



ANNUAL REPORT
FOR THE YEAR ENDED AUGUST 31, 2011



MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2011

**Item 5: Extracted from the an Annual Report on Form 20F filed by
Miranda Gold Corp. on www.sedar.com as an alternative
Annual Information Form**

MIRANDA GOLD CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED AUGUST 31, 2011

A. Operating Results

Management's discussion and analysis is presented in relation to the financial statements of Miranda, which statements are prepared as a going concern in accordance with Canadian GAAP. Miranda is in the natural resource sector engaged in the acquisition, exploration and, given the proper situation, development of mineral properties. The Company's primary focus is on gold exploration. The Company has varying interests in a number of mineral properties located in Nevada, Alaska and Colombia.

Results of Operations for the year ended August 31, 2011, 2010 and 2009

The Company incurred a loss of \$3,660,340 (2010 - \$3,130,831; 2009 - \$2,336,961) and a comprehensive loss of \$3,595,976 for the year ended August 31, 2011 (2010 - \$3,195,756; 2009 - \$2,267,022).

Expenses for the year ending August 31, 2011 were \$3,573,270 (2010 - \$3,252,355; 2009 - \$2,403,329).

Significant differences between the years follow:

Investor relations, travel and business promotion combined to \$327,543 for the year ended August 31, 2011 (2010 - \$363,396; 2009 - \$337,637). The investor relations programs in fiscal 2011 included attendance at six conferences, newsletters, news releases, interviews (TV and radio), presentations and one-on-one meetings with brokers and analysts, media relations, corporate relations and web site maintenance and responses to inquiries.

The Company allocates a portion of salaries and consulting fees to exploration projects on the basis of direct time spent and is included in property exploration costs. The portion of salaries and consulting fees for joint venture management and administration are included in expenses and combined to \$889,487 for the year ending August 31, 2011 (2010 - \$972,653; 2009 - \$960,396). The Company's President is based in Reno and the Company has four additional full time employees based in our exploration office in Elko, Nevada and until February 2011, had one full time investor relations manager in Vancouver.

Office rent, telephone, secretarial and sundry costs for the year ended August 31, 2011 were \$190,850 (2010 - \$207,395; 2009 - \$158,042). The increase in 2010 was partially due to the setting up our branch offices in Colombia. These costs are expected to continue at these levels into the future.

Professional fees, which include audit, tax preparation and legal fees, are reduced for the year ended August 31, 2011 over the 2010 year to \$80,398 (2010 - \$253,043; 2009 - \$74,004). In fiscal 2010 legal fees were incurred to establish the Colombia subsidiaries, the Association Agreement with ExpoGold, the Pavo Real option agreement and the share purchase and shareholder agreement with Red Eagle. In addition accounting and audit fees for each of the Colombian branch offices have also increased this expense category.

Property exploration costs in the year ended August 31, 2011 were \$1,350,487 net of recoveries from funding partners of \$605,803 (2010 - \$1,160,054 net of \$376,810; 2009 - \$469,110 net of \$318,005). The portion of salaries and consulting fees included in property exploration costs combined to \$872,574 for the year ending August 31, 2011 (2010 - \$688,140; 2009 - \$243,424). Mineral exploration costs are expensed until such time as economically recoverable reserves have been defined on the mineral property and a decision to proceed with development has been made. The Company acts as a service contractor to some of the Company's partners on certain properties for which it was paid a management fee based on a percentage of eligible expenditures. The Company earned \$3,123 in the year ended August 31, 2011 (2010 - \$nil; 2009 - \$16,920). During the 2009 and 2010 fiscal year, the Company had inadvertently charged management fees on certain ineligible expenses that were clawed back in the 2010 fiscal year causing the \$nil management fee in the 2010 fiscal year. The components of property exploration costs are detailed in note 10 of the financial statements.

The non-cash stock based compensation expense for stock options vested during the year was \$556,703 in the year ended August 31, 2011 (2010 - \$174,832; 2009 - \$537,550). The fair value of each option granted was estimated on the date of grant using the Black-Scholes option pricing model and recognized over the vesting period of the options.

Mineral property option payments received are first credited to the individual project's capitalized mineral property costs before any remaining portion is recognized as income. In the year ended August 31, 2011, the Company recognized \$40,914 as mineral property income (2010 - \$59,028; 2009 - \$238,837).

In fiscal year 2011, the Company was unsuccessful in finding partners to joint venture and fund the exploration costs of the Anori and Santander projects in Colombia. In addition and subsequent to entering into an agreement with the Company on the Cajamarca property package, Red Eagle terminated the Ibague project and the Company wrote off \$206,929 (2010 - \$27,580; 2009 - \$169,210) of mineral property costs for all three projects.

The Company's projects are at the exploration stage and have not yet generated any revenue from production to date.

Readers should refer to the notes to the consolidated financial statements for details regarding all the mineral leases and joint venture agreements for each of the Company's properties.

B. Liquidity and Capital Resources

Miranda's primary source of funds since incorporation has been through the issue of its common stock and the exercise of common stock options and common stock share purchase warrants.

The Company conducted an exclusive private placement, which closed on November 3, 2010, raising \$500,000 through the issuance of 1,000,000 units at a price of \$0.50 per unit (the "Unit") with a corporation controlled by Paul van Eeden who is now a director of Miranda. Each Unit consisted of one common share and one common share purchase warrant, with each warrant entitling the subscriber to purchase one additional common share in the capital of the Company at a price of \$0.75 for a period of two years from the date of closing of the private placement.

Miranda applies the joint venture business model to its operations. Through generative exploration it stakes claims on mineral properties, or acquires the property by way of an option to lease agreement, and then seeks a joint venture partner to fund the exploration of the project to earn an interest. In some agreements Miranda receives common stock and/or cash option payments as a portion of the cost to earn an interest in the project.

The Company records management fees earned for acting as a service contractor to certain exploration funding partners as an offset to expenses. Mineral property option proceeds from properties where all acquisition costs have been recovered further reduce expenses. The Company does not anticipate mining revenues from the sale of mineral production in the foreseeable future. The operations of the Company consist of the exploration and evaluation of mining properties and as such the Company's financial success will be dependent on the extent to which it can discover new mineral deposits. The Company anticipates seeking additional equity investment from time to time to fund its activities that cannot be funded through other means.

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Aug 31 2011 \$	May 31 2011 \$	Feb 28 2011 \$	Nov 30 2010 \$	August 31 2010 \$	May 31 2010 \$	Feb 28 2010 \$	Nov 30 2009 \$
Revenue	nil	nil	nil	nil	nil	nil	nil	nil
Loss for the period	(731,123)	(886,279)	(708,599)	(1,334,339)	(1,030,134)	(759,806)	(650,518)	(690,373)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.03)	(0.02)	(0.02)	(0.01)	(0.02)

Miranda began the fourth quarter of the 2011 fiscal year with cash of \$8,433,926. During the three months ended August 31, 2011, the Company expended \$776,304 on operating activities and expended \$20,959 on investing activities to end on August 31, 2011, with \$7,636,663 in cash.

Miranda began the 2011 fiscal year with cash of \$10,298,439. During the year ended August 31, 2011, the Company expended \$3,076,243 on operating activities and \$209,212 on investing activities and raised \$623,679 on financing activities to end on August 31, 2011, with \$7,636,663 in cash.

As at November 30, 2011, there were 7,022,000 stock options outstanding pursuant to the 2006 Plan none of which were "in-the-money" (TSX.V closing price November 30, 2011 was \$0.33). In addition, as at November 30, 2011, there were 6,886,492 share purchase warrants none of which were "in-the-money".

Authorized: an unlimited number of common shares without par value	Common Shares Issued and Outstanding	Common Share Purchase Warrants	Stock Options
Outstanding August 31, 2011	52,849,452	6,886,492	5,157,000
Stock options granted	-	-	1,865,000
Shares issued pursuant to mineral property agreements	40,000	-	-
Share purchase warrants issued pursuant to mineral property agreement	-	100,000	-
Share purchase warrants expired unexercised	-	(100,000)	-
Outstanding at the date of this Annual Report	52,889,452	6,886,492	7,022,000

The Company has sufficient cash to meet its obligations as they come due.

C. Research and Development, Patents and Licenses

As Miranda is a mineral exploration company with no producing properties, the information required by this item is inapplicable.

D. Trend Information

Trends that are considered by Miranda to be reasonably likely to have a material effect on our results of operations are discussed above under “Results of Operations” in Item 5.A and “Liquidity and Capital Resources” in Item 5.B. Further, we consider that our ability to raise additional funding in order to complete our exploration programs and the plan of operations for its mineral properties for the current fiscal year and beyond will be impacted by prevailing prices for metals. As a mineral resource exploration company, the interest in Miranda’s stock, and our ability to raise financing and conduct work programs, has been cyclical as it is related to metals prices that, traditionally, have been cyclical in nature. If the global demand for gold decreases and gold prices decrease, it could adversely impair Miranda’s ability to raise financing and advance the exploration of our mineral properties.

The Company is a mineral exploration company. At this time, any issues of seasonality or market fluctuations have no material impact other than our ability to raise additional equity capital on terms that are acceptable to the Company. The Company currently defers its mineral property acquisition costs. The Company expenses its exploration and project investigation and general and administration costs and these amounts are included in the net loss for each quarter. The Company’s treasury, in part, determines the level of exploration undertaken.

E. Off-Balance Sheet Arrangements

Miranda does not have any off-balance sheet arrangements.

F. Tabular Disclosure of Contractual Obligations

The following table outlines the current contractual obligations of Miranda as at August 31, 2011:

Contractual Obligations	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-term Debt Obligations	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Lease Obligations	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Lease Obligations	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase Obligations	\$ -	\$ -	\$ -	\$ -	\$ -
Other Long-term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -

G. Safe Harbor

Certain statements contained in the foregoing Results of Operations and elsewhere in this Annual Report on Form 20-F constitutes forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Miranda to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Risk factors that could affect our future results include, but are not limited to, risks inherent in mineral exploration activities and other operating and development risks, no revenue from commercial operations, no assurance that any of our mineral properties possess commercially mineable bodies of ore, financial risk, shareholder dilution from additional equity financings, competition, environmental regulations, changes to reclamation requirements, volatility and sensitivity to market prices for precious and base metals, the impact of changes in foreign currencies' exchange rates, political risk, changes in government regulation and policies including trade laws and policies, demand for precious and base metals, and receipt of permits and approvals from governmental authorities.



CONSOLIDATED FINANCIAL STATEMENTS

For the years ended August 31, 2011, 2010 and 2009

(Stated in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Miranda Gold Corp.

We have audited the accompanying consolidated financial statements of Miranda Gold Corp. which comprise the consolidated balance sheets as at August 31, 2011 and 2010 and the consolidated statements of operations and comprehensive loss, cash flows and shareholders' equity for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Miranda Gold Corp. as at August 31, 2011 and 2010 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.



Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Miranda Gold Corp.'s ability to continue as a going concern.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

December 13, 2011



AUDITORS' REPORT

To the Shareholders of
Miranda Gold Corp.

We have audited the consolidated statements of loss and comprehensive loss, cash flows, and shareholders' equity for the year ended August 31, 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the results of its operations and its cash flows for the year ended August 31, 2009 in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada

"Morgan & Company"

December 9, 2009

Chartered Accountants

MIRANDA GOLD CORP.
CONSOLIDATED BALANCE SHEETS
(Stated in Canadian Dollars)

	<i>Note</i>	August 31, 2011	August 31, 2010
ASSETS			
Current			
Cash and cash equivalents	5	\$ 7,636,663	\$ 10,298,439
Amounts receivable	6	477,751	103,324
Marketable securities	4 & 7	378,300	139,500
Advances and prepaid expenses	8	101,002	123,919
		8,593,716	10,665,182
Equipment	9	207,955	148,851
Mineral interests	10	304,030	554,671
		\$ 9,105,701	\$ 11,368,704
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	11	\$ 178,392	\$ 199,393
Shareholders' equity			
Share capital		26,502,488	25,839,086
Contributed surplus		6,889,610	6,395,623
Warrants		1,005,613	809,028
Accumulated other comprehensive income		98,864	34,500
Deficit		(25,569,266)	(21,908,926)
		8,927,309	11,169,311
		\$ 9,105,701	\$ 11,368,704
Nature of operations and going concern	1		
Subsequent events	10 & 18		

Approved by the Board of Directors on December 13, 2011

"Kenneth Cunningham"
Kenneth Cunningham, Director

"G. Ross McDonald"
G. Ross McDonald, Director

See notes to the consolidated financial statements

MIRANDA GOLD CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Stated in Canadian Dollars)

	<i>Note</i>	Year ended August 31,		
		2011	2010	2009
Expenses				
Amortization		\$ 79,599	\$ 48,111	\$ 48,973
Consulting		124,321	136,569	160,233
Directors fees		32,129	43,355	28,463
Foreign exchange		44,265	25,234	(32,402)
Insurance		41,575	41,046	53,795
Investor relations		204,499	189,529	191,174
Management fees earned		(3,123)	-	(16,920)
Mineral property income		(40,914)	(59,028)	(238,837)
Office rent, telephone, secretarial, sundry		190,850	207,395	158,042
Professional fees		80,398	253,043	74,004
Property exploration costs (Schedule 1)		1,350,487	1,160,054	469,110
Stock based compensation		556,703	174,832	537,550
Travel and business promotion		123,044	173,867	146,463
Transfer agent, filing and regulatory fees		56,400	65,619	51,981
Wages and benefits		733,037	792,729	771,700
		3,573,270	3,252,355	2,403,329
Loss before other items		(3,573,270)	(3,252,355)	(2,403,329)
Other items				
Interest earned		105,736	58,700	207,613
Write-off of mineral interests		(206,929)	(27,580)	(169,210)
Loss on disposal of equipment		-	(4,440)	-
Gain on sale of marketable securities		-	94,844	27,965
		(101,193)	121,524	66,368
Loss before income taxes		(3,674,463)	(3,130,831)	(2,336,961)
Future income tax recovery	15	14,123	-	-
Loss for the year		(3,660,340)	(3,130,831)	(2,336,961)
Unrealized gain (loss) on marketable securities, net of tax		64,364	(64,925)	69,939
Comprehensive loss for the year		\$ (3,595,976)	\$ (3,195,756)	\$ (2,267,022)
Basic and diluted loss per common share		\$ (0.07)	\$ (0.07)	\$ (0.05)
Weighted average number of common shares outstanding		52,435,384	47,877,477	44,892,010

See notes to the consolidated financial statements

MIRANDA GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in Canadian Dollars)

	Year ended August 31,		
	2011	2010	2009
Cash provided from (used for):			
Operating activities			
Loss for the year	\$ (3,660,340)	\$ (3,130,831)	\$ (2,336,961)
Items not affecting cash:			
Amortization	79,599	48,111	48,973
Future income tax recovery	(14,123)	-	-
Unrealized foreign exchange loss	3,980	2,776	-
Write-off of mineral interests	206,929	27,580	169,210
Shares received as mineral property income	(29,334)	(24,167)	-
Stock based compensation	556,703	174,832	537,550
Loss on disposal of equipment	-	4,440	-
Gain on sale of marketable securities	-	(94,844)	(27,965)
	(2,856,586)	(2,992,103)	(1,609,193)
Change in non-cash working capital items:			
Amounts receivable	(221,573)	47,394	120,848
Advances and prepaid expenses	22,917	(52,521)	(10,691)
Accounts payable and accrued liabilities	(21,001)	106,335	(50,851)
	(3,076,243)	(2,890,895)	(1,549,887)
Investing activities			
Equipment purchases	(138,703)	(74,377)	(60,819)
Mineral interest recoveries	12,764	154,625	-
Mineral interest acquisitions	(83,273)	(333,500)	(35,108)
Proceeds from sale of marketable securities	-	116,844	60,965
	(209,212)	(136,408)	(34,962)
Financing activities			
Shares issued	627,750	3,723,720	-
Share issue costs	(4,071)	(85,594)	-
	623,679	3,638,126	-
Increase (decrease) in cash and cash equivalents	(2,661,776)	610,823	(1,584,849)
Cash and cash equivalents, beginning of the year	10,298,439	9,687,616	11,272,465
Cash and cash equivalents, end of the year	\$ 7,636,663	\$ 10,298,439	\$ 9,687,616
Cash and cash equivalents is comprised of:			
Cash	\$ 7,636,663	\$ 10,298,439	\$ 258,436
Short-term deposits	-	-	9,429,180
	\$ 7,636,663	\$ 10,298,439	\$ 9,687,616

Supplementary disclosure with respect to cash flows – Note 17

See notes to the consolidated financial statements

MIRANDA GOLD CORP.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Stated in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Warrants	Accumulated Other Comprehensive Income	Deficit	Total Shareholders' Equity
Balance, August 31, 2008	44,892,010	\$ 22,718,993	\$ 4,527,306	\$ 1,168,817	\$ 29,486	\$ (16,441,134)	\$ 12,003,468
Stock based compensation	-	-	537,550	-	-	-	537,550
Increase in unrealized holding gains on marketable securities	-	-	-	-	70,439	-	70,439
Realized gain on sale of marketable securities	-	-	-	-	(500)	-	(500)
Loss for the year	-	-	-	-	-	(2,336,961)	(2,336,961)
Balance, August 31, 2009	44,892,010	22,718,993	5,064,856	1,168,817	99,425	(18,778,095)	10,273,996
Expiration of warrants	-	-	1,164,511	(1,164,511)	-	-	-
Share issues:							
Private placement	5,686,492	2,914,305	-	781,915	-	-	3,696,220
Finders' fee	180,950	101,332	-	-	-	-	101,332
Share issue costs	-	(186,926)	-	-	-	-	(186,926)
Exercise of warrants	15,000	12,556	-	(4,306)	-	-	8,250
Exercise of stock options	55,000	27,826	(8,576)	-	-	-	19,250
Fair value of share purchase warrants issued pursuant to a mineral property agreement	-	-	-	27,113	-	-	27,113
Fair value of shares issued pursuant to a mineral interest agreement	450,000	251,000	-	-	-	-	251,000
Stock based compensation	-	-	174,832	-	-	-	174,832
Increase in unrealized holding gains on marketable securities	-	-	-	-	18,075	-	18,075
Realized gain on sale of marketable securities	-	-	-	-	(83,000)	-	(83,000)
Loss for the year	-	-	-	-	-	(3,130,831)	(3,130,831)
Balance, August 31, 2010	51,279,452	25,839,086	6,395,623	809,028	34,500	(21,908,926)	11,169,311
Share issues:							
Private placement	1,000,000	343,007	-	156,993	-	-	500,000
Share issue costs	-	(4,071)	-	-	-	-	(4,071)
Exercise of stock options	320,000	190,466	(62,716)	-	-	-	127,750
Fair value of share purchase warrants issued pursuant to a mineral property agreement	-	-	-	39,592	-	-	39,592
Fair value of shares issued pursuant to a mineral interest agreement	250,000	134,000	-	-	-	-	134,000
Stock based compensation	-	-	556,703	-	-	-	556,703
Increase in unrealized holding gains on marketable securities, net of tax	-	-	-	-	64,364	-	64,364
Loss for the year	-	-	-	-	-	(3,660,340)	(3,660,340)
Balance, August 31, 2011	52,849,452	\$ 26,502,488	\$ 6,889,610	\$ 1,005,613	\$ 98,864	\$ (25,569,266)	\$ 8,927,309

See notes to the consolidated financial statements

MIRANDA GOLD CORP.
SCHEDULE 1
PROPERTY EXPLORATION COSTS
(Stated in Canadian Dollars)

Year ended August 31, 2011			
	Exploration Expenditures	Recoveries from funding partners	Net Exploration Expenditures
<u>Nevada:</u>			
Angel Wing	\$ 251,471	\$ (251,471)	\$ -
Big Blue	177,741	(177,741)	-
Coal Canyon	33,159	(32,367)	792
East Spruce	34,980	-	34,980
FUSE	3,481	-	3,481
General exploration	332,813	-	332,813
HOG	3,279	-	3,279
Iron Point	68,536	-	68,536
PPM / Poverty Peak	39,115	-	39,115
Red Canyon	2,850	(2,850)	-
Red Hill	60,804	(60,804)	-
Redlich	2,022	-	2,022
Rook	25,170	-	25,170
TAZ	4,973	(2,893)	2,080
	1,040,394	(528,126)	512,268
<u>Alaska:</u>			
Ester Dome	139,943	(72,102)	67,841
<u>Colombia:</u>			
Property investigation costs	770,378	-	770,378
Pavo Real	5,575	(5,575)	-
Property exploration costs	\$ 1,956,290	\$ (605,803)	\$ 1,350,487

See notes to the consolidated financial statements

MIRANDA GOLD CORP.
SCHEDULE 1
PROPERTY EXPLORATION COSTS
(Stated in Canadian Dollars)

Year ended August 31, 2010

	Exploration Expenditures	Recoveries from funding partners	Net Exploration Expenditures
<u>Nevada:</u>			
Angel Wing	\$ 101,075	\$ (96,347)	\$ 4,728
Big Blue	144,581	(68,846)	75,735
BPV	85	(85)	-
Coal Canyon	65,256	(65,256)	-
CONO	(213)	213	-
FUSE	1,463	-	1,463
General exploration	410,642	-	410,642
HOG	6,873	-	6,873
Iron Point	58,743	(47,855)	10,888
Neon	(13,397)	-	(13,397)
Red Canyon	19,614	(19,614)	-
Red Hill	45,326	(44,237)	1,089
Redlich	17,630	-	17,630
TAZ	50,032	-	50,032
	907,710	(342,027)	565,683
<u>Alaska:</u>			
Ester Dome	90,529	-	90,529
<u>Colombia:</u>			
Property investigation costs	503,842	-	503,842
Pavo Real	34,783	(34,783)	-
Property exploration costs	\$ 1,536,864	\$ (376,810)	\$ 1,160,054

