
**NEWBRIDGE CAPITAL INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
MARCH 31, 2009 AND 2008**



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Shareholders of
Newbridge Capital Inc.

We have audited the balance sheets of Newbridge Capital Inc. as at March 31, 2009 and 2008 and the statements of operations, comprehensive loss and 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 audits.

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 statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Manning Elliott LLP

Chartered Accountants
Vancouver, British Columbia
June 10, 2009

NEWBRIDGE CAPITAL INC.
BALANCE SHEETS
AS AT MARCH 31, 2009 AND 2008

	2009	2008
ASSETS		
CURRENT ASSETS		
Cash	\$335,281	\$379,084
Amounts receivable (Note 7)	8,707	4,228
	<hr/>	<hr/>
	\$343,988	\$383,312
<hr/>		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 10,133	\$ 12,750
<hr/>		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 4)	385,201	385,201
CONTRIBUTED SURPLUS (Note 4)	56,933	56,933
DEFICIT	(108,279)	(71,572)
	<hr/>	<hr/>
	333,855	370,562
	<hr/>	<hr/>
	\$343,988	\$383,312
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NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS (Note 1)

Approved on behalf of the Board:

"Dean Bethune" _____ Director

"Mark McCooley" _____ Director

NEWBRIDGE CAPITAL INC.**STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008**

	2009	2008
EXPENSES		
Filing and transfer agent fees	\$ 10,277	\$ 9,236
Office	4,830	1,278
Professional fees	21,600	18,097
Stock-based compensation	--	37,125
	<hr/> 36,707	<hr/> 65,736
NET LOSS AND COMPREHENSIVE LOSS	(36,707)	(65,736)
DEFICIT, BEGINNING OF YEAR	(71,572)	(5,836)
DEFICIT, END OF YEAR	<hr/> \$(108,279)	<hr/> \$ (71,572)
NET LOSS PER SHARE, basic and diluted	<hr/> \$ (0.01)	<hr/> \$ (0.03)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	<hr/> 3,100,000	<hr/> 2,424,317

NEWBRIDGE CAPITAL INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

	2009	2008
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Net loss	\$ (36,707)	\$ (65,736)
Item not involving cash:		
Stock-based compensation	-	37,125
	(36,707)	(28,611)
Change in non-cash working capital items		
Amounts receivable	(4,479)	(4,228)
Accounts payable and accrued liabilities	(2,617)	7,738
	(43,803)	(25,101)
FINANCING ACTIVITY		
Share capital issued, net	-	315,009
INCREASE(DECREASE) IN CASH	(43,803)	289,908
CASH, BEGINNING OF YEAR	379,084	89,176
CASH, END OF YEAR	\$ 335,281	\$ 379,084
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid	\$ -	\$ -
Income tax paid	\$ -	\$ -

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

1. NATURE OF BUSINESS AND CONTINUANCE OF OPERATIONS

Newbridge Capital Inc. (the "Company") was incorporated under the Business Corporations Act of British Columbia on September 12, 2005. The Company is a "Capital Pool Company" ("CPC") as defined by Policy 2.4 of the TSX Venture Exchange (the "Exchange"), and its shares were listed for trading on August 10, 2007.

As at March 31, 2009, the Company has no business operations and its main asset is cash. During the year ended March 31, 2009, the Company did not enter into any agreements to acquire an interest in businesses or assets. As a CPC, the Company's principal business is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholders' approval and acceptance by the Exchange. Where an acquisition or participation (the "Qualifying Transaction") is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon obtaining additional financing and on entering into a Qualifying Transaction.

Under the policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months from the date its shares were listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Company's shares from trading should it not meet these requirements.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles.

(b) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions may affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of future income tax assets and liabilities and assumptions used in valuing options in stock-based compensation calculations. Actual results could differ from the estimates and assumptions used.

(c) Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of issuance to be cash equivalents.

(d) Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Stock-based compensation

The Company applies the fair value method to stock-based payments for all awards that are direct awards of stock, that call for settlement in cash or other assets or are stock appreciation rights that call for settlement by the issuance of equity instruments. Compensation expense is recognized over the applicable vesting period with a corresponding increase in contributed surplus. When the options are exercised, the exercise price proceeds together with the amount initially recorded in contributed surplus are credited to share capital.

(f) Income taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on temporary differences which arise between the accounting basis and the tax basis of various assets and liabilities, and are measured using substantively enacted tax rates and laws expected to apply when these differences reverse. A valuation allowance is provided for any future income tax assets if it is more likely than not that the asset will not be realized.

(g) Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

(h) Financial instruments

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions which are accounted for at the transferor's carrying amount or exchange amount in accordance with the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3840, "Related Party Transactions".

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income. The Company has elected to account for transaction costs related to the issuance of financial instruments as a reduction of the carrying value of the related financial instruments.

