

Notice of No Auditor Review of Interim Consolidated 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 consolidated financial statements as at and for the three months ended March 31, 2008 and 2007.

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

	<u>March 31, 2008</u>	<u>December 31, 2007</u>
Assets		
Current		
Cash and cash equivalents	\$ 576,048	\$ 597,796
Term deposit (note 3)	1,784,098	2,265,294
Due from related parties	21,305	15,830
Accounts receivable	<u>76,116</u>	<u>44,557</u>
	2,457,567	2,923,477
Mineral property deposits	41,036	41,492
Investment	100	100
Mineral properties (note 4)	8,129,020	7,537,486
Capital assets (note 5)	<u>160,992</u>	<u>164,497</u>
	<u>\$ 10,788,715</u>	<u>\$ 10,667,052</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 164,055	\$ 457,904
Debt financing (note 6)	<u>6,477</u>	<u>10,282</u>
	170,532	468,186
Future income taxes (note 10)	<u>1,971,510</u>	<u>1,058,200</u>
	<u>2,142,042</u>	<u>1,526,386</u>
Shareholders' Equity		
Share capital (note 7)	6,480,036	7,064,611
Warrants (note 8)	1,238,358	1,088,921
Contributed surplus (note 9)	3,949,236	3,912,411
Deficit	<u>(3,020,957)</u>	<u>(2,925,277)</u>
	<u>8,646,673</u>	<u>9,140,666</u>
	<u>\$ 10,788,715</u>	<u>\$ 10,667,052</u>

See accompanying notes to financial statements

Jasper Mining Corporation
(an exploration stage Corporation)
Interim Statements of Loss and Deficit

For three months ended March 31
(unaudited)

	<u>2008</u>	<u>2007</u>
Revenue		
Interest	\$ <u>19,786</u>	\$ <u>15,731</u>
Expenses		
General and administrative	40,956	47,691
Part XII.6 interest	31,820	9,655
Interest on debt financing	583	—
Stock-based compensation (<i>note 9</i>)	30,078	90,792
Depreciation	<u>3,506</u>	<u>4,699</u>
	<u>106,943</u>	<u>152,837</u>
Loss before income taxes	(87,157)	(137,106)
Income taxes (<i>note 10</i>)		
Future income tax provision	<u>8,523</u>	<u>1,676</u>
Net loss for the period	(95,680)	(138,782)
Deficit, beginning of period	<u>(2,925,277)</u>	<u>(2,230,999)</u>
Deficit, end of period	<u>\$ (3,020,957)</u>	<u>\$ (2,369,781)</u>
Net loss per share – basic and diluted (<i>note 7</i>)	\$ (0.00)	\$ (0.00)

See accompanying notes to financial statements

Jasper Mining Corporation

(an exploration stage Corporation)

Interim Statements of Cash Flows

For three months ended March 31
(unaudited)

	<u>2008</u>	<u>2007</u>
Operating		
Net loss for the period	\$ (95,680)	\$ (138,782)
Add back non-cash items:		
Stock-based compensation	30,078	90,792
Interest revenue	(19,786)	(10,904)
Part XII.6 interest	–	9,655
Depreciation	3,506	4,699
Future income tax provision	8,523	1,676
	<u>(73,359)</u>	<u>(42,864)</u>
Change in non-cash working capital (<i>note 11</i>)	<u>(43,718)</u>	<u>(91,863)</u>
	<u>(117,077)</u>	<u>(134,727)</u>
Financing		
Issuance of share capital, net of costs	469,649	190,000
Repayment of debt financing	(3,805)	(3,806)
Change in non-cash working capital (<i>note 11</i>)	<u>(37,358)</u>	<u>(795)</u>
	<u>428,486</u>	<u>185,399</u>
Investing		
Payment on mineral deposit	456	(2,353)
Mineral property expenditures	(584,787)	(430,178)
Term deposit (purchase) redemption	500,981	250,000
Change in non-cash working capital (<i>note 11</i>)	<u>(249,807)</u>	<u>59,914</u>
	<u>(333,157)</u>	<u>(122,617)</u>
Decrease in cash and cash equivalents	(21,748)	(71,945)
Cash and cash equivalents, beginning of period	<u>597,796</u>	<u>234,847</u>
Cash and cash equivalents, end of period	\$ <u>576,048</u>	\$ <u>162,902</u>
Supplemental cash flow information:		
Interest paid	\$ 583	\$ 583

