



JOV DIVERSIFIED FLOW-THROUGH 2008-II LIMITED PARTNERSHIP

Interim Management Report of Partnership Performance
As at June 30, 2009

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This interim Management Report of Partnership Performance contains financial highlights but does not contain the complete interim financial statements for Jov Diversified Flow-Through 2008-II Limited Partnership (the “Partnership”). You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1.866.688.5750, by writing the general partner, Jov Diversified Flow-Through 2008-II Management Corp. (the “General Partner”), at Jov Flow-Through, 609 Granville Street, Suite 808, PO Box 10357, Vancouver, BC V7Y 1G5 or by visiting our website at www.jovflowthrough.com or SEDAR at www.sedar.com.

Security holders may also contact us using one of these methods to request a copy of the Partnership’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

Forward-Looking Information

This interim Management Report of Partnership Performance contains forward-looking information and statements relating to, but not limited to, anticipated or prospective financial performance and results of operations of the Partnership. Any statements that are contained herein that are not statements of historical fact may be deemed to be forward-looking information. Without limiting the foregoing, the words “believes”, “anticipates”, “plans”, “intends”, “will”, “should”, “expects”, “projects”, and similar expressions are intended to identify forward-looking information.

The General Partner believes the forecasts or projections herein are reasonable, however readers are cautioned not to place undue reliance on such forward-looking information and readers should review the prospectus filed with Canadian securities regulatory authorities. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons including, but not limited to, market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Partnership may invest and the risks detailed in the Prospectus of the Partnership. We caution that the foregoing list of factors is not exhaustive.

The forward-looking information is given as of the date of this interim Management Report of Partnership Performance, and the General Partner undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Management Discussion of Partnership Performance

Investment Objectives

The investment objective of the Partnership is to provide limited partners with a tax-assisted investment in a diversified portfolio of flow-through shares of resource companies focused on oil & gas and mineral exploration, development and/or production companies or certain renewable energy production companies with a view to earning income and achieving capital appreciation.

Results of Operations

In November 2008 the Partnership completed its public offering of units, raising \$15.2 million for investment in flow-through shares of Canadian resource companies. The Partnership has fully invested the proceeds from this offering, generating tax deductions applicable to the 2008 taxation year for limited partners. The Partnership is expected to roll to the Jov Canadian Equity Class mutual fund on or before June 30, 2010.

After the dramatic rise and fall in commodity prices in the last two years, nascent signs of global economic revival gave investors reasons to believe again. As central banks and governments around the world raced to cushion a severe downturn, interest rates fell, and government spending rose. A measure of calm has returned to the market, and with it, a strong recovery in commodity prices, especially those directly associated with China's amazing resilience. Recent low prices have laid the foundation for the next bull market as production and investments are curtailed, yet demand growth is poised to return in the near future. Led by oil and base metals, commodities staged a good rally in the last three months. Gold came on strong in May as inflation fear surfaced. Resource stocks performed strongly, recovering part of their losses from last year. Small cap stocks generally out-performed their large cap peers as investors seek upside leverage to the commodities.

For the first half of 2009, the Partnership generated a net return of 49.25%, significantly stronger than global resource benchmark indices. During the financial crisis, the Partnership was able to opportunistically invest in the oversold junior resource issues, taking advantage of a depressed market. By year end, the Partnership was fully invested in flow-through shares in accordance with its investment mandate. After bumping along the bottom for the first part of the year, oil prices climbed smartly as production cuts by OPEC started to tighten the market. The recovery in financial markets and the renewed decline of the US dollar pushed oil prices even higher. Natural gas, on the other hand, continues to suffer, as the bulging inventories overwhelmed limited supply responses. Base metals rallied strongly from the start as China went on a buying binge. Gold traded in a broad range as the rebound in financial markets reduced the flow into safe heaven assets.

While the Manager continues to believe the foundation of the secular global economic expansion is intact - global liquidity is plenty and the rising of the East is nowhere near to be over - it is too early to declare that the severe cyclical bear market that has been in force since late 2007 is now over. Despite the faith investors place on the various rescue / stimulus plans from authorities, it will take time for these measures to show effects and for the inevitable recovery to come. At that point, the debate will shift to how quickly and aggressively the huge fiscal and monetary incentives will be taken back, slowing down economic recovery in the process.

