

i-minerals inc.

Consolidated Financial Statements

For the Nine Months Ended January 31, 2008

(Prepared without audit)

i-minerals inc.

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

i-minerals inc.
(an Exploration Stage Company)
Consolidated Balance Sheets
As at January 31, 2008
(expressed in Canadian dollars)
(Prepared without audit)

	January 31, 2008	April 30, 2007
Assets		
CURRENT		
Cash	\$ 237,055	\$ 102,344
Receivables and prepaids	51,868	10,181
Deposits	1,125	1,125
	290,048	113,650
EQUIPMENT	4,636	2,596
MINERAL PROPERTY ACQUISITION COSTS (Note 3)	117,000	117,000
MINERAL PROPERTY DEFERRED COSTS, statement	4,540,248	3,863,966
	\$ 4,951,932	\$ 4,097,212
Liabilities		
CURRENT		
Accounts payable and accrued liabilities	\$ 53,254	\$ 161,738
Amounts due to related parties	61,730	33,298
	114,984	195,036
FUTURE INCOME TAX LIABILITY	743,925	650,824
	858,909	845,860
NON-CONTROLLING INTEREST (Note 6)	1,585,593	1,473,522
Shareholders' Equity		
SHARE CAPITAL (Note 4)	11,533,115	10,825,318
WARRANTS (Note 4)	277,062	-
COMMITMENT TO ISSUE SHARES (Note 3)	31,500	31,500
CONTRIBUTED SURPLUS	710,643	495,025
DEFICIT ACCUMULATED IN THE EXPLORATION STAGE	(10,044,890)	(9,574,013)
	2,507,430	1,777,830
	\$ 4,951,932	\$ 4,097,212

ABILITY TO CONTINUE AS A GOING CONCERN (Note 1)
SUBSEQUENT EVENT (Note 8)

APPROVED BY THE BOARD

Signed "Roger A. Kauffman"

Signed "W. Barry Girling"

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

i-minerals inc.
(an Exploration Stage Company)
Consolidated Statements of Loss and Deficit
For the Nine Months Ended January 31, 2008
(expressed in Canadian dollars)
(Prepared without audit)

	Three months ended		Nine months ended	
	January 31, 2008	January 31, 2007	January 31, 2008	January 31, 2007
EXPENSES				
Accounting	\$ 6,673	\$ 6,596	\$ 20,021	19,789
Amortization	342	180	964	539
Bank charges and interest	583	414	1,759	1,016
Consulting	9,000	9,000	34,600	27,000
Management fees	4,517	12,358	13,569	35,925
Office, telephone and miscellaneous	10,981	9,202	29,369	26,942
Professional fees	5,015	19,431	5,598	45,434
Promotions and shareholder communication	27,000	27,783	78,952	86,567
Rent	1,168	1,154	3,503	3,462
Stock based compensation	121,485	51,032	247,977	129,607
Transfer and regulatory fees	(416)	819	18,109	8,292
Travel	2,172	127	3,312	703
	(188,520)	(138,096)	(457,733)	(385,276)
Foreign exchange gain (loss)	10,411	10,240	(22,249)	14,616
Interest income	496	2,086	2,177	11,499
Non-controlling interest	-	22,616	6,928	69,572
NET LOSS FOR THE PERIOD	(177,613)	(103,154)	(470,877)	(289,589)
DEFICIT, BEGINNING OF PERIOD	(9,867,277)	(9,405,459)	(9,574,013)	(9,219,024)
DEFICIT, END OF PERIOD	\$ (10,044,890)	\$ (9,508,613)	\$ (10,044,890)	\$ (9,508,613)
Loss per share	\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.02)
Weighted average number of shares outstanding	18,547,165	16,103,765	18,028,258	16,015,069

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i-minerals inc.
(an Exploration Stage Company)
Consolidated Statements of Cash Flows
For the Nine Months Ended January 31, 2008
(expressed in Canadian dollars)
(Prepared without audit)

