

NATASA MINING LTD

('the Company')

Final Results for the year ended 31 December 2009

Natasa Mining Ltd (the 'Company') announces its final audited results for the period ended 31 December 2009.

The annual report will be posted to shareholders and will be available on the Company's website at www.natasamining.com.

All references in this announcement to '\$' refer to Australian dollars.

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DIRECTORS' REPORT

The Directors present their report together with the financial report of Natasa Mining Ltd ("Company") and of the consolidated entity, being the Company and its subsidiaries ("Group") and the Group's interest in associates, for the year ended 31 December 2009 and the auditors' report thereon.

1. DIRECTORS AND COMPANY SECRETARY

The Directors of the Company at any time during or since the end of the financial year are:

Mr. John A. Landels, AC, (Chairman), Non-executive Director

Mr. Landels was Chairman and Chief Executive Officer of the Caltex Group of companies prior to his retirement from that organisation in 1992.

He was appointed a Director and Chairman of the Board on 9 July 1996.

Mr. Chrisilios Kyriakou, LLB, Executive Director

Mr. Kyriakou has extensive business interests including commercial properties, share investments and rural property.

He was appointed to the Board on 29 June 1979 and is Chief Executive Officer of the Company.

Mr. Mark R. Arnesen, CA(SA), Non-executive Director

Mr Arnesen has extensive experience in the structuring and negotiation of finance for major resource projects. He was employed with the Billiton/Gencor group of companies between 1988 and 1998 and in 2000 he joined Ashanti Goldfields Company Limited as part of the then restructuring of the company. Mr Arnesen was a director of Moto Goldmines Ltd until October 2009.

He was appointed to the Board on 2 November 2006.

Sir Sydney J.P. Borg, OSJ KC, KGCM, FAICD, Non-executive Director

Mr. Borg is the Principal of PCS Australia Pty Ltd, a systems integration company facilitating networks in the corporate and government areas; Grand Prior Australasia of the Order of St John Knights of Malta; President of the Australian Maltese Chamber of Commerce; Patron of the MRLA; Council member Catholic

Education Office of Parramatta and CEO of Mobile Entertainment Systems, a distribution company specialising in in-car entertainment systems.

He was appointed to the Board on 1 July 1999.

Mr. Robert A. Cleary, B.Sc (Tech) Chem Eng, Non-executive Director

Mr. Cleary was employed for 18 years by the Rio Tinto/North Ltd/Energy Resources Australia Ltd group. His last position with that organisation was Managing Director of Energy Resources of Australia Ltd from July 1999 to January 2004. Mr Cleary is Chairman of Crossland Uranium Mines Ltd.

He was appointed to the Board on 16 March 2005.

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

Mr Reynolds has been the Company's Chief Financial Officer 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 7 June 2006.

Company Secretary

Mr John B. Maguire, Company Secretary, has held this position and been involved with the Company for the past 19 years.

2. DIRECTORS' MEETINGS

The number of Directors' meetings and the number of meetings in which each Director participated during the financial year are:

Name	Meetings of Board		Audit Committee		Remuneration Committee		Nomination Committee	
	A	B	A	B	A	B	A	B
J.A. Landels	11	9	2	1	1	1	1	1
C. Kyriakou	11	7	*	-	*	-	*	-
M.R. Arnesen	11	7	2	1	1	1	1	1
S. Borg	11	7	2	2	1	1	1	1
R.A. Cleary	11	11	2	2	1	1	1	1
J.R. Reynolds	11	11	*	-	-	-	*	-

A - Number held whilst a Director

B - Number participated in

* Not a member of the relevant committee

3. PRINCIPAL ACTIVITIES OF THE GROUP

The principal activities of the Group during the course of the financial year consisted of investments in mineral exploration and development projects and companies.

4. DIVIDENDS

The Directors recommend that no dividend be paid. No dividends have been declared or paid during the period.

5. REVIEW OF OPERATIONS AND STATE OF AFFAIRS

The Group expended significant effort on a proposal to subscribe for equity shares in the capital of African Copper plc and to provide a loan facility of US\$8.5 million to that company secured on its Mowana copper mine, in Botswana. This proposal was subject to approval, by special resolution, at a shareholders' meeting of African Copper plc but the resolution failed to achieve the required 75% approval of votes cast. As part of the Group's strategy in seeking to acquire the interest in African Copper plc, a significant investment was made purchasing, at a discount, certain debt instruments in African Copper plc. These debt instruments were redeemed realising a profit, before tax, of \$8,651,012.

In December 2009, the Group entered an agreement which will entitle it to acquire an 85% interest in Vostok Mining LLP, a Kazakh limited liability corporation which owns the rights to two gold exploration

project contract areas in central-eastern Kazakhstan. Based on preliminary due diligence undertaken to date, the Company believes the contract areas have the potential for a high tonnage, low grade resource but further exploration and metallurgical studies will be required to quantify the resource potential. Mining operations have been carried out in the past but are presently suspended. The agreement is subject to due diligence to be carried out by the Group and a Completion Date, if the Group elects to Complete, of no later than 30 June 2010. The Group deposited \$1,567,925 (US\$1.4 million) in a lawyer's escrow account as security for the purchase consideration.

