

INTERNATIONAL BERYLLIUM CORPORATION
(Formerly Janina Resources Limited)

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in United States dollars)

JUNE 30, 2008 and 2007



BDO Dunwoody LLP
Chartered Accountants

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Auditors' Report

**To the Shareholders of
International Beryllium Corporation
(Formerly Janina Resources Limited)**

We have audited the consolidated balance sheet of International Beryllium Corporation (formerly Janina Resources Limited) as at June 30, 2008 and the consolidated statement of operations and deficit, cash flows and shareholders' equity for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The consolidated financial statements as at June 30, 2007 and for the year then ended were audited by other auditors who expressed an opinion without reservation on those statements in their report dated October 10, 2007.

(signed) "BDO Dunwoody LLP"

Chartered Accountants

Vancouver, British Columbia
October 27, 2008

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Consolidated Balance Sheets

(Expressed in United States dollars)

As at June 30

	2008	2007
ASSETS		
Current assets		
Cash and cash equivalents	\$ 6,365,904	\$ 148,938
Receivables (note 22)	1,308,632	-
Inventories (note 23)	2,676,116	-
Prepaid expenses and deposits	26,406	-
Total current assets	<u>10,377,058</u>	<u>148,938</u>
Plant and equipment (note 7)	1,486,006	-
Deferred acquisition costs (note 8)	525,336	-
Mineral properties (note 9)	1,046,303	417,612
Intangible assets (note 10)	2,400,168	-
Goodwill	7,580,121	-
Other assets	12,795	-
	<u>\$ 23,427,787</u>	<u>\$ 566,550</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Line of credit (note 11)	\$ 1,900,000	\$ -
Accounts payable and accrued liabilities (note 16)	1,296,749	38,660
Income taxes payable	-	956
Current portion of loans payable (note 11)	1,165,249	-
Due to a shareholder	-	24,879
Total current liabilities	<u>4,361,998</u>	<u>64,495</u>
Loans payable (note 11)	12,253	-
Future income taxes (note 15)	<u>1,113,000</u>	<u>-</u>
	<u>5,487,251</u>	<u>64,495</u>
Shareholders' equity		
Common shares (note 12)	18,191,777	500,210
Contributed surplus	2,942,264	-
Brokers' warrants (note 14)	498,076	-
Retained earnings (deficit)	<u>(3,691,581)</u>	<u>1,845</u>
Total shareholders' equity	<u>17,940,536</u>	<u>502,055</u>
	<u>\$ 23,427,787</u>	<u>\$ 566,550</u>

Subsequent events (note 21)**On behalf of the board of directors:**

"Dal Brynelsen" Director
Dal Brynelsen

"Simon Anderson" Director
Simon Anderson

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

INTERNATIONAL BERYLLIUM CORPORATION
(Formerly Janina Resources Limited)
Consolidated Statements of Operations and Deficit
(Expressed in United States dollars)
Years ended June 30

	2008	2007
Sales (note 17)	\$ 978,056	\$ -
Cost of goods sold (note 24)	997,828	-
Gross loss	<u>(19,772)</u>	<u>-</u>
Selling, general and administrative expenses		
Amortization	58,916	-
Consulting fees (note 16)	134,053	-
Geological fees	142,539	-
Public company costs	34,804	-
Management fees	571,375	-
Office and miscellaneous	76,519	238
Professional fees	82,446	10,000
Salaries	103,777	-
Stock-based compensation	2,227,000	-
Travel	188,801	-
	<u>3,620,230</u>	<u>10,238</u>
Loss before other items	(3,640,002)	(10,238)
Other income (expense)		
Foreign exchange loss	(360,512)	-
Interest expense		
- On debt with an initial term of more than one year	(11,712)	-
- Other	(15,945)	-
Interest income	243,184	13,039
	<u>(3,784,987)</u>	<u>2,801</u>
Income (loss) before income taxes	(3,784,987)	2,801
Income tax (expense) recovery	91,561	(956)
	<u>(3,693,426)</u>	<u>1,845</u>
Net income (loss) and comprehensive income (loss) for the year	(3,693,426)	1,845
Retained earnings, beginning of year	1,845	-
	<u>\$ (3,691,581)</u>	<u>\$ 1,845</u>
Retained earnings (deficit), end of year	\$ (3,691,581)	\$ 1,845
Basic and diluted income (loss) per common share	\$ (0.05)	\$ 0.00
Weighted average number of common shares outstanding (Basic and diluted)	76,220,435	4,183,288

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

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Consolidated Statements of Cash Flows

(Expressed in United States dollars)

Years ended June 30

	2008	2007
Cash flows from (used in) operating activities		
Net income (loss) for the year	\$ (3,693,426)	\$ 1,845
Items not involving cash		
Future income taxes	(91,561)	-
Stock-based compensation	2,227,000	-
Amortization	83,360	-
Accrued income	(3,939)	-
Changes in non-cash working capital items:		
Receivables	473,157	-
Inventories	(131,897)	-
Prepaid expenses	4,028	-
Accounts payable and accrued liabilities	251,456	35,835
Net cash provided by (used in) operating activities	(881,822)	37,680
Cash flows from financing activities		
Issuance of shares	7,445,394	500,000
Share issue costs	(638,406)	-
Shareholder loan	25,251	-
Loan repayments	(40,123)	-
Net cash provided by financing activities	6,792,116	500,000
Cash flows used in investing activities		
Purchase of plant and equipment	(870)	-
Purchase of subsidiaries, net of cash acquired	1,492,611	-
Investment in mineral properties	(477,760)	-
Deferred acquisition costs	(492,179)	(388,952)
Advances to subsidiary before acquisition	(165,000)	-
Repayment of advances from shareholder	(50,130)	-
Net cash provided by (used in) investing activities	306,672	(388,952)
Change in cash and cash equivalents during the year	6,216,966	148,728
Cash and cash equivalents, beginning of year	148,938	210
Cash and cash equivalents, end of year	\$ 6,365,904	\$ 148,938
Components of cash and equivalents		
Cash	\$ 535,401	\$ 148,938
Term deposit	5,830,503	-
	\$ 6,365,904	\$ 148,938

Supplemental disclosure with respect to cash flows (note 20)**The accompanying notes are an integral part of these financial statements.**

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Consolidated Statements of Shareholders' Equity

(Expressed in United States dollars)

Years ended June 30

	Number of Shares	Common Shares	Contributed Surplus	Brokers' Warrants	Retained Earnings (Deficit)	Total Shareholders' Equity
Balance June 30, 2006	-	\$ -	\$ -	\$ -	\$ -	\$ -
Private placement	2,100,000	210	-	-	-	210
Private placement	2,000,000	500,000	-	-	-	500,000
Net income for the year	-	-	-	-	1,845	1,845
Balance, June 30, 2007	4,100,000	500,210	-	-	1,845	502,055
Recapitalization on reverse takeover Pursuant to the acquisition of HRM	(4,100,000)	-	-	-	-	-
- exchange of shares	50,000,000	-	-	-	-	-
- Outstanding common shares of the company prior to acquisition	36,601,494	9,881,783	715,264	71,222	-	10,668,269
Private placement	14,000,000	7,135,149	-	-	-	7,135,149
Fair value of finders' warrants issued	-	(426,854)	-	426,854	-	-
Warrants exercised	1,080,691	310,243	-	-	-	310,243
Shares issued on business acquisitions	2,693,963	1,429,652	-	-	-	1,429,652
Stock-based compensation	-	-	2,227,000	-	-	2,227,000
Share issue costs (note 12)	-	(638,406)	-	-	-	(638,406)
Net loss for the year	-	-	-	-	(3,693,426)	(3,693,426)
Balance, June 30, 2008	104,376,148	\$ 18,191,777	\$ 2,942,264	\$ 498,076	\$(3,691,581)	\$ 17,940,536

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

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)
Notes to the Consolidated Financial Statements
(Expressed in United States dollars)
June 30, 2008 and 2007

1. Basis of Presentation and Reverse Takeover

These consolidated financial statements include the accounts of International Beryllium Corporation (formerly Janina Resources Limited) (“IBC”) and its subsidiaries. IBC and its subsidiaries are collectively referred to as the “Company”. All intercompany transactions and accounts have been eliminated upon consolidation. Except where indicated all amounts are expressed in United States dollars. The principal subsidiaries of the Company and their geographic locations at June 30, 2008 are listed below:

Entity	Location	Ownership Interest
International Beryllium Holdings Ltd.	Canada	100%
International Beryllium Brazil Ltd.	Canada	100%
Mineração Berilo do Brasil Ltda.	Brazil	100%*
Beryllium Exploration Limited	Uganda	90%
IBC US Holdings, Inc.	United States	100%
Freedom Alloys, Inc.	United States	100%
Rare Earths Limited, LLC	United States	100%
BeX, LLC	United States	100%

* 30% interest is held in trust for the Company

On November 23, 2007 IBC completed the acquisition of all the outstanding common shares of Horn Rare Metals Ltd. (“HRM”), in exchange for common shares of IBC. Pursuant to the terms of the share exchange agreement entered into with HRM and its shareholders, IBC issued 50,000,000 common shares to acquire the 4,100,000 outstanding common shares of HRM. The transaction constituted a reverse take-over (the “RTO”) of IBC by HRM. Upon completion of the transaction, IBC changed its name from Janina Resources Limited to International Beryllium Corporation.

The net assets acquired are as follows:

Total assets	\$	10,758,093
Total liabilities		(80,934)
Net assets	\$	10,677,159

The operations of the Company are included in the consolidated statement of loss from November 23, 2007, the effective date of the acquisition. The consolidated statement of operations for the year ended June 30, 2008, do not include the results of operations of the Company for the period July 1, 2007 to November 23, 2007.

The acquisition of the shares of HRM has been accounted for as a RTO transaction in accordance with guidance provided in Emerging Issues Committee (“EIC”) Abstract No. 10. IBC did not qualify as a business for accounting purposes, and accordingly the transaction has been accounted for as an issuance of shares, stock options and warrants by HRM for the net monetary assets of IBC and its subsidiary of \$10,677,159 (including cash and cash equivalents of \$10,652,721), accompanied by a recapitalization of HRM.

Further to the RTO transaction described above, these consolidated financial statements, for the year ended June 30, 2008, reflect the assets, liabilities and results of operations of HRM, the legal subsidiary, prior to the RTO and the consolidated assets, liabilities and results of operations of the Company and HRM subsequent to the RTO. The consolidated financial statements are issued under the name of the legal parent (the Company), but are considered to be a continuation of HRM.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

June 30, 2008 and 2007

2. Nature of Operations

IBC was incorporated under the laws of British Columbia on December 11, 2002 as 659975 BC Ltd. On November 10, 2003 it changed its name to Janina Resources Limited and then on November 23, 2007 it changed its name to International Beryllium Corporation. HRM was incorporated under the laws of British Columbia on June 6, 2006.

On November 23, 2007, IBC completed a share exchange with HRM. The RTO transaction was negotiated at arm's length and was effected by way of a share exchange in which IBC acquired all of HRM's issued securities in exchange for 50,000,000 common shares of IBC.

In May 2008, the Company acquired the issued and outstanding shares of Freedom Alloys, Inc. ("Freedom"), a Pennsylvania-based manufacturer and supplier of beryllium, beryllium copper and beryllium containing alloy products. The purchase consideration was \$9,955,917, which comprised \$9,034,441 in cash and 1,693,963 common shares with a value of \$0.51 (C\$0.55) per share.

In May 2008, the Company acquired the issued and outstanding shares of Rare Earths Limited, LLC ("REL") for consideration of 1,000,000 of the Company's common shares with a fair value of C\$0.51 per common share and cash of \$40,000. One of the two shareholders of REL is a director of the Company and the other is an officer of the Company.

In September 2008, the Company signed a definitive agreement to acquire the issued and outstanding shares of NF Industries, Inc. and its wholly owned subsidiary Nonferrous Products, Inc. (collectively "Nonferrous"), a manufacturer of forged copper, beryllium copper, and bronze alloys based in Franklin, Indiana (note 21).

The Company is in the exploration stage and its principal business activities are the sourcing and exploration of beryllium resource properties and the manufacturing and processing of beryllium alloy products. The Company has interests in resource properties located in Brazil, Uganda, and United States.

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

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At June 30, 2008, the Company had not yet achieved profitable operations, has accumulated losses of \$3,691,581 since inception and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

June 30, 2008 and 2007

3. Significant Accounting Policies

The Company's consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The Company's significant accounting policies are as follows:

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries from their date of acquisition or formation. All significant inter-company transactions and accounts have been eliminated upon consolidation.

