MERIDIAN MINING SE

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in United States dollars)

FOR THE THREE MONTHS ENDED MARCH 31, 2017

(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 SE
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in United States dollars)
(Unaudited)

As at	March 31, 2017	December 31, 2016
ASSETS		
Current		
Cash	$ 2,861,878	$ 4,172,875
Accounts receivable	1,276,804	3,337,096
Prepaid expenses and other assets (Note 5)	1,176,899	1,045,317
Inventory (Note 6)	785,585	1,308,337
	6,101,166	9,863,625
Advances to supplier (Note 22)	2,401,740	1,931,300
Tax credits (Note 5)	-	71,587
Property, plant and equipment (Note 7)	9,410,124	8,947,623
Exploration and evaluation assets (Note 8)	16,031,208	15,655,662
Goodwill (Note 9)	1,148,994	1,121,922
Total assets	$ 35,093,232	$ 37,591,719
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 10)	$ 2,370,215	$ 2,898,137
Provisions (Note 11)	678,869	613,859
Loan payable (Note 13)	1,025,000	1,000,000
Convertible note (Note 12)	1,331,820	1,300,852
	5,405,904	5,812,848
Loan Payable (Note 13)	5,938,333	5,794,583
	11,344,237	11,607,431
Equity (formerly Members' capital)		
Share capital (Note 14)	1,633,697	1,633,697
Share premium (Note 14)	55,766,957	55,766,957
Reserves (Note 14)	(5,841,293)	(6,564,927)
Deficit attributable to owners of the Company	(27,810,366)	(24,851,439)
Total equity	23,748,995	25,984,288
Total liabilities and equity	$ 35,093,232	$ 37,591,719

Nature of business and going concern (Note 1)
Commitments and contingencies (Note 22)
Subsequent events (Note 23)

On behalf of the Board on May 29, 2017:

"Barry Bolitho" Director *"Douglas Willock"* Director

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

MERIDIAN MINING SE
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND OTHER COMPREHENSIVE LOSS
(Expressed in United States dollars)
(Unaudited)

	Three months ended March 31	
	2017	2016
Revenues	$ 3,329,662	$ 417,307
Production costs (Note 16)	(2,715,678)	(515,281)
	613,984	(97,974)
Operating expenses		
Exploration and evaluation expenses (Note 17)	1,486,288	655,466
General and administration expenses (Note 18)	1,343,798	844,526
Professional fees	281,878	247,627
Re-commissioning and standby costs	15,720	246,820
Total operating expenses	(3,127,684)	(1,994,439)
Loss from operations	(2,513,700)	(2,092,413)
Finance items		
Finance income	6,346	-
Finance expense	(218,062)	(89,099)
Foreign exchange	(233,511)	301,637
	(445,227)	212,538
Loss for the period before taxes		
Income tax recovery	-	551,305
	-	551,305
Loss for the period	(2,958,927)	(1,328,570)
Other comprehensive income (loss) for the period:		
Unrealized foreign currency translation income	723,634	2,355,058
Other comprehensive income (loss), net of taxes for the period	$ (2,235,293)	$ 1,026,488
Income (Loss) attributable to:		
Owners of the Company	$ (2,958,927)	$ 1,146,978
Non-controlling interest	-	181,592
Income (Loss) for the period	(2,958,927)	1,328,570
Comprehensive loss attributable to:		
Owners of the Company	-	1,012,275
Non-controlling interest	-	14,213
Comprehensive loss for the period	$ -	$ 1,026,488
Basic and diluted loss per common share	$ (0.02)	$ 0.01
Weighted average number of basic and diluted shares outstanding	151,087,921	110,561,865

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

MERIDIAN MINING SE
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in United States dollars)
(Unaudited)
Three months ended

