

# BRAVO VENTURE GROUP

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## **Interim Consolidated Financial Statements** For the Three Months Ended October 31, 2009

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### **Notice of No Auditor Review of Interim Statements**

These interim consolidated financial statements of the Company for the three months ended October 31, 2009, were prepared by management and have not been reviewed or audited by the Company's auditors.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Consolidated Balance Sheets as at**

		October 31, 2009	July 31, 2009
		Unaudited	Audited
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	Note 12	\$ 7,307,065	\$ 5,024,889
Receivables	Note 6	233,621	446,337
Prepaid and deposits		57,025	72,105
		<b>7,597,711</b>	<b>5,543,331</b>
Commercial notes	Note 4	668,779	616,927
Investment and loan	Note 5	1	1
Mineral properties	Note 8	22,026,723	18,098,869
Reclamation bonds		72,646	51,963
		<b>\$ 30,365,860</b>	<b>\$ 24,311,091</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accrued liabilities		\$ 1,357,780	\$ 628,316
Due to related parties	Note 9	20,642	4,716
		<b>1,378,422</b>	<b>633,032</b>
<b>Shareholders' Equity</b>			
Share capital	Note 10	44,597,517	38,962,329
Contributed surplus	Note 10	7,402,633	7,336,640
Deficit		(23,012,712)	(22,620,910)
		<b>28,987,438</b>	<b>23,678,059</b>
		<b>\$ 30,365,860</b>	<b>\$ 24,311,091</b>

Nature of operations (Note 1)

Subsequent events (Note 13)

Commitments (Note 14)

**Approved on behalf of the Board**

"Joseph A Kizis"

Joseph A Kizis

"Terry E Eyton"

Terry E Eyton

The accompanying notes are an integral part of the consolidated financial statements

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Consolidated Statement of Operations and Deficit**  
**For the Three Months Ended October 31,**

	2009	2008
<b>Expenses</b>		
Administration	\$ 29,625	\$ 25,125
Amortization	-	291
Consulting		
Services	84,242	79,607
Stock-based compensation	Note 10 (e) 8,544	227,373
Independent directors' fees		
Services	13,961	10,125
Stock-based compensation	Note 10 (e) -	57,161
Investor relations	91,612	66,348
Office and general	63,762	41,913
Professional fees	57,006	35,714
Regulatory fees and taxes	1,874	4,423
Shareholders' communications	16,514	15,197
Transfer agent	4,723	2,376
Travel and promotion	45,226	71,829
Wages and benefits		
Services	3,290	3,017
Stock-based compensation	Note 10 (e) -	111,781
	<b>420,379</b>	<b>752,280</b>
<b>Other Items</b>		
Interest income	(2,341)	(2,525)
Foreign exchange loss (gain)	4,739	(91,993)
General exploration	20,877	9,054
Write-up of commercial notes	Note 4 (51,852)	-
	<b>(28,577)</b>	<b>(85,464)</b>
<b>Net Loss and Comprehensive Loss for the Period</b>	<b>391,802</b>	<b>666,816</b>
<b>Deficit, Beginning of the Period</b>	22,620,910	15,198,360
<b>Deficit, End of the Period</b>	<b>\$ 23,012,712</b>	<b>\$ 15,865,176</b>
Loss per share - basic and diluted	\$ 0.00	\$ 0.01
Weighted average number of common shares outstanding	121,086,667	89,130,760

The accompanying notes are an integral part of the consolidated financial statements

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Consolidated Statement of Cash Flows**  
**For the Three Months Ended October 31,**