The Partnership is currently favouring exposure to oil, selected base metals and gold, and de-emphasizing natural gas. The rebound in oil prices to over \$70/bbl, while heartening, may have been overly extended. A trading range of \$50 - \$70 may develop until concrete evidence of a global economic recovery surfaces. The same can be said about most base metals as it remains unclear whether the surging imports by China are driven by real demand. Gold serves its useful role as a hedge against financial and economic uncertainty, especially in light of the rampant money printing by central banks. Natural gas continues to be hampered by high inventories and the remaining impact of new shale gas production growth. A decisive turning point is not likely to arrive until late 2009 or mid-2010. Overall, recent sharp declines in commodity prices have brought them to below their economic breakeven point and will only exacerbate the

supply-demand imbalance in the coming years. Long term, the Manager continues to believe that the natural resource sector will benefit from past structural under-investment and the emergence of new demand centers worldwide.

Revenues and Expenses

The Partnership commenced operations on September 26, 2008 and therefore does not have comparative operating results for the corresponding period in 2008. For the six-month period ended June 30, 2009, the Partnership incurred total expenses of \$336,082. Administrative and other expenses were \$144,258, and includes the general costs the Partnership incurs carrying on its business, including; portfolio transaction fees, investor communications, personnel, reimbursement of overhead and out-of-pocket expenses as well as all financial and regulatory reporting costs. The Partnership pays management fees to the General Partner, calculated as 2% of the net asset value of the Partnership, which amounted to \$144,225 for the six-month period ended June 30, 2009. Interest on the Partnership's loan payable amounted to \$36,487. The loan was established to pay agents' fees and general issue costs of the offering. The Partnership pays variable interest and has benefited from the significant decrease in the prime lending rate which commenced in late 2008 and has continued into 2009.

Credit Facility

The Partnership has a credit facility that enabled the Partnership to borrow an amount up to 12.5% of the gross proceeds of the offering for the payment of issue costs and provides the bank with a security interest in all the assets of the Partnership. As at June 30, 2009, the loan balance outstanding was \$1,500,000 (December 31, 2008 \$1,500,000) which is the maximum amount borrowed during the period. The loan payable represents 9.84% of the gross proceeds raised and 9.49% of net assets. The loan matures on the earlier of December 31, 2010 and the dissolution of the Partnership.

Related Party Transactions

The General Partner is entitled to an annual management fee of 2.0% of the net asset value of the Partnership. The fee is calculated and payable monthly in arrears. For the period ended June 30, 2009 the management fee totalled \$144,225 (December 31, 2008 - \$47,309).

The General Partner has retained CADO Bancorp Ltd., a company controlled by directors of the General Partner, to provide office space and perform certain administrative functions on behalf of the General Partner. During the period an amount of \$54,600 (December 31, 2008 - \$27,750) was incurred, which is included in administrative and other expenses.

The Partnership paid agent fees of \$1,029,140, being 6.75% for each unit sold in connection with the offering of Partnership units of which MGI Securities Inc. ("MGI") received \$24,941 thereof. MGI is controlled by Jovian Capital Corporation who controls the Investment Manager and indirectly owns 40% of the outstanding shares of Jov Diversified Flow-Through 2008-II Limited Partnership and the General Partner.

Risk

There are risks associated with an investment in units of the Partnership. The most recent Prospectus of the Partnership contains a discussion of these risks and is available at our website at www.jovflowthrough.com or on SEDAR at www.sedar.com.

There have been no major or significant changes that have had an impact on the overall risk level and investments of the Partnership.

Financial Highlights

The following tables summarize selected key financial information about the Partnerships and is intended to help you understand the Partnership's financial performance. The information is derived from the Partnership's audited annual financial statements.

	June 30, 2009	December 31, 2008 ⁽³⁾
Net assets (net of issue costs), Beginning of period	\$ 17.36	\$ 22.50
Increase (decrease) from operations		
Total revenue	0.02	0.01
Total expenses	(0.55)	(0.20)
Realized losses for the period	(0.44)	-
Unrealized gains (losses) for the period	9.52	(4.95)
Total increase (decrease) from operations ⁽¹⁾	8.55	(5.14)
Net assets, End of period	\$ 25.91	\$ 17.36

⁽¹⁾ Net assets per unit is based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.

⁽²⁾ These calculations are prescribed by securities regulators and are not intended to be a reconciliation between the opening and closing net assets per unit.

⁽³⁾ From commencement of operations on September 26, 2008 to December 31, 2008.

Ratios and Supplemental Data

	June 30, 2009	December 31, 2008
Total net asset value (000's) ⁽¹⁾	\$ 16,017	\$ 11,072
Number of units outstanding ⁽¹⁾	609,861	609,861
Management expense ratio ⁽²⁾	4.94%	4.04%
Trading expense ratio ⁽⁴⁾	0.59%	0.09%
Portfolio turnover rate ⁽³⁾	7.23%	0.00%
Net asset value per unit	\$ 26.26	\$ 18.15

Notes:

⁽¹⁾ This information is provided as at June 30, 2009 and December 31, 2008.