Use of estimates

The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities at the date of the financial statements, as well as the expenses incurred during the period. Actual results could differ from those estimated.

Significant estimates used in the preparation of these consolidated financial statements include, but are not limited to, recoverability of receivables, estimated net realizable value of inventories, accounting for stock-based compensation, expected economic lives of and the estimated future operating results and net cash flows from mineral properties and plant and equipment, valuation allowances applied against future tax assets, and the fair value of assets and liabilities acquired in business combinations.

Valuation of the mineral properties, intangible assets, goodwill and property and plant and equipment (long-lived assets) is based on management's best estimate of the future recoverability of these assets, which in turn, is based on estimates of mineral prices, reserves, mineral reserves and future operating costs. These estimates affect the carrying value of long-lived assets and the amortization of intangible assets and plant and equipment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements from changes in such estimates in future periods could be significant.

Inventories

Inventories are recorded at the lower of cost and net realizable value. For work in progress, cost includes all direct costs incurred in production including direct labour and materials, freight, amortization and directly attributable overhead costs. For raw materials, cost includes acquisition, freight and other directly attributable costs.

Cash and cash equivalents

For purposes of reporting cash flows, the Company includes all cash accounts, which are not subject to withdrawal restrictions or penalties, and all short-term highly-liquid investments with an original maturity to the holder of three months or less as cash and cash equivalents on the accompanying balance sheet.

Receivables

Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on review of all outstanding amounts. Management determines the allowance for doubtful accounts based on current and historical experience of uncollectible accounts charged off. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history and current economic conditions. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. No allowance was necessary as of June 30, 2008.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

June 30, 2008 and 2007

3. Significant Accounting Policies (continued)

Property Plant and Equipment

Property Plant and Equipment are stated at cost less accumulated amortization. Amortization is calculated over the estimated useful life of the asset at the commencement of operations using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Machinery and equipment	7-25
Office furniture and equipment	5-7
Vehicles	5
Leasehold improvements	39

Mineral properties

The Company accounts for resource property costs in accordance with the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3061, "Property, plant and equipment" ("CICA 3061"), and abstract EIC-126, "Accounting by Mining Enterprises for Exploration Costs" ("EIC-126") of the Emerging Issues Committee. CICA 3061 provides for the capitalization of the acquisition and exploration costs of a resource property where such costs are considered to have the characteristics of property, plant and equipment. EIC-126 provides that a mining enterprise is not precluded from considering exploration costs to have the characteristics of property, plant and equipment when it has not established resource reserves objectively and therefore does not have a basis for preparing a projection of the estimated future net cash flow from the property.

The acquisition costs of mineral properties and all direct exploration and development expenditures are deferred until the properties are placed into production, sold or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following the commencement of production or written-off if the properties are sold, allowed to lapse, or abandoned.

Cost includes the cash consideration and the fair market value of shares as they are issued, if any, on the acquisition of mineral properties. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company are recorded in the accounts at such time as the payments are made. The recorded amounts of mineral claim acquisition costs and their related deferred exploration and development costs represent actual expenditures incurred and are not intended to reflect present or future values.

CICA 3061 also provides that property, plant and equipment be written down when the long-term expectation is that the net carrying amount will not be recovered. EIC-126 states that a mining enterprise which has not objectively established resource reserves and therefore does not have a basis for preparing a projection of the estimated future cash flow from a property is not obliged to conclude that the capitalized costs have been impaired. However, EIC-126 references certain conditions that should be considered in determining subsequent write-downs, such as changes or abandonment of a work program or poor exploration results, and management reviews such conditions to determine whether a write-down of capitalized costs is required. When the carrying value of a property exceeds its net recoverable amount, provision is made for the impairment in value.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

June 30, 2008 and 2007

3. Significant Accounting Policies (continued)

The Company reviews capitalized costs on its mineral properties when there is indication of impairment or annual basis and will recognize impairment in value based upon exploration results and upon management's assessment of the future probability of profitable revenues from the property or from the sale of the property. Management's assessment of the property's estimated current fair market value may also be based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

Accounting standards subsequently issued by the CICA dealing with Intangible Assets (CICA 1581 and CICA 3062) include reference to "Use rights such as drilling, water, air, mineral, timber cutting, and route authorities" as examples of intangible assets. CICA 3062 also states, inter alia, that intangible assets should be amortized over their useful life and tested for impairment. Management has reviewed this potential reporting conflict with the previously issued standards and is of the opinion that it is appropriately accounting for its resource properties as having the characteristics of property, plant and equipment.

Translation of foreign currencies

The Company has subsidiaries that maintain their accounts in Canadian dollars and Brazilian real. The accounts of the Company's subsidiaries, all of which are considered to be integrated foreign operations, are translated into United States dollars using the temporal method. Under this method, monetary assets and liabilities are translated at year-end exchange rates. Non-monetary assets and liabilities are translated using historical rates of exchange. Revenues and expenses are translated at exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses on translation are included in operating results.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

June 30, 2008 and 2007

3. Significant Accounting Policies (continued)

Stock-based compensation

Stock options and direct awards of stock granted to employees and non-employees are recorded at fair value on the measurement date and the associated expense is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to common share capital.

Under the fair value based method, stock-based payments to non-employees are measured at the fair value of the consideration received, or the fair value of the equity instruments issued, or liabilities incurred, whichever is more reliably measurable. The fair value of stock-based payments to non-employees is periodically re-measured until counterparty performance is complete, and any change therein is recognized over the vesting period of the award and in the same manner as if the Company had paid cash instead of paying with or using equity instruments. The cost of stock-based payments to non-employees that are fully vested and non-forfeitable at the grant date is measured and recognized at that date unless there is a specific contractual term.

Compensation cost attributable to awards to employees is measured at fair value at the grant date and recognized over the vesting period. Compensation cost attributable to awards to employees that call for settlement in cash or other assets is measured at fair value and recognized over the vesting period. Changes in fair value between the grant date and the measurement date result in a change in the measure of compensation cost. Compensation cost is generally recognized on a straight-line basis over the vesting period.

Revenue recognition

The Company recognizes revenue from the sale of beryllium, beryllium copper and beryllium containing alloy products when shipped, title has passed to the customer and collection is reasonably assured. Revenues for fiscal 2008 consisted primarily of beryllium alloy products.

Asset retirement obligations

The Company recognizes a liability for an asset retirement obligation when a reasonable estimate of fair value can be made and calculates the liability based upon discounted future payments to be made. A corresponding amount is added to the carrying amount of the related long-lived asset, and this amount is subsequently allocated to expense over its expected life. The obligations recognized are statutory, contractual, or legal obligations. Adjustment will also be made in subsequent periods to changes in asset retirement obligations due to changes in estimates.

The liability is accreted over time for changes in the fair value of the liability through charges to accretion, which is included in depletion, amortization and accretion expense. The costs capitalized to the related assets are amortized in a manner consistent with the depletion and asset retirement obligations. Accordingly, adoption of CICA Handbook Section 3110 had no impact on the consolidated financial statements. The Company does not have any asset retirement obligations as at June 30, 2008 and 2007.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

June 30, 2008 and 2007

3. Significant Accounting Policies (continued)

Income taxes

The Company accounts for the future income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net assets are recognized.

Basic and diluted loss per share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred.

For the year ended June 30, 2008 and 2007, potentially dilutive common shares (relating to options and warrants outstanding at year-end) totaling 30,438,832 common shares (2007: Nil) were not included in the computation of loss per share because their effect was antidilutive.

Goodwill and intangible assets

Goodwill is the excess of the purchase consideration over the fair value of the Company's share of the attributable net identifiable assets at the date of acquisition in a business combination. Goodwill is not amortized but is assessed for impairment annually.

Intangible assets represents the value of certain identifiable intangible assets at the date of acquisition of subsidiaries. Intangible assets are amortized on a straight-line basis over their useful lives, which are estimated to be between five and 15 years with definite lives. Intangible assets are assessed for impairment annually. Amortization and impairment are charged to operations.

INTERNATIONAL BERYLLIUM CORPORATION

(Formerly Janina Resources Limited)

Notes to the Consolidated Financial Statements

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June 30, 2008 and 2007

4. Adoption of New Accounting Pronouncements and Recent Developments

Accounting policies implemented effective July 1, 2007

On July 1, 2007, the Company adopted CICA Handbook Section 1530 "Comprehensive Income", Section 1506 "Accounting Changes", Section 3251 "Equity", Section 3855 "Financial Instruments - Recognition and Measurement" and Section 3861 "Financial Instruments - Disclosure and Presentation".

Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income comprises items recognized in comprehensive income, but excluded from net income calculated in accordance with Canadian GAAP.

Section 3855 establishes standards for measuring and recognizing financial assets and financial liabilities and non-financial derivatives in the balance sheet. Under Section 3855, financial instruments must be classified into one of five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured at fair value except for loans and receivables, held to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is sold or impaired at which time the amounts would be recorded in net earnings; non-financial derivatives are measured at fair value with changes in fair value recorded in net earnings unless cash flow hedge accounting is applied, in which cash changes in fair value are recorded in other comprehensive income.

Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them.

Upon adoption of these new standards, the Company classified its cash and cash equivalents as held-for-trading, which is measured at fair value; receivables as loans and receivables, which are measured at amortized cost; accounts payable and accrued liabilities, other current liabilities, and long-term liabilities are classified as other financial liabilities, which are measured at amortized cost. As required, prior periods have not been revised. Adoption of these new standards did not have a material effect on the Company's financial position at July 1, 2007.

Effective July 1, 2007, the Company adopted CICA Handbook Section 1506 "Accounting Changes" which establishes criteria for changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies and estimates, and correction of errors. Under the new standard, accounting changes should be applied retroactively unless otherwise permitted or where impracticable to determine. As well, voluntary changes in accounting policies are made only when required by a primary source of GAAP or the change results in more relevant and reliable information. The Company has determined that the application of this section did not have any impact on the financial statements.

INTERNATIONAL BERYLLIUM CORPORATION

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Notes to the Consolidated Financial Statements

(Expressed in United States dollars)

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4. Adoption of New Accounting Pronouncements and Recent Developments (continued)

Accounting policies to be implemented effective July 1, 2008

Two new CICA Handbook sections, 3862, "Financial Instruments – Disclosure" and 3863, "Financial Instruments – Presentation", will replace Section 3861, "Financial Instruments – Disclosure and Presentation". These new sections incorporate many of the disclosure requirements in the existing section, but place an increased emphasis on disclosure about risk, including both qualitative and quantitative information about the risk exposures arising from financial instruments.

Section 1400, "General Standards of Financial Statement Presentation", has been updated to include requirements for management to assess and disclose an entity's ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The adoption of this section is not expected to result in any changes on the disclosure within the financial statements.

Section 1535, "Capital Disclosures" establishes disclosure requirements about the Company's objectives, policies and processes for managing capital, as well as quantitative information about the capital.

Section 3031, "Inventories", which replaces the existing Section 3030, establishes standards for the measurement and disclosure of inventories. The new standard provides more extensive guidance on the determination of cost, including allocation of overhead, requires impairment testing and expands the disclosure requirements. The adoption of Section 3031 will not have a material impact on the Company's consolidated financial position and results of operations.

Section 3064, "Goodwill and Intangible Assets", replaces Section 3062, "Goodwill and Other Intangible Assets" and Section 3450, "Research and Development Costs". Various changes have been made to other sections of the CICA Handbook for consistency purposes. Section 3064 establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The new Section will be applicable to the Company's financial statements for its fiscal year beginning July 1, 2009. The Company is currently evaluating the impact of the adoption of this new Section on its consolidated financial statements.

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP and the date for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

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5. Acquisition of Freedom Alloys, Inc.

On May 9, 2008, the Company and Freedom merged and the Company acquired the issued and outstanding shares of Freedom, a manufacturer and supplier of beryllium, beryllium copper and beryllium containing alloy products. IBC paid \$9,955,917 made up of \$9,034,441 in cash and 1,693,963 common shares of the Company with a value of C\$0.55 per share. In addition, the Company incurred transaction costs of \$81,053 for the acquisition of Freedom for total consideration of \$10,036,646.

The Company accounted for its investment in Freedom using the purchase method. The Company allocated the purchase price to assets acquired and liabilities assumed as follows:

Current assets	\$	4,224,817
Property, plant and equipment (net of accumulated amortization)		1,513,120
Other assets		12,795
Intangible assets		1,520,000
Goodwill		7,580,121
Current liabilities		(2,032,755)
Long term liabilities		(1,900,000)
Future income tax liability		(881,452)
<hr/>		
Purchase price	\$	10,036,646

6. Acquisition of Rare Earths Limited, LLC

In May 2008, the Company acquired the issued and outstanding shares of REL, a private Colorado-based company from a director and an officer of the Company. The aggregate purchase price was 1,000,000 common shares of the Company, which had a fair value of C\$0.51 per share at the transaction date, and \$40,000 in cash. In addition, the Company incurred transaction costs of \$27,858 for the acquisition of REL for total consideration of \$576,358.

