

MANAGEMENT DISCUSSION & ANALYSIS

For the Quarter ended July 31, 2008

Date of Report: September 29, 2008

Directors and Officers as at September 29, 2008:

Directors:	Martin Auyeung David Baker Brian Grant Walter Peredery Earl Terris
Officers:	David Baker, CEO Brian Grant, President & COO Vivian Gu, CFO
Contact Name:	David Baker
Website:	www.goldbrookventures.com
TSX Venture Exchange Symbol:	GBK

GOLDBROOK VENTURES INC.

MANAGEMENT DISCUSSION & ANALYSIS

For the Quarter Ended July 31, 2008

1.1 Date of This Report

September 29, 2008

1.2 Overall Performance

Description of Business

The Company was incorporated as Goldbrook Explorations Inc. under the Ontario *Business Corporations Act* on May 20, 1983. On July 22, 2002, the Company changed its name to Goldbrook Ventures Inc. In addition, the Company consolidated its capital on a 3 old for 1 new basis. On April 14, 2003, the Company was granted a Certificate of Continuation under the Company Act of British Columbia.

The Company's registered and records office in British Columbia is Suite 1550, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6. The Company's telephone number is (604) 683-8083. The Company's Shares are currently listed for trading on the TSX Venture Exchange under the symbol "GBK".

On February 6, 2004, the Company announced that shares of Goldbrook Ventures Inc. would commence trading on the Frankfurt Stock Exchange under the trading symbol "GVE".

The Company is a publicly traded junior resource company. In the past fiscal years until 2001, the Company was involved, to a limited extent, in the exploration of various mineral properties. As of 2001, the Company had written down all of its investments in its mineral properties; and was deemed inactive by the Exchange on September 7, 2001. On August 1, 2002, the Company completed its reactivation plan and the Exchange removed the inactive status.

On September 6, 2005, the Company announced that in accordance with TSX Venture Exchange policy 2.5, the Company had met the requirements for a Tier 1 company. Effective September 2, 2005, the Company's tier classification changed from Tier 2 to Tier 1 – mineral exploration and development company.

As a development stage enterprise, the Company is in the process of exploring properties and will continue to conduct exploration activities on its properties to determine the ore reserves and ore recoverability on its properties.

The Company's mineral properties consist of the following:

- Onaman River, Onaman Lake Township, Ontario;

Raglan Area, District of Northern Quebec:

- Belanger;
- Nuvulik;
- Ungava;
- Wakeham;
- Masuparia; and
- Bravo

1.3 Selected Annual Information

The highlights of financial data for the Company for the three most recently completed financial years are as follows:

	<u>April 30, 2008</u>	<u>April 30, 2007</u>	<u>April 30, 2006</u>
(a) Net sales	-	-	-
(b) Loss before extraordinary items			
(i) Total loss before comprehensive loss	\$3,744,943	\$1,295,605	\$1,626,795
(ii) Loss per share – basic	\$0.03	\$0.02	\$0.03
(iii) Loss per share – diluted	\$0.03	\$0.02	\$0.03
(c) Net loss			
(i) Total loss before comprehensive loss	\$3,744,943	\$1,295,605	\$1,626,795
(ii) Loss per share – basic	\$0.03	\$0.02	\$0.03
(iii) Loss per share – diluted	\$0.03	\$0.02	\$0.03
(d) Total assets	\$44,751,131	\$19,822,746	\$14,576,162
(e) Total long-term liabilities	-	-	-
(f) Cash dividends declared per-share	N/A	N/A	N/A

1.4 Results of Operations

Discussion of Acquisitions, Operations and Financial Condition

The following should be read in conjunction with the financial statements of the Company and notes attached hereto.

Mineral Properties

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.

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.

Maruparia 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.

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.

Exploration Results and Future Developments (Raglan Properties)

In July 2008, the Company has commenced its 2008 nickel-copper PGE sulphide exploration program in the Raglan Belt, northern Quebec. It has contracted three diamond drill rigs for the project. Field crews mobilized to the Belanger base camp in early July and drilling commenced July 11th. Drills are provided by Bradley-Nuvumiut (Rouyn-Noranda) for a program consisting of minimum of 12,000 metres of BQ-size core. The program will also include geological mapping, prospecting and an extensive remote sensing survey.