	March 31, 2017	March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (2,958,927)	$ (1,328,570)
Items not affecting cash:		
Accrued finance expense	199,717	67.865
Depreciation	148,444	78.964
Deferred tax recovery	-	(551,305)
Unrealized foreign exchange	(83,790)	(301,637)
Changes in non-cash working capital items:		
Accounts receivable	2,069,646	(149,401)
Prepaid expenses and other assets	(129,948)	(19,632)
Inventory	555,339	(36,862)
Accounts payable and accrued liabilities	(389,561)	(341,093)
Provisions	50,290	-
Net cash used in operating activities	(538,790)	(2,581,671)
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances to supplier	(424,613)	-
Additions to property, plant and equipment	(395,482)	(166,585)
Net cash used in investing activities	(820,095)	(166,585)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributions received	-	3,200,000
Net cash provided by financing activities	-	3,200,000
Effect of foreign exchange on cash	47,888	115,036
Net change in cash	(1,310,997)	566,780
Cash, beginning of the period	4,172,875	4,508,381
Cash, end of the period	$ 2,861,878	$ 5,075,161

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

MERIDIAN MINING SE
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the three months ended March 31, 2017 and 2016
(Expressed in United States dollars)

	Share Capital (formerly Members'capital contributions)					Reserves					
	Shares	Share Capital	Share Premium	Members capital contributions	Other items	Reserves	Accumulated other comprehensive loss	Deficit attributable to shareholders of the parent	**Total – shareholders' capital attributable to parent**	Non-controlling interest	**Total equity**
Balance, December 31, 2015	-	$ -	$ -	$ 41,353,332	$ 149,513	$ 462,185	$ (9,342,921)	$ (14,944,095)	**$ 17,678,014**	$ 6,002,280	**$ 23,680,294**
Capital contributions received	-	-	-	3,200,000	-	-	-	-	**3,200,000**	-	**3,200,000**
Movements in NCI	-	-	-	-	-	-	-	(128,833)	**(128,833)**	128,833	-
Comprehensive income (loss) for the period	-	-	-	-	-	-	2,355,058	(1,146,978)	**1,208,080**	(181,592)	**1,026,488**
Balance, March 31, 2016	-	$ -	$ -	$ 44,553,332	$ 149,513	$ 462,185	$ (6,987,863)	$ (16,219,906)	**$ 21,957,261**	$ 5,949,521	**$ 27,906,782**
Balance, December 31, 2016	151,087,921	$ 1,633,697	$ 55,766,957	$ -	$ -	$ 462,185	$ (7,027,112)	$ (24,851,439)	**$ 25,984,288**	$ -	**$ 25,984,288**
Comprehensive income (loss) for the period	-	-	-	-	-	-	723,634	(2,958,927)	**(2,235,293)**	-	**(2,235,293)**
Balance, March 31, 2017	151,087,921	$ 1,633,697	$ 55,766,957	$ -	$ -	$ 462,185	$ (6,303,478)	$ (27,810,366)	**$ 23,748,995**	$ -	**$ 23,748,995**

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Meridian Mining S.E. (the "Company" or "Meridian") was formed in Amsterdam, Netherlands on December 16, 2013 as a Dutch Cooperative with two members, Sentient Global Resources Fund III and Sentient Global Resources Fund IV. The Company was a privately held metals group, focused on the acquisition, exploration, development and mining activities, primarily through its subsidiary, Meridian Mineração Jaburi S.A. ("Jaburi"). The Company's registered office is located at Atrium Building, 8th floor, Strawinskylaan 3127, 1077 ZX, Amsterdam, the Netherlands.

On September 30, 2016, the Company entered into a definitive arrangement agreement ("Arrangement Agreement") pursuant to which the Company completed a business combination and reorganization transaction with the Company's partially owned consolidated subsidiary Cancana Resources Corp. ("Cancana"). As part of the restructuring the Company reacquired Sentient Global Resources Fund III's interest and it was terminated. The restructuring also included the conversion of the Company's legal form and a name change. On August 28, 2016, the Company converted its legal structure from a Dutch Cooperative to a public limited liability company and changed its name to Meridian Mining N.V. Effective October 12, 2016, the Company and its Luxembourg subsidiary completed a cross-border merger and the Company was converted into a Societas Europaea ("SE") with its official address in Amsterdam, the Netherlands.

In conjunction with the initial legal form conversion to a public company, the outstanding member capital as of August 2016 was converted into nominal share capital resulting in the issuance of 51,353,300 shares. The Company's authorized capital was amended to €2,567,665 and was authorized to issue 256,766,500 common shares with a par value of €0.01.

