

INTERNATIONAL GOLD MINING LIMITED

Unaudited Interim Consolidated Financial Statements
DECEMBER 31, 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, 2007 have been prepared by management and have not been the subject of a review by the Company's independent auditor.

Vancouver BC
February 22, 2008

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

	DECEMBER 31, 2007 \$	JUNE 30 2007 \$
ASSETS		
Current		
Cash	1,944	1,386,801
Restricted cash (Note 7)	109,200	114,748
Receivables	125,999	88,355
Available-for-sale marketable securities	1,761,920	1,653,804
Total current assets	1,999,063	3,243,708
Non-Current		
Deposits	142,539	81,968
Plant and equipment	366,418	238,500
Mineral properties	3,561,950	2,928,929
Total non-current assets	4,070,907	3,249,397
Total assets	6,069,970	6,493,105
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	423,244	409,907
Loans payable	849,638	665,482
Asset retirement obligations	50,000	50,000
Total current liabilities	1,322,882	1,125,389
Shareholders' equity		
Capital stock (Note 3)	16,540,622	16,540,622
Accumulated other comprehensive income (Note 4)	1,058,153	917,602
Deficit	(12,851,687)	(12,090,508)
Total shareholders' equity	4,747,088	5,367,716
Total liabilities and shareholders' equity	6,069,970	6,493,105

Nature and continuance of operations (Note 1)

Commitments and contingencies (Note 7)

APPROVED BY THE DIRECTORS:

On Behalf of the Board

"Alan Phillips"
Alan Phillips, Director

"Nicholas Revell"
Nicholas Revell, Director

The accompanying notes are an integral part of these financial statements

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

	THREE MONTHS ENDED DECEMBER 31, 2007	SIX MONTHS ENDED DECEMBER 31, 2007
Expenses		
Amortization	15,924	28,312
Consulting fees	27,699	129,460
Interest	18,242	34,156
Professional fees	109,156	151,921
Listing and filing fees	5,512	14,508
Office and miscellaneous expenses	49,193	127,141
Property investigation costs	39,088	149,004
Salaries and management fees	77,662	154,345
Travel and accommodation	17,464	33,838
Total expenses	359,940	822,685
Loss before other items	(359,940)	(822,685)
Other items:		
Interest income	15,525	16,240
Other income	74,945	77,701
	90,470	93,941
Net loss before taxes	(269,470)	(728,744)
Future income tax recovery/liability	(191,838)	(32,435)
Net loss for the period	(461,308)	(761,179)
Deficit, beginning of period	(12,390,379)	(12,090,508)
Deficit, end of period	(12,851,687)	(12,851,687)
Basic and diluted loss per common share	\$(0.00)	\$(0.00)
Weighted average number of common shares outstanding	85,953,910	85,953,910

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

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

	THREE MONTHS ENDED DECEMBER 31, 2007	SIX MONTHS ENDED DECEMBER 31, 2007
OPERATING ACTIVITIES		
Net loss for the quarter	(461,308)	(761,179)
Items not involving cash:		
Amortization	15,924	28,312
Future income tax recovery/liability	191,838	32,435
<i>Changes in non-cash working capital items related to operations</i>		
Receivables	(41,608)	(37,644)
Accounts payable and accrued liabilities	(60,751)	13,337
Net Cash used in Operating Activities	(355,905)	(724,739)
INVESTING ACTIVITIES		
Deposits	(60,571)	(60,571)
Restricted cash	-	5,548
Plant and equipment	-	(156,230)
Mineral exploration expenditures	(143,610)	(633,021)
Net Cash used in Investing Activities	(204,181)	(844,274)
FINANCING ACTIVITIES		
Proceeds from related parties	168,241	184,156
Net Cash provided by Financing Activities	168,241	184,156
Decrease in cash during quarter	(391,845)	(1,384,857)
Cash, beginning of quarter	393,789	1,386,801
Cash, end of quarter	1,944	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, 2007.

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

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

1. NATURE AND CONTINUANCE OF OPERATIONS

International Gold Mining Limited (the “Company”) is in the business of the exploration and development of its mineral properties. The Company was incorporated in Victoria, Australia on February 21, 1996 and currently resides in Brisbane, Australia.

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.

	DECEMBER 31, 2007	JUNE 30, 2007
Deficit	\$(12,851,687)	\$(12,090,508)
Working capital	\$676,181	\$2,118,319

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.

Comparative figures

The Company was listed on the TSX-V on June 1, 2007. This is the second quarterly financial statements prepared and comparative figures for the prior year are not provided.

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED DECEMBER 31, 2007
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3. CAPITAL STOCK

	Number of Shares	Capital Stock
Authorized		
Unlimited common voting shares, without par value		
Balance as at June 30, 2006	34,500,000	11,445,435
Private placements	21,203,910	2,120,391
Share issuance costs	-	(50,204)
Acquisition of mineral properties	30,000,000	3,000,000
Shares for services	250,000	25,000
Balance as at June 30, 2007 and December 31, 2007	85,953,910	\$ 16,540,622

During the year ended June 30, 2007:

- i) 21,203,910 common shares were issued at a price of \$0.10 per share for total proceeds of \$2,120,391 through private placements.
- ii) 30,000,000 common shares were issued at a price of \$0.10 per share as consideration for the purchase of the British King and Eureka mineral properties.
- iii) 250,000 common shares were issued at a price of \$0.10 per share as consideration for accounting services provided during the year.

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.

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

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

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

	December 31, 2007	
	Number of Options	Weighted Average Exercise Price
Outstanding, beginning and end of period	4,062,500	0.20
Options exercisable, end of period	4,062,500	\$ 0.20

Stock options outstanding at September 30, 2007 are as follows:

Number of Options	Exercise Price	Expiry Date
4,062,500	\$ 0.20	June 30, 2009

4. ACCUMULATED OTHER COMPREHENSIVE INCOME

	December 31, 2007		June 30, 2007	
Beginning balance	\$	917,602	\$	-
Fair value adjustment for available-for-sale securities		108,116		1,310,859
		1,025,718		1,310,859
Deferred tax expense		32,435		(393,257)
	\$	1,058,153	\$	917,602

5. SEGMENTED INFORMATION

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

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED DECEMBER 31, 2007
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6. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, restricted cash, receivables, available-for-sale marketable securities, 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.

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:

2008	\$	20,600
2009		42,460
2010		43,783
2011		<u>45,172</u>
	\$	<u>152,015</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 annual commitments under these expenditure obligations are as follows:

2008	\$	101,625
2009		218,767
2010		68,766
2011		<u>68,767</u>
	\$	<u>457,925</u>

On July 31, 2006 the Company filed a claim against Tarong Energy in the Federal Court of Australia for the loss of the opportunity to operate a coal mine. The Company lost the claim for a judgment of \$175,000 of legal fees (which is included in professional fees in fiscal 2007). As of December 31, 2007 \$109,200 remains in a trust account restricted for these legal costs.