The Group also examined a large number of other mineral investment opportunities, but these did not lead to any positive outcome.

Final proceeds due from the sale of the Group's investment in the Berong nickel project, in the sum of US\$2,440,808, were recovered from the escrow bank account in accordance with the contract of sale. This asset had been fully impaired in the accounts for the year ended 31 December 2008 on the basis that the required Philippine tax clearance certificates had yet to be received. During the year ended 31 December 2009, the impairment loss was reversed, giving rise to a gain of \$3,533,826.

The Group incurred legal fees of \$1,906,204, principally in relation to investigating and pursuing investment opportunities and securing recovery of the escrow bank account funds. Further, the Group incurred travel expenses of \$658,635, principally in relation to investigating and pursuing investment opportunities.

The Group generated interest income of \$2,481,498.

A foreign exchange loss of \$2,531,898 was incurred as a result of the strengthening of the Australian dollar.

In respect of the Morondava uranium project in Madagascar (*interest 66.8%*), over the year the Group advanced a further \$677,384 to UMC Energy plc (which holds an 80% interest in the project) under loan facility agreements to assist that company to meet its working capital requirements. On 16 October 2009, the Group capitalised \$2.4 million of the loan advanced to UMC Energy plc into new ordinary shares in that company, increasing its equity interest from 20.6% to 89.9%. On the same day the Group disposed of a portion of its holding, thus reducing its holding in UMC Energy to 83.5% (and generating a profit on disposal of \$173,301). The fair value of the net assets of UMC Energy plc both on 16 October 2009 and on the balance sheet date have been provisionally determined by the directors to be \$nil and an expense of \$677,384 has been recognised in relation to this investment.

During the 2009 financial year the Group:

- Advanced \$2,799,965 (US\$2.5 million) to Endeavour Financial Corporation under a short-term funded participation agreement, which bears interest at 10% per annum. The amount was repaid on 10 February 2010.
- Granted to Strand Hanson Ltd, its nominated adviser, 193,735 options over ordinary shares. The options have an exercise price of \$3.64 per share and expire on 31 December 2014. An expense of \$297,060 being the fair value of the options granted was recognised.

Other than the matters referred to above, in the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review that are not otherwise disclosed in this report or the consolidated financial statements.

6. TRADING RESULTS

The profit after income tax of the Group for the year ended 31 December 2009 attributable to equity holders of the Company was \$5,926,356 (2008 : loss \$4,741,596).

7. SUBSEQUENT EVENTS

Between 1 January 2010 and the date of this report the following material transactions have occurred. The Convertible Note of \$9.0 million has been fully drawn down from Capma Pty Ltd and the Company has received the outstanding \$4.1 million owing thereunder; the Company has recovered in full the US\$2.5 million short-term loan advanced to Endeavour Financial Corporation; reduced the funds held in

escrow in relation to Vostok by US\$200,000, which sum has been recovered; and has expended \$100,000 on acquiring an available-for-sale equity investment.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial 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 Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

8. LIKELY DEVELOPMENTS

A number of mineral operations investment opportunities are being investigated.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

9. OPTIONS

During or since the end of the financial year, no options over unissued ordinary shares in Natasa Mining Ltd were granted, under a Participants' Option Incentive Scheme, to any directors nor to any of the five most highly remunerated officers of the Company as part of their remuneration.

No options were exercised during the year.

No options were forfeited due to service criteria not being met during the year.

Since the end of the financial year, no shares were issued as a result of the exercise of options.

Unissued shares under option and convertible note

At the date of this report, unissued ordinary shares of the Company under option are:

Expiry Date	Exercise price	Number of shares
30/06/2010	\$2.50	535,000
31/12/2012	\$3.80	765,000
09/01/2013	\$5.50	500,000
31/12/2014	\$3.64	193,735

In addition, under the terms of the \$9.0 million Convertible Note issued to Capma Pty Ltd, the Note must be converted into fully paid Ordinary Shares in the Company on expiry on 16 January 2012, and may be converted earlier. The Note converts into fully paid Ordinary Shares in the Company at the lower of \$5.50 or 80% of the weighted average market price at the conversion date.

10. CORPORATE GOVERNANCE STATEMENT

This statement outlines the main corporate governance practices in place throughout the financial year, which comply with the Australian Securities Exchange Corporate Governance Council recommendations, unless otherwise stated.

10.1 BOARD OF DIRECTORS

The Board of Directors is responsible for the corporate governance of the Group. It oversees the business and affairs of the Group, establishes the strategic and financial objectives to be implemented by management and monitors standards of performance.

The Board has established a framework for the management of the Group including internal controls, a business risk management process and the establishment of appropriate ethical standards.

The names of the Directors of the Company in office at the date of this Statement, together with details of their experience and qualifications, are set out in the Directors' Report.

The Board of Directors currently consists of two Executive Directors and four Non-Executive Directors. The majority of the Non-Executive Directors are independent thus ensuring independence and objectivity.

Responsibility for the operation and administration of the Company is delegated by the Board to the Executive Directors who are accountable to the Board. Each of the Executive Directors has a formal letter of appointment.

