



**MERIDIAN MINING UK SOCIETAS
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in United States dollars)**

**FOR THE THREE MONTHS ENDED MARCH 31, 2023
(UNAUDITED)**

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

MERIDIAN MINING UK Societas
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in United States dollars)
(Unaudited)

	As at March 31, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash	\$ 3,456,206	\$ 6,174,891
Prepaid expenses and other assets	177,640	216,403
	<u>3,633,846</u>	<u>6,391,294</u>
Non-current assets		
Property, plant and equipment (Note 4)	854,339	841,367
Exploration and evaluation assets (Note 5)	8,313,242	8,020,634
	<u>8,313,242</u>	<u>8,020,634</u>
Total assets	<u>\$ 12,801,427</u>	<u>\$ 15,253,295</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 2,163,171	\$ 2,868,177
Taxes and fees payable (Note 7)	297,754	293,532
Provisions (Note 8)	356,678	349,606
	<u>2,817,603</u>	<u>3,511,315</u>
Non-current liabilities		
Provisions (Note 8)	60,324	61,900
Taxes and fees payable (Note 7)	47,564	56,668
	<u>60,324</u>	<u>61,900</u>
	<u>2,925,491</u>	<u>3,629,883</u>
Equity (deficit)		
Share capital (Note 9)	2,300,486	2,300,486
Share premium (Note 9)	53,985,844	53,985,844
Reserves (Note 9)	69,413,493	68,529,198
Deficit	(115,823,887)	(113,192,116)
	<u>9,875,936</u>	<u>11,623,412</u>
Total Equity (Deficit)	<u>9,875,936</u>	<u>11,623,412</u>
Total liabilities and equity	<u>\$ 12,801,427</u>	<u>\$ 15,253,295</u>

Nature of business and going concern (Note 1)

Subsequent events (Note 16)

On behalf of the Board on May 11, 2023:

“Gilbert Clark”

Director

“Charles Riopel”

Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

MERIDIAN MINING UK Societas**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)**

(Expressed in United States dollars)

(Unaudited)

	Three months ended March 31,	
	2023	2022
Operating expenses		
Exploration and evaluation expenses (Note 11)	1,066,985	1,016,066
General and administration expenses (Note 12)	709,837	653,543
Professional fees	197,251	163,790
Share-based payments (Note 9)	651,416	80,934
Care and maintenance expenses	16,801	14,480
Depreciation	39,106	27,866
Total operating expenses	(2,681,396)	(1,956,679)
Loss from operations	(2,681,396)	(1,956,679)
Finance items		
Mark-to-market revaluation of warrants (Note 9)	-	3,863,166
Finance income	30,835	7,385
Finance expense	(19,791)	(28,364)
Foreign exchange gain	38,581	106,352
Total finance income	49,625	3,948,539
Income (loss) for the period	(2,631,771)	1,991,860
Other comprehensive income (loss)		
Items that may be reclassified to income (loss)		
Foreign currency translation	232,879	929,457
Other comprehensive income (loss)	\$ (2,398,892)	\$ 2,921,317
Earnings (loss) per share ("EPS") (Note 9)		
Basic	\$ (0.01)	\$ 0.01
Diluted	\$ (0.01)	\$ (0.01)
Weighted Average Number of Shares Outstanding (000s)		
Basic	202,834	158,231
Diluted	202,834	184,996

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

MERIDIAN MINING UK Societas
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in United States dollars)
(Unaudited)

	Three months ended March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss)	\$ (2,631,771)	\$ 1,991,860
Items not affecting cash:		
Finance expenses	19,791	28,364
Depreciation	39,106	27,866
Mark-to-market revaluation of warrants (Note 9)	-	(3,863,166)
Share based payments (Note 9)	651,416	80,934
Foreign exchange gain	38,581	892
Items affecting cash:		
Interest paid	(5,688)	(3,571)
Disbursements related to provisions	(13,438)	(128,025)
Changes in non-cash working capital items:		
Prepaid expenses and other assets	40,133	(72,941)
Accounts payable and accrued liabilities	3,996	89,221
Taxes and fees payable	(9,397)	(14,633)
Net cash used in operating activities	<u>(1,944,433)</u>	<u>(1,863,199)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(18,752)	(55,042)
Acquisition of exploration and evaluation assets	(768,941)	-
Net cash provided by (used in) investing activities	<u>(787,693)</u>	<u>(55,042)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of warrants	-	183,162
Proceeds from the exercise of agent's compensation options and agent's compensation options warrants	-	38,764
Net cash provided by financing activities	<u>-</u>	<u>221,926</u>
Effect of foreign exchange on cash	<u>13,441</u>	<u>125,249</u>
Net change in cash	<u>(2,718,685)</u>	<u>(1,571,066)</u>
Cash, beginning of the period	<u>6,174,891</u>	<u>9,059,798</u>
Cash, end of the period	<u>\$ 3,456,206</u>	<u>\$ 7,488,732</u>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

