

GOLDBROOK VENTURES INC.
INTERIM FINANCIAL STATEMENTS

October 31, 2009

(Unaudited)

NOTICE TO READER

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UNAUDITED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statement for the period ended October 31, 2009.

NOTICE TO READER

The interim balance sheet as at October 31, 2009 and the interim statements of loss and deficit, and the interim statements of cash flows for the six-month period then ended are the responsibility of the Company's management.

These financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, Villeneuve & Venne S.E.N.C..

The interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with Canadian Generally Accepted Accounting Principles.

/s/ David Baker

David Baker, Director
December 23, 2009

/s/ Earl Terris

Earl Terris, Director
December 23, 2009

**GOLDBROOK VENTURES INC.
INTERIM BALANCE SHEET**

	<u>October 31, 2009</u>	<u>April 30, 2009</u> <i>(Audited)</i>
ASSETS		
Current Assets		
Cash	\$ 6,149,227	\$ 5,204,353
Cash for exploration	59,853	6,029,701
Accounts receivable (Note 4)	5,017,265	5,897,869
Prepaid expenses	60,263	53,595
Inventory (Note 3 and 6)	1,148,664	1,553,133
Total Current Assets	<u>12,435,272</u>	<u>18,738,651</u>
Marketable Securities (Note 5)	<u>3,234,050</u>	<u>1,048,000</u>
Deposits on Mineral Properties	<u>1,232,500</u>	<u>-</u>
Mineral Properties (Note 3 and 8)	<u>33,625,958</u>	<u>33,625,424</u>
Property and Equipment, net (Note 7)	<u>51,513</u>	<u>58,324</u>
TOTAL ASSETS	<u>\$ 50,579,293</u>	<u>\$ 53,470,399</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 2,118,822	\$ 99,098
Deferred exploration contribution	\$ 6,727,014	\$ 12,980,989
	<u>8,845,836</u>	<u>13,080,087</u>
Shareholders' Equity		
Authorized: unlimited common shares and unlimited preferred shares		
Issued – 179,680,140 common shares		
(April 30, 2009 – 178,171,699 common shares) (Note 9(b))	43,618,144	43,576,144
Common shares subscribed not issued	-	-
Common share purchase warrants outstanding (Note 9(f))	10,761,069	10,761,069
Contributed surplus (Note 13)	3,611,371	3,611,371
Accumulated other comprehensive income (loss) (Note 10)	1,929,013	(257,037)
	<u>59,519,597</u>	<u>57,691,547</u>
Deficit, accumulated during the development stage	<u>(18,186,140)</u>	<u>(17,301,235)</u>
Total Shareholders' Equity	<u>41,733,457</u>	<u>40,390,312</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 50,579,293</u>	<u>\$ 53,470,399</u>

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.
INTERIM STATEMENT OF LOSS AND COMPREHENSIVE INCOME AND LOSS

	3 Months 31-Oct-09	3 Months 31-Oct-08	6 Months 31-Oct-09	6 Months 31-Oct-08
	-	-	-	-
GENERAL & ADMINISTRATIVE EXPENSES				
Depreciation on property and equipment	\$ 3,845	\$ 3,282	\$ 7,690	\$ 6,564
Consulting fees (Note 14)	129,150	108,300	216,300	206,662
Management fees	75,000	67,500	142,500	127,000
Office and general expenses (Note 14)	126,835	76,414	238,039	168,764
Professional fees (Note 14)	87,158	82,491	12,244	140,191
Regulatory fees & services	5,615	7,652	7,996	27,537
Shareholders' communication, travel & promotion (Note 14)	104,855	141,628	125,834	202,426
Stock option compensation	-	-	-	400,000
Wages and benefits	72,304	84,603	134,302	117,827
Total General and Administration Expenses	<u>(604,762)</u>	<u>(571,870)</u>	<u>(884,905)</u>	<u>(1,396,971)</u>
LOSS BEFORE OTHER ITEMS	(604,762)	(571,870)	(884,905)	(1,396,971)
OTHER ITEMS				
Interest income	-	2,984	-	6,178
Loss from sale of investments	-	-	-	(201,616)
NET LOSS BEFORE COMPREHENSIVE LOSS	<u>(604,762)</u>	<u>(568,886)</u>	<u>(884,905)</u>	<u>(1,592,409)</u>
OTHER COMPREHENSIVE GAIN (LOSS)				
Unrealized gain (loss) from marketable securities	998,100	(4,500)	2,186,050	(9,000)
COMPREHENSIVE GAIN (LOSS) FOR THE PERIOD	<u>393,338</u>	<u>(573,386)</u>	<u>1,301,145</u>	<u>(1,601,409)</u>