See notes to the consolidated financial statements

MIRANDA GOLD CORP.
SCHEDULE 1
PROPERTY EXPLORATION COSTS
(Stated in Canadian Dollars)

Year ended August 31, 2009

	Exploration Expenditures	Recoveries from funding partners	Net Exploration Expenditures
<u>Nevada:</u>			
Angel Wing	\$ 69,885	\$ (69,885)	\$ -
BPV	7,094	(7,094)	-
Coal Canyon	122,709	(122,709)	-
CONO	12,044	(12,044)	-
FUSE	1,776	-	1,776
General exploration	273,747	(10,805)	262,942
Horse Mountain	3,276	-	3,276
Iron Point	36,508	(36,508)	-
Neon	16,239	-	16,239
Big Blue	1,650	-	1,650
Red Canyon	58,960	(58,960)	-
Red Hill	16,178	-	16,178
Redlich	42,449	-	42,449
	662,515	(318,005)	344,510
<u>Mexico:</u>			
Property investigation costs	124,600	-	124,600
Property exploration costs	\$ 787,115	\$ (318,005)	\$ 469,110

See notes to the consolidated financial statements

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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1. NATURE OF OPERATIONS AND GOING CONCERN

Miranda Gold Corp. ("Miranda" or the "Company") is incorporated in British Columbia, Canada, and is in the business of acquiring and exploring mineral interests in Alaska and Nevada in the United States and Colombia, and has not yet determined whether its mineral interests contain ore reserves that are economically recoverable. The recoverability of the amounts spent for mineral interests is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral interests, and upon future profitable production or proceeds from the disposition of the interests. The Company will periodically have to raise additional funds to continue operations and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. To date the Company has not earned significant revenues, and is considered a company in the exploration stage.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the ordinary course of business. As at August 31, 2011, the Company had an accumulated deficit of \$25,569,266 and working capital of \$8,415,324.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation and Consolidation

These financial statements include the accounts of the Company and its two wholly-owned subsidiaries: in the U.S.A., Miranda U.S.A. Inc.; and in Colombia, Miranda Gold Colombia I Ltd. ("MAD I"), along with the consolidated subsidiaries of MAD I. Significant intercompany transactions and balances were eliminated on consolidation.

b) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses for the periods reported. Significant estimates and assumptions include those related to the recoverability of deferred mineral property expenditures, estimated useful lives of equipment, determination as to whether costs are expensed or deferred, the existence of asset retirement obligations, stock based compensation valuations and future income tax assets and liabilities. Actual results could differ from these estimates.

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock based compensation and share purchase warrants. The Company uses historical data to determine volatility in accordance with Black-Scholes modelling, however the future volatility is inherently uncertain and the model has its limitations. While these estimates can have a material impact on share based compensation and hence results of operations, there is no impact on the Company's financial condition.

c) Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents comprise highly liquid short-term investments that are readily convertible to known amounts of cash.

d) Equipment

Equipment is recorded at cost and is amortized over the economic lives using the declining balance method using the following rates: Computer equipment 30%; Field equipment 25%; and Furniture and fixtures 20%.

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
For the years ended August 31, 2011, 2010, and 2009
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Mineral Interests and Property Exploration Costs

Mineral property exploration costs, incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development, are charged to operations as incurred. The Company considers feasibility to be a commercially mineable deposit which would consist of proven and probable reserves and the existence of a final or bankable feasibility study which is a detailed engineering study to determine if a property can be mined at a profit and the best way to mine it. Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method based upon estimated proven and probable reserves.

Mineral property acquisition costs are capitalized and include cash consideration and the fair value of common shares and warrants issued for mineral property interests. These costs are amortized over the estimated life of the property following commencement of commercial production. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. For property acquired under an option agreement or by joint venture, where payments are made at the sole discretion of the Company, payments are recorded in the accounts at the time of payment.

Mineral property option payments received are first credited to the individual project's mineral property costs before any remaining portion is recognized as mineral property income.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

f) Impairment of Long-Lived Assets

The Company periodically evaluates the recoverability of its long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognized when estimated future cash flows resulting from the use of an asset and its eventual disposition is less than its carrying amount.

A mining enterprise in the development stage is not obliged to conclude that capitalized costs have been impaired due to the absence of a projected estimated future net cash flow from the mining enterprise. Mineral properties in the development stage do not have established mineral reserves and a basis for the preparation of a projection of the estimated future net cash flow from the properties does not exist. However, a mining enterprise is required to consider the conditions for impairment write-down. The conditions include significant unfavourable economic, legal, regulatory, environmental, political and other factors. In addition management's development activities towards its planned principal operations are a key factor considered as part of the ongoing assessment of the recoverability of the carrying amount of mineral properties. Whenever events or changes in circumstances indicate that the carrying amount of a mineral property in the exploration stage may be impaired the capitalized costs is written down to the estimated recoverable amount. During the year ended August 31, 2011, the Company wrote-off \$206,929 of mineral interests.

g) Income Taxes

Income taxes are calculated using the asset and liability method of accounting. Under this method current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are determined based on temporary differences between the tax basis of an asset or liability and its carrying amount on the balance sheet and on unclaimed losses carried forward. Future income tax liabilities or assets are calculated using the tax rates anticipated to apply in the periods that the temporary differences are expected to reverse.

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Income Taxes (continued)

Future tax assets are recognized to the extent that they are considered more likely than not to be realized. A valuation allowance is recognized to the extent that the recoverability of future income tax assets is not considered more likely than not.

h) Loss per Share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of common shares issued and outstanding during the year. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average market price during the period. Basic and diluted loss per share are equal for the years ended August 31, 2011, 2010 and 2009 as outstanding stock options and warrants were all anti-dilutive.

i) Foreign Currency Translation

These financial statements are presented in Canadian dollars unless otherwise stated. Transactions recorded in United States dollars and Colombian Peso have been translated into Canadian dollars using the Temporal Method as follows:

- monetary items at the rate prevailing at the balance sheet date;
- non-monetary items at the historical exchange rate;
- revenue and expense at the average rate in effect during the applicable accounting period.

Gains or losses arising on translation are included in the results of operations.

j) Asset Retirement Obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. As at August 31, 2011, and 2010, the Company had no material asset retirement obligations in respect to its mineral property interests.

k) Share Capital

The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option and warrant enabled the holder to purchase a share in the Company, together with any fair value ascribed to the option or warrant at the time of grant or issue.

Share capital issued for non-monetary consideration is recorded at an amount based on fair value.

The proceeds from the issue of units is allocated between common shares and common share purchase warrants on a pro-rata basis based on relative fair values determined using the Black Scholes pricing model.

l) Warrants

The Company accounts for warrants using the relative fair value method. Under this method, the value of warrants issued is measured at fair value at the issue date using the Black-Scholes valuation model and recorded as share capital if and when the warrants are exercised. If the warrants expire unexercised the value of the warrants issued is transferred from Warrants to Contributed Surplus.

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Stock Based Compensation

The Company's stock option plan provides for granting of stock options to directors, officers, employees and consultants. The Company's stock compensation expense is based on the fair value of the options on the date of grant, determined using the Black-Scholes option-pricing model. Compensation costs are expensed over vesting periods with a corresponding increase to contributed surplus. Stock options issued to outside consultants that vest over time are valued and adjusted on each vesting date as the services are rendered. Upon exercise of the stock options consideration paid by the option holder together with the amount previously recognized in contributed surplus is recorded as an increase to share capital.

n) Financial Instruments - Recognition and Measurement

All financial instruments are classified as one of the following: held-to-maturity, loans and receivables, held-for-trading, available-for-sale or other financial liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net loss. Financial assets held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) and reported in shareholders' equity.

Transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has implemented the following classifications for its financial instruments:

- Cash and cash equivalents are classified as held-for-trading;
- Amounts receivable have been classified as loans and receivables;
- Marketable securities have been classified as available-for-sale; and
- Accounts payable and accrued liabilities have been classified as other financial liabilities.

o) Comprehensive Income

The standard introduces the concept of comprehensive income, which consists of net income and other comprehensive income ("OCI"). The Company financial statements include a Statement of Operations and Comprehensive Loss, which includes the components of comprehensive income.

For the Company, OCI is comprised of the unrealized gains and losses on its marketable security investments, net of the effect of income tax. Cumulative changes in OCI are included in Accumulated Other Comprehensive Income which is presented as a category within shareholders' equity on the balance sheet.

Miranda Gold Corp.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new accounting standards

a) Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA issued EIC 173, "*Credit Risk and the Fair Value of Financial Assets and Financial Liabilities*". The EIC provides guidance on how to take into account credit risk of an entity and counterparty when determining the fair value of financial assets and financial liabilities. EIC 173 was applicable for the Company's interim and annual financial statement for its fiscal year beginning September 1, 2010. Adoption of this standard did not have a material effect on the Company's consolidated financial statements.

b) Business combinations, non-controlling interest and consolidated financial statements

In January 2009, the CICA issued Handbook Sections 1582 "*Business Combinations*", 1601 "*Consolidated Financial Statements*" and 1602 "*Non-controlling Interests*" which replace CICA Handbook Sections 1581 "*Business Combinations*" and 1600 "*Consolidated Financial Statements*". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Adoption of this standard did not have a material effect on the Company's consolidated financial statements.

Future accounting standards

a) International financial reporting standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of September 1, 2011, will require the restatement for comparative purposes of amounts reported by the Company for the year ended August 31, 2011. Under IFRS, there is significantly more disclosure required. Further, while IFRS uses a conceptual framework similar to GAAP, there are significant differences in accounting policies that must be addressed.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Risk Management - The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash and cash equivalents, amounts receivable, marketable securities, and accounts payable and accrued liabilities.

The fair value of cash and cash equivalents is measured on the balance sheet using level 1 of the fair value hierarchy. The fair values of amounts receivable, and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments. Periodic adjustments to the fair values of marketable securities are recorded in other comprehensive income until disposed of, and these marketable securities are measured on the balance sheet using level 1 and level 2 of the fair value hierarchy.

Financial Instrument Risk Exposure - The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Credit Risk – Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company's cash and cash equivalents are held in high-quality financial institutions. The Company's receivables consist primarily of sales tax receivables due from the federal government and receivables from companies with which the Company has exploration agreements or options. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables, and cash and cash equivalents.

Liquidity Risk - The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand.