MERIDIAN MINING UK Societas
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
(Expressed in United States dollars)
(Unaudited)

	Share Capital			Reserves					Total Equity	
	Shares	Share Capital	Share Premium	Reserves	Share based payments	Warrant reserve	Other reserves	Accumulated other comprehensive loss		
Balance, January 1, 2022	157,110,457	1,814,863	39,553,231	462,185	5,138,025	56,322	77,273,171	(14,021,225)	(113,992,224)	(3,715,652)
Debt restructuring transactions, conversion of debt (Note 9)										
Issuance of stock options	5,869,670	64,852	706,997	-	-	-	(771,849)	-	-	-
Warrant Exercise	1,948,273	21,653	1,409,400	-	80,934	-	-	-	-	80,934
Compensation option exercise	77,600	867	23,416	-	-	(12,067)	-	-	-	1,431,053
Compensation option warrant exercise	301,100	3,430	23,118	-	-	-	-	-	-	12,216
Comprehensive income for the period	-	-	-	-	-	-	-	929,457	1,991,860	2,921,317
Balance, March 31, 2022	165,307,100	\$ 1,905,665	\$ 41,716,162	\$ 462,185	\$ 5,218,959	\$ 44,255	\$ 76,501,322	\$ (13,091,768)	\$ (112,000,364)	\$ 756,416
Balance, January 1, 2023	202,833,761	\$ 2,300,486	\$ 53,985,844	\$ 462,185	\$ 5,303,215	\$ 66,223	\$ 76,501,322	\$ (13,803,747)	\$ (113,192,116)	\$ 11,623,412
Issuance of stock options	-	-	-	-	651,416	-	-	-	-	651,416
Comprehensive income for the period	-	-	-	-	-	-	-	232,879	(2,631,771)	(2,398,892)
Balance, March 31, 2023	202,833,761	\$ 2,300,486	\$ 53,985,844	\$ 462,185	\$ 5,954,631	\$ 66,223	\$ 76,501,322	\$ (13,570,868)	\$ (115,823,887)	\$ 9,875,936

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

MERIDIAN MINING UK Societas

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in United States dollars)

(Unaudited)

1. NATURE OF BUSINESS AND GOING CONCERN

Meridian Mining UK Societas (the “Company” or “Meridian”) was formed in Amsterdam, Netherlands on December 16, 2013. Effective August 15, 2017, the Company transferred its official seat from the Netherlands to London, United Kingdom. Effective April 4, 2022, the Company’s shares are listed on the Toronto Stock Exchange (“TSX”) under the symbol MNO. The Company is currently engaged in the exploration and development of mineral deposits in Brazil, through its subsidiaries, Rio Cabaçal Mineração Ltda (“Rio Cabaçal”) and Meridian Mineração Jaburi S.A. (“Jaburi”). The Company’s head office is located at 6th Floor, 65 Gresham Street, London, EC2V 7NQ, United Kingdom.

Going Concern

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future. The Company incurred a loss of \$2,631,771 during the three-month period ended March 31, 2023 (2022 – income of \$1,991,860). The Company has a working capital of \$816,243 as at March 31, 2023 (December 31, 2022 - \$2,879,979).

To continue as a going concern, the Company will need to secure new funding. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration successes. There can be no assurance that these initiatives will be successful, or sufficient financing will be available. These material uncertainties cast significant doubt as to the ability of the Company to meet its business plan and obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These condensed consolidated interim financial statements do not include adjustments to the recoverability and classifications of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and basis of presentation

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). The accounting policies applied in these condensed consolidated interim financial statements are consistent with those disclosed in Note 2 of the Company’s audited consolidated financial statements for the year ended December 31, 2022.

The condensed consolidated interim financial statements and accompanying notes were authorized for issue by the Company’s Board of Directors on May 11, 2023.

Basis of presentation

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. The financial statements of the Company are presented in United States (“US”) dollars, which is the functional currency of the Company. References to “\$”, “US\$”, or “dollars” are to US dollars, references to “C\$” are to Canadian dollars, references to “R\$” are to Brazilian Reals, and references to “€” are to Euro.

