

# **NEWBRIDGE CAPITAL INC.**

## **FINANCIAL STATEMENTS**

**Period End SEPT 30, 2007**

**(Unaudited – Prepared by Management)**

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# NEWBRIDGE CAPITAL INC.

## Balance Sheet

(Unaudited – Prepared by Management)

	Sept 30, 2007 (Unaudited)	Mar 31, 2007 (Audited)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 381,256	\$ 89,176
GST Recoverable	3,887	45
Deferred share issuance costs	-	10,000
	<b>\$385,143</b>	<b>\$99,221</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 760	\$5,057
	760	<b>\$5,057</b>
<b>Shareholders' Equity</b>		
Share capital (note 3)	449,500	100,000
Contributed Surplus	0	0
Deficit	(65,117)	(5,836)
	384,383	94,164
	<b>\$ 385,143</b>	<b>\$ 99,221</b>

APPROVED ON BEHALF OF THE BOARD:

"Alf Sanderson"

President

"Mark McCooey"

Director

# NEWBRIDGE CAPITAL INC.

## Statements of Operations and Deficit

Period Ending September 30, 2007

(Unaudited – Prepared by Management)

	<b>2007</b>	<b>2006</b>
	Six Months To Sept 30	Six Months To Sept 30
<b>Expenses:</b>		
Accounting	2443	-
Agent's fees	1,615	-
Filing and regulatory fees	15,434	-
Legal	38,532	-
Office administration & General	1,257	-
<b>Operating loss before other item</b>	<b>\$(59,281)</b>	<b>-</b>
Interest Income	-	-
<b>Loss (Gain) for the period</b>	<b>(59,281)</b>	<b>-</b>
<b>Deficit, beginning of period</b>	<b>(5,836)</b>	<b>(Nil)</b>
<b>Deficit, end of period</b>	<b>\$ (65,117)</b>	<b>\$(Nil)</b>
<b>Loss per share -Basic and diluted (note 2(d))</b>	<b>\$ (0.04)</b>	<b>\$ (.00)</b>
<b>Weighted average number of shares</b>	<b>1,767,000</b>	<b>400,000</b>

# NEWBRIDGE CAPITAL INC.

## STATEMENT OF CASH FLOWS

Period Ending September 30, 2007

(Unaudited – Prepared by Management)

	2007 Six Months To Sept 30th	2006 Six Months To Sept 30th
<b>Cash flows provided by (used in) operating activities</b>		
Loss for the period	(59,281)	-
Changes in non-cash operating working capital- decrease to current assets	6158	
Decrease to A/P and Accrued Liabilities	(4,297)	-
	(57,420)	-
<b>Cash flows provided by (used in) financing activities</b>		
Common shares issued for cash, net of related share issue expenses	349,500	-
	349,500	-
<b>Increase (decrease) in cash and cash equivalents</b>	292,080	-
<b>Cash and cash equivalents, beginning of the period</b>	89,176	40,000
<b>Cash and cash equivalents, end of the period</b>	\$381,256	\$ 40,000

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**NEWBRIDGE CAPITAL INC.**  
**NOTES TO FINIANCIAL STATEMENTS**  
**FOR THE PERIOD FROM APRIL 1, 2007 TO SEPTEMBER 30, 2007**

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**1. NATURE OF OPERATIONS**

The Company was incorporated under the Business Corporations Act of British Columbia on September 12, 2005 and is in the process of applying for status as a Capital Pool Company as defined by Policy 2.4 of the TSX Venture Exchange ( the “TSX”).

The Company is in the process of identifying and evaluating business opportunities with the objective of completing a “qualifying transaction” under TSX rules. Under these rules, a qualifying transaction must be entered into within 24 months of listing.

Future operations are dependent upon the Company’s ability to acquire and finance future business ventures.

