

Notice of No Auditor Review of Interim Financial Statements

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Corporation discloses that its auditors have not reviewed the unaudited financial statements as at and for the three and six months ended June 30, 2009 and 2008.

Jasper Mining Corporation
(an exploration stage Corporation)
Interim Balance Sheets
(unaudited)

	<u>June 30, 2009</u>	<u>December 31, 2008</u>
Assets		
Current		
Cash	\$ 9,383	\$ 80,444
Term deposit (note 3)	30,366	198,914
Due from related parties	6,725	6,725
Accounts receivable	11,156	24,847
	<u>57,630</u>	310,930
Mineral property deposits	85,100	72,969
Investment	100	100
Mineral properties (note 4)	9,006,076	8,800,709
Capital assets (note 5)	156,576	161,405
	<u>\$ 9,305,482</u>	<u>\$ 9,346,113</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 431,836	\$ 347,636
Future income taxes (note 9)	1,491,027	1,304,924
	<u>1,922,863</u>	<u>1,652,560</u>
Shareholders' Equity		
Share capital (note 6)	6,950,282	7,137,592
Warrants (note 7)	1,925,175	1,925,175
Contributed surplus (note 8)	4,292,455	4,211,520
Deficit	(5,785,293)	(5,580,734)
	<u>7,382,619</u>	<u>7,693,553</u>
	<u>\$ 9,305,482</u>	<u>\$ 9,346,113</u>
Nature of operations and basis of presentation (note 1)		
Subsequent event (note 14)		

See accompanying notes to interim financial statements

Jasper Mining Corporation
(an exploration stage Corporation)
Interim Statements of Loss, Comprehensive Loss and Deficit
For three and six months ended June 30
(unaudited)

	Three months ended June 30		Six months ended June 30	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenue				
Interest	\$ <u>450</u>	\$ <u>10,880</u>	\$ <u>860</u>	\$ <u>30,666</u>
Expenses				
Stock-based compensation	35,177	31,718	80,935	61,796
General and administrative	60,373	62,253	120,862	103,209
Part XII.6 interest	–	10,397	–	42,217
Interest on debt financing	–	622	–	1,205
Depreciation	2,414	3,505	4,829	7,011
	<u>97,964</u>	<u>108,495</u>	<u>206,626</u>	<u>215,438</u>
Loss before income taxes	(97,514)	(97,615)	(205,766)	(184,772)
Future income tax (reduction) provision (note 9)	(603)	(1,200)	(1,207)	7,323
	<u>(96,911)</u>	<u>(96,415)</u>	<u>(204,559)</u>	<u>(192,095)</u>
Net loss and comprehensive loss for the period	(96,911)	(96,415)	(204,559)	(192,095)
Deficit, beginning of period	<u>(5,688,382)</u>	<u>(3,020,957)</u>	<u>(5,580,734)</u>	<u>(2,925,277)</u>
Deficit, end of period	\$ <u><u>(5,785,293)</u></u>	\$ <u><u>(3,117,372)</u></u>	\$ <u><u>(5,785,293)</u></u>	\$ <u><u>(3,117,372)</u></u>
Loss per share – basic and diluted (note 6)	\$ –	\$ –	\$ –	\$ –
Weighted average number of shares outstanding	62,705,047	58,250,053	62,705,047	57,706,646

See accompanying notes to interim financial statements

Jasper Mining Corporation
(an exploration stage Corporation)
Interim Statements of Cash Flows
For three and six months ended June 30
(unaudited)