⁽²⁾ The Management expense ratio is based on total expenses (excluding issue costs) for the stated period and is expressed as an annualized percentage of the average net asset value during the period.

⁽³⁾ The Partnership's portfolio turnover rate indicates how actively the Partnership's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Partnership buying and selling all of the securities in its portfolio once in the course of a year. The higher the Partnership's portfolio turnover rate in a year, the greater the trading costs payable by the Partnership in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Partnership.

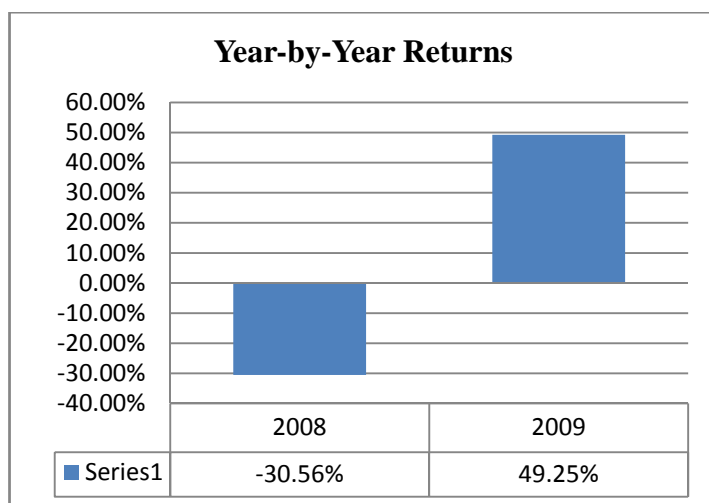
⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average net asset value during the period.

Management Fees

The General Partner is entitled to an annual fee in the aggregate amount of 2% of the Net Asset Value, calculated and paid monthly in arrears. The General Partner will also be entitled to a performance bonus (the "Performance Bonus"), equal to 20% of the product of (a) the number of Units outstanding on the Performance Bonus Date; and (b) the amount by which the net asset value per unit on the Performance Bonus date (prior to giving effect to the Performance Bonus) plus the total distributions per unit over the Performance Bonus Term exceeds \$28.

Past Performance

The chart below shows the Partnership's return on an annual basis. The chart shows, in percentage terms, how an investment made on the first day of each financial year would have increased or decreased by the last day of the financial period. The Partnership's past performance does not necessarily indicate how it will perform in the future.



Summary of Investment Portfolio

The following summaries of the Partnership's investment portfolio break-down the portfolio into subgroups, showing the percentage of net asset value of the Partnership constituted by each subgroup and the table lists the securities held with a value greater than one percent of the net asset value, as at June 30, 2009.

	% of Net Asset Value
Cash	5.89
Equity investments	
Precious Metals	40.90
Energy	25.10
Base Metals	31.70
Uranium	2.00
Other	3.42
	103.12
Total investment portfolio, including cash	109.00
Liabilities, net of other assets	(9.00)
	100.00
Total Net Asset Value	100.00

Top 25 Investments	% of Net Asset Value
Baffinland Iron Mines Corporation	18.95
Avalon Ventures Ltd.	10.93
Noront Resources Ltd.	6.87
Tourmaline Oil Corp.	6.24
Ceres Capital Corp.	4.92
Rubicon Minerals Corporation	4.85
St. Andrew Goldfields Ltd.	4.40
Roxmark Mines Ltd.	3.93
Advanced Explorations Inc.	3.72
Premier Gold Mines Limited	3.64
Potash One Inc.	3.44
Progress Energy Resources Corp.	3.17
Metanor Resources Inc.	3.06
Hawthorne Gold Corp.	2.42
Stornoway Diamond Corporation	2.35
Canadian Superior Energy Inc.	2.25
Twin Butte Energy Ltd.	2.08
Denison Mines Corp.	1.83
Great Western Minerals Group Ltd.	1.77
Angle Energy Inc.	1.61
Ryland Oil Corporation	1.60
Alexco Resource Corp.	1.40
TriStar Oil & Gas Ltd.	1.37
Advanced Explorations Inc.-warrants	1.15
Shore Gold Inc.	1.08

Note:

This summary of Investment Portfolio may change due to buy and sell transactions enacted by the portfolio manager. A quarterly update detailing future changes will be available on our website at www.jovflowthrough.com or you can request a quarterly update by calling Jov Flow-Through at 1.866.688.5750.



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