Interest Rate Risk - The only significant market risk exposure to which the Company is exposed is interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates.

Foreign Exchange Risk - The Company expects to continue to raise equity predominantly in Canadian dollars. The Company is also conducting business in the USA and Colombia. As such, it is subject to risk due to fluctuations in the exchange rates between the US and Canadian dollars as well as the Colombian Peso ("COP") and the Canadian dollar. The Company does not enter into derivative financial instruments to mitigate its exposure to foreign currency risk.

The following sensitivity analysis assumes all other variables remain constant and is based on the above net exposures. A 10% appreciation or depreciation of the United States dollar against the Canadian dollar would result in an approximate \$64,000 decrease or increase, respectively, in net income and shareholder's equity. A 10% appreciation or depreciation of the COP against the Canadian dollar would result in an approximate \$7,000 decrease or increase, respectively, in net income and shareholder's equity.

		\$US	COP in '000
Cash and cash equivalents	\$	276,432	142,892
Amounts receivable		443,563	1,792
Advances and prepaid expenses		14,000	19,664
Accounts payable and accrued liabilities		(82,546)	(39,418)
Net assets	\$	651,449	124,930

Price risk - The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

Miranda Gold Corp.

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4. FAIR VALUE MEASUREMENTS

Fair value measurement establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value.

The valuation of investments in marketable securities include available for sale securities. The Company's Level 1 assets include common shares available for sale with no trading restrictions as determined using a market approach based upon unadjusted quoted prices for identical assets in an active market. The Company's Level 2 assets include common shares with trading restrictions imposed by the TSX Venture Exchange ("TSX-V"), that will be removed within one year of the financial period reporting date as determined using a market approach and based upon quoted prices for identical assets in an active market adjusted by a discount to market comparable to the discount allowed by the TSX-V for private placements. The Company's Level 3 assets include common shares in private companies for which there is no market data available, but where there is adequate information available from the private company in order to determine a reasonable valuation.

The determination of fair value for financial reporting purposes at August 31, 2011, and August 31, 2010, utilizing the applicable framework is as follows:

Financial Instrument	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs	Total as at August 31, 2011
	Level 1	Level 2	Level 3	
Available-for-sale securities	\$ 93,000	\$ 285,300	\$ -	\$ 378,300
Total	\$ 93,000	\$ 285,300	\$ -	\$ 378,300

Financial Instrument	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs	Total as at August 31, 2010
	Level 1	Level 2	Level 3	
Available-for-sale securities	\$ 59,500	\$ -	\$ 80,000	\$ 139,500
Total	\$ 59,500	\$ -	\$ 80,000	\$ 139,500

In the year ended August 31, 2011, the common shares of Red Eagle Mining Corporation, Queensgate Resources Corporation and NuLegacy Gold Corporation were all listed for trading on the TSX-V and the Company re-classed these financial instruments from Level 3 to Level 1.

5. CASH AND CASH EQUIVALENTS

	As at August 31, 2011	As at August 31, 2010
Canadian dollar denominated deposits held in Canada	\$ 7,287,334	\$ 9,962,252
US dollar denominated deposits held in Canada	118,211	144,439
US dollar denominated deposits held in the USA	152,527	27,099
Colombian Peso denominated deposits held in Colombia	78,591	164,649
Total	\$ 7,636,663	\$ 10,298,439

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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6. AMOUNTS RECEIVABLE

	As at August 31, 2011	As at August 31, 2010
Amounts due from the Government of Canada pursuant to HST input tax credits	\$ 10,467	\$ 6,197
Amounts due from funding partners	403,646	72,266
Amounts due from Canadian financial institutions for accrued interest	36,775	15,003
Other amounts receivable	26,863	9,858
Total	\$ 477,751	\$ 103,324

7. MARKETABLE SECURITIES

At August 31, 2011, the Company had the following marketable securities recognized at fair value:

Available-for-sale Securities	Number of Shares	Cost	Accumulated unrealized holding gains	Fair Value at August 31, 2011
<u>Publicly traded companies:</u>				
Enertopia Corp.	125,000	\$ -	\$ 12,500	\$ 12,500
NuLegacy Gold Corporation	250,000	50,313	(14,313)	36,000
Red Eagle Mining Corporation	300,000	175,000	105,800	280,800
Teslin River Resources Corp. (formerly Queensgate Resources Corp.)	300,000	-	27,000	27,000
White Bear Resources Inc.	200,000	40,000	(18,000)	22,000
		\$ 265,313	\$ 112,987	\$ 378,300

At August 31, 2010, the Company had the following marketable securities recognized at fair value:

Available-for-sale Securities	Number of Shares	Cost	Accumulated unrealized holding gains	Fair Value at August 31, 2010
<u>Publicly traded companies:</u>				
Enertopia Corp.	125,000	\$ -	\$ 37,500	\$ 37,500
White Bear Resources Inc.	400,000	40,000	(18,000)	22,000
		40,000	19,500	59,500
<u>Non-public companies:</u>				
NuLegacy Gold Corporation	200,000	40,000	-	40,000
Queensgate Resources Corporation	300,000	-	15,000	15,000
Red Eagle Mining Corporation	100,000	25,000	-	25,000
		65,000	15,000	80,000
		\$ 105,000	\$ 34,500	\$ 139,500

The Company sold the final 100,000 common shares of Romarco Minerals Inc. during the year ended August 31, 2010. Prior to selling the shares the Company had recorded an unrealized gain of \$83,000 to OCI, which was entirely offset on the sale of the investment for a realized gain of \$94,844.

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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7. MARKETABLE SECURITIES (continued)

On September 25, 2009, Golden Aria Corp. ("Golden Aria") consolidated its shares so that the Company's holdings changed from 250,000 shares to 125,000 shares. Golden Aria changed their name on April 6, 2010, to Enertopia Corporation ("Enertopia"). The Company recorded an unrealized gain of \$21,075 on the Enertopia investment in OCI in the year ended August 31, 2010, and has recorded an unrealized loss of \$25,000 on this investment in OCI in the year ended August 31, 2011.

The Company recorded the fair value of the original 200,000 shares of White Bear Resources Inc. ("White Bear") when White Bear began trading on the TSX-V on November 10, 2009. The Company received an additional 200,000 shares of White Bear during the year ended August 31, 2010, and all 400,000 shares were valued at White Bear's initial public offering price of \$0.10 per share. The Company recorded an unrealized loss of \$18,000 on the White Bear investment in OCI in the year ended August 31, 2010. On October 15, 2010, White Bear consolidated their common shares on a 2:1 basis resulting in the Company's holdings changing from 400,000 shares to 200,000 shares.

The Company recorded the fair value of 200,000 shares of NuLegacy Gold Corporation ("NuLegacy") prior to their public listing. An additional 50,000 shares of NuLegacy were received in March 2011 pursuant to the amendment of the Red Hill exploration agreement with option to joint venture, adding the Coal Canyon property to the agreement (Note 10(c)). After NuLegacy's initial public offering and concurrent listing on the TSX-V, the Company's shares were exchanged for tradable shares; however, 40,000 of the shares are subject to a hold period. The fair value of the hold-period shares has been discounted 25% pursuant to the TSX-V's definition of "discounted market price". The Company has recorded an unrealized loss of \$14,313 on this investment in OCI in the year ended August 31, 2011.

In July 2011, Teslin River Resources Corp. ("Teslin") merged with Queensgate Resources Corporation ("Queensgate"). The terms of the merger include the issuance of one share of Teslin for each one outstanding share of Queensgate. The Company had recorded a \$15,000 unrealized gain on this investment in OCI in the year ended August 31, 2010, and has recorded a further unrealized gain of \$12,000 on this investment in OCI in the year ended August 31, 2011.

Pursuant to option agreements (see Note 10(o), (p) & (q)) between the Company and ExpoGold Colombia S.A. ("ExpoGold"), the Company must issue common shares to ExpoGold on certain dates and milestones to maintain the options. On each of June 30, 2010, December 21, 2010, and June 16, 2011, the Company issued 100,000 common shares to ExpoGold; then Red Eagle Mining Corporation ("Red Eagle"), in turn, issued a total of 300,000 common shares to Miranda pursuant to the terms of the two shareholder agreements between the Company and Red Eagle. All of the 300,000 shares held of Red Eagle are subject to various hold periods. Therefore, the fair value of the investment has been discounted 20% to reflect the hold, pursuant to the TSX-V's definition of "discounted market price". The Company recorded an unrealized gain of \$105,800 on the Red Eagle investment in OCI in the year ended August 31, 2011.

The Company recorded \$14,123 as the future income tax effect of the accumulated unrealized gains in OCI as at August 31, 2011.

8. ADVANCES AND PREPAID EXPENSES

	As at August 31, 2011	As at August 31, 2010
Advances held by employees in the USA	\$ 9,794	\$ 12,798
Advances held by officers in the USA – related party	3,918	4,266
Advances held by employees and suppliers in Colombia	10,818	53,742
Prepaid expenses in Canada	73,853	53,113
Prepaid expenses in Colombia	2,619	-
Total	\$ 101,002	\$ 123,919

Miranda Gold Corp.

Notes to the Consolidated Financial Statements
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9. EQUIPMENT

August 31, 2011			
	Cost	Accumulated amortization	Net Book Value
Canada:			
Computer equipment	\$ 23,146	\$ (19,656)	\$ 3,490
United States:			
Computer equipment	195,993	(128,027)	67,966
Furniture and fixtures	18,412	(12,625)	5,787
Field equipment	217,081	(152,538)	64,543
	<u>431,486</u>	<u>(293,190)</u>	<u>138,296</u>
Colombia			
Computer equipment	36,060	(7,604)	28,456
Field equipment	43,100	(5,387)	37,713
	<u>79,160</u>	<u>(12,991)</u>	<u>66,169</u>
	<u>\$ 533,792</u>	<u>\$ (325,837)</u>	<u>\$ 207,955</u>

August 31, 2010			
	Cost	Accumulated amortization	Net Book Value
Canada:			
Computer equipment	\$ 23,146	\$ (18,275)	\$ 4,871
United States:			
Computer equipment	128,365	(86,589)	41,776
Furniture and fixtures	18,412	(11,056)	7,356
Field equipment	216,699	(129,048)	87,651
	<u>363,476</u>	<u>(226,693)</u>	<u>136,783</u>
Colombia			
Computer equipment	8,467	(1,270)	7,197
Field equipment	-	-	-
	<u>8,467</u>	<u>(1,270)</u>	<u>7,197</u>
	<u>\$ 395,089</u>	<u>\$ (246,238)</u>	<u>\$ 148,851</u>

Miranda Gold Corp.

