

INTERNATIONAL GOLD MINING LIMITED

Unaudited Interim Consolidated Financial Statements
DECEMBER, 2008 and 2007

(Expressed in Australian dollars)

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UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Notice of No Auditor Review of Interim Financial Statements

The accompanying Unaudited Interim Consolidated Financial Statements for the six months ended December 31, 2008 and 2007 have been prepared by management and have not been the subject of a review by the Company's independent auditor.

Vancouver BC
February 23, 2009

INTERNATIONAL GOLD MINING LIMITED
INTERIM CONSOLIDATED BALANCE SHEETS
(Expressed in Australian dollars)
(UNAUDITED)

	DECEMBER 31, 2008 \$	JUNE 30, 2008 \$
ASSETS		
Current		
Cash	34,087	253,939
Receivables	177,690	136,602
Total current assets	211,777	390,541
Non-Current		
Deposits	150,134	146,323
Plant and equipment	1,534,529	1,612,680
Mineral properties	2,514,233	2,334,849
Total non-current assets	4,198,896	4,093,852
Total assets	4,410,673	4,484,393
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	342,922	409,320
Total current liabilities	342,922	409,320
Non-Current		
Loans payable	480,031	456,577
Deferred other creditors	160,743	102,243
Asset retirement obligations	50,000	50,000
Total non-current liabilities	690,774	608,820
Shareholders' equity		
Capital stock (Note 3)	17,284,919	16,540,622
Contributed surplus	591,726	591,726
Deficit	(14,499,668)	(13,666,095)
Total shareholders' equity	3,376,977	3,466,253
Total liabilities and shareholders' equity	4,410,673	4,484,393

Going concern and nature of operations (Note 1)
Commitments and contingencies (Note 8)

APPROVED BY THE DIRECTORS:

On Behalf of the Board

"Alan Phillips"
Alan Phillips, Director

"Bruce Burrell"
Bruce Burrell, Director

The accompanying notes are an integral part of these financial statements

INTERNATIONAL GOLD MINING LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
THREE AND SIX MONTHS ENDED DECEMBER 31, 2008 AND 2007
(Expressed in Australian dollars)
(UNAUDITED)

	Three months ended December 31, 2008	Three months ended December 31, 2007	Six months ended December 31, 2008	Six months ended December 31, 2007
Expenses				
Amortization	\$ 60,844	\$ 15,924	\$ 121,355	\$ 28,312
Consulting fees	9,800	27,699	85,708	129,460
Interest	24,316	18,242	35,927	34,156
Professional fees	57,888	109,156	157,850	151,921
Listing and filing fees	10,122	5,512	13,925	14,508
Office and miscellaneous expenses	62,626	49,193	125,657	127,141
Property investigation costs	59,534	39,088	249,243	149,004
Salaries and management fees	47,600	77,662	113,946	154,345
Travel and accommodation	750	17,464	19,683	33,838
Total expenses	333,480	359,940	923,294	822,685
Loss before other items	(333,480)	(359,940)	(923,294)	(822,685)
Other items:				
Interest income	2,696	15,525	6,964	16,240
Other income	52,921	74,945	82,757	77,701
	55,617	90,470	89,721	93,941
Net loss before taxes	(277,863)	(269,470)	(833,573)	(728,744)
Future income tax recovery/liability	-	(191,838)	-	(32,435)
Net loss for the period	(277,863)	(461,308)	(833,573)	(761,179)
Deficit, beginning of period	(14,221,805)	(12,390,379)	(13,666,095)	(12,090,508)
Deficit, end of period	\$ (14,499,668)	\$ (12,851,687)	\$ (14,499,668)	\$ (12,851,687)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	87,353,910	85,953,910	87,097,931	85,953,910

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL GOLD MINING LIMITED
CONSOLIDATED STATEMENTS OF DEFICIT
(Expressed in Australian dollars)
(UNAUDITED)

	SIX MONTHS ENDED DECEMBER 31, 2008 \$	SIX MONTHS ENDED DECEMBER 31, 2007 \$
Balance – beginning of period	(13,666,095)	(12,090,508)
Net loss for period	(833,573)	(728,744)
Future income tax recovery/liability	-	(32,435)
Balance – end of period	(14,499,668)	(12,851,687)

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL GOLD MINING LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE AND SIX MONTHS ENDED DECEMBER 31, 2008 AND 2007
(Expressed in Australian dollars)
(UNAUDITED)

