

**NOTICE TO SHAREHOLDERS  
FOR THE NINE MONTHS ENDED JULY 31, 2008**

**JIMINEX INC.**

(A Capital Pool Company)

**Responsibility for Financial Statement**

The accompanying financial statements for Jiminex Inc. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the October 31, 2007 audited financial statements. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited interim financial statements for the period ended July 31, 2008.

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**JIMINEX INC.**

July 31, 2008

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**JIMINEX INC.**  
(A Capital Pool Company)

**BALANCE SHEETS**  
(Prepared by Management)

As at	July 31, 2008 \$ (Unaudited)	October 31, 2007 \$ (Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents (note 3)	642,930	413,020
Accounts receivable	4,153	120
Deferred financing costs	-	13,480
Deferred transaction costs (note 4)	13,581	-
Prepaid expenses	82	-
	<b>660,746</b>	426,620
Property and equipment (note 5)	3,481	-
	<b>664,227</b>	426,620
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	18,556	16,020
<b>SHAREHOLDERS' EQUITY</b>		
Capital Stock (note 6)		
Share capital	776,500	426,500
Contributed surplus (Stock options) (note 9)	47,176	-
Deficit	(178,005)	(15,900)
	<b>645,671</b>	410,600
	<b>664,227</b>	426,500

History and Nature of Operations (note 1)  
Ability to Continue as a Going Concern (note 1)

Approved on behalf of the Board of Directors:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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

**JIMINEX INC.**  
(A Capital Pool Company)

**STATEMENT OF OPERATIONS AND DEFICIT**  
(Prepared by Management)

	Three Months Ended July 31, 2008 \$	Nine Months Ended July 31, 2008 \$
<b>EXPENSES</b>		
General and administrative	3,114	9,041
Professional fees	2,000	35,837
Promotion and investor relations	175	276
Stock exchange filing fees	-	18,335
Amortization expense	100	131
Operating loss	5,389	63,620
Stock-based compensation costs (note 9)	-	39,544
	5,389	103,164
Interest Income	2,545	2,854
Net loss for the period	2,844	106,018
Deficit - beginning of the period	175,161	15,900
Financing costs - cash commission (note 6)	-	54,163
- agent's options (note 9)	-	7,632
<b>Deficit – end of period</b>	<b>178,005</b>	<b>175,161</b>
Net loss per share (note 7)	\$0.01	\$0.01
Weighted average shares outstanding (note 2)	8,642,778	7,704,503

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

**JIMINEX INC.**  
(A Capital Pool Company)

**STATEMENT OF CASH FLOWS**  
(Prepared by Management)

	Three Months Ended July 31, 2008 \$	Nine Months Ended July 31, 2008 \$
<b>CASH FLOWS FROM (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Net (loss) for the period	(2,844)	(100,310)
Amortization expense	100	131
Consulting fees and financing costs paid through stock options (note 9)	-	47,176
(Increase) decrease in accounts and other receivables	(548)	(4,033)
(Increase) decrease in prepaid expenses	201	(82)
(Increase) decrease in deferred financing costs	-	13,480
Increase (decrease) in accounts payable/accrued liabilities	6,274	2,536
Cash flows used in operating activities	3,183	(41,102)
<b>FINANCING ACTIVITIES</b>		
Proceeds from initial public offering	-	350,000
Financing costs – commissions and expenses	-	(61,795)
Cash flows from financing activities	-	288,205
<b>INVESTING ACTIVITIES</b>		
Deferred transaction costs	(13,581)	(13,581)
Purchase of property and equipment	(2,791)	(3,612)
Cash flows used in investing activities	(16,372)	(17,193)
Decrease in cash	(13,169)	229,910
Cash - beginning of period	656,119	413,020
<b>Cash - end of period</b>	<b>642,930</b>	<b>642,930</b>

**Supplemental disclosure with respect to cash flows (note 9)**

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

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**JIMINEX INC.**  
(A Capital Pool Company)

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
(Prepared by Management)

July 31, 2008

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**1. HISTORY AND NATURE OF OPERATIONS**

Jiminex Inc. (the "Company") was incorporated on August 1, 2007 pursuant to the Canada Business Corporations Act and is classified as a capital pool company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The Company's shares began trading on the TSX Venture Exchange in March 2008. The principle business of the Company is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified, to negotiate an acquisition or participation.

The accompanying financial statements have been prepared on the basis of Canadian generally accepted accounting principles ("GAAP") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. This Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends on its ability to develop profitable operations and to raise adequate financing.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The management of the Company has prepared these unaudited financial statements for the Nine months ended July 31, 2008 in accordance with generally accepted accounting principles in Canada. These financial statements should be read in conjunction with the audited financial statements for the period ended October 31, 2007. The policies and methods used in these interim financial statements are the same as those of the October 31, 2007 audited financial statements, unless otherwise noted.