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10. MINERAL INTERESTS

	August 31, 2010	Additions	Recoveries	Write off of interest	August 31, 2011
<u>Nevada:</u>					
Angel Wing	\$ 40,734	\$ -	\$ -	\$ -	\$ 40,734
Big Blue	-	-	-	-	-
Coal Canyon	11,325	-	(11,325)	-	-
East Spruce	-	5,042	-	-	5,042
Fuse	-	-	-	-	-
HOG	1,651	-	-	-	1,651
Iron Point	43,555	16,113	-	-	59,668
PPM / Poverty Peak	-	-	-	-	-
Red Canyon	-	-	-	-	-
Red Hill	-	-	-	-	-
Redlich	15,500	-	-	-	15,500
Rook	-	6,623	-	-	6,623
TAZ	12,764	-	(12,764)	-	-
	125,529	27,778	(24,089)	-	129,218
<u>Alaska:</u>					
Ester Dome	67,939	39,592	(30,639)	-	76,892
<u>Colombia:</u>					
Anori	41,353	17,499	-	(58,852)	-
Cajamarca	97,829	17,499	(66,368)	-	48,960
Fresno	60,652	17,499	(29,191)	-	48,960
Ibague	58,117	17,499	(26,656)	(48,960)	-
Pavo Real	21,634	102,000	(123,634)	-	-
Santander	81,618	17,499	-	(99,117)	-
	361,203	189,495	(245,849)	(206,929)	97,920
Mineral interests	\$ 554,671	\$ 256,865	\$ (300,577)	\$ (206,929)	\$ 304,030

Miranda Gold Corp.

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10. MINERAL INTERESTS (continued)

	August 31, 2009	Additions	Recoveries	Write off of interest	August 31, 2010
<u>Nevada:</u>					
Angel Wing	\$ 50,734	\$ 56,246	\$ (66,246)	\$ -	\$ 40,734
Big Blue	-	26,787	(26,787)	-	-
BPV	11,325	150	-	(11,475)	-
CONO	11,325	-	-	(11,325)	-
Coal Canyon	11,325	-	-	-	11,325
Fuse	-	-	-	-	-
HOG	-	1,651	-	-	1,651
Iron Point	53,555	-	(10,000)	-	43,555
Neon	4,780	-	-	(4,780)	-
PPM	-	-	-	-	-
Red Canyon	-	-	-	-	-
Red Hill	30,328	30,680	(61,008)	-	-
Redlich	15,500	-	-	-	15,500
TAZ	-	12,764	-	-	12,764
	188,872	128,278	(164,041)	(27,580)	125,529
<u>Alaska:</u>					
Ester Dome	-	67,939	-	-	67,939
<u>Colombia:</u>					
Association Agreement	-	339,569	-	-	339,569
Pavo Real	-	75,827	(54,193)	-	21,634
Mineral interests	\$ 188,872	\$ 611,613	\$ (218,234)	\$ (27,580)	\$ 554,671

Miranda Gold Corp.

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10. MINERAL INTERESTS (continued)**a) Angel Wing Property, Elko County, Nevada**

The Company holds claims comprising the Angel Wing property, Elko County, Nevada.

On October 17, 2005, the Company entered into a 20-year mining lease for 30 mining claims with a private party with a sliding scale production royalty between 2% to 4% depending on the price of gold, for minimum advance royalty payments to be completed on the following schedule. On December 19, 2006, the Company amended the agreement so that the number of claims was increased, and the Company now has the option to buy up to two percentage points of the royalty for US\$1,000,000 per percentage point. However, the royalty shall never drop below 1% regardless of the price of gold.

Mining Lease Due dates	Minimum advance royalty payments to Lessor US\$
Prior to August 31, 2005 (paid)	35,000
October 17, 2006 (paid)	35,000
October 17, 2007 (paid)	40,000
October 17, 2008 (paid)	45,000
October 17, 2009 (paid)	55,000
October 17, 2010 (paid)	65,000
October 17, 2011 (paid subsequently)	75,000
October 17, 2012	85,000
October 17, 2013	85,000
October 17, 2014 \$85,000 and each year thereafter	935,000
Total consideration	1,455,000

On May 15, 2007, as amended, the Company signed an exploration agreement with option to joint venture with White Bear. On July 2, 2010, the agreement was terminated. During the term of the agreement, White Bear paid the Company US\$30,000 and issued a total of 400,000 common shares of White Bear to the Company.

On September 17, 2010, the Company signed an exploration and option to enter joint venture agreement with Ramelius Resources Ltd. ("Ramelius"). Ramelius paid the Company \$12,583 (US\$12,180) and Ramelius may earn a 70% interest by expending US\$4,000,000 over five years (the "Initial Earn-in"). Once Ramelius has completed the Initial Earn-In they shall have the option to exercise the right to earn a vested 70% interest in Angel Wing by either funding 100% of the costs required to complete a bankable feasibility study within four years after completing the Initial Earn-In or by spending an additional US\$10,000,000 within 10 years after completing the Initial Earn-In. If Ramelius elects not to exercise that right, but completes the initial earn-in, it shall be entitled to a net smelter royalty ("NSR") of 1% to be capped at two times their total expenditures.

Due Dates	Exploration Expenditures US\$
September 17, 2011 (met)	350,000
September 17, 2012	750,000
September 17, 2013	900,000
September 17, 2014	1,000,000
September 17, 2015	1,000,000
Total consideration	4,000,000

Miranda Gold Corp.

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10. MINERAL INTERESTS (continued)**b) Big Blue (Oxen), Lander County, Nevada**

The Company holds claims comprising the Big Blue property, Lander County, Nevada.

On August 13, 2009, the Company entered into a 20-year mining lease for mining claims with a private party with an NSR royalty of 3% that is subject to a buy-down provision for the following consideration:

Mining Lease Due Dates	Cash consideration to be paid to Lessor US\$
August 13, 2010 (paid)	10,000
August 13, 2011 (paid)	12,500
August 13, 2012	15,000
August 13, 2013	17,500
August 13, 2014	30,000
August 13, 2015 \$30,000 and each year thereafter	420,000
Total consideration	505,000

On May 6, 2010, the Company signed an exploration and option to enter into a joint venture agreement with Ramelius. Ramelius paid the Company \$52,477 (US\$50,000) and Ramelius may earn a 70% interest by expending US\$4,000,000 over five years (the "Initial Earn-in"). Once Ramelius has completed the Initial Earn-In they shall have the option to exercise the right to earn a vested 70% interest in Big Blue by either funding 100% of the costs required to complete a bankable feasibility study within four years after completing the Initial Earn-In or by spending an additional US\$10,000,000 within 10 years after completing the Initial Earn-In.

Due Dates	Exploration Expenditures US\$
May 6, 2011 (met)	250,000
May 6, 2012	650,000
May 6, 2013	750,000
May 6, 2014	1,000,000
May 6, 2015	1,350,000
Total consideration	4,000,000

Miranda Gold Corp.

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10. MINERAL INTERESTS (continued)**c) Coal Canyon Properties, Eureka County, Nevada**

On May 27, 2004, the Company entered into a 20-year mining lease for the Coal Canyon property, with a sliding-scale production royalty between 2.5% to 5% depending on the price of gold and subject to buy down provisions to 2%, for the following consideration:

Mining Lease Due Dates	Cash consideration to be paid to Lessor US\$
Prior to August 31, 2008 (paid)	38,750
May 27, 2009 (paid)	12,500
May 27, 2010 (paid)	15,000
May 27, 2011 (paid)	30,000
May 27, 2012	30,000
May 27, 2013 and 2014 - \$40,000 each year	80,000
May 27, 2015 - \$50,000 and each year thereafter to be adjusted for inflation per the USA CPI	500,000
Total consideration	706,250

The Coal Canyon project was the subject of an exploration agreement with option to form a joint venture with Queensgate Resources Corporation from March 11, 2008, until it was terminated on August 2, 2010. This same agreement included the BVP and CONO May 27, 2004, project leases which were then also immediately terminated.

On December 20, 2010, NuLegacy and the Company signed an amendment to the Red Hill exploration agreement with option to joint venture, adding the Coal Canyon property. As consideration for this amendment, NuLegacy issued to the Company an additional 50,000 common shares which were valued at \$10,313 (US\$10,647), plus an unrealized foreign exchange loss of \$1,012. Refer to Note 10(k) for the combined exploration expenditures required under the amended agreement.

d) East Spruce Property, Elko County, Nevada

During the year ended August 31, 2011, the Company staked new claims comprising the East Spruce property at a cost of \$5,042.

e) Ester Dome Property, Fairbanks Mining District, Alaska

On October 29, 2009, the Company and Range Minerals Inc. ("Range") entered into a 20-year mining lease for the Ester Dome project with the following payments and share purchase warrant issues:

Mining Lease Due Dates	Cash consideration to be paid to Lessor US\$	Two year share purchase warrants to be issued to Lessor
October 29, 2009 (paid and issued)	20,000	100,000 @ Cdn\$0.50
October 29, 2010 (paid and issued)	32,000	100,000 @ Cdn\$0.55
October 29, 2011 (paid and issued subsequently)	60,000	100,000 @ Cdn\$0.60
October 29, 2012	70,000	-
October 29, 2013	75,000	-
October 29, 2014 \$80,000 and each year thereafter	1,200,000	-
Total consideration	1,457,000	300,000

Miranda Gold Corp.

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10. MINERAL INTERESTS (continued)**e) Ester Dome Property, Fairbanks Mining District, Alaska (continued)**

Range has retained a sliding scale NSR royalty between 2% and 4% depending on the price of gold. The Company has the option to buy one percentage point of the NSR for US\$1,500,000 per percentage point if the price of gold is below US\$500 per ounce; increasing to US\$2,000,000 per percentage point if the price of gold is between US\$500 and US\$1,000 per ounce, and then increasing to US\$3,000,000 per percentage point if the price of gold is over US\$1,000 per ounce.

On October 29, 2009, in addition to the \$21,308 (US\$20,000) lease payment, the Company reimbursed Range \$19,284 (US\$18,100) for claim staking fees. In October 2009 the Company issued 100,000 share purchase warrants to Range, with a fair value of \$27,113 (US\$25,695) and in October 2010 the Company issued 100,000 share purchase warrants to Range, with a fair value of \$39,592 (US\$38,861).

On October 1, 2010, the Company signed an exploration and option to enter into a joint venture agreement with Agnico-Eagle (USA) Limited ("Agnico") and Agnico paid the Company \$70,116 (US\$70,385) as reimbursement for Alaska claim maintenance fees, filing costs, and the underlying Range lease. In addition, as at August 31, 2011, Agnico owes the Company US\$30,000 (in amounts receivable at August 31, 2011, received subsequently).

Agnico may earn a 51% interest in Ester Dome by expending US\$4,000,000 over five years (the "Initial Earn-In"). Once Agnico has completed the Initial Earn-In, they shall have earned a 51% interest in the property, and then have the option and right to earn an additional 19% interest for a total of 70% interest by either funding 100% of exploration costs required to complete a bankable feasibility study within five years at a minimum rate of US\$1,000,000 per year after the completion of the Initial Earn-In period or by spending an additional US\$10,000,000 within 10 years after the Initial Earn-In period.