The primary focus of the 12,000 metre drilling program is to extend the limits of the known sulphide zones at the Getty and Sylvie zones and enhance the resource estimates for these zones. In addition, drilling of the new Mystery zone will be a high priority to test the strong downhole geophysical target associated with nickel sulphides intersected in the 2007 drilling program. As well, the drill program will test for new mineralized zones below numerous surface showings on the established 18 km long Getty trend and on the sub-parallel but under explored Timtu trend a kilometre to the north.

Drilling in 2007 extended the Getty zone to a total of 350 metres along strike and up to 200 metres down plunge with a thickness of 15 to 50 metres. The Getty zone was discovered by Goldbrook in 2004, when an intercept of 49.3 metres at 1.35% Ni, 0.61% Cu and 2.88 g/t PGE (Getty Zone) was drilled under the surface showing. Wardrop Engineering Inc. is in the process of completing an NI43-101 compliant resource estimate for the Getty and Sylvie showings.

In addition to the drilling program Goldbrook has contracted with SpectIR, (Nevada, USA) for comprehensive Hyperspectral and SEBASS surveys of the property, in addition to a LIDAR survey along the significant Belanger trend, all to assist the ongoing exploration work defining mineral potential and drill targets.

Results of Operations

The loss for the three months ended July 31, 2008 was \$1,023,523 as compared with a loss of \$1,245,869 for the three months ended July 31, 2007. The decreases in the expenses for the current quarter were in the following categories:

- Stock option compensation expenses decreased by \$311,930 comparing to the quarter ended July 31, 2007;
- Consulting fees decreased by \$34,645, professional fees decreased by \$44,025, and regulatory fees decreased by \$42,130 as a result of less property acquisitions and financing activities during the current quarter;
- Shareholders' relations & promotions expenses decreased by \$74,335.
- Office expenses increased by \$35,204 due to the increased office rent and rental of computer equipment.

During the three months ended July 31, 2008, the Company sold securities and realized a loss in the amount of \$201,616. A \$4,500 unrealized loss from marketable securities has been recorded as other comprehensive loss which is not included in the net loss.

Below is a comparison of the General and Administration Expenses during the three months ended July 31, 2008 and 2007:

	July 31, 2008	July 31, 2007	Increase (Decrease)
Depreciation on property and equipment	3,282	2,172	1,110
Consulting fees	98,362	133,007	(34,645)
Office & general expenses	92,350	57,146	35,204
Management fees	59,500	47,000	12,500
Professional fees	57,700	101,725	(44,025)
Regulatory fees and services	19,885	62,015	(42,130)
Shareholders' communication, travel and promotions	60,798	135,133	(74,335)
Stock option compensation	400,000	711,930	(311,930)
Wages and benefits	33,224	26,280	6,944
Total	\$825,101	\$1,276,408	\$(451,307)

Investor Relations Activities

Currently, the Company has no formal arrangements in place with respect to investor relations. Three spokespersons are assigned to respond to any shareholder or investor calls. They are also responsible for handling shareholder mail-outs and represent the Company in trade shows and conferences.

During the current quarter, the Company issued press releases, responded to investor inquiries and conducted shareholder and investor mail outs.

Financings, Principal Purposes & Milestones

On June 18, 2008, the Company closed its non-brokered private placement previously 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 was payable 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.

1.4 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q1 <u>31-Jul-08</u>	Q4 <u>30-Apr-08</u>	Q3 <u>31-Jan-08</u>	Q2 <u>31-Oct-07</u>	Q1 <u>31-Jul-07</u>	Q4 <u>30-Apr-07</u>	Q3 <u>31-Jan-07</u>	Q2 <u>31-Oct-06</u>
<i>Net sales</i>	-	-	-	-	-	-	-	-
<i>Net Loss:</i>								
Total	\$1,032,523,	\$509,668	\$1,464,874	\$524,532	\$1,245,869	\$353,182	\$507,961	\$169,492
Per share	\$0.006	\$0.004	\$0.01	\$0.003	\$0.012	\$0.005	\$0.01	\$0.003
Per share diluted	\$0.006	\$0.004	\$0.01	\$0.003	\$0.012	\$0.005	\$0.01	\$0.003

Discussion

For the three months ended July 31, 2008, please refer to Section 1.4 - *Results of Operations*. Non-cash stock-based compensation expenses of \$400,000 were recorded in the current quarter, \$833,000 were recorded in the quarter ended January 31, 2008, and \$711,930 in the quarter ended July 31, 2007.

1.5 Liquidity

As the Company has no revenue generating projects at this time, the ability of the Company to carry out its business plan rests with its ability to secure equity and other financings.