The disclosures in these interim financial statements do not conform in all respects to generally accepted accounting principles in Canada for annual financial reporting.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the Nine months ended July 31, 2008 are not indicative of the results that may be expected for the full year ending October 31, 2008.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and their basis of application is consistent with that of the previous year except as otherwise noted. Outlined below are those policies considered particularly significant.

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**JIMINEX INC.**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)...**

**Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the related reported amounts or revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of assets, resource property values, expected tax rates for future income tax recoveries and useful lives for amortization of long-lived assets. Actual results could differ from those reported.

Management believes that the estimates are reasonable.

**Property and Equipment**

Purchased property and equipment are recorded at cost. Amortization is provided using the declining balance method using annual rates as follows:

Computer Equipment	30%
Equipment	20%

**Income Taxes**

The Company follows the CICA Handbook Section 3465 in accounting for corporate income taxes which focuses on the amounts of income taxes payable or receivable that will arise if an asset is realized or a liability is settled for its carrying amount. The resulting future income tax asset or liability is recorded based on substantially enacted income tax rates. In the case of unused tax losses, income tax reductions and certain items that have a tax basis but cannot be identified with an asset or liability on the balance sheet, the recognition of future income tax assets is determined by reference to the likely realization of such benefits at the balance sheet date.

**Revenue Recognition**

Revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the sales price is fixed or determinable and collectability is reasonably assured.

**Stock Based Compensation**

The Company accounts for stock-based compensation using the fair value based method with respect to all stock-based payments to directors, employees and non-employees, including awards that are direct awards of stock and call for settlement in cash or other assets, or stock appreciation rights that call for settlement by the issuance of equity instruments. Under this method, stock-based payments are recorded as an expense over the vesting period or when the awards or rights are granted, with a corresponding increase to contributed surplus under shareholders' equity. When stock options are exercised, the corresponding fair value is transferred from contributed surplus to capital stock.

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**JIMINEX INC.**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)...**

**Loss Per Share**

The Company calculates basic loss per share using the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive stock options are applied to repurchase common shares at the average market price for the period. Stock options are dilutive when the Company has income from continuing operations and when the average market price of the common shares during the period exceeds the exercise price of the options.

Existing stock options have not been included in the computation of diluted loss per share as to do so would be anti-dilutive. Accordingly, basic and diluted loss per share are the same.

**Share Issue Costs**

Share issue costs incurred on the issue of the Company's shares are charged directly to share capital.

**Financial Instruments**

The following policies and assumptions were used to determine the fair value of each class of financial assets and financial liabilities.

Cash, temporary investments, accounts receivable, and accounts payable and accrued liabilities. These financial instruments are classified as held-for-trading. The carrying amount of each item is comparable to its fair value due to the approaching maturity of these financial instruments.

**Capital Disclosure**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the exploration and development of mineral property. The Board of Directors has not established quantitative capital structure criteria for management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The Company is currently in the process of reviewing various assets that the Company may negotiate an acquisition of, or a stake in and the Company is dependent on external financing to fund its activities. In order to carry out planned identification and evaluation processes and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three months ended July 31, 2008 compared to the year ended October 31, 2007. The Company is not subject to externally imposed capital requirements.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)...**

**Future Accounting Changes**

(a) Accounting Changes

In July 2006, the Accounting Standards Board ("AcSB") issued a replacement of The Canadian Institute of Chartered Accountants' Handbook ("CICA Handbook") Section 1506, Accounting Changes. The new standard allows for voluntary changes in accounting policy only when they result in the financial statements providing reliable and more relevant information, requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and calls for enhanced disclosures about the effects of changes in accounting policies, estimate and errors on the financial statements. The impact that the adoption of Section 1506 will have on the Company's results of operations and financial condition will depend on the nature of future accounting changes.

(b) International Financial Reporting Standards

The Canadian Institute of Chartered Accountants ("CICA") plans to converge Canadian Generally Accepted Accounting Principles with International Financial Reporting Standards ("IFRS") over a transition period expected to end in 2011. The impact of the transition to IFRS on the Company's financial statements has yet to be determined.

**3. CASH AND CASH EQUIVALENTS**

Highly liquid investments with a maturity of three months or less from the date of purchase are classified as cash and cash equivalents.

**4. DEFERRED TRANSACTION COSTS**

As at July 31, 2008, the Company had incurred \$13,581 of costs relating to a proposed Qualifying Transaction, which have been recorded as deferred transaction costs. Transaction costs relating to the Qualifying Transaction will be charged to the assets acquired as part of the qualifying transaction.

