

NATASA MINING LTD

**Condensed consolidated interim financial statements
for the half-year ended 30 June 2011**

Natasa Mining Ltd

Directors' Report

The Directors present their report together with the consolidated financial statements for the six months ended 30 June 2011 and the auditor's review report thereon.

The financial report has been presented in United States dollars which is the Group's functional currency.

1. DIRECTORS

The names of the directors of the Company in office during or since the end of the half-year are:

Chrisilios Kyriakou, LLB, Executive Chairman

Mr. Kyriakou has extensive business interests including commercial properties, share investments and rural property. He was the Chief Executive Officer of the Company's predecessor company, Natasa Mining Ltd (inc. in Australia), since 1979 and was appointed to the Board on 21 April 2010 as Executive Chairman of the Company.

Charles de Chezelles, MBA, Non-executive Director

Mr de Chezelles, aged 70, is a highly experienced financial industry expert. Past positions include: General Manager, Banco Real S.A., London; Executive Director, Credit Suisse-First Boston (CSFB), London; Director, First Boston Europe, London; Vice President, The First Boston Corporation, New York; Corporate Account Executive, Smith Barney, New York; Investment Analyst, Stralem & Company, New York. He is currently Managing Director of Omega Trust Company Limited, London. Mr de Chezelles sits on the board of several natural resources companies based around the world and financial trusts. He was appointed to the Board on 1 May 2010.

Ian H. Mann, HBA, Non-executive Director

Mr. Mann has been the President of Meridian Fund Managers Ltd since 2003, a BVI registered fund manager with two alternative investment funds primarily investing in mining and oil and gas companies. Prior to that, Mr. Mann held senior management and partner positions with several Bermuda companies since returning in 1980 with an Honours Business Administration degree from The University of Western Ontario in London, Canada. He has been a non-executive Director of two Canadian exchange listed mining companies, the first, for 10 years, a TSX listed gold mining company and the second, for 3 years, a CDNX capital pool company which merged with an oil and gas venture company and re-listed on the TSX Venture exchange. He was appointed to the Board on 1 February 2011.

Jonathan R. Reynolds B.Com (Hons), CA, F Fin, Finance Director

Mr. Reynolds has been the Chief Financial Officer of the Company's predecessor company, Natasa Mining Ltd (inc. in Australia), since 2001. Prior to that he held the position of chief financial officer with a number of other listed entities and before that was a senior manager with an international firm of chartered accountants. He is a member of the Institute of Chartered Accountants in Australia, a fellow of the Financial Services Institute of Australasia and holds a Bachelor of Commerce (Honours) degree. He was appointed to the Board on 21 April 2010.

Company Secretary

Mr John B. Maguire, Company Secretary, has held this position and been involved with the Group for the past 20 years.

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2. CONSOLIDATED RESULTS AND REVIEW OF OPERATIONS

The net profit after tax of the Group attributable to members for the six months ended 30 June 2011 was \$2,093,865 (30 June 2010: loss of \$3,836,997).

During the period, the Group:

- Purchased various equity securities at a cost of \$6,901,603.
- Sold various equity and debt securities realising proceeds of \$5,144,837 and a net profit on disposal of \$2,864,262.
- Advanced a short-term, secured loan of \$6,827,839 to Murray Morgan Investments Ltd.
- Expended \$183,237 to renew its uranium exploration licences in respect of the Morondava uranium project in Madagascar.
- Generated interest income of \$282,973 and dividend income of \$217,912.
- Incurred legal fees of \$33,523 and travel expenses of \$217,295, principally in relation to investigating and pursuing investment opportunities.
- Recognised a foreign exchange gain of \$521,454 following the weakening of the US dollar, vis-a-vis, in particular, the Australian dollar.

