

INTERNATIONAL GOLD MINING LIMITED

Management Discussion and Analysis (Form 51-102F1)

For the Year ended June 30, 2007

Information as of October 26, 2007 unless otherwise stated

Note to Reader

The following management discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2007, together with the notes thereto. These annual audited financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Forward-Looking Information

This discussion includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts that address future production, reserve potential, exploration drilling, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Overall Performance

The Company is a junior mineral exploration company listed on the TSX Venture Exchange and is engaged in the acquisition, exploration and development of mineral properties. It has not yet determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The Company's ability to continue its operations is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management is actively pursuing such additional sources of financing; however, in the event this does not occur, there is doubt about the ability of the Company to continue as a going concern. The Financial Statements and Management Discussion & Analysis of the financial condition, changes in financial condition and results of operations of the Company for the periods ended June 30, 2007 do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

The amount of the Company's administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on the Company's recent exploration experience and prospects, as well as the general market conditions relating to the availability of funding for exploration-stage resource companies. Consequently, the Company does not acquire properties or conduct exploration work on them on a pre-determined basis and as a result there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

Overall Performance (Continued)

International Gold Mining Limited is a diverse mineral resource company that has focused its efforts on bringing the British King Gold Project into production in early 2008.

Highlights for the Year up to June 30, 2007

Approval was granted by the State Mining Engineer (Mines Department) on the May 21, 2007 for the commencement of underground mining operations.

Transfer of the dewatering licence No 00063888 Goode WD & Gould RJ to International Gold Mining Limited was granted by the waters and rivers commission at the end of June 2007.

Wilshaw Engineering has advised the Company a certified document for the head frame has been lodged with the Mines Department. There is also the possibility that the head frame might require modifications.

International Gold Mining Limited has engaged Mr Colin Woolard to oversee the completion of all the necessary government and mine department permits e.g. Evaporation pond, rubbish tip and bonds.

All other exploration activities are focused on the Company's 100% owned British King and Eureka projects and its joint venture over a project called Kenden Well and an option over a project called Eclipse.

In June-July 2007, the Company entered into a joint venture agreement over an area known as Kenden Well which covers an area of 10 km² located some 70 km East of Wiluna, Western Australia. Upon signing the JV agreement the company conducted a full ground magnetic survey across the tenements, grid lines were spaced at 200 metre intervals, with readings being recorded every 50 metres. The data was later plotted on computer and contours developed along with profile maps.

In July 2007, the Company entered into an option agreement to acquire the Eclipse Gold mine located over the old Gindalbie Town site 54 km North North-East of Kalgoorlie, Western Australia. A 1,000 meter drill programme has been presented to the board and drilling will commence as soon as a suitable drill rig can be located.

Chief Geologist Mr. Nick Revell joined the board on November 16, 2006. Mr. Revell has over 15 years experience as a geologist and is a member of the Australian Institute of Mining and Metallurgy is now the Qualified Person as defined in NI43-101.

The Company's loss from operations for the year ended June 30, 2007 totalled \$(829,351) a loss of \$(0.01) per share, as compared to a profit of \$65,676 for the year ended June 30, 2006, a profit of \$0.00 per share. Assets increased from \$753,314 as at June 30, 2006 to \$6,493,105 as at June 30, 2007 as a result of a \$3,000,000 issue of 30,000,000 shares to complete the acquisition of British King and Eureka Gold projects, plus proceeds from the issue of shares.

Interest income was \$29,993 (2006 - \$0.00) for the year ended June 30, 2007. There were no deferred explorations or property write-offs for the year ended June 30, 2007 or June 30, 2006.

Significant changes in General and Administrative costs over the last year were: professional fees increased by \$563,543 to \$687,595 office costs increased by \$140,785 to \$163,500, salaries and management fees increased by \$197,960 to \$197,960 and stock-based compensation for professional fees was \$25,000.

Exploration Update

The Company's 100% owned Eureka and British King Gold projects now consists of:

| Exploration Licence | Holder | Shares Held | Status | Grant Date | Expiry Date | Area (ha) | Annual Rent - next rental year | Minimum Annual Expenditure | Registered Encumbrances / Dealings |
|--------------------------------|-----------|-------------|---------|------------|-------------|-----------|--------------------------------|----------------------------|--|
| Eureka Tenements: | | | | | | | | | |
| M24/189 | ARL | 100 | Live | 15/02/1988 | 14/02/2009 | 218.15 | \$3,035.34 | \$21,900 | Bond 209889 Agreement 367H/890 |
| M24/584 | Devonport | 100 | Live | 25/10/2000 | 24/10/2021 | 110.50 | \$1,538.46 | \$11,100 | Application to amend 393H/045 |
| M24/585 | Devonport | 100 | Live | 25/10/2000 | 24/10/2021 | 104.50 | \$1,455.30 | \$10,500 | Application to amend 393H/045 |
| M24/586 | Devonport | 100 | Live | 25/10/2000 | 24/10/2021 | 130.00 | \$1,801.80 | \$13,000 | Application to amend 393H/045 |
| British King Tenements: | | | | | | | | | |
| M37/030 | Alexanda | 100 | Live | 04/07/1984 | 03/07/2026 | 9.5785 | \$ 138.60 | \$10,000 | Bond 246118 Agreement 527H/867 Application to amend 324H/889 Plaint LE38/890 to remove caveat Renewal of term LE120/045 Transfer/devolution 11H/056 |
| L37/162 | Alexanda | 100 | Live | 25/10/2006 | 24/10/2027 | 6.80 | \$6.24 | N/R | |
| PLA37/7026 | Alexanda | 100 | Pending | | | 10.00 | N/A | N/R | |
| ELA37/882 | Issuer | 100 | Pending | | | 47 BL | N/A | N/R | Objection LE65/067 |

RISKS AND UNCERTAINTIES

The Company is subject to a number of risk factors due to the nature of its business and the present stage of development. The following risk factors should be considered:

General

The Company is an Australian junior mineral exploration company listed on the TSX Venture Exchange and engaged in the exploration and development of mineral properties located in Western Australia. It has not yet determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The Company's ability to continue its operations is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management is actively pursuing such additional sources of financing that may be required.

General – Continued

The Financial Statements and discussion and analysis of the financial condition, changes in financial condition and results of operations of the Company for the years ended June 30, 2007 and 2006 do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

The amount of the Company's administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on the Company's recent exploration experience and prospects, as well as the general market conditions relating to the availability of funding for exploration-stage resource companies. Consequently, the Company does not acquire properties or conduct exploration work on them on a pre-determined basis and as a result there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

Trends

The Company's financial success is dependent upon the discovery of commercial mineral resources on the British King and Eureka Gold deposits which could be economically viable to develop. Such development could take several years to complete and the resulting income, if any, is difficult to determine at this time, until the resource estimate on its magnetite prospect and scoping study is included. The sales value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced. Other than as disclosed herein, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Competitive Conditions

The resource industry is intensively competitive in all of its phases, and a number of other magnetite deposits have been developed in Western Australia. The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors. The Company competes with many other companies that have substantially greater financial resources than the Company and our ability to compete is dependent of being able to raise additional funds as and when required.

Environmental Factors and Protection Requirements

The Company currently conducts exploration and development activities in Western Australia. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. There is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property. Environmental hazards may exist on the properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties. The Company is currently engaged in exploration with nil to minimal environmental impact.

Mineral Exploration and Development

The Company's properties are in the exploration stage. Development of the Company's properties will only proceed upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that mineral exploration and development activities will result in the discovery of an ore body of commercial minerals on any of the Company's properties. Several years may pass between the discovery of a deposit and its exploitation. Most exploration projects do not result in the discovery of commercially mineralized deposits.

Operating Hazards and Risks

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labor disruptions, flooding, explosions, cave -ins, land slides and the inability to obtain suitable or adequate machinery, equipment or labor are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition

Economics of Developing Mineral Properties

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract minerals and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of minerals or interests related thereto. The price of various minerals have fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of mineral substitutes, mineral stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the price of various minerals, and therefore the economic viability of the Company's operations cannot accurately be predicted.

Title

There is no guarantee that title to properties in which the Company has a material interest will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects. No native title claims were lodged by the due date, which has enabled the Company to apply for mining leases.

Governmental Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labor; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) expropriation of property. There is no assurance that future changes in such regulations, if any, will not adversely affect the Company's operations. Changes in such regulations could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted. If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labor standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

Management and Directors

The Company is dependent on a relatively small number of directors: Alan Phillips, Nicholas Revell, Damien Reynolds and Bruce Burrell; and officers.

Mr Revell, BSc, is a member of AusIMM, a Company Director and as the Company's Chief Geologist is a Qualified Person as defined in National Instrument 43-101. Mr Reynolds will not stand for re-election at the Company's upcoming Annual General Meeting to be held November 21, 2007, but shall remain as a consultant to the Company. Mr Bruce Burrell, CPA, MBA joined the Board of Directors 26 July 2007, the same date that Mr David Barwick resigned as Director, for personal family reasons.

