



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

FOR THE SIX MONTHS ENDED JUNE 30, 2025 and 2024
(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 LOSS AND OTHER COMPREHENSIVE LOSS
(Expressed in United States dollars, except share and per share amounts)
(Unaudited)

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	2025	2024	2025	2024
Operating expenses				
Exploration and evaluation expenses (Note 11)	\$ 2,121,747	\$ 2,625,300	\$ 3,814,717	\$ 4,057,990
General and administration expenses (Note 12)	798,803	781,531	1,591,097	1,493,593
Professional fees	565,870	167,087	1,119,420	360,887
Care and maintenance expenses	16,375	22,224	35,841	40,087
Share-based payments (Note 9)	1,001,584	91,209	1,001,584	118,833
Depreciation and amortization expenses	43,355	48,572	89,613	97,832
Total operating expenses	(4,547,734)	(3,735,923)	(7,652,272)	(6,169,222)
Loss from operations	(4,547,734)	(3,735,923)	(7,652,272)	(6,169,222)
Finance items				
Finance income	111,790	142,989	189,980	184,646
Finance expense	(5,103)	(5,475)	(10,663)	(21,229)
Foreign exchange gain (loss)	825,423	(181,409)	708,126	(326,817)
Total finance income (expense)	932,110	(43,895)	887,443	(163,400)
Loss for the period before tax	(3,615,624)	(3,779,818)	(6,764,829)	(6,332,622)
Income tax expense	-	-	-	-
Loss for the period	(3,615,624)	(3,779,818)	(6,764,829)	(6,332,622)
Other comprehensive income (loss)				
Items that have been or may be reclassified to (loss) income in subsequent periods				
Foreign currency translation	13,040	(764,054)	93,246	(1,045,505)
Total other comprehensive (loss) income	13,040	(764,054)	93,246	(1,045,505)
Total comprehensive loss	\$ (3,602,584)	\$ (4,543,872)	\$ (6,671,583)	\$ (7,378,127)
Loss per share (“EPS”) (Note 9)				
Basic	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
Diluted	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
Weighted Average Number of Shares Outstanding (000s)				
Basic	351,696	294,627	338,554	268,886
Diluted	351,696	294,627	338,554	268,886

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)

	<u>Six months ended June 30,</u>	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (6,764,829)	\$ (6,332,622)
Items not affecting cash:		
Finance expense	10,663	21,229
Depreciation and amortization expenses	89,613	97,832
Foreign exchange loss (gain)	(708,126)	326,817
Share-based payments (Note 9)	1,001,584	118,833
Items affecting cash:		
Interest paid	(6,428)	(13,454)
Disbursements related to provisions	(5,873)	(19,753)
Changes in non-cash working capital items:		
Prepaid expenses and other assets	145,078	(32,946)
Accounts payable and accrued liabilities	(179,915)	678,517
Taxes and fees payable	(15,446)	(20,713)
Net cash used in operating activities	<u>(6,433,679)</u>	<u>(5,176,260)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant, and equipment and intangibles	(52,511)	(40,339)
Exploration and evaluation asset acquisition (note 5 (b))	(259,255)	(557,858)
Net cash used in investing activities	<u>(311,766)</u>	<u>(598,197)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from public offering financing (note 9)	12,127,300	14,826,174
Share issuance costs related to the public offering financing (note 9)	(80,036)	(1,091,174)
Proceeds from the exercise of agent's compensation options	829,567	92,324
Net cash provided by financing activities	<u>12,876,831</u>	<u>13,827,324</u>
Effect of foreign exchange on cash	<u>874,194</u>	<u>(180,192)</u>
Net change in cash	<u>7,005,580</u>	<u>7,872,675</u>
Cash, beginning of the period	<u>7,710,874</u>	<u>7,095,927</u>
Cash, end of the period	<u>\$ 14,716,454</u>	<u>\$ 14,968,602</u>