The Company accounted for its investment in REL using the purchase method. The Company allocated the purchase price to assets acquired and liabilities assumed as follows:

Current assets	\$	91,541
Property, plant and equipment (net of accumulated amortization)		12,375
Mineral properties		106,431
Intangible assets		923,169
Current liabilities		(65,110)
Advances from parent before acquisition		(168,939)
Future income tax liability		(323,109)
<hr/>		
Purchase price	\$	576,358

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7. Plant and Equipment

	June 30, 2008		
	Cost	Accumulated Amortization	Net Book Value
Machinery and equipment	\$ 2,200,864	\$ 817,383	\$ 1,383,481
Vehicles	62,459	32,792	29,667
Leasehold improvements	61,033	12,749	48,284
Furniture and fixtures	61,189	36,615	24,574
	<u>\$ 2,385,545</u>	<u>\$ 899,539</u>	<u>\$ 1,486,006</u>

The Company did not own any plant and equipment at June 30, 2007. The Company has pledged substantially all of its plant and equipment as security for bank loans (note 11).

8. Deferred Acquisition Costs

Deferred acquisition costs represent a \$500,000 deposit and professional fees incurred regarding the proposed purchase of Nonferrous (note 21).

9. Mineral Properties*Brazil properties*

a) Coronel Murta

The Company acquired a 100% interest in the mineral property claim unit 830906/2001 in the State of Minas Gerais.

b) Santa Maria de Itabira

In October 2006, the Company acquired a 100% interest in the mineral property claim unit 832670/2003 in the State of Minas Gerais. The Company acquired its interest in this property from shareholders.

Uganda properties

The Company has a 90% interest in Beryllium Exploration Limited. ("BEL"), a corporation incorporated under the laws of Uganda, which owns seven exploration licenses.. The licenses were granted for a period of three years from the date of ownership at April 5, 2006, except for one license which was granted on April 20, 2006.

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9. Mineral Properties (continued)*United States properties*

In January 2008, the Company completed the purchase of a mineral property in the United States for cash and debt consideration plus certain other acquisition costs aggregating \$148,053. The Company acquired a 100% interest in the Boomer mine, comprised of two patented mining claims located in Park County, Colorado, USA.

In May 2008, the Company completed the purchase of REL (see note 6). Through its purchase of REL, IBC acquired 371 mineral claims near Spor Mountain in Juab County, Utah.

	Coronel Murta	Santa Maria	Uganda	Boomer	Spor Mountain	Total
Balance June 30, 2006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition	97,263	97,263	50,000	-	-	244,526
Deferred exploration expenditures						
Administration and general	6,645	6,643	2,456	-	-	15,744
Consulting	39,627	39,626	8,250	-	-	87,503
Licenses	-	-	43,410	-	-	43,410
Travel and accommodation	4,834	4,834	16,761	-	-	26,429
Balance June 30, 2007	148,369	148,366	120,877	-	-	417,612
Acquisition	30,062	30,062	3,042	148,053	250,321	461,540
Deferred exploration expenditures						
Administration and general	16,460	16,461	21,257	-	-	54,178
Consulting	6,024	6,024	8,787	-	-	20,835
Filing fees	2,908	2,908	4,932	-	-	10,748
Geological and geophysical	23,276	23,275	27,003	-	-	73,554
Legal	2,644	2,644	-	2,548	-	7,836
Balance June 30, 2008	\$ 229,743	\$ 229,740	\$ 185,898	\$ 150,601	\$ 250,321	\$1,046,303

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10. Intangible Assets

	2008	2007
Freedom trade name	\$ 770,000	\$ -
Freedom customer relationships	750,000	-
REL data library	923,169	-
Balance outstanding	2,443,169	-
Less: Accumulated amortization	(43,001)	-
Balance, June 30	<u>\$ 2,400,168</u>	<u>\$ -</u>

11. Line of Credit and Loans Payable

	2008	2007
Line of credit with New Century Bank (maximum \$2,000,000) at the LIBOR (90-day rate) plus 2.50% (5.18% at June 30, 2008) that is secured by substantially all of Freedom's assets.	\$ 1,900,000	\$ -

	2008	2007
Note payable to New Century Bank in monthly payments of \$15,777 including interest at 8.00% per year to August 2016, collateralized by substantially all assets of Freedom.	\$ 1,132,266	\$ -
Note payable to Phelps Dodge Industries, Inc. collateralized by the respective equipment acquired. The note is reduced based upon a pricing formula in the supply agreement as product is shipped to the customer. The agreement expires November 2008.	24,733	-
Note payable to a finance company in monthly payments of \$742 including interest at 3.90% per year to November 2010, collateralized by the respective vehicle acquired.	20,503	-
Balance outstanding	1,177,502	-
Less current maturities	(1,165,249)	-
Long-term loans payable	<u>\$ 12,253</u>	<u>\$ -</u>

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11. Line of Credit and Loans Payable (continued)

Aggregate maturities required on long-term debt at June 30, 2008 are as follows:

Year ending June 30		
2009	\$	1,165,249
2010		8,578
2011		3,675
	\$	<u>1,177,502</u>

The New Century Bank note agreements require the maintenance by Freedom of a minimum net worth and certain ratios indicating debt coverage and debt-to-tangible net worth. In addition, there are limitations on dividends and capital withdrawals. Freedom was in violation of certain of the above covenants at June 30, 2008.

12. Common Shares

Authorized capital

Unlimited number of common shares without par value.

Issued capital

104,376,148 common shares.

Reverse takeover

In November 2007, the Company and HRM entered into a RTO transaction as described in note 1. This transaction resulted in an adjustment of 82,501,494 to the Company's issued common shares.

Share issuances

In March 2008, IBC raised gross proceeds of \$7,135,149 through the sale of units (consisting of one common share and one-half common share purchase warrant, at C\$0.50 per unit). The exercise price of the warrants forming part of the units is C\$0.75. Proceeds from the sale of these units were allocated all to share capital and none to the warrants. The Company paid a cash finder's fee of \$285,868 of the gross proceeds raised in this private placement of which \$122,054 was paid to related parties (note 16). The Company also issued compensation warrants to finders entitling them to purchase 704,000 common shares at an exercise price of C\$0.50 per share for a period of 24 months following the closing. Offering costs were \$1,016,565 including compensation warrants which had a fair value of \$426,854.

In May 2008, the Company issued 1,693,963 common shares with a value of \$921,152 as partial consideration for the purchase of Freedom (note 5).

In May 2008, the Company issued 1,000,000 common shares with a value of \$508,500 as partial consideration for the purchase of REL (note 6).

Escrow shares

As at June 30, 2008, there are 297,250 common shares held in escrow that were released on July 12, 2008 and 42,344,117 common shares held in escrow that will be released over the period ending November 23, 2010.

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13. Stock Options

On August 27, 2007, IBC's board of directors adopted a stock option plan, subsequently approved by shareholders and adopted by the Company, under which the Company is authorized to grant options to directors, employees and consultants to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock for a period preceding the date of grant. The options can be granted for a maximum term of five years and vest as determined by the board of directors. The Company's shares trade in Canadian dollars and options granted to date have been denominated in Canadian funds.

During the year ended June 30, 2008, the Company granted stock options to directors, officers and consultants of the Company. A summary of stock options outstanding at June 30, 2008 is as follows:

	June 30, 2008		June 30, 2007	
	Stock Options Outstanding	Weighted Average Exercise Price	Stock Options Outstanding	Weighted Average Exercise Price
Balance, beginning	-	-	\$ -	\$ -
Assumed on reverse takeover	1,649,000	C\$0.50	-	-
Granted	5,300,000	C\$0.61	-	-
Expired or forfeited	(400,000)	C\$0.50	-	-
Balance, ending	6,549,000	C\$0.59	\$ -	\$ -

At June 30, 2008, the Company had outstanding and exercisable stock options as follows:

Exercise Price	Outstanding Options			Exercisable Options	
	Number	Weighted Average Remaining Life	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
C\$0.50	2,999,000	4.44 years	C\$0.50	2,999,000	C\$0.50
C\$0.51	1,000,000	4.86 years	C\$0.51	-	-
C\$0.59	500,000	1.60 years	C\$0.59	125,000	C\$0.59
C\$0.60	600,000	4.68 years	C\$0.60	600,000	C\$0.60
C\$0.83	1,450,000	4.69 years	C\$0.83	1,450,000	C\$0.83
	6,549,000	4.36 years	C\$0.59	5,174,000	C\$0.60

Stock options granted

In January 2008, the Company granted 1,200,000 stock options to three new directors of the Company, 400,000 stock options to a new officer of the Company and 150,000 stock options to a consultant, all at an exercisable price of C\$0.50 per share. The options vest at the grant date for a term of five years.

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13. Stock Options (continued)

In February 2008, the Company granted options to an investor relations firm to purchase up to 500,000 common shares, in connection with a investor relations contract, at an exercise price of C\$0.59 per share. The options have a two-year term and vest over 12 months.

In March 2008 the Company granted 600,000 stock options to a director and officer of the Company at an exercise price of C\$0.60 each until March 6, 2013. The options are being granted pursuant to the terms of the Company's stock option plan.

In March 2008 the Company granted 1,450,000 stock options to directors and officers of the Company at an exercise price of C\$0.83 each until March 7, 2013. The options are being granted pursuant to the terms of the Company's stock option plan.

In May 2008, the Company granted 1,000,000 stock options to certain employees of Freedom at acquisition, at an exercise price of C\$0.51 per share. The options vest in three annual instalments on the anniversary date of Freedom's acquisition.

In July 2008, subsequent to year end, 1,000,000 stock options expired that had a weighted average exercise price of C\$0.56.

The weighted average grant-date fair value of options awarded was \$0.50. The Company employed the Black-Scholes option-pricing model using the following assumptions:

	2008	2007
Annualized stock price volatility	121%	-
Risk-free interest rate	2.8% - 4.2%	-
Expected option lives	5 years	-
Dividend yield	0.0%	-

14. Warrants

	Financing Warrants		Broker Warrants	
	Warrants Outstanding	Weighted Average Exercise Price	Warrants Outstanding	Weighted Average Exercise Price
Balance, June 30, 2007	-	-	-	-
Assumed on RTO transaction	17,970,523	C\$0.55	160,000	C\$0.50
Issued	7,000,000	C\$0.75	704,000	C\$0.50
Exercised	(1,080,691)	-	-	-
Balance, June 30, 2008	23,889,832	C\$0.62	864,000	C\$0.50

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14. Warrants (continued)

At June 30, 2008, warrants were outstanding enabling holders to acquire common shares as follows:

Number of Financing Warrants	Number of Broker Warrants	Exercise Price	Expiry Date
6,834,832	-	C\$0.29	May 29, 2009
10,055,000	-	C\$0.75	November 23, 2009
7,000,000	-	C\$0.75	March 14, 2010
-	160,000	C\$0.50	November 23, 2008
-	704,000	C\$0.50	March 14, 2010
23,889,832	864,000		

The Company employed the Black-Scholes warrant-pricing model using the following assumptions:

	2008	2007
Annualized stock price volatility	125.0%	-
Risk-free interest rate	2.6% - 3.8%	-
Expected warrant lives	1 - 2 years	-
Dividend yield	0.0%	-

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15. Income Taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2008	2007
Loss before income taxes	\$ (3,780,472)	\$ 2,801
Tax rate	32.81%	34.12%
Expected income tax expense (recovery)	\$ (1,240,000)	\$ (956)
Foreign tax rate difference	(13,000)	-
Permanent differences	773,000	-
Financing costs	(155,000)	-
Effect of income tax rate changes	159,000	-
Change in valuation allowance for future income tax assets	384,439	-
Future income tax expense (recovery)	\$ (91,561)	\$ 956

The significant components of the Company's future income tax assets and liabilities are as follows:

	2008	2007
Future income tax assets relating to:		
Exploration properties	\$ 49,000	\$ -
Share issue costs	151,000	-
Non-capital loss carry forwards	642,000	-
Future income tax assets	842,000	-
Valuation allowance	(810,000)	-
Future income tax liabilities relating to:		
Plant and equipment	(243,000)	-
Inventory	(62,000)	-
Equity investments	(840,000)	-
Net future income tax asset (liability)	\$ (1,113,000)	\$ -

In the year ended June 30, 2008, the Company recognized a future income tax liability of \$881,452 on the acquisition of Freedom and a future income tax liability of \$323,109 on the acquisition of REL.