Due Dates	Exploration Expenditures US\$
October 1, 2011 (met)	500,000
October 1, 2012	700,000
October 1, 2013	800,000
October 1, 2014	1,000,000
October 1, 2015	1,000,000
Total consideration	4,000,000

f) Fuse Property, Eureka County, Nevada

The Company holds claims comprising the Fuse property, Eureka County, Nevada.

g) HOG Property, Eureka County, Nevada

The Company holds claims comprising the HOG property, Eureka County, Nevada.

Miranda Gold Corp.

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10. MINERAL INTERESTS (continued)

h) Iron Point Property, Humboldt County, Nevada

The Company holds claims comprising the Iron Point property, Humboldt County, Nevada. During the year ended August 31, 2011, the Company staked additional claims at a cost of \$16,113.

From June 3, 2005, until the mining lease was terminated on April 20, 2010, the Company held additional claims under a mining lease.

The Iron Point project was the subject of an exploration agreement with option to form a joint venture with White Bear from November 22, 2006, until it was terminated on March 4, 2010.

i) PPM (Poverty Peak), Humboldt County, Nevada

The Company holds claims comprising the PPM property located on the north end of the Battle Mountain-Eureka Trend, Humboldt County, Nevada.

The PPM project was the subject of an exploration agreement with option to form a joint venture with Piedmont Mining Company Inc. from April 17, 2007, until it was terminated on August 29, 2011.

j) Red Canyon Property, Eureka County, Nevada

On November 18, 2003, the Company entered into a 20-year mining lease for the Red Canyon property with a \$1,000 purchase option on issue of 75,000 share purchase warrants and on completion of the following payments. The owner retains a sliding scale NSR royalty between 3% and 5% depending on the price of gold. Upon completion of a bankable feasibility study the Company has the option to buy two percentage points of the NSR for US\$1,000,000 per percentage point.

Mining Lease Due Dates	Cash consideration to be paid to Lessor US\$	Two year share purchase warrants to be issued to Lessor
Prior to August 31, 2005 (paid and issued)	25,000	75,000 @ Cdn\$0.37
November 18, 2005 (paid)	35,000	-
November 18, 2006 (paid)	40,000	-
November 18, 2007 (paid)	50,000	-
November 18, 2008 (paid)	50,000	-
November 18, 2009 (paid)	75,000	-
November 18, 2010 (paid)	75,000	-
November 18, 2011 (paid subsequently)	75,000	-
November 18, 2012	75,000	-
November 18, 2013	100,000	-
November 18, 2014 to 2023 at \$100,000 per year (subject to inflation adjustment beginning in 2019)	900,000	-
Total consideration	1,500,000	75,000

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10. MINERAL INTERESTS (continued)**j) Red Canyon Property, Eureka County, Nevada (continued)**

On August 1, 2008, the Company signed an exploration agreement with option to joint venture with Montezuma Mines Inc. ("Montezuma") a subsidiary of CMQ Resources Inc. Montezuma may earn a 60% interest in the Red Canyon property by funding US\$4,000,000 in qualified expenditures over a five-year period. Montezuma may then elect to earn an additional 10% interest by completing a bankable feasibility study within four years of election with minimum annual expenditures of US\$1,500,000 or by funding US\$10,000,000 in additional exploration within 10 years.

Due Dates	Exploration Expenditures US\$
August 1, 2009 (met)	500,000
August 1, 2010 (met)	500,000
August 1, 2011 (met)	750,000
August 1, 2012	1,000,000
August 1, 2013	1,250,000
Total consideration	4,000,000

During the 2010 fiscal year additional claims within the area of interest of the Red Canyon mining lease were staked ("NC" claims) and are included in the exploration with option to joint venture agreement with Montezuma.

k) Red Hill Property, Eureka County, Nevada

On May 27, 2004, the Company entered into a 20-year mining lease for the Red Hill property, with a sliding production royalty between 2.5% to 5% depending on the price of gold and subject to buy down provisions to 2%, for the following consideration:

Mining Lease Due Dates	Cash consideration to be paid to Lessor US\$
Prior to August 31, 2005 (paid)	18,750
May 27, 2006 (paid)	12,500
May 27, 2007 (paid)	20,000
May 27, 2008 (paid)	20,000
May 27, 2009 (paid)	25,000
May 27, 2010 (paid)	30,000
May 27, 2011 (paid)	40,000
May 27, 2012	40,000
May 27, 2013	50,000
May 27, 2014	50,000
May 27, 2015 \$60,000 and each year thereafter to be adjusted for inflation per the USA CPI	600,000
Total consideration	906,250

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10. MINERAL INTERESTS (continued)**k) Red Hill Property, Eureka County, Nevada (continued)**

On October 1, 2009, the Company signed an exploration with option to joint venture agreement with NuLegacy and NuLegacy paid the Company \$11,719 (US\$11,000) as reimbursement of 2009-2010 federal claim maintenance fees. NuLegacy may earn a 60% interest by funding US\$4,000,000 in qualified expenditures over a five-year period and by issuing the Company 200,000 common shares (received). On December 20, 2010, an amendment was signed to add the Coal Canyon property to the Red Hill option to joint venture agreement. The 60% interest may now be earned in both projects by NuLegacy funding a total of US\$5,500,000 in qualified expenditures over a five-year period and by issuing the Company an additional 50,000 common shares (received). NuLegacy may then elect to either earn an additional 10% interest by completing a bankable feasibility study within four years of election or by funding US\$10,000,000 in additional exploration within ten years of election.

Due Dates	Exploration Expenditures US\$
July 1, 2010 (met)	200,000
January 1, 2011 (met)	600,000
October 1, 2011 (met)	400,000
October 1, 2012	1,050,000
October 1, 2013	1,400,000
October 1, 2014	1,850,000
Total consideration	5,500,000

l) Redlich Property, Esmeralda County, Nevada

The Company completed the purchase of the Redlich Property in 2008 subject to the owner retaining a 3% NSR royalty. Upon completion of a bankable feasibility study, the Company has the option to buy two percentage points of the NSR for US\$1,000,000 per percentage point.

On June 4, 2010, the Company signed an agreement with SIN Holdings Inc. ("SIN") whereby SIN could have earned a joint venture interest; however SIN immediately terminated the agreement and did not fulfil its obligations.

m) Rook Property, Eureka County, Nevada

During the year ended August 31, 2011, the Company staked new claims at a cost of \$6,623.

n) TAZ Property, Eureka County, Nevada

The Company holds claims comprising the TAZ property Eureka County, Nevada.

Certain of the TAZ claims are subject to a 1% NSR royalty pursuant to a finder's fee agreement and, in addition, the Company paid the finder \$2,081 (US\$2,000).

On February 11, 2011, the Company signed an exploration and option to enter into a joint venture agreement with TAZ Gold LLC ("TGL") and Navaho Gold PTY Ltd (as guarantor). Under the terms of the agreement, TGL will have to make initial exploration expenditures of US\$3,000,000 over a four-year period, with the first year's commitment of \$400,000 an obligation. TGL will then have the option and right to earn a 75% interest by either producing a feasibility study in four years or by spending an additional \$10,000,000 over 10 years at a rate of no less than \$1,000,000 per year. If TGL elects not to fund 100% of the exploration costs required to complete a bankable feasibility study by expending the contemplated US\$4,000,000 or fails to spend the additional US\$10,000,000 within 10 years, but meets the first US\$3,000,000 spending milestone, it shall be entitled to an NSR of 2%.

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10. MINERAL INTERESTS (continued)

n) TAZ Property, Eureka County, Nevada (continued)

Option Due Dates	Exploration Expenditures US\$
February 11, 2012 (obligation)	400,000
February 11, 2013	600,000
February 11, 2014	1,000,000
February 11, 2015	1,000,000
Total consideration	3,000,000

TGL paid the Company \$20,400 (US\$19,880) as reimbursement of claim maintenance fees of which \$12,764 was recorded as a recovery of the Company's acquisition costs and the residual amount of \$7,636 recorded as mineral property income (a current year recovery of expenditures).

o) Association Agreement, Colombia

From December 2, 2009, until it lapsed on December 31, 2010, the Company was party to an association agreement (the "Association Agreement") by and among ExpoGold Colombia S.A. ("ExpoGold"), the Company, and the Company's subsidiary Miranda Gold Colombia II Ltd. ("MAD II") and the Colombian branch of MAD II.

During the August 31, 2010, fiscal year, pursuant to the terms of the Association Agreement, the Company issued 350,000 common shares to ExpoGold for a 360-day first right of refusal to lease any of the 45 license applications in Colombia controlled by ExpoGold. The Company executed option agreements on the Pavo Real, Cajamarca, and Fresno projects as discussed below. The Company also optioned the Santander, Ibague and Anori projects and returned them to ExpoGold prior to the first year anniversary payments becoming due.

Concurrent with the execution of the five option agreements, the Company allocated the \$206,500 fair value of the shares issued to ExpoGold plus \$133,069 of additional acquisition costs of the five then-optioned properties, for a total of \$339,569, across the properties: Anori \$41,300; Cajamarca \$97,829; Fresno \$60,652; Ibague \$58,117; and Santander \$81,671.

p) Pavo Real Option, Colombia

On June 24, 2010, the Company executed an option agreement (the "Pavo Option") by and among ExpoGold, the Company, and the Company's subsidiary Miranda Gold Colombia III Ltd., which was subsequently renamed Rovira Mining Limited ("Rovira"); and the Colombian branch of Rovira to acquire the Pavo Real mining interest. The terms of the Pavo Option were agreed to in the Association Agreement and the Company must meet the following to maintain the option:

Pavo Real Option Due Dates	Cash consideration to be paid to ExpoGold US\$	Common shares to be issued to ExpoGold
June 24, 2010 (paid and issued)	20,000	100,000
December 24, 2010 (paid and issued)	20,000	100,000
June 24, 2011 (paid and issued)	50,000	100,000
June 24, 2012	60,000	100,000
June 24, 2013	70,000	100,000
June 24, 2014	80,000	100,000
June 24, 2015	100,000	100,000
Total consideration	400,000	700,000

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10. MINERAL INTERESTS (continued)

p) Pavo Real Option, Colombia (continued)

Annual payments of US\$100,000, plus the issue of 100,000 common shares will be required to maintain the option until the first milestone is achieved. The first milestone is the definition of a NI 43-101 Measured and Indicated resource greater than or equal to 250,000 ounces of gold equivalent. Rovira will pay ExpoGold US\$100,000 if it is less than 500,000 ounces of gold equivalent and US\$250,000 if it is more. Additional payments will be owed by Rovira at various milestones as the steps to production progress.

