

INTERNATIONAL GOLD MINING LIMITED

Management Discussion and Analysis (Form 51-102F1) For the year ended June 30, 2009

**Information as of October 30, 2009
unless otherwise stated**

Note to Reader

The following management discussion and analysis of the financial condition and results of International Gold Mining Limited ("IGL" or the "Company") operations should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2009, together with the notes thereto, as well as, the Company's previous financial and MD&A reports. 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.

Business of the Company

IGL is a diverse mineral resource company that is focusing its core capabilities around identifying, securing and value adding exploration projects.

Since listing in mid 2007, IGL has gone about the business of aggregating mining and exploration opportunities in Australia and Tanzania as well as value adding the British King gold mine to a stage of production and identifying and acquiring a substantial portfolio of uranium exploration areas in Tanzania.

The Company wishes to refocus its activities on development of its Tanzanian uranium assets and acquire projects for iron ore exploration in Australia. As a result, it intends to sell its British King and gold mines, and will seek shareholder approval to do so at its 2009 Annual General Meeting for a sale price of not less than CAD \$2 million for each mine.

Exploration and Development Update

During year ended June 30, 2009 the Company:

- a) Continued small scale production of gold from the British King mine.
- b) Commenced a sale process for its British King and Eureka gold mines.
- c) Continued its exploration program in Tanzania until its deferral in the last quarter ended May 31, 2009.

Summary of Projects

BRITISH KING GOLD MINE

The Company commenced production of development gold ore from the British King gold mine in Western Australia. During the year ended June 30, 2009, 452 tonnes of development gold ore was mined to stockpile. The bulk sample grade has not yet been determined.

The Company entered into a mutual agreement with the mine's operator, Roxbury Mining Consultants Pty Ltd ('Roxbury'), on 21 August 2009, to terminate the License and Project Sale Agreement for non-performance. Ron Huston (Director, Roxbury) remains in the capacity of mine manager.

As previously announced, the Company is currently receiving expressions of interest for the sale of the British King gold mine. Expressions of interest are encouraging, given the current market interest in near term gold producing companies.

The Company will seek shareholder approval at its 2009 Annual General Meeting for sale of the mine for not less than CAD \$2 million.

EUREKA GOLD MINE

As announced previously, the Company is currently receiving expressions of interest for sale of the Eureka gold mine. Expressions of interest are encouraging, given the current market interest in near term gold producing companies.

The Company will seek shareholder approval at its 2009 Annual General Meeting for sale of the mine for not less than CAD \$2 million.

EXPLORATION ACTIVITIES - TANZANIA

The Company has 3 joint venture agreements over 7 tenements in the East African Republic of Tanzania to explore for uranium and gold. Four of these tenements are located within the large Bahi Swamp and Singida uranium provinces in Central Tanzania, adjacent to ASX listed Uranex NL's Bahi 'C1' prospect. The other three tenements are located in Northern Tanzania, within the "Mara Greenstone Belt", a multi-million ounce gold producing province on the eastern side of Lake Victoria near the Kenyan Border.

To date, the Company has earned between 51% and 90% interest in all the tenements under each joint venture following the payment of monies and the issue of shares by the Company to the various parties.

On June 16, 2009, the Company announced that it was no longer proceeding with the letter of intent to enter into an agreement with Australian Stock Exchange listed Atomic Resources Limited ('Atomic') to joint venture into five uranium tenements totalling 846 square kilometres in the East African Republic of Tanzania.

The details and the prospectivity of the tenements and the joint venture are the subject of previous announcements and previous MD&A reports.

Owing to the current economic climate, the Company deferred its Tanzanian exploration and development activities in the quarter ended May 31, 2009, to focus on the sale process for its gold mine assets in Western Australia. Following sale of these assets, the Company will resume its Tanzanian exploration program consistent with its business strategy of value adding exploration projects.

MINERALS PROPERTIES (all amounts in Australian dollars)

The Company's 100% owned Eureka and British King Gold projects consist 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	14/02/2030	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	IGL	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	IGL	100	Live	25/10/2006	24/10/2027	6.80	\$93.17	N/A	N/A
PLA37/7026	IGL	100	Live	16/05/2011	15/05/2011	10.00	\$22.00	\$2,000	N/A
ELA37/882	IGL	100	Live	26/03/2008	25/03/2013	47 BL	\$5,350	\$47,000	N/A

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 and development company listed on the TSX Venture Exchange and engaged in the exploration and development of mineral properties located in Western Australia and Tanzania. It has not yet determined whether all of 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 that 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.