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

Principles of consolidation

The condensed consolidated interim financial statements incorporate the assets and liabilities and revenues and expenses of the Company's subsidiaries. Subsidiaries are all entities controlled by the Company. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial statements from the date control is obtained until the date control ceases. All intercompany balances, transactions, income, expenses, profits, and losses, including unrealized gains and losses have been eliminated on consolidation.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these condensed consolidated interim financial statements, are described in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2022.

4. PROPERTY, PLANT AND EQUIPMENT

Cost:	Land	Vehicles, machinery and equipment	Office furniture and other	Total
Balance, December 31, 2022	\$ 71,396	\$ 920,009	\$ 189,171	\$ 1,180,576
Additions		-	18,752	18,752
Currency adjustment	2,866	36,931	8,006	47,803
Balance, March 31, 2023	\$ 74,262	\$ 956,940	\$ 215,929	\$ 1,247,131

Accumulated depreciation:	Land	Vehicles, machinery and equipment	Office furniture and other	Total
Balance, December 31, 2022	\$ -	\$ (224,482)	\$ (114,727)	\$ (339,209)
Additions	-	(23,145)	(15,961)	(39,106)
Currency adjustment	-	(9,522)	(4,955)	(14,477)
Balance, March 31, 2023	\$ -	\$ (257,149)	\$ (135,643)	\$ (392,792)

Net book value:	Land	Vehicles, machinery and equipment	Office furniture and other	Total
December 31, 2022	\$ 71,396	\$ 695,527	\$ 74,444	\$ 841,367
March 31, 2023	\$ 74,262	\$ 699,791	\$ 80,286	\$ 854,339

MERIDIAN MINING UK Societas
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in United States dollars)
(Unaudited)

5. EXPLORATION AND EVALUATION ASSETS

Summary of exploration and evaluation assets:

Balance as at December 31, 2022	\$	8,020,634
Foreign currency adjustment		<u>292,608</u>
Balance as at March 31, 2023		<u>\$8,313,242</u>

Cabaçal Project, Mato Grosso

The Purchase Agreement entered with two private Brazilian companies (the “Vendors”) to acquire a 100% beneficial interest in the Cabaçal Copper-Gold Project in the state of Mato Grosso, Brazil, (the “Cabaçal Agreement”), contemplates that payments can be withheld by the Company in Indemnification Escrow Fund (the “Escrow Fund”) to guarantee the payment of any losses in connection with certain Vendors’ obligations. Also, at the Company’s discretion, the Escrow Fund balance can be used to pay certain Vendors’ obligations.

During the three-month period ended March 31, 2023, the Company and the Vendors started the process of establishing the Escrow Fund and the Company made payments of \$768,941 on behalf of the Vendors that have been deducted from the third payment amount. As at March 31, 2023, the balance of payable amount of the third payment instalment has been recognized by the Company in accounts payable and accrued liabilities.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2023	December 31, 2022
Trade payables	\$ 849,915	\$ 856,299
Option agreement – Cabaçal project (Note 5)	981,059	1,750,000
Payroll liabilities	241,129	202,428
Other liabilities (Note 10 (b))	<u>91,068</u>	<u>59,450</u>
Total	\$ 2,163,171	\$ 2,868,177

7. TAXES AND FEES PAYABLE

	March 31, 2023	December 31, 2022
Current:		
Taxes and fees payable (i)	\$ 51,887	\$ 51,638
Withholding taxes and other taxes related to debt restructuring	54,995	54,036
Income tax payable	141,287	141,287
Other	<u>49,585</u>	<u>46,571</u>
	\$ 297,754	\$ 293,532
Non-Current:		
Taxes and fees payable (i)	<u>47,564</u>	<u>56,668</u>
Total	\$ 345,318	\$ 350,200

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

(i) Restructuring of Brazilian taxes and fees liabilities

During the year ended December 31, 2020, the Company enrolled in an instalment payment program on certain unpaid taxes and fees related to the year ended December 31, 2019. Under the program, the Company will pay the outstanding taxes and fees, plus accrued penalties, and interests, in equal instalments over a period of 36 to 60 months.

The terms of each instalment program can be summarized as follow:

- a) Brazilian social security taxes. The total taxes payable of \$99,451 will be repaid in equal monthly instalments over 23 months, adjusted for inflation.

As a result, the Company classified as long-term liabilities the amount of \$47,564 (December 31, 2022 - \$56,668).