	Three months ended December 31, 2008	Three months ended December 31, 2007	Six months ended December 31, 2008	Six months ended December 31, 2007
OPERATING ACTIVITIES				
Net loss for the period	\$ (277,863)	\$ (461,308)	\$ (833,573)	\$ (761,179)
Items not involving cash:				
Amortization	60,844	15,924	121,355	28,312
Future income tax recovery/liability	-	191,838	-	32,435
Accrued interest	11,748	-	23,724	-
<i>Changes in non-cash working capital items related to operations</i>				
Receivables	13,251	(41,608)	(44,899)	(37,644)
Accounts payable and accrued liabilities	(242,722)	(60,751)	(7,898)	13,337
Net Cash used in Operating Activities	(434,742)	(355,905)	(741,291)	(724,739)
INVESTING ACTIVITIES				
Deposits	-	(60,571)	-	(60,571)
Restricted cash	-	-	-	5,548
Plant and equipment	-	-	(13,432)	(156,230)
Mineral exploration expenditures	(35,977)	(143,610)	(43,208)	(633,021)
Net Cash used in Investing Activities	(35,977)	(204,181)	(56,640)	(844,274)
FINANCING ACTIVITIES				
Application monies for common shares	434,767	-	578,079	-
Proceeds to/from related parties	(28,746)	168,241	-	184,156
Net Cash provided by Financing Activities	406,021	168,241	578,079	184,156
Decrease in cash during period	(64,698)	(391,845)	(219,852)	(1,384,857)
Cash, beginning of period	98,785	393,789	253,939	1,386,801
Cash, end of period	\$ 34,087	\$ 1,944	\$ 34,087	\$ 1,944
Cash paid during the period for interest	\$ -	\$ -	\$ -	\$ -
Cash paid during the period for income tax	\$ -	\$ -	\$ -	\$ -

There were no significant non-cash transactions for the period ended December 31, 2008.

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED DECEMBER 31, 2008 AND 2007
(Expressed in Australian dollars)
UNAUDITED

1. GOING CONCERN AND NATURE OF OPERATIONS

International Gold Mining Limited (the "Company") was incorporated in Victoria, Australia on February 21, 1996 and currently resides in Brisbane, Australia. Its principal business activity is natural resource exploration, presently focused on mineral interests in Australia and Tanzania.

For the three months ended December 31, 2008 the Company incurred a net loss of \$277,863 (December 31, 2007 - \$461,308), and for the six months ended December 31, 2008, the Company incurred a net loss of \$833,573 (December 31, 2007- \$761,179). At December 31, 2008 the Company had a deficit of \$14,499,668 (December 31, 2007 - \$13,666,095).

These consolidated financial statements have been 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 for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheet.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim period consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis showing the figures for the corresponding period in the preceding year. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements. Certain information and footnote disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles has been condensed or omitted. These interim period statements should be read together with the audited financial statements and the accompanying notes included in the Company's latest annual report. In the opinion of the Company, its unaudited interim consolidated financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

Accounting Policies Implemented in 2008

Effective January 1, 2008, the Company adopted Section 1535, Capital Disclosures of the Canadian Institute of Chartered Accountants' Handbook ("CICA") Handbook. This section establishes standards for disclosing information about an entity's objectives, policies and processes for managing capital. This section has been adopted effective January 1, 2008. See Note 8 for additional details.

International Financial Reporting Standards (IFRS)

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises will be required to adopt IFRS for fiscal years beginning on or after January 1, 2011, with earlier adoption permitted. Accordingly, the conversion to IFRS will be applicable to the Corporation's reporting no later than the first quarter of 2011 with restatement of comparative information presented.

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The Company is currently evaluating the future impact of IFRS on its financial systems and reporting and will continue to invest in training and additional resources to ensure a timely conversion.

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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3. CAPITAL STOCK

- (a) Authorised
Unlimited common voting shares, without par value
- (b) Issued

	Number of Shares	Capital Stock	Contributed Surplus
Balance as at June 30, 2007	85,953,910	\$ 16,540,622	-
Stock-based compensation	-	-	591,726
Balance as at June 30, 2008	85,953,910	\$ 16,540,622	591,726
Acquisition of mineral properties	1,400,000	\$ 166,218	-
Private placement	-	578,079	-
Balance as at December 31, 2008	87,353,910	\$ 17,284,919	591,726

During the six months ended December 31, 2008:

- i) 500,000 common shares were issued at a price of CAN \$0.105 per share as part consideration under the Bahati Joint Venture Agreement in Tanzania, East Africa.
- ii) 900,000 common shares were issued at a price of CAN \$0.09 per share for acquisition of tenements in the Lake Bahi region in Tanzania, East Africa..
- iii) At December 31, the company had received proceeds of \$578,079 towards a private placement of up to 11,000,000 common shares at a price of CAN \$0.06 per share.

INTERNATIONAL GOLD MINING LIMITED
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3. CAPITAL STOCK (cont'd...)

Stock options

The Company, in accordance with the policies of the TSX Venture Exchange, is authorized to grant options to directors, employees and consultants, to acquire up to 10% of issued and outstanding common stock. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Options granted to employees, directors and officers vest fully four months after the grant date. Options issued to consultants must vest in stages over 12 months with one quarter of the options vesting in any three month period.

The fair value of all share purchase options are expensed over their vesting period and estimated term, with a corresponding increase in contributed surplus.