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MERIDIAN MINING UK SOCIETAS
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(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 income (loss)	Deficit	
Balance, January 1, 2024	242,572,708	\$ 2,736,732	\$ 66,366,978	\$462,185	\$ 7,132,288	\$ 330,376	\$ 76,501,322	\$ (13,332,906)	\$ (125,177,974)	\$ 15,019,001
Shares issued on public offering financing (Note 9)	57,500,000	624,404	14,201,770	-	-	-	-	-	-	14,826,174
Share issuance costs (Note 9)	-	-	(1,393,580)	-	-	302,406	-	-	-	(1,091,174)
Issuance of stock options	-	-	-	-	118,834	-	-	-	-	118,834
Compensation options exercises	358,782	3,900	126,216	-	-	(37,792)	-	-	-	92,324
Comprehensive loss for the year	-	-	-	-	-	-	-	(1,045,505)	(6,332,622)	(7,378,127)
Balance, June 30, 2024	300,431,490	\$ 3,365,036	\$ 79,301,384	\$462,185	\$ 7,251,122	\$ 594,990	\$ 76,501,322	\$ (14,378,411)	\$ (131,510,596)	\$ 21,587,032
Balance, January 1, 2025	304,840,887	\$ 3,413,029	\$ 79,631,529	\$462,185	\$ 7,125,361	\$ 580,088	\$ 76,501,322	\$ (15,111,092)	\$ (143,412,879)	\$ 9,189,543
Shares issued on public offering financing (Note 9)	44,187,432	461,019	11,666,281	-	-	-	-	-	-	12,127,300
Share issuance costs (Note 9)	-	-	(80,036)	-	-	-	-	-	-	(80,036)
Issuance of stock options	-	-	-	-	1,001,584	-	-	-	-	1,001,584
Stock options exercises	234,123	2,637	16,204	-	(18,841)	-	-	-	-	-
Compensation options exercises	2,677,504	29,327	1,207,767	-	-	(407,437)	-	-	-	829,657
Comprehensive gain (loss) for the period	-	-	-	-	-	-	-	93,246	(6,764,829)	(6,671,583)
Balance, June 30, 2025	351,939,946	\$ 3,906,012	\$ 92,441,745	\$462,185	\$ 8,108,104	\$ 172,651	\$ 76,501,322	\$ (15,017,846)	\$ (150,177,708)	\$ 16,396,465

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. 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 8th Floor, 4 More London Riverside, London, SE1 2AU, 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 \$6,764,829 during the six months ended June 30, 2025 (2024 – loss of \$6,332,622). The Company has working capital of \$12,316,282 as at June 30, 2025 (December 31, 2024 - \$6,051,029).

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 classification of 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 MATERIAL 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, 2024.

The condensed consolidated interim financial statements and accompanying notes were authorized for issue by the Company’s Board of Directors on August 12, 2025.

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.

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Principles of consolidation

The condensed consolidated interim financial statements incorporate the assets and liabilities 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 judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment 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, 2024.

4. PROPERTY, PLANT AND EQUIPMENT

Cost:	Land	Vehicles, machinery and equipment	Office furniture and other	Total
Balance, December 31, 2024	\$ 61,029	\$ 898,922	\$ 147,533	\$ 1,107,484
Additions		20,219	7,674	27,893
Currency adjustment	8,022	119,255	19,811	147,088
Balance, June 30, 2025	\$ 69,051	\$ 1,038,396	\$ 175,018	\$ 1,282,465

Accumulated depreciation:	Land	Vehicles, machinery and equipment	Office furniture and other	Total
Balance, December 31, 2024	\$ -	\$ (359,556)	\$ (94,147)	\$ (453,703)
Additions	-	(40,341)	(8,786)	(49,127)
Currency adjustment	-	(49,445)	(12,851)	(62,296)
Balance, June 30, 2025	\$ -	\$ (449,342)	\$ (115,784)	\$ (565,126)