Cancana received shareholder approval of the Arrangement Agreement at the Company's AGM on November 14, 2016. As contemplated in and immediately prior to the completion of the Arrangement Agreement the Company completed a share split of the issued and outstanding common shares of Meridian to the effect that Meridian had total issued and outstanding common shares of 133,109,662. The transactions contemplated within the Arrangement Agreement were completed on November 27, 2016 and Meridian assumed Cancana's listing on the TSX Venture Exchange. On November 28, 2016 the Company commenced trading on the TSX Venture Exchange under the ticker MNO.

On November 27, 2016, the Company acquired all of the issued and outstanding common shares of Cancana in share for share exchange where the Company issued 0.4 common shares of the Company for each common share of Cancana. In addition, under the Arrangement Agreement, the Company issued common shares in the same common share exchange ratio for each of Cancana's in the money stock option outstanding. Under the Arrangement Agreement the Company issued 17,978,259 shares to the Cancana share and option holders resulting in 151,087,921 common shares outstanding.

These consolidated 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 has historically relied upon capital contributions and debt facilities provided by its shareholders, to maintain an adequate level of cash to satisfy its capital and operating requirements and expects to continue to depend heavily upon its majority shareholder for financing.

To continue as a going concern, the Company must generate sufficient operating cash flow to fund its capital and operating requirements or 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 success. There can be no assurance that these initiatives will be successful, or sufficient financing, including financing from its majority shareholder, will be available. These material uncertainties may 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.

1. NATURE AND CONTINUANCE OF OPERATIONS (cont'd…)

These 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.

The recoverability of the amounts shown for mineral properties is dependent on the existence and economic extraction of resources, the capacity to obtain financing to complete the development of such resources, the ability to obtain the necessary licenses and permits and meet the Company's obligations under various agreements, stability or increases in future commodity prices, and the success of future operations or dispositions of the mineral properties.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and basis of presentation

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34), using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies applied in these condensed interim consolidated financial statements are consistent with those disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2016.

These interim financial statements do not include all disclosures required by International Financial Reporting Standards for annual audited consolidated financial statements and accordingly should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2016 prepared in accordance with IFRS as issued by the International Accounting Standards board.

New standards not yet adopted

The following are new pronouncements approved by the IASB. These new standards are not yet effective and have not been applied in preparing these financial statements, however, they may impact future periods:

IFRS 2 Share-based Payment ("IFRS 2") – In June 2016, the IASB issued amendments to IFRS 2 Share-based Payment, covering the measurement of cash-settled share-based payments, classification of share-based payments settled net of tax withholdings, and accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements, and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments apply for annual periods beginning on or after January 1, 2018, with early adoption permitted. The impact of the amendments to IFRS 2 on the Company's consolidated financial statements has not yet been determined.

IFRS 9, Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company has not yet made an assessment of the impact of the amendments.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New standards not yet adopted (cont'd…)

IFRS 15 Revenue from Contracts with Customers ("IFRS 15") – In May 2014, the IASB issued IFRS 15, which covers principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. In September 2015, the IASB deferred the effective date of the standard to annual reporting periods beginning on or after January 1, 2018, with earlier application permitted. The impact of IFRS 15 on the Company's consolidated financial statements has not yet been determined.

IFRS 16 Leases ("IFRS 16") – In January 2016, the IASB issued IFRS 16, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019, with earlier application permitted, provided the new revenue standard, IFRS 15, has been applied or is applied at the same date as IFRS 16. The impact of IFRS 16 on the Company's consolidated financial statements has not yet been determined.

3. SIGNFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these condensed interim consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Certain estimates, such as those related to the recoverability of property, plant and equipment, and exploration and evaluation assets, deferred tax assets and liabilities, depreciation and remaining useful life of assets, and disclosure of contingencies depend on subjective or complex judgments about matters that may be uncertain. Changes in those estimates could materially impact these consolidated financial statements.

Material sources of estimation uncertainty include:

Mineral Production

The Company's mine assets are depleted and amortized on a units of production basis, using the expected amount of future production. The Company does not have a National Instrument 43-101 compliant resource estimate and accordingly uses expected forecasts based on available geological and technical data as a basis for the expected amount of production. Changes to these estimates, which can be significant, could be caused by a variety of factors, including future production differing from current forecasts, development of mineral resources or factors that impact the expected life of the mining operation.

3. SIGNFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (cont'd…)

Deferred taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. At the end of each reporting period, the Company reassesses unrecognized income tax assets.

The Company's operations involve dealing with uncertainties and judgments in the application of complex tax regulations in multiple jurisdictions. The final taxes paid are dependent upon many factors, including negotiations with tax authorities in various jurisdictions and resolution of disputes arising from tax audits. The Company recognizes potential liabilities and records tax liabilities for anticipated tax audit issues based on its estimate of whether, and the extent to which, additional taxes will be due. The Company adjusts these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the Company's current estimate of the tax liabilities. If the Company's estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If the estimate of tax liabilities proves to be greater than the ultimate assessment, a tax benefit would result.

Impairment of property, plant and equipment, and goodwill

The Company considers both external and internal sources of information in assessing whether there are any indications that its cash generating unit ("CGU") including property, plant and equipment, and goodwill is impaired. External sources of information the Company considers include changes in the market, and the economic and legal environment in which the Company operates and affect the recoverable amount of mining interests and goodwill. Internal sources of information the Company considers include the manner in which mining properties, plant, and equipment are being used or are expected to be used and indications of economic performance of the assets.

In determining the recoverable amounts of the Company's property, plant and equipment, and goodwill, the Company makes estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the assets and the appropriate discount rate. The projected cash flows are significantly affected by changes in assumptions related to metal selling prices, changes in the amount of future production, and exploration potential, production cost estimates, future capital expenditures, discount rates and exchange rates.

Access to estimated future production and exploration potential of the Company's property, plant and equipment, and goodwill is a key assumption in determining their recoverable amounts. The ability to maintain existing or obtain necessary mining concessions, surface rights title, and water concessions is integral to the access of the production areas and exploration potential.

If the Company determines there has been an impairment because its prior estimates of discounted future cash flows have proven to be inaccurate, due to reductions in manganese prices or demand, increases in the costs of production, reductions in the amounts of production, or other factors the Company would be required to write-down the recorded value of its property, plant and equipment or goodwill in profit and loss.

3. SIGNFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (cont'd…)

Critical management judgments:

Depreciation and depletion

The Company's mine assets are depleted and amortized on a units of production basis, using the expected amount of future production. Changes to these estimates, which can be significant, could be caused by a variety of factors, including future production differing from current forecasts, expansion of mineral resources through exploration activities, difference between estimated and actual cost of mining and other factors impacting production or the expected life of mine assets. The Company does not have a National Instrument 43-101 compliant resource estimate and accordingly uses expected forecasts based on available geological and technical data as a basis for the expected amount of production.

Recoverability of exploration and evaluation assets

The Company capitalizes the acquisition costs related to its exploration and evaluation assets. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalized the costs, a judgment is made that recovery of the costs is unlikely, the relevant capitalized amount will be written off to profit and loss.

The recoverability of amounts shown for exploration and evaluation assets is dependent on the existence of economically recoverable reserves, the ability to obtain financing to complete the development of such reserves and meet obligations under various agreements, and the success of future operations or dispositions. If a project does not prove viable, all unrecoverable costs associated with the project net of any related existing impairment provisions are written off.

Determination of cash-generating unit

The Company reviewed its operations and considered all of its manganese operations in Brazil to constitute one CGU due to the proximity of the assets and operations, the shared infrastructure and the future operational plans. This CGU encompasses all of the property, plant and equipment and exploration and evaluation assets, as well as the goodwill, acquired in the Jaburi, Eletroligas and Cancana acquisitions.

4. SHARE EXCHANGE

The Arrangement Agreement (Note 1) is considered to be a common control transaction as Meridian controlled Cancana both before and after the share exchange and the operations of Cancana were already fully consolidated in the results and position of Meridian. Non-controlling interest and the loss attributable to non-controlling interest were recorded and presented in the financial statements of the Company up to November 27, 2016, the date of the share exchange. Upon completion of the share exchange and the shareholders of Cancana becoming shareholders of Meridian the non-controlling interest and the related cumulative translation adjustment was reclassified to be part of the equity of the Company.