The accompanying notes are an integral part of these financial statements

**GOLDBROOK VENTURES INC.
INTERIM STATEMENT OF DEFICIT**

	3 Months <u>31-Oct-09</u>	3 Months <u>31-Oct-08</u>	6 Months <u>31-Oct-09</u>	6 Months <u>31-Oct-08</u>
DEFICIT, BEGINNING OF PERIOD	\$(17,581,378)	\$(15,397,616)	\$ (17,301,235)	\$ (14,374,093)
NET LOSS FOR THE PERIOD	<u>(604,762)</u>	<u>(568,886)</u>	<u>(884,905)</u>	<u>(1,592,409)</u>
DEFICIT, END OF PERIOD	<u>\$ (18,186,140)</u>	<u>\$ (15,966,502)</u>	<u>\$ (18,186,140)</u>	<u>\$ (15,966,502)</u>
 Weighted Average Common Shares Outstanding (Note 12)				
- Basic and diluted			178,952,762	165,292,428
 LOSS PER COMMON SHARE				
- Basic			\$ (0.005)	\$ (0.010)
- Diluted			\$ (0.005)	\$ (0.010)

The accompanying notes are an integral part of these financial statements

GOLDBROOK VENTURES INC.
INTERIM STATEMENT OF CASH FLOWS

	3 Months 31-Oct-09	3 Months 31-Oct-08 <i>(Restated)</i>	6 Months 31-Oct-09	6 Months 31-Oct-08 <i>(Restated)</i>
FUNDS DERIVED FROM (Applied to)				
Operating Activities				
Comprehensive gain (loss) for period	\$ 393,338	\$(573,386)	\$1,301,145	\$(1,601,409)
Items not involving cash				
Depreciation on property and equipment	3,845	3,282	7,690	6,564
Loss from sale of investments	-	-	-	201,616
Stock-based compensation	-	-	-	400,000
Other comprehensive (gain) loss	(998,100)	4,500	(2,186,050)	9,000
	<u>(600,917)</u>	<u>(565,604)</u>	<u>(877,215)</u>	<u>(984,229)</u>
Changes in non-cash working capital balances				
(Increase) Decrease in accounts receivable	1,215,631	(310,312)	880,604	(421,933)
(Increase) Decrease in prepaid expenses	2,048	(11,217)	(6,668)	15,753
(Increase) Decrease in inventory	(1,148,664)	-	404,469	1,964,700
Increase (Decrease) in accounts payable	864,308	1,035,607	2,019,724	(986,400)
	<u>332,406</u>	<u>148,474</u>	<u>2,420,914</u>	<u>(412,109)</u>
Investing Activities				
Disposal of investments in public company shares	-	-	-	153,416
Deposits for mining camp services	1,023,515	1,828,887	(1,232,500)	(1,440,000)
Deferred acquisition & exploration costs	-	(147,963)	(534)	1,411,596
Deferred exploration contribution	(4,093,474)	-	(6,253,975)	-
Purchase of capital assets	-	-	(879)	(13,688)
	<u>(3,069,959)</u>	<u>1,680,924</u>	<u>(7,487,888)</u>	<u>111,324</u>
Financing Activities				
Common shares issued	42,000	-	42,000	2,724,000
Shares subscribed not issued	-	-	-	(673,951)
	<u>42,000</u>	<u>-</u>	<u>42,000</u>	<u>2,050,049</u>
Cash, Increase (Decrease) During Period	(2,695,553)	1,829,398	(5,024,974)	1,749,264
CASH, BEGINNING OF PERIOD	8,904,633	47,645	11,234,054	127,779
CASH, END OF PERIOD	<u>\$6,209,080</u>	<u>\$1,877,043</u>	<u>\$6,209,080</u>	<u>\$1,877,043</u>
Supplemental Cash Flow Information				
Cash paid for interest		\$ -		\$ -
Cash paid for income taxes		\$ -		\$ -