	2009	2008
<b>Operating Activities</b>		
Net loss for the period	\$ (391,803)	\$ (666,816)
<b>Items not involving cash:</b>		
Amortization	-	291
Stock-based compensation	8,544	396,315
Unrealized foreign exchange loss	(588)	(40,800)
Write-up of asset-backed commercial paper	(51,852)	-
	(435,699)	(311,010)
<b>Changes in non-cash working capital</b>		
Receivables	212,716	(73,026)
Prepaid and deposits	15,080	(565)
Accounts payable and accrued liabilities	(20,279)	13,893
Due to related parties	6,569	27,018
	214,086	(32,680)
<b>Cash Used in Operating Activities</b>	<b>(221,613)</b>	<b>(343,690)</b>
<b>Investing Activities</b>		
Advances from related parties	-	9,280
Expenditures on mineral properties	(3,168,753)	(2,948,184)
Reclamation bonds	(20,683)	(4,606)
<b>Cash Used in Investing Activities</b>	<b>(3,189,436)</b>	<b>(2,943,510)</b>
<b>Financing Activities</b>		
Proceeds from issuance of shares	5,320,814	2,870,125
Proceeds from exercise of warrants	950,646	-
Proceeds from exercise of options	34,350	-
Proceeds from exercise of agent options	12,938	-
Subscription received	19,050	-
Share issue costs	(645,161)	(352,620)
<b>Cash Provided by Financing Activities</b>	<b>5,692,637</b>	<b>2,517,505</b>
<b>Foreign Exchange Effect on Cash</b>	<b>588</b>	<b>40,800</b>
<b>Increase (Decrease) in Cash and Cash Equivalents during the Period</b>	<b>2,282,176</b>	<b>(747,455)</b>
<b>Cash and Cash Equivalents, Beginning of the Period</b>	<b>5,024,889</b>	<b>2,338,871</b>
<b>Cash and Cash Equivalents, End of the Period</b>	<b>\$ 7,307,065</b>	<b>\$ 1,591,416</b>
Supplemental cash flow information (Note 12)		

The accompanying notes are an integral part of the consolidated financial statements

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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**1. Nature of Operations**

Bravo Venture Group Inc. (the "Company") is an exploration stage company incorporated under the laws of British Columbia. The Company and its subsidiaries are engaged in the acquisition and exploration of mineral properties and do not have any mineral properties in production.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from the sale of the mineral properties. The carrying value of the Company's mineral properties does not reflect current or future values.

These consolidated financial statements were prepared on a "going concern" basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at October 31, 2009, the Company had working capital of \$6,219,289 (July 31, 2009 - \$4,910,299).

The Company does not hold any revenue generating properties and thereby continues to incur losses. The Company has an accumulated deficit of \$23,012,712 as at October 31, 2009 (July 31, 2009 - \$22,620,910).

**2. Summary of Significant accounting policies and accounting changes**

The unaudited consolidated interim financial statements were prepared in accordance with Canadian generally accepted accounting principles. As a result, these unaudited consolidated interim financial statements do not contain all of the information required for annual financial statements and they should be read in conjunction with the Company's annual audited consolidated financial statements for the fiscal year ended July 31, 2009. All material adjustments, which, in the opinion of management, are necessary for a fair presentation of the results of the interim periods, have been reflected. The results for the three months ended October 31, 2009 are stated utilizing the same accounting policies and methods of application as the most recent annual audited financial statements, but are not necessarily indicative of the results to be expected for the full year.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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## **2. Summary of Significant accounting policies and accounting changes, continued**

The Company's reporting currency is the Canadian dollar and all dollar amounts in these statements are in Canadian dollars, unless otherwise indicated. Certain of the prior periods' comparative figures have been reclassified to conform to the presentation adopted in the current period.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Bravo Alaska, Inc. All intercompany accounts and transactions were eliminated upon consolidation.

### **Current Accounting Changes**

#### **Goodwill**

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. Adoption of the new Section did impact on the Company's consolidated financial statements since the Company does not have any goodwill or intangible assets that are accounted for in accordance with this section.

### **Future Accounting Changes**

#### **(i) Business Combinations**

In January 2009, the CICA issued Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests". These sections replace the former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for a non-controlling interest in a subsidiary.

Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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**2. Summary of Significant accounting policies and accounting changes, continued**

**Future Accounting Changes, continued**

**(i) Business Combinations, continued**

Acquisition costs are not part of the consideration and are to be expensed when incurred. Section 1601 establishes standards for the preparation of consolidated financial statements. These new sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company will evaluate the impact of the adoption of these sections on its consolidated financial statements when applicable.