The loss of any one of those persons, or of employees could have an adverse affect on the Company. The Company does not maintain key person insurance on any of its management. In addition,

Conflicts of Interest

Certain officers and directors of the Company are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Limited Operating History: Losses

The Company has experienced losses in previous years of its operations. There can be no assurance that the Company will operate profitably in the future, if at all. As at June 30, 2007 the Company's deficit was \$(12,090,508).

Price Fluctuations: Share Price Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many mineral exploration companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, during the financial year ended June 30, 2007, the per share price of the Company's shares fluctuated from a high of \$0.20 to a low of \$0.16. There can be no assurance that continual fluctuations in price will not occur.

Shares Reserved for Future Issuance: Dilution

As at June 30, 2007, there were 4,062,500 stock options and nil warrants outstanding.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

- a) Paid or accrued \$58,519 (2006 - \$Nil) for consulting services provided by a director of the Company.
- b) Paid or accrued \$86,987 (2006 - \$21,454) in office and miscellaneous expenses to a director of the Company.

Included in accounts payable is \$30,000 (2006 - \$30,000) due to directors and former directors. Included in accounts receivable is \$43,745 (2006 - \$Nil) owing from Macarthur Mineral Limited ("Macarthur"), a related party by way of common directors.

Included in loans payable at June 30, 2007 was \$213,467 (2006 - \$415,336) owed to companies owned by directors and former directors of the Company. The Company paid or accrued \$37,293 (2006 - \$34,639) in interest expense related to the loans payable due to related parties.

These transactions were in the normal course of operations and, in management's opinion, were undertaken with the same terms and conditions as transactions with unrelated parties.

COMMITMENTS

At balance sheet date the Company had commitments to pay \$172,615 for an operating lease on office space expiring in 2011 and \$491,800 in minimum expenditure requirements on their exploration tenements.

ACCOUNTING POLICIES

Accounting policies are listed in Note 2 to the Financial Statements for June 30, 2007.

SELECTED FINANCIAL INFORMATION

The following table sets forth selected financial information of the Company for, and as at the end of, each of the last three financial years of the Company up to and including June 30, 2007. This financial information is derived from the financial statements of the Company. The Company prepares financial information according to Canadian Generally Accepted Accounting Principles ("GAAP") and all information is reported in Australian \$.

SELECTED FINANCIAL INFORMATION - Continued

June 30 (Audited)
Australian \$

| | 2007 | 2006 | 2005 |
|---------------------------------------|-----------|---------|-----------|
| Income from continuing operations | 185,093 | 300,998 | 1,422 |
| Net loss for the year | (829,351) | 65,676 | (815,413) |
| Net loss per share | (0.01) | 0.00 | (0.02) |
| Total Assets | 6,493,105 | 753,314 | 129,332 |
| Total Long-term financial liabilities | 0 | 0 | 0 |

No cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares. The Company anticipates that all available funds will be invested to finance the growth of its business.

The net loss amount is affected mainly by the administration costs during the fiscal year. Revenues from 2005 to 2007 are interest income and other miscellaneous income.

Interest income is dependent upon interest rates and the amount of financing raised each year by the Company. Interest rates will vary due to market conditions and the Company has no control over the fluctuation of rates.

Expenses are mainly composed of administration expenses, which including filing fees, investor relations, professional fees, management fees, travel and accommodation and stock-based compensation.

All of the above factors must be taken into consideration when comparing Total Revenues and Net Loss for each year.

LIQUIDITY AND CAPITAL RESOURCES

The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to acquire and explore mineral properties. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and the Company may consequently have its interest in the properties subject to such agreements jeopardized. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

The Company is dependent on raising funds by the issuance of shares or disposing of interests in its mineral properties (by options, joint ventures or outright sales) in order to finance further acquisitions, undertake exploration and development of mineral properties and meet general and administrative expenses in the immediate and long term. There can be no assurance that the Company will be successful in raising their required financing.

FINANCIAL INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point of time, based on relevant information about financial markets and specific financial instruments. At these estimates are subjective in nature, involving uncertainties and matter of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash, sundry receivables, and accounts payable and accrued liabilities and amounts due to related parties approximate their fair market value because of the short-term nature of these instruments.

OUTSTANDING SHARE DATA AS OF OCTOBER 17, 2007 (RECORD DATE):

Authorized and issued share capital:

| Class | Par Value | Authorized Common shares (No par value) | Issued |
|--------------|------------------|--|---------------|
| Common | No par value | Unlimited | 85,953,910 |

OTHER INFORMATION

Other information relating to the Company may be found on SEDAR at www.sedar.com.

BY ORDER OF THE BOARD

"Alan Phillips"

Alan S. Phillips, Director
President and CEO

"Nicholas Revell"

Nicholas Revell, Director