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
Operating				
Net loss for the period	\$ (96,911)	\$ (96,415)	\$ (204,559)	\$ (192,095)
Add back non-cash items:				
Stock-based compensation	35,177	31,718	80,935	61,796
Depreciation	2,414	3,505	4,829	7,011
Future income tax (reduction) provision	(603)	(1,200)	(1,207)	7,323
	<u>(59,923)</u>	<u>(62,392)</u>	<u>(120,002)</u>	<u>(115,965)</u>
Change in non-cash working capital <i>(note 10)</i>	<u>42,143</u>	<u>(64,259)</u>	<u>39,437</u>	<u>(107,976)</u>
	<u>(17,780)</u>	<u>(126,651)</u>	<u>(80,565)</u>	<u>(223,941)</u>
Financing				
Issuance of share capital, net of costs	–	16,989	–	486,638
Repayment of debt financing	–	(3,806)	–	(7,611)
Change in non-cash working capital <i>(note 10)</i>	–	(48,198)	(8,220)	(85,556)
	<u>–</u>	<u>(35,015)</u>	<u>(8,220)</u>	<u>393,471</u>
Investing				
Payment on mineral deposit	(14,117)	(15,000)	(12,131)	(14,544)
Mineral property expenditures	(69,130)	(1,491,744)	(205,367)	(2,076,531)
Capital asset expenditures	–	(10,149)	–	(10,149)
Redemption of short term investment	48,513	944,806	168,548	1,426,000
Change in non-cash working capital <i>(note 10)</i>	54,354	310,548	66,674	60,741
	<u>19,620</u>	<u>(261,539)</u>	<u>17,724</u>	<u>(614,483)</u>
Increase (decrease) in cash	1,840	(423,205)	(71,061)	(444,953)
Cash, beginning of period	7,543	576,048	80,444	597,796
Cash, end of period	\$ 9,383	\$ 152,843	\$ 9,383	\$ 152,843
Supplemental cash flow information:				
Interest paid	\$ –	\$ 11,019	\$ –	\$ 43,422

See accompanying notes to interim financial statements

Jasper Mining Corporation

(an exploration stage Corporation)

Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

1. Nature of operations and basis of presentation

The unaudited interim financial statements of Jasper Mining Corporation (the "Corporation") have been prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP") and on a basis consistent with the audited December 31, 2008 financial statements except certain disclosures have been condensed or omitted. Accordingly, these unaudited interim financial statements should be read in conjunction with the notes contained in the Corporation's audited December 31, 2008 financial statements. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. Accordingly, actual results could differ from those estimates.

The Corporation is incorporated under the laws of the Province of Alberta and is listed on the TSX Venture Exchange. The Corporation is engaged in the business of mineral exploration in Canada. To date, the Corporation has not yet determined whether these properties are economically recoverable and is considered to be in the exploration stage. The Corporation is satisfied that title to all of its properties in all material respects is satisfactory.

At June 30, 2009, the Corporation had a working capital deficiency of \$374,206 (December 31, 2008 – deficiency of \$36,706) and an accumulated deficit of \$5,785,293 (December 31, 2008 – \$5,580,734). The Corporation's ability to continue its operations is dependent on the Corporation's success in developing its commercial mineral interests, obtaining required funds to continue development activities and attaining profitable operations.

These unaudited interim financial statements have been prepared on the basis that the Corporation will be able to discharge its obligations and realize its assets in the normal course of business at the values at which they are carried in these financial statements, and that the Corporation will be able to continue its business activities. Management believes that steps being taken will enable the Corporation to obtain additional capital as its commitments become due. However, there is no certainty that the Corporation will be able to continue as a going concern, in which case the Corporation may not be able to meet its obligations as they come due, or realize its assets at the amounts at which they are carried in these financial statements. Should the going concern assumption not be appropriate, certain asset and liability amounts would require adjustment and reclassification.

2. Changes in accounting policies

On January 1, 2009, the Corporation adopted the Canadian Institute of Chartered Accountants Handbook *Section 3064 Goodwill and Intangible Assets* which replaces the previous goodwill and intangible asset standard and revises the requirement for recognition, measurement, presentation and disclosure of intangible assets. The adoption of this standard had no impact on the Corporation's unaudited interim financial statements.

3. Term deposit

The Corporation holds a guaranteed investment certificate at a Canadian chartered bank in the principal amount of \$30,342 (December 31, 2008 – \$198,747) which bears interest of 1.40% (2008 – 1.40%) for the term. The reported balance of the term deposit represents its estimated fair value and includes interest of \$24 which has been accrued as at June 30, 2009 (December 31, 2008 – \$167). The investment matures on December 9, 2009 and is redeemable at any time before maturity.