**(ii) International Financial Reporting Standards ("IFRS")**

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed that Canadian GAAP for publicly accountable enterprises will be converged with IFRS effective for fiscal years beginning on or after January 1, 2011. The Company will therefore be required to report using IFRS commencing with its unaudited interim consolidated financial statements for the three months ended October 31, 2011, which must include restated interim results for the prior period ended October 31, 2010 prepared on the same basis. The conversion to IFRS will impact the Company's accounting policies, information technology and data system, internal control over financial reporting, and disclosure controls and procedures. The Company is currently evaluating the future impact of IFRS on its consolidated financial statements.

**3. Financial Instruments**

The carrying value of financial assets by category at October 31, 2009 and July 31, 2009 are as follows:

Financial Assets	October 31, 2009		July 31, 2009	
	Held-for-trading	Loans and Receivables	Held-for-trading	Loans and Receivables
Cash and cash equivalents	\$ 7,307,065	\$ -	\$ 5,024,889	\$ -
Receivables	-	-	-	8,430
Asset-backed commercial paper	668,779	-	616,927	-
Reclamation bonds	-	72,646	-	51,963
	\$ 7,975,844	\$ 72,646	\$ 5,641,816	\$ 60,393

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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**3. Financial Instruments, continued**

The carrying value of financial liabilities by category at October 31, 2009 and July 31, 2009 are as follows:

	October 31, 2009	July 31, 2009
<b>Financial Liabilities</b>	<b>Other financial Liabilities</b>	<b>Other financial Liabilities</b>
Accounts payable and accrued liabilities	\$ 1,357,780	\$ 628,316
Due to related parties	20,642	4,716
	\$ 1,378,422	\$ 633,032

**Fair Value**

The carrying values of cash and cash equivalents, interest receivable, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short terms to maturity. The fair value of the Company's commercial notes is \$668,779 at October 31, 2009 (July 31, 2009 - \$616,927) (Note 4). The carrying value of reclamation bonds approximates their fair value since amounts held earn interest at market rates.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

**(a) Credit Risk**

The Company is exposed to credit risk with respect to managing its cash position. This risk is mitigated by risk management policies that require deposits or short-term investments to be invested with Canadian chartered banks rated BBB or better, or commercial paper issuers R1/A2/P2 or higher. All investments must be less than one year in duration.

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations and anticipated investing and financing activities. The Company normally maintains sufficient cash and cash equivalents to meet the Company's business requirements.

The cash balance of \$7,307,065 as at October 31, 2009 and proceeds from shares issued subsequent thereto (Note 13) should be sufficient to meet the cash requirements for the Company's administrative overhead, maintaining its mineral interests and continuing with its exploration program in the coming year. At October 31, 2009, the Company had accounts payable and accrued liabilities of \$1,357,780 and amounts due to related parties of \$20,642 due within 30 days.



**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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### 3. Financial Instruments, continued

#### (c) Market Risk

The significant market risks to which the Company is exposed are interest rate risk and currency risk. These are discussed further below:

##### (i) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's cash and cash equivalents consist of cash held in bank accounts that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on the estimated fair value as of October 31, 2009.

##### (ii) Currency Risk

The Company is exposed to currency risk to the extent expenditures incurred or funds received and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily US dollars). The Company does not manage currency risks through hedging or other currency management tools.

As at October 31, 2009, the Company has financial instruments denominated in foreign currencies and is exposed to currency risk as follows:

	US
Cash and cash equivalents	\$ 133,600
Reclamation bonds	54,022
Accounts payable and accrued liabilities	(15,949)
	<u>\$ 171,673</u>

Based on the above, assuming all other variables remain constant, a 10% weakening or strengthening of the Canadian dollar against the US dollar would result in an increase/decrease of \$18,573 in the Company's deficit.

##### (iii) Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign exchange risk. The Company is not exposed to any other price risks.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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#### **4. Commercial Notes**

The Company owns asset-backed notes ("AB Notes") with a face value of \$1,199,605. The current Notes were issued in replacement of third party asset-backed commercial paper ("ABCP") formerly held by the Company. When the original ABCP matured but was not redeemed in 2007 it became the subject of a restructuring process overseen by the Pan Canadian Investor Committee. The restructuring was concluded on January 21, 2009 when the ABCP was replaced with long-term asset-backed securities - the AB Notes.

