

Audited Abridged Annual Financial Results

for the year ended 31 August 2007

HIGHLIGHTS

- Successful completion of maiden capital raising of R15.4 million through the private placement of 24.4 million shares
- First revenue generated from participation in joint venture (JV) projects
- Attributable loss reduced to 0.97 cents per share (cps) (2006: loss of 2.17 cps)
- Net asset value (NAV) stabilised at 175 cps (2006: 199 cps), including a tangible NAV of 5.77 cps (2006: (1.17 cps))
- Molebogeng acquisition finalised
- JV signed on the Sesikhona Kliprand coal project – bulk sampling and drilling to quantify and extend resource have started and process to convert prospecting permit to mining permit under way

- A further six potential KwaZulu-Natal coal projects in various stages of development
- Rozynbosch base mineral project – directors' valuation of R284 million maintained
- In advanced negotiations to start unlocking value from one property in vast West Rand clay resource portfolio
- JV signed on highly prospective Lauraville diamond property north-east of Kimberley
- Exploration on North West Province diamond project commenced – initial results positive and application made for conversion to a mining licence
- Geophysical and drilling programme started on Mochudi project in Botswana

BALANCE SHEETS

	Audited Group at 31 Aug 2007	Audited Company at 31 Aug 2007	Audited Group at 31 Aug 2006	Audited Company at 31 Aug 2006
ASSETS				
Non-current assets	317 182	37 689	308 347	24 828
Property, plant and equipment	231	20	228	26
Intangible assets	316 942	–	307 842	–
Investment in subsidiaries and associates	–	31 716	–	22 616
Loans receivable	9	5 953	277	2 186
Current assets	12 182	12 104	484	1
Inventories	77	–	–	–
Receivables and deposits	85	85	459	–
Cash and cash equivalents	12 020	12 019	25	1
Total Assets	329 364	49 793	308 831	24 829
EQUITY AND LIABILITIES				
Capital and Reserves	327 733	47 243	306 039	24 037
Share capital and share premium	54 962	54 962	31 489	31 489
Revaluation reserve	284 522	–	284 522	–
Retained earnings	(11 678)	(7 719)	(9 972)	(7 452)
Equity attributable to holders of the parent	327 806	47 243	306 039	24 037
Minority interest	(73)	–	–	–
Non-current liabilities				
Loans payable	1004	2 000	873	268
Current liabilities	627	550	1 919	524
Trade and other payables	627	550	1 919	524
Total equity and liabilities	329 364	49 793	308 831	24 829
Net asset value per share (cents)	175.14	199.07	–	–
Net tangible asset value per share (cents)	5.77	(1.17)	–	–

INCOME STATEMENTS

	Audited Group 12 months ended 31 Aug 2007	Audited Company 12 months ended 31 Aug 2007	Audited Group 12 months ended 31 Aug 2006	Audited Company 12 months ended 31 Aug 2006
(Figures in R'000)				
Gross revenue	2 000	–	1	–
Operating expenses	4 220	708	3 339	819
Operating loss	(2 220)	(708)	(3 338)	(819)
Interest received	441	441	–	–
Interest paid	–	–	1	–
Net loss before taxation	(1 779)	(267)	(3 339)	(819)
Taxation	–	–	–	–
Net loss for the period	(1 779)	(267)	(3 339)	(819)
Attributable to:				
Equity holders of parent	(1 706)	(267)	(3 339)	(819)
Minority Interest	(73)	–	–	–
Earnings / loss per share (cents)	(0.97)	–	(2.17)	–
Headline earnings/(loss) per share (cents)	(0.97)	–	(2.17)	–
Shares in issue – weighted average number ('000)	175 948	–	153 730	–

CASH FLOW STATEMENTS

	Audited Group 12 months ended 31 Aug 2007	Audited Company 12 months ended 31 Aug 2007	Audited Group 12 months ended 31 Aug 2006	Audited Company 12 months ended 31 Aug 2006
(Figures in R'000)				
Cash flows from operating activities	(2 765)	(319)	(2 775)	(286)
Cash utilized in operating activities	(2 765)	(319)	(2 774)	(286)
Interest paid	–	–	(1)	–
Cash flows from investing activities	(8 844)	(12 867)	(22 544)	(22 616)
Property, plant and equipment acquired	(12)	–	(3)	–
Decrease/(increase) in loans receivable	268	(3 767)	75	–
Subsidiary acquired	(9 100)	(9 100)	(22 616)	(22 616)
Cash flows from financing activities	23 604	25 205	25 345	22 904
Capital raised	23 473	23 473	25 316	25 316
Loan raised	131	2 000	29	–
Loan repaid	–	(268)	–	(2 412)
Increase in cash and cash equivalents	11 995	12 018	26	2
Cash and cash equivalents at beginning of year	25	1	(1)	(1)
Cash and cash equivalents at end of year	12 020	12 019	25	1