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

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 \$18,186,140, 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 INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 INTERIM FINANCIAL STATEMENTS
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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 3863, 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.

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 six months ended October 31, 2009, all of the outstanding stocks are antidilutive (see Note 12).

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 interim statement of cash flow for the period ended October 31, 2009 has been restated accordingly.

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 INTERIM FINANCIAL STATEMENTS
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Note 4. Accounts Receivable

The followings are included in accounts receivable

	October 31, 2009	April 30, 2009
GST receivable	\$ 322,541	\$ 54,602
QST receivable	213,038	40,074
Quebec Mining Duties credit receivable (Note 8(i))	6,204	1,315,218
Quebec Corporate Tax credit receivable (Note 8(i))	32,628	32,628
Receivable from related parties (Note 11)	121,966	134,459
Receivable from joint venture partner (Note 8(i))	4,320,888	4,320,888
Total	\$ 5,017,265	\$ 5,897,869

Note 5. Marketable Securities

As October 31, 2009, the Company had available for sale securities as follows:

	October 31, 2009			April 30, 2009		
	# of shares	Cost	Market value	# of shares	Cost	Market value
<u>Common Shares</u>						
Resolve Ventures Inc.	15,000	\$33,000	\$4,050	15,000	\$33,000	\$3,000
Other marketable securities	4,750,000	1,272,037	3,230,000	4,750,000	1,272,037	1,045,000
		\$1,305,037	\$3,234,050		\$1,305,037	\$1,048,000

Note 6. Inventory

	October 31, 2009	April 30, 2009
Fuel inventory	\$ 1,148,664	\$1,553,133

Note 7. Property and Equipment

	October 31, 2009		April 30, 2009	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Office equipment	\$ 35,153	\$ 16,089	\$ 35,153	\$ 13,971
Computer equipment	85,398	52,949	84,519	47,377
	\$ 120,551	\$ 65,038	\$ 119,672	\$ 61,348
				\$ 58,324

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
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Note 8. **Mineral Properties**

	Balance, April 30, 2009	Increased in the six months ended October 31, 2009	Balance, October 31, 2009
(a) Onaman River			
Acquisition costs	\$ -	\$ -	\$ -
Deferred exploration costs			
- Claims maintenance & staking	9,098	534	9,632
Total deferred exploration costs	9,098	534	9,632
Total Onaman River	9,098	534	9,632
(b) Belanger			
Acquisition costs			
- Cash	121,200	-	121,200
- Shares	620,772	-	620,772
Total acquisition costs	741,972	-	741,972
Deferred exploration costs			
- Assays	228,658	-	228,658
- Claims maintenance & staking	144,446	-	144,446
- Consultants	289,377	-	289,377
- Drilling	3,008,223	-	3,008,223
- Equipment and rental	235,468	-	235,468
- Field work & mobilization	9,784,089	-	9,784,089
- Geophysical survey	2,578,581	-	2,578,581
- Legal	54,100	-	54,100
- Field office and general	27,883	-	27,883
- Reports & maps	97,923	-	97,923
- Site visits	13,023	-	13,023
- Fuel and fuel storage	(328,678)	-	(328,678)
- Salaries and wages	484,685	-	484,685
Total deferred exploration costs	16,617,778	-	16,617,778
Mineral exploration credits	(7,217,959)	-	(7,217,959)
Total Belanger	\$ 10,141,791	-	\$ 10,141,791