Using publicly available information received from the Pan Canadian Investor Committee as well as Ernst & Young, the court appointed monitor of the restructuring, and Blackrock, the asset administrator, the Company has been able to determine the key characteristics of each class of AB Notes it received: par value; credit rating; interest rate and projected interest payments; and maturity date. The Company then engaged an ABCP expert to help it estimate the return that a prospective investor would require for each class of AB Notes ("Required Yield"). The Company calculated the net present value of the cash flows for each class of AB Notes using the Required Yield as the discount factor. As a result of this analysis, the Company has estimated the fair market value of its AB Notes investment to be \$668,779 as at October 31, 2009 (July 31, 2009 - \$616,927). Accordingly, the Company has recorded a write-up of \$51,852 as a partial reversal of impairments and repayment of capital of \$713,792 that had been recognized in prior years.

While the Company believes it has utilized an appropriate methodology to estimate fair value, given the current state and ongoing volatility of global credit markets, there can be no assurance that management's estimate of potential recovery as at October 31, 2009 is accurate. Subsequent adjustments, either materially higher or lower, may be required in future reporting periods. Management is continuing to seek all avenues to recover the maximum value from the original investments and interest due.

The secondary market for the AB Notes are very illiquid with only a very small number of trades reported that took place at very distressed sales prices. There is little bidding activity and it is difficult to ascertain what potential volume could be transacted at those bids. Investors wishing to sell their AB Notes would have to realize a significant liquidity discount below the intrinsic value of the Notes. It is uncertain if or when a more liquid secondary market for the AB Notes will develop.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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**5. Investment and Loan**

In 2002, the Company considered a change of business to the wine and hospitality industry, and loaned and invested in production and marketing of wine. The Company loaned \$200,000 to Saturna Beach Estates Limited ("SBEL"). A director of the Company is the president of SBEL and remains a guarantor of the \$200,000 loan. Subsequently, the Company wrote down the investment and loan to \$1.

**6. Receivables**

As at October 31, 2009, the receivables balance consists of commodity tax refunds receivable of \$233,621.

**7. Management of Capital**

The Company's objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore the Company's mineral properties for the benefit of its stakeholders.

The Company's capital includes components of shareholders' equity. Capital requirements are driven by the Company's exploration activities on its mineral property interests. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place setting out the expenditures required to meet its strategic goals. The Company compares actual expenses to budget on all exploration projects and overhead to manage costs, commitments and exploration activities.

As the Company is in the exploration stage, its operations have been funded substantially by the issuance of common shares. The Company will continue this financing method in the future depending upon market and economic conditions at the time (Note 3(b)).

**8. Mineral Properties**

The Company has interests in mineral properties in British Columbia (Homestake Ridge and Fossie projects) and Nevada (Battle Mountain project).

The Company capitalizes all acquisition, exploration and development costs relating to the mineral properties. The amounts shown for mineral properties represent costs incurred to date, net of any recoveries, and do not necessarily reflect present or future values. These costs will be amortized against revenue from future production or written off if the property is abandoned or sold.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

**8. Mineral Properties, continued**

A summary of capitalized acquisition and exploration expenditures on the Company's mineral properties for the three months ended October 31, 2009 follows:

<b>Mineral Properties</b>	<b>Homestake Ridge \$</b>	<b>Battle Mountain \$</b>	<b>Fossie Claims \$</b>	<b>Total \$</b>
<b>Acquisition costs:</b>				
Balance as at July 31, 2009	527,992	1,430,144	32,738	1,990,874
Additions during the period	5,563	149,780	666	156,009
<b>Acquisition Balance as at October 31, 2009</b>	<b>533,555</b>	<b>1,579,924</b>	<b>33,404</b>	<b>2,146,883</b>
<b>Exploration costs:</b>				
Balance as at July 31, 2009	13,664,540	2,277,103	166,352	16,107,995
Additions/(deductions) during the period:				
Advances	(90,000)	-	-	(90,000)
Air support	646,533	-	-	646,533
Assays & geochemistry	246,699	2,750	-	249,449
Camp, Utilities and Supplies	325,122	346	-	325,468
Drilling services	1,413,454	-	-	1,413,454
Equipment/rentals/Supplies	210,310	848	-	211,158
Geological & Geophysics	778,741	22,553	-	801,294
General exploration	98,146	6	-	98,152
Project supervision	85,264	2,285	1,703	89,252
Travel	26,858	227	-	27,085
<b>Total additions during the period</b>	<b>3,741,127</b>	<b>29,015</b>	<b>1,703</b>	<b>3,771,845</b>
<b>Exploration Balance as at October 31, 2009</b>	<b>17,405,667</b>	<b>2,306,118</b>	<b>168,055</b>	<b>19,879,840</b>
<b>Total Mineral Property expenditures</b>				
<b>As at October 31, 2009</b>	<b>17,939,222</b>	<b>3,886,042</b>	<b>201,459</b>	<b>22,026,723</b>