Jasper Mining Corporation
(an exploration stage Corporation)
Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

4. Mineral properties

		Balance as at December 31 2008	2009 Expenditures	Balance as at June 30 2009
Vowell Creek	Acquisition	\$ -	\$ 2,082	\$ 2,082
Isintok	Acquisition	113,867	-	113,867
	Exploration	2,398,399	143,195	2,541,594
Lydy/McFarlene	Acquisition	93,715	-	93,715
	Exploration	3,102,756	58,725	3,161,481
Erie Creek	Acquisition	57,457	-	57,457
	Exploration	986,584	-	986,584
Irony	Acquisition	58,262	-	58,262
	Exploration	554,224	-	554,224
Other	Acquisition	160,038	690	160,728
	Exploration	1,275,407	675	1,276,082
		<u>\$ 8,800,709</u>	<u>\$ 205,367</u>	<u>\$ 9,006,076</u>
Summary	Acquisition	\$ 483,339	\$ 2,773	\$ 486,112
	Exploration	8,317,370	202,594	8,519,964
		<u>\$ 8,800,709</u>	<u>\$ 205,367</u>	<u>\$ 9,006,076</u>

The Corporation has not capitalized any general and administrative expenses to mineral properties in 2009 and 2008. During the three and six months ended June 30, 2009, the Corporation did not capitalize any stock-based compensation expense (three and six months ended June 30, 2008 – \$4,843 and \$11,590, respectively) related to the fair value of options granted to field consultants.

5. Capital assets

	June 30, 2009		
	Cost	Accumulated Amortization	Net
Land	\$ 123,387	\$ -	\$ 123,387
Furniture and fixtures	1,708	1,469	239
Vehicles	70,887	50,317	20,570
Fence	12,692	2,383	10,309
Computer equipment	14,005	11,934	2,071
	<u>\$ 222,679</u>	<u>\$ 66,103</u>	<u>\$ 156,576</u>

Jasper Mining Corporation
(an exploration stage Corporation)
Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

6. Share capital

a) Common shares issued

	Number	Amount
Balance – December 31, 2008	62,705,047	\$ 7,137,592
Tax effect of flow-through shares (i)	–	(187,310)
Balance – June 30, 2009	<u>62,705,047</u>	<u>6,950,282</u>

i) The \$187,310 tax effect of the \$749,240 flow-through share proceeds raised in 2008 was recorded in February 2009 when the tax benefits were filed with the tax authorities and renounced to investors with an effective date of December 31, 2008. As at June 30, 2009, all qualifying flow-through expenditures had been incurred.

b) Stock options

As at June 30, 2009 and December 31, 2008, the Corporation had 7,367,500 stock options outstanding for which shares have been reserved.

The following table summarizes information about stock options as at June 30, 2009:

Exercise Price	Number Outstanding	Number Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
\$ 0.20	675,000	675,000	\$ 0.20	0.4
0.25	200,000	200,000	0.25	1.0
0.30	3,112,500	2,525,000	0.30	3.4
0.40	2,600,000	2,600,000	0.40	1.8
0.45	780,000	780,000	0.45	1.3
	<u>7,367,500</u>	<u>6,780,000</u>	<u>\$ 0.34</u>	<u>2.2</u>

c) Per share amounts

Per share calculations are based on the weighted average number of common shares outstanding during the three and six months ended June 30, 2009 of 62,705,047 (three and six months ended June 30, 2008 – 58,250,053 and 57,706,646). The effect of the conversion of all outstanding options and warrants would be anti-dilutive.