Natasa Mining Ltd

3. SUBSEQUENT EVENTS

Since 1 July 2011, the Group :

- Purchased various equity securities at a cost of \$1,864,084.
- Sold various equity securities realising proceeds of \$5,419,135 and a net profit on disposal of \$1,543,411.
- Entered into an agreement to acquire acquired six granted Coal Leases, covering an area of 22,688 ha, in the Fox Creek area of the Province of Alberta, Canada for a consideration of \$5 million. In a report filed by the vendor of the Leases with relevant Canadian authorities on 17 December 2007, in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects, it was stated that these Coal Leases consist of 847 million tonnes of a measured and indicated coal resource.
- Through its subsidiary, UMC Energy plc (UMC), exercised an option to acquire a 100% interest in two off-shore and one on-shore Petroleum Prospecting Licences in Papua New Guinea. The consideration payable upon exercise of the option is the issue by UMC of 240 million fully paid ordinary shares in the capital of that company. Following the allotment of these new ordinary shares by UMC, the Company will hold an equity interest in UMC of 42.3%.
- Entered into a sub-underwriting agreement with an Australian Securities Exchange listed company in relation to a rights issue being undertaken by that company. As a result of the agreement, the Group may be required to subscribe for up to A\$1.445 million of new shares in that company.
- Recovered the \$6,827,839 short-term secured loan advanced in June 2011 to Murray Morgan Investments Ltd.
- Repaid capital to shareholders of \$10,234,683 following approval of shareholders at an extraordinary general meeting held on 29 June 2011 and confirmation by the Grand Court of the Cayman Islands on 12 August 2011.

Other than the matters discussed above, there has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity, in subsequent financial years.

Dated this 28th day of September 2011 and signed in accordance with a resolution of the Directors.

C. Kyriakou
Director

Natasa Mining Ltd

Condensed Consolidated Interim Income Statement for the six months ended 30 June 2011

	30 June 2011 \$	Restated 30 June 2010 \$
Total revenue from services	-	-
Gain/(loss) on sale of equity and debt instruments	2,864,262	(43,252)
Financial income	500,885	1,005,647
Personnel expenses	(656,564)	(1,060,796)
Audit fees	(37,650)	(32,100)
Audit fees to subsidiary and previous auditors	(27,217)	(53,689)
Depreciation and amortisation	(5,196)	(2,814)
Finance expenses	-	(147,881)
Reversal of financial advisory fees	-	154,081
Foreign exchange gains / (losses)	521,454	(2,059,579)
Legal fees	(33,523)	(63,337)
Redomiciliation costs	-	(238,850)
Kazakhstan project due diligence costs	-	(648,037)
Morondava licence fees	(183,237)	(105,177)
Travel expenses	(217,295)	(181,918)
Other administrative expenses	<u>(632,054)</u>	<u>(359,295)</u>
Profit/(loss) before tax	2,093,865	(3,836,997)
Income tax expense	<u>-</u>	<u>-</u>
Profit/(loss) for the period	<u>2,093,865</u>	<u>(3,836,997)</u>
Attributable to:		
Equity holders of the Company	2,171,860	(3,792,309)
Minority interest	<u>(77,995)</u>	<u>(44,688)</u>
Profit for the year	<u>2,093,865</u>	<u>(3,836,997)</u>
	Cents	Cents
Basic earnings/(loss) per share	7.4	(12.9)
Diluted earnings/(loss) per share	7.4	(12.9)

The above Condensed Consolidated Interim Income Statement should be read in conjunction with the accompanying notes.

Natasa Mining Ltd

Condensed Consolidated Interim Statement of Comprehensive Income for the six months ended 30 June 2011

	30 June 2011 \$	Restated 30 June 2010 \$
Profit/(loss) for the period	2,093,865	(3,836,997)
Foreign exchange movement	(69,891)	(165,157)
Change in fair value of equity securities available for sale, net of tax	<u>(3,067,899)</u>	<u>2,695,536</u>
Total comprehensive loss for the period	<u>(1,043,925)</u>	<u>(1,306,618)</u>
Attributable to:		
Equity holders of the Company	(965,652)	(1,250,775)
Minority interest	<u>(78,273)</u>	<u>(55,843)</u>
	<u>(1,043,925)</u>	<u>(1,306,618)</u>

The above Condensed Consolidated Interim Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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Condensed Consolidated Statement of Financial Position as at 30 June 2011

	Note	30 June 2011 \$	Restated 30 June 2010 \$	31 December 2010 \$
ASSETS				
Current Assets				
Cash and cash equivalents		20,008,760	33,355,547	29,315,691
Trade and other receivables	4	<u>6,830,882</u>	<u>1,202,190</u>	<u>738,955</u>
Total Current Assets		<u>26,839,642</u>	<u>34,557,737</u>	<u>30,054,646</u>
Non-Current Assets				
Trade and other receivables		-	-	307,358
Exploration and evaluation expenditure - intangible	5	2,910,716	2,901,109	2,978,035
Other financial assets		26,215,591	7,995,616	23,625,554
Plant and equipment		<u>9,720</u>	<u>8,739</u>	<u>15,036</u>
Total Non-Current Assets		<u>29,136,027</u>	<u>10,905,464</u>	<u>26,925,983</u>
Total Assets		<u>55,975,669</u>	<u>45,463,201</u>	<u>56,980,629</u>
LIABILITIES				
Current Liabilities				
Trade and other payables		<u>248,953</u>	<u>638,608</u>	<u>209,988</u>
Total Current Liabilities		<u>248,953</u>	<u>638,608</u>	<u>209,988</u>
Total Liabilities		<u>248,953</u>	<u>638,608</u>	<u>209,988</u>
NET ASSETS		<u>55,726,716</u>	<u>44,824,593</u>	<u>56,770,641</u>
EQUITY				
Share capital	7	41,723,622	41,723,622	41,723,622
Reserves		3,184,622	2,598,534	6,322,134
Retained earnings		<u>10,654,063</u>	<u>211,684</u>	<u>8,482,203</u>
Total equity attributable to equity holders of the Company		55,562,307	44,533,840	56,527,959
Minority interest		<u>164,409</u>	<u>290,753</u>	<u>242,682</u>
TOTAL EQUITY		<u>55,726,716</u>	<u>44,824,593</u>	<u>56,770,641</u>

The interim results were approved by the Board on 28 September 2011 and signed on its behalf by:

C. Kyriakou

The above Condensed Consolidated Interim Statement of Financial Position should be read in conjunction with the accompanying notes.

Natasa Mining Ltd

Condensed Consolidated Statement of Changes in Equity as at 30 June 2011

2011

	Share capital \$	Fair value reserve \$	Share based payments reserve \$	Foreign currency translation reserve \$	Retained Earnings \$	Total \$	Minority interest \$	Total equity \$
Balance at 1 January 2011	41,723,622	6,302,603	57,000	(37,469)	8,482,203	56,527,959	242,682	56,770,641
Total comprehensive income for the period								
Profit	-	-	-	-	2,171,860	2,171,860	(77,995)	2,093,865
Total other comprehensive expense	-	(3,067,899)	-	(69,613)	-	(3,137,512)	(278)	(3,137,790)
Total comprehensive income for the period	-	(3,067,899)	-	(69,613)	2,171,860	(965,652)	(78,273)	(1,043,925)
Balance at 30 June 2011	41,723,622	3,234,704	57,000	(107,082)	10,654,063	55,562,307	164,409	55,726,716

The above Condensed Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Natasa Mining Ltd

Condensed Consolidated Statement of Changes in Equity as at 30 June 2011

2010 (Restated)

	Share capital \$	Fair value reserve \$	Share based payments reserve \$	Foreign currency translation reserve \$	Retained Earnings \$	Total \$	Minority interest \$	Total equity \$
Balance at 1 January 2010	39,533,645	-	4,321,100	597,969	1,710,517	46,163,231	346,596	46,509,827
Total comprehensive income for the period								
Loss	-	-	-	-	(3,792,309)	(3,792,309)	(44,688)	(3,836,997)
Total other comprehensive income	-	2,695,536	-	(154,002)	-	2,541,534	(11,155)	2,530,379
Total comprehensive income for the period	-	2,695,536	-	(154,002)	(3,792,309)	(1,250,775)	(55,843)	(1,306,618)
Transactions with owners, recorded directly in equity								
<i>Contributions by owners</i>								
Shares issued on Note conversion	8,219,343	-	-	-	-	8,219,343	-	8,219,343
Capital return – in cash	(8,654,959)	-	-	-	-	(8,654,959)	-	(8,654,959)
Capitalisation of reserves arising on redomiciliation	2,625,593	-	(4,321,100)	(597,969)	2,293,476	-	-	-
Share-based payment transactions	-	-	57,000	-	-	57,000	-	57,000
Total contributions by owners	2,189,977	-	(4,264,100)	(597,969)	2,293,476	(378,616)	-	(378,616)
Total transactions with owners	2,189,977	-	(4,264,100)	(597,969)	2,293,476	(378,616)	-	(378,616)
Balance at 30 June 2010	41,723,622	2,695,536	57,000	(154,002)	211,684	44,533,840	290,753	44,824,593

The above Condensed Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Condensed Consolidated Interim Statement of Cash Flows for the six months ended 30 June 2011

	30 June 2011 \$	30 June 2010 \$
Cash Flows Used In Operating Activities		
Cash payments in the course of operations	<u>(1,750,064)</u>	<u>(2,264,471)</u>
Cash used in operations	(1,750,064)	(2,264,471)
Financial income received	500,885	1,095,658
Finance expenses	<u>-</u>	<u>(147,881)</u>
Net cash used in operating activities	<u>(1,249,179)</u>	<u>(1,316,694)</u>
Cash Flows Used In Investing Activities		
Loan to other entities	(6,827,839)	-
Recovery of loan to other entities	-	2,500,000
Recovery of funds placed in lawyer's escrow account for purchase of investments	-	200,000
Purchase of equity and debt instruments	(6,901,603)	(5,135,713)
Proceeds on sale of equity and debt instruments	5,144,837	269,534
Payments for purchases of plant and equipment	<u>-</u>	<u>(6,535)</u>
Net cash used in investing activities	<u>(8,584,605)</u>	<u>(2,172,714)</u>
Cash Flows Used In Financing Activities		
Capital return	-	(8,654,959)
Proceeds from the issue of Convertible Note	<u>-</u>	<u>3,660,890</u>
Net cash used in financing activities	<u>-</u>	<u>(4,994,069)</u>
Net decrease in cash and cash equivalents	(9,833,784)	(8,483,477)
Cash at 1 January	29,315,691	43,703,987
Exchange fluctuations	<u>526,853</u>	<u>(1,864,963)</u>
Cash at 30 June	<u>20,008,760</u>	<u>33,355,547</u>

The above Condensed Consolidated Interim Statement of Cash Flows should be read in conjunction with the accompanying notes.

Natasa Mining Ltd

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Natasa Mining Ltd (the “Company”) is a company incorporated in the Cayman Islands. The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2011 comprises the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and jointly controlled entities.

The Company was incorporated on 14 April 2010 and acquired all the assets and liabilities of Natasa Mining Ltd (incorporated in Australia (“Natasa”). The acquisition of the assets and liabilities was met by the issue of 29,241,951 ordinary shares in the Company to the shareholders of Natasa on a 1:1 basis such that the shareholders of Natasa became the shareholders of the Company. The comparative information for the 6 months to 30 June 2010 is that of the Group as if no capital reconstruction had taken place.

The financial report is presented in United States dollars which is the Group’s functional currency.

The consolidated annual financial report of the Group as at and for the year ended 31 December 2010 is available at www.natasamining.com.

2. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended 31 December 2010.

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 September 2011.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2010.

Natasa Mining Ltd
Notes to the condensed consolidated interim financial statements

4. Trade and other receivables

	30 June 2011	30 June 2010	31 December 2010
	\$	\$	\$
Current			
Funds held in lawyer's escrow account	-	1,200,000	-
Loan to third party	6,827,839	-	-
Proceeds due from sale of investments	-	-	737,400
Other debtors	<u>3,043</u>	<u>2,190</u>	<u>1,555</u>
	<u><u>6,830,882</u></u>	<u><u>1,202,190</u></u>	<u><u>738,955</u></u>
Non-current			
Convertible note receivable	<u>-</u>	<u>-</u>	<u>307,358</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>307,358</u></u>

Loan to third party was a secured short-term loan which was recovered in August 2011 and generated a return at 1.7% pa.

Funds held in lawyer's escrow account related to purchase consideration for a proposed acquisition of a Kazakhstan gold project and generated interest at 0.5% pa.

5. Exploration and evaluation expenditure - intangible

Critical accounting judgements in applying the Group's accounting policies

The Morondava uranium exploration project has yet to reach a stage of development where a determination of the technical feasibility or commercial viability can be assessed. In addition, as Madagascar is presently experiencing a period of political upheaval and uncertainty, the Group has resolved to take a cautious approach to exploration and accordingly has not conducted exploration activities during the current financial period. In these circumstances, whether there is any indication that the asset has been impaired is a matter of judgement, as is the determination of the quantum of any required impairment adjustment. The Directors have used their experience to conclude that no impairment adjustment is required in the current period (2010: \$nil).

6. Commitments and contingent liabilities

The Group has no commitments for capital or revenue purchases other than those entered into in the ordinary course of business.

The Group has no commitments under non-cancellable leases.

The Group has no contingent liabilities.

Natasa Mining Ltd
Notes to the condensed consolidated interim financial statements

7. Share capital

	30 June 2011	30 June 2009	31 December 2010
	\$	\$	\$
Issued and paid up capital 29,241,951 (2010 : 29,241,951) ordinary shares, fully paid	<u>41,723,622</u>	<u>41,723,622</u>	<u>41,723,622</u>

Reconciliation of issued capital

	30 June 2011	30 June 2010	31 December 2010
	Number	Number	Number
Balance at beginning of half-year	29,241,951	19,373,530	19,373,530
On conversion of Note	-	<u>9,868,421</u>	<u>9,868,421</u>
Balance at 30 June	<u>29,241,951</u>	<u>29,241,951</u>	<u>29,241,951</u>

8. Operating segments

The Group has one reportable segment, as described below, which represents the Group's strategic business unit. The strategic business unit is that of investment in mineral exploration and development projects and companies. The Board of Directors reviews internal management reports at least monthly.

Information regarding the results of the reportable segments is included below. Performance is measured based on the segment profit before income tax as included in the internal management reports that are reviewed by the Board of Directors. There is no inter-segment pricing.

Information about reportable segments

	30 June 2011	Restated 30 June 2010
	\$	\$
External revenue	-	-
Gain / (Loss) on sale of equity and debt instruments	2,864,262	(43,252)
Financial income	500,885	1,005,647
Finance expenses	-	(147,881)
Depreciation and amortisation	(5,196)	(2,814)
Reportable segment profit / (loss) before income tax	2,093,865	(3,836,997)
Share of loss of equity method investees	-	-
Reportable segment assets	55,975,669	45,463,201
Capital expenditure	<u>-</u>	<u>(5,539)</u>

Natasa Mining Ltd
Notes to the condensed consolidated interim financial statements

8. Operating segments (continued)

Geographical segments

The segment is managed on a worldwide basis. Individual assets are located in various countries. In presenting information on the basis of geographical segments, segment's assets are based on the geographical location of the assets.

	Non-current assets	
	30 June 2011	Restated 30 June 2010
	\$	\$
Australia	13,275,491	72,785
Europe	4,136,635	7,834,468
Africa	2,910,716	2,901,109
North America	<u>8,813,184</u>	<u>97,102</u>
Total	<u><u>29,136,026</u></u>	<u><u>10,905,464</u></u>

The Group did not generate any revenue during the financial period ended 30 June 2011 (2010 : \$nil).

9. Prior year adjustment

On 16 October 2009, UMC Energy plc (UMC) became a subsidiary of the Company. The fair value of the net assets of UMC both at 16 October 2009 and on 31 December 2009 were provisionally determined by the directors to be \$nil. Prior to 16 October 2010, the fair value of the net assets of UMC at the date of acquisition were subsequently determined by the directors to be \$3,066,266. The comparative figures for 30 June 2010 have, as a result, been re-stated as follows:

	Restated 30 June 2010	30 June 2010
	\$	\$
Income statement		
Profit attributable to equity holders	44,688	-
Minority interest	(44,688)	-
Basic (loss) per share (cents)	(12.9)	(13.1)
Diluted (loss) per share (cents)	<u>(12.9)</u>	<u>(13.1)</u>
Statement of comprehensive income		
Loss attributable to equity holders	(109,314)	-
Foreign exchange loss	165,157	-
Minority interest	<u>(55,843)</u>	<u>-</u>
Statement of financial position		
Reserves	(154,002)	-
Retained earnings	2,764,358	-
Exploration and evaluation expenditure – intangible	2,901,109	-
Minority interest	<u>290,753</u>	<u>-</u>

Natasa Mining Ltd
Notes to the condensed consolidated interim financial statements

10. Post balance sheet events

Since 1 July 2011, the Group:

- Purchased various equity securities at a cost of \$1,864,084.
- Sold various equity securities realising proceeds of \$5,419,135 and a net profit on disposal of \$1,543,411.
- Entered into an agreement to acquire six granted Coal Leases, covering an area of 22,688 ha, in the Fox Creek area of the Province of Alberta, Canada for a consideration of \$5 million. In a report filed by the vendor of the Leases with relevant Canadian authorities on 17 December 2007, in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects, it was stated that these Coal Leases consist of 847 million tonnes of a measured and indicated coal resource.
- Through its subsidiary, UMC Energy plc (UMC), exercised an option to acquire a 100% interest in two off-shore and one on-shore Petroleum Prospecting Licences in Papua New Guinea. The consideration payable upon exercise of the option is the issue by UMC of 240 million fully paid ordinary shares in the capital of that company. Following the allotment of these new ordinary shares by UMC, the Company will hold an equity interest in UMC of 42.3%.
- Entered into a sub-underwriting agreement with an Australian Securities Exchange listed company in relation to a rights issue being undertaken by that company. As a result of the agreement, the Group may be required to subscribe for up to A\$1.445 million of new shares in that company.
- Recovered the \$6,827,839 short-term secured loan advanced in June 2011 to Murray Morgan Investments Ltd.
- Repaid capital to shareholders of \$10,234,683 following approval of shareholders at an extraordinary general meeting held on 29 June 2011 and confirmation by the Grand Court of the Cayman Islands on 12 August 2011.

Independent review report to Natasa Mining Ltd

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011 which comprises the Condensed Consolidated Interim Income Statement, the Condensed Consolidated Interim Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Interim Statement of Cash Flows and the related notes numbered 1 to 10. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

The report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The AIM Rules require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

As disclosed in note 2, the condensed consolidated interim financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting," as adopted by the European Union. The annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent review report to Natasa Mining Ltd (*continued*)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union.

Sawin & Edwards
Chartered Accountants
15 Southampton Place
WC1A 2AJ
28 September 2011