	Three months ended		Nine months ended	
	January 31, 2008	January 31, 2007	January 31, 2008	January 31, 2007
OPERATING ACTIVITIES				
Net loss for the period	\$ (177,613)	\$ (103,154)	\$ (470,877)	\$ (289,589)
Items not involving cash				
Amortization	342	180	964	539
Stock based compensation	121,485	51,032	247,977	129,607
Foreign exchange loss (gain) on amounts due to related parties	3,014	4,315	(3,489)	4,501
Non-controlling interest	-	(22,616)	(6,928)	(69,572)
	(52,772)	(70,243)	(232,353)	(224,514)
Change in non-cash operating working capital items:				
Receivables and prepaids	8,715	4,425	(41,687)	538
Accounts payable and accrued liabilities	(26,907)	65,423	(108,484)	98,876
Amounts due to related parties	10,540	12,358	31,921	35,925
	(60,424)	11,963	(350,603)	(89,175)
Cash flows (used in) from operating activities				
	(60,424)	11,963	(350,603)	(89,175)
FINANCING ACTIVITIES				
Repayment of loans from shareholders	-	(22,626)	-	(55,946)
Common shares and warrants issued for cash	-	-	952,500	63,000
Convertible partnership units issued	-	-	212,100	-
	-	(22,626)	1,164,600	7,054
Cash flows from (used in) financing activities				
	-	(22,626)	1,164,600	7,054
INVESTING ACTIVITIES				
Equipment	(279)	(3,054)	(3,004)	(3,054)
Mineral property expenditures	(213,309)	(181,981)	(676,282)	(697,937)
	(213,588)	(185,035)	(679,286)	(700,991)
Cash flows from investing activities				
	(213,588)	(185,035)	(679,286)	(700,991)
(DECREASE) INCREASE IN CASH	(274,012)	(195,698)	134,711	(783,112)
CASH, BEGINNING OF PERIOD	511,067	512,416	102,344	1,099,830
CASH, END OF PERIOD	\$ 237,055	\$ 316,718	\$ 237,055	\$ 316,718
SUPPLEMENTARY NON-CASH FINANCING AND INVESTING INFORMATION				
Contributed surplus on exercise of stock options	\$ -	\$ 58,320	\$ 32,359	\$ 58,320
Common shares issued for financing fee	-	-	21,700	-

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i-minerals inc.
(an Exploration Stage Company)
Consolidated Statement of Mineral Property Deferred Costs
For the Nine Months Ended January 31, 2008
(expressed in Canadian dollars)
(Prepared without audit)

	Balance, April 30, 2006	Expenditures incurred during the year	Balance, April 30, 2007	Expenditures incurred during the period	Balance, January 31, 2008
UNITED STATES					
HELMER BOVILL PROPERTY					
Assays	\$ 43,501	\$ -	\$ 43,501	\$ -	\$ 43,501
Drilling	571,540	151,312	722,852	238,918	961,770
Engineering and consulting	1,224,635	326,678	1,551,313	189,448	1,740,761
Environmental	-	65,836	65,836	20,434	86,270
Field and survey	164,765	25,901	190,666	12,769	203,435
Licenses and fees	29,358	19,931	49,289	30,665	79,954
Marketing and research	447,071	105,886	552,957	71,348	624,305
Mineral analysis and processing	277,258	127,393	404,651	73,620	478,271
Project management	54,170	62,414	116,584	14,049	130,633
Technical reports	44,977	-	44,977	-	44,977
Travel	95,512	25,828	121,340	25,031	146,371
TOTAL	\$ 2,952,787	\$ 911,179	\$ 3,863,966	\$ 676,282	\$ 4,540,248

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i-minerals inc.
(an Exploration Stage Company)
Notes to Consolidated Financial Statements
For the Nine Months Ended January 31, 2008
(expressed in Canadian dollars)
(Prepared without audit)

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN:

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain mineral reserves that are economically recoverable.

The recoverability of amounts shown for mineral property acquisition costs and mineral property deferred costs is dependent upon the discovery of economically recoverable mineral reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from the disposition of the mineral properties.

The Company has incurred losses since inception and has an accumulated deficit of \$10,044,890 at January 31, 2008. The ability of the Company to continue as a going concern is dependent upon its ability to raise sufficient funds to meet its obligations as they become due. Management believes that it will be able to obtain the necessary financing to meet the Company's requirements on an ongoing basis; however, there can be no assurance that the necessary financing will be obtained.

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. They do not reflect adjustments to the carrying values of assets and liabilities which may be necessary should the Company be unable to do so. The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to raise adequate financing and to develop profitable operations in the future.

2. SIGNIFICANT ACCOUNTING POLICIES:

These consolidated interim financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles, using the same accounting policies and methods as per the annual financial statements for the year ended April 30, 2007 with the following additions. These consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements and the accompanying notes included in the Company's latest annual report.

Adoption of new accounting standards

On May 1, 2007, the Company adopted two new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"); Section 3855, "Financial instruments – recognition and measurement", and Section 1530, "Comprehensive income". These standards were adopted on a prospective basis and as such, prior periods have not been restated.

a) Financial instruments - recognition and measurement

CICA Handbook Section 3855 requires that all financial assets, except those classified as held to maturity, must be measured at fair value. All financial liabilities must be measured at fair value when they are classified as held for trading; otherwise, they are measured at amortized cost. The adoption of this policy had no material impact on opening deficit.

b) Comprehensive income

Under CICA Handbook Section 1530, comprehensive income is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that would not normally be included in the statement of operations such as unrealized gains or losses on available-for-sale investments. The adoption of this policy had no material impact on opening deficit. For the period ended January 31, 2008, the Company did not have other comprehensive income or loss, therefore comprehensive loss for the period was equal to the loss for the period.