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15. Income Taxes (continued)

The Company has available for deduction against future years' taxable income non-capital losses of approximately \$1,857,000, which will expire up to 2028. Subject to certain restrictions, the Company also has approximately \$211,000 of resource expenditures available to reduce taxable income of future years.

16. Related Party Transactions

During the year ended June 30, 2008, the Company entered into the following transactions with related parties not disclosed elsewhere in these consolidated financial statements. There are no corresponding amounts for the prior year.

Party	Director or Officer Fees	Consulting Fees	Finder's Fees	Total
Roland Bopp ¹	\$ 337,735	\$ -	\$ -	\$337,735
Delu International Ltd. ²	91,170	-	122,054	213,224
Lindsey Maness, Jr. ³	87,817	-	-	87,817
Lee Rice	87,817	-	-	87,817
S2 Management Inc. ²	19,848	-	-	19,848
MCSI Consulting Services Inc. ³	29,839	6,993	-	36,832
Dal Brynelsen ⁷	25,360	-	-	25,360
Secret Cove Management Ltd. ⁸	-	-	122,054	122,054
Total	\$ 679,586	\$ 6,993	\$244,108	\$ 930,687

¹ In April 2008, the company reached a severance settlement with Mr. Bopp.

² Beneficially owned by Anthony Dutton, the Company's CEO, president and a director.

³ Mr. Maness is a director of the Company.

⁴ Mr. Rice is a director of the Company.

⁵ Beneficially owned by Simon Anderson, the Company's CFO and a director.

⁶ Simon Anderson, an officer of the Company holds a 50% interest.

⁷ Mr. Brynelsen is a director of the Company.

⁸ Secret Cove Management Ltd. is beneficially owned by Dal Brynelsen, a director of the Company.

The Company issued 704,000 warrants to companies owned by directors of the Company or their spouses (note 12).

The Company acquired the issued shares of REL from related parties (note 6).

As at June 30, 2008, \$42,512 (2007 - \$nil) is owing to directors and officers for services and \$22,512 (2007 - \$nil) is owing to directors for expenses paid on the Company's behalf.

Related party transactions are in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

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17. Segment Reporting

Prior to May 2008, the principal activities of the Company were the acquisition, exploration and development of its properties. As at June 30, 2008, the Company had two reportable segments: mineral properties and manufacturing. The mineral properties segment manages the acquisition, exploration and development of beryllium natural resources and analysis of the Company's resource information database; the manufacturing segment produces beryllium copper and other beryllium alloy products. In the year ended June 30, 2007, the Company only had one reportable segment, being exploration.

The accounting policies of the segments are the same as described in note 3. IBC's management evaluates performance based on profit or loss from operations before income taxes, not including foreign exchange gains and losses.

Income (loss) for the year by reportable segment for the year ended June 30, 2008:

	Mineral Properties	Manufacturing	Total
Revenue	\$ -	\$ 978,056	\$ 978,056
Cost of sales	-	997,828	997,828
Gross profit (loss)	-	(19,772)	(19,772)
Operating expenses	\$ (47,870)	\$ (165,023)	(212,893)
			(232,665)
Corporate administrative expenses			3,407,337
Operating income (loss)			\$ (3,640,002)

Supplemental disclosure for the year ended June 30, 2008:

	Exploration	Manufacturing	Corporate Administration	Total
Amortization expense	\$ 5,444	\$ 53,472	\$ -	\$ 58,916
Stock-based compensation	396,606	24,119	1,806,275	2,227,000
Interest revenue	-	-	243,184	243,184
Interest expense	-	(27,657)	-	(27,657)
Income tax recovery	-	91,561	-	91,561
Capital expenditures	\$ (523,130)	\$ -	\$ -	\$ (523,130)

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17. Segment Reporting (continued)

The geographical division of the Company's sales revenues based on the customer's country of origin is as follows:

Sales	June 30, 2008	June 30, 2007
United States	\$ 978,056	\$ -
	\$ 978,056	\$ -

Exploration properties, plant and equipment, intangible assets and goodwill	June 30, 2008	June 30, 2007
Canada	\$ 150,601	\$ -
Brazil	459,483	296,735
Uganda	185,898	120,877
United States	11,716,616	-
	\$ 12,512,598	\$ 417,612

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18. Concentration Risk

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits with major financial institutions.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding funds in currencies other than the United States dollar. The Company's head office is located in Canada and the Company incurs many administrative expenses in Canadian dollars and the Company holds properties in Uganda and Brazil. The Company does not use derivative instruments to reduce its currency risk but will consider doing so as its overseas business plans develop.

Interest rate risk

The Company is exposed to the risk that the value of financial instruments will change due to movement in market interest rates. This risk applies mainly to interest-bearing debt with maturities of more than one year. Such long maturities are only of material significance in the case of financial assets and liabilities. Interest rate risk is analyzed by the Company's management and managed using a mix of fixed and variable interest rates and subject to regular review. The Company does not use derivative instruments to reduce its interest rate risk as the Company's management believes that the likely financial impact of interest rate changes does not justify using derivatives.

19. Commitments

The Company leases its manufacturing and office space under an agreement, which expires February 29, 2012. The lease provides that the lessee pay all utilities and normal maintenance plus a minimum annual rental of \$87,444. The minimum annual rental increases annually based on the change in the Consumer Price Index.

The total minimum rental commitment at June 30, 2008 under the lease is \$320,628, which is due as follows:

Year ending June 30,	
2009	\$ 87,444
2010	87,444
2011	87,444
2012	58,296
	<u>\$ 320,628</u>

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20. Supplemental Disclosure With Respect To Cash Flows

Significant non-cash transactions for the year ended June 30, 2008 consisted of the Company:

- a) Acquiring part of a mineral property by assuming a loan payable of \$45,000.
- b) Issuing 1,693,963 common shares with a fair value of \$921,152 as partial consideration for the purchase of Freedom (note 5).
- c) Issuing 1,000,000 common shares with a fair value of \$508,500 as partial consideration for the purchase of REL (note 6).
- d) Granting finder's warrants with a fair value of \$426,854.

There were no significant non-cash transactions in the year ended June 30, 2007.

21. Subsequent Events

- a) In July 2008, the Company signed a five-year lease to rent office space, commencing August 1, 2008 and expiring on July 31, 2008. The Company is to make monthly rental payments of C\$2,965 plus proportionate operating costs for months one to four of the lease and payments of C\$4,334 plus proportionate operating costs for months five to 60 of the lease.
- b) In August 2008, the Company signed a collaborative research agreement with Purdue University ("Purdue"). Pursuant to the agreement, the Company and Purdue will advance the university's existing nuclear fuels research program and to develop a new type of beryllium oxide nuclear fuel.

Under the terms of the agreement, Purdue has granted to IBC an option at IBC's sole discretion, to enter into either a non-exclusive royalty-free license for commercial application to the intellectual property relating to the development of an advanced beryllium oxide nuclear fuel (the "IP") as developed by Purdue under the agreement, or an exclusive royalty-bearing license to the IP up to a mutually agreed maximum royalty amount. Purdue has proposed a maximum 24-month research program with an estimated budget of \$588,980 which will be the sole responsibility of IBC and which will be paid by IBC in quarterly installment \$73,623 commencing September 1, 2008.

- c) In September 2008, the Company signed a definitive agreement to acquire all of the issued and outstanding shares of Nonferrous, a specialty alloy processing company. Through IBC US Holdings, Inc., the Company's wholly owned subsidiary, IBC will acquire Nonferrous' issued and outstanding shares for approximately \$10,500,000, payable as to \$6,000,000 in cash, \$3,000,000 in secured vendor debt and stock consideration of 3,000,000 IBC shares having a deemed value of C\$1,500,000. The secured vendor debt will bear interest at 8% and is due in three years.
- d) Subsequent to June 30, 2008, 400,000 stock options exercisable at C\$0.50 and 600,000 stock options exercisable at C\$0.60 were forfeited due to the resignation of a director of the Company.

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22. Major Customers

Net sales for the year include sales to the following major customers together with the receivables due from those customers:

	Amount and % of Sales		Amount and % of Trade Receivable Balance	
Customer A	\$231,253	23.64%	\$178,244	14.86%
Customer B	\$215,203	22.00%	\$134,624	11.22%
Customer C	\$172,589	17.65%	\$46,991	3.92%
Customer D	\$163,510	16.72%	\$256,801	21.41%
Customer E	\$120,303	12.30%	\$155,685	12.98%

As at June 30, 2008, trades receivables totalled \$1,199,374.

23. Inventories

Raw materials	\$ 702,042
Work in process	22
Finished goods	1,974,052
	<u>\$ 2,676,116</u>

24. Cost of goods sold

Materials used	
Inventory, beginning	\$ 836,682
Purchases	767,877
Freight in	20,109
	<u>1,624,668</u>
Inventory, ending	<u>(702,042)</u>
	922,626
Direct labour	57,700
Manufacturing expenses	391,925
	<u>1,372,251</u>
Change in work in process inventory	
Inventory, beginning	221,269
Inventory, ending	22
	<u>221,247</u>
Cost of goods manufactured	<u>1,593,498</u>
Change in finished goods inventory	
Inventory, beginning	1,378,382
Inventory, ending	1,974,052
	<u>(595,670)</u>
	<u>\$ 997,828</u>

**INTERNATIONAL BERYLLIUM CORPORATION
(FORMERLY JANINA RESOURCES LIMITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2008

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Management's Discussion and Analysis
Year Ended June 30, 2008

The following discussion and analysis, prepared as of October 27, 2008, should be read together with the consolidated financial statements for the year ended June 30, 2008 and related notes, which are prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). All amounts are stated in United States dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

Description of Business

International Beryllium Corporation ("IBC" or the "Company") was incorporated under the laws of British Columbia on December 11, 2002 as 659975 BC Ltd. and, on November 10, 2003, changed its name to Janina Resources Limited. On November 23, 2007, Janina Resources Limited completed a business combination with Horn Rare Metals Ltd. ("HRM"). The transaction was a reverse takeover ("RTO") of the Company by HRM under TSX Venture Exchange ("Exchange") policies. The RTO transaction, which was negotiated at arm's length, was effected by way of a business combination in which the Company acquired all of HRM's issued securities in exchange for 50,000,000 common shares of the Company. In connection with the RTO, Janina Resources Limited changed its name to International Beryllium Corporation.

IBC and its subsidiaries now operate a manufacturer of copper-beryllium ingots and control two beryllium properties in Brazil, two beryllium properties in the United States and 90% of seven beryllium properties in Uganda. All of the properties are either formerly operating mines or adjacent to formerly operating mines.

Beryllium is one of the least dense of all rare metals and it has one of the highest melting points of all the light metals. Beryllium is used in aerospace and defence applications and is also used extensively in the cooling systems for nuclear reactors and as a shield and moderator in nuclear reactors. Other growing uses of beryllium include automotive, electronics, home appliances, industrial components, instrumentation and control systems, telecommunications products, wireless and computer components, as well as in core Internet network applications.

Financial amounts are expressed in United States dollars unless otherwise indicated.

Corporate Developments

HIGHLIGHTS

- In September 2008, the Company signed a definitive agreement with NF Industries, Inc. and its wholly owned operation subsidiary Nonferrous Products, Inc. (collectively "Nonferrous") to acquire all of the issued and outstanding shares of Nonferrous, a specialty alloy processing company and manufacturer of forged copper, beryllium copper and bronze alloys in an arm's length transaction. The Company had previously signed a letter of intent with Nonferrous in June 2008.
- In August 2008, the Company signed a collaborative research agreement with Purdue University ("Purdue") to advance the university's existing nuclear fuels research program and to develop a new type of beryllium oxide nuclear fuel that is longer lasting, more efficient and safer than current nuclear fuels.
- In May 2008, the Company acquired all of the outstanding shares of Freedom Alloys Inc. ("Freedom"), a beryllium alloy manufacturer. Freedom is a primary producer-supplier of beryllium copper casting and master alloy ingot products in North America and markets around the world. Freedom also manufactures beryllium nickel and beryllium aluminum alloy products.
- In May 2008, the Company acquired Rare Earths Limited, LLC ("REL"), a private Colorado-based company owned by Lindsey V. Maness, Jr. and Lee R. Rice, in a non-arm's length transaction. REL owns mineral claims in the United States and extensive geologic, topographical and other data on beryllium mineral resources around the world.
- In March 2008, the Company raised gross proceeds of \$7,135,000 through the sale of units (consisting of one common share and one-half common share purchase warrant), at C\$0.50 per unit. The exercise price of the warrants forming part of the units is C\$0.75. Offering costs were \$1,017,000 including warrants with a fair value of \$427,000. Net cash proceeds of \$6,545,000 will be used to fund planned acquisitions, for working capital and general corporate purposes.
- In January 2008, the Company acquired a beryllium mineral property, known as the Boomer mine, located in the United States for cash and debt consideration plus other acquisition costs aggregating \$148,053.
- On December 18 2007, Roland Bopp was appointed to the board of directors and Lindsey V. Maness, Jr. was hired as the Company's vice president of exploration. In April 2008, Mr. Bopp resigned from all positions with the Company.
- On November 23 2007, the Company completed a RTO with HRM as described in further detail below. On closing of the RTO, Dal Brynelsen and Lee Rice joined the board of directors and Donald Padgett resigned as a director.