COMMENTARY

1. OPERATIONAL REVIEW

During the 12 months under review, Miranda has made significant progress in the following areas:

- establishing itself as a new generation exploration group,
- communicating its business model to the market,
- adding to its mineral assets portfolio,
- prioritising and planning the group's exploration objectives, and
- kick-starting exploration and development work on certain of its projects.

The year has seen the group shift gears and move purposefully to the next level in its business development plan. The year was characterised by a number of firsts including:

- the first revenue being generated from two of its projects, and
 - the group's successful maiden capital raising exercise (see under financial review).
- The finalisation of the Molebogeng acquisition enabled Miranda to add selected strategic minerals to its portfolio, particularly coal. As a result of the company's involvement in Sesikhona Kliprand Colliery ("Sesikhona"), it has been able to identify and apply for a number of additional high-quality coal assets in the Dundee/Dannhauser area, which will make a significant contribution to the group's strategy to develop coal assets in KwaZulu-Natal:
- Applications covering 19 farms and 24 000 hectares, have been submitted to the Department of Minerals and Energy (the majority of these farms have been well drilled in the past).
 - Miranda has also succeeded in securing the rights to three rail sidings in the area, which are expected to be of strategic importance once full-scale mining commences.
 - Miranda has opened regional offices in Newcastle.

Management has to date identified and prioritised 10 potentially economically viable projects, which will be the primary focus of Miranda's exploration activities over the next 12 months. These projects have been selected on the basis of:

- potential return,
- market demand for the mineral,
- the extent of the existing geological information on hand,
- the additional exploration work required, and
- the expected time frame in which these projects can be brought to account.

The capital raising exercise was successfully completed just before the middle of the financial year, which left the group with only six months to mobilise its various exploration initiatives. The board is nonetheless satisfied with the progress made, particularly in relation to the coal and diamond projects. The group concluded a joint venture agreement with Ihlosi Project Mining on its Sesikhona project, and drilling results have so far confirmed a measured resource of 5.4 million tonnes of high grade anthracite. Management is confident that further drilling will increase the resource by at least another 16 million tonnes. The process of converting the prospecting permit to a mining right has started and management believes full-scale mining could start by March/April next year.

2. FINANCIAL REVIEW

2.1 Financial results

For the year ended 31 August 2007, the net asset value and net tangible asset value of the company remained relatively stable at R327 million and R11 million, respectively (2006: R306 million and (R1.8 million)). This was equivalent to 175.14 cents per share ("cps") and 5.77 cps (2006: 199.07 cps) and (1.17) cps.

Revenue amounted to R2.0 million (2006: R1 000). Operating expenses amounted to R4.22 million (2006: R3.33 million). The resultant net loss for the period was R1.79 million (2006: R3.33 million). Prior to the private placing, operating expenses were financed through shareholders' loans.

Certain of the prioritised projects require that the exploration/mining partner make an upfront payment to Miranda based on an agreed percentage of the project value. Revenue for the period consisted of:

- In the case of the Sesikhona anthracite project, the JV partner paid R1 million up front and will pay a further R5 million once the mining license has been issued. A R5 million guarantee has been issued by the contractor. In addition, the contractor will pay the company R50 per ton mined once mining has commenced. The contractor has committed to a minimum monthly tonnage of 30 000 tons.
- A further upfront payment of R1 million has been received from the JV partner on the group's Lauraville diamond project. Prospecting is currently underway on this project and management expects to convert to a mining permit during next year.

2.2 Private placing

In line with its strategy of "just-in-time" capital raising, the company successfully completed its maiden capital raising exercise during the period under review. The private placing was over-subscribed by 2.5 times. An amount of R15.4 million was raised through the issue of 24.4 million shares at a price of 63 cps. The shares were issued under the board's general authority. The proceeds of the private placing will enable the company to complete its exploration objectives on the prioritised projects referred to above and detailed in the annual report.

2.3 Acquisition of Molebogeng

During the period, the company completed the acquisition of 100% of Molebogeng Mining and Investment Holdings (Pty)Ltd ("Molebogeng"). Payment was effected by the issue of 9 million new Miranda shares at a price of 90 cps. The board considers the acquisition to be of strategic importance in view of Molebogeng's holdings in coal, diamonds and gold exploration assets.

2.4 Valuation of Rozynbosch base metal project

In terms of International Financial Reporting Standards ("IFRS") the board is required to test on a regular basis for any impairment or material change in the value of the companies assets. At the end of the current financial reporting date, the two main variables affecting value, namely the exchange rate and commodity prices, had shown an upward movement. Given these changes, the value of the project in Rand terms has increased to R617 million (Feb 2007: R284 million). Consistent with the approach taken in the 2006 annual results, and given the uncertainty of the long-term sustainability of current commodity prices, the board is still of the opinion that the previously reported value of R284 million is more realistically achievable over the life of the project. The value of the project has therefore not been adjusted at the reporting date.

3. PROSPECTS

The company is satisfied with the results and expenditure to date. The success of the private placing and the potential revenue that will be generated from the JV partnerships indicated above have placed the group in a position to fast track certain coal and diamond projects, which are expected to yield positive results in the next 12 to 18 months. At the same time, a number of challenges still need to be overcome, one of which is the conversion of mining rights.

The board is satisfied, however, that the right building blocks have been put in place on which future operational activities can be based. The group remains focused on the task of unlocking the inherent value of its mineral assets through sustainable JVs with its preferred mining partners. The directors are excited at the number of opportunities being offered to the company, both in terms of project development and corporate activity.

4. STATEMENT ON GOING CONCERN

The financial statements have been prepared on the going-concern basis since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future. The funds raised by the private placement will be used to complete the exploration program detailed in the annual report and to provide for the company's operational cash flow requirements for the next eighteen months. The company will continue with its strategy of "just in time" capital raising as and when required. Additional cash flow requirements will be funded internally from future revenue generated from joint venture projects.

5. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with IFRS and IAS 34 on International Financial Reporting. The financial statements have been prepared under the historical cost convention and the accounting policies are consistent with those of the previous year except as modified by IFRS for the period ending 28 February 2007. As previously reported, the application of IFRS to the financial statements required no adjustment to the historical financial results. The value of the Rozynbosch mineral resource is stated at fair value, and is in accordance with IFRS 6 and its interpretation adopted by the International Accounting Standards Board.

6. DIVIDENDS

No dividends were recommended or declared for the financial year under review (2006: nil).

7. AUDIT REPORT

The annual results have been audited by the company's auditors PKF (Pretoria) Inc whose unqualified audit report is available for inspection at the groups' registered address.

For and on behalf of the Board

TV Mokgatla

Chairman

RJ Nel

Chief Executive Officer

19 November 2007

Pretoria

STATEMENTS OF CHANGES IN EQUITY

Group	Share capital R'000	Share premium R'000	Attributable equity holders of the parent			Minority interest R'000	Total equity R'000
			Accumulated loss R'000	Revaluation reserve R'000	Total R'000		
Balance at 1st September 2005	307	5 866	(6 633)	–	(460)	–	(460)
Net loss for the year	–	–	(3 339)	–	(3 339)	–	(3 339)
Issue of share capital	1 230	24 086	–	–	25 316	–	25 316
Revaluation of intangible assets	–	–	–	284 522	284 522	–	284 522
Balance at 31 August 2006	1 537	29 952	(9 972)	284 522	306 039	–	306 039
Net loss for the year	–	–	(1 706)	–	(1 706)	(73)	(1 779)
Issue of share capital	334	23 138	–	–	23 472	–	23 472
Balance at 31 August 2007	1 871	53 090	(11 678)	284 522	327 806	(73)	327 733

Transfer secretaries

Computershare
Computershare Investor Services 2004 (Pty) Ltd
(Registration number 2004/003647/07)

Sponsor

sasfin
CAPITAL

Corporate adviser

TOUCHSTONE CAPITAL
(PTY) LIMITED