



# UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED 28 FEBRUARY 2010



# HIGHLIGHTS

- PROCESS TO LIST MIRANDA COAL SEPARATELY UNDER WAY
- INDEPENDENT VALUATION OF FIRST SIX COAL PROJECTS BY VENMYN
- PLANNED SCHEDULE TO OPEN ONE MINE A YEAR FOR THE NEXT THREE YEARS REMAINS ON TRACK

## SESIKHONA

- Commencement of mining at Sesikhona scheduled for 1 June 2010
- Final stages in the negotiations of an off-take agreement

## UITHOEK

- Granting of Mining Right imminent
- First coking coal project moving to near production

## BURNSIDE

- Mining Right application and EMP accepted by DMR

## PROJECT PIPELINE

- Coal interests extended to Botswana
- Acquisition of additional 14 KZN Prospecting Rights mostly contiguous with or close to existing projects

## STATEMENT OF FINANCIAL POSITION

	Unaudited Six months ended 28 Feb 2010	Unaudited Restated Six months ended 28 Feb 2009	Audited Year ended 31 Aug 2009
(Figures in Rand)			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	8,018,180	7,091,371	9,156,934
Intangible assets	338,136,017	326,884,392	334,752,927
Investments in associates	40	40	40
Other financial assets	2,664,038	–	2,664,038
	<b>348,818,275</b>	<b>333,975,803</b>	<b>346,573,939</b>
<b>Current Assets</b>			
Trade and other receivables	1,376,880	556,227	1,193,174
Cash and cash equivalents	5,503,149	23,290,833	15,129,871
	<b>6,880,029</b>	<b>23,847,060</b>	<b>16,323,045</b>
<b>Total Assets</b>	<b>355,698,304</b>	<b>357,822,863</b>	<b>362,896,984</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Attributable to Equity Holders of Parent			
Share capital	91,812,466	91,812,466	91,812,466
Reserves	1,793,343	–	2,049,535
Retained income	248,248,695	261,078,214	255,084,522
	<b>341,854,504</b>	<b>352,890,680</b>	<b>348,946,523</b>
Non-controlling interest	(382,114)	(160,435)	(168,950)
	<b>341,472,390</b>	<b>352,730,245</b>	<b>348,777,573</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Finance lease obligation	2,315,841	3,128,961	2,782,501
Deferred tax	907,462	–	922,845
Environmental rehabilitation provisions	8,163,572	–	7,892,023
	<b>11,386,875</b>	<b>3,128,961</b>	<b>11,597,369</b>
<b>Current Liabilities</b>			
Loans from shareholders	100,172	–	100,172
Other financial liabilities	–	700,248	100,000
Finance lease obligation	911,812	717,480	867,921
Operating lease liability	34,617	–	22,121
Trade and other payables	1,792,438	545,929	1,431,828
	<b>2,839,039</b>	<b>1,963,657</b>	<b>2,522,042</b>
<b>Total Liabilities</b>	<b>14,225,914</b>	<b>5,092,618</b>	<b>14,119,411</b>
<b>Total Equity and Liabilities</b>	<b>355,698,304</b>	<b>357,822,863</b>	<b>362,896,984</b>
Net asset value per share (cents)	138.02	142.57	140.98
Net tangible asset value per share (cents)	1.35	10.45	5.67
Shares in issue – closing number	247,400,494	247,400,494	247,400,494

## STATEMENT OF FINANCIAL PERFORMANCE

(Figures in Rand)	Unaudited Six months ended 28 Feb 2010	Unaudited Restated Six months ended 28 Feb 2009	Audited Year ended 31 Aug 2009
Operating expenses	(7,285,304)	(5,742,225)	(11,933,296)
Operating loss	(7,285,304)	(5,742,225)	(11,933,296)
Investment revenue	410,058	1,155,952	1,815,095
Finance costs	(445,308)	(290,786)	(629,902)
Loss before taxation	(7,320,554)	(4,877,059)	(10,748,103)
Taxation	(84,247)	–	(125,804)
Loss for the period	(7,404,801)	(4,877,059)	(10,873,907)
Loss attributable to:			
Owners of the parent	(7,191,637)	(4,873,886)	(10,867,578)
Non-controlling interest	(213,164)	(3,173)	(6,329)
	(7,404,801)	(4,877,059)	(10,873,907)
Loss per share (cents)	(2.99)	(2.11)	(4.53)
Headline loss per share (cents)	(2.99)	(2.11)	(4.47)
Shares in issue – weighted average number	247,400,494	231,265,679	239,687,698
No dilution effect			

## STATEMENT OF COMPREHENSIVE INCOME

(Figures in Rand)	Unaudited Six months ended 28 Feb 2010	Unaudited Restated Six months ended 28 Feb 2009	Audited Year ended 31 Aug 2009
Loss for the period	(7,404,801)	(4,877,059)	(10,873,907)
Other comprehensive income:			
Gains and losses on property revaluation	(355,822)	–	2,846,576
Taxation related to components of other comprehensive income	99,630	–	(797,041)
Other comprehensive income for the period net of taxation	(256,192)	–	2,049,535
Total comprehensive loss	(7,660,993)	(4,877,059)	(8,824,372)
Total comprehensive loss attributable to:			
Owners of the parent	(7,447,829)	(4,873,886)	(8,818,043)
Non-controlling interest	(213,164)	(3,173)	(6,329)
	(7,660,993)	(4,877,059)	(8,824,372)

## STATEMENT OF CHANGES IN EQUITY

(Figures in Rand)	Share capital	Share premium	Total share capital	Re-valuation reserve	Retained income	Total attributable to equity holders of group/ company	Non-controlling interest	Total equity
<b>Balance at 31 Aug 2008 reported previously</b>	<b>2,151,309</b>	<b>72,493,715</b>	<b>74,645,024</b>	<b>284,521,517</b>	<b>(20,798,510)</b>	<b>338,366,031</b>	<b>(551,176)</b>	<b>337,816,855</b>
Prior period adjustments	–	–	–	(284,521,517)	287,788,096	3,266,579	495,186	3,761,765
Balance at 31 August 2008 – restated	2,151,309	72,493,715	74,645,024	–	266,989,586	341,634,610	(55,990)	341,578,620
Changes in equity								
Total comprehensive loss for the 6 months	–	–	–	–	(4,873,886)	(4,873,886)	(3,173)	(4,877,059)
Issue of shares	322,696	16,844,746	17,167,442	–	–	17,167,442	–	17,167,442
Business combinations	–	–	–	–	(1,037,486)	(1,037,486)	(101,272)	(1,138,758)
Total changes	322,696	16,844,746	17,167,442	–	(5,911,372)	11,256,070	(104,445)	11,151,625
<b>Balance at 28 February 2009 – restated</b>	<b>2,474,005</b>	<b>89,338,461</b>	<b>91,812,466</b>	<b>–</b>	<b>261,078,214</b>	<b>352,890,680</b>	<b>(160,435)</b>	<b>352,730,245</b>
<b>Balance at 31 August 2009</b>	<b>2,474,005</b>	<b>89,338,461</b>	<b>91,812,466</b>	<b>2,049,535</b>	<b>255,084,522</b>	<b>348,946,523</b>	<b>(168,950)</b>	<b>348,777,573</b>
Changes in equity								
Total comprehensive loss for the 6 months	–	–	–	(256,192)	(7,191,637)	(7,447,829)	(213,164)	(7,660,993)
Revaluation reserve realised	–	–	–	–	355,810	355,810	–	355,810
Total changes	–	–	–	(256,192)	(6,835,827)	(7,092,019)	(213,164)	(7,305,183)
<b>Balance at 28 February 2010</b>	<b>2,474,005</b>	<b>89,338,461</b>	<b>91,812,466</b>	<b>1,793,343</b>	<b>248,248,695</b>	<b>341,854,504</b>	<b>(382,114)</b>	<b>341,472,390</b>
<b>Balance at 31 August 2008 – restated</b>	<b>2,151,309</b>	<b>72,493,715</b>	<b>74,645,024</b>	<b>–</b>	<b>266,989,586</b>	<b>341,634,610</b>	<b>(55,990)</b>	<b>341,578,620</b>
Changes in equity								
Total comprehensive loss for the year	–	–	–	2,049,535	(10,867,578)	(8,818,043)	(6,329)	(8,824,372)
Issue of shares	322,696	16,844,746	17,167,442	–	–	17,167,442	–	17,167,442
Business combinations	–	–	–	–	(1,037,486)	(1,037,486)	(106,631)	(1,144,117)
<b>Balance at 31 August 2009</b>	<b>2,474,005</b>	<b>89,338,461</b>	<b>91,812,466</b>	<b>2,049,535</b>	<b>255,084,522</b>	<b>348,946,523</b>	<b>(168,950)</b>	<b>348,777,573</b>

## STATEMENT OF CASH FLOWS

	Unaudited Six months ended 28 Feb 2010	Unaudited Restated Six months ended 28 Feb 2009	Audited Year ended 31 Aug 2009
(Figures in Rand)			
<b>Cash flows from operating activities</b>			
Cash used in operations	(5,930,820)	(5,897,919)	(10,197,056)
Interest income	410,058	1,155,952	1,815,095
Finance costs	(173,772)	(290,786)	(629,902)
Net cash from operating activities	(5,694,534)	(5,032,753)	(9,011,863)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(26,330)	(1,163,992)	(1,266,476)
Purchase of other intangible assets	(3,383,090)	(5,476,810)	(5,964,798)
Movement in investments (incl. subs, JVs & Assoc)	–	(1,000,000)	(1,000,000)
Purchase of financial assets	–	–	(2,664,038)
Net cash from investing activities	(3,409,420)	(7,640,802)	(10,895,312)
<b>Cash flows from financing activities</b>			
Proceeds on share issue	–	17,167,442	17,167,442
Repayment of other financial liabilities	(100,000)	(303,924)	(1,035,247)
Finance lease payments	(422,769)	(1,381,404)	(1,577,423)
Net cash from financing activities	(522,769)	15,482,114	14,554,772
Total cash movement for the period	(9,626,723)	2,808,559	(5,352,403)
Cash at the beginning of the period	15,129,871	20,482,274	20,482,274
Total cash at end of the period	5,503,148	23,290,833	15,129,871

## COMMENTARY

The Board of Directors welcomes this opportunity to update the shareholders of Miranda on some of the exciting developments impacting on their investment during the last six months.

### 1. STATEMENT OF COMPLIANCE

The condensed consolidated interim financial results of the Group for the six month period ended 28 February 2010 are a summary of the Group's unaudited interim financial statements and comprise the Company and its subsidiaries.

### 2. PRESENTATION OF CONDENSED CONSOLIDATED INTERIM RESULTS

These interim financial results have been prepared in accordance with the recognition and measurement criteria of IFRS, interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), and the presentation and disclosure requirements of International Accounting Standard: Interim Financial Reporting (IAS34), the JSE Listings Requirements, AC 500 and the South African Companies Act and are consistent with the previous annual financial statements. In the preparation of these interim financial results, the Group has applied key assumptions concerning the future and other indeterminate sources in recording various assets and liabilities.

The Group's principal accounting policies and assumptions have been applied consistently over the current and prior financial period, except for IAS 1, Presentation of Financial Statements; IAS 16, Property, plant and equipment; and IAS 38, Intangible assets.

### 3. CHANGES IN ACCOUNTING POLICY

IAS 16, Property, plant and equipment – During the year, the group changed its accounting policy with respect to the accounting treatment of aircraft. The group has adopted the revaluation model for all property, plant and equipment classified as aircraft. The change in accounting policy is applied prospectively.

IAS 38, Intangible assets – During the year, the group changed its accounting policy with respect to the treatment of intangible assets relating to mineral rights. The Board has decided to change from the revaluation model to the historical cost basis to enhance industry comparability. The change in accounting policy is applied retrospectively. The changes in accounting policy have no financial effect on the interim financial statements for the 6 months ended 28 February 2009.

### 4. RESTATEMENT

The Group has reviewed its interpretation of IFRS 6, "Exploration for and Evaluation of Mineral Resources", and as result has amended the treatment of exploration and evaluation expenses. According to IFRS 6, if the entity has obtained the legal rights to explore a specific area it may capitalise all exploration and evaluation expenses until technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

The Group also reviewed its accounting for business combinations and on the basis of non-compliance with IFRS 3 and IAS 38 on the business combinations in 2005 to 2008, the Group restated its accounts. The amendments resulted in the following adjustment on the reported 28 February 2009 results:

#### STATEMENT OF FINANCIAL POSITION

Intangible assets	R20,051,875
Goodwill	(R11,713,631)
Reserves	R284,521,517
Retained earnings	(R292,009,396)
Non-controlling interest	(R850,365)
<b>Profit or Loss</b>	
Operating expenses	(R5,476,810)
Non-controlling interest	R218,024

As a result of the above restatement earnings and headline earnings per share decreased from 4.4 cents loss per share to 2.1 cents loss per share, respectively.

## 5. INTANGIBLE ASSETS

Unaudited six months ended 28 February 2010

(Figures in Rand)	Cost / Valuation	Accumulated amortisation	Carrying value
Mineral rights	315,761,924	–	315,761,924
Development properties	12,790,767	–	12,790,767
Exploration & evaluation asset	9,583,326	–	9,583,326
<b>Total</b>	<b>338,136,017</b>	<b>–</b>	<b>338,136,017</b>

Unaudited 6 month ended 28 February 2009

Mineral rights	315,761,924	–	315,761,924
Development properties	–	–	12,790,767
Exploration & evaluation asset	11,122,468	–	11,122,468
<b>Total</b>	<b>326,884,392</b>	<b>–</b>	<b>326,884,392</b>

Audited for the period ended 31 August 2009

Mineral rights	315,761,924	–	315,761,924
Development properties	11,540,820	–	11,540,820
Exploration & evaluation asset	7,450,183	–	7,450,183
<b>Total</b>	<b>334,752,927</b>	<b>–</b>	<b>334,752,927</b>

Exploration and evaluation asset

(Figures in Rand)	Unaudited Six months ended 28 Feb 2010	Unaudited Six months ended 28 Feb 2009	Audited Period ended 31 Aug 2009	Mineral rights
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Entity

Applewood Trading 3 (Pty) Ltd	704,530	341,011	549,730	Coal
Lauraville Mynbou (Pty) Ltd	102,371	69,785	102,371	Diamonds
Majestic Silver Trading 348 (Pty) Ltd	1,058,068	–	498,359	Coal
Miranda Coal (Pty) Ltd	2,563,265	1,362,752	2,455,265	Coal
Miranda Minerals (Pty) Ltd	2,667,930	1,856,328	2,199,546	Coal, Base metals, Gold & Diamonds
Naledi Mining Solutions (Pty) Ltd	3,106	3,107	3,106	Clay
Nungu Trading 695 (Pty) Ltd	132,224	8,550	132,224	Coal
Point Blank Trading 104 (Pty) Ltd	423,498	422,398	423,498	Coal
Sesikhona Klipbrand Colliery (Pty) Ltd	–	6,621,277	–	Coal
Street Spirit Trading 54 (Pty) Ltd	880,362	265,157	597,930	Coal
Firefox (Pty) Ltd – Botswana	227,727	172,103	227,727	Diamonds
Dwalalamadwala Mining Resesources (Pty) Ltd	820,245	–	260,427	Coal
	<b>9,583,326</b>	11,122,468	7,450,183	

## 6. STRATEGIC AND CORPORATE REVIEW

At a strategic level, the plan to list the Group's coal assets separately in a "NewCoalCo", have gained considerable momentum during the period under review. Out of the Group's four business divisions, the South African coal assets are the most mature in terms of development and have reached critical mass. Listing these assets separately from Miranda Mineral Holdings Ltd had been identified previously as the most efficient way in which to realise the intrinsic value of Miranda Coal, which is presently being reflected in neither the share price nor the balance sheet, and to unlock value for shareholders.

To this end, the Board has initiated the value realisation process by investigating the most suitable regional domain on which to seek a listing for Miranda Coal, the wholly-owned subsidiary of MMH and the vehicle housing the Group's South African coal assets. A range of factors were considered, including valuation premium to be obtained, quantum of capital available in the different markets, stock exchange liquidity, nature of individual markets and market participants, investor understanding of and appetite for junior mining companies, as well as the legal, fiscal and regulatory framework. Given current financial market conditions, the Board favours the Australian domain for listing, Miranda Coal. Both Miranda Coal and the operational assets will remain SA tax residents, but the Board will nonetheless seek professional advice to ensure that any potential impact of the recently announced new Australian mining tax regime is minimized.

Venmyn has been mandated to complete Short-form Technical Resource and Valuation Statements ("TRVS") on all six of the coal projects that are currently under CPR. These "short-form" reports are based on the guidelines set out in Table 1 of the SAMREC Code and Table 2 of the SAMVAL Code. Projects included in the exercise are Sesikhona, Uithoek, Burnside, Boschhoek, Majestic and Yarl. First draft reports on five of these have already been completed and are presently being reviewed by management. The findings and content of the TRVS's will be released to shareholders as soon as finalised. The work presently being carried out by Venmyn will form the basis of independent fair and reasonable assessments when a potential transaction is presented to shareholders.

These independent valuations also form a starting point for negotiations with any potential counter-parties for externalising the coal assets into NewCoalCo. In this regard, the Board has considered a number of different potential structures for the transaction. These include an IPO, reverse-listing into an existing, listed "shell" company or merging with another junior coal mining company already listed. Discussions are continuing at various levels and the Board expects to move to "cautionary announcement" stage as soon as appropriate.

Shareholders potentially stand to benefit in a number of ways from, and depending on, the different transaction options being investigated by the Board for NewCoalCo. These include:

- Any transaction will incorporate a capital raising component, designed to bring Miranda Coal's pipeline of near-term production projects on stream ("one project a year for five years"), to modernise and develop the coal logistics infrastructure, and to continue bringing the portfolio of development and exploration projects up the coal value curve.
- A capital raising exercise in NewCoalCo is considered the most efficient way to raise funding as it stands to incorporate and give recognition to the value that has been created in the coal portfolio during the last number of years.
- MMH, as the listed entity and current holding company, will retain a sizable holding in NewCoalCo after the capital raising.
- Any transaction will create an arms' length, "see-through" value for the coal assets, which should provide an underpin to the MMH share price.
- The Board will consider, subject to the capital gains tax and other fiscal and regulatory implications, to "pass on" some of its shareholding in NewCoalCo to MMH shareholders, for instance by means of a dividend in specie.

- NewCoalCo will have in place the requisite Board and coal mining operational expertise to ensure optimisation of its activities.
- MMH will be allowed to focus on its core niche, which lies in identifying and developing suitable exploration targets across the minerals and energy spectrum.

## **7. OPERATIONAL REVIEW**

Much of the activity in Miranda Coal has been focused on gaining independent verification of the value creation process that took place over the last two years. Not only is this being done in support of the “spinning off” of the coal assets as described above, but it is also a function of the normal advancement of any exploration project.

### **7.1 SESIKHONA**

Sesikhona represents the Group’s first mining project and has achieved a number of significant milestones during the period under review, including:

- Stefanutti Stocks Mining Services (“SSMS”) have been selected as the preferred mining contractor for Sesikhona.
- SSMS is on schedule to move on site during the second half of May and commence mining on 1 June 2010.
- Additional core and percussion drilling have served to enhance the understanding and definition of the resource, as well as improving the available quality information.
- The area of the open pit resource expected to be economically mineable has been more than doubled from the previously announced 1.6mt.
- SSMS, in association with consulting engineers VBKom, have completed the mine plan and have presented Miranda with a revised project cost summary (detailed bill of quantities) for consideration – this reflects a life of mine (excluding potential high-walling, underground expansions) of 52 months, and a total mining rate per ton of coal of R158.20 at an average stripping ratio of 6.5:1.
- SSMS have commenced with recruitment in the local Verdriet and neighbouring areas – approximately half of the labour force of 120 is expected to be drawn from the local community that will be provided with additional training.
- Miranda is close to finalising an off-take agreement with a SA-based counter-party.

Full details will be presented to shareholders as soon as finalised.

### **7.2 UITHOEK**

Uithoek is planned as the second of the Group’s coal projects to move into the mining phase. Significant developments during the last six months include:

- Management is engaged in last round discussions with the Department of Mineral Resources (“DMR”) before the finalisation of its Social and Labour Plan for Uithoek. Although the formal DMR process is largely outside of management’s control, approval of the Mining Right is expected within one calendar month thereafter.
- Additional in-fill and quality drilling have been completed on Uithoek and management are awaiting the results.
- SSMS have commenced with designing a concept mining plan on the project, which will initially focus on the open pit area.
- Uithoek is on schedule to start breaking ground in the second quarter of Miranda’s 2010/11 financial year.

### **7.3 BURNSIDE**

Burnside is contiguous to Uithoek and scheduled as Miranda Coal’s third, and largest to date, mining project. The period under review has seen the project advance in a number of ways:

- Burnside’s Mining Right application was submitted and accepted by the DMR.
- A scoping report for the project was submitted by mid-November 2009.

- The environmental impact assessment was completed and the Environmental Management Program was submitted to, and accepted by, the DMR in April 2010.
- Consultations with the interested and affected parties were concluded by April 2010.
- Miranda Coal has commenced with further drilling on Burnside, which is aimed at upgrading its resource status to that of measured in terms of the SAMREC Code and on obtaining more coal washability information.
- From a timing perspective, Burnside lags Uithoek by approximately twelve months and is therefore scheduled to start operations by the second quarter of Miranda's 2011/12 financial year.

#### **7.4 MAJESTIC**

An initial CPR was released on Miranda Coal's 65%-owned Majestic project in KZN (see SENS announcement dated 29 March 2010 and the Group's website for more detail). Majestic is located approximately 8km south of Sesikhona, and should be able to share capacity and infrastructure.

Miranda's initial drilling programme commenced in mid-2009 with 18 cored boreholes. A total of 10 of these holes intersected coal seams, with the "no-coal holes" intersecting previously mined areas. The economic seams are the Top and Bottom Seams. The exploration programme results identified the Bottom Seam as showing the most potential with good, mineable seam widths and good product yields.

The in situ resource is in the "Inferred" category of the SAMREC classification for multiple coal seam deposits and amounts to 5.37 million tons. The Top Seam holds approximately 1.93 million tons and the Bottom Seam 3.44 million tons of coal. Washed qualities were simulated for the different seams and blocks, and yielded a 10.5% ash product with qualities required by the metallurgical industry for steel making.

In-fill drilling with analytical data is required on the Majestic Project's property to upgrade all the resource blocks to an "Indicated" category. Further drilling is continuing with the overall aim of extending the resource area, improving the resource classification and increasing coal quality information.

#### **7.5 NEW PROSPECTS ACQUIRED**

Miranda Coal has signed conditional Memoranda of Understanding with four companies in terms of which it will acquire a 62.5% interest in an additional 14 Prospecting Rights presently under application. All of the Prospecting Rights have been accepted by the DMR and three have been granted to date. The Prospecting Rights cover an additional 27,264 hectares in northern KZN's Klip River and Utrecht coalfields, and eight of the properties are either contiguous with, or in the immediate vicinity of Miranda Coal's existing projects. The MoUs are subject to the granting of the Prospecting Rights and approval by the DMR of the change in the controlling shareholding.

#### **7.6 MIRANDA COAL BOTSWANA**

Miranda Coal Botswana has entered into a conditional agreement with Goldington Investments (Pty) Ltd ("Goldington") in terms of which it will acquire a 70% interest in Goldington's coal and coalbed methane ("CBM") prospects in Botswana. Goldington is the holder of 12 Prospecting Licenses for coal and CBM covering a total of 629,340 hectares over 4 contiguous areas in the Mmamabula, Mokobela, Tlhabala and Sese areas of Botswana. The agreement is subject to the successful extension of the Prospecting Licenses and acceptance of the amendment in the Prospecting Works Program, on a basis approved by Miranda, by the Department of Mines in terms of the Mines and Mineral Act 1999 of Botswana.

Shareholders will be provided with more detail as soon as the agreement becomes unconditional. Miranda's Botswana coal interests have been excluded in any discussions concerning the externalising of Miranda Coal's KZN assets referred to above.

### **8. FINANCIAL REVIEW**

On 28 February 2010, the net asset value and net tangible asset value of the company amounted to R341.5 million and R3.3 million respectively (2009: R352.7 million and R25.8 million). This was equivalent to 138.0 cents per share ("cps") and 1.3 cps (2009: 142.6 cps and 10.4 cps), which represents a decline of 3% and

87%, respectively. The group has incurred material expenditure in the period as a direct result of its ongoing exploration program and the preparation of new exploration and mining right applications. The resultant net loss for the period was R7.4 million (2009: R4.9 million).

The Company is currently considering a number of options for raising capital to fund its ongoing operations and the Group's exploration activities. Possible sources of funding include issuing of a redeemable, convertible debt instrument, putting in place a revolving standby debt facility, or issuing ordinary shares in terms of the 15% of the issued share capital placed under the control of the Board by shareholders.

## 9. GROUP PROSPECTS

The Board has been working diligently to implement its vision of developing Miranda Mineral Holdings Ltd into the exploration partner of choice in the mining industry in South and Southern Africa across a wide range of commodities. To this extent, it is particularly exciting that the value in Miranda Coal, as the first parcel of assets to obtain critical mass, is now ready to be unlocked. In addition, the six months ahead should see Miranda Coal's Sesikhona Colliery break ground, with most of the preparatory work being put in place for the commissioning of Uithoek. These developments are taking place at a time when international coking coal prices have rallied strongly and are generally expected to remain strong for the foreseeable future. This has translated into considerable demand for Miranda Coal's portfolio of coal products, as well as created interesting opportunities to unlock the inherent value in the Miranda Coal portfolio of assets.

## 10. STATEMENT ON GOING CONCERN

The condensed consolidated interim results have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## 11. DIVIDENDS

No dividends were recommended or declared for the period under review (2009: nil).

For and on behalf of the Board

**AR Thompson**

*Chairman*

Centurion

6 May 2010

**RJ Nel**

*Chief Executive Officer*

**AM Botha**

*Financial Director*

## MIRANDA MINERAL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/001940/06)

Share code: MMH ISIN: ZAE000074019

("Miranda" or "the company" or "the group")

**Transfer secretaries**

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

**Sponsor**

PRICEWATERHOUSECOOPERS 

**Corporate adviser**

**Touchstone**  
Capital (Pty) Ltd