The Financial Statements and discussion and analysis of the financial condition, changes in financial condition and results of operations of the Company for the year ended June 30, 2009 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 and development activities that are being conducted, which in turn may depend on the Company's recent exploration and development experience and prospects, as well as the general market conditions relating to the availability of funding for exploration and development-stage resource companies. Consequently, the Company does not acquire properties or conduct exploration and development 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 which could be economically viable to develop. 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. 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 and Tanzania. 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 and development 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, landslides 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.

Currency Risk

The Company's revenues and expenses will be incurred in Australian dollars, though its financings are completed in Canadian dollars. Although the Company has taken certain steps to help mitigate foreign currency fluctuations, there is no assurance that the activities or products are or will continue to be effective. Accordingly, the inability of the Company to obtain or to put in place effective hedges could materially increase exposure to fluctuations in the value of the Canadian dollar relative to the Australian dollar. This could adversely affect the Company's financial position and operating results.

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 labour; (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, labour 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, David Taylor, Bruce Burrell; and officers.

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, 2009 the Company's deficit was \$15,022,619.

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. This has been particularly exacerbated by current global economic conditions. In particular, during the year ended June 30, 2009, the per share price of the Company's shares fluctuated from a high of CAD \$0.18 to a low of CAD \$0.01. There can be no assurance that continual fluctuations in price will not occur.

Market Conditions

Global Economy

After a deep global recession, economic growth has turned positive, as wide-ranging public intervention has supported demand and lowered uncertainty and systemic risk in financial markets. The recovery is expected to be slow, as financial systems remain impaired, support from public

policies will gradually have to be withdrawn, and households in economies that suffered asset price busts will continue to rebuild savings while struggling with high unemployment. The key policy requirements remain to restore financial sector health while maintaining supportive macroeconomic policies until the recovery is on a firm footing. However, policymakers need to begin preparing for an orderly unwinding of extraordinary levels of public intervention.

(Source: IMF World Economic Outlook Update, October, 2009 www.imf.org)

Gold Market

The price of gold ended the third quarter, at US\$995.75/oz on the London PM fix, having breached the symbolic US\$1000/oz level during the penultimate week of the quarter, compared with US\$934.50/oz at the end of Q22009. The rally continued in early Q4 2009, with the gold price posting successive new records in the first half of October. The latest record of US\$1059.50/oz, on the London PM fix, was set on 14 October 2009.

Gold's strong performance during Q3 2009 and its continuing bull run at the time of writing was supported primarily by two factors: first, stronger economic activity and an unchanged policy stance by the worlds' major central banks (keeping benchmark rates at record low levels) led to an uptick in inflation fears and a rise in demand for gold as a store of value; and second, further dollar weakness, which increased demand for gold as a dollar hedge. The latter was exacerbated by reports in the UK that Gulf Arab States, along with China, Russia, Japan and France, were planning to stop using the dollar for oil trading in favour of a basket of currencies, including gold, although this was subsequently denied by various central bank and finance ministry officials.

(Source: World Gold Council Gold Investment Digest, April 2009 www.gold.org)

Uranium Market

The long-term prospects of the radioactive metal remain promising.

The market should remain in balance from 2009 through 2017. But from 2018 onward, projections indicate a potential for "severe and growing" deficits as more nuclear reactors are built and supply problems persist.

New supplies needed to fill the gap after 2017 will require a uranium price above US \$80 a pound to give producers and explorers the motivation to get new projects on-stream. Below US \$75, the capital markets will not be too willing to fund projects.

Analysts believe that the prevailing uranium price (about US \$53 a pound) is too low to stimulate sufficient demand to cover future reactor requirements.

Analysts believe that 2007 was the "peak" year for uranium prices. That was when a run on the metal by hedge funds sent the spot price up to ridiculous levels above US \$130 a pound.

Analysts are forecasting an average spot price of US \$60 a pound in 2009, growing to US \$75 in 2011 and US \$80 in 2013.

(Source: RBC Capital Markets analysts Adam Schatzker and Fraser Phillips, 2008)

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, 2009. 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 \$.

	2009	2008	2007
Income from continuing operations	90,115	1,356,733	185,093
Net loss for the year	(1,356,524)	(1,575,587)	(829,351)
Net loss per share	(0.01)	(0.01)	(0.01)
Total Assets	4,180,950	4,484,393	6,493,105
Total Long-term financial liabilities	0	0	0

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

(all amounts in Australian dollars)

The Company has not recognized any revenue or incurred any loss from discontinued operations or extraordinary items since becoming a reporting issuer.