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
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Note 8. **Mineral Properties (cont'd)**

	Balance, April 30, 2009	Increased in the six months ended October 31, 2009	Balance, October 31, 2009
(c) Nuvilik			
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)
Total Nuvilik	1,357,029	-	1,357,029
(d) Ungava			
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	228,990	-	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	4,628,408	-	4,628,408
Mineral exploration credits	(1,703,385)	-	(1,703,385)
Total Ungava	\$ 3,383,587	-	\$ 3,383,587

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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

	Balance, April 30, 2009	Increased in the six months ended October 31, 2009	Balance, October 31, 2009
(e) Wakeham			
Acquisition costs			
- Cash	\$ 26,730	\$ -	\$ 26,730
- Shares	1,797,104	-	1,797,104
Total acquisition costs	1,823,834	-	1,823,834
Deferred exploration costs			
- Assays	35,449	-	35,449
- Claims maintenance & staking	220,796	-	220,796
- Consultants	217,010	-	217,010
- Drilling	491,419	-	491,419
- Equipment & rental	79,985	-	79,985
- Field work & mobilization	2,157,980	-	2,157,980
- Geophysical survey	842,485	-	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
Total deferred exploration costs	4,412,940	-	4,412,940
Mineral exploration credits	(1,660,115)	-	(1,660,115)
Total Wakeham	\$ 4,576,659	-	\$ 4,576,659
(f) Masuparia			
Acquisition costs			
- Shares	1,792,040	-	1,792,040
Total acquisition costs	1,792,040	-	1,792,040
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
Total deferred exploration costs	1,738,930	-	1,738,930
Mineral exploration credits	(647,712)	-	(647,712)
Total Masuparia	\$ 2,883,258	-	\$ 2,883,258

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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

	Balance, April 30, 2009	Increased in the six months ended October 31, 2009	Balance, October 31, 2009
(g) Bravo)			
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
Total acquisition costs	8,350,000	-	8,350,000
Deferred exploration costs			
- Assays	85,026	-	85,026
- Claims & maintenance	148,015	-	148,015
- Consultants	77,938	-	77,938
- Drilling	890,785	-	890,785
- Equipment & rental	42,225	-	42,225
- Field work & mobilization	3,072,447	-	3,072,447
- Geophysical survey	803,708	-	803,708
- Reports & maps	31,305	-	31,305
- Fuel & fuel storage	(131,631)	-	(131,631)
- Salaries & wages	183,322	-	183,322
Deferred exploration costs	5,203,140	-	5,203,140
Mineral exploration credits	(2,279,138)	-	(2,279,138)
Total Bravo	\$ 11,274,002	-	\$ 11,274,002
(h) Raglan Joint Venture Project)			
Deferred exploration costs			
- Claims and government fees	1,402,351	261,197	1,663,548
- Camp management and logistics	1,938,752	1,891,329	3,830,081
- Contractor support services	13,373	129,502	142,875
- Drilling	1,815,344	2,243,405	4,058,749
- Equipment, supplies, and consumable	43,219	1,076,938	1,120,157
- Fuel and fuel storage	1,076,790	404,469	1,481,259
- General administration	52,906	40,630	93,536
- General transport and shipping	15,693	47,86	20,479
- Geochemistry and research analysis	256,899	318,161	575,060
- Geophysics and remote sensing	4,440,907	1,689,106	6,130,013
- Permitting and community relations	91,756	52,946	144,702
- Professional services	515,128	230,124	745,252
- Project air support	1,905	3,126,980	3,128,885
- Project travel	97,993	79,182	177,175
- Salaries & benefits	976,883	805,220	1,782,103
Deferred exploration costs	12,739,899	12,353,975	25,093,874
Total Raglan Joint Venture Project	12,739,899	12,353,975	25,093,874
Payment from joint venture partner	(12,739,899)	(12,353,975)	(25,093,874)
Total Mineral Properties	33,625,424	534	33,625,958

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 six months ended October 31, 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 located between Masuparia, Nuvulik, and Belanger block.