Upon exercise of share purchase options, the consideration paid by the option holder, together with the amounts previously recognized in contributed surplus, is recorded as an increase to share capital.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	December 2008		June 2008	
	Number of Options	Weighted Average Exercise Price	Number Of Options	Weighted Average Exercise Price
Outstanding, beginning of period	12,562,500	\$ 0.14	4,062,500	\$ 0.20
Granted	-	-	8,500,000	0.11
Exercised	-	-	-	-
Expired/cancelled	-	-	-	-
Outstanding, end of period	12,562,500	\$ 0.14	12,562,500	\$ 0.14
Options exercisable, end of period	12,562,500	\$ 0.14	12,562,500	\$ 0.14

Stock options outstanding at December 31, 2008 are as follows:

Number of Options	Exercise Price	Expiry Date
4,062,500	\$ 0.20	June 20,2009
8,000,000	0.10	March 10, 2011
500,000	0.20	June 11, 2011

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3. CAPITAL STOCK (cont'd...)

Stock-based compensation

During the year ended June 20, 2008 the Company granted 8,500,000 stock options to directors, officers and consultants.

The company measures the cost of cash-settled share based payments at fair value at the grant date using the Black-Scholes formula, taking into account the terms and conditions upon which the instruments were granted.

8,000,000 options were issued in March 2008 at a fair value of \$0.06 per option, for a total value of \$472,240.

500,000 options were issued in June 2008 at a fair value of \$0.24 per option, for a total value of \$119,486.

4. ACCUMULATED OTHER COMPREHENSIVE INCOME

	December 31, 2008	June 30, 2008
Beginning balance	\$ -	\$ 917,602
Fair value adjustment for available-for-sale securities	-	(1,310,859)
	-	(393,257)
Deferred tax expense	-	393,257
	\$ -	\$ -

5. SEGMENTED INFORMATION

The Company's one reportable operating segment is the exploration and development of mineral properties in Australia and Tanzania. All of the Company's mineral properties and plant and equipment are located in Australia and Tanzania.

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6. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and loans payable. The fair value of these instruments approximates their carrying value, unless otherwise noted.

Currency

The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of those rates. The Company does not use derivative instruments to reduce its foreign currency risk.

Interest rate risk

The Company's exposures to interest rate risk arise predominantly from assets and liabilities bearing variable interest rates as the Company intends to hold fixed rate assets and liabilities to maturity.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has at its disposal sufficient sources of financing such as private placement. The Company establishes cash estimates to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible to the Company to continue its operations, 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.

Credit risk

The credit risk in respect to financial assets of the Company which have been recognized in the balance sheet is generally the carrying amount, net of any provision for diminution in value.

7. COMMITMENTS AND CONTINGENCIES

The Company has entered into operating lease agreements for premises. The annual lease commitments under these leases are as follows:

2009	\$ 42,460
2010	43,783
2011	<u>45,172</u>
	<u>\$ 131,415</u>

In order to maintain current rights to tenure to exploration tenements, the Company is required to perform minimum expenditure requirements specified by various governments. The expenditure obligations are subject to renegotiation when application for a mining lease and/or renewal of exploration permits is made. The commitments under these expenditure obligations are as follows:

Not later than one year	\$ 50,520
Later than one year but not later than five years	<u>545,000</u>
	<u>\$ 1,046,520</u>

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8. CAPITAL MANAGEMENT

The capital of the Company consists of the items included in shareholders' equity. The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue the development and exploration of its mineral properties.

To effectively manage the Company's capital requirements, the Company has in place a planning process to help determine the funds required to ensure appropriate liquidity to meet its operating and growth objectives.

The Company relies on equity financing to fund its exploration programs, and has responded to the recent global financial instability by initiating a strict costs control program. In 2009, the Company expects to generate cash flows from private placements of equity.

The Company currently has sufficient working capital to undertake its exploration programme.

9. SUBSEQUENT EVENTS

On January 7, 2009 the Company announced that it has received regulatory acceptance and closed the first tranche of its non-brokered private placement consisting of 7,673,425 common shares at a price of \$0.06 per share, for gross proceeds of \$460,406.

The gross proceeds from the private placement will be used for ongoing exploration on the Company's uranium projects located in the East African Republic of Tanzania and to provide the company with additional working capital.

All securities issued in connection with this financing will be subject to a four month hold period expiring on 6 May 2009.

On January 15, 2009 the Company announced the appointment of David Taylor to the Board of Directors effective February 6, 2009. David brings to the Board over 20 years of capital markets experience including a career at Canada's Thomson Reuters.

The Board has also accepted the resignation of Director Nick Revell effective February 6, 2009. Mr Revell has resigned to pursue other interests.

The board of directors would like to thank Mr. Revell for his time, service, insightful advice and valuable contributions he made during his tenure as a director.

On February 9, 2009 the Company announced that, subject to regulatory acceptance, the Company has successfully completed Tranche 2 of its non-brokered private placement consisting of 928,453 common shares at a price of \$0.06 per share, for gross proceeds of up to \$55,707. The Company will now proceed with Tranche 3 of its non-brokered private placement.

The gross proceeds from the private placement will be used for ongoing exploration on the Company's uranium projects located in the East African Republic of Tanzania and to provide the Company with additional working capital.

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All securities issued in connection with this financing will be subject to a four month hold period.