ACQUISITION OF FREEDOM ALLOYS, INC.

On May 9, 2008, the Company, through its wholly owned subsidiary IBC US Holdings, Inc. ("IBC US") acquired the issued and outstanding shares of Freedom, a manufacturer and supplier of beryllium, beryllium copper and beryllium containing alloy products. IBC paid \$10,036,646 made up of \$9,034,441 in cash and 1,693,963 common shares with a deemed value of C\$0.55 per share.

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Freedom, based in Royersford, Pennsylvania, was founded in 1994 by its current management team which had previous senior management and technical experience in the beryllium casting and marketing industry at Brush Engineered Metals, Inc. (NYSE:BW) and NGK USA. Freedom's core expertise is melting and casting beryllium copper and other beryllium containing alloys and serving the end user market. Freedom is a primary producer-supplier of beryllium copper casting and master alloy ingot products in North America and markets around the world. Freedom also manufactures the beryllium nickel and beryllium aluminum families of alloy products.

Freedom experienced revenue growth with unaudited sales increasing by over 30% in the year ended December 31, 2007. Freedom's facility has three furnaces that have been adapted to the specialized requirements of beryllium alloy manufacturing. Freedom has strong technical and manufacturing engineering resources in the highly specialized beryllium and beryllium containing alloy industry, which has allowed Freedom to develop and integrate proprietary direct chill VLT (Very Low Turbulence) semi-continuous casting technology into a highly autonomous billet manufacturing cell. This effort has resulted in a world class capability to manufacture large 21-inch diameter beryllium copper input billets weighing up to two tonnes. These large scale as-cast billets exhibit consistently fine grained, uniform micro-structures coupled with high purity, low carbide chemical compositions.

Freedom offers its customers a full range of manufacturing and support services including casting and master alloy products, cast and forged billet products, semi-continuous cast input billets and wrought products. Freedom manufactures its beryllium alloys utilizing either pure metallic beryllium or certified beryllium copper master alloy.

ACQUISITION OF RARE EARTHS LIMITED, LLC

In May 2008, the Company, through IBC US, acquired all of REL, a private Colorado-based company owned by Lindsey V. Maness, Jr. and Lee R. Rice. The transaction was a non-arm's length transaction in that Lindsey Maness, Jr. is an officer of the Company and Lee R. Rice is a director of the Company. The aggregate purchase price was 1,000,000 common shares of the Company, with a fair value of C\$0.51 per share at the transaction date, and \$40,000 in cash.

REL has a comprehensive reference library detailing beryllium mines, deposits and occurrences worldwide, which is complemented by extensive geologic, topographic, and bathymetric databases and an extensive library of satellite imagery. REL also owns a number of beryllium mining properties and claims including the Lake George area in Colorado and numerous claims in Juab County, Utah as described under "Mineral Properties" below.

PLANNED ACQUISITION OF NONFERROUS PRODUCTS, INC.

In September 2008, the Company signed definitive agreement to acquire all of the issued and outstanding shares of Nonferrous, a manufacturer of forged copper, beryllium copper, and bronze alloys based in Franklin, Indiana. At the date of this MD&A, closing of the transaction is subject to Exchange approval and approval of certain bank debt (which is itself contingent on Exchange approval).

The aggregate purchase price is approximately \$10,500,000, payable as to \$6,000,000 in cash, \$3,000,000 in secured vendor debt, and common shares of the Company provided that IBC shall not be obliged to issue more than 3,000,000 common shares. The Company made a non-refundable deposit of \$500,000. The vendor debt will bear interest at 8% and will be due three years after the transaction closes, but may be repaid at any time.

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Nonferrous sources multiple copper alloys in cast billet, slab or ingot from mills in North America and Asia and converts these into usable industrial products serving the industrial welding, oil and gas, plastic mold, metal melting, marine defense, electronic and industrial equipment markets. Nonferrous also provides tooling components for the North American automotive industry, the European and North American consumer plastic tooling producers, the global oil and gas service industry, the prime North American submarine and aircraft carrier producers/repair facilities including the US Navy, electronics industries and general equipment manufacturers.

Nonferrous' manufacturing infrastructure and processes are complementary to Freedom's and will further integrate the Company's manufacturing value chain.

PURDUE UNIVERSITY RESEARCH INITIATIVE

In August 2008, the Company signed a collaborative research agreement with Purdue to advance the university's existing nuclear fuels research program and to develop a new type of beryllium oxide nuclear fuel that is longer lasting, more efficient and safer than current nuclear fuels. The objective of the research is to develop, for commercial use, an enhanced uranium oxide beryllium oxide nuclear fuel suitable for both existing and future nuclear power reactors.

Existing work by Purdue nuclear engineers has shown that an advanced uranium oxide - beryllium oxide ($UO_2 - BeO$) nuclear fuel could potentially save billions of dollars annually by lasting longer and burning more efficiently than conventional nuclear fuels while at the same time dramatically impacting the demand for beryllium and beryllium oxide. In addition to the cost savings, an advanced $UO_2 - BeO$ nuclear fuel could also contribute significantly to the operational safety of both current and future nuclear reactors due to its superior thermal conductivity and associated decrease in risks of overheating or meltdown.

Under the terms of the research agreement, Purdue has granted to the Company an option at the Company's sole discretion, to enter into either a non-exclusive royalty-free license for commercial application to the intellectual property relating to the development of an advanced beryllium oxide nuclear fuel (the "IP") as developed by Purdue under the agreement, or an exclusive royalty-bearing license to the IP up to a mutually agreed maximum royalty amount. Pursuant to the agreement, Purdue has proposed a maximum 24-month research program with an estimated budget which will be the sole responsibility of the Company and which will be paid by the Company in quarterly installments.

Purdue led the early research into $UO_2 - BeO$ fuel, which is intended to solve the inherent problem of low thermal conductivity of existing UO_2 fuel. The low thermal conductivity leads to a large temperature gradient across the fuel pellet, which limits the operational performance of nuclear reactors due to thermal stresses that cause pellet cladding interaction and the release of fission product gases. An enhanced thermal conductivity $UO_2 - BeO$ fuel would decrease maximum fuel temperatures and facilitate a reduction in pellet cladding interaction through lessening thermal stresses that result in fuel cracking, relocation and swelling. Additionally, fission gas release would be decreased allowing for higher fuel burn-up and reactor safety would be greatly improved with a faster thermal response and less stored energy in the fuel pins.

Mineral Properties

IBC is seeking to accumulate several mineral properties that could serve as a source of raw materials for future production. Only two beryllium minerals are of commercial importance for

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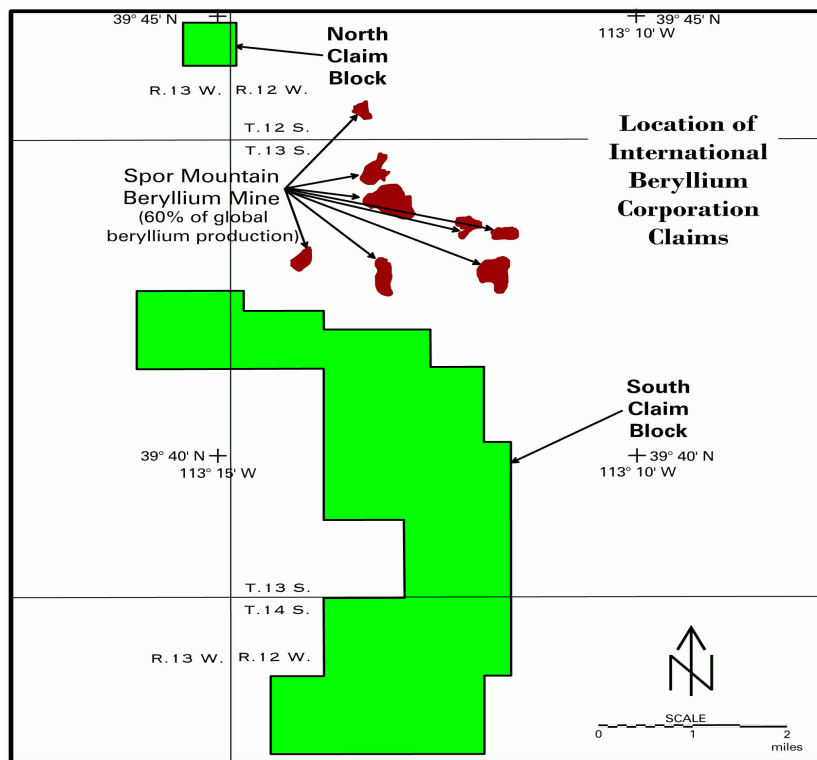
the production of beryllium. Bertrandite is the principal beryllium mineral mined in the United States. Beryl is the principal mineral mined in the rest of the world.

SPOR MOUNTAIN, JUAB COUNTY, UTAH

Through its purchase of REL in May 2008, IBC acquired 371 mineral claims near Spor Mountain in Juab County, Utah, USA.

Property Description and Location

The 371 claims comprise approximately 7,665 acres (3,102 hectares) proximal to another company's existing beryllium mining operations at Spor Mountain. The property is situated in a very sparsely populated part of Juab County. It is readily accessible along a paved road system but has limited availability of electricity.



Previous History

This property is situated in an area of known beryllium mineralization described in US Geological Survey ("USGS") Professional Paper 415. Studies conducted by the USGS and by the US Bureau of Mines in the 1960s confirmed the occurrence of beryllium minerals throughout the area and documented the extent and grades of some of the beryllium deposits in this area and their chemical, mineralogical, and physical characteristics.

Exploration

The Company's mineral claims about the mineral property of Brush Engineered Metals, Inc. ("Brush") at Spor Mountain. Brush operates five open pit mines in this location and produces approximately 48,000 tons of bertrandite ore annually grading 0.35% beryllium. This constitutes approximately 60% of world production, but Brush's lack of additional exploration has led to declining reserves during the past four years.

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The beryllium deposits discovered at Spor Mountain in December 1959, have been the major source of this metal in the western world for more than 40 years. The beryllium mineralization at this location occurs in tabular deposits situated along major faults and fractures in an altered water-laid rhyolitic tuff within a valley that once was part of paleo-Lake Bonneville. IBC's claims are located on extensions of these geologic structures initially described by USGS geologists and presently being mined on Brush's properties.

The Company's analysis of topographic data and high resolution aerial photography of the area has revealed the presence of a previously unmapped extinct volcanic caldera that may prove to be the source of structural control, hydrothermal fluids, and beryllium mineralization in this area. The presence of this caldera poses the possibility of more extensive beryllium mineralization on IBC's claims than what has been encountered at the Brush mine site.

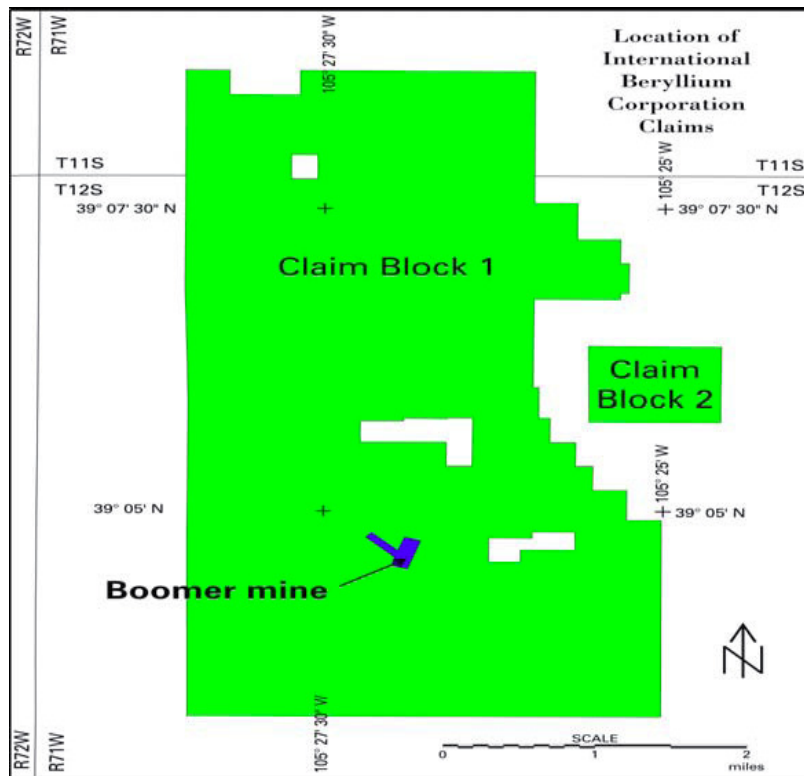
Plan

IBC is continuing to gather historical data and exploration results from other companies that have worked in the area and is formulating a comprehensive exploration program to delineate the extent of the beryllium mineralization and to quantify the size and grade of the deposits within its claim blocks.