Jasper Mining Corporation
(an exploration stage Corporation)
Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

7. Warrants

	<u>Number</u>	<u>Amount</u>
Balance – December 31, 2008 and June 30, 2009	<u>14,322,793</u>	\$ <u>1,925,175</u>

The following table summarizes information about warrants as at June 30, 2009:

Exercise Price	Number Outstanding and Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
\$ 0.35	149,000	\$ 0.35	0.7
0.40	126,699	0.40	1.2
0.50	764,600	0.50	0.2
0.60	2,013,332	0.60	1.2
0.75	11,269,162	0.75	0.5
	<u>14,322,793</u>	<u>\$ 0.71</u>	<u>0.6</u>

8. Contributed surplus

Balance – December 31, 2008	\$ 4,211,520
Stock-based compensation	<u>80,935</u>
Balance – June 30, 2009	\$ <u>4,292,455</u>

9. Income taxes

The Corporation's computation of income taxes for the three and six months ending June 30 is as follows:

	<u>Three months ended June 30</u>		<u>Six months ended June 30</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Expected income tax recovery at 30.00% (2007 – 32.12%)	\$ (29,254)	\$ (28,796)	\$ (61,730)	\$ (54,508)
Stock-based compensation and other non-deductible items	11,262	9,863	25,213	19,483
Change in valuation allowance	14,390	16,172	453	28,811
Effect of rate change and other	2,999	1,561	34,857	13,537
Future income tax (reduction) provision	<u>\$ (603)</u>	<u>\$ (1,200)</u>	<u>\$ (1,207)</u>	<u>\$ 7,323</u>

The components of the net future income tax asset (liability) at June 30, 2009 are as follows:

Non-capital loss carry forwards	\$ 629,335
Share issue costs	104,076
Mineral properties and deferred exploration costs	<u>(1,491,027)</u>
	(757,616)
Valuation allowance	<u>(733,411)</u>
	\$ <u>(1,491,027)</u>

Jasper Mining Corporation
(an exploration stage Corporation)
Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

9. Income taxes (continued)

As at June 30, 2009, the Corporation has approximately \$3,000,000 (2008 – \$2,800,000) in tax pools and \$2,500,000 (2008 – \$2,000,000) in non-capital losses available for deduction against future taxable income. The non-capital losses expire between 2010 and 2029.

The future income tax assets for non-capital losses and share issue costs have not been recognized as their recovery is uncertain.

10. Change in non-cash working capital

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
Accounts receivable	\$ (866)	\$ (36,397)	\$ 13,691	\$ (73,431)
Accounts payable and accrued liabilities	97,363	234,488	84,200	(59,360)
	<u>\$ 96,497</u>	<u>\$ 198,091</u>	<u>\$ 97,891</u>	<u>\$ (132,791)</u>

The change in non-cash working capital has been allocated to the following activities:

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
Operating	\$ 42,143	\$ (64,259)	\$ 39,437	\$ (107,976)
Financing	–	(48,198)	(8,220)	(85,556)
Investing	54,354	310,548	66,674	60,741
	<u>\$ 96,497</u>	<u>\$ 198,091</u>	<u>\$ 97,897</u>	<u>\$ (132,791)</u>

11. Related party balances and transactions

Except as disclosed elsewhere in the financial statements, the Corporation had the following related party transactions for the three and six months ended June 30, 2009 and 2008:

- a) A total of \$12,600 and \$25,200, respectively (2008 – \$12,600 and 23,950) was charged by a company owned by the President for rent and administrative services. Included in accounts payable at June 30, 2009 is \$17,290 (December 31, 2008 – nil) due to the company.
- b) Consulting fees of nil (2008 – \$257,555 and \$364,918) were paid to a Corporation owned by a former officer of the Corporation and capitalized to exploration and development costs.
- c) Legal fees of \$200 were charged by a legal firm in which a director of the Corporation is a partner (three and six months ended June 30, 2008 – nil). Included in accounts payable at June 30, 2009 is \$200 (December 31, 2008 – nil) due to the legal firm.

Transactions were in the normal course of operations and recorded at exchange amounts, which is the amount of consideration established and agreed to by the related parties.

Jasper Mining Corporation

(an exploration stage Corporation)

Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

12. Financial instruments and financial risk management

The Corporation's financial instruments include cash, term deposit, accounts receivable, due from related parties, mineral deposits and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair values due to their relatively short periods to maturity.