8. PROVISIONS

	Environmental provision (i)	Other provisions (ii)	Total
Balance, December 31, 2022	\$ 168,013	\$ 243,493	\$ 411,506
Spent during the period	(13,438)	-	(13,438)
Accretion	2,653	-	2,653
Foreign currency adjustment	6,507	9,774	16,281
Balance, March 31, 2023	\$ 163,735	\$ 253,267	\$ 417,002
Represented by:			
Current portion	\$ 103,411	\$ 253,267	\$ 356,678
Long-term portion	\$ 60,324	\$ -	\$ 60,324

(i) Environmental provision

Pursuant to Jaburi's operations in Brazil, the Company is required to rehabilitate its plant and colluvial mining sites, as well as remove all plant and equipment. A provision has been recognized for the requirements to rehabilitate these sites environmentally and decommission the plant and equipment. Environmental liabilities required to rehabilitate sites are considered short-term in nature and are included in care and maintenance expenses in the period recognized. Long-term environmental liabilities related to decommissioning the plants are recorded at the present value of the estimated costs, assuming nominal risk-free discount rates of 9.25% and are expected to be incurred up to the end of 2024.

(ii) Other provisions

Various legal and regulatory matters are outstanding from time to time due to the nature of the Company's operations. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of the changes in its condensed consolidated interim financial statements on the date such charges occur. As at March 31, 2023, the Company has recognized a provision of \$253,267 (December 31, 2022 - \$243,493) representing management's best estimates of expenditures required to settle present obligations. The ultimate outcome or actual cost of settlement may vary materially from management estimates due to the inherent uncertainty regarding the Company's estimates.

9. SHAREHOLDERS' EQUITY**Authorized Capital**

As at March 31, 2023 the Company had authorized unlimited number of common shares with a par value of €0.01.

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

Issued Capital

The Company has 202,833,761 (December 31, 2022 - 202,833,761) issued and fully paid common shares.

Share capital

Share capital comprises the amount subscribed for at the par value.

Share premium

Share premium comprises the amount subscribed for share capital in excess of par value.

Shares issued

During the three-month period ended March 31, 2022, the Company issued:

- 1,948,273 common shares for cash proceeds of \$183,162 pursuant to the exercise of warrants.
- 378,700 common shares for cash proceeds of \$38,764 pursuant to the exercise of agent's compensation units and agent's compensation options warrants; the Company reallocated \$12,067 of warrant reserve to share capital and share premium in connection with the exercise of these agent's compensation units.

Debt restructuring transactions:

Specifically, in regards to the debt restructuring transaction, the Company issued the following shares during the three-month period ended March 31, 2022:

- 5,869,670 common shares on March 29, 2022 to Sentient Global Resources Fund IV L.P. ("SGRFIV") settling the Consolidated Facility agreement balance of C\$14,674,177 before its maturity. During the year ended December 31, 2020, the Company concluded the debt restructure transaction with SGRFIV which resulted in the reclassification of the balance outstanding of the Consolidated Facility agreement to other reserves in equity. Upon issuance of the common shares on March 29, 2022, the Company reclassified the amount of \$771,849 equivalent of the fair market of the Consolidated Facility agreement on December 21, 2020 from other reserves to share capital and share premium.

Reserves - Stock options and warrants

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding December 31, 2021	22,044,851	C\$ 0.17	14,702,096	C\$ 0.09
Granted	-	-	175,000	1.10
Exercised	(1,948,273)	0.12	-	-
Outstanding March 31, 2022	20,096,578	C\$ 0.17	14,877,096	C\$ 0.49
Outstanding December 31, 2022	-	-	14,830,285	C\$ 0.50
Granted	-	-	3,225,500	0.50
Exercised	-	-	-	-
Outstanding March 31, 2023	-	-	18,055,785	C\$ 0.50
Number currently exercisable	-	-	17,755,785	C\$ 0.49

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

As at March 31, 2023 the following incentive stock options, share purchase warrants and agent's compensation options were outstanding:

	Number of options and warrants outstanding	Exercise Price (C\$)	Expiry Date	Remaining Contractual Life (years)
Stock options	6,291,631	0.07	October 22, 2024	1.56
	248,016	0.10	June 2, 2025	2.18
	3,285,000	0.45	February 26, 2026	2.91
	4,440,638	1.10	October 27,2026	3.58
	100,000	1.10	February 6, 2027	3.86
	75,000	1.10	February 24,2027	3.91
	390,000	0.95	May 17,2027	4.13
	3,225,500	0.50	January 25, 2028	4.82
Agent's compensation options	501,004 ⁽¹⁾	0.35	December 30 ,2024	1.73

⁽¹⁾ Issued in connection with the brokered private placement closed on December 30, 2022.