On June 25, 2010, the Company entered into a share purchase agreement (“SPA”) and a shareholder agreement (“SA”) with Red Eagle. The SPA and SA agreements became effective on June 24, 2010. Pursuant to the SPA, Miranda assigned 70% of the shares of Rovira to Red Eagle. The activities of Rovira are governed by the SA. To maintain its 70% shareholding in Rovira, effectively representing a 70% interest in the Pavo Option, Red Eagle must make an aggregate US\$4,000,000 contribution to Rovira within four years. These funds will be used to fund exploration work at the Pavo Real project. Red Eagle must then further fund Rovira at a minimum of US\$1,000,000 per year and either complete a bankable feasibility study on the Pavo Real project within eight years or contribute a minimum of US\$10,000,000 within 10 years. At the time the board of directors of Rovira approves a feasibility study and a mine construction program on the Pavo Real project, Red Eagle will have the option for a period of 30 days to elect to acquire an additional 10% interest in Rovira by committing to solely fund all costs associated with putting the property into production. If Red Eagle fails to make any of the capital contributions within the stated time periods, Red Eagle will forfeit its shares of Rovira to Miranda.

Red Eagle has assumed and is responsible for all payments and other obligations due from Miranda to ExpoGold under the Pavo Option. Miranda will be issued shares of Red Eagle on a share-for-share basis as reimbursement for the issuance of Miranda shares to ExpoGold pursuant to the Pavo Option.

q) Cajamarca Option, Colombia

On December 10, 2010, the Company executed three option agreements to acquire the Cajamarca, Fresno and Ibague mining interests (collectively the “Cajamarca Option”) by and among ExpoGold, the Company, and the Company’s subsidiary Miranda Gold Colombia IV Ltd. (“MAD IV”); and the Colombian branch of MAD IV. The terms of the Cajamarca Option were agreed to in the Association Agreement and the Company must meet the following to maintain the option:

Cajamarca Option Due Dates	Cash consideration to be paid to ExpoGold US\$	Common shares to be issued to ExpoGold
December 10, 2010 (paid and issued, included Ibague)	30,000	30,000
December 10, 2011 (paid and issued subsequently)	40,000	40,000
December 10, 2012	60,000	60,000
December 10, 2013	80,000	120,000
December 10, 2014	100,000	160,000
December 10, 2015	120,000	200,000
Total consideration	430,000	610,000

The Ibague mining interest was dropped and the acquisition costs were written off.

Annual payments of US\$120,000, plus the issue of 200,000 common shares will be required to maintain the option until the first milestone is achieved. The first milestone is the definition of a NI 43-101 Measured and Indicated resource greater than or equal to 250,000 ounces of gold equivalent on either of the two properties. MAD IV will pay ExpoGold \$100,000 if it is less than 500,000 ounces of gold equivalent and \$250,000 if it is more. Additional payments will be owed by MAD IV at various milestones as the steps to production progress.

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10. MINERAL INTERESTS (continued)

q) Cajamarca Option, Colombia (continued)

On August 12, 2011, the Company entered into an SPA and SA with Red Eagle. The SPA and SA agreements became effective on September 19, 2011, the date on which the TSX-V granted final approval of the transaction. Pursuant to the SPA, Miranda assigned 70% or 70 of the 100 shares of MAD IV to Red Eagle. The activities of MAD IV will be governed by the SA.

To maintain its 51% shareholding in MAD IV, effectively representing a 51% interest in the Cajamarca Option, Red Eagle must make an aggregate US\$4,000,000 contribution to MAD IV within the next five years (the "First Contribution"). These funds will be used to fund exploration work at the Cajamarca project. If Red Eagle fails to make the first contribution within the stated time period, Red Eagle will forfeit all of its shares of MAD IV to Miranda.

On completion of the first contribution, Red Eagle will have the right and option, for 180-days, to further fund MAD IV at a minimum of US\$1,000,000 per year and either complete a bankable feasibility study on the Cajamarca project within eight years or contribute a minimum of US\$10,000,000 within 10 years (the "Second Contribution").

If Red Eagle fails to make the Second Contribution within the stated time period, Red Eagle will retain only 51 of the shares of MAD IV, but forfeit the remaining 19 of its shares of MAD IV to Miranda.

Red Eagle has assumed and is responsible for all payments and other obligations due from Miranda to ExpoGold under the Cajamarca Option. Miranda will also be issued shares of Red Eagle on a share-for-share basis as reimbursement for the issuance of Miranda shares to ExpoGold pursuant to the Cajamarca Option.

r) Anori and Santander Properties, Colombia

During fiscal 2011, the Company terminated each of the Anori and Santander properties as described in Note 10(o). The Company wrote off the acquisition costs of these two property options during the August 31, 2011, fiscal year of \$157,969.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	As at August 31, 2011	As at August 31, 2010
Trade and other payables in Canada	\$ 50,337	\$ 58,485
Trade and other payables in the USA	80,846	71,060
Trade and other payables in Colombia	30,290	38,167
Amounts payable to funding partners	-	6,000
Amounts payable and accrued liabilities to officers	16,919	25,681
Total	\$ 178,392	\$ 199,393

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12. SHARE CAPITAL

a) **Authorized:** An unlimited number of common shares without par value.

b) **Share issuance:**

Fiscal 2011

On November 3, 2010, the Company completed a non-brokered private placement of 1,000,000 units at a price of \$0.50 per unit, for gross proceeds of \$500,000. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant is exercisable to purchase an additional common share at \$0.75 per share until November 3, 2012. The proceeds of the financing of \$500,000 were allocated on a relative fair value basis as \$343,007 to common shares and \$156,993 as to warrants. Cash share issue costs pursuant to this private placement were an additional \$4,071. The assumptions used in the Black-Scholes option pricing model for the relative fair value allocation were: a risk free interest rate of 1.40%; an expected volatility of 89%; an expected life of two years; and an expected dividend of zero.

On December 21, 2010, the Company issued 100,000 common shares to ExpoGold valued at \$63,000 pursuant to the Pavo Option agreement referenced in Note 10(p).

On February 17, 2011, the Company issued 50,000 common shares to ExpoGold valued at \$33,000 pursuant to the execution of the five option agreements referenced in Note 10(o) and (q).

On June 16, 2011, the Company issued 100,000 common shares to ExpoGold valued at \$38,000 pursuant to the Pavo Option agreement referenced in Note 10(p).

During the year ended August 31, 2011, the Company issued 320,000 common shares pursuant to the exercise of stock options.

Fiscal 2010

On March 18, 2010, the Company completed a non-brokered private placement of 5,686,492 units at a price of \$0.65 per unit, for gross proceeds of \$3,696,220. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant is exercisable to purchase an additional common share at \$1.00 per share until March 18, 2012. The proceeds of the financing of \$3,696,220 were allocated on a relative fair value basis as \$2,914,305 to common shares and \$781,915 as to warrants. An additional 180,950 shares at a value of \$101,332 were issued as a finder's fee pursuant to the private placement. Cash share issue costs pursuant to this private placement were an additional \$85,594. The assumptions used in the Black-Scholes option pricing model for the relative fair value allocation were: a risk free interest rate of 1.56%; an expected volatility of 79%; an expected life of 2 years; and an expected dividend of zero.

On December 10, 2009, the Company issued 350,000 common shares to ExpoGold valued at \$206,500 pursuant to the Association Agreement referenced in Note 10(q).

On June 30, 2010, the Company issued 100,000 common shares to ExpoGold valued at \$44,500 pursuant to the Pavo Option agreement referenced in Note 10(o).

During the year ended August 31, 2010, the Company issued 70,000 common shares pursuant to the exercise of stock options and warrants.

Fiscal 2009

There were no share issuances by the Company during fiscal 2009.

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12. SHARE CAPITAL (continued)**c) Stock Options Outstanding:**

The Company has a shareholder-approved stock option plan that provides for the reservation for issuance of a fixed number of not more than 10,491,890 options to acquire common shares to its directors, officers, employees and consultants. The vesting terms of each stock option grant is determined by the Board of Directors at the time of the grant.

The continuity for stock options for the year ended August 31, 2011, is as follows:

Expiry date	Exercise price	Balance, August 31, 2010	Granted	Exercised	Expired / Cancelled / Forfeited	Balance August 31, 2011
October 18, 2010	\$ 1.18	80,000	-	-	(80,000)	-
April 17, 2011	\$ 0.70	400,000	-	-	(400,000)	-
May 31, 2011	\$ 0.70	50,000	-	-	(50,000)	-
March 28, 2012	\$ 0.70	395,000	-	-	(260,000)	135,000
January 31, 2013	\$ 0.70	1,170,000	-	-	-	1,170,000
February 25, 2014	\$ 0.35	2,202,000	-	(245,000)	-	1,957,000
September 26, 2015	\$ 0.56	-	1,895,000	(75,000)	(75,000)	1,745,000
December 1, 2015	\$ 0.69	-	50,000	-	-	50,000
April 19, 2016	\$ 0.56	-	100,000	-	-	100,000
		4,297,000	2,045,000	(320,000)	(865,000)	5,157,000
Weighted average exercise price		\$ 0.53	\$ 0.56	\$ 0.40	\$ 0.73	\$ 0.52

As at August 31, 2011, the weighted average remaining contractual life of the options outstanding was 2.8 years.

As at August 31, 2011, 4,209,500 were vested and exercisable, with a weighted average exercise price of \$0.51. The intrinsic value of the vested stock options was \$215,270. The intrinsic value of the vested stock options outstanding at August 31, 2011, is calculated on the difference between the exercise prices of the underlying vested options and the quoted price of our common stock as of the reporting date of August 31, 2011, being \$0.46.

The continuity for stock options for the year ended August 31, 2010, is as follows:

Expiry date	Exercise price	Balance, August 31, 2009	Granted	Exercised	Expired / Forfeited	Balance August 31, 2010
February 17, 2010	\$ 0.71	973,750	-	-	(973,750)	-
October 18, 2010	\$ 1.18	80,000	-	-	-	80,000
April 17, 2011	\$ 0.70	425,000	-	-	(25,000)	400,000
May 31, 2011	\$ 0.70	50,000	-	-	-	50,000
March 28, 2012	\$ 0.70	470,000	-	-	(75,000)	395,000
January 31, 2013	\$ 0.70	1,170,000	-	-	-	1,170,000
February 25, 2014	\$ 0.35	2,257,000	-	(55,000)	-	2,202,000
		5,425,750	-	(55,000)	(1,073,750)	4,297,000
Weighted average exercise price		\$ 0.56	\$ -	\$ 0.35	\$ 0.71	\$ 0.53

Miranda Gold Corp.