LAKE GEORGE, PARK COUNTY, COLORADO

The Company exercised its rights under a trust agreement signed on September 1, 2007, and has acquired a 100% interest in the Boomer mine located in the Lake George beryllium district in Park County, Colorado, USA. The property is comprised of two patented mining claims; the Boomer lode and the East Boomer lode constituting 20.560 acres (8.320 hectares) of land and an undivided one-third interest in the adjacent JS lode, a 9.395-acre (3.802 hectares) patented mining claim. The Company also has staked 517 mining claims (approximately 10,680 acres or 4,320 hectares) on adjacent lands to expand its Colorado interests in the Lake George beryllium district.

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Property Description and Location

The Boomer mine is situated in Section 21 of Township 11 South, Range 72 West (T11S, R72W). It lies within the Lake George beryllium area, a prolific beryllium-producing area of South Park, Park County, Colorado. It is well supplied with electricity, water and telephone, and is readily accessible along an established road system.

Previous History

The Boomer mine was historically the second largest producing beryllium mine in the United States from 1948 until 1963 and was the largest beryllium ore producer in 1958. Mining operations were discontinued in the early 1970s due to a legal dispute between the operating partners and there has been no recent exploration activity on the property.

USGS scientists, Dr. Wallace R. Griffiths and Dr. Charles C. Hawley, evaluated the Boomer mine in the 1960s for publication of USGS Professional Paper 608-A and 608-B and USGS Circular 597. They were of the opinion that the Boomer mine retained more than 50% of its mineable reserves. Ore reserves will have to be confirmed by systematic drilling, geochemical sampling, and by geophysical and geological evaluations. The Company confirms that the previous reserves are now an historical resource.

Exploration

The Company has completed staking of 517 mineral claims in two claim blocks in the Lake George district of Colorado, a well known area of beryllium mineralization that also includes the Boomer mine owned by the Company. The staked area is approximately 10,680 acres (4,320 hectares) and includes the former beryllium producing areas of Badger Flats, China Wall, Redskin Gulch, and numerous former producing claims and workings.

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Plan

The Company currently is analyzing historical data with a view to undertaking further geochemical, geophysical, and field geological investigations with the goal of identifying and delineating any additional ore zones that may be suitable for mining. Once this work is complete, the Company will incorporate its findings into a thorough resource estimate for the entire Lake George area.

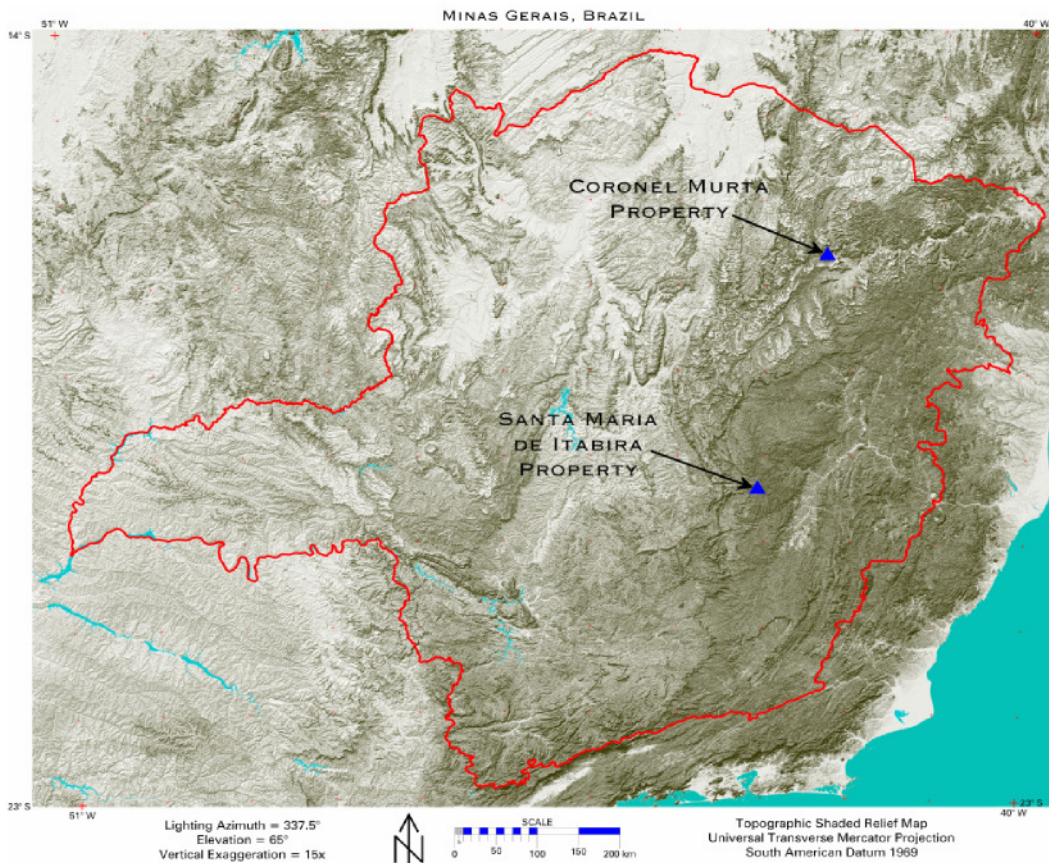
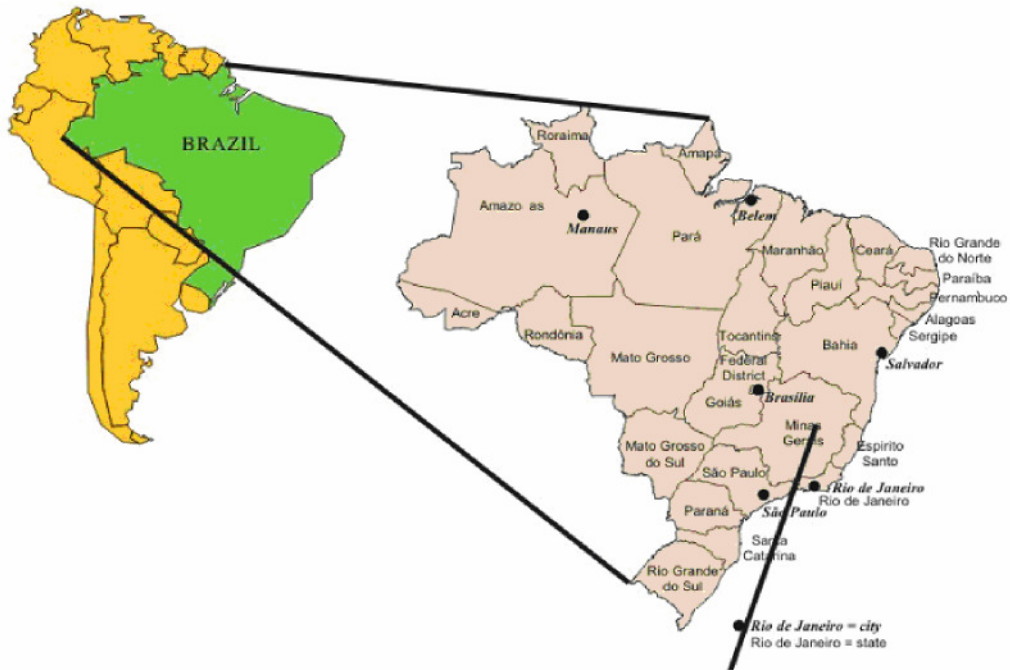
MINAS GERAIS, BRAZIL

Through a trust arrangement, IBC holds a 100% interest in two beryllium properties in Brazil; the Coronel Murta Property and the Santa Maria de Itabira Property (the "Brazilian Properties"). These two properties were the subject of an October 2007, geological report prepared for the properties' previous owner Vangold Resources Ltd. ("Vangold") by Behre Dolbear & Co. titled "Technical Report on the Santa Maria de Itabira Property, Santa Maria de Itabira Municipal District, Latitude 19° 21' 43.7" S, Longitude 43° 4' 30.4" W and the Coronel Murta Property, Coronel Murta Municipal District, Latitude 16° 36' 52" S, Longitude 42° 18' 31" W, Minas Gerais State, Brazil" (the "Behre Report"). A full copy of the Behre Report is available for review under the Company's profile on www.sedar.com.

Property Description and Location

The Brazilian Properties are located in Minas Gerais State, Brazil. One is situated in the Santa Maria de Itabira municipal district and the other in the Coronel Murta municipal district as shown in the following illustration. The surface owners have not retained a royalty prior to commencement of mining operations.

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Santa Maria de Itabira

The Santa Maria de Itabira license is located at approximately latitude 19° 21' 43.7" S, longitude 43° 4' 30.4" W in the Santa Maria de Itabira municipal district and comprises 643.74 hectares. The license is recorded as Departamento Nacional de Produção Mineral ("DNPM") Processo 832670/2003 in the name of Raimundo José Martins Coura. On November 11, 2006, Sr. Coura ceded rights to the license to Rafael Hernandes Corrêa Silva and issued a receipt for payment on March 30, 2007. Sr. Silva is the license holder and a principal of Mineração Berilo do Brasil Ltda., a subsidiary of IBC in Brazil. The cessation has been submitted to DNPM for approval, but has not yet been published.

Access to the area is via paved highways BR381 and BR120 from Belo Horizonte to the municipal district of Santa Maria de Itabira, a distance of about 140 kilometres from Santa Maria de Itabira to the area of the permit, access is via unpaved roads for about 17 kilometres.

Mineralization occurs as discrete beryl crystals within the zoned pegmatite matrix. Pegmatite bodies are somewhat linear, oriented approximately NW-SE, and range in thickness from a few centimetres to several metres. The galleries mapped by Brazilian Rockhounds Comércio e Serviços de Minerais Ltda. ("Brazilian Rockhounds") are clustered in an area of approximately 100 metres by 250 metres central to the license area.

No environmental liabilities were apparent during Behr Dolbear's visit. There is no acid mine drainage or hazardous waste or other condition what would require mitigation or remediation.

The license area is traversed by a small stream that would need protection when surface disturbances are begun.

Further work will require approval by DNPM of a plan of operations. The phased exploration plan for this property is in preparation with a completion scheduled for early 2009.

Coronel Murta

The Coronel Murta concession is situated in the municipal district of Coronel Murta, in the Central Jequitinhonha region, at approximately latitude 16° 36' 52" S, longitude 42° 18' 31" W. The license comprises 328.13 hectares and is recorded as DNPM Processo 833941/2006. The license was issued in the name of Carlos Lauro Oliviera Ursine, who ceded the rights to Rafael Hernandes Corrêa Silva on October 10, 2006, and issued a receipt for payment on March 30, 2007. Sr. Silva is the license holder on behalf of IBC. The cessation was published by DNPM as Processo 833941/2006.

The camp used as the base for the field work was the headquarters of the Jatobá farm, property of the former title-holder. The Jatobá farm comprises about 50% of the authorized area. The headquarters of Jatobá farm lies about 11 kilometres from Coronel Murta city and 21 kilometres from Virgem da Lapa city via poorly maintained unpaved roads. The eastern part of the license, lying north of the Jequitinhonha River, is accessible from Coronel Murta city via primitive, four-wheel drive track for about 15 kilometres in a generally west direction.

Mineralization occurs as discrete beryl crystals in zoned pegmatite bodies. Pegmatites are described by Brazilian Rockhounds in at least five different locations on or adjacent to the license over an area of approximately one kilometre square located in the east central portion of the license. Behr Dolbear was able to visit the portal of one gallery that was collared off the license but, according to Brazilian Rockhounds' mapping, extends up to 50 metres northwesterly into the license area. Behr Dolbear found beryl fragments up to 10 centimetres in long dimension on the dump from this gallery.