On January 25, 2023, the Company granted 3,225,500 to directors, officers, employees, advisors, and consultants of the Company that vested immediately with an exercise price of C\$0.50 per common share for a term of five years, until January 25, 2028.

On February 6, 2022, the Company granted 100,000 stock options to a consultant that vested immediately with an exercise price of C\$1.10 per common share for a term of five years, until February 6, 2027.

On February 24, 2022, the Company granted 75,000 stock options to the Company's Corporate Secretary that vested immediately with an exercise price of C\$1.10 per common share for a term of five years, until February 24, 2027.

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the three-month period ended March 31, 2023 and March 31, 2022:

	Options granted in 2023	Options granted in 2022
Risk-free interest rate	2.88%	1.68% - 1.74%
Expected life of options	5 years	5 years
Expected annualized volatility	85.04%	88.00% - 88.06%
Dividend yield	0.0%	0.0%
Forfeiture rate	0.0%	0.0%

Warrants – Derivative Liability

The Company's detachable warrants related to the units issued in the July 15, 2020 and December 21, 2020 private placements have an exercise price denominated in foreign currency (Canadian dollars) and were classified and accounted for as a derivative liability at fair value with changes in fair value included in profit or loss. During the year ended December 31, 2022, warrants which were set to expire on July 15, 2022 were fully exercised, and warrants with a December 21, 2022 expiry date were partially exercised.

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

During the three-month period ended March 31, 2022, there was a derivative gain of \$3,863,166 from the mark-to-market measurement of the warrant derivative liability. The weighted average assumptions used in the Black-Scholes pricing model to calculate the fair value of the warrants were: an expected life of 0.32 year; annualized volatility of 70.75%; a risk free interest rate of 2.27%; and zero expected dividend yield.

Earnings (loss) per share (“EPS”):

The following table sets forth the computation of basic and diluted earnings (loss) per share:

	Three months ended	
	March 31, 2023	March 31, 2022
Numerator		
Income (loss) for the period	\$ (2,631,771)	\$ 1,991,860
Effect of dilutive securities	-	(3,863,166)
	\$ (2,631,771)	\$ (1,871,306)
Denominator		
For basic – weighted average number of shares outstanding	202,833,761	158,231,367
Effect of dilutive securities	-	26,764,356
For diluted – adjusted weighted average number of the shares outstanding	202,833,761	184,995,723
Earnings (loss) Per Share		
Basic	(0.01)	0.01
Diluted	(0.01)	(0.01)

For the three months ended March 31, 2023, 17,755,785 stock options were not included in the calculation of diluted earnings per share as the Company was in a loss position and thus any impact would be anti-dilutive. For the three months ended March 31, 2022, 4,634,717 stock options were not included in the calculation of diluted earnings per share as they are out of the money.

10. RELATED PARTIES

a) Key management compensation

	March 31, 2023	March 31, 2022
Salaries, consulting and directors’ fees	\$ 296,898	\$ 247,747
Share-based compensation	393,819	-
	\$ 690,717	\$ 247,747

b) Other related party transactions

As at March 31, 2023 the Company had the following balances due to/from entities related by way of common directors and/or management. These amounts, unless otherwise noted, were unsecured and non-interest bearing.

	March 31, 2023	December 31, 2021
Accounts payable and accrued liabilities – other liabilities	\$ 91,068	\$ 192,084

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

11. EXPLORATION AND EVALUATION EXPENSES

	March 31, 2023	March 31, 2022
Assays	\$ 89,657	\$ 57,050
Consulting – geological and other	81,382	60,496
Engineering studies	127,057	-
Drilling	213,980	292,197
Equipment rental	61,826	80,853
Environmental studies	-	64,995
Field expenditures	59,880	125,798
Vehicle rental	46,300	40,249
Payroll	288,580	226,555
Room and boarding	57,592	46,011
Other	40,731	21,862
Total	\$ 1,066,985	\$ 1,016,066

12. GENERAL AND ADMINISTRATION EXPENSES

	March 31, 2023	March 31, 2022
Investor relations and shareholder communication	\$ 106,538	\$ 57,075
Insurance	34,810	51,811
Management and director fees (Note 10)	255,462	205,861
Office and miscellaneous	57,977	66,694
Payroll	136,537	157,771
Rent	18,108	7,381
Telephone and information technology	14,597	16,996
Travel	43,517	45,672
Other	42,291	44,282
Total	\$ 709,837	\$ 653,543

13. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity totaling \$9,875,936 (2022 – \$756,416). The Company's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

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

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank sponsored instruments. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

14. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**Financial instruments**

The Company is required to disclose the fair value of each class of financial assets and liabilities in the financial statements. Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels.