See accompanying notes to financial statements

Jasper Mining Corporation

(an exploration stage Corporation)

Notes to the Interim Financial Statements

March 31, 2008
(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, 2007 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, 2007 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 March 31, 2008, the Corporation had working capital of \$2,287,035 (December 31, 2007 – \$2,455,291) and a deficit of \$3,020,957 (December 31, 2007 – \$2,925,277). 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, 2008, the Corporation adopted the new or revised Canadian accounting standards for capital disclosures, financial instruments – disclosure and presentation and inventories. Prior periods have not been restated. The adoption of these policies had no impact on opening deficit.

a) Capital Disclosures

Section 1535 Capital Disclosures specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital, (ii) quantitative data about what the entity regards as capital, (iii) whether the entity has complied with any capital requirements, and (iv) if it has not complied, the consequences of such non-compliance.

b) Financial Instruments – Disclosure and Presentation

Section 3862 Financial Instruments – Disclosure and Section 3863 Financial Instruments – Presentation replace Section 3861 Financial Instruments – Disclosure and Presentation. These new sections revise and enhance disclosure requirements and carry forward unchanged presentation requirements. Increased emphasis is placed on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

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2. Changes in accounting policies (continued)

c) Inventories

Section 3031 Inventories aligns Canadian GAAP with International Financial Reporting Standards. This standard has no impact on the Corporation's financial statements.

3. Term deposit

The Corporation holds a guaranteed investment certificate in the principal amount of \$1,762,500 (2007 – \$2,259,500) which bears interest of 3.90% (2007 – 3.90%) for the term. The reported balance of the term deposit represents its estimated fair value and includes interest of \$19,786 which has been accrued as at March 31, 2008 (December 31, 2007 – \$5,794). The investment matures on December 8, 2008 and is redeemable at any time before maturity.

4. Mineral properties

		December 31, 2007	Expenditures	March 31, 2008
Vowell Creek	Acquisition	\$ 621,382	\$ 1,100	\$ 622,482
	Exploration	1,629,517	2	1,629,519
Isintok	Acquisition	113,308	–	113,308
	Exploration	1,307,909	2,567	1,310,476
Lydy/McFarlene	Acquisition	89,728	1,040	90,768
	Exploration	1,247,366	578,722	1,826,088
Proximal	Acquisition	38,254	–	38,254
	Exploration	120,324	–	120,324
Erie Creek	Acquisition	57,457	–	57,457
	Exploration	977,182	8,103	985,285
Irony	Acquisition	58,262	–	58,262
	Exploration	554,224	–	554,224
Other	Acquisition	294,485	–	294,485
	Exploration	526,470	–	526,470
Accumulated Impairment		\$ 7,635,868	\$ 591,534	\$ 8,227,402
		(98,382)	–	(98,382)
		<u>7,537,486</u>	<u>591,534</u>	<u>8,129,020</u>
Summary	Acquisition	\$ 1,272,876	\$ 2,140	\$ 1,275,016
	Exploration	6,362,992	589,394	6,952,386
Accumulated Impairment		(98,382)	-	(98,382)
		<u>\$ 7,537,486</u>	<u>\$ 591,534</u>	<u>\$ 8,129,020</u>

During the three months ended March 31, 2008 the Corporation capitalized \$6,747 of stock based compensation (December 31, 2007 – \$63,485).