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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## **9. Related Party Balances and Transactions**

The Company entered into the following related party transactions during the period ended October 31, 2009.

(a) Under service agreement, as amended, between the Company and a company privately held by a director and an officer of the Company, the Company was charged as follows:

- \$29,625 in respect of the office accommodation and management services;
- \$29,435 in respect of professional services;
- \$32,071 in respect of consulting services;
- \$11,625 in respect of investor relations services;
- \$18,030 in respect of office administration services;
- \$6,810 in respect of computer and systems support services;
- \$76,337 in respect of geological consulting services in relation to mineral properties; and
- \$1,166 in respect of the mark-up on out-of-pocket expenses.

(b) Fees in the amount of \$25,855 were charged by a law firm controlled by a director and an officer of the Company and included in investor relations, professional fees and mineral property expenditures. Amounts payable as at October 31, 2009 were \$13,950.

(c) Fees in the amount of \$20,164 were charged by a director and an officer of the Company for geological consulting services. Amounts payable as at October 31, 2009 were \$6,692.

(d) Consulting fees relating to corporate development and share issue cost of \$343,000 were charged by a private company controlled by a director and an officer of the Company.

(e) Consulting fees relating to office administration of \$6,000 were charged by a private company controlled by an officer of the Company.

(f) Pursuant to a consulting agreement, between the Company and a director and an officer of the Company, the Company was charged \$18,000 for consulting services.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

**10. Share Capital**

**(a) Issued and Outstanding**

The authorized share capital of the Company is unlimited and without par value. The issued share capital as at October 31, 2009 is as follows:

	No. of Shares	Cost	Contributed Surplus
<b>Balance as at July 31, 2008</b>	<b>81,433,151</b>	<b>30,128,706</b>	<b>5,175,073</b>
Issued			
Private Placement	8,426,667	2,700,500	
Private Placement - Flow-Through	29,205,167	8,696,550	-
Exercised Share Purchase Warrants	986,084	337,629	-
Exercised Options	380,417	94,375	-
Issued to Acquire Mineral Properties	200,000	92,000	-
Fair Value of Stock Options Exercised	-	14,000	(14,000)
Fair Value of Agent Warrants Exercised	-	78,015	(78,015)
Stock Based Compensation	-	-	1,655,618
Subtotal before Share Issue Costs	39,198,335	12,013,069	1,563,603
Share Issue Costs	-	(1,944,096)	558,864
Share Purchase Warrants Modified	-	-	39,100
Tax Benefits Renouced to Flow-Through Share Subscribers		(1,235,350)	-
<b>Balance as at July 31, 2009</b>	<b>120,631,486</b>	<b>\$ 38,962,329</b>	<b>\$ 7,336,640</b>
Issued			
Private Placement	6,062,921	2,728,314	-
Private Placement - Flow-Through	5,185,000	2,592,500	
Exercised Share Purchase Warrants	2,617,604	950,646	-
Exercised Options	110,000	34,350	-
Exercise of Agent Options	43,125	12,938	-
Fair Value of Stock Options Exercised	-	26,200	(26,200)
Fair Value of Agent Warrants Exercised	-	46,327	(46,327)
Fair Value of Agent Option Exercised		8,194	(8,194)
Stock Based Compensation	-	-	8,544
Subtotal before Share Issue Costs	134,650,136	45,361,798	7,264,463
Share Issue Costs		(783,331)	138,170
Subscription Received for Private Placements		19,050	-
<b>Balance as at October 31, 2009</b>	<b>134,650,136</b>	<b>\$ 44,597,517</b>	<b>\$ 7,402,633</b>

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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## **10. Share Capital, continued**

### **(a) Issued and Outstanding, continued**

On October 6, 2009 the Company reported that it proposed two private placements to raise \$ 7,700,000. The placements were over subscribed and on October 14, 2009 the Company amended the private placements to issue a total of 17,450,000 common shares in two non-brokered private placements for total gross proceed of \$8,407,500.