To assist in the execution of its responsibilities, the Board has established a number of Board Committees including a Nomination Committee, a Remuneration Committee and an Audit Committee. These committees have written mandates which are reviewed on a regular basis.

After consultation with the Chairman, each Director has the right to seek independent professional advice at the Group's expense.

The Constitution of the Company specifies the number of Directors shall be not less than three nor more than ten. The Board may at any time appoint a director to fill a casual vacancy and at each annual general meeting, one-third of directors together with any director appointed since the last annual general meeting retire from office and may stand for re-election.

The composition of the Board is reviewed regularly to ensure that the range of expertise and experience of Board members is appropriate for the activities and operations of the Group.

The Constitution specifies that the aggregate remuneration of Directors, other than salaries paid to Executive Directors, shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is divided between those Directors as they agree.

10.2 NOMINATION COMMITTEE

The Nomination Committee oversees the appointment of directors and the selection, appointment and succession planning of the Company's Chief Executive Officer. The committee makes recommendations to the Board on the appropriate skill mix, personal qualities, expertise and diversity of each position. Where, through whatever cause, it is considered that the Board would benefit from the services of a new director with particular skills, the Board would then appoint the most suitable candidate who must stand for election at a general meeting of shareholders.

The committee comprised the following members, all of whom were non-executive directors:

- Mr R.A. Cleary (appointed 21 July 2006) (Chairman) Non-Executive
- Mr M.R. Arnesen (appointed 2 November 2006) Independent Non-Executive
- Mr S.J.P. Borg (appointed 21 July 2006) Independent Non-Executive
- Mr J.A. Landels (appointed 21 July 2006) Independent Non-Executive

10.3 REMUNERATION COMMITTEE

Remuneration of senior management personnel is determined by a Remuneration Committee comprised of the Non-Executive Directors, taking into account information obtained via reputable industry remuneration surveys and / or independent consultant reports. This also includes responsibility for share option schemes, incentive performance packages, retirement and termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies.

The committee comprised the following members, all of whom were non-executive directors:

- Mr J.A. Landels (appointed 21 July 2006) (Chairman) Independent Non-Executive
- Mr M.R. Arnesen (appointed 2 November 2006) Independent Non-Executive
- Mr S.J.P. Borg (appointed 21 July 2006) Independent Non-Executive
- Mr R.A. Cleary (appointed 21 July 2006) Non-Executive

10.4 AUDIT COMMITTEE

The Board has established an Audit Committee comprised of the Non-Executive Directors to oversee the financial reporting process to ensure the balance, transparency and integrity of published financial information; review the effectiveness of the Company's internal financial control; ensure an independent audit process; recommend the appointment of the external auditor; assess the performance of the external auditor; and oversee the Company's compliance with acts and regulations in relation to financial reporting.

The committee comprised the following members, all of whom were non-executive directors:

- Mr S.J.P. Borg (appointed 21 July 2006) (Chairman) Independent Non-Executive
- Mr M.R. Arnesen (appointed 2 November 2006) Independent Non-Executive
- Mr R.A. Cleary (appointed 21 July 2006) Non-Executive
- Mr J.A. Landels (appointed 21 July 2006) Independent Non-Executive

10.5 RISK MANAGEMENT

The Board oversees the establishment, implementation and operation of the Company's risk management procedures for assessing, monitoring and managing all risks, including material business risks, for the Group. Material business risks for the Group may arise from such matters as governmental policy changes, the impact of exchange rate movements and the impact of changes in commodity prices.

10.6 DIRECTOR DEALINGS IN COMPANY SHARES

Directors and senior management may acquire shares in the Company, but are prohibited from dealing in Company shares or exercising options whilst in the possession of price sensitive information that has not been made public. The Company has established a written code on share dealing.

10.7 EXTERNAL AUDITORS

The Board monitors the performance of the external auditors. The current external auditors were appointed in 1990. The external audit engagement partner was last rotated in 2008.

The external auditors are provided with the opportunity, at their request, to meet with the Board of Directors without management being present.

10.8 CONFLICT OF INTEREST

In accordance with the Corporations Act 2001 and the Company's constitution, Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Details of director related entity transactions with the Company and the Group are set out in note 21.

10.9 ETHICAL STANDARDS AND PERFORMANCE

The Group is not of sufficient size to warrant the preparation of a formal code of ethical business standards. The Board does, however, require of itself and its employees the highest ethical standards when carrying out their duties and when acting on behalf of the Group. In particular, any transactions with Directors are formally approved by the Board. The Director concerned does not participate in discussion or approval of the transaction.

10.10 INTERNAL CONTROL FRAMEWORK

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost effective internal control system will preclude all errors and irregularities. The system is based upon policies and guidelines and the careful selection and training of qualified personnel. The Board believes the current control framework to be suitable for the Company's current operations. There is no internal audit function as the cost would significantly outweigh the benefits given the size of the current operations.