The value of non-controlling interest as at November 27, 2016 was $5,673,368, consisting of accumulated other comprehensive income of ($1,930,903) and the retained interest in their proportionate share of net assets of Cancana and Jaburi of $7,604,271.

Direct transaction costs of $839,629 were recorded in share premium as a cost of the equity transaction between shareholders of the entity.

(Expressed in United States dollars)

5. PREPAID EXPENSES AND OTHER ASSETS

	March 31, 2017	December 31, 2016
Tax credits	$ 510,796	$ 444,339
Prepaid expenses and advances	666,103	600,978
Total	$ 1,176,899	$ 1,045,317

The Company is required to pay certain taxes in Brazil that are based on purchases of consumables and property, plant and equipment. These taxes are recoverable from the Brazilian tax authorities through various methods, including as a cash refund or as a credit against current taxes payable. The Company estimates that these taxes are fully recoverable within the next year based on forecasted sales.

6. INVENTORY

	March 31, 2017	December 31, 2016
Stockpiled ore	$ 767,421	$ 1,290,601
Consumables and stores	18,164	17,736
Total	$ 785,585	$ 1,308,337

During the period ended March 31, 2017, $1,487,957 (March 31, 2016 - $371,011) of costs were expensed that were directly attributable to the costs incurred during the production of inventory.

(Expressed in United States dollars)

7. PROPERTY, PLANT AND EQUIPMENT

Cost:		Mine assets		Land and buildings		Vehicles, machinery and equipment		Office furniture and other		Assets under construction		Total
Balance, December 31, 2015	$	6,577,723	$	243,483	$	1,093,902	$	62,665	$	153,472	$	8,131,245
Additions		19,982		21,079		145,757		169,944		397,783		754,545
Transfers		-		323,156		189,411		(20,549)		(492,018)		-
Currency adjustment		1,500,803		139,348		720,359		27,001		27,949		2,415,460
Balance, December 31, 2016		8,098,508		727,066		2,149,429		239,061		87,186		11,301,250
Additions		-		-		145,335		1,255		248,891		395,481
Transfers		-		-		-		-		-		-
Currency adjustment		195,357		17,539		51,580		5,764		1,648		271,888
Balance, March 31, 2017	$	8,293,865	$	744,605	$	2,346,344	$	246,080	$	337,725	$	11,968,619

Accumulated depreciation:		Mine assets		Land and buildings		Vehicles, machinery and equipment		Office furniture and other		Assets under construction		Total
Balance, December 31, 2015	$	(451,407)	$	(25,096)	$	(265,198)	$	(4,051)	$	-	$	(745,752)
Additions		(591,853)		(35,335)		(171,577)		(68,792)		-		(867,557)
Transfers		-		-		(1,188)		1,188		-		-
Currency adjustment		(146,429)		(66,848)		(519,416)		(7,625)		-		(740,318)
Balance, December 31, 2016		(1,189,689)		(127,279)		(957,379)		(79,280)		-		(2,353,627)
Additions		(55,942)		(14,214)		(51,224)		(27,060)		-		(148,440)
Transfers		-		-		-		-		-		-
Currency adjustment		(28,598)		(3,044)		(22,999)		(1,787)		-		(56,428)
Balance, March 31, 2017	$	(1,274,229)	$	(144,537)	$	(1,031,602)	$	(108,127)	$	-	$	(2,558,495)

Net book value:		Mine assets		Land and buildings		Vehicles, machinery and equipment		Office furniture and other		Assets under construction		Total
December 31, 2016	$	6,908,819	$	599,787	$	1,192,050	$	159,781	$	87,186	$	8,947,623
March 31, 2017	$	7,019,636	$	600,068	$	1,314,742	$	137,953	$	337,725	$	9,410,124

(Expressed in United States dollars)

8. EXPLORATION AND EVALUATION ASSETS

Summary of exploration and evaluation assets:

Balance as at January 1, 2016	$	12,766,708
Foreign currency adjustment		2,888,954
Balance as at December 31, 2016		15,655,662
Foreign currency adjustment		375,546
Balance as at March 31, 2017	$	16,031,208

Title to mineral property interests

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. Title to mineral properties is also subject to the laws and regulations in Brazil, which can be subject to change and may impact the Company's title to its mineral properties. Jaburi has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

Jaburi Claims

Prior to 2016, the Company acquired 100% interest in certain exploration claims via a combination of business acquisitions, asset acquisitions and staking. The claims are contiguous to the Company's manganese mine assets in Rondônia, Brazil.