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**5. PROPERTY AND EQUIPMENT**

	2008			2007		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Computer equipment	\$ 821	\$ 62	\$ 759	\$ nil	\$ nil	\$ nil
Equipment	2,792	70	2,722	nil	nil	nil
	\$ 3,613	\$ 132	\$ 3,481	\$ nil	\$ nil	\$ nil

**6. CAPITAL STOCK**

**(a) Share Capital**

Authorized:

Unlimited common shares

Issued:

10,315,000 common shares

Details of share capital transactions for the year ended October 31, 2007 and the Nine months ended July 31, 2008 are as follows:

	Number of Shares	Amount \$
Balance, August 1, 2007 (date of incorporation)	-	-
Issued pursuant to private placements	6,815,000	426,500
Balance, October 31, 2007	6,815,000	426,500
Issued pursuant to initial public offering	3,500,000	350,000
Balance, July 31, 2008	10,315,000	776,500

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**6. CAPITAL STOCK (continued)...**

**(b) Stock Options**

On December 6, 2007, the Company has approved a stock option plan. Under the Company's stock option plan (the "Plan"), the directors of the Company can grant options to acquire common shares of the Company to qualified directors, officers, employees and persons providing ongoing services to the Company. The stock options are non-assignable and non-transferable and may be granted for a term not exceeding five years. The exercise price of the stock options cannot be less than the discounted market price on the date on which the option is granted. The number of shares reserved for issuance under the Plan cannot exceed 10% of the issued and outstanding common shares of the Company.

The Black-Scholes option valuation model used by the Company to determine fair values was developed for use in estimating the value of freely traded options, which are fully transferable. The Company's stock options are not transferable and cannot be traded. Changes to subjective input assumptions used in the model can cause significant variation in the estimate of the fair value of the options.

As at July 31, 2008, the Company had the following outstanding options to purchase shares of the Company

<u>Options Granted</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Options Exercisable</u>
#	\$		#
711,500	\$0.10	March 11, 2013	711,500
320,000	\$0.11	April 17, 2013	320,000

**(c) Agent's Options**

As at July 31, 2008, the following Agent's Options were issued and outstanding:

<u>Number of Warrants</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
#	\$	
350,000	\$0.10	March 24, 2010

There were no share purchase option transactions during the period ended July 31, 2008.

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**7. FINANCIAL INSTRUMENTS**

**Financial instruments - recognition and measurement (CICA Handbook Section 3855)**

These standards set out criteria for the recognition and measurement of financial instruments for fiscal years beginning on or after October 1, 2006. This standard requires all financial instruments within its scope, including derivatives, to be included on a Company's balance sheet and measured either at fair value or, in certain circumstances when fair value may not be considered most relevant, at cost or amortized cost. Changes in fair value are to be recognized in the statements of operations and comprehensive income.

All financial instruments are classified into one of the following five categories: held for trading held-to-maturity, loans and receivables, available-for-sale, financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depend on their initial classification:

Held for trading financial instruments are measured at fair value. All gains and losses are included in net earnings in the period in which they arise.

Held-to-maturity investments, loans and receivables, and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost. Amortization of premiums or discounts and losses due to impairment are included in current period net earnings.

Available-for-sale financial assets are measured at fair value. Revaluation gains and losses are included in other comprehensive income until the asset is removed from the balance sheet.

All derivative financial instruments are classified as held for trading financial instruments and are measured at fair value, even when they are part of a hedging relationship. All gains and losses are included in net earnings in the period in which they arise.

The Company is not exposed to significant credit concentration risk or interest rate risk.

The Company's functional currency is the Canadian dollar. All current exploration occurs within Canada. There is no significant foreign exchange risk to the Company.

Hedging (CICA Handbook Section 3865)

This standard specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. The Company currently does not have any hedges.

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**7. FINANCIAL INSTRUMENTS (continued)...**

Comprehensive income (CICA Handbook Section 1530)

Comprehensive income is the change in shareholders' equity during a period from transactions and other events from non-owner sources. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings. This standard requires the presentation of comprehensive income, and its components in a separate financial statement that is displayed with the same prominence as the other financial statements. The company currently does not have any comprehensive income.

**8. LOSS PER SHARE**

Basic loss per share figures are calculated using the weighted average number of common shares outstanding during the period.

**9. Stock-Based Compensation and Costs**

The Company applies the fair value method of accounting for stock-based compensation over the vesting period as follows:

	<u>Stock Options</u>	<u>Agent's Options</u>
Risk free interest rate	3.75%	3.75%
Volatility	238%	238%
Life	5 years	2 years
Dividend yield	Nil	Nil

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

The Company applies the fair value method of accounting for stock-based compensation awards and accordingly, \$47,176 (2007 – nil) was recorded as stock-based compensation expense with a corresponding increase to contributed surplus.

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**10. SUPPLEMENTAL CASH FLOW INFORMATION**

The following transactions did not result in cash flows and have been excluded from financing and investing activities:

	Three Months Ended July 31, 2008 \$	Nine Months Ended July 31, 2008 \$
Non-cash financing activities	Nil	Nil
Non-cash investing activities	Nil	Nil

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