10.11 THE ROLE OF SHAREHOLDERS

The Board of Directors aims to ensure the shareholders are informed of all major developments affecting the Group's state of affairs. Information is communicated to shareholders as follows:

- The annual report is distributed to all shareholders who have requested a hard copy and is displayed on the Company's website. The Board ensures that the annual report includes relevant information about the operations of the Group during the year, changes in its state of affairs and details of future developments, in addition to the other disclosures required by the Corporations Act 2001.
- The half-yearly report contains summarised financial information and a review of the operations of the Group during the period. Half-year financial statements prepared in accordance with the requirements of Accounting Standards in Australia and the Corporations Act 2001 are lodged with the Australian Securities and Investments Commission and the Australian Securities Exchange Ltd. The financial statements are sent to any shareholder who requests them.

- The external auditor attends the annual general meetings to answer questions concerning the conduct of the audit, the preparation and content of the Auditor's Report, accounting policies adopted by the Group and the independence of the auditor in relation to the conduct of the audit.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Group's strategy and goals.

11. ENVIRONMENTAL REGULATION

The Group's operations are not subject to any significant environmental regulations under Commonwealth or State legislation. However, the Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to it.

12. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS AND AUDITORS

The Group has:

- entered into an agreement indemnifying the Directors and Officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors or Officers of the Company and its subsidiaries, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses;
- paid insurance premiums totalling \$21,693 in respect of Directors' and Officers' Liability insurance contracts covering all the Company's Directors.

13. REMUNERATION REPORT – AUDITED

Remuneration of senior management personnel is determined by the remuneration committee comprised of the non-executive directors. The Board as a whole is responsible for making recommendations on remuneration policies and packages applicable to the Board members of the Company. The broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Constitution specifies that the aggregate remuneration of Directors, other than salaries paid to executive directors, shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is divided between those Directors as the Board agrees, taking into account information obtained via reputable industry remuneration surveys and / or independent consultant reports.

The Company currently has no performance-based remuneration arrangements in place apart from options which may be granted to Directors and executives in accordance with terms of Participants' Option Incentive Schemes approved by shareholders at the Company's Annual General Meeting held on 25 May 2005 and the General Meeting held on 30 January 2007. There is no formal relationship between shareholder returns and remuneration. The Company's service contracts with Directors and executives do not contain terms dealing with duration, notice periods or termination payments.

Details of the nature and amount of each major element of the emoluments of each Director of the Company and the officers of the Group receiving the highest emoluments are:

2009	Salary and Fees \$	Cash Bonus \$	Non-cash Benefits \$	Super- annuation Benefits \$	Options Granted \$	Total \$	Value of Options as a Proportion of Remuneration %
Directors							
<i>Executive:</i>							
C. Kyriakou (CEO) *	327,321	125,000	32,410	-	-	484,731	-
J.R. Reynolds (CFO)	170,470	62,500	-	21,181	-	254,151	-
<i>Non-Executive:</i>							
J.A. Landels (Chairman)	50,000	-	-	-	-	50,000	-

M.R. Arnesen	30,275	-	-	2,725	-	33,000	-
S. Borg	22,936	-	-	2,064	-	25,000	-
R.A. Cleary	128,000	-	-	-	-	128,000	-
Officers							
<i>Company:</i>							
J.B. Maguire (Co Secretary)	151,200	42,500	-	-	-	193,700	-
Total	880,202	230,000	32,410	25,970	-	1,168,582	-

* Refer to note 21 for additional related party benefits paid to Mr Kyriakou.

2008

	Salary and Fees \$	Non-cash Benefits \$	Super- annuation Benefits \$	Options Granted (i) \$	Total \$	Value of Options as a Proportion of Remuneration %
Directors						
<i>Executive:</i>						
C. Kyriakou (CEO)*	340,492	37,562	-	-	378,054	-
J.R. Reynolds (CFO)	118,295	676	23,487	251,763**	394,221	63.86
<i>Non-Executive:</i>						
J.A. Landels (Chairman)	50,000	-	-	-	50,000	-
M.R. Arnesen	22,936	-	2,064	-	25,000	-
S. Borg	22,936	-	2,064	-	25,000	-
R.A. Cleary	56,000	-	-	-	56,000	-
Officers						
<i>Company:</i>						
J.B. Maguire (Co Secretary)	144,000	-	-	-	144,000	-
K.P. Heywood (COO) (to 30/9/08)	288,563	-	-	419,605	708,168	59.25
Total	1,043,222	38,238	27,615	671,368	1,780,443	37.71

* Refer to note 21 for additional related party benefits paid to Mr Kyriakou.

** Subject to ratification by shareholders, which was granted in May 2009.

(i) The fair value of the options is calculated at the date of grant using a Black-Scholes model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed above is the portion of the fair value of the options allocated to this reporting period.

The following factors and assumptions were used in determining the fair value of options on grant date:

Grant date	Expiry date	Fair value per option \$	Exercise price \$	Estimated Price of shares on grant date \$	Estimated volatility %	Risk free Interest rate %	Dividend Yield %
27/5/08	31/12/2012	1.67842	3.80	2.30	109	6.60	0

Estimated volatility is based on the price of the Company's ordinary shares over the period 18 December 2006 to 27 May 2008, as traded on the Australian Securities Exchange. Each option entitles the holder to purchase one ordinary share in the Company. These options expire on the earlier of their expiry date and a date 90 days after the date the director or employee ceases to be employed by the Company. The options were granted and vested on 27 May 2008.