The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quotes 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).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash and accounts payable approximate fair value due to the short-term nature of the financial instruments. Warrant liability was measured at fair value based on Level 2 inputs.

Risk management

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include, credit risk, currency risk, interest rate risk and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash. The Company deposits cash with high credit quality financial institutions as determined by rating agencies.

Currency risk

The international nature of the Company's operations results in foreign exchange risk. The Company's operating costs are primarily in US dollars, Canadian dollars, Brazilian reals, and Euro. Hence, any fluctuation of the US dollar in relation to these currencies may affect the profitability of the Company and the value of the Company's assets and liabilities.

The Company is exposed to foreign exchange risk through the following financial assets and liabilities denominated in currencies other than the functional currency of the applicable company:

As at March 31, 2023	US dollar	Canadian dollar	Pound Sterling	Brazilian Real
Cash	\$ 106,445	\$ 3,224,095	\$ 4,496	\$ 121,170
Prepaid expenses and other assets	125,762	24,679	-	27,199
Total Assets	232,207	3,248,774	4,496	148,369
Accounts payable and accrued liabilities	(1,388,179)	(112,563)	-	(662,429)
Net Assets	\$ (1,155,972)	\$ 3,136,211	\$ 4,496	\$ (514,060)

MERIDIAN MINING UK Societas

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in United States dollars)

(Unaudited)

As at December 31, 2022	US dollar	Canadian dollar	Brazilian real
Cash	\$ 50,523	\$ 6,066,485	\$ 57,883
Prepaid expenses and other assets	153,657	19,768	42,978
Total Assets	204,180	6,086,253	100,861
Accounts payable and accrued liabilities	(2,257,514)	(110,233)	(500,430)
Net Assets	\$ (2,053,334)	\$ 5,976,020	\$ (399,569)

As at March 31, 2023, fluctuations of +/- 10% in the US dollar, relative to those foreign currencies, would impact the Company's consolidated income for the three-month period ended March 31, 2023 by approximately \$263 thousand. In addition, such fluctuations would impact the Company's consolidated total assets, consolidated total liabilities and consolidated total equity by approximately \$340 thousand, \$77 thousand and \$263 thousand, respectively, as at March 31, 2023.

The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange.

Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company does not believe its interest rate risk is significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial assets.

The Company has historically relied upon equity financings to maintain an adequate level of cash to satisfy its capital requirements and will continue to depend heavily upon equity financings. All of the Company's accounts payable and accrued liabilities are subject to normal trade terms. The Company is exposed to risk that it will encounter difficulty in satisfying liabilities on maturity.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company will need additional capital in the future to finance ongoing exploration of its properties, such capital is expected to be derived from the completion of equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities.

The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as exploration success. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

MERIDIAN MINING UK Societas**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in United States dollars)

(Unaudited)

As at March 31, 2023, the Company's liabilities that have contractual maturities are as follows:

	March 31, 2023	<1 Year	Total
Accounts payable and accrued liabilities	\$ 2,163,171	\$ -	\$ 2,163,171
Taxes and fees payable	297,754	47,564	345,318
Provisions	356,678	60,324	417,002
	<u>\$ 2,817,603</u>	<u>\$ 107,888</u>	<u>\$ 2,925,491</u>

The fair value of the Company's loans payable is approximated by the carrying values as the contractual interest rates are comparable to current market interest rates.

15. SEGMENTED INFORMATION

A significant portion of the Company's operations are located in Brazil. From time to time various legal, labour, The Company operates in one operating segment, being the acquisition, exploration and development of exploration and evaluation properties in Brazil. Accordingly, the chief decision makers consider Meridian to currently have one segment and, therefore, segmented information is not presented.

16. SUBSEQUENT EVENTS

On May 2, 2023, the Company closed a bought deal offering through the issuance of 36,800,000 common shares at a price of C\$0.50 per common share for aggregate gross proceeds to the Company of C\$18,400,000. The Company also issued 1,677,000 share purchase warrants (the "Compensation Warrants"). Each Compensation Warrant entitles the holder to purchase one Common Share at a price of C\$0.50 per Common Share until May 2, 2025.