(i) Comprehensive loss

Comprehensive loss reflects net loss and other comprehensive income (loss) for the period. Other comprehensive income (loss) includes changes in unrealized foreign currency translation amounts arising from self-sustaining foreign operations, unrealized gains and losses on available-for-sale assets, and changes in the fair value of derivatives designated as cash flow hedges to the extent they are effective.

NEWBRIDGE CAPITAL INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEARS ENDED MARCH 31, 2009 AND 2008**

3. CHANGE IN ACCOUNTING POLICIES

Effective on April 1, 2008, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3862, "Financial Instruments - Disclosure" and Section 3863, "Financial Instruments - Presentation". These sections carry forward the former presentation requirements and increase the emphasis on recognition and management of the risks associated with recognized and unrecognized financial instruments. The adoption of these sections had no impact on the financial position or net earnings for the period ended March 31, 2009.

Effective on April 1, 2008, the Company adopted the CICA Handbook Section 1535, "Capital Disclosures", which requires disclosure of information about an entity's capital and its objectives, policies and processes for managing capital. Disclosure requirements pertaining to this new standard are contained in Note 9.

Effective on April 1, 2008, the Company adopted CICA Handbook Section 1400, "General Standards of Financial Statement Presentation". This section 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 section had no significant impact on the Company's financial statements.

Recent accounting pronouncements

In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1582, "Business Combinations", which replaces Section 1581, "Business Combinations". The AcSB also issued Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests", which replace Section 1600, "Consolidated Financial Statements". These new sections are based on the International Accounting Standards Board's ("IASB") International Financial Reporting Standard 3, "Business Combinations". These new standards replace the existing guidance on business combinations and consolidated financial statements. These new standards require that most assets acquired and liabilities assumed, including contingent liabilities, to be measured at fair value and all acquisition costs to be expensed. These new standards also require non-controlling interests to be recognized as a separate component of equity and net earnings to be calculated without a deduction for non-controlling interests. The objective of these new standards is to harmonize Canadian accounting for business combinations with the international and U.S. accounting standards. The new standards are to be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011, with earlier application permitted. Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the new standards will not be adjusted upon application of these new standards. The Non-Controlling Interests standard should be applied retrospectively except for certain items. The Company does not expect that the adoption of these standards will have a material impact on its Financial Statements.

In February 2008, the AcSB adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS"). AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. In July 2008 AcSB announced that early adoption will be allowed in 2009 subject to seeking exemptive relief. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

3. CHANGE IN ACCOUNTING POLICIES (continued)

Recent accounting pronouncements (continued)

In February 2008, the Accounting Standards Board issued CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaces CICA 3062, "Goodwill and Intangible Assets", and CICA 3450, "Research and Development Costs". Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Company's interim and annual financial statements commencing April 1, 2009. The Company does not expect that the adoption of this standard will have a material impact on its Financial Statements.

4. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value.

(b) Issued and fully paid

	Number of Shares	Amount
Balance, March 31, 2007	1,000,000	\$ 100,000
Issued for cash at \$0.10 per share	100,000	10,000
Issued for cash at \$0.20 per share, net	2,000,000	275,201
Balance, March 31, 2008 and 2009	3,100,000	\$ 385,201

During the year ended March 31, 2009, no shares were issued, repurchased, or cancelled.

During the year ended March 31, 2008:

- (i) On May 23, 2007, the Company issued 100,000 common shares at a price of \$0.10 per share for gross proceeds of \$10,000.
- (ii) On July 30, 2007, the Company completed an initial public offering of 2,000,000 common shares at a price of \$0.20 per share for gross proceeds of \$400,000. The Company paid \$50,500 in cash to the agent, comprising commission of \$40,000, administrative fees of \$10,000 and reimbursement of expenses of \$500. The Company also granted the agent 200,000 agent's warrants to acquire 200,000 common shares at an exercise price of \$0.20 per share expiring August 1, 2009. The fair value of these agent's warrants was estimated at \$19,808 using a Black-Scholes option pricing model with the assumptions described below. The Company also incurred other issue costs of \$54,491 in relation to the offering.

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

4. SHARE CAPITAL (continued)

c) Warrants

A summary of the changes in the Company's warrants for the years ended March 31, 2009 and 2008 is presented below:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2007	–	–
Issued on initial public offering	200,000	\$0.20
Balance, March 31, 2008 and 2009	200,000	\$0.20

As at March 31, 2009, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
200,000	\$0.20	August 1, 2009

There were no warrants issued in the 2009 fiscal year.

The stock-based compensation in respect of the 200,000 agent's warrants issued in 2008 was \$19,808 and the weighted average issue date fair value was \$0.10 per warrant.