Options and rights over equity instruments granted as compensation

The following options were granted on 27 May 2008:

Number of options granted	Fair Value per Option at	Exercise price per	Number of options vested
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	May 2008	Grant Date	Grant date \$	Option \$	Expiry Date	during 2008
Directors						
J.R. Reynolds	150,000*	27/5/08	1.67842	3.80	31/12/12	150,000*
Executives						
K.P. Heywood	250,000	27/5/08	1.67842	3.80	31/12/12	250,000

* subject to ratification by shareholders, which was granted in May 2009.

The options were provided at no cost to the recipients. The options expire on the earlier of their expiry date and a date 90 days after the date the director or employee ceases to be employed by the Company.

Analysis of movements in options

Name of Director	Options held 1 Jan 2009	Options granted	Value of Options Granted \$	Options held 31 Dec 2009
J.A. Landels	75,000	-	-	75,000
C. Kyriakou	220,000	-	-	220,000
M.R. Arnesen	50,000	-	-	50,000
S. Borg	50,000	-	-	50,000
R.A. Cleary	190,000	-	-	190,000
J.R. Reynolds	250,000	-	-	250,000
Name of Executive				
J.B. Maguire	100,000	-	-	100,000

No terms of equity-settled share-based payment transactions have been altered or modified by the issuing entity during the reporting period or the prior period. The value of options granted in the year is the fair value of the options calculated at grant date using a Black-Scholes model.

14. DIRECTORS' INTERESTS

The relevant interest of each director in the share capital of the Company, as notified by the directors to the Australian Securities Exchange in accordance with the Corporations Act 2001, at the date of this report is as follows:

Name of Director	Interest in Shares	Interest in Options
J.A. Landels	110,000	75,000
C. Kyriakou	4,718,637	220,000
M.R. Arnesen	-	50,000
S. Borg	57,935	50,000
R.A. Cleary	-	190,000
J.R. Reynolds	7,000	250,000

15. LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on page 12 and forms part of the Directors' Report for the financial year ended 31 December 2009.

16. PAYMENTS TO AUDITOR FOR NON-AUDIT SERVICES

During the year ended 31 December 2009, the following payments were made to the Company's auditor, KPMG Australia, as remuneration for services other than audit services:

Taxation services	\$189,160 (2008 : \$57,530)
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The Directors are satisfied that the provision of non-audit services during the year by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001 as the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or

auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing in risks and rewards.

Dated at Sydney this 19th day of February 2010.

Signed in accordance with a resolution of the Directors:

S.J.P Borg
Director

NATASA MINING LTD
INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

		Consolidated	
	Note	2009	2008
		\$	\$
Total revenue from services		-	14,444
Gain on sale of equity and debt instruments		8,652,714	20,102,212
Financial income	2	2,481,498	12,125,983
Personnel expenses	3	(1,686,919)	(1,828,956)
Audit fees		(91,331)	(87,240)
Depreciation and amortisation		(7,504)	(38,242)
Exploration expenditure		-	(294,423)
Finance expenses	2	(515,475)	(728,089)
Financial advisory fees		-	(1,525,518)
Foreign exchange losses		(2,531,898)	-
Impairment losses on intangibles		-	(20,739,820)
Impairment losses on investments in equity accounted associates		-	(3,409,111)
Impairment losses on investments		-	-
Reversal of impairment losses on investments		173,301	-
Impairment losses on receivables		(532,043)	(6,670,218)
Reversal of impairment losses on receivables		3,533,826	-
Investor relations fees		-	(110,725)
Legal fees		(1,906,204)	(265,584)
Travel expenses		(658,635)	(382,116)
Other administrative expenses		(984,974)	(875,089)
Result from operating activities		5,926,356	(4,712,492)
Share of net result of associates	9	-	108,425
Profit / (loss) before tax		5,926,356	(4,604,067)
Income tax expense	5	-	-
Profit / (loss) for the year		5,926,356	(4,604,067)
Attributable to :			
Equity holders of the Company		5,926,356	(4,741,596)
Minority interest		-	137,529
Profit / (loss) for the year		5,926,356	(4,604,067)
Basic earnings / (loss) per share (cents)	6	30.6	(24.6)
Diluted earnings / (loss) per share (cents)	6	23.4	(24.6)

NATASA MINING LTD
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Consolidated 2009 \$	2008 \$
Profit / (loss) for the year	17	5,926,356	(4,604,067)
Other comprehensive income / (expense):			
Change in fair value of equity securities available for sale net of tax	16	-	(7,677,666)
Revaluation arising on disposal of subsidiary	16	-	(827,608)
Foreign currency translation differences for foreign operations	16	-	679,670
Other comprehensive income / (expense) for the year		-	(7,825,604)
Total comprehensive income / (expense) for the year	18	5,926,356	(12,429,671)
Attributable to :			
Equity holders of the Company		5,926,356	(12,567,200)
Minority interest		-	137,529
Total comprehensive income / (expense) for the year		5,926,356	(12,429,671)