During the last 3 financial years, the company has consistently reported net losses. The most significant factor affecting losses during the last 3 financial years is continuing administrative expenses, which includes consulting, professional fees, salaries, management fees, office and miscellaneous expenses and stock based compensation. Other factors affecting losses include amortization and exploration and development costs.

Apart from a profit of \$1,136,786 from the sale of shares in Macarthur Minerals Limited in 2008, income is predominantly derived from interest 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.

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.

Exploration and Development Expenses

For the last year ended June 30, 2009 the Company expended \$250,192 on exploration and development activities. This compares with \$418,556 for the corresponding year ended June 30, 2008. These costs have decreased compared to the previous financial year owing to decreased field work, in particular deferment of Tanzanian exploration and development activities

Expensed and capitalized exploration and development costs, on a property by property basis are as follows:

Australian \$	2009	2008	2007
Expenses			
British King mine	0	2,115	1,540
Eureka mine	0	0	0
Tanzania	243,697	351,443	0
Capitalized expenses			
British King mine	(1,406,580)	530,183	876,397
Eureka mine	18,871	216,736	2,027,532
Tanzania	234,000	90,581	0

Administrative Expenses

For the year ended June 30, 2009 the Company incurred administrative expenses of \$1,446,639 compared to \$2,539,063 for the year ended June 30, 2008, a decrease of 43%. Overall, administrative costs decreased in comparison to the previous financial year owing to the deferment of exploration and development activities.

Income

Income is normally comprised of consulting fees, rents and interest income. For the year ended June 30, 2009 the Company earned income only from interest of \$7,516, compared to income of \$35,661 for the year ended June 30, 2008. 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.

Income Taxes

For the year ended June 30, 2008 the Company made no provision for future income tax liability of \$393,257. This provision relates to the fair value increase of shares. No such provision has been made for the year ended June 30, 2009 as the shares were sold in March 2008.

Net Losses

The net loss for the year ended June 30, 2009 was \$1,356,524 compared with the net loss for the corresponding year ended June 30, 2008 of \$1,575,587, which is broadly similar. Although a profit on the sale of shares of \$1,136,786 was realized in the year ended June 30, 2008 expenses were significantly greater for that financial year than for the current financial year.

Change in Financial Position

At June 30, 2009 the Company had total assets of \$4,180,950 compared to \$4,484,393 at June 30, 2008. Apart from the decrease in the cash balance, total assets and liabilities remain relatively unchanged. The Company had a cash balance of \$9,754 at June 30, 2009 compared to a cash balance of \$253,939 at June 30, 2008.

At June 30, 2009 the Company had a net working capital deficiency of \$413,555 compared with a net working capital deficiency of \$121,022 at June 30, 2008. The increase in the net working capital deficiency results from reduced cash and receivables.

SUMMARY OF QUARTERLY INFORMATION (all amounts in Australian dollars)

The following table sets forth a comparison of revenues and earnings for the previous 8 quarters ending with June 30, 2009. 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 \$. The Company did not become a reporting issuer until June 1, 2007.

Australian \$	Quarter to June 30, 2009	Quarter to March 31, 2009	Quarter to December 31, 2008	Quarter to Sept 30, 2008	Quarter to June 30, 2008	Quarter to March 31, 2008	Quarter to December 31, 2007	Quarter to Sept 30, 2007
Income from continuing operations	(935)	1,329	55,617	34,104	57,512	1,205,280	90,470	(3,471)
Net profit/loss for the period	(365,881)	(157,070)	(277,863)	(555,710)	(1,056,563)	242,155	(461,308)	(299,871)
Net profit/loss per basic and diluted share	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)

The Company has not recognized any revenue or incurred any loss from discontinued operations or extraordinary items since becoming a reporting issuer.

During the last 8 quarters, the company has consistently reported net losses. The most significant factor affecting losses during the last 2 financial years is continuing administrative expenses, which includes consulting, professional fees, salaries, management fees, office and miscellaneous expenses and stock based compensation. Other factors affecting losses include amortization and exploration and development costs.

Apart from the sale of shares in 2008, income is predominantly derived from interest 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.

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.

Fourth Quarter

During the fourth quarter ended June 30, 2009, the Company deferred exploration and development activities to manage cash flow requirements given current market conditions.

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, explore and develop 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.