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 March 31, 2008
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5. Capital Assets

	March 31, 2008		
	Cost	Accumulated amortization	Net
Land	\$ 112,456	\$ –	\$ 112,456
Furniture and fixtures	1,708	1,392	316
Vehicles	70,887	38,908	31,979
Fence	12,692	936	11,756
Computer equipment	14,005	9,520	4,485
	<u>\$ 211,748</u>	<u>\$ 50,756</u>	<u>\$ 160,992</u>

6. Debt financing

In September 2005, the Corporation obtained vehicle purchase financing in the amount of \$45,000 with an implicit interest rate of 3.9% per annum having blended payments of \$1,346 each month from October 2005 to October 2008 and secured by the vehicle with a net book value of \$33,503. As at March 31, 2008, the balance of the financing was \$6,477 (December 31, 2007 – \$10,282), all of which represents the amortized cost of total principal payments due by October 31, 2008.

7. Share capital

a) Issued

	Number	Amount
Balance – December 31, 2007	56,760,053	\$ 7,064,611
Private placement (i)	1,430,000	381,320
Tax effect of flow-through shares (ii)	–	(912,500)
Share issue costs (net of tax of \$7,713)	–	(53,395)
Balance – March 31, 2008	<u>58,190,053</u>	<u>6,480,036</u>

- i) The \$912,500 tax effect of the \$3,650,000 flow-through share proceeds raised in 2007 was recorded in February 2008 when the tax benefits were filed with the tax authorities and renounced to investors with an effective date of December 31, 2007. As at March 31, 2008, a total of approximately \$1,047,617 qualifying flow-through expenditures had been incurred leaving \$2,602,383 to be spent by December 31, 2008.
- ii) During March 2008, the Corporation completed private placements for a total of 1,430,000 units at \$0.35 per unit for gross proceeds of \$500,500. Each unit consists of one flow-through common share and one-half common share purchase warrant entitling the holder to purchase one common share at an exercise price of \$0.50 per share up to eighteen months from the closing date. At the time of the private placements \$381,320 was ascribed to common shares and \$119,180 was ascribed to warrants. The fair value of the warrants was estimated using the Black-Scholes option pricing model assuming a risk-free interest rate of 2.85%; expected life of 1.5 years; dividend yield of nil; and expected volatility of 105%.

A finder's fee was paid comprised of \$26,075 cash and 143,000 warrants. The warrants are exercisable at \$0.35 per share and expire 38,000 by March 2009 and 105,000 by March 2010. The fair value of the warrants has been recorded as share issue costs estimated at \$30,257 using the Black-Scholes option pricing model assuming a risk-free rate of 2.85%; expected life of 1 to 2 years; dividend yield of nil; and expected volatility rate between 105%.

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7. Share capital (continued)

b) Stock options

The following is a continuity of stock options for which shares have been reserved at March 31:

	2008	
	Number Outstanding	Weighted Average Exercise Price
Balance – December 31, 2007 and March 31, 2008	6,852,500	\$0.35

The following table summarizes information about stock options as at December 31, 2007:

Exercise price	Number Outstanding	Number Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life(years)
\$ 0.20	875,000	875,000	\$ 0.20	1.6
0.25	200,000	200,000	0.25	2.3
0.30	2,097,500	1,622,500	0.30	3.8
0.40	2,800,000	2,800,000	0.40	3.1
0.45	880,000	880,000	0.45	2.5
	<u>6,852,500</u>	<u>6,377,500</u>	<u>\$ 0.35</u>	<u>2.98</u>

c) Per share amounts

Per share calculations are based on the weighted average number of common shares outstanding during the three months ended March 31, 2008 of 57,169,833 (2007 – 47,219,497). The effect of the conversion of all outstanding options and warrants would be anti-dilutive.

8. Warrants

	Number	Amount
Balance – December 31, 2007	9,125,000	\$ 1,088,921
Private placements (note 7(a)(ii))	715,000	119,180
Finders warrants (note 7(a)(ii))	143,000	30,257
Balance – March 31, 2008	<u>9,983,000</u>	<u>\$ 1,238,358</u>

The following table summarizes information about warrants as at March 31, 2008:

Exercise Price \$	Number Outstanding and Exercisable	Weighted Average Remaining Contractual Life (years)
0.35	143,000	1.70
0.50	715,000	1.40
0.75-1.00	9,125,000	1.60
<u>0.73</u>	<u>9,983,000</u>	<u>1.60</u>