NATASA MINING LTD
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Note	Consolidated 2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	23	48,946,116	47,465,968
Trade and other receivables	7	8,576,059	4,379,338
Total Current Assets		<u>57,522,175</u>	<u>51,845,306</u>
Non-Current Assets			
Trade and other receivables	7	-	-
Exploration and evaluation expenditure – intangible	8	-	-
Investments in equity accounted investees	9	-	-
Other financial assets	10	546,701	-
Plant and equipment	11	6,043	5,188
Total Non-Current Assets		<u>552,744</u>	<u>5,188</u>
Total Assets		<u>58,074,919</u>	<u>51,850,494</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	12	418,230	417,221
Loans and borrowings	13	9,000,000	-
Provisions	14	2,235	2,235
Total Current Liabilities		<u>9,420,465</u>	<u>419,456</u>
Non-Current Liabilities			
Loans and borrowings	13	-	9,000,000
Deferred tax liabilities	5	-	-
Total Non-Current Liabilities		<u>-</u>	<u>9,000,000</u>
Total Liabilities		<u>9,420,465</u>	<u>9,419,456</u>
NET ASSETS		<u>48,654,454</u>	<u>42,431,038</u>
EQUITY			
Share capital	15	44,275,558	44,275,558
Reserves	16	4,839,400	4,542,340
Accumulated loss	17	(460,504)	(6,386,860)
Total equity attributable to equity holders of the Company		<u>48,654,454</u>	<u>42,431,038</u>
Minority interest		<u>-</u>	<u>-</u>
TOTAL EQUITY	18	<u>48,654,454</u>	<u>42,431,038</u>

NATASA MINING LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

Consolidated 2008	Note	Attributable to equity holders of the Company							Minority Interest \$	Total equity \$
		Share capital \$	Fair value reserve \$	Equity Compen- sation reserve \$	Reval- uation reserve \$	Foreign Currency Translation reserve \$	Accum- ulated loss \$	Total \$		
Balance at 1 January 2008		31,962,733	7,677,666	2,649,973	827,608	(679,670)	(1,782,793)	40,655,517	1,835,419	42,490,936
Total comprehensive income for the period										
Loss		-	-	-	-	-	(4,604,067)	(4,604,067)	-	(4,604,067)
Total other comprehensive income		-	(7,677,666)	-	(827,608)	679,670	-	(7,825,604)	-	(7,825,604)
Total comprehensive income for the period		-	(7,677,666)	-	(827,608)	679,670	(4,604,067)	(12,429,671)	-	(12,429,671)
Transactions with owners, recorded directly in equity										
<i>Contributions by owners</i>										
Shares issued for cash		12,254,965	-	-	-	-	-	12,254,965	-	12,254,965
Share-based payment transactions		57,860	-	1,892,367	-	-	-	1,950,227	-	1,950,227
Total contributions by owners		12,312,825	-	1,892,367	-	-	-	14,205,192	-	14,205,192
<i>Changes in ownership interests in subsidiaries</i>										
Disposal of subsidiary		-	-	-	-	-	-	-	(1,835,419)	(1,835,419)
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	(1,835,419)	(1,835,419)
Total transactions with owners		12,312,825	-	1,892,367	-	-	-	14,205,192	(1,835,419)	12,369,773
Balance at 31 December 2008		44,275,558	-	4,542,340	-	-	(6,386,860)	42,431,038	-	42,431,038

NATASA MINING LTD
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

Consolidated and Company 2009	Note	Attributable to equity holders of the Company							Minority Interest \$	Total equity \$
		Share capital \$	Fair value reserve \$	Equity Compen- sation reserve \$	Reval- uation reserve \$	Foreign Currency Translation reserve \$	Accum- ulated loss \$	Total \$		
Balance at 1 January 2009		44,275,558	-	4,542,340	-	-	(6,386,860)	42,431,038	-	42,431,038
Total comprehensive income for the period										
Profit		-	-	-	-	-	5,926,356	5,926,356	-	5,926,356
Total other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	5,926,356	5,926,356	-	5,926,356
Transactions with owners, recorded directly in equity										
<i>Contributions by owners</i>										
Shares issued for cash		-	-	-	-	-	-	-	-	-
Share-based payment transactions		-	-	297,060	-	-	-	297,060	-	297,060
Total contributions by owners		-	-	297,060	-	-	-	297,060	-	297,060
<i>Changes in ownership interests in subsidiaries</i>										
Acquisition of subsidiary		-	-	-	-	-	-	-	-	-
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-
Total transactions with owners		-	-	297,060	-	-	-	297,060	-	297,060
Balance at 31 December 2009		44,275,558	-	4,839,400	-	-	(460,504)	48,654,454	-	48,654,454

