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**MIRLAND DEVELOPMENT CORPORATION plc
("MirLand"/ the "Company")**

**MIRLAND CLOSSES THE FIRST SHARE PURCHASE AGREEMENT FOR ACQUISITION OF
MOSCOW SKYSCRAPER DEVELOPMENT PROJECT**

LONDON, 3 January 2007 – MirLand Development Corporation plc announces that, as anticipated and described in its AIM Admission Document, it has completed the first share purchase agreement to acquire the entire issued share capital of a Cypriot company that holds a 58 per cent interest in a Russian company that has the leasehold rights in land to be used for the Company's skyscraper development project in Moscow. The consideration under this agreement is a total of US\$13m (US\$1.6M of which has already been paid by the Company).

The Company also announces that it has entered into an additional share purchase agreement to acquire an effective further 21% interest in the Russian company referred to above for a consideration of US\$4.5m. The Company intends to close this additional agreement and also acquire the remaining 21% interest for a further US\$4.5m subject to the satisfaction of certain conditions.

Moshe Morag, Chief Executive Officer of MirLand Development Corporation plc, said:

"We are very pleased to start this year with the completion of this important transaction and to be able to put the proceeds of our IPO to immediate use. We look forward to embarking on this very significant development project in Moscow and also aim to make rapid progress towards delivering the other plans outlined to investors in our Admission Document."

MirLand's shares commenced trading on AIM on 18 December 2006, having raised £143.3 million to invest in Russian real estate development projects.

-ENDS-

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