The Company uses the Black-Scholes option pricing model to calculate the fair value of the agent's warrants issued. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. For purposes of the calculation, the following weighted-average assumptions were used:

	<u>2008</u>
Risk-free interest rate	4.66%
Expected dividend yield	–
Expected stock price volatility	89%
Expected life of warrants	2 year

d) Contributed Surplus

A summary of the changes in the Company's contributed surplus is presented below:

	2009	2008
Balance, beginning of year	\$ 56,933	\$ –
Stock-based compensation – agent's warrants (Note 4(c))	--	19,808
Stock-based compensation – options (Note 5)	--	37,125
Balance, end of year	\$ 56,933	\$ 56,933

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

4. SHARE CAPITAL (continued)

e) Escrow Shares

At March 31, 2009 and 2008, a total of 1,100,000 common shares issued and outstanding were held in escrow. Pursuant to an escrow agreement effective on the initial public offering, 10% of the escrowed shares will be released on the issuance of the Final Exchange Bulletin for the TSX Venture Exchange's acceptance of a Qualifying Transaction, and 15% will be released every six months thereafter for a period of thirty-six months.

5. STOCK OPTION PLAN

The Company has 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 five years from the grant date.

A summary of the changes in the Company's stock options for the years ended March 31, 2009 and 2008 is presented below:

	Number of Options	Weighted Average Exercise Price
Balance, March 31, 2007	–	–
Granted	310,000	\$0.20
Balance, March 31, 2008 and 2009	310,000	\$0.20

At March 31, 2009, the Company had 310,000 options outstanding and exercisable with a weighted average contract life remaining of 1.34 years:

Number of Options	Exercise Price	Expiry Date
310,000	\$0.20	August 1, 2010

There were no options granted in the 2009 fiscal year.

In the 2008 fiscal year, the fair value of the 310,000 options, granted and fully vested on the grant date, was estimated using the Black-Scholes model to be \$37,125. The amount was expensed to operations as stock-based compensation to directors and was included in contributed surplus (Note 4(d)). For purposes of the calculation, the following weighted average assumptions were used under the Black Scholes option pricing model:

	<u>2008</u>
Risk free interest rate	4.66%
Expected dividend yield	0%
Expected stock price volatility	91%
Expected life of options	3 years

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

5. STOCK OPTION PLAN (continued)

The weighted average fair value of options granted during the year ended March 31, 2008 was \$0.12 per option.

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:

	2009	2008
Canadian statutory income tax rate	30.38%	33.22%
Income tax recovery at statutory rate	\$ 11,150	\$ 21,837
Effect of income taxes of:		
Non-deductible expenses	–	(12,333)
Share issue costs	–	34,878
Change in income tax rates	(9,643)	(3,845)
Valuation allowance	(1,507)	(40,537)
Income tax recoverable	\$ –	\$ –

Significant components of the Company's future income tax assets (liabilities) are shown below:

	2009	2008
Non-capital loss	\$ 28,288	\$ 16,911
Share issue costs	15,749	25,618
Effect of income taxes of:		
Valuation allowance	(44,037)	(42,529)
Income tax recoverable	\$ –	\$ –

At March 31, 2009, the Company had approximately \$113,100 of non-capital loss carry forwards available to reduce taxable income for future years. These losses expire as follows:

2027	\$ 5,800
2028	49,600
2029	57,700
	<u>\$ 113,100</u>

In assessing the realizability of future income tax assets, management considers whether it is more likely than not that some portion of all of the future income tax assets will not be realized. The ultimate realization of future income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of future income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of future income tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.

NEWBRIDGE CAPITAL INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

7. RELATED PARTY TRANSACTIONS

As at March 31, 2009, amounts receivable included \$2,575 due from a director of the Company. The amount is non-interest bearing, unsecured and with no stated repayment terms. The amount was repaid in full subsequent to the year end.

8. FINANCIAL INSTRUMENTS

As at March 31, 2009, the Company's financial instruments consist of cash, amounts receivable and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature.

The Company classifies its cash as held-for-trading, its amounts receivable as loans and receivables, and its accounts payable and accrued liabilities as other financial liabilities.

Credit Risk

The Company is not exposed to significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (Note 1). The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed instruments.

Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

9. MANAGEMENT OF CAPITAL

The Company's objective as a Capital Pool Company (CPC) when managing capital is to safeguard the Company's ability to continue as a going concern therefore enabling the Company to complete a Qualifying Transaction within 24 months from the date the Company's shares were listed for trading on the Exchange (see Note 1).

The Company does not have any externally imposed capital requirements to which it is subject.

As at March 31, 2009, the Company had capital resources consisting mainly of cash. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash. As a CPC, management of capital resources involves having sufficient cash to investigate and complete a Qualifying Transaction pursuant to TSX Venture Exchange policies.