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3. MINERAL PROPERTY ACQUISITION COSTS:

	January 31, 2008	April 30, 2007
Helmer Bovill Property – Latah County, Idaho	\$ 117,000	\$ 117,000

The Company has entered into a purchase and sale agreement with Idaho Industrial Minerals LLC (IIM), a company in which one of the Company's directors has a 25% interest, under which the Company has the right to acquire a 100% interest in 10 lease applications that comprise the Helmer Bovill property by issuing to IIM a total of 1,750,000 shares of the Company. These shares will be issued based on certain development-based benchmarks being attained as follows:

- 100,000 shares upon assignment of the mineral lease applications to the Company (issued)
- 350,000 shares upon the State of Idaho issuing mineral leases to the Company (issued)
- 400,000 shares upon the completion of a feasibility study
- 500,000 shares upon completion of the permitting process necessary to construct and operate a mining facility
- 400,000 shares upon completion of a production plant and first delivery of a commercial product

In fiscal 2006, the total consideration of 1,750,000 shares was increased by an additional 50,000 shares in return for an extension of the agreement until August 2008. In fiscal 2007, all approvals were received and the commitment to issue shares was recorded at the trading value on the resolution date of \$0.63 per share.

4. SHARE CAPITAL:

Common shares

	Shares	Amount
Balance at April 30, 2007	16,553,765	\$ 10,825,318
Private placement of units	1,800,000	629,448
Issue costs - units	43,400	(6,510)
Exercise of warrants and options for cash	150,000	52,500
Fair value of exercised options and warrants	-	32,359
Balance at January 31, 2008	18,547,165	\$ 11,553,115

During the nine months ended January 31, 2008, the Company closed a non-brokered private placement of 1,800,000 units at a price of \$0.50 per unit for proceeds of \$900,000. Each unit is comprised of one common share and one share purchase warrant entitling the holder to acquire an additional share at a price of \$0.60 per share until July 13, 2008, and \$0.70 per share thereafter until expiry July 12, 2009. The value of \$270,552 (\$0.15 per warrant) has been attributed to the warrants issued under this private placement based on the Black Scholes pricing model and has been credited to warrants within shareholders' equity. Assumptions used in the pricing model are as follows: average risk-free interest rate – 4.7%; expected life – 2 years; expected volatility – 75%; and expected dividends – nil. The Company paid 10% finders' fees on a portion of the units subscribed through the issuance of 43,400 units with terms identical to those placed in the offering. The value of \$6,510 (\$0.15 per warrant) has been attributed to the warrants portion of the finders' fees based on the Black Scholes pricing model and has been credited to warrants within shareholders' equity.

Stock options

The Company has granted stock options under the terms of its Stock Option Plan ("Plan"). The Plan provides that the directors of the Company may grant options to purchase common shares to directors, officers, employees and service providers of the Company on terms that the directors of the Company may determine are within the limitations set forth in the Plan. The maximum number of common shares of the Company issuable upon the exercise of options granted pursuant to the Plan is 2,400,000 common shares.

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4. SHARE CAPITAL (Continued):

Options granted under the Plan vest over varying periods and are expensed over the vesting period. During the nine months ended January 31, 2008, an amount of \$247,977 (2006 - \$129,607) was expensed and credited to contributed surplus.

The Company uses the Black-Scholes option pricing model to estimate the value of the options at each grant date using the following weighted average assumptions: dividend yield – Nil; annualized volatility – 106%; risk-free interest rate – 4.6%; expected life – 5 years.

The Company's stock options outstanding as at January 31, 2008 and the changes for the nine months then ended are as follows:

	Number of common shares	Weighted average price
Balance – April 30, 2007	1,380,000	\$ 0.41
Options exercised	(100,000)	\$ 0.35
Options granted	390,000	\$ 0.55
Balance – January 31, 2008	1,670,000	\$ 0.45
Weighted average fair value of options granted during the period		\$ 0.42

Of the total options granted, 1,435,000 were exercisable at January 31, 2008 at a weighted average exercise price of \$0.43.

Warrants

The Company's warrants outstanding as at January 31, 2008 and the changes for the nine months then ended are as follows:

	Number of common shares	Weighted average price
Balance – April 30, 2007	50,000	\$ 0.35
Warrants issued under private placement	1,800,000	\$ 0.60
Warrants issued as finders' fees	43,400	\$ 0.60
Warrants exercised	(50,000)	\$ 0.35
Balance – January 31, 2008	1,843,400	\$ 0.60

Summary of warrants and stock options outstanding at January 31, 2008:

Security	Number Outstanding	Exercise Price	Expiry Date
Warrants	1,843,400	\$ 0.60	July 13, 2008
		\$ 0.70	July 12, 2009
Stock options	50,000	\$ 0.53	March 21, 2008
Stock options	625,000	\$ 0.35	June 4, 2008
Stock options	45,000	\$ 0.35	August 1, 2009
Stock options	100,000	\$ 0.35	September 6, 2010
Stock options	100,000	\$ 0.40	September 6, 2010
Stock options	360,000	\$ 0.53	March 21, 2011
Stock options	390,000	\$ 0.55	July 24, 2012

i-minerals inc.