Bom Futuro - Property Option Agreement

The Company's subsidiary, Jaburi, entered into a Definitive Investment Agreement (the "Investment Agreement") with Cooperativa de Garimpeiros de Santa Cruz Ltda. ("Coopersanta") and Cooperativa Metalúrgica de Rondônia Ltda. ("Coopermetal") (together the "Cooperatives"), whereby Jaburi can earn an interest in up to three components of the Cooperatives tin operation.

Pursuant to the Investment Agreement, Jaburi had until March 15, 2017 to complete due diligence, which the Company completed subsequent to year end. Upon completion of the due diligence period the Company elected to proceed with the transactions contemplated by the Agreement.

The Agreement comprises three project areas, under the terms of the Agreement:

1) The Cooperatives granted Jaburi a five year Tailings Reprocessing Permit on the Tailings Area, which can be extended for a further 5 years provided Jaburi has incurred $1.5 million in exploration expenditures on the area. If Jaburi reprocesses the tailings, the Cooperatives will pay Jaburi a reprocessing fee equal to cassiterite concentrate pricing less a 20% treatment charge and a 3% royalty;

2) Jaburi has the right to explore the Central Area and will receive a right of first refusal on the provision of underground mining services to the Cooperatives or on the rights to acquire the area; and

(Expressed in United States dollars)

8. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Bom Futuro - Property Option Agreement (cont'd…)

3) Jaburi is required to spend $10.5 million on exploration on the Non-Explored Area over five years. Upon completion of the exploration expenditures and a National Instrument 43-101 or Joint Ore Reserves Committee Code compliant feasibility study showing economic potential, the Cooperatives will assign and transfer the rights of the Non-Explored Area to a special purpose company ("SPC"). The SPC will be set up by Jaburi and Coopermetal for the mineral and commercial exploitation of this area, in which Jaburi will hold 80% interest and Coopermetal 20%. In the event Jaburi does not identify a National Instrument 43-101 or Joint Ore Reserves Committee Code compliant feasibility study showing economic potential, the Cooperatives will grant Jaburi a second exploration term of five years provided Jaburi invested $10.5 million in exploration work on the Non-Explored Area.

In addition, under the terms of the agreement the Company is required to finance the completion of the under construction 69kv power transmission line between Bom Futuro and Ariquemes. Jaburi will become eligible for reimbursement for the work performed on the completion of the power transmission line from Centrais Elétricas de Rondônia S/A ("CERON"). Reimbursement is payable in cash, in up to six instalments following the completion of the power transmission line. Should reimbursement from CERON not be made in cash, Jaburi will be reimbursed by offsetting bills for consumed energy. All costs incurred to date have been expensed.

9. GOODWILL

Goodwill was acquired pursuant to the acquisition of Jaburi. Management has allocated goodwill to its manganese operations which is considered as a single CGU.

Balance as at December 31, 2015	$	913,661
Foreign currency adjustment		208,261
Balance as at December 31, 2016		1,121,922
Foreign currency adjustment		27,072
Balance as at March 31, 2017	$	1,148,994

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		March 31, 2017		December 31, 2016
Trade payables	$	1,720,270	$	2,107,413
Payroll liabilities		552,133		673,461
Taxes and fees payable		97,812		117,263
Total	$	2,370,215	$	2,898,137

(Expressed in United States dollars)

11. PROVISIONS

	Environmental provision (i)	Other provisions (ii)	Total
Balance, December 31, 2015	$ 189,627	$ 100,982	$ 290,609
Paid during the year	(47,607)	(25,988)	(73,595)
Accrued during the year	113,750	199,244	312,994
Foreign currency adjustment	48,089	35,762	83,851
Balance, December 31, 2016	303,859	310,000	613,859
Paid during the period	(2,096)	-	(2,096)
Accretion	4,676	-	4,676
Accrued during the period	-	47,710	47,710
Foreign currency adjustment	7,327	7,393	14,720
Balance, March 31, 2017	$ 313,766	$ 365,103	$ 678,869

(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 is included in production costs in the period recognized. Environmental liabilities related to decommissioning the plants are recorded at the present value of the estimated costs, assuming risk-free discount rates of 4.50% (2016 – 4.50%) and are expected to be incurred in 2020.