Net book value:	Land	Vehicles, machinery and equipment	Office furniture and other	Total
December 31, 2024	\$ 61,029	\$ 539,366	\$ 53,386	\$ 653,781
June 30, 2025	\$ 69,051	\$ 589,054	\$ 59,234	\$ 717,339

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5. EXPLORATION AND EVALUATION ASSETS

Summary of exploration and evaluation assets:

	Espigão Project	Cabaçal Project	Total
Balance as at December 31, 2024	\$ 1	\$ 2,447,565	\$ 2,447,566
Additions:			
Option Agreement – Cabaçal Project	-	600,000	600,000
Foreign currency adjustment	-	293,877	293,877
Balance as at June 30, 2025	\$ 1	\$ 3,341,442	\$ 3,341,443

Cabaçal Project, Mato Grosso

(a) Overview of Purchase Agreement

On November 6, 2020, the Company entered into a Purchase Agreement with two private Brazilian companies (the “Vendors”), to acquire the rights to the Cabaçal Copper-Gold Project in the state of Mato Grosso, Brazil, (the “Cabaçal Agreement”). On October 5, 2021, the Company assigned the Cabaçal Agreement to its Brazilian subsidiary, Rio Cabaçal. The Cabaçal Agreement contemplated that payments can be withheld by the Company in an Indemnification Escrow Fund (the “Escrow Fund”) to guarantee the payment of any losses in connection with certain of the Vendors’ obligations. At the Company’s discretion, the Escrow Fund balance can be used to pay certain Vendors’ obligations.

Under the terms of the Cabaçal Agreement, the Company is required to make staged payments based on milestones achieved below. The Company has determined the Cabaçal Agreement to be an executory contract based on the assessment of its provisions. As a result, as milestones are achieved the respective staged payments are triggered. The measurement of staged payments will be determined at the trigger date and will be capitalized to exploration and evaluation assets as they are deemed to be acquisition related costs.

Amounts triggered and paid as June 30, 2025:

- First instalment payment: \$25,000 payable within 5 days of the execution of the option agreement (paid);
- Second instalment payment: \$275,000 payable by October 15, 2021, as the transfers of the mineral rights to Rio Cabaçal were filed with the Agência Nacional de Mineração (“ANM”; Brazil’s national mining agency) (paid);
- Third instalment payment: \$1,750,000 payable on August 1, 2023, unless accelerated upon completion of an equity financing for gross proceeds of at least \$2,500,000, provided completion of a successful drill program and historical geophysics database validation, as well as obtaining certain permits and the access to the surface rights overlapping with the Cabaçal mineral rights. The Company has paid \$1,656,620; and
- Fourth instalment payment: 1,000,000 common shares in the capital of the Company or C\$300,000, at the option of the Vendors, within 6 months of the third payment and subject to completion of a technical report on the estimate of the resource in accordance with National Instrument 43-101, whichever occurs later (paid in common shares).

Amounts not yet triggered:

- Fifth instalment payment: \$1,850,000 plus, at the option of the Vendors, 1,500,000 common shares in the capital of the Company or C\$450,000, within 9 months of the fourth payment and subject to the successful completion of the positive economic feasibility study. On January 4, 2024, the Company amended the terms of this fifth instalment where the payment will be made by September 30, 2025, but is subject to the successful completion of the positive economic feasibility study. The amended terms required the Company to advance a total of \$250,000, divided in monthly instalments, from April 2025 to June 2025 (fully paid), to be deducted from the total amount of the fifth payment. On April 15, 2025, the Company further amended the terms of the fifth instalment where the payment will be made by June 30, 2026, but is subject to the successful completion of the positive economic feasibility study. The amended terms require the Company to advance an additional total amount of \$600,000, divided in monthly instalments, from October 2025 to January 2026, to be deducted from the total amount of the fifth payment;

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- Sixth instalment payment: \$2,250,000 payable plus, at the option of the Vendors, 2,000,000 common shares in the capital of the Company or C\$600,000, up to 30 days after the Installation License (“LI”) of the Cabaçal plant is issued by the competent authorities; and
- Seventh instalment payment: \$2,600,000 payable within 45 days after the signature by the Company of the definitive financing contracts for the construction of the Cabaçal plant.