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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

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

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.
- 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 October 31, 2009, Jien has provided funding of \$27.5 million to the Company, \$12.5 million of which was for the expenditures of the first year, and \$15 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. 7,997,726 common shares of the Company have been issued and a \$680,000 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 2009, the Company’s commenced its 2009 nickel-copper PGE sulphide exploration program in the Raglan Belt, northern Quebec.

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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

(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, \$6,204 Quebec mining duties credits and \$32,628 Quebec corporate tax credits have not been received as at October 31, 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.

Note 9. **Capital Stock**

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

(b) **Issued and outstanding:**

	For the six months ended October 31, 2009		For the year ended April 30, 2009	
	Number of Common Shares	\$	Number of Common Shares	\$
Balance, April 30, 2009 and 2008	178,171,699	\$ 43,576,144	148,289,700	\$ 41,081,214
<u>Common shares issued for cash</u>				
- Private Placement @ \$0.125			21,887,000	2,735,875
- Stock option exercised @ \$0.21	200,000	42,000		
- Commissions & legal fees				(11,875)
- Commissions taken in shares			1,020,000	
<u>Common shares issued as finder's fee</u>	1,308,441	-	6,974,999	-
<u>Valuation adjustments of warrants & options</u>				
Black-Scholes valuation on warrants granted				(229,070)
Subtotal	1,808,441	79,500	29,881,999	2,494,930
Balance October 31, 2009 and April 30, 2009	179,680,140	\$ 43,618,144	178,171,699	\$ 43,576,144

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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.

The Company issued 6,974,999 common shares during the year ended April 30, 2009 and 1,308,441 common shares during the six months ended October 31, 2009 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 INTERIM FINANCIAL STATEMENTS
October 31, 2009

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.

During the six months ended October 31, 2009, 200,000 stock options were exercised and 1,438,000 stock options expired without exercise.

A summary of the Company’s outstanding stock options as of October 31, 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>
Balance Outstanding, April 30, 2009	15,779,000	\$ 0.213
Exercised	(200,000)	0.21
Expired	(1,438,000)	0.225
Balance Outstanding, October 31, 2009	<u>14,141,000</u>	

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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

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

Incentive stock options outstanding at October 31, 2009 to directors, officers and employees are as follows:

Number of options Outstanding and exercisable	Expiry date	Exercise price
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
4,600,000	January 13, 2013	\$ 0.210
5,000,000	July 17, 2013	\$ 0.125
<u>14,141,000</u>		

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 INTERIM FINANCIAL STATEMENTS
October 31, 2009

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
	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
	22,907,000	June 17, 2009	\$0.25
Balance Outstanding, April 30, 2009	112,304,916		
Expired	(3,451,303)	June 7, 2009	\$0.50
Expired	(22,907,000)	June 17, 2009	\$0.25
Expired	(416,279)	September 6, 2009	\$0.50
Expired	(1,255,135)	September 27, 2009	\$0.50
Expired	(9,196,613)	Oct. 4, 2009	\$0.45
Expired	(9,196,612)	Oct. 4, 2009	\$1.00
Balance Outstanding, October 31, 2009	65,881,974		

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

Note 9. Capital Stock (cont'd)

(g) Share Reserved – Common Shares

	Number of shares	
	October 31, 2009	April 30, 2009
Stock options	14,141,000	15,779,000
Share Purchase Warrants	65,881,974	112,304,916
Total	<u>80,022,974</u>	<u>128,083,916</u>

Note 10. Accumulated Other Comprehensive Income (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 six months ended October 31, 2009 and the year ended April 30, 2009 includes:

	October 31,2009	April 30, 2009
Balance, beginning of period	\$ (257,037)	\$ (168,772)
Reverse loss realized from selling of marketable securities	-	150,772
Unrealized income (loss) from marketable securities	2,186,050	(239,037)
Balance, end of period	<u>\$ 1,929,013</u>	<u>\$ (257,037)</u>

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

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 October 31, 2009 (October 31, 2008 - \$Nil).