At July 31, 2008, the Company has total assets of \$50,265,922. The primary assets of the Company are cash of \$47,645, accounts receivable of \$9,246,400, marketable securities of \$10,500, deposits on mineral properties of \$3,278,887, and mineral properties with a historic cost of \$37,679,940. The Company has working capital of \$6,508,946.

The Company will require additional financing to fund any new acquisitions, exploration programs as well as its holding costs on all of its properties. The ability of the Company to successfully fund the Ungava properties and to acquire additional projects is conditional on its ability to secure financing when required. The Company proposes to meet any additional financing requirements through the exercise of outstanding warrants, or arranging other forms of equity financing. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or desired by the Company.

1.6 Capital Resources

The only capital resource of the Company is the mineral properties with a historic cost of \$37,679,940. The Company is committed to further expenditures on these properties, as detailed in Section 1.4 - *Results of Operations*.

1.7 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

1.8 Transactions with Related Parties

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 July 31, 2008 (July 31, 2007 - \$Nil).

During the three months ended July 31, 2008 and 2007, 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:

	Three months ended July 31,	
	<u>2008</u>	<u>2007</u>
Consulting fees		
- Financial	\$ 7,500	\$ 7,500
- Marketing	13,000	12,000
- Shareholders' communication	15,000	15,000
Management fees	59,500	47,000
Professional fees	18,025	-
Salaries	51,000	-
Website fees	8,325	6,750
Deferred exploration costs	-	112,520
Total	<u>\$ 172,350</u>	<u>\$ 200,770</u>

During the three months ended July 31, 2008, the Company disposed 910,000 common shares of Resolve Ventures Inc., a company with common directors and management. The Company also disposed 566,300 common shares of Masuparia Gold Corp., a company with common directors and management during the current quarter.

As at July 31, 2008, accounts receivable include miscellaneous expenses paid on behalf of a company with common directors and management in the amount of \$12,493 (2007: \$605).

1.9 First Quarter

First quarter results do not differ significantly from other quarters.

1.10 Proposed Transactions

None.

1.11 Critical Accounting Estimates

N/A

1.12 Changes in Accounting Policies

Effective May 1, 2007, the Company has adopted three new accounting standards related to financial instruments that were issued by the Canadian Institute of Chartered Accountants (“CICA”) in 2005. 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:

Financial Instruments – Recognition and Measurement (CICA Handbook Section 3855 and 3561)

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 loss. Instruments classified as held for trading are measured at fair value with unrealized gains and losses recognized on the statement of loss.

Comprehensive Income (CICA Handbook Section 1530 and 3251)

The standard introduces the concept of comprehensive loss, which consists of net loss and other comprehensive loss. The Company’s financial statements now include a Statement of Comprehensive Loss integrated with the statement of operations, which includes the components of comprehensive loss. For the Company, other comprehensive loss (“OCL”) 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.

1.13 Financial Instruments and Other Instruments

For cash and equivalents, accounts receivable, marketable securities, and accounts payable and accrued liabilities, the carrying amounts of these financial instruments approximate their fair value.

Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial statements.

The recoverability of the amounts capitalized for the mineral properties under exploration is dependent upon the determination of economically recoverable ore reserves, the ability to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Capital (as at July 31, 2008)

	<u>Number of shares</u>	<u>Value</u>
Common Shares issued	171,196,700	\$ 43,576,144

	<u>Number of shares</u>	<u>Potential cash generated at exercise</u>
Incentive Stock Options	16,491,000	\$ 3,522,880
Warrants	114,074,916	\$ 65,018,221

Additional Disclosure

The Company is a venture issuer that has not had significant revenue from operations in either of its last two financial years. The Company has capitalized all expenditures relating to the exploration of its mineral properties. Details of deferred expenditures for each property are as follows:

Summary of Mineral Properties – July 31, 2008

Refer to the financial statements and notes of the Company.

Other Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

Subsequent Events

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.

Jien has advanced \$8 million to the Company as an advance on the first year's minimum expenditure.

The Company has retained PI Financial Corp. ("PI") as its financial advisor in connection with the proposed transaction and, as consideration for such services, has agreed, subject to regulatory approval, to either issue 250,000 common shares of the Company to PI or pay \$100,000 to PI. A finder's fee is also payable to a third party in connection with the anticipated Joint Venture, in accordance with the policies of the TSX Venture Exchange and subject to regulatory approval.