(b) Cabaçal Agreement payments

During the six-month period ended June 30, 2025, the Company made payments of \$259,255 on behalf of the Vendors that have been deducted from the third and fifth payment amounts. As at June 30, 2025, the following remaining balances continue to be recognized in accounts payable and accrued liabilities:

- Third instalment - \$84,208
- Fifth instalment – \$600,000

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2025	December 31, 2024
Trade payables	\$ 1,108,613	\$ 971,629
Option agreement – Cabaçal project (Note 5(b))	684,208	352,283
Payroll liabilities	342,482	228,008
Other liabilities (Note 10)	76,205	78,761
Total	\$ 2,211,508	\$ 1,630,681

7. TAXES AND FEES PAYABLE

	June 30, 2025	December 31, 2024
Taxes and fees payable	\$ -	\$ 8,242
Withholding taxes and other taxes	62,663	58,570
Other	56,315	62,315
	\$ 118,978	\$ 129,127

8. PROVISIONS

	Environmental provision (i)	Other provisions (ii)	Total
Balance, December 31, 2024	\$ 12,912	\$ 269,753	\$ 282,665
Spent during the period	(5,873)	-	(5,873)
Accretion	1,070	-	1,070
Foreign currency adjustment	1,698	35,458	37,156
Balance, June 30, 2025	\$ 9,807	\$ 305,211	\$ 315,018

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(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 related to decommissioning the plants and rehabilitation of the colluvial mining sites are recorded at the present value of the estimated costs, assuming nominal risk-free discount rate of 12.50% and are expected to be incurred up to the end of 2025.

(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 consolidated financial statements on the date such charges occur. As at June 30, 2025, the Company has recognized a provision of \$305,211 (December 31, 2024 - \$269,753) 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 June 30, 2025 the Company had authorized unlimited number of common shares with a par value of €0.01.

Issued Capital

The Company has 351,939,946 (December 31, 2024 – 304,840,887) 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 six-month period ended June 30, 2025, the Company issued:

- 44,187,432 common shares for aggregate gross proceeds of \$12,127,300 at a subscription price of C\$0.39 per common share;
- 234,123 common shares related to the exercise on a cashless basis (net exercise) of 318,016 share purchase stock options, in accordance with the Company's omnibus plan; and
- 2,677,504 common shares for cash proceeds of \$829,657 pursuant to the agent's compensation options at the exercise price of C\$0.35 and C\$0.50.

Private Placement

On February 19, 2025, the Company completed a brokered private placement of 44,187,432 common shares at a subscription price of C\$0.39 per common share, for aggregate gross proceeds of \$12,127,300 (C\$17,233,098). The Company paid finders' fees of \$36,196 (C\$51,480). The common shares issued pursuant to the private placement are subject to a four-month hold period expiring on June 20, 2025. The Company incurred other share issuance costs of \$43,840 on this private placement. Total transactions costs incurred in this private placement, allocated to share premium, were \$80,036.

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During the six months ended June 30, 2024, the Company issued:

- 57,500,000 common shares for aggregate gross proceeds of \$14,826,174 at a subscription price of C\$0.35 per common share

On April 9, 2024, the Company closed a bought deal offering through the issuance of 57,500,000 common shares at a subscription price of C\$0.35 per common share, for aggregate gross proceeds to the Company of \$14,826,174 (C\$20,125,000). The Company paid agent's cash commission totaling \$561,170 (C\$761,535) and issued 2,101,628 agent's compensation options, valued at \$302,406 (C\$410,565). Each agent's compensation option is exercisable for one common share at an exercise price of C\$0.35, expiring April 9, 2026. The value of the agent's compensation option was determined using Black-Scholes pricing model. The assumptions used to calculate the fair value of the agent's compensation options were: an expected life of 2 years; annualized volatility of 78.08%; a risk free interest rate of 3.59%; and zero expected dividend yield. The Company incurred other share issuance costs of \$530,004 on this offering. Total transactions costs incurred and allocated to share premium was \$1,393,580.