During the six months ended October 31, 2009 and 2008, the Company was charged the following amounts by directors and officers of the Company and their immediate family, or by companies controlled by directors, officers, and related parties:

	<u>Six months ended October 31,</u>	
	<u>2009</u>	<u>2008</u>
Consulting fees		
- Financial	\$ 16,500	\$ 15,000
- Marketing	32,400	26,100
- Shareholders' communication	43,500	30,000
Equipment rental	43,775	42,626
Management fees	142,500	127,000
Professional fees	45,000	37,300
Rent	36,000	-
Salaries	54,750	51,000
Website fees	23,850	16,650
Deferred exploration costs	54,750	51,000
Total	<u>\$ 493,025</u>	<u>\$ 396,676</u>

As at October 31, 2009, accounts receivable include miscellaneous expenses paid on behalf of a company with common directors and management in the amount of \$Nil (2008: \$12,493). Accounts receivable also include exploration expenditures of \$121,966 incurred on behalf of Resolve Ventures Inc., another company with common directors and management.

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.

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

Note 12. **Loss per Common Share**

	Six months ended October 31, 2009	
	Weighted Average Common Shares Outstanding	Loss Per Common Share
Basic	178,952,762	<u>\$0.005</u>
Effect of stock options	8,716,527	
Effect of stock purchase warrants	89,327,458	
Diluted	276,996,747	<u>\$0.005</u>
Anti Dilutive	178,952,762	

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

Note 13. **Contributed Surplus**

Stock Based Compensation

	Six months ended October 31,	
	<u>2009</u>	<u>2008</u>
Balance, Beginning of the period	\$ 3,611,371	\$ 3,211,371
Stock-based compensation	-	400,000
Balance, End of the period	\$ 3,611,371	\$ 3,611,371

Note 14. **General and Administrative Expenses**

	Six months ended October 31,	
	<u>2009</u>	<u>2008</u>
<u>Consulting fees</u>		
Financial (recovery)	\$ (13,500)	\$ 46,095
Shareholders' communication	57,900	34,375
Corporate administration	115,500	82,000
Marketing	56,400	44,192
	\$ 216,300	\$ 206,662

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

Note 14. **General and Administrative Expenses (cont'd)**

<u>Office and general expenses</u>	Six months ended October 31,	
	2009	2008
Bank charges	\$ 1,043	\$ 6,592
Services	14,427	10,800
Supplies	7,433	7,331
Postage and couriers	1,344	2,706
Rent and telephone	167,198	83,567
Equipment rental	45,429	43,775
Travel	-	10,508
Other	1,165	3,485
	\$ 238,039	\$ 168,764

<u>Professional fees</u>	Six months ended October 31,	
	2009	2008
Accounting and audit fees	\$ 106,807	\$ 77,575
Legal fees (recovery)	(94,563)	62,616
	\$ 12,244	\$ 140,191

<u>Shareholder communication, travel and promotion</u>	Six months ended October 31,	
	2009	2008
Advertising & promotion	\$ 950	\$ 5,078
Conferences & shows	1,905	8,837
Mail-out a& couriers	5,841	4,322
Press releases	22,152	6,698
Printing	4,427	9,487
Telephone, internet, website	76,840	59,284
Travel & entertainment (recovery)	13,719	108,220
Other	-	500
	\$ 125,834	\$ 202,426

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
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Note 15. **Take-over Bid**

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 (the "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 (the "Debentures") 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. ("Jien Canada"), a company jointly owned by the Company (25%) and JJ Holdco (75%). Jien Canada 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.

On September 15, 2009, Jien Canada announced to extend the expiry of the offer to October 15, 2009. In addition to extending the expiry date of the offers, JJ Holdco has also amended the terms of the offers so that they comply with the permitted bid provisions in the Shareholder Rights Plan of Canadian Royalties Inc.

