TO BE READ IN CONJUNCTION WITH ANNUAL FINANCIAL STATEMENTS CONTAINED IN ANNUAL REPORT 2013

MIRANDA MINERAL HOLDINGS LIMITED

ADDENDUM TO GOING CONCERN PARAGRAPH (NOTE 38, PAGE 79) OF MIRANDA MINERAL HOLDINGS ANNUAL REPORT 2013

The Going Concern paragraph (Note 38) in the published Annual Financial Statements is incorrect. The correct paragraph is set out below:

38. Going concern

The financial statements set out in this report are the responsibility of the company's directors. They have been prepared by the directors on the basis of appropriate accounting policies which have been consistently applied. The financial statements have been prepared in accordance with International Financial Reporting Standards and on the basis of accounting policies applicable to going concern. The following matters are impacting on the group's ability to continue as a going concern and are reviewed by the directors on a regular basis to evaluate and assess the group's ability to function as a going concern:

- Loss for the year – the group incurred a loss of R24 million (2012: R28 million). Included in the R24 million loss is a R7.8 million share-based payment expense;
- Net current liability position – (excluding the shareholders' loans) is R7.1 million (2012: R7.4 million);
- Subsequent to year-end the group has raised R6.3 million through issue of shares and settled the majority of its liabilities.
- Production – the group has made progress with its negotiations to conclude an offtake agreement for the Sesikhona project. This is subject to litigation being successful as disclosed on note 31.
- The Board has approved a capital raising strategy to fund proposed income-generating acquisitions and shares are available for general issue for cash in the short term if necessary.
- At the date of this report Miranda had R231,266 cash available
- At the date of this report the liabilities excluding directors and shareholders loans was R2,534,029
- The estimated monthly cash burn at date of this report was between R1.2 and R1.5 million per month that includes executive and non-executive remuneration.
- The directors of Miranda will in the short term procure or provide the necessary funds through loan advances or deferral of fees to sustain the operations until the above mentioned capital raise is finalised.

The ability of the group to continue as a going concern is dependent on a number of factors. The most significant of these in the short term, from March 2014 until June 2014, is that the directors continue to procure funding for the current monthly expenses. Beyond June 2014 the directors believe that the company will have raised enough capital to be sufficiently self-funded

The Board of Miranda is satisfied with the progress made in terms of all of the above as well as the improvement of the group's debt to equity ratio after year-end. It is also of the view that upon execution of an offtake agreement and the necessary capital raise the group will be sufficiently self-funded. The outstanding litigious matter is being vigorously defended and the Board is of the view that the potential contingencies are not material to the group's overall position (Refer to note 31).