Touchstone Mining LTD
Form 10-Q
January 29, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2008

or

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ________________

Commission file number: 333-130696

Touchstone Mining Limited
(Exact name of Registrant as specified in its charter)

Nevada	98-0468420
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

11923 SW 37 Terrace
Miami, Florida 33175
(Address of principal executive offices)

(305) 677-9456
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one).

Large accelerated filer ¨	Accelerated filer ¨
Non-accelerated filer ¨	Smaller reporting company x

(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes x No ¨

As of January 28, 2009, there were 6,238,889 shares of the issuer's common stock, par value $0.00001, outstanding.

TOUCHSTONE MINING LIMITED

FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2008
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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's Form 10-K filed with the SEC on December 29, 2008. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the periods presented have been reflected herein. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

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Touchstone Mining Limited
(A Development Stage Company)

Balance Sheets

	As of December 31, 2008 (Unaudited)	As of September 30, 2008
ASSETS		
Current Assets		
Cash and cash equivalents	$ 854	$ 7,591
Withholding tax receivable	3	-
Total current assets	857	7,591
Non-Current Assets		
Mineral property reclamation bond (Note 5)	4,330	4,330
TOTAL ASSETS	$ 5,187	$ 11,921
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued liabilities	$ 51,542	$ 40,920
TOTAL LIABILITIES	51,542	40,920
STOCKHOLDERS' DEFICIT		
Capital Stock (Note 3)		
Authorized:		
100,000,000 common shares, $0.00001 par value		
Issued and outstanding shares:		
6,238,889 common shares	62	62
Capital in excess of par value	146,440	146,440
Deficit accumulated during the development stage	(192,857)	(175,501)
Total stockholders' deficit	(46,355)	(28,999)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 5,187	$ 11,921

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

Touchstone Mining Limited
(A Development Stage Company)

Interim Statements of Operations
(Unaudited)

	Three Months Ended December 31, 2008	Three Months Ended December 31, 2007	Cumulative from Inception (September 12, 2005) to December 31, 2008
Income	$ -	$ -	$ -
Expenses			
Mineral property costs	-	3,331	33,821
Professional fees	15,338	9,642	143,921
Office and administrative	2,030	2,348	14,657
Total Operating Expenses	17,368	15,321	192,399
Other Income (Expense)			
Foreign currency transaction loss	-	-	(470)
Interest income	12	-	12
Total Other Income (Expense)	12	-	(458)
Net Loss Applicable to Common Shares	$ (17,356)	$ (15,321)	$ (192,857)
Basic and Diluted Loss per Common Share	$ (0.00)	$ (0.00)	
Weighted Average Number of Common Shares Outstanding	6,238,889	6,100,000	

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

Touchstone Mining Limited
(A Development Stage Company)

Interim Statements of Cash Flows
(Unaudited)

	Three Months Ended December 31, 2008	2007	Cumulative From Inception (September 12, 2005) to December 31, 2008
Cash Flow from Operating Activities:			
Loss for the period	$ (17,356)	$ (15,321)	$ (192,857)
Adjustments to reconcile net loss to net cash used in operations:			
Changes in operating assets and liabilities:			
Increase in withholding tax receivable	(3)	-	(3)
Increase in accounts payable and accrued liabilities	10,622	14,938	51,542
Net cash used in operating activities	(6,737)	(383)	(141,318)
Cash Flow from Investing Activities:			
Mineral property reclamation bond	-	-	(4,330)
Net cash used in investing activities	-	-	(4,330)
Cash Flow from Financing Activities:			
Proceeds from notes payable – related party	-	400	34,502
Issuance of common stock	-	-	112,000
Net cash provided by financing activities	-	400	146,502
Net Increase (Decrease) in Cash and Cash Equivalents	(6,737)	17	854
Cash and Cash Equivalents – Beginning of Period	7,591	42	-
Cash and Cash Equivalents – End of Period	$ 854	$ 59	$ 854
Supplemental Cash Flow Disclosure:			
Cash paid for interest	$ -	$ -	$ -
Cash paid for income taxes	$ -	$ -	$ -
Non-Cash Financing and Investing Activities:			
Note payable – related party converted to common stock	$ -	$ -	$ 34,502

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

Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

1. Organization

Touchstone Mining Limited (the "Company") was incorporated on September 12, 2005 in the State of Nevada, USA, and is based in Miami, Florida. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America, and the Company's fiscal year end is September 30.

The Company was initially incorporated for the purpose of engaging in the acquisition, exploration, and development of mineral resource properties. The Company has obtained the right to conduct exploration work on ten mineral mining claims in Humboldt County, Nevada, USA. Prior to this, the Company's activities have been limited to its formation, the raising of equity capital, and its mining exploration work program. Although the Company has not disposed of its interest in its mining properties (Note 5), it has discontinued exploration on the property and is actively seeking other ventures of interest that may include, but not be limited to, mergers, acquisitions, or similar transactions.

Development Stage Company

The Company is considered to be in the development stage as defined in Statement of Financial Accounting Standards (SFAS) No. 7, "Accounting and Reporting by Development Stage Enterprises."

2. Significant Accounting Policies

Use of Estimates

The preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's periodic filings with the Securities and Exchange Commission include, where applicable, disclosures of estimates, assumptions, uncertainties, and markets that could affect the financial statements and future operations of the Company.

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks, money market funds, and certificates of term deposits with maturities of less than three months, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of loss in value. The Company had $854 and $7,591 in cash and cash equivalents at December 31, 2008 and September 30, 2008, respectively.

Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

2. Significant Accounting Policies(continued)

Mineral Acquisition and Exploration Costs

The Company has been in the development stage since its formation on September 12, 2005 and has not yet realized any revenue from its planned operations. It has been primarily engaged in the acquisition, exploration, and development of mining properties. Mineral property acquisition and exploration costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property are capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserves.

Start-Up Costs

In accordance with the American Institute of Certified Public Accountant's Statement of Position 98-5, "Reporting on the Costs of Start-up Activities," the Company expenses all costs incurred in connection with the start-up and organization of the Company.

Net Income or (Loss) Per Share of Common Stock

The Company has adopted Financial Accounting Standards Board ("FASB") Statement Number 128, "Earnings per Share," ("EPS") which requires presentation of basic and diluted EPS on the face of the statements of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. In the accompanying financial statements, basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. The Company has no potentially dilutive securities, such as options or warrants, currently issued and outstanding.

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended December 31, 2008	2007
Net loss applicable to common shares	$ (17,356)	$ (15,321)
Weighted average common shares		
Outstanding (Basic)	6,238,889	6,100,000
Options	-	-
Warrants	-	-
Weighted average common shares outstanding (Basic and Diluted)	6,238,889	6,100,000
Net loss per share (Basic and Diluted)	$ (0.00)	$ (0.00)

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Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

2. Significant Accounting Policies(continued)

Concentrations of Credit Risk

The Company's financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and cash equivalents and related party payables it will likely incur in the near future. The Company places its cash and cash equivalents with financial institutions of high credit worthiness. At times, its cash and cash equivalents with a particular financial institution may exceed any applicable government insurance limits. The Company's management plans to assess the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

Foreign Currency Translations

The Company's functional and reporting currency is the US dollar. All transactions initiated in other currencies are translated into US dollars using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rate of exchange in effect at the balance sheet date. Unrealized exchange gains and losses arising from such transactions are deferred until realization and are included as a separate component of stockholders' equity (deficit) as a component of comprehensive income or loss. Upon realization, the amount deferred is recognized in income in the period when it is realized. No significant realized exchange gain or losses were recorded from inception (September 12, 2005) to December 31, 2008.

Risks and Uncertainties

The Company previously operated in the resource exploration industry that is subject to significant risks and uncertainties, including financial, operational, technological, and other risks associated with operating a resource exploration business, including the potential risk of business failure.

Environmental Expenditures

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for future reclamation and site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly and are not predictable. The Company's policy is to meet or, if possible, surpass standards set by relevant legislation by application of technically proven and economically feasible measures.

Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against earnings as incurred or capitalized and amortized depending on their future economic benefits. All of these types of expenditures incurred since inception have been charged against earnings due to the uncertainty of their future recoverability. Estimated future reclamation and site restoration costs, when the ultimate liability is reasonably determinable, are charged against earnings over the estimated remaining life of the related business operation, net of expected recoveries.

Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

2. Significant Accounting Policies(continued)

Recently Issued Accounting Pronouncements

In May 2008, the FASB issued SFAS No. 163, "Accounting for Financial Guarantee Insurance Contracts - an interpretation of FASB Statement No. 60." Diversity exists in practice in accounting for financial guarantee insurance contracts by insurance enterprises under FASB Statement No. 60, "Accounting and Reporting by Insurance Enterprises." That diversity results in inconsistencies in the recognition and measurement of claim liabilities because of differing views about when a loss has been incurred under SFAS No. 5, "Accounting for Contingencies." This Statement requires that an insurance enterprise recognize a claim liability prior to an event of default (insured event) when there is evidence that credit deterioration has occurred in an insured financial obligation. This Statement also clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement to be used to account for premium revenue and claim liabilities. Those clarifications will increase comparability in financial reporting of financial guarantee insurance contracts by insurance enterprises. This Statement requires expanded disclosures about financial guarantee insurance contracts. The accounting and disclosure requirements of the Statement will improve the quality of information provided to users of financial statements. This Statement is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years.

In May 2008, the FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles." This Statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles (GAAP) in the United States (the GAAP hierarchy). This Statement is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles."

In March 2008, the FASB issued SFAS No. 161, "Disclosure about Derivative Instruments and Hedging Activities – an amendment to FASB Statement No. 133." The use and complexity of derivative instruments and hedging activities have increased significantly over the past several years. Constituents have expressed concerns that the existing disclosure requirements in SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," do not provide adequate information about how derivative and hedging activities affect an entity's financial position, financial performance, and cash flows. Accordingly, this Statement requires enhanced disclosures about an entity's derivative and hedging activities and thereby improves the transparency of financial reporting. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008.

Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

2. Significant Accounting Policies (continued)

Recently Issued Accounting Pronouncements (continued)

In December 2007, the FASB issued a revision to SFAS No. 141 (revised 2007), "Business Combinations." The objective of this Statement is to improve the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. This Statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements." This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This Statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this Statement does not require any new fair value measurements. However, for some entities, the application of this Statement will change current practice. SFAS No. 157 is effective in the first fiscal year that begins after October 1, 2009 for the Company.

None of the above new pronouncements has current application to the Company, but will be implemented in the Company's future financial reporting when applicable.

3. Stockholders' Equity

Authorized Stock

The Company has authorized 100,000,000 common shares with a par value of $0.00001 per share. Each common share entitles the holder to one vote, in person or proxy, on any matter on which action of the stockholders of the corporation is sought.

Share Issuances

Since inception (September 12, 2005), the Company has issued 3,100,000 common shares at $0.02 per share for $62,000 in cash, and 138,889 common shares at $0.36 per share for $50,000 in cash, for total proceeds of $112,000. The Company also issued 3,000,000 common shares at $.01 per share in satisfaction of debt of $34,502. There were 6,238,889 common shares issued and outstanding at December 31, 2008.

Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

4. Provision for Income Taxes

The Company recognizes the tax effects of transactions in the year in which such transactions enter into the determination of net income, regardless of when reported for tax purposes. Deferred taxes are provided in the financial statements under SFAS No. 109 to give effect to the resulting temporary differences which may arise from differences in the bases of fixed assets, depreciation methods, allowances, and start-up costs based on the income taxes expected to be payable in future years. Minimal development stage deferred tax assets arising as a result of net operating loss carryforwards have been offset completely by a valuation allowance due to the uncertainty of their utilization in future periods. Operating loss carryforwards generated during the period from September 12, 2005 (date of inception) through December 31, 2008 of $192,857 will begin to expire in 2025. Accordingly, deferred tax assets of approximately $67,500 were offset by the valuation allowance, which increased by approximately $6,000 and $5,000 during the three months ended December 31, 2008 and 2007, respectively.

5. Mineral Property Costs

By agreement dated November 23, 2005 with Mineral Exploration Services Ltd. (“MES”), the Company acquired an option to earn a 100% interest in certain properties consisting of 10 unpatented mineral claims, known as the Boulder Claims (the “Property”) located in Humboldt County, Nevada, USA.

Upon execution of the agreement, MES transferred 100% interest in the mineral claims to the Company for $50,000 to be paid, at the Company’s option, as follows:

	Cash Payments	
Upon signing of the agreement and transfer of title (paid)	$	3,500
On or before November 23, 2006 (paid)		3,500
On or before November 23, 2007		8,000
On or before November 23, 2008		10,000
On or before November 23, 2009		10,000
On or before November 23, 2010		15,000
	$	50,000

In August 2007, the Company reached an agreement with MES, whereby MES relinquished its rights to the Property. During the year ended September 30, 2008, the Company proceeded to stake the claims in its own name. The Company is no longer obligated to make the payments outlined above for 2007 through 2010, and is only responsible for maintaining the mineral claims in good standing by paying all the necessary rents, taxes, and filing fees associated with the Property. As of December 31, 2008, the Company met these obligations.

Touchstone Mining Limited
(A Development Stage Company)

Interim Notes to Financial Statements
December 31, 2008
(Unaudited)

5. Mineral Property Costs (continued)

Although the Company has not disposed of its interest in the Property, it has discontinued exploration and is currently evaluating its options and is seeking other ventures of interest.

A $4,330 reclamation bond has been paid to the Bureau of Land Management (BLM) in the State of Nevada. This bond will be held by the BLM until such time as they determine that the mineral property has been properly reclaimed and indigenous species of plants have been planted and are growing. Given the uncertainty of any future exploration and/or additional work on the property, that the Company will perform and the additional time needed before a BLM inspector can view the property, this bond has been accounted for as a non-current asset. Management estimates the costs to restore the property will be nominal and that the entire bond will be recovered as a result.

6. Going Concern and Liquidity Considerations

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. As at December 31, 2008, the Company had a working capital deficit of $50,685 and an accumulated deficit of $192,857. The Company intends to fund operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the next twelve months.

The ability of the Company to emerge from the development stage is dependent upon, among other things, obtaining additional financing to continue operations. In response to these problems, management intends to raise additional funds through public or private placement offerings.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

ITEM 2.MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

Except for historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve risks and uncertainties, including, among other things, statements regarding our business strategy, future revenues and anticipated costs and expenses. Such forward-looking statements include, among others, those statements including the words "expects," "anticipates," "intends," "believes" and similar language. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed herein as well as in the "Description of Business – Risk Factors" section in our Annual Report on Form 10-K for the year ended September 30, 2008. You should carefully review the risks described in our Annual Report and in other documents we file from time to time with the Securities and Exchange Commission. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this report. We undertake no obligation to publicly release any revisions to the forward-looking statements or reflect events or circumstances after the date of this document.

Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, there are a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements.

All references in this Form 10-Q to the "Company," "Touchstone," "we," "us," or "our" are to Touchstone Mining Limited.

General Overview

We were incorporated in the State of Nevada on September 12, 2005 to engage in the acquisition, exploration and development of mineral deposits and reserves. On November 23, 2005 we entered into a Mineral Claim Purchase Agreement (the "Agreement") with Mineral Exploration Services, Ltd. ("MES") pursuant to which we acquired an option to purchase certain unpatented mineral mining claims. The related property consisted of ten lode mineral claims located on approximately 200 acres in Humboldt County, Nevada. Under the terms of the Agreement, we agreed to pay MES an aggregate of $50,000 over five years and to make exploration expenditures on the property of $50,000 over the same five year period. During the initial exploration, no commercial quantities of gold or other minerals were discovered and in August 2007, we ceased exploration on the prospect. On August 16, 2007 we notified MES of our intention to return the property via a quit claim deed. At that time, MES informed us that it no longer wanted to retain the claim or the property and MES subsequently allowed such claim to lapse. Our Agreement with MES was terminated as of September 16, 2007. At the time of the termination, we had paid MES an aggregate of $7,000 under the Agreement. In October 2007, we re-staked the claims in the property and paid the necessary fees to the Bureau of Land Management. The lease to the property is currently in our name. We do not claim to have any minerals or reserves whatsoever at this time on any of the property. Our management has no current plans for the property at this time, and all of our exploration operations have been discontinued. Following the discontinuation of our planned mineral acquisition, exploration and development activities through the present, we have determined to look at other ventures of merit to enhance stockholder value. These ventures may involve sales of our debt or equity security in merger, acquisition, or similar transactions. To date, we have achieved no operating revenues and have yet to engage in any such ventures.

Results of Operations

We conducted no material operations during the quarter ended December 31, 2008 and do not have any present operations. During the quarter ended December 31, 2008, we generated no revenues. Accordingly, a discussion of our results of operations is not meaningful and will not be presented herein.

Liquidity and Capital Resources

The report of our auditors on our audited financial statements for the fiscal year ended September 30, 2008 contains a going concern qualification as we have suffered losses since our inception. We have minimal assets and have achieved no operating revenues since our inception. We have depended on loans and sales of equity securities to conduct operations. As of December 31, 2008 and September 30, 2008, we had cash of $854 and $7,591, current assets of $857 and $7,591 and current liabilities of $51,542 and $40,920, respectively. Unless and until we commence material operations and achieve material revenues, we will remain dependent on financings to continue our operations.

Plan of Operation

We were formed to engage in the acquisition, exploration and development of mineral deposits and reserves. We conducted minimal operations in this line of business and in August 2007 decided to discontinue operations in this area. We are presently inactive, but we are looking at ventures of merit for corporate participation as a means of enhancing stockholder value. This may involve sales of our equity or debt securities in merger or acquisition transactions.

We have minimal operating costs and expenses at the present time due to our limited business activities. Accordingly, absent changed circumstances, we will not be required to raise significant capital over the next twelve months, although we may do so in connection with or in anticipation of possible acquisition transactions. We do not currently engage in any product research and development and have no plans to do so in the foreseeable future. We have no present plans to purchase or sell any plant or significant equipment. We also have no present plans to add employees although we may do so in the future if we engage in any merger or acquisition transactions.

Off-Balance Sheet Arrangements

We have never entered into any off-balance sheet financing arrangements and have not formed any special purpose entities. We have not guaranteed any debt or commitments of other entities or entered into any options on non-financial assets.

ITEM 3. QUANITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4T. CONTROLS AND PROCEDURES

Evaluation of Our Disclosure Controls and Internal Controls

Under the supervision and with the participation of our senior management, including our chief executive officer and chief financial officer, Nanuk Warman, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this quarterly report (the "Evaluation Date"). Based on this evaluation, our chief executive officer and chief financial officer concluded as of the Evaluation Date that our disclosure controls and procedures were effective such that the information relating to us, including our consolidated subsidiaries, required to be disclosed in our Securities and Exchange Commission ("SEC") reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes of accounting principles generally accepted in the United States. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives. In evaluating the effectiveness of our internal control over financial reporting, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control – Integrated Framework.

Officers' Certifications

Appearing as exhibits to this quarterly report are "Certifications" of our Chief Executive Officer and Chief Financial Officer. The Certifications are required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (the "Section 302 Certifications"). This section of the Quarterly Report contains information concerning the Controls Evaluation referred to in the Section 302 Certification. This information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2008 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the ordinary course of our business, we may from time to time become subject to routine litigation or administrative proceedings which are incidental to our business. We are not a party to nor are we aware of any existing, pending or threatened lawsuits or other legal actions involving us.

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

We did not issue any equity securities during the quarter ended December 31, 2008.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
31.1 / 31.2	Rule 13(a)-14(a)/15(d)-14(a) Certification of Principal Executive and Financial Officer
32.1 / 32.2	Rule 1350 Certification of Principal Executive and Financial Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TOUCHSTONE MINING LIMITED

Dated: January 28, 2009	By:	/s/ Nanuk Warman
	Nanuk Warman	
	President, Principal Executive and Financial Officer	