Apart from the initiatives discussed above, the Company is not aware of any trends, commitments or events that may affect its liquidity in the foreseeable future. The Company has not made any commitments for capital expenditures. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of raising additional funds through private placements and its planned exploration programs.

At June 30, 2009, the Company has a net working capital deficiency of \$413,555

The Company will meet its future cash commitments through funds raised from its private placement of 105,551,336 shares at one cent per share raising in excess of CAD \$1 million as announced on September 14, 2009 and approved by the TSX-V on October 28, 2009. In addition the company will raise funds from further capital raisings and from the sale of its British King and Eureka gold mines. The Company is currently receiving expressions of interest for the sale of those properties and will seek shareholder approval at its 2009 Annual General Meeting for sale of those assets for not less than a cumulative amount of CAD \$4 million.

COMMITMENTS

At balance sheet date the Company had commitments to pay \$88,955 for an operating lease on office space expiring in 2011.

Certain future exploration expenditures are required to be undertaken by the Company as a minimum retention for exploration permits. These expenditures were set out in Note 14 to the Annual Financial Statements for the year ended June 30, 2009 and total \$700,000.

Apart from the above, the Company has no other material commitments at this time.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not engaged in any off-balance sheet arrangements such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing, hedging or research and development services with the Company.

ACCOUNTING POLICIES

Accounting policies are listed in Note 2 to the Financial Statements for the year ended June 30, 2009.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

- a) Paid or accrued \$206,348 (2008 - \$442,678) in consulting fees, wages, office and miscellaneous expenses to Mr. A Phillips, Mr. D Taylor, Mr. B Burrell and Mr. N Revell who are or were Directors of the Company during the year ended June 30, 2009.
- b) Included in accounts payable is \$129,243 (2008 - \$117,243) due to Directors and former Directors.
- c) Included in accounts receivable is \$Nil (2008 - \$34,690) due from Macarthur Minerals Limited, a related party by way of common Director for consulting fees and rental of office premises.

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.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's size and the number of staff impact the Company's internal controls. Due to the limited number of staff, it is not possible to achieve complete segregation of duties. Similarly, the Company must engage accounting assistance with respect to complex, non-routine accounting issues, Canadian GAAP matters, tax compliance and reporting for its international operations.

Notwithstanding these weaknesses, the Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements and that information is timely and accurately disclosed consistent with Canadian securities laws and regulations.

Although the identified weaknesses may be considered to increase the risk that a material misstatement in the Company's financial statements would not be prevented or detected, neither has resulted in a material misstatement in the financial statements.

The CEO and the CFO oversee all material transactions and related accounting records. The audit committee of the Company, with management, reviews the financial statements of the Company, on a quarterly basis.

While management and the board of directors of the Company work to mitigate the risk of a material misstatement in the Company's financing reporting, the Company's control system, no matter how well designed or implemented, can only provide reasonable, but not absolute, assurance of detecting, preventing and deterring errors and fraud.

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. As 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 JUNE 30, 2009:

Authorized and issued share capital:

Class	Par Value	Authorized Common shares (No par value)	Issued
Common	No par value	Unlimited	95,955,788

As at June 30, 2009, there were 7,500,000 stock options and nil warrants outstanding.

COMPETENT PERSON'S STATEMENT

Technical aspects of this MD&A were prepared and verified by William Donald Goode, a member of the AusIMM. He is the qualified person as required by National Instrument 43-101, and is the technical person responsible for this MD&A. The qualified person has verified the data disclosed in this MD&A.

Mr. Goode is a graduate of the West Australian School of Mines in Mining Geology and Mine Surveying and holds a current Underground Supervisor's Certificate of Competency. He has more than 45 years' experience in geology, mining and mineral exploration, including resource calculations. His experience covers gold, silver, base metals and uranium exploration and mining in Australia and Asia.

He has previously held the position of Chief Geologist at Lake View and Star's Fimiston underground gold mine and was assistant Chief Geologist for Great Boulder Mine's three underground nickel mines, where he gained extensive experience in nickel exploration. He was Chief Mine Geologist for Metals Exploration in the Philippines (1974-76) and Australia.

Since 1981, he has worked as a consulting geologist and owned and operated underground gold mines. During this period, he conducted resource calculations for several major international mining companies. Mr. Goode also has industry experience in financing and prospect identification, ranging from the development to the pre-mining feasibility stage.

OTHER INFORMATION

The Company's website address is www.internationalgoldmining.com. 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

"Bruce Burrell"

Bruce Burrell
Director