,787	\$ 134,507
Shareholders' communication	77,975	67,250
Corporate administration	216,800	143,100
Marketing	97,592	100,200
	\$ 590,154	\$ 445,057

	Year ended April 30,	
	2009	2008
<u>Office and general expenses</u>		
Bank charges	\$ 10,483	\$ 82,110
Insurance	17,278	-
Services	29,626	20,425
Supplies	15,040	17,929
Postage and couriers	5,052	5,801
Rent and telephone	240,598	115,398
Equipment rental	90,617	59,757
Travel	10,713	132
Other	22,356	4,632
	\$ 441,763	\$ 306,184

	Year ended April 30,	
	2009	2008
<u>Professional fees</u>		
Accounting and audit fees	\$ 159,361	\$ 117,913
Legal fees	200,455	230,515
	\$ 359,816	\$ 348,428

	Year ended April 30,	
	2009	2008
<u>Shareholder communication, travel and promotion</u>		
Advertising & promotion	\$ 12,982	\$ 10,280
Shareholders' communications	2,500	2,613
Conferences & shows	60,466	137,234
Mail-out a& couriers	11,150	19,718
Press releases	16,894	5,407
Printing	18,106	36,486
Telephone, internet, website	146,868	112,666
Travel & entertainment	222,468	127,879
Other	1,644	2,691
	\$ 493,078	\$ 454,974

**GOLDBROOK VENTURES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**April 30, 2009 and 2008**

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**Note 16. Other Income**

During the current year, the Company also recognized \$33,815 other income as a result of administrating the Raglan 2008 exploration project on behalf of Resolve Ventures Inc., a company with common directors and management.

**Note 17. Subsequent Events**

On June 7, 2009, 3,451,303 agents' share purchase warrants at price of \$0.50 per share were expired.

On June 17, 2009, 22,907,000 share purchase warrants at price of \$0.25 per share were expired.

On June 17, 2009, 913,000 incentive stock options at price of \$0.225 per share were expired.

On August 7, 2009, the Company announced that it had entered into a shareholder, joint bid and operating agreement with Jilin Jien Nickel Industry Co. Ltd. (Jilin Jien), and its wholly-owned subsidiary Jien International Investment Ltd. (JJ Holdco), to make an all-cash take-over bid for Canadian Royalties Inc. to acquire all of its outstanding common shares at a price of Cdn\$0.60 in cash per share and all of the outstanding 7% convertible senior unsecured debentures due March 31, 2015 at a price of Cdn\$600 per Cdn\$1,000 principal amount of debentures, plus accrued and unpaid interest up to, but excluding, the date the debentures are taken up under the take-over bid. Total cash consideration of approximately Cdn\$148.5 million will be offered (including accrued interest on the debentures). The offer is subject to customary conditions including that a minimum of 66.66% of the outstanding shares on a fully diluted basis and 66.66% of the outstanding aggregate principal amount of debentures are tendered to the offer, receipt of all required regulatory approvals.

The offer for the shares and the debentures are being made by Jien Canada Mining Ltd., a company jointly owned by the Company (25%) and JJ Holdco (75%). Jien Canada Mining Ltd. will be responsible subsequently for managing its operations. A representative of Jilin Jien and a representative of the Company have been appointed as managers of the offers and they are responsible for all matters relating to the offers, subject to unanimous approvals of the board of directors. The Directors shall be responsible for the management, direction and control of the operations. Their number shall initially be five and shall be comprised of three nominees of JJ Holdco and two nominees of the Company.

Jilien Jien has deposited an initial contribution which JJ Holdco will use to finance the offers and the related expenses. Thereafter, JJ Holdco is responsible for providing 100% of the funding for the operations.

The Company has agreed to pay success fees to a financial agent upon the successful completion of the offers and any subsequent acquisition transaction to acquire 100% of the shares and debentures.

JJ Holdco is responsible for providing 100% of the funding required for the offeror's operations; however, JJ Holdco may arrange for the offeror to obtain such funding amounts directly from third party lenders.