(ii) *Other provisions*

Various legal, tax 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 March 31, 2017, the Company has recognized a provision of $365,103 (2016 - $310,000) representing management's best estimates of expenditures required to settlement 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.

12. CONVERTIBLE NOTE

	March 31, 2017	December 31, 2016
Balance, beginning of period	$ 1,300,852	$ 1,174,919
Finance expense	30,968	125,933
Balance, end of period	$ 1,331,820	$ 1,300,852
Equity component of convertible note	$ 453,423	$ 453,423

In December 2014, the Company entered into a non-arm's length convertible note agreement with Sentient for proceeds of $1,500,000. The convertible note is non-interest bearing and matures on December 31, 2017. The proceeds were allocated first to the fair value of the convertible note, with the remaining $453,423 allocated to the equity component. The fair value was determined by using an interest rate approximating the Company's market rate of interest for a similar debt instrument. The liability component of the debt is accreted over the term of the convertible note. The debt has an effective interest rate of 12%.

(Expressed in United States dollars)

12. CONVERTIBLE NOTE (cont'd…)

The principal is convertible, in whole or in part, into common shares at a price of C$0.4375, at the option of Sentient at any time for the term of the note. If the principal is converted in whole 3,991,885 shares will be issued.

13. LOANS PAYABLE

	March 31, 2017	December 31, 2016
Balance, beginning of period	$ -	$ -
Borrowings(i)	5,750,000	5,750,000
Restructuring (ii)	1,000,000	1,000,000
Interest expense	213,333	44,583
Balance, end of period	$ 6,963,333	$ 6,794,583
Current	$ 1,025,000	$ 1,000,000
Non current	5,938,333	5,794,583
Total	$ 6,963,333	$ 6,794,583

(i) In October 2016, the Company entered into a non-arm's length loan agreement with Sentient for $7,000,000, available in tranches. The loan bears interest at a rate of 10% per annum and is for a term of 1.5 years, maturing on April 30, 2018. During the year ended December 31, 2017 the Company drew down $5,750,000.

(ii) Prior to the closing of the share exchange the outstanding loan balance of $1,000,000 which Cancana had borrowed from Ferrometals BV was restructured such that Sentient became the counterparty of the loan facility. The assignment of this loan payable resulted in a return of equity of the Company to Sentient, with consideration being the Cancana debt of $1,000,000. Subsequent to period end the loan was extended to April 30, 2018 and the interest rate was amended to 10%.

14. SHAREHOLDERS' EQUITY (formerly Members' Interest)

Authorized Capital

As at March 31, 2017 the Company had authorized capital of €5,000,000 and is authorized to issue 500,000,000 common shares with a par value of €0.01.

Issued Capital

The Company had 151,087,921 issued and fully paid 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.

14. SHAREHOLDERS' EQUITY (formerly Members' Interest) (cont'd…)

Capital contributions

During the period ended March 31, 2017, the Company received $nil (December 31, 2016 - $10,000,000) in capital contributions from its shareholders.

Shares issued

There were no shares issued during the period ended March 31, 2017. During the year ended December 31, 2016:

a) In conjunction with the Company's legal form conversion to a public company:

   a. The Company reacquired Sentient Global Resources Fund III's interest; and

   b. The outstanding member capital as of August 2016 was converted into nominal share capital. The Company completed a share split immediately prior to the completion of the Arrangement Agreement to the effect that Meridian had a total issued and outstanding common shares of 133,109,662.

b) On November 28, 2016, the Company acquired all of the issued and outstanding common shares of Cancana in share for share exchange where the Company issued 0.4 common shares of the Company for each common share of Cancana. In addition, under the Arrangement Agreement, the Company issued common shares in the same common share exchange ratio for each of Cancana's in-the-money stock options outstanding. Under the Arrangement Agreement the Company issued 17,978,259 shares to the Cancana share and option holders resulting in 151,087,921 common shares outstanding.

