

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2010
FOR
TAU MINING LIMITED



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FOR THE YEAR ENDED 31 JULY 2010

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TAU MINING LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2010

DIRECTORS:

D A Argyle
A C Pismiris
P D Summers

SECRETARY:

Bloomsbury Company Secretaries Ltd

REGISTERED OFFICE:

Third Floor
55 Gower Street
London
WC1E 6HQ

REGISTERED NUMBER:

05723178 (England and Wales)

AUDITORS:

Butler & Co
Chartered Accountants
& Registered Auditors
Third Floor
126 - 134 Baker street
London
W1U 6UE

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2010

The directors present their report with the financial statements of the company for the year ended 31 July 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of mineral exploration in Central Asia focussing initially in Kyrgyz Republic

REVIEW OF BUSINESS

Through its 100% owned subsidiary, Long Alpha Mining Company LLC, Tau Mining Limited holds license agreement for one site

The company has been severely impacted by the global financial markets, particularly the availability of funding and volatility in the commodities market

The Company intends to raise new finance to continue with its exploration programme. If the company is unable to do this then it may be necessary to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities

DIVIDENDS

No dividends will be distributed for the year ended 31 July 2010

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2009 to the date of this report

D A Argyle
A C Pismiris
P D Summers

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

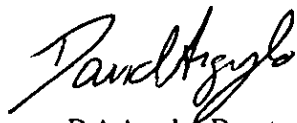
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2010

AUDITORS

The auditors, Butler & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'D A Argyle', written in a cursive style.

D A Argyle - Director

21 June 2011

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
TAU MINING LIMITED

We have audited the financial statements of TAU MINING LIMITED for the year ended 31 July 2010 on pages five to ten. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

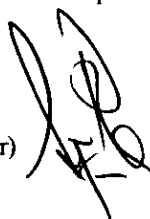
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Sanjeev Phadke (Senior Statutory Auditor)
for and on behalf of Butler & Co
Chartered Accountants
& Registered Auditors
Third Floor
126 - 134 Baker street
London
W1U 6UE



21 June 2011

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2010

	Notes	2010 £	2009 £
TURNOVER		-	-
Administrative expenses		<u>4,800</u>	<u>(22,660)</u>
OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(4,800)	22,660
Tax on (loss)/profit on ordinary activities	4	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(4,800)</u>	<u>22,660</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year

The notes form part of these financial statements

BALANCE SHEET
31 JULY 2010

	Notes	2010 £	2009 £
CREDITORS			
Amounts falling due within one year	7	24,945	20,145
NET CURRENT LIABILITIES		(24,945)	(20,145)
TOTAL ASSETS LESS CURRENT LIABILITIES		(24,945)	(20,145)
CAPITAL AND RESERVES			
Called up share capital	8	1,830,000	1,830,000
Share premium	9	8,302,077	8,302,077
Profit and loss account	9	(10,157,022)	(10,152,222)
SHAREHOLDERS' FUNDS	12	(24,945)	(20,145)

The financial statements were approved by the Board of Directors on 21 June 2011 and were signed on its behalf by


D A Argyle - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Going Concern

The accounts have been prepared on a going concern basis as the level of activity in the company has been reduced to a level consistent with its available resources pending the raising of new finance.

The company is dependent on continuing finance being made available by its director, to enable it to continue operating and to meet its debts as and when they fall due. After making all appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors believe that it is therefore appropriate to prepare the financial statements on a going concern basis.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirements to do so by section 400 of the Companies Act 2006, as it is a subsidiary undertaking of Pitchblack Resources Limited (formerly called Cash Minerals Limited), a company incorporated in Canada, and is included in the consolidated accounts of that company.

