

Miranda On Track To Become Coal Producer

Miranda Mineral Holdings ('Miranda'), in conjunction with Mochiba Investments Proprietary Limited, is pleased to announce the finalisation of the purchase of a 60% interest in Nkomati Anthracite Mine ('Nkomati'), which is located in Mpumalanga, from Sentula Mining Limited ('Sentula'), for a total consideration of R150 million.

"This transaction is a significant milestone for Miranda as it transforms the Group from an exploration company into a coal producer," said John Wallington, Chief Executive Officer at Miranda.

Now that the efforts of the last two years in restructuring and resolving litigation have been completed, Miranda is well positioned for a turnaround. The Group with its strong and experienced management team is led by John Wallington, former CEO of Anglo American Coal. Miranda does not have an overhang of liabilities and has a lean operational structure.

"One of our core focus areas is the discovery and development of high grade anthracite and coal assets. We are specifically looking for opportunities that require low capital investment and that will deliver early cash flow. The Nkomati acquisition is in line with these criteria. This is an exciting opportunity to create value for shareholders. This acquisition presents low operational risk, minimal capital requirements and a short lead-time to production which will enable early cash flow generation. There is also substantial blue sky potential due to the extensive exploration area available within the 11 000 hectares of lease area" said Wallington.

Nkomati is a quality asset with a proven opencast resource of 5 million tonnes ROM and a 46 million tonne indicated resource (including underground). It produces a niche, high-margin product – low phosphorous, low sulphur, high-quality anthracite. The existing infrastructure, which includes a rail siding facility and beneficiation plant capable of processing 60,000 tonnes ROM per month, requires minimum capital investment to initiate production. Lead time to first production is envisaged to be within 3 months after the closing date of the transaction (June 2014). Tribal authorities, representing the community, and environmental issues have been positively resolved and a constructive relationship has been established between the relevant parties.

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The Board and a significant majority of Shareholders have expressed their full support of this value accretive transaction," said Wallington.

About Miranda

Miranda is a South African mineral exploration, mining development and investment holding Company that is listed in the General Mining sector on the Main Board of the JSE Limited. In addition to its interests in the coal fields of KwaZulu-Natal, which presently occupy the Company's developmental efforts, Miranda has interests in gold, diamonds, base and industrial minerals.