(1) Issue 6,350,000 units at a price of \$0.45 per unit to raise \$2,857,500. Each unit will consist of one common share and one-half share purchase warrant, each whole warrant exercisable to purchase one additional common share at an exercise price of \$0.50 per share for a period of two years from the closing date. Net proceeds will be for general working capital and to finance the Company's "Plan of Arrangement" with Bravada Gold Corporation.

(2) Issue 11,100,000 units at a price of \$0.50 per unit to raise \$5,550,000. Each unit will consist of one common flow through share and one-half non flow-through share purchase warrant, each whole warrant exercisable to purchase one additional common share at an exercise price of \$0.60 per share for a period of two years from the closing date.

The first tranche was closed on October 28, 2009 for gross proceeds of \$5,320,814 of which \$2,592,500 was flow-through dollars (5,185,000 flow-through shares at unit price of \$0.50) and balance \$2,728,314 was hard dollars (6,062,921 non-flow-through shares at unit price of \$0.45).

The Company incurred total share issuance cost of \$783,331, comprised of \$285,634 finder's fees, \$359,535 due diligence and other general share issue cost and \$138,162 representing the cost of agent's warrants issued (600,742 exercisable at \$0.45) and calculated using Black-Scholes option pricing model.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

**10. Share Capital, continued**

**(b) Share Purchase Warrants**

The Company's share purchase warrants as at October 31, 2009 are summarized as follows:

Exercise Price	Expiry Date	Balance July 31, 2009	Warrants Granted	Cancelled or Expired	Warrants Exercised	Balance October 31, 2009
\$1.50	January 5, 2010	1,000,000	-	-	-	1,000,000
\$0.35	February 22, 2010	3,821,565	-	-	1,408,991	2,412,574
\$0.35	March 1, 2010	728,185	-	-	688,479	39,706
\$0.35	March 5, 2010	459,620	-	-	-	459,620
\$0.30	March 12, 2010	700,000	-	-	100,000	600,000
\$0.35	March 12, 2010	40,000	-	-	-	40,000
\$0.50	June 5, 2010	360,000	-	-	181,338	178,662
\$0.40	December 12, 2010	3,600,000	-	-	128,572	3,471,428
\$0.40	June 12, 2010	209,000	-	-	19,599	189,401
\$0.48	December 12, 2010	550,000	-	-	-	550,000
\$0.48	June 12, 2010	40,000	-	-	-	40,000
\$0.60	February 19, 2011	300,000	-	-	-	300,000
\$0.50	February 19, 2011	52,000	-	-	25,000	27,000
\$0.35	May 26, 2011	1,000,000	-	-	-	1,000,000
\$0.40	May 27, 2011	7,896,416	-	-	22,500	7,873,916
\$0.35	May 27, 2011	1,835,000	-	-	-	1,835,000
\$0.40	June 1, 2011	1,206,166	-	-	-	1,206,166
\$0.35	June 1, 2011	741,667	-	-	-	741,667
\$0.35	May 27, 2011	-	43,125	-	43,125	-
\$0.60	October 28, 2011	-	3,031,459	-	-	3,031,459
\$0.50	October 28, 2011	-	2,592,500	-	-	2,592,500
\$0.45	October 28, 2011	-	600,742	-	-	600,742
		<b>24,539,619</b>	<b>6,267,826</b>	<b>-</b>	<b>2,617,604</b>	<b>28,189,841</b>
Weighted average exercise price		\$0.43	\$0.54	-	\$0.36	\$0.46

During the period ended October 31, 2009, 2,617,604 warrants were exercised for total proceeds of \$950,646. Subsequent to the quarter 300,085 warrants were exercised for total proceeds of \$120,034.



**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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**10. Share Capital, continued**

**(c) Agent Options**

The Company granted following agent options during the year ended July 31, 2009 as part of compensation arrangement for the agents of a non-brokered private placement.