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9. Contributed surplus

Balance – December 31, 2007	\$	3,912,411
Stock-based compensation expensed (<i>note 7(b)</i>)		30,078
Stock-based compensation capitalized (<i>note 4</i>)		<u>6,747</u>
Balance – March 31, 2008	\$	<u><u>3,949,236</u></u>

10. Income taxes

The Corporation's computation of future income tax provision is as follows:

	Three months ended March 31	
	<u>2008</u>	<u>2007</u>
Loss for the period before income taxes	\$ (87,157)	\$ (137,106)
Anticipated income tax reduction at 29.50% (2007 – 32.12%)	(25,711)	(44,038)
Stock-based compensation and other non-deductible items	9,620	29,472
Change in valuation allowance	12,639	(8,361)
Other	9,520	870
Effect of tax rate change	<u>2,455</u>	<u>23,733</u>
Income tax provision	\$ <u><u>8,523</u></u>	\$ <u><u>1,676</u></u>

The components of the net future income tax liability at March 31 are as follows:

Non-capital loss carry forwards	\$	483,556
Share issue costs		149,108
Mineral properties and deferred exploration costs		<u>(1,971,511)</u>
		(1,338,847)
Valuation allowance		<u>(632,664)</u>
	\$	<u><u>(1,971,510)</u></u>

As at March 31, 2008, the Corporation has approximately \$2,800,000 (2007 - \$1,700,000) in tax pools and \$1,900,000 (2007 \$1,388,000) in non-capital losses available for deduction against future taxable income. The non-capital losses expire between 2009 and 2028.

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

11. Change in non-cash working capital

	Three months ended March 31	
	<u>2008</u>	<u>2007</u>
Accounts receivable	\$ (31,559)	\$ 8,316
Due from related party	(5,475)	–
Accounts payable and accrued liabilities	<u>(293,849)</u>	<u>(41,060)</u>
	\$ <u><u>(330,882)</u></u>	\$ <u><u>(32,744)</u></u>

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11. Change in non-cash working capital (continued)

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

	Three months ended March 31	
	2008	2007
Operating	\$ (43,718)	\$ (91,863)
Financing	(37,358)	(795)
Investing	(249,807)	59,914
	<u>\$ (330,883)</u>	<u>\$ (32,744)</u>

12. Related party balances and transactions

Except as disclosed elsewhere in the financial statements, the Corporation had the following related party transactions for the three months ended March 31, 2008 and March 31, 2007:

- a) A total of \$11,350 (2007 – \$11,025) was charged by a Corporation owned by the president for rent and administrative services.
- b) Consulting fees of \$72,556 (2007 – \$76,186) was paid to a Corporation owned by an officer of the Corporation and capitalized to exploration and development costs.
- c) An advance to an employee for field expenses was unspent at March 31, 2008. No interest was charged on the advance.

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

13. Financial instruments and financial risk management

The Corporation's financial instruments include cash and cash equivalents, term-deposits, accounts receivable, due from related parties, accounts payable and accrued liabilities and debt financing. 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 short-term deposits in place as at March 31, 2008 are redeemable at any time. The Corporation's policy is to ensure that its investments are liquid and not to invest 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.

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Notes to the Interim Financial Statements

March 31, 2008
(unaudited)

13. Financial instruments and financial risk management (continued)

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 anticipates it will have adequate liquidity to fund its financial liabilities through its existing working capital.

As at March 31, 2008, the Corporation's financial liabilities were comprised of accounts payable and accrued liabilities and debt financing all of which have a maturity of less than one year.

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 cash equivalents.

14. 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.

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14. Capital management (continued)

The Corporation considers its capital structure to include working capital and shareholders' equity. The Corporation monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

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 period ended March 31, 2008.

15. Subsequent event

In April 2008, pursuant to a private placement, the Corporation issued 60,000 units at a price of \$0.35 per unit for total proceeds of \$21,000. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share for \$0.50 per share on or before 18 months from the closing date. In addition, a finder's fee was paid comprised of \$1,050 cash and 6,000 warrants. The warrants are exercisable at \$0.35 per share until October 2009.