**2. SIGNIFICANT ACCOUTING POLICIES**

a) Deferred share issuance costs

Deferred share issuance costs consist of financing fees related to an intended public offering of securities. These costs have been deferred and will be charged against share capital upon completion of the prospectus.

b) Financial instruments

The Company’s financial instruments consist of cash and accounts payable which are short term in nature. It is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments and that their fair values approximate their carrying values, unless otherwise noted.

c) Stock based compensation

The Company recognizes an expense for the fair value of options granted. The Company uses the Black-Scholes option pricing model to estimate the fair value of each stock option at the date of grant. Any consideration received on the exercise of stock options is credited to share capital.

d) Income taxes

Future income taxes relate to the expected future tax consequences of differences between the carrying amount of balance sheet items and their corresponding tax values. Future income tax assets, if any, are recognized only to the extent that, in the opinion of management, it is more likely than not that future income tax assets will be realized. Future income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates at the date of enactment or substantive enactment.

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**NEWBRIDGE CAPITAL INC.**  
**NOTES TO FINIANCIAL STATEMENTS (CONT'D)**

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- e) Earnings per share  
The Company utilizes the treasury stock method in computing earnings per share amounts. Under this method, basic earnings per share is computed by dividing earnings available to common shareholders by the weighted average number of common shares outstanding during the period.
- f) Use of estimates  
The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reported period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates.

### 3. SHARE CAPITAL

The Company has authorized share capital of an unlimited number of common voting shares without par value. The shares are as follows:

	<b>NUMBER</b>	<b>AMOUNT</b>
Balance - March 31, 2007	1,00,000	\$100,000
Issued for Cash-May 23, 2007	100,000	10,000
Share issued pursuant to initial public offering at \$.20	2,000,000	400,000
Share issue costs:		(60,500)
Balance-Sept 30 <sup>th</sup> , 2007	3,100,000	\$449,500

Escrowed Shares: The initial 1,100,000 shares are held in escrow. Under the escrow agreement, 10% of the shares will be released on the issuance of the Final Exchange Bulletin (the TSX's acceptance of the Qualifying Transaction) and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the initial release.

Shares issued pursuant to initial public offering: Pursuant to a final prospectus dated June 28, 2007 filed with the TSX Venture Exchange and an Agency Agreement between the Company and Canaccord Capital Corporation (the "Agent") dated February 27, 2007, the Company has offered through the Agent (the "Offering") 2,000,000 common shares at a price of \$0.20 per share for gross proceeds of \$400,000. In connection with the Offering the Company has paid the Agent a commission equal to 10% of the gross proceeds, an administrative fee of \$10,000 and has reimbursed the Agent for its legal fees. The Company has also granted to the Agent non-transferable warrants to purchase up to 10% of the number of share sold by the Agent in the Offering, exercisable at \$0.20 per share, expiring 24 months from the date the shares are listed on the TSX. The offering was completed August 2, 2007 with net proceeds of \$349,500 being realized as at that date.

#### 4. STOCK OPTION PLAN

During the period the Company adopted a stock option plan applicable to directors, employees, and consultants, under which the total outstanding stock options are limited to 10% of the outstanding common shares of the Company at any one time. Under the plan, the exercise price of an option shall not be less than the discounted market price at the time of granting, or as permitted by the policies of the TSX Venture Exchange, and an option's maximum term is three years from the grant date.

The Company has granted, effective August 2, 2007 stock options to directors, or related companies or trusts, for 310,000 common shares at an exercise price of \$0.20, expiring 3 years from the date of grant. Shares that may be issued as a result of the options will be subject to the escrow agreement referred to in Note 3.

5. WARRANTS: The Company has share purchase warrants outstanding as follows:

Issued as of August 2, 2007 to Canaccord Capital Corporation: 200,000 at \$.20

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#### 6. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	<u>March 31, 2007</u>
Canadian statutory income tax rate	34.12%
Income tax recovery at statutory rate	\$ 1,991
Effect of income taxes of:	
Valuation allowance	(1,991)
Income tax recoverable	\$ -

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At March 31, 2007, the Company has non-capital losses for income tax purposes of \$5,836 which may be carried forward and offset against future taxable income. These losses expire in 2027.

Taxes recoverable and carry forward calculations for non capital losses are not calculated for interim quarterly financial statements.

The Company has not recognized any future income tax assets. The Company has recorded a valuation allowance against its future income tax assets based on the extent to which it is more likely than not that sufficient taxable income will not be realized during the carryforward periods to utilize all future tax assets.