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A gallery adjacent to the Coronel Murta license was actively producing feldspar, lepidolite, and occasional morganite (a gem variety of beryl). Behre Dolbear observed beryl crystals in the gallery walls up to five centimetres in long dimension.

No environmental liabilities were apparent during Behre Dolbear's visit. There is no acid mine drainage or hazardous waste or other condition that would require mitigation or remediation. The license area is traversed by the Jequitinhonha River that would need protection when surface disturbances are begun.

Further work will require approval by DNPM of a plan of operations.

Exploration

Exploration to date has been limited to mapping the accessible workings on the Santa Maria de Itabira license, literature search, aerial photograph interpretation, and compiling references on surrounding properties. There are seven gallery entries located on the Santa Maria de Itabira license and beryl and aquamarine production has been reported from these workings. Behre Dolbear was able to confirm pegmatite bodies in the accessible workings but saw no obvious beryl or aquamarine in place. Geologist Silva has mapped the workings. He has produced a report of activities and findings that include maps of the galleries and location of reported beryl production. Behre Dolbear was able to compare the geologic maps of the galleries with two of the galleries and found the work accurate and credible.

Brazilian Rockhounds reports sampling results from the Santa Maria de Itabira galleries as follows:

Gallery	Sample Length, m	Kg Beryl
G1	5	30
G2	10	60
G2	5	60
G3	7	50
G5	5	10
G5	12	15
G5	70	150
G6	0.3	5
G7	15	30

These samples are identified on Brazilian Rockhounds' maps. Behre Dolbear did not observe the sampling nor see any of the recovered beryl.

Additional work that previous operators from 2004 to 2006 and Brazilian Rockhounds conducted on the Santa Maria de Itabira license includes follow-up map construction, mine planning, trenching, geologic mapping and sampling, gallery opening and construction, and chemical and petrographic analysis. The work by previous operators also has been reported and detailed to DNPM. Behre Dolbear did not witness these tasks being completed but reviewed materials provided by Brazilian Rockhounds to indicate the tasks had been completed on the license.

IBC's representative in Brazil conducted a reconnaissance of the Coronel Murta license area in an attempt to locate old workings or pegmatite outcrops. He mapped five galleries; one collared outside the Coronel Murta license but entering the license underground and one gallery collared within the Coronel Murta license and passing southerly out of the license.

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Brazilian Rockhounds and previous operators from 2004 to 2006 conducted extensive road and gallery construction on the Coronel Murta license. The road improvements to access the site, refurbishing of old galleries, and opening of new longitudinal and transverse galleries cost approximately \$90,900 during that period. In addition, trenching and both surface and underground sampling as well as auger drilling on the license cost approximately \$26,700. Topographic mapping and geologic mapping of the surface and of accessible galleries underground was conducted at a cost of approximately \$22,600. Chemical and petrographic analyses of numerous samples were performed at a cost of \$1,500, and research materials for this property consisting of aerial photography and remotely sensed data were gathered at a cost of approximately \$5,500. This exploration and development work culminated in environmental licensing of the site and a final report on the exploration work to the DNPM.

Behre Dolbear did not witness the work being completed but did review materials provided by Brazilian Rockhounds and allocated a proportion of the listed work to the license. This work also has been reported to DNPM. Behre Dolbear reviewed maps of the located underground galleries, geologic and topographic maps of the claim area, tables of expenditures and submissions to DNPM and a qualifying statement letter by Rafael Hernandez Corrêa Silva attesting to completing the above mentioned tasks.

Behre Dolbear concluded that the Coronel Murta concession is an early state exploration project. Significant and extensive exploration work in the form of trenching, alluvial sampling, and general reconnaissance needs to be conducted to locate potential high value areas. Once these areas are identified, diamond drilling and more thorough testing must be performed. Most of the work to date is of an overall development nature and is foundational for the continued program.

Behre Dolbear has attempted to apportion the applicable completed tasks to the Coronel Murta license in categories where they saw some evidence that work was done and benefited the understanding of the license area. In situations where the work likely benefited the entire license before partition, Behre Dolbear credited 85% of the total to the Coronel Murta license based on the relative areas of the Coronel Murta license and the retained portion.

Drilling

There has been no drilling on either of the Brazilian Properties.

Sampling method and approach

Beryl has been reported from the gallery entries on the Santa Maria de Itabira license. Sampling was crude and consisted of hand sorting beryl specimens from mined rock identified as having high potential for beryl occurrence. A similar technique was applied at the active working south of the Coronel Murta license area. Behre Dolbear was able to see the mining operations and the hand sorting of feldspar and lepidolite. Only the largest pieces were stockpiled for future shipment to a buyer. Behre Dolbear did not observe any sampling on the properties during this site inspection.

Recommendations

Further exploration will require approval of the plan of operations by the environmental agency as well as the agriculture department and the department of mines. The properties both are early state exploration projects and therefore extensive reconnaissance and broad based exploration is required. This should consist largely of trenching, alluvial sampling, and tunnelling in located pegmatite bodies.

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Because pegmatites have irregular shapes and range from a few decimeters to more than a kilometre in length and from a few millimetres to more than 150 metres in width, exploration must determine the size of any pegmatite body as well as the presence of desirable minerals. To date, exploration has confirmed the presence of beryllium mineralization on both the Santa Maria de Itabira and the Coronel Murta concessions. Additional exploration consisting of alluvial sampling and trenching over the entire license area will serve to delineate the vertical extent, mineral zonation, and grade of mineralization present in the pegmatites.

Behre Dolbear recommends a thorough program of alluvial sampling and trenching of the entire Santa Maria de Itabira and Coronel Murta concessions with bulk rock sampling when appropriate. The exploration should proceed incrementally with line cutting and surveying of lines along the slopes for soil samples. Soil samples should be taken at 25-metre intervals and assayed by ICP for beryllium, chromium, lithium, potassium, sodium, and vanadium. Slight anomalies should identify possible pegmatite bodies. Trenches would be dug to expose the saprolitic rock and tunnels dug into the exposures to sample for beryl.

The Company had planned to expend approximately \$250,000 in 2008 on the recommended exploration program on the Santa Maria de Itabira and the Coronel Murta concessions. Following the acquisition of the US properties and the uncertain outlook for mineral property exploration, the Company has scaled back its exploration activities and will continue to gather information and pay holding costs for these properties.

UGANDA

IBC holds a 90% interest in Beryllium Exploration Ltd., which holds seven registered exploration licenses for beryl, located in central and southwestern Uganda.

Property Description and Location

The licenses cover a total of 44.2 square kilometres and are currently valid until a variety of dates in April, 2009. All are accessible to some extent by four-wheel drive vehicle and are situated from three to ten hours' drive from the capital city, Kampala. The properties consist of Exploration License No. 106, Ntungamo District, Exploration License No. 107, Bushenyi District, Exploration License No. 108, Bushenyi District, Exploration License No. 109, Kabale District, Exploration License No. 110, Kisoro District, Exploration License No. 111, Mukono District, and Exploration License No. 113, Kabale District.

Uganda is a landlocked country astride the equator, bordered by Tanzania and Rwanda to the south, Democratic Republic of Congo to the west, Sudan to the north, and Kenya to the east. Both Uganda's eastern and western borders are marked by mountains; elevations on the west side exceed 5,000 metres and reach over 4,300 metres on the east. It occupies most of the Lake Victoria Basin. Southern Uganda lies at an altitude of 1,134 metres. The plateau that stretches northward from Lake Victoria declines gradually to an altitude of 914 metres on the Sudan border.

Previous History

A detailed history of the exploration licenses is not known. Beryl was first worked in the late 1930s however appreciable production was not recorded until 1960, stimulated by price increases and the United Kingdom Atomic Energy Authority's assessment work on beryl deposits. It is not known how much, if any, of the recorded Ugandan beryl production might have come from any of the IBC properties.

The geology of Uganda is dominated by crystalline Basement Complex rocks of Pre-Cambrian age that underlie over 90% of the country. These consist of predominantly granites, granitoid

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gneisses and gneisses. These rocks, normally classified as undifferentiated gneisses and granites, are the oldest in age and are overlain by metamorphic Karagwe-Ankolean and Buganda Series.

Cenozoic rift valley sediments and Tertiary and Pleistocene volcanics occur in a few areas, covering less than 10% of the country. The western part of the country is bounded by the rift valley, which is underlain by sediments made up of a mixture of sand, silts, and clay. Other recent sediments are found in various places as a result of erosion to valleys and magmatic outflows from volcanic eruptions.

Pegmatites, coarse-grained igneous rocks of granitic composition, are typically the host of beryllium bearing mineralization. They occur as tabular dikes, sills, lenses or veins near the margins of plutons. They tend to have zoned or layered structures, extremely variable in the texture of mineral aggregates, and some of them are enriched in rare elements as well as beryllium and tin. Pegmatites in Uganda contain coarse microcline, albite, quartz and muscovite as major constituents. Minor constituents include apatite, tantalite, columbite, cassiterite, manganite and tourmaline. Most pegmatites are kaolinized to some extent, making the identification of individual mineral components difficult. Beryl, the beryllium-bearing mineral, in particular can be confused with feldspar and quartz when in their unaltered states, let alone when the occurrence is kaolinized. Kaolinization however facilitates extraction, particularly when done by hand.

Beryl in Uganda has been extracted almost exclusively from pegmatites, by hand, with little or no mechanization. Similar sizeable deposits are found in Brazil and one has been explored extensively in northern Canada, although no production has been recorded from it.

Ready identification of beryl by the casual observer is difficult, however local miners have in the past developed an instinctive eye for the mineral in hand picking it. They are the source of virtually all beryl production in Uganda to date, resulting in a high level of beryllium content in shipped product. An evaluation of the overall historical grade of occurrences, however, is impossible since records of total material excavated were not kept and fine beryl has very likely been left in waste dumps.

There has not been any prior systematic exploration associated with any part of any of the subject exploration licenses, nor did HRM undertaken any such work, although the presence of surface cuts and underground workings are evidence of previous activity. Geochemical studies have been applied in other areas; stream sediments were collected and a number of known beryl workings were detected. It was difficult to assess if results were affected by contamination of drainages by the dumping of overburden or waste, however three beryl bearing pegmatites outside mining areas did generate anomalies.

The conclusions reached were that stream sediment sampling was a useful method of locating areas to be prospected in detail, particularly in all schist/phyllite belts. Anomalies were to be followed up first by a rapid geological reconnaissance to look for surface indications of pegmatites, in conjunction with resampling of streams at much closer intervals and subsequent soil sampling.

There has been no drilling, mineral processing or metallurgical testing done on the IBC exploration licenses and there are no resource estimates that are National Instrument 43-101 compliant. Four grab samples from waste dumps were submitted to Acme Laboratories in Vancouver, British Columbia, for analysis by ICP-MS analytical procedures. While the results for exploration licenses #106 and #107 clearly indicate the presence of beryllium (>10,000 ppm Be), the same cannot be said for #111 and #113. At both the latter sites fine-grained micaceous

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material dominated the dumps, whereas coarser chips and broken mineral were more easily identifiable at #106 and #107. Workings on license #108 were too overgrown and only presumed wall or waste rock remains, workings on license #109 were not accessed and those on #110 are strongly kaolinized where exposed.

All beryl mining that took place in Uganda was done by hand and the beryl was hand-picked for shipment. The workings within the subject licenses have been abandoned for more than thirty years and have become overgrown and slumped in.

Exploration

Geochemical sampling and geologic mapping presently are ongoing on the licensed areas by contract personnel. The results of this program will be analyzed by geologists at the Company and will be used to recommend further exploration activities for these properties.

Financial

FINANCINGS

July 2007 Private Placement

In July 2007, the predecessor company closed a private placement for 20,110,000 subscription receipts of 0792380 BC Ltd. ("Newco"), its wholly owned subsidiary at the time, at an issue price of C\$0.50, for gross proceeds of C\$10,055,000 (the "Offering"). The Offering included the sale of 2,000,000 subscription receipts by Bolder Investment Partners, Ltd. ("Bolder") pursuant to an agency agreement among Bolder, Newco and the Company for gross proceeds of C\$1,000,000. The Offering was made in connection with the Company's RTO. The funds raised from this financing form part of the recapitalization adjustment at the RTO date.

The gross proceeds of the offering, being C\$10,055,000, were deposited in escrow (the "Escrow Funds") in an interest-bearing account pending satisfaction of the certain escrow release conditions. The Escrow Funds are recorded in the September 30, 2007 accounts as share subscriptions.