NATASA MINING LTD
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Consolidated 2009 \$	2008 \$
Cash flows from operating activities			
Cash receipts in the course of operations		-	14,444
Cash payments in the course of operations		(5,033,591)	(5,103,670)
Cash used in operations		(5,033,591)	(5,089,226)
Interest received		2,656,164	916,112
Interest paid		(515,475)	(728,089)
Net cash used in operating activities	23(ii)	(2,892,902)	(4,901,203)
Cash flows from investing activities			
Purchase of:			
– equity investments		(546,701)	(728,291)
– debt instruments		(20,965,409)	
– interest in subsidiaries, net of cash acquired		-	(175,020)
Proceeds from sale of:			
– equity investments		3,707,127	31,319,626
– debt instruments		29,618,123	-
Payments for:			
– exploration and evaluation expenditure		-	(4,216,147)
– purchases of plant and equipment		(8,359)	(4,754)
Loans and advances:			
– to associates		(532,043)	(3,491,565)
– to subsidiaries		-	-
– to other entities		(4,994,488)	-
– funds placed in lawyer’s escrow account for purchase of investments		(1,567,924)	-
– repaid by associates		-	1,492,618
– repaid by other entities		2,194,622	-
Net cash from / (used in) investing activities		6,904,948	24,196,467
Cash flows from financing activities			
Net proceeds from the issue of share capital		-	12,254,965
Loans received			
– related parties		-	1,700,000
– from subsidiaries		-	-
Net cash from financing activities		-	13,954,965
Net increase in cash and cash equivalents		4,012,046	33,250,229
Cash and cash equivalents at 1 January		47,465,968	3,281,342
Effect of exchange rate fluctuations on cash held		(2,531,898)	10,934,397
Cash and cash equivalents at 31 December	23(i)	48,946,116	47,465,968

1. SIGNIFICANT ACCOUNTING POLICIES

Natasa Mining Ltd (the “Company”) is a company domiciled in Australia. The consolidated financial report of the Company as at and for the year ended 31 December 2009 comprises the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

a. Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (“AASBs”) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001. The consolidated financial report of the Group and the financial report of the Company comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial report was authorised for issue by the directors on 19 February 2009.

b. Basis of preparation

The financial report is presented in Australian dollars which is the Company’s functional currency.

The financial report is prepared on the historical cost basis except that financial instruments classified as available-for-sale are stated at their fair value.

The preparation of financial statements in accordance with AASBs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Group.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies have been applied consistently to all periods presented in the consolidated financial report by the Group.

	Consolidated		The Company	
	2009	2008	2009	2008
	\$	\$	\$	\$
2. PROFIT / (LOSS) BEFORE INCOME TAX EXPENSE				
Operating profit / (loss) before tax has been arrived at after charging / (crediting) the following items:				
Personnel costs				
- wages and salaries	1,600,290	1,075,441	1,553,952	930,733
- contributions to defined contribution funds	25,000	26,605	25,000	26,605
- equity-settled share-based payment transactions	-	671,368	-	671,368
- other	61,629	55,542	61,629	55,542
	<u>1,686,919</u>	<u>1,828,956</u>	<u>1,640,581</u>	<u>1,684,248</u>
Operating lease rentals	90,691	102,259	84,448	67,342

	Consolidated		The Company	
	2009	2008	2009	2008
	\$	\$	\$	\$
3. EARNINGS / (LOSS) PER SHARE				

Basic earnings / (loss) per share	30.6¢	(24.6¢)
Diluted earnings / (loss) per share	23.4¢	(24.6¢)
Profit / (loss) attributable to ordinary shareholders	5,926,356	(4,741,596)
Weighted average number of ordinary shares used in the calculation of basic earnings / (loss) per share	19,373,530	19,272,435
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings / (loss) per share	27,525,704	19,272,435

4. INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES

(a) The Group has the following investments in equity accounted investees

	Principal Activities	Country	Reporting Date	Ownership 2009	Ownership 2008
UMC Energy plc	Mining exploration and evaluation on the Morondava uranium project in Madagascar	UK	31 Dec	*	20.6%
Berong Nickel Corporation – unlisted	Mining exploration and evaluation on the Berong nickel project in the Philippines	Philippines	31 Dec	-	**
China Nickel Corporation – unlisted	Marketing support for the Berong nickel project in the Philippines	BVI	31 March	-	**
Metak Ltd – unlisted	Mining exploration and evaluation	UK	30 June	-	**

* During the 2009 financial year, UMC Energy plc became a subsidiary of the Company (see note 19).

** During the 2008 financial year, the Group disposed of its interest in Berong Nickel Corporation, China Nickel Corporation and Metak Ltd.

	Consolidated 2009	2008	The Company 2009	2008
	\$	\$	\$	\$
5. LOANS AND BORROWINGS				
Current				
Convertible Note from related entity	9,000,000	-	9,000,000	-
	9,000,000	-	9,000,000	-
Non-current				
Convertible Note from related entity	-	9,000,000	-	9,000,000
	-	9,000,000	-	9,000,000

Following approval by shareholders at the January 2008 General Meeting, the Company issued a Convertible Note, bearing a 9.5% coupon, to raise \$9 million to Capma Pty Ltd, a company in which a Director, Mr. Kyriakou, has an interest. The Note expires on 16 January 2012 and at that time, or if exercised earlier under the terms of the Note, must be exercised into fully paid Ordinary Shares in the Company at the lower of \$5.50 or 80% of the weighted average market price at the conversion date. As at 31 December 2009, the Group had drawn down \$4,900,000 of the Note, leaving a facility available of \$4,100,000 (see note 7). The balance of \$4,100,000 was subsequently drawn down in January 2010.