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12. SHARE CAPITAL (continued)**c) Stock Options Outstanding (continued):**

The continuity for stock options for the year ended August 31, 2009, is as follows:

Expiry date	Exercise price	Balance, August 31, 2008	Granted	Exercised	Expired	Balance, August 31, 2009
February 9, 2009	\$ 0.53	465,000	-	-	(465,000)	-
February 17, 2010	\$ 0.71	973,750	-	-	-	973,750
October 18, 2010	\$ 1.18	80,000	-	-	-	80,000
April 17, 2011	\$ 0.70	425,000	-	-	-	425,000
May 31, 2011	\$ 0.70	50,000	-	-	-	50,000
March 28, 2012	\$ 0.70	470,000	-	-	-	470,000
January 31, 2013	\$ 0.70	1,170,000	-	-	-	1,170,000
February 25, 2014	\$ 0.35	-	2,257,000	-	-	2,257,000
		3,633,750	2,257,000	-	(465,000)	5,425,750
Weighted average exercise price		\$ 0.69	\$ 0.35	\$ -	\$ 0.53	\$ 0.56

d) Stock Based Compensation:

The fair value of each option granted to employees, officers and directors was estimated on the date of grant using the Black-Scholes option pricing model.

Fiscal 2011

During the year ended August 31, 2011, the Company recorded \$556,703 in stock based compensation expense for options vesting in the year, net of \$9,739 in forfeitures.

The fair value of the 1,895,000 options granted on September 26, 2010, was determined using a risk free interest rate of 1.42%, an expected volatility ranging from 90.36% to 95.41%, an expected life of ranging from 1.9 to 2.8 years, and an expected dividend of zero for a total fair value of \$560,290 or \$0.296 per option.

The fair value of the 50,000 options granted December 1, 2010, was determined using a risk free interest rate of 1.65%, an expected volatility of 93.36%, an expected life of 2.8 years, and an expected dividend of zero for a total fair value of \$19,845 or \$0.397 per option.

The fair value of the 100,000 options granted April 19, 2011, was determined using a risk free interest rate of 1.65%, an expected volatility of 91.99%, an expected life of 2.8 years, and an expected dividend of zero for a total fair value of \$31,543 or \$0.318 per option.

There is an additional \$30,759 of stock based compensation expense to be recognized in fiscal 2012 from options granted in fiscal 2011.

Fiscal 2010

During the year ended August 31, 2010, the Company recorded \$174,832 in stock-based compensation expense for a series of options vested during the year that were granted in fiscal 2009. There were no options granted in fiscal 2010.

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12. SHARE CAPITAL (continued)**d) Stock Based Compensation (continued):****Fiscal 2009**

During the year ended August 31, 2009, the Company recorded \$537,550 in stock-based compensation expense for options vested during the year.

The fair value of the 2,257,000 options granted in fiscal 2009 was determined using a risk free interest rate of 1.27%, an expected volatility ranging from 78.31% to 79.52%, an expected life of ranging from 2.07 to 2.19 years, and an expected dividend of zero for a total fair value of \$349,666 or \$0.15 per option.

e) Share Purchase Warrants:

The continuity for share purchase warrants for the year ended August 31, 2011 is as follows:

Expiry date	Exercise price	Balance, August 31, 2010	Issued	Exercised	Expired	Balance August 31, 2011
December 9, 2011	\$ 0.50	100,000	-	-	-	100,000
March 18, 2012	\$ 1.00	5,686,492	-	-	-	5,686,492
October 29, 2012	\$ 0.55	-	100,000	-	-	100,000
November 3, 2012	\$ 0.75	-	1,000,000	-	-	1,000,000
		5,786,492	1,100,000	-	-	6,886,492
Weighted average exercise price		\$ 0.99	\$ 0.73	\$ -	\$ -	\$ 0.95

On October 29, 2010, pursuant to a mining lease agreement with Range Minerals Inc. (Note 10 (e)), the Company issued 100,000 share purchase warrants with an exercise price of \$0.55, expiring on October 29, 2012, with a fair value of \$39,592. The assumptions used in the Black-Scholes option pricing model for the fair value were: a risk free interest rate of 1.39%; an expected volatility of 89%; an expected life of two years; and an expected dividend of zero.

The continuity for share purchase warrants for the year ended August 31, 2010 is as follows:

Expiry date	Exercise price	Balance, August 31, 2009	Issued	Exercised	Expired	Balance August 31, 2010
October 4, 2009	\$ 1.50	4,713,500	-	-	(4,713,500)	-
January 23, 2010	\$ 0.55	15,000	-	(15,000)	-	-
December 9, 2011	\$ 0.50	-	100,000	-	-	100,000
March 18, 2012	\$ 1.00	-	5,686,492	-	-	5,686,492
		4,728,500	5,786,492	(15,000)	(4,713,500)	5,786,492
Weighted average exercise price		\$ 1.50	\$ 0.99	\$ 0.55	\$ 1.50	\$ 0.99

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12. SHARE CAPITAL (continued)

e) Share Purchase Warrants (continued):

On December 9, 2009, pursuant to a mining lease agreement with Range (see Note 10(e)), the Company issued 100,000 share purchase warrants with an exercise price of \$0.50, expiring on December 9, 2011 with a fair value of \$27,113. The assumptions used in the Black-Scholes option pricing model for the fair value were: a risk free interest rate of 1.21%; an expected volatility of 87%; an expected life of two years; and an expected dividend of zero.

The continuity for share purchase warrants for the year ended August 31, 2009 is as follows:

Expiry date	Exercise price	Balance, August 31, 2008	Issued	Exercised	Expired	Balance, August 31, 2009
January 23, 2009	\$ 0.50	11,250	-	-	(11,250)	-
October 4, 2009	\$ 1.50	4,713,500	-	-	-	4,713,500
January 23, 2010	\$ 0.55	15,000	-	-	-	15,000
		4,739,750	-	-	(11,250)	4,728,500
Weighted average exercise price		\$ 1.49	\$ -	\$ -	\$ 0.50	\$ 1.50

13. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options and warrants as capital (see Note 12). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable level of risk. The Company is not subject to any externally imposed capital requirements.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration expenditures, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in interest bearing Canadian chartered bank account and short-term guaranteed investment certificates.

The Company expects its current capital resources will be sufficient to carry out its exploration plans and operations through the next twelve months and longer.

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14. RELATED PARTY TRANSACTIONS

The Company's related parties include a company owned by an executive officer as follows:

Name	Nature of transactions
Golden Oak Corporate Services Limited	Consulting as CFO, corporate compliance services, and financial reporting

The Company incurred the following fees and expenses in the normal course of operations in connection with companies owned by an executive officer. Expenses have been measured at the exchange amount which is the amount established and agreed to by the related parties.

Years ended	August 31, 2011	August 31, 2010	August 31, 2009
Consulting fees	\$ 108,938	\$ 100,100	\$ 96,600
Office and general expenses	6,094	7,727	6,619
Total	\$ 115,032	\$ 107,827	\$ 103,219

Directors fees paid to independent directors of \$32,129 for the year ended August 31, 2011 (August 31, 2010: \$43,355; August 31, 2009: \$28,462).

Advances from related parties are disclosed in Note 8 and amounts owing to related parties are disclosed in Note 11.

A director and officer of the Company holds a 10% interest in Nevada North Resources (USA) Inc.'s interest in the Coal Canyon and Red Hill property leases.

The Company and Red Eagle are related parties in that they have directors in common, being Ken Cunningham and Ian Slater.

15. INCOME TAXES

The Company is subject to income taxes in Canada, in the USA, and in Colombia. The consolidated provision for income taxes varies from the amount that would be computed from applying the combined Canadian federal and provincial income tax rates to the net loss before income taxes as follows:

	2011	2010	2009
Combined statutory tax rate	27%	29%	30%
Computed income tax benefit	\$ 1,083,779	\$ 989,000	\$ 705,000
Unrecognized items for tax purposes	(602,053)	(430,000)	(158,000)
Adjustments in tax rates	-	-	(17,000)
Income tax losses not recognized	(467,603)	(559,000)	(530,000)
Future income tax recovery	\$ 14,123	\$ -	\$ -

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15. INCOME TAXES (continued)

The significant components of the Company's future income tax assets are as follows:

	2011	2010
Capital assets	\$ 113,000	\$ 84,000
Exploration and development deductions	1,703,000	784,000
Non-capital losses carried forward	2,744,000	2,239,000
	4,560,000	3,307,000
Valuation allowance	(4,560,000)	(3,307,000)
	\$ -	\$ -

As at August 31, 2011 the Company has available for deduction against future taxable income, non-capital losses in Canada of approximately \$4,611,000, and in the USA of approximately \$5,423,000. Unless utilized, these losses will expire through to 2031.

Canadian and foreign exploration resource deductions may be used against certain taxable income without expiry provided there has been no change in the control of the Company. As at August 31, 2011, the available resource deductions amounted to approximately \$2,331,000. USA exploration resource deductions are amortized over a 10 year period. As at August 31, 2011, the available USA resource deductions amounted to approximately \$1,987,000.

16. SEGMENTED DISCLOSURE

The Company operates only in the mineral exploration sector within two geographic segments: Nevada and Alaska projects in the United States; and Colombian projects in Colombia. Geographical exploration expenditures and recoveries are detailed in Schedule 1 to the financial statements.

Notes 9 and 10 provide disclosure as to the geographic location of equipment and mineral interests.

17. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Year ended August 31,		
	2011	2010	2009
Non-cash investing and financing activities:			
Fair value of warrants issued for mineral interests	\$ 39,592	\$ 27,113	\$ -
Fair value of shares issued for mineral interests	134,000	251,000	-
Fair value of shares issued for finder's fees	-	101,332	-
Fair value of shares received for mineral interests	134,959	45,000	20,000
Fair value of options exercised	62,716	8,576	-
Fair value of warrants exercised	-	4,306	-
Mineral interest recovery in amounts receivable	152,854	-	-
Cash paid during the year for:			
Interest	\$ -	\$ -	\$ -
Income taxes	-	-	-

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18. SUBSEQUENT EVENTS

Subsequent to August 31, 2011, the Company:

- a) granted stock options to directors, officers, employees and consultants on 1,865,000 shares of the Company's capital stock, exercisable for up to five years at a price of \$0.40 per share. The options granted will vest 50% immediately, and 50% in twelve months from the date of grant;
- b) issued 100,000 warrants exercisable at \$0.60 for a period of two years, to Range Minerals pursuant to the underlying lease on the Ester Dome property in Alaska (Note 10(e));
- c) issued 40,000 common shares to ExpoGold pursuant to the Cajamarca Option (Note 10(q)); and
- d) reports that 100,000 share purchase warrants expired on December 9, 2011.

19. MATERIAL DIFFERENCES BETWEEN CANADIAN AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Canada ("Canadian GAAP"). There are no material variations in the accounting principles, practices, and methods used in preparing these financial statements from those principles, practices, and methods accepted in the United States ("US GAAP").

On September 1, 2011, the Company will transition from the current Canadian GAAP standards to IFRS. The Company will not be required to provide a reconciliation note to United States GAAP in future financial statements.