2 STAFF COSTS

	2010	2009
	£	£
Wages and salaries	-	60,885

The average monthly number of employees during the year was as follows

2010	2009

3 OPERATING (LOSS)/PROFIT

The operating loss (2009 - operating profit) is stated after charging/(crediting)

	2010	2009
	£	£
Auditors' remuneration	4,800	5,288
Foreign exchange differences	-	(932)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2010

3 OPERATING (LOSS)/PROFIT - continued

Directors' remuneration	-	60,885
	<u> </u>	<u> </u>

4 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 July 2010 nor for the year ended 31 July 2009

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £	2009 £
(Loss)/profit on ordinary activities before tax	<u>(4,800)</u>	<u>22,660</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2009 - 21%)	(1,008)	4,759
Effects of		
Non deductible expenses	-	(19,684)
Capital allowances	-	(118)
Tax Losses utilised	-	15,043
Tax Losses c/f	<u>1,008</u>	<u>-</u>
Current tax charge	<u>-</u>	<u>-</u>

The company has estimated losses of £1,218,911 (2009 £1,214,111) available for carry forward against future trading profits

5 EMPLOYEES

There were no employees during the year apart from the directors

6 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 August 2009 and 31 July 2010	<u>5,495,541</u>
PROVISIONS	
At 1 August 2009 and 31 July 2010	<u>5,495,541</u>
NET BOOK VALUE	
At 31 July 2010	<u>-</u>
At 31 July 2009	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2010

6 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following

Long Alpha Mining Company LLC

Country of incorporation Kyrgyzstan

Nature of business Uranium mining

	% holding	2010 £	2009 £
Class of shares	100 00		
Ordinary			
Aggregate capital and reserves		(1,961,677)	(1,804,238)
Loss for the year		(194,893)	(1,464,013)

Oynx Resources Limited

Country of incorporation British Virgin Island

Nature of business Non trading

	% holding	31/12/09 £	2009 £
Class of shares	100 00		
Ordinary			
Aggregate capital and reserves		(716,854)	(625,860)

The aggregate capital and reserves and profit/(loss) for the period amounts are as per the subsidiaries' unaudited management accounts

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Tax	3,707	3,707
Directors' current accounts	12,622	-
Accrued expenses	8,616	16,438
	<u>24,945</u>	<u>20,145</u>

8 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2010 £	2009 £
1,830,000	Ordinary shares		<u>1,830,000</u>	<u>1,830,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2010

9 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 August 2009	(10,152,222)	8,302,077	(1,850,145)
Deficit for the year	(4,800)		(4,800)
At 31 July 2010	<u>(10,157,022)</u>	<u>8,302,077</u>	<u>(1,854,945)</u>

10 ULTIMATE PARENT COMPANY

The ultimate parent company is Pitchblack Resources Limited (formerly called Cash Minerals Limited) , a Canadian company listed on the Toronto Stock Exchange Pitchblack Resources Limited controls Tau Mining Limited by virtue of holding 99.4% of the share capital of the Company

11 RELATED PARTY DISCLOSURES

At the balance sheet date, the following amounts were due to the company

£136,099 (2009 £136,099) from Long Alpha Mining Company LLC, a subsidiary company incorporated in Kyrgyzstan

£2,446,730 (2009 £2,446,730) from Tau Mining Limited (Ontario), a subsidiary company incorporated in Canada

Full Provision against these debts was made during the year ended 31 July 2008

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
(Loss)/Profit for the financial year	<u>(4,800)</u>	<u>22,660</u>
Net (reduction)/addition to shareholders' funds	(4,800)	22,660
Opening shareholders' funds	<u>(20,145)</u>	<u>(42,805)</u>
Closing shareholders' funds	<u>(24,945)</u>	<u>(20,145)</u>

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2010

	2010		2009	
	£	£	£	£
Income		-		-
Expenditure				
Directors' salaries	-		60,885	
Legal and professional fees	-		5,830	
Auditors' remuneration	4,800		5,288	
Foreign exchange losses	-		(932)	
Bad debts	-		(93,731)	
	<u>4,800</u>	<u>4,800</u>	<u>(93,731)</u>	<u>(22,660)</u>
NET (LOSS)/PROFIT		<u>(4,800)</u>		<u>22,660</u>

This page does not form part of the statutory financial statements