The Corporation's risk management policies are established to identify and analyze the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Corporation's activities. The Corporation has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments.

This note presents information about the Corporation's exposure to each of the above risks and the Corporation's objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Board has implemented and monitors compliance with risk management policies as set out herein:

a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The term deposit in place as at June 30, 2009 is redeemable at any time. The Corporation's policy is to ensure that its investments are liquid and not invested in asset-backed commercial paper products.

The Corporation's accounts receivable relates to Goods and Services Tax input tax credits. Accordingly, the Corporation views credit risk on accounts receivable as minimal and has subsequently collected the outstanding amount.

b) Liquidity risk

Liquidity risk is the risk that the Corporation will incur difficulties meeting its financial obligations as they are due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Corporation's reputation.

The Corporation prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary. To facilitate its expenditure program, the Corporation raises funds through private equity placements. The Corporation's liquidity position has weakened since the beginning of the year due to the cost of ongoing exploration and corporate activities exceeding funds raised during the period. Current market conditions resulting from the global credit crisis have created unfavorable terms for equity financings required for many junior mineral exploration companies, including the Corporation. As a result, the Corporation is currently evaluating alternatives to raise additional capital to improve liquidity.

As at June 30, 2009, the Corporation's financial liabilities were comprised of accounts payable and accrued liabilities which have a maturity of less than one year.

Jasper Mining Corporation

(an exploration stage Corporation)

Notes to the Interim Financial Statements

June 30, 2009
(unaudited)

12. Financial instruments and financial risk management *(continued)*

c) Market risk

Market risk consists of currency risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

i) Currency risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. Although the Corporation is considered to be in the exploration stage and has not yet developed commercial mineral interests, the underlying market prices in Canada for minerals are impacted by changes in the exchange rate between the Canadian and United States dollar. As all of the Corporation's transactions are denominated in Canadian dollars, the Corporation is not exposed to foreign currency exchange risk at this time.

ii) Commodity price risk

Commodity price risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar, as outlined above. As the Corporation has not yet developed commercial mineral interests, it is not exposed to commodity price risk at this time.

iii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Corporation is exposed to interest rate risk primarily through its variable interest rate on its cash and term deposits. For the three and six months ended June 30, 2009, if interest rates had been 1% higher with all other variables held constant, loss for the periods would have been \$58 and \$135 lower, respectively, (three and six months ended June 30, 2008 – \$4,083 and \$6,218 lower) due to increased interest income. An equal and opposite impact would have occurred had interest rates been lower by the same amounts.

The Corporation did not have any interest rate contracts outstanding at June 30, 2009.

13. Capital management

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to pursue the development of its mineral properties. Therefore, the Corporation monitors the level of risk incurred in its mineral property expenditures relative to its capital structure.

The Corporation considers its capital structure to include its working capital deficiency of \$374,206 (December 31, 2008 – \$36,706) and shareholders' equity of \$7,382,619 (December 31, 2008 – \$7,693,553). The Corporation monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

Jasper Mining Corporation
(an exploration stage Corporation)
Notes to the Interim Financial Statements
June 30, 2009
(unaudited)

13. Capital management *(continued)*

In order to facilitate the management of capital and the development of its mineral properties, the Corporation prepares annual expenditure budgets which are updated as necessary and are reviewed and periodically approved by the Corporation's Board of Directors.

To maintain or adjust the capital structure, the Corporation may issue new equity if available on favorable terms, option its mineral properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of mineral properties.

The Corporation's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less which can be liquidated at any time without penalties.

The Corporation is not subject to externally imposed capital requirements. There has been no change in the Corporation's approach to capital management during the three and six months ended June 30, 2009. The Corporation has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future.

14. Subsequent event

In July 2009, the Corporation announced that, pursuant to a non-brokered private placement, it will issue up to 10,000,000 flow-through units at \$0.20 per unit for potential gross proceeds of up to \$2,000,000. Each unit will consist of one common share and one-tenth of a common share purchase warrant with a term of 18 months and an exercise price of \$0.75. No proceeds have been received to date.