Immediately prior to the completion of the RTO, each subscription receipt automatically converted into one unit of Newco. Each Newco unit comprised of one common share of Newco and one half common share purchase warrant of Newco having an exercise price of C\$0.75 with a term of 24 months from the date of issue. As part of the RTO, each Newco share was automatically exchanged for one common share of the Company and each whole Newco warrant was exchanged for one share purchase warrant of the Company, entitling the holder to acquire one further common share of the Company at a price of C\$0.75 for a period of 24 months.

Bolder was paid a cash commission of C\$80,000 and received broker warrants to acquire up to 160,000 common shares of the Company at a price of C\$0.50 for 12 months from the date of issue.

March 2008 Private Placement

In March 2008, IBC raised gross proceeds of \$7,135,000 through the sale of units (consisting of one common share and one-half common share purchase warrant, at C\$0.50 per unit). The exercise price of the warrants forming part of the units is C\$0.75. All securities issued in connection with the offering are subject to a four-month hold period. The Company paid a cash finder's fee of \$286,000 of the gross proceeds raised in this private placement of which \$244,000 was paid to related parties (see related party transactions below). The Company also

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issued compensation warrants to finders entitling them to purchase 704,000 common shares at an exercise price of C\$0.50 per share for a period of 24 months following the closing. Of these warrants, 352,000 were paid to related parties. Offering costs were \$1,017,000 including compensation warrants with a fair value of \$427,000. Net proceeds will be used to fund planned acquisitions, for working capital and general corporate purposes.

SELECTED ANNUAL AND QUARTERLY INFORMATION

During the most recent two fiscal years, the Company has not generated any revenue, incurred any loss from discontinued operations or extraordinary items or declared any dividends.

	June 30	
	2008	2007
Net income (loss) for the year	\$ (3,693,426)	\$ 1,845
Net earnings (loss) per share, basic and diluted	(0.05)	0.00
Total assets	23,427,787	148,938
Long-term financial liabilities	\$ 12,253	\$ -

During the most recent eight quarters, the Company has not incurred any loss from discontinued operations or extraordinary items. Results for the period prior to the November 23, 2007 RTO are those of HRM rather than the Company.

Quarter Ended	Revenue	Net income (loss) for the period	Basic and diluted income (loss) per share
September 30, 2006	\$ -	\$ (12)	\$ (0.00)
December 31, 2006	-	6,064	0.00
March 31, 2007	-	1,726	0.00
June 30, 2007	-	(5,933)	(0.00)
September 30, 2007	-	1,391	0.00
December 31, 2007	-	(52,729)	(0.01)
March 31, 2008	-	(3,670,711)	(0.04)
June 30, 2008	\$ 978,056	\$ 28,623	\$ 0.00

During the quarters from September 2006 to September 2007, there were no significant trends as the Company was largely inactive. Following the RTO, operating losses increased as the company hired personnel and began executing its business plan. Losses for the quarter ended March 31, 2008 included stock-based compensation of \$2,718,000 and a foreign exchange loss of \$592,000. Results of operations changed significantly in the quarter ended June 30, 2008 with the purchase of REL and Freedom as discussed in "Results of Operations for the Fourth Quarter" below.

RESULTS OF OPERATIONS FOR THE YEAR ENDED JUNE 30, 2008

In this discussion of the Company's results of operations and financial condition, amounts, other than per-share amounts, have been rounded to the nearest thousand dollars.

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The comparative results of operations are those of HRM, which was largely inactive except for holding certain mineral properties. The Company's results of operations for the year ended June 30, 2007 were not material and a comparison of current period operating results to those in the prior year is not meaningful.

Further information about the components of the net loss for the year ended June 30, 2008 follows:

- Consulting fees consist of payments made for general corporate consulting and advice, market assessment and industry research and non-audit or accounting services. The Company paid a consultant (who was subsequently appointed as an officer) to seek out business opportunities on behalf of the Company.
- Geological fees were primarily paid to two geologists (the principals of REL) to assess existing and potential properties and to implement acquisitions and exploration activities.
- Management fees are paid to management companies for the CEO and CFO's services and for general office administration.
- Professional fees comprise audit, legal and valuation fees, other than legal fees incurred to acquire properties or for financings, which are capitalized. The Company has capitalized as deferred acquisition costs professional fees associated with the prospective purchase of Nonferrous.
- Salaries were paid to Freedom's administrative and supervisory staff and to the Company's COO. Salaries expense includes severance of \$279,000 paid to a former officer.
- Stock-based compensation represents the fair value of stock options awarded to directors, contractors and employees.
- The foreign exchange loss is largely related to funds raised from equity financings in Canadian dollars. The Canadian dollar declined in value against the US dollar, resulting in a loss.
- The Company earned interest income from cash held in a bank account. Income in the current period is higher than the comparative period as the Company had more cash invested.

RESULTS OF OPERATIONS FOR THE FOURTH QUARTER

The net income for the quarter ended June 30, 2008 was \$29,000 or \$0.00 per share as compared with a loss of \$3,671,000 in the third quarter of 2008 and a net loss for the quarter ended June 30, 2007 of \$6,000.

The change in operating results relative to the prior quarter was largely due to (1) Freedom's post-acquisition loss of \$132,000; (2) REL's post-acquisition loss of \$47,000; (3) reduction of stock-based compensation of \$491,000; and (4) a future income tax recovery of \$92,000. Freedom's operating results in the period were adversely affected by materials requiring further processing that were held up at suppliers. Freedom received these materials in the following quarter.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2008, the Company had working capital of \$6,015,000, including cash of \$6,366,000, as compared to a working capital of \$109,000 at June 30, 2007. Approximately

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\$3.2 million of this cash is effectively committed to funding the purchase of Nonferrous. The balance of \$3.2 million is available to fund operating and exploration activities. The Company's working capital position reflects \$1,030,000 of debt that would be considered long-term, but has been classified as a current liability because the Company did not meet one of its debt covenants in the period. The Company's bank has verbally advised that it will provide a waiver, but the Company has not received waiver at the date of this MD&A. If the bank does not demand repayment, the Company has sufficient cash to fund operations until the summer of 2009.

The Company expects to be able to generate additional cash from two primary sources, although there can be no assurance that either will be available to the Company:

- Operating income of Freedom – In the year ended December 31, 2007 Freedom generated pre-tax profits of \$502,000, although Freedom recorded a loss from the date of acquisition to June 30, 2008 and future profitability cannot be assured.
- Borrowing funds in its Freedom subsidiary - In spite of the current liquidity difficulties in the United States and the breach of a loan covenant, Freedom has recently received positive indications from its bank that additional bank financing may be available. Any borrowing undertaken in Freedom would be used to expand that subsidiary's operations.

The Company has share purchase warrants outstanding, but given the current state of capital markets, the Company cannot count on these warrants being exercised before they expire in 2009. In addition, the planned purchase of Nonferrous is expected to add earnings, although the Company's ability to access the resulting cash flow would be severely limited by Nonferrous' bank covenants.

The Company will need to raise additional funds to complete its business plan. There can be no assurance that the Company will be successful in obtaining such funds.

RELATED PARTY TRANSACTIONS

Transactions

Transactions with related parties are disclosed in note 16 to the June 30, 2008 financial statements. In addition, before the RTO, the predecessor company had transactions with related parties as follows:

Party	Amount
Delu International Ltd., owned by an officer and director	\$ 22,108
Lee Rice, subsequently appointed a director	\$ 27,667
Lindsey Maness, subsequently appointed an officer	\$ 27,667
Roland Bopp, subsequently appointed an officer	\$ 142,667

The Company does not have any contractual relationships with other directors or officers except as follows:

On October 1, 2007, the Company entered into a consulting agreement with Delu International Ltd., a company controlled by the Company's CEO, for Anthony Dutton's services. This contract expired on September 30, 2008, but the Company continues to make payments on the same

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basis. As compensation for consulting services to be provided, the Company pays C\$12,500 per month.

Effective October 1, 2007, the Company's predecessor (Janina Resources Limited) entered into a consulting agreement with Roland Bopp. The Company paid \$10,000 per month until March 31, 2008 to Mr. Bopp. The Company paid an additional \$50,000 signing bonus as compensation.

On February 12, 2008, the Company made an \$85,000 bridge loan to REL, which is owned by a director and by an officer of the Company, to fund operations until the planned purchase closed. The loan bears interest at 8% per year. On March 10, 2008 the Company made a further \$80,000 bridge loan to REL with the same terms and conditions.

In March 2008, the Company hired Roland Bopp as its chief operating officer. Mr. Bopp's base annual salary was \$210,000 and he is eligible to receive a bonus, healthcare and life insurance benefits. The contract had a three-year term and could be terminated by the Company at any time after the first year of its term on six months written notice to Mr. Bopp. In April 2008, the Company terminated the agreement and paid a settlement of \$279,000.

In March 2008 the Company closed a C\$7,000,000 financing as described above. Primary Ventures Corp. (a shareholder) and Secret Cove Management Ltd. (in which a director owns a beneficial interest) received, in aggregate, finders' fees of \$287,000 and 704,000 compensation warrants exercisable at C\$0.50 for 24 months. Of these amounts, cash of \$244,000 and 704,000 finder warrants were paid to companies in which directors or their spouses own shares.

STOCK OPTIONS GRANTED

In October 2007, the predecessor company granted 1,649,000 stock options exercisable at C\$0.50 per share to two consultants and three directors. The options will be exercisable for a term of up to five years.

In January 2008, the Company granted 1,200,000 stock options to three new directors of the Company, 400,000 stock options to a new officer of the Company and 150,000 stock options to a consultant, all at an exercise price of C\$0.50 per share. The options are exercisable for a term of up to five years.

In February 2008, the Company granted 500,000 stock options to an investor relations consultant, at an exercise price of C\$0.59 per share. The options have a two-year term and vest over 12 months.

In March 2008 the Company granted 600,000 stock options to a director and officer of the Company at an exercise price of C\$0.60 each until March 6, 2013. The options were granted pursuant to the terms of the Company's stock option plan.

In March 2008 the Company granted 1,450,000 stock options to directors and officers of the Company at an exercise price of C\$0.83 each until March 7, 2013. The options were granted pursuant to the terms of the Company's stock option plan.

In June 2008 the Company granted 1,000,000 incentive stock options to employees of the Company at a price of \$0.51 each until May 8, 2013. The options were granted pursuant to the terms of the Company's stock option plan.

In July 2008, 400,000 stock options exercisable at C\$0.50 and 600,000 options exercisable at C\$0.60 per share were forfeited.

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FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Information about financial instruments is disclosed in note 18 to the financial statements.

CHANGES IN ACCOUNTING POLICIES

Following the RTO, the Company adopted new accounting policies on the translation of foreign currencies and stock-based compensation as described in note 3 of the June 30, 2008 financial statements.

The Company is subject to new accounting standards including the Canadian Institute of Chartered Accountants Handbook Section 1530 "Comprehensive Income", Section 1506 "Accounting Changes", Section 3251 "Equity", Section 3855 "Financial Instruments - Recognition and Measurement", Section 3861 "Financial Instruments - Disclosure and Presentation" and Section 1506 "Accounting Changes". Adoption of these accounting standards has not had a material impact on the financial statements of the Company.

Outstanding Share Data

As at the date of this MD&A the Company had:

- 104,376,148 common shares issued and outstanding. Of these shares, 42,344,117 common shares are held in escrow that will be released over the period ending November 23, 2010.
- Warrants to purchase 23,889,832 common shares.
- Broker warrants to purchase 864,000 common shares.
- Stock options to purchase 5,549,000 common shares to directors, officers and consultants. In addition, the company has committed to issuing options to purchase 400,000 common shares to a contractor.

In addition, the Company plans to issue a further 3,000,000 common shares on the purchase of Nonferrous, as described above. The maximum number of shares potentially issuable is therefore 137,678,980.

**CERTIFICATION OF ANNUAL FILINGS
VENTURE ISSUER BASIC CERTIFICATE**

I, Anthony Dutton, chief executive officer of International Beryllium Corporation, certify the following:

1. **Review:** I have reviewed the annual financial statements and annual MD&A (together the annual filings) of International Beryllium Corporation (the "issuer") for the financial year ended June 30, 2008.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: October 28, 2008

Signed "Anthony Dutton"

Anthony Dutton
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

**CERTIFICATION OF ANNUAL FILINGS
VENTURE ISSUER BASIC CERTIFICATE**

I, Simon Anderson, chief financial officer of International Beryllium Corporation, certify the following:

1. **Review:** I have reviewed the annual financial statements and annual MD&A (together the annual filings) of International Beryllium Corporation (the "issuer") for the financial year ended June 30, 2008.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: October 28, 2008

Signed "Simon Anderson"

Simon Anderson
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

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