

INTERNATIONAL GOLD MINING LIMITED

Unaudited Interim Consolidated Financial Statements
SEPTEMBER, 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 three months ended September 30, 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
November 24, 2008

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

	SEPTEMBER 30, 2008 \$	JUNE 30 2008 \$
ASSETS		
Current		
Cash	98,785	253,939
Receivables	194,468	136,602
Total current assets	293,253	390,541
Non-Current		
Deposits	146,607	146,323
Plant and equipment	1,595,325	1,612,680
Mineral properties	2,507,837	2,334,849
Total non-current assets	4,249,769	4,093,852
Total assets	4,543,022	4,484,393
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	776,015	511,563
Loans payable	496,935	456,577
Asset retirement obligations	50,000	50,000
Total current liabilities	1,322,950	1,018,140
Shareholders' equity		
Capital stock (Note 3)	16,850,152	16,540,622
Contributed surplus	591,726	591,726
Deficit	(14,221,806)	(13,666,095)
Total shareholders' equity	3,220,072	3,466,253
Total liabilities and shareholders' equity	4,543,022	4,484,393

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
STATEMENT OF OPERATIONS AND DEFICIT
THREE MONTHS ENDED SEPTEMBER 30
(Expressed in Australian dollars)
(UNAUDITED)

	2008		2007
	\$		\$
Expenses			
Amortization	\$ 60,511	\$	12,388
Consulting fees	75,908		101,761
Interest	11,611		15,914
Professional fees	99,962		42,765
Listing and filing fees	3,803		8,996
Office and miscellaneous expenses	63,031		77,948
Property investigation costs	189,709		109,916
Salaries and management fees	66,346		76,683
Travel and accommodation	18,933		16,374
Total expenses	589,814		462,745
Loss before other items	(589,814)		(462,745)
Other items:			
Interest income	4,268		715
Other income	29,836		2,756
	34,104		3,471
Net loss before taxes	(555,710)		(459,274)
Future income tax recovery/liability	-		159,403
Net loss for the period	(555,710)		(299,871)
Deficit, beginning of period	13,666,096		(12,090,508)
Deficit, end of period	\$ 14,221,806		\$ (12,390,379)
Basic and diluted loss per common share	\$(0.00)		\$(0.00)
Weighted average number of common shares outstanding	86,831,953		85,953,910

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

INTERNATIONAL GOLD MINING LIMITED
STATEMENT OF CASH FLOWS
THREE MONTHS ENDED SEPTEMBER 30
(Expressed in Australian dollars)
(UNAUDITED)

	2008		2007
	\$		\$
OPERATING ACTIVITIES			
Net loss for the quarter	\$ (555,710)	\$	(299,871)
Items not involving cash:			
Amortization	60,511		12,388
Future income tax recovery/liability	-		(159,403)
Accrued interest	15,425		-
<i>Changes in non-cash working capital items related to operations</i>			
Receivables	(57,866)		3,964
Accounts payable and accrued liabilities	264,452		74,088
Net Cash used in Operating Activities	(273,188)		(368,834)
INVESTING ACTIVITIES			
Restricted cash	-		5,548
Plant and equipment	(13,432)		(156,230)
Mineral exploration expenditures	(40,623)		(489,411)
Net Cash used in Investing Activities	(54,055)		(640,093)
FINANCING ACTIVITIES			
Application monies for common shares	143,312		-
Proceeds from related parties	28,777		15,915
Net Cash provided by Financing Activities	172,089		15,915
Decrease in cash during quarter	(155,154)		(993,012)
Cash, beginning of quarter	253,939		1,386,801
Cash, end of quarter	\$ 98,785	\$	393,789
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 September 31, 2008 other than common stock issued in payment of mining tenements (Refer Note 3).

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

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2008
(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.

	SEPTEMBER 30, 2008	JUNE 30, 2008
Deficit	\$(14,221,806)	\$(13,666,095)
Working capital	\$(1,029,697)	\$(627,599)

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.

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2008
(Expressed in Australian dollars)
UNAUDITED

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	-	143,312	-
Balance as at September 30, 2008	87,353,910	\$ 16,850,152	591,726

During the quarter ended September 30, 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 September 30, the company had received proceeds of \$143,312 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
NOTES TO THE FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2008
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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:

	September 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 September 30, 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

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2008
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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

	September 30, 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.

INTERNATIONAL GOLD MINING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
THREE MONTHS ENDED SEPTEMBER 30, 2008
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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.

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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NOTES TO THE FINANCIAL STATEMENTS
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8. SUBSEQUENT EVENTS

On November 7, 2008 the company announced that it is arranging a non-brokered private placement consisting of up to 11,000,000 common shares at a price of CAN \$0.06 per share via 2 Tranches, for gross proceeds of up to CAN \$660,000.

On November 14, 2008 the company announced that it had successfully completed Tranche 1 of its non-brokered private placement consisting of 7,673,425 common shares at a price of CAN \$0.06 per share, for gross proceeds of CAN \$460,406.

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