Reserves - Stock options and warrants

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock for a period preceding the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

(Expressed in United States dollars)

14. SHAREHOLDERS' EQUITY (formerly Members' Interest) (cont'd…)

Reserves - Stock options and warrants (cont'd…)

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, 2015	22,919,142	CAD$	0.28	1,940,000	CAD$	0.24
Exercised	-		-	(1,660,000)		0.23
Converted in Share Exchange (i)	-		-	(90,000)		0.23
Expired	(22,919,142)		0.28	(20,000)		0.87
Forfeited	-		-	(170,000)		0.25
Outstanding December 31, 2016	-		-	-		-
Expired / cancelled	-		-	-		
Outstanding March 31, 2017	-	CAD$	-	-	CAD$	-
Number currently exercisable	-	CAD$	-	-	CAD$	-

(i) The in the money value of 90,000 stock options were converted to common shares of Meridian, in accordance with the Arrangement Agreement, resulting in the issuance 16,285 common shares of the Company (or 40,714 Cancana shares at a value of C$0.42).

15. RELATED PARTIES

a) Key management compensation

	March 31, 2017	March 31, 2016
Salaries, consulting and directors fees	$ 383,884	$ 242,584

The Company had the following transactions with entities related by way of common directors and/or management:

a) Professional fees of $61,797 (2016 - $36,795) to Vistra Fund Services (Netherlands) BV, a company which a director is an employee of.

As at March 31, 2017, 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, 2017	December 31, 2016
Accounts payable and accrued liabilities	$ 681,915	$ 501,371

(Expressed in United States dollars)

16. PRODUCTION COSTS

	March 31, 2017	March 31, 2016
Inventory costs	$ 1,487,957	$ 371,011
Royalties and taxes	302,043	65,306
Depreciation and depletion	148,444	78,964
Freight expenses	777,234	-
Total	$ 2,715,678	$ 515,281

17. EXPLORATION AND EVALUATION EXPENSES

	March 31, 2017	March 31, 2016
Assays	$ 95,094	$ 10,899
Consulting – geological and other	248,306	131,970
Drilling	198,565	183,825
Equipment and maintenance	117,325	46,449
Fees and licenses	80,035	53,544
Field expenditures and road construction	122,354	15,594
Other	28,335	14,129
Payroll	459,833	148,145
Professional fees	25,174	-
Room and boarding	111,267	50,911
Total	$ 1,486,288	$ 655,466

18. GENERAL AND ADMINISTRATION EXPENSES

	March 31, 2017	March 31, 2016
Community relations	$ 115,661	$ 27,340
Consulting	177,759	45,765
Investor relations and shareholder communication	26,954	6,857
Insurance	46,183	12,385
Management and director fees (Note 15)	247,721	136,758
Office and miscellaneous	92,390	87,861
Payroll	295,030	222,230
Rent	38,556	30,285
Subscriptions and licenses	68,637	24,116
Telephone and information technology	69,814	121,015
Travel	163,386	119,127
Other	1,707	10,787
Total	$ 1,343,798	$ 844,526

19. CAPITAL MANAGEMENT

The capital structure of the Company consists of capital attributable to common shareholders, comprising of issued capital, reserves, share to be issued, subscriptions receivable and deficits. 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 to it in light 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 and investments.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank sponsored instruments. This strategy is unchanged from the period ended December 31, 2016. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

20. 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 receivables and advances, accounts payable and accrued liabilities, and loan payable approximates fair value due to the short term nature of the financial instruments. Cash is carried at its fair value using level 1 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 and receivables. The Company deposits cash with high credit quality financial institutions as determined by rating agencies. Receivables and advances are mostly due from suppliers and contractors. Trade receivables are due from well-known customers, and the carrying amount of the financial assets represents the maximum credit exposure.

20. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (cont'd…)

Risk management (cont'd…)

Currency risk

The international nature of the Company's operations results in foