

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")

Loan by the Indalo Consortium to the Company and possible specific issue of shares

1. Introduction

- 1.1. The board is pleased to announce that it has on 24 April 2017 accepted an offer from the Indalo Consortium ("Indalo"), in terms of which Indalo will lend an amount of R8 million to Miranda repayable by a certain date or, at the election of Indalo before such date, and provided certain conditions had been met, the issue of a number of shares to be determined at the 30 day Volume Weighted Average Price ("VWAP") of Miranda on the JSE Limited ("JSE") less a 10% discount on certain terms and conditions ("the loan") summarised below.
- 1.2. Indalo Consortium is made up of MKM Investments (Pty) Ltd, Mtungwa Mining (Pty) Ltd and other Broad Based Empowerment Groups. The loan is not from related party.
- 1.3. The trading of shares in Miranda at the JSE is currently suspended.

2. Terms and conditions of the loan

- 2.1. The loan is subject to the following conditions:
 - 2.1.1. the successful implementation of the Compromise with Creditors which was sanctioned by the North Gauteng High court in February 2015 and was approved by shareholders in January 2016 (see the SENS announcements dated 4 February 2015 and 15 January 2016 respectively);
 - 2.1.2. Indalo's right to convert the balance of the loan by way of a specific issue of Miranda shares for cash to Indalo on the basis set out in 1.1 above, subject to shareholders' approval ("the specific issue");
 - 2.1.3. Indalo's right to nominate two directors onto the Miranda board and the continued appointment of Dr Lelau Mohuba as the Chairman of the Miranda board until the next annual general meeting;
 - 2.1.4. Indalo's right to present commercially viable assets to the Miranda board;
 - 2.1.5. No material or adverse changes taking place in Miranda from the date of signing formal agreements to the closing date of the transaction; and
 - 2.1.6. The conclusion of definitive agreements between Indalo and Miranda in order to implement the transaction and the fulfilment of all conditions thereto.
- 2.2. The loan will bear interest at the prime overdraft rate plus 2 % per annum payable monthly in arrears.
- 2.3. The loan will be repaid no later than 60 days after the lifting of suspension of Miranda shares on the JSE, or 18 months from the date of advancement of the loan, whichever

is earlier, unless Indalo has elected, prior to such date, that the loan be repaid by the specific issue.

2.4. The loan will be ringfenced and be applied for the following:

- implementation of the Compromise with Creditors referred to in 2.1.1 above;
- appointment of a financial director;
- completion of all outstanding financial statements of the Company and its subsidiaries;
- completion of the audits of the said financial statements;
- printing and posting of the respective integrated annual reports and holding of annual general meetings;
- payment of remuneration (subject to certain limitations);
- payment of creditors; and
- payment of legal fees limited to R500 000.

2.5. Once these matters had been finalised, the Company will apply to the JSE for the lifting of the suspension of its shares on the JSE.

3. Possible specific issue

3.1. Once the Company's shares have been unsuspended and again trade freely on the JSE, Indalo will be in a position to decide whether to call for a conversion of its loan by way of the specific issue.

3.2. Once Indalo has elected the specific issue, the Company would have to obtain:

3.2.1. shareholder's approval for the specific issue and a waiver of a mandatory offer to shareholders in a general meeting of shareholders; and

3.2.2. the necessary approvals or waivers (as the case may be) from the Takeover Regulation Panel, JSE, South African Reserve Bank and any other regulatory authorities as may be required.

3.3. A detailed announcement will be released at the time, which will include the pro forma financial effects of the conversion of the loan by way of the specific issue..

Johannesburg
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