(an Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Nine Months Ended January 31, 2008

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4. SHARE CAPITAL (Continued):

The Company also has outstanding 2,000,000 convertible partnership units which are convertible into 10,000,000 common shares of the Company; and a further 74,074 convertible partnership units which are convertible into 370,370 common shares of the Company (Note 5).

5. CONVERTIBLE PARTNERSHIP UNITS:

During fiscal 2005, *i-minerals* Helmer Bovill L.L.P. (the "Limited Partnership"), a newly-created limited partnership, of which the Company is the general partner holding a 66.6% interest in partnership capital, closed a private placement of convertible partnership units raising proceeds of U.S. \$2,000,000. Under the terms of the offering, the Company will issue 10 million common shares upon the conversion of the Limited Partners' 2 million partnership units (the "Units") of the Limited Partnership. All of the Units under the offering were subscribed for by a private company related to a director of the Company at a purchase price of U.S. \$1.00 per Unit. Each Unit is convertible into five common shares of the Company, resulting in an effective conversion price of U.S. \$0.20 per common share.

The Company is the general partner of the Limited Partnership and directs the expenditure of funds on the Helmer Bovill property. As the general partner, the Company has agreed to pass all tax losses back to the Limited Partners in the year in which the expenditures are incurred and in proportion to the Limited Partner's interest in the Limited Partnership. The losses will accrue to the Limited Partners until either all funds have been expended, or the Limited Partners convert their Limited Partnership interests into common shares of the Company. In turn, the Limited Partners can apply the losses against certain United States based income.

At any time from and after the date of formation of the Partnership, each Limited Partner shall have the option to convert each Unit into five common shares of the Company. Effective March 31, 2007, the Company has the option to call all, but not less than all, of the units subscribed for under the original offering which will convert automatically into five common shares of the Company.

During the nine months ended January 31, 2008, the Company closed a further convertible private placement of partnership units, raising proceeds of \$212,100 (U.S. \$200,000). Under the terms of the offering, the Company will issue 370,370 common shares upon the conversion of 74,074 Units. Each Unit is convertible into five common shares of the Company resulting in an effective price of U.S. \$0.54 per common share. All of the Units under the offering were subscribed for by a private company related to a director of the Company.

Continuity schedule of non-controlling interest at January 31, 2008:

	Amount
Balance at April 30, 2007	\$ 1,473,522
Private placement of partnership units	212,100
Increase in future income tax liability	(93,101)
Non-controlling interest included in loss	(6,928)
Balance at January 31, 2008	\$ 1,585,593

Each Limited Partner has the option to convert each Unit into five common shares of the Company. At any time from and after March 31, 2009, the Company shall have the option to call all, but not less than all, of the outstanding Units acquired under the recently completed offering, which will convert automatically into five common shares of the Company.

All profits of the partnership and distributions of available cash flow for any fiscal year shall be allocated to all Partners in the ratio of their percentage interest in partnership capital. Losses for any fiscal year shall be fully allocated to the Limited Partners.

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(an Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Nine Months Ended January 31, 2008

(expressed in Canadian dollars)

(Prepared without audit)

6. RELATED PARTY TRANSACTIONS:

Related party transactions not disclosed elsewhere in these financial statements are as follows:

Except as noted below, amounts due to or from related parties are unsecured, non-interest bearing and have no fixed terms for repayment.

During the nine months ended January 31, 2008, management fees of \$13,569 (January 31, 2007 - \$35,925) and consulting fees of \$27,000 (January 31, 2007 - \$27,000) were charged by directors or companies controlled by them. These charges are included in the accompanying statement of loss and deficit. A further \$82,700 (January 31, 2007 - \$71,260) in consulting and research fees were charged by directors and are included with mineral property deferred costs.

Included in accounts payable as at January 31, 2008 was \$nil (April 30, 2007 - \$6,087) payable to related parties.

Transactions with related parties are recorded at the exchange amount, being the price agreed between the parties.

7. SEGMENT DISCLOSURES:

The Company considers its business to comprise a single operating segment, being exploration of resource properties, within the geographic area of the United States.

8. SUBSEQUENT EVENT:

Subsequent to January 31, 2008, the Company received \$26,500 on the exercise of 50,000 options at a price of \$0.53 per share.