GOLDBROOK VENTURES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
October 31, 2009

Note 15. **Take-over Bid (cont'd)**

On October 16, 2009, Jien Canada announced that it had entered into a definitive support agreement (the "Support Agreement"), pursuant to which the board of directors of Canadian Royalties Inc has agreed to support the making of the amended offers (the "Offers") to acquire the Shares and the Debentures of Canadian Royalties Inc. Pursuant to the Support Agreement, the Offers will be amended to (i) increase the price offered per Share to \$0.80 in cash; (ii) increase the price offered for the Debentures to \$800 per \$1,000 principal amount of Debentures, plus accrued and unpaid interest up to, but excluding, the date the Debentures are taken up under the Debenture Offer; and (iii) extend the expiry of the Offers to 5:00 P.M. (Toronto time) on October 27, 2009.

On October 28, 2009, Jien Canada announced that a total of 69,066,054 common shares (approximately 67.68% of the outstanding Shares) and \$82,837,000 principal amount of the Debentures (approximately 60.25% of the outstanding principal amount of Debentures) were validly tendered to the Offers, or are already owned by Jien Canada and its affiliates, as of October 27, 2009. Jien Canada had extended the Offers to 5:00 p.m. (Toronto time) on November 10, 2009. The Offers were Jien Canada's best and final prices for the Shares and Debentures and the extension of the expiry time was the final extension.

Subsequent to October 31, 2009, all the conditions of the Offers have been satisfied or waived and the take-over bid is successful (Note 16).

Note 16. **Subsequent Events**

- **Take-over Bid**

On November 10, 2009, Jien Canada announced that a total of 68,478,888 common shares of Canadian Royalties Inc. and \$97,362,000 principal amount of debentures of Canadian Royalties were validly tendered and taken up pursuant to the Offers. All conditions of the Offers have been satisfied or waived. As a result of these tenders, Jien Canada has taken up, or already owned, approximately 76.66% of the outstanding Shares and approximately 70.81% of the outstanding Debentures of Canadian Royalties Inc. Jien Canada confirmed the receipt of approval of the Offers from the National Development and Reform Commission of the People's Republic of China and that all other conditions of the Offers have been satisfied or waived

Jien Canada also announced that it had extended the Offers for an additional 10 days to permit additional Shares and additional Debentures to be tendered. The Offers will expire at 5:00 p.m. (Toronto time) on November 24, 2009

On November 25, 2009, Jien Canada announced that a total of 77,359,626 common shares of Canadian Royalties Inc. and \$99,911,000 principal amount of debentures of Canadian Royalties Inc. have been validly tendered and taken up as of November 24, 2009 pursuant to the Offers to acquire the Shares and the Debentures. Jien Canada had taken up, or already owned, approximately 85.36% of the outstanding Shares and approximately 72.66% of the outstanding Debentures of Canadian Royalties Inc.

GOLDBROOK VENTURES INC.
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Note 16. **Subsequent Events (cont'd)**

The Offers will not be extended. Jien Canada had caused Canadian Royalties to call a special meeting of shareholders to be held on December 31, 2009 where shareholders of Canadian Royalties Inc. will be asked to approve a plan of arrangement (the "Arrangement") with Jien Canada whereby Jien Canada will acquire all of the remaining Shares of Canadian Royalties Inc. in exchange for \$0.80 per Share. Jien Canada holds enough Shares to approve the Arrangement at the special meeting.

Jien Canada also intends to mail a notice of redemption to holders of the remaining Debentures to redeem their Debentures for \$800 (plus accrued interest) per \$1,000 principal amount of Debentures (the "Redemption"). Upon completion of the Arrangement and Redemption, Jien Canada intends to de-list the Shares and Debentures of Canadian Royalties from the Toronto Stock Exchange.

- On November 1, 2009, 500,000 incentive stock options with an exercise price at \$0.26 per share expired without exercise.
- On November 18, 2009, 608,000 stock purchase warrants with an exercise price at \$0.50 per share expired without exercise.