6. CAPITAL

Issued and paid-up capital				
19,373,530 (2008 : 19,373,530) ordinary shares, fully paid	44,275,558	44,275,558	44,275,558	44,275,558

Consolidated and The Company

Ordinary share capital	2009	2008	2009	2008
	Number	Number	\$	\$
Opening balance – 1 January	19,373,530	16,351,696	44,275,558	31,962,733
Shares issued:				
Issued for cash	-	3,000,000	-	12,254,965
To increase interest in Tarquin Resources plc	-	21,834	-	57,860
Closing balance – 31 December	19,373,530	19,373,530	44,275,558	44,275,558

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

7. CONTROLLED ENTITIES

Parent entity – Natasa Mining Ltd		Place of	Interest	Interest
Subsidiaries	Note	incorporation	2009	2008
			%	%
Belitung Zinc Corporation plc	(i)	UK	-	100
Crown Step Ltd		BVI	100	100
Kaz Gold Ltd		BVI	100	-
Kaz Gold (UK) Ltd		UK	100	-
Natasa Chile SA		Chile	100	100
Natasa Mining Chile SA		Chile	100	100
Pacific King Investments Ltd		BVI	100	100
UMC Energy plc	(ii)	UK	83.5	(i)
Uramad SA	(ii)	Madagascar	66.8	(i)

(i) Belitung Zinc Corporation plc was placed into member's voluntary liquidation during the 2009 financial year.

(ii) On 16 October 2009, the Company capitalised \$2.4 million of the loan advanced to UMC Energy plc into new ordinary shares in that company, increasing its equity interest from 20.6% to 89.9%. On the same day the Company disposed of a portion of its holding, thus reducing its holding in UMC Energy to 83.5%. The fair value of the net assets of UMC Energy plc both on 16 October 2009 and on the balance sheet date have been provisionally determined by the directors to be \$nil.

Consolidated	Consolidated	The Company	The Company
2009	2008	2009	2008
\$	\$	\$	\$

8. NOTES TO THE STATEMENTS OF CASH FLOWS

(i) Reconciliation of cash

For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short-term deposits. Cash as at the end of the financial year as shown in the statements of cash flows is reconciled to the balance sheet as follows:

Classified as cash	48,946,116	47,465,968	48,946,116	47,465,968
	48,946,116	47,465,968	48,946,116	47,465,968

(ii) Reconciliation of cash flows from operating activities

Profit / (loss) for the period	5,926,356	(4,604,067)	5,926,356	(1,791,374)
Adjustments for:				
Depreciation	7,504	38,242	7,504	8,637
Gain on sale of shares	(8,652,714)	(20,102,212)	(8,652,714)	(23,851,600)
Exchange rate fluctuations	2,531,898	(10,934,397)	2,531,898	(10,313,366)
Impairment losses	532,043	30,819,149	677,384	32,012,933
(Reversal of) impairment losses	(3,707,127)	-	(3,707,127)	-
Share of net result of associates	-	(108,425)	-	-
Equity-settled share-based payment expenses	297,060	1,892,368	297,060	1,892,368
Operating cash flow before changes in working capital and provisions	(3,064,980)	(2,999,342)	(2,919,639)	(2,042,402)
(Increase) / decrease in trade and other receivables	171,070	(750,304)	171,070	(262,871)
Increase / (decrease) in deferred income	-	-	-	(224,690)

Increase in trade and other payables	1,009	(1,151,557)	1,008	125,631
Net cash used in operating activities	(2,892,901)	(4,901,203)	(2,747,561)	(2,404,332)

(iii) Non-cash financing and investing activities

During the year, the Company capitalised \$2.4 million of the loan advanced to UMC Energy plc into new ordinary shares in that company, increasing its equity interest from 20.6% to 89.9%.

In 2008, the Company issued 21,834 shares with a fair value of \$57,860 to increase its interest in Tarquin Resources plc.

9. SUBSEQUENT EVENTS

Between 1 January 2010 and the date of this report the following material transactions have occurred. The Convertible Note of \$9.0 million has been fully drawn down from Capma Pty Ltd and the Company has received the outstanding \$4.1 million owing thereunder; the Company has recovered in full the US\$2.5 million short-term loan advanced to Endeavour Financial Corporation; reduced the funds held in escrow in relation to Vostok by US\$200,000, which sum has been recovered; and has expended \$100,000 on acquiring an available-for-sale equity investment.

The financial effects of the above transactions have not been brought to account in the financial statements for the year ended 31 December 2009.

10. PUBLICATION OF NON STATUTORY ACCOUNTS

The financial information set out in this preliminary announcement does not constitute statutory accounts.

The balance sheet at 31 December 2009 and the profit and loss account, cash flow statement and associated notes for the year then ended have been extracted from the Group's 2009 statutory financial statements upon which the auditors' opinion is unqualified.

11. ANNUAL REPORT

The Annual Report for the year ended 31 December 2009 will be posted to shareholders today. The Annual General Meeting of the Company will be held at •, on • 2009 at • a.m.

Copies of the report will be available from the Company's website www.investika.com.