Exercise Price	Expiry Date	Balance July 31, 2009	Agent Option Exercised	Balance October 31, 2009
\$0.30	May 26, 2009	35,000	1,250	33,750
\$0.30	May 27, 2009	1,709,500	41,875	1,667,625
\$0.30	June 1, 2009	315,400	-	315,400
		<b>2,059,900</b>	<b>43,125</b>	<b>2,016,775</b>
Weighted average exercise price		\$0.30	\$0.30	\$0.30

During the period 43,125 Agent options were exercised for total proceeds of \$12,938. Subsequent to the quarter 251,250 agent options were exercised for total proceeds of \$75,375.

**(d) Stock Options**

The Company has a rolling stock-based compensation plan (the "Plan") allowing for the reservation of common shares issuable under the Plan to a maximum of 10% of the number of issued and outstanding common shares of the Company at any given time. The term of any stock option granted under the Plan may not exceed five years and the exercise price may not be less than the closing price of the Company's shares on the last business day immediately preceding the date of grant, less any permitted discount. On an annual basis, the Plan requires approval by the Company's shareholders and submission for regulatory review and acceptance.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
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**10. Share Capital, continued**

**(d) Stock Options**

A summary of the Company's stock options as at October 31, 2009 is as follows:

Exercise Price	Expiry Date	Balance July 31, 2009	Options Granted	Cancelled or Expired	Options Exercised	Balance Oct. 31, 2009
\$0.420	March 4, 2010	140,000	-	-	-	140,000
\$0.390	July 29, 2010	150,000	-	-	-	150,000
\$0.430	October 13, 2010	843,333	-	-	-	843,333
\$0.465	November 4, 2010	100,000	-	-	-	100,000
\$0.990	March 27, 2011	125,000	-	-	-	125,000
\$0.600	June 1, 2011	865,000	-	-	-	865,000
\$1.280	September 15, 2011	20,000	-	-	-	20,000
\$1.200	December 6, 2011	970,000	-	-	-	970,000
\$1.200	July 10, 2012	1,115,000	-	-	-	1,115,000
\$1.200	October 5, 2012	10,000	-	-	-	10,000
\$0.300	May 6, 2013	564,583	-	-	65,000	499,583
\$0.330	October 8, 2013	1,610,000	-	-	45,000	1,565,000
\$0.400	November 5, 2013	2,285,000	-	-	-	2,285,000
\$0.520	January 9, 2011	100,000	-	-	-	100,000
\$0.350	March 18, 2014	200,000	-	-	-	200,000
\$0.415	May 29, 2014	2,400,000	-	-	-	2,400,000
\$0.540	September 30, 2011	-	350,000	-	-	350,000
		<b>11,497,916</b>	<b>350,000</b>	<b>-</b>	<b>110,000</b>	<b>11,737,916</b>
Weighted average exercise price		\$0.56	\$0.54	-	\$0.31	\$0.56

Pursuant to an agreement dated September 15, 2009 the Company granted 350,000 options to First Canadian Capital Corp. at an exercise price of \$0.54 for a period of two years effective September 31, 2009. The options are vested at 87,500 every three months from December 31, 2009.

During the period ended October 31, 2009 110,000 options were exercised for total proceeds of \$34,350.

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
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**10. Share Capital, continued**

**e) Fair Value Determination**

The weighted average fair value of the stock options granted during the current period was approximately \$0.26 per option. The fair value of stock options granted was estimated using the Black-Scholes option pricing model, was calculated using the following weighted average assumptions:

	<b>October 31,</b>			
	<b>2009</b>		<b>2008</b>	
	<b>Options</b>	<b>Warrants</b>	<b>Options</b>	<b>Warrants</b>
Risk-free interest rate	1.24%	1.40%	2.78%	2.78%
Expected share price volatility	94.82%	94.65%	103.58%	73.69%
Expected option/warrant life in years	2.0	2.0	5.0	1.5
Expected dividend yield	0%	0%	0%	0%

The total stock-based compensation recognized during the three months ended October 31, 2009, \$8,544 is related to the third vesting of 100,000 options granted on January 11, 2009.(October 31, 2008: \$428,071) and is included in the consolidated statement of operations as follows:

	<b>October 31, 2009</b>		<b>October 31, 2008</b>	
	<b>Number of Options Granted</b>	<b>Stock-based Compensation</b>	<b>Number of Options Granted</b>	<b>Stock-based Compensation</b>
Consulting	-	\$ 8,544	895,000	\$ 227,373
Independent directors' fees	-	-	225,000	57,161
Wages and benefits	-	-	440,000	111,781
Geological services (Mineral properties)	-	-	125,000	31,756
<b>Total</b>	<b>-</b>	<b>\$ 8,544</b>	<b>1,685,000</b>	<b>\$ 428,071</b>

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

**11. Segmented Information**

The Company's non-current assets are distributed by geographic location as follows:

October 31, 2009					
	Mineral Properties	Reclamation Bond	Other	Total	
Canada	\$ 18,140,681	\$ 14,200	\$ 668,780	\$	18,823,661
USA	3,886,042	58,446	-	\$	3,944,488
	\$ 22,026,723	\$ 72,646	\$ 668,780	\$	22,768,149

**12. Supplemental Cash Flow Information**

	Three months ended October 31,	
	2009	2008
Cash Items		
Interest received	\$ 2,341	\$ 2,525
Investing Activities		
Mineral property costs included in accounts payable	\$ 1,296,131	\$ 903,448
Mineral property costs included in related party accounts payable	\$ 9,358	\$ 18,006
Stock - based compensation included in mineral property cost	\$ -	\$ 31,756
Financing Activities		
Fair value options exercised	\$ 26,200	\$ 96
Fair value warrants exercised	\$ 46,327	\$ -
Fair value agent option exercised	\$ 8,194	\$ -
Warrants issued for agents	\$ 138,170	\$ 66,843
Income tax paid	\$ -	\$ -
Interest paid	\$ -	\$ -
Cash and cash equivalents consist of:		
Cash	\$ 7,307,065	\$ 710,087
Cash available for flow through expenses	\$ -	\$ 881,329
	\$ 7,307,065	\$ 1,591,416

**Bravo Venture Group Inc. (An Exploration Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**For the Three Months Ended October 31, 2009**

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**13. Subsequent Events**

The following events occurred subsequent to October 31, 2009:

**(a) Private Placements**

The second and final tranche of the October 6, 2009 announced private placement (Note 10(a)) was closed on November 4, 2009 for gross proceeds of \$3,086,686 of which \$2,957,500 was flow-through dollars (5,915,000 flow-through shares at unit price of \$0.50) and the balance of \$129,186 was hard dollars (287,079 non-flow-through shares at unit price of \$0.45).

The Company incurred total share issuance cost of \$327,714, comprised of \$179,621 finder's fees, \$65,333 due diligence and other general cash issue cost and \$82,760 representing the cost of agent's warrants issued (359,825 exercisable at \$0.45) and calculated using Black-Scholes option pricing model.

**(b) Fossie Claims – British Columbia**

Pursuant to an agreement dated June 5, 2007, the Company acquired the right to earn a 100% interest in the Fossie claim located in the Skeena Mining Division, British Columbia, Canada.

To exercise the option, the Company was required to make staged payments totaling \$200,000 and incur exploration expenditures of \$500,000:

On November 4, 2009 parties to the option agreement amended the agreement as follows

- (i) Pay an initial payment of \$10,000 (paid).
- (ii) Pay \$15,000 (paid) and incur in the aggregate a minimum of \$25,000 (incurred) in exploration expenditures on or before June 5, 2008.
- (iii) Pay \$25,000 (paid) and incur in the aggregate a minimum of \$125,000 (incurred) in exploration expenditures on or before November 30, 2009 and June 5, 2009 respectively.
- (iv) Pay \$150,000 and incur in the aggregate a minimum of \$750,000 in exploration expenditures on or before June 5, 2012.

**14. Commitments**

Under a service agreement, as amended, between the Company and a company privately held by a director and an officer of the Company, the Company is charged \$8,000 monthly for office accommodation and administration services. The agreement may be cancelled at any time upon one year's notice and expires on June 30, 2012. The fee commitment for the next three years is as follows:

Year ending July 31,	2010	2011	2012
<b>Commitment</b>	\$ 72,000	\$ 96,000	\$ 88,000