Reserves - Stock options

Stock option transactions are summarized as follows:

	Stock Options	
	Number	Weighted Average Exercise Price
Outstanding December 31, 2023	21,543,103	C\$ 0.65
Expired / cancelled	(681,112)	0.64
Granted	780,000	0.47
Outstanding June 30, 2024	21,641,991	C\$ 0.51
Outstanding December 31, 2024	17,289,307	C\$ 0.61
Expired / cancelled	(404,299)	0.61
Granted	7,250,000	0.63
Exercised (i)	(234,123)	0.13
Outstanding June 30, 2025	23,900,885	C\$ 0.63
Number of Options Exercisable	19,067,552	

(i) During the six months ended June 30, 2025, the weighted average share price at the date of the stock option exercise was C\$0.70

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As at June 30, 2025, the following incentive stock options, and agent's compensation options were outstanding:

	Number of options outstanding	Exercise Price (C\$)	Expiry Date	Remaining Contractual Life (years)
Stock options	2,375,000	0.45	February 26, 2026	0.66
	600,000	0.46	April 29, 2026	0.83
	3,506,749	1.10	October 27, 2026	1.33
	100,000	1.10	February 6, 2027	1.61
	75,000	1.10	February 24, 2027	1.65
	390,000	0.95	May 17, 2027	1.88
	2,629,500	0.50	January 25, 2028	2.57
	695,000	0.50	July 26, 2028	3.07
	950,000	0.50	October 11, 2028	3.28
	1,000,000	0.35	October 27, 2028	3.33
	4,149,636	0.50	November 28, 2028	3.42
	180,000	0.50	February 28, 2029	3.67
	7,150,000 ⁽¹⁾	0.63	April 15, 2030	4.79
	100,000 ⁽²⁾	0.89	June 13, 2030	4.96
Agent's compensation options	1,050,814 ⁽³⁾	0.35	April 9, 2026	0.78

⁽¹⁾ 2,383,333 stock options to be vested on October 15, 2025 and 2,383,334 on April 15, 2026.

⁽²⁾ 33,333 stock options to be vested on December 13, 2025 and 33,334 on June 13, 2026.

⁽³⁾ Issued in connection with the public offering closed on April 9, 2024. Subsequent to June 30, 2025, 264,704 agent's compensation options were exercised.

On April 15, 2025, the Company granted 7,150,000 stock options to directors, officers, employees, advisors, and consultants of the Company vesting in accordance with the following schedule: One-third of the options shall vest on April 15, 2025, one-third of the options shall vest on October 15, 2025 and the remaining vest on April 15, 2026 with an exercise price of C\$0.45 per common share for a term of the five years, until April 15, 2030.

On June 13, 2025, the Company granted 100,000 stock options to an employee of the Company vesting in accordance with the following schedule: One-third of the options shall vest on June 13, 2025, one-third of the options shall vest on December 13, 2025 and the remaining vest on June 13, 2026 with an exercise price of C\$0.89 per common share for a term of the five years, until June 13, 2030.

Total share-based payments recognized in the Statements of Loss for the six months ended June 30, 2025 was \$1,001,584 (six months ended June 30, 2024 - \$118,833) for incentive options granted and vested.

On February 28, 2024, the Company granted 180,000 stock options to a consultant of the Company that vested immediately with an exercise price of C\$0.50 per common share for a term of five years, until February 28, 2029.

On April 29, 2024, the Company granted 600,000 stock options to a consultant of the Company that vested immediately with an exercise price of C\$0.46 per common share for a term of two years, until April 29, 2026.

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

(Expressed in United States dollars)

(Unaudited)

The following assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the period ended on June 30, 2025:

	Options granted in 2025	Options granted in 2024
Risk-free interest rate	2.72% - 2.96%%	3.60% - 3.81%
Expected life of options	5 years	2-5 years
Expected annualized volatility	77.40% - 78.63%	78.55% - 83.24%%
Dividend yield	0.0%	0.0%
Forfeiture rate	0.0%	0.0%

The expected volatility used in the Black-Scholes option pricing model is based primarily on the historical volatility of comparable companies.

Loss per share (“EPS”):

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

	Three months ended	
	June 30, 2025	June 30, 2024
Numerator		
Loss for the period	\$ (3,615,624)	\$ (3,779,818)
Effect of dilutive securities	-	-
	\$ (3,615,624)	\$ (3,779,818)
Denominator		
For basic – weighted average number of shares outstanding	351,695,569	294,627,099
Effect of dilutive securities	-	-
For diluted – adjusted weighted average number of the shares outstanding	351,695,569	294,627,099
Loss per Share		
Basic	\$ (0.01)	\$ (0.01)
Diluted	\$ (0.01)	\$ (0.01)

For the three months ended June 30, 2025, 14,962,469 stock options (three months ended June 30, 2025 – 4,600,700) and 1,050,814 agent’s compensation options (three months period ended June 30, 2025 – \$nil) 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.

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	Six months ended	
	June 30, 2025	June 30, 2024
Numerator		
Loss for the period	\$ (6,764,829)	\$ (6,332,622)
Effect of dilutive securities	-	-
	\$ (6,764,829)	\$ (6,332,622)
Denominator		
For basic – weighted average number of shares outstanding	338,553,733	268,885,917
Effect of dilutive securities	-	-
For diluted – adjusted weighted average number of the shares outstanding	338,553,733	268,885,917
Loss Per Share		
Basic	\$ (0.02)	\$ (0.02)
Diluted	\$ (0.02)	\$ (0.02)

For the six months ended June 30, 2024, 12,579,136 (six months ended June 30, 2024 -21,641,991) stock options and 1,050,814 (six months ended June 30, 2024 - 2,101,628) compensation 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.

10. RELATED PARTIES

a) Key management compensation

	June 30, 2025	June 30, 2024
Directors' fees	\$ 59,885	\$ 61,267
Salaries and consulting fees	722,793	631,084
Share-based compensation	569,755	-
	\$ 1,352,433	\$ 692,351

b) Other related party transactions

As at June 30, 2025, the Company had the following balances due to entities related by way of common directors and/or management. These amounts, unless otherwise noted, were unsecured and non-interest bearing.

	June 30, 2025	December 31, 2024
Accounts payable and accrued liabilities – other liabilities	\$ 76,205	\$ 78,761

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11. EXPLORATION AND EVALUATION EXPENSES

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Assays	\$ 503,879	\$ 418,459	\$ 746,353	\$ 678,662
Consulting – geological, engineering and other	256,866	240,788	684,692	323,404
Drilling	588,815	1,161,075	961,299	1,613,352
Environmental studies	30,778	44,896	73,939	44,896
Equipment and vehicle expenses	168,636	184,002	306,520	346,873
Fees and licenses	2,639	36,451	34,902	47,038
Field expenditures and road construction	114,915	131,738	182,131	231,594
Payroll	359,775	326,959	653,371	617,994
Room and boarding	80,759	72,806	144,559	141,753
Other	14,685	8,126	26,951	12,424
Total	\$ 2,121,747	\$ 2,625,300	\$ 3,814,717	\$ 4,057,990

12. GENERAL AND ADMINISTRATION EXPENSES

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Consulting	\$ -	\$ 14,851	\$ 43,338	\$ 21,520
Investor relations and shareholder communication	73,350	57,108	129,058	135,684
Insurance	36,125	29,740	64,145	65,675
Management and director fees (Note 10)	436,923	369,952	782,678	692,346
Office and miscellaneous	937	57,415	61,251	99,698
Payroll	146,487	117,581	282,110	248,860
Rent	19,835	20,856	38,775	37,943
Telephone and information technology	15,146	13,623	39,330	27,397
Travel	70,000	73,924	130,833	116,850
Other	-	26,481	19,579	47,620
Total	\$ 798,803	\$ 781,531	\$ 1,591,097	\$ 1,493,593

13. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity totaling \$16,396,465 (December 31, 2024 - \$9,189,543). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern (Note 1) 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.

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

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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.

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 British pound sterling. 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. The following table are the US dollar equivalents of the Company's exposure to the following currencies:

As June 30, 2025	Australian dollar	British pound	US dollar	Canadian dollar
Cash	\$ -	\$ -	1,486	\$ 14,285,908
Total Assets	-	-	1,486	14,285,908
Accounts payable and accrued liabilities	(48,480)	(74,217)	(684,208)	(272,393)
Net Assets	\$ (48,480)	\$ (74,217)	\$ (682,722)	\$ 14,013,515
As at December 31, 2024	Australian dollar	British pound	US dollar	Canadian dollar
Cash	\$ 44,043	\$ -	1,747	\$ 7,246,029
Total Assets	44,043	-	1,747	7,246,029
Accounts payable and accrued liabilities	(67,326)	(37,631)	(352,283)	(148,466)
Net Assets	\$ (23,283)	\$ (37,631)	\$ (350,536)	\$ 7,097,563

As at June 30, 2025, fluctuations of +/- 10% in the US dollar, relative to those foreign currencies, would impact the Company's Statements of Loss for the period ended June 30, 2025 by approximately \$1,320,955. In addition, such fluctuations would impact the Company's consolidated total assets, consolidated total liabilities and consolidated total equity by approximately \$1,428,739, \$107,930 and \$1,320,955, respectively, as at June 30, 2025.

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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. None of the Company's payables are subject to floating interest rates. 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.

As at June 30, 2025, the Company's liabilities that have contractual maturities are as follows:

	Less than 1 year	Less than 2 years	2 years or greater	Total
Accounts payable and accrued liabilities	\$ 2,211,508	\$ -	\$ -	\$ 2,211,508
Provisions	315,018	-	-	315,018
	<u>\$ 2,526,526</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,526,526</u>

15. SEGMENTED INFORMATION

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

(a) Share issuances:

On August 7, 2025, the Company closed a brokered private placement through the issuance of 64,102,564 common shares at a price of C\$0.78 per common share for gross proceeds to the Company of C\$50,000,000.

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In addition to the common shares issued pursuant to the private placement, the Company issued 262,704 common shares for cash proceeds of \$67,560 pursuant to the agent's compensation options at the exercise price of C\$0.35.

(b) Conversion to PLC

On July 22, 2025, the High Court of Justice and England and Wales confirmed the Company's conversion to a public limited liability registered in England and Wales ("PLC"). In order to affect the conversion to a PLC, the Company was required to undertake a reduction of capital by way of the cancellation of its share premium account that was approved by the Company's shareholders on June 24, 2025. The Company's UK auditors, PKF Littlejohn LLP, have been engaged as the independent expert to assess, certify and issue a report that the Company has net assets at least equivalent to its capital as of July 31, 2025. It is also expected that the certificate of the PLC Conversion will be issued by UK Companies House in September 2025 (the "PLC Conversion Effective Date"). Concurrently with the PLC Conversion Effective Date, the Company will change its name to Meridian Mining PLC (the "Name Change") and adopt new articles of association that are consistent with PLCs registered in the United Kingdom. The Name Change is subject to final approval by Toronto Stock Exchange. Once completed the Company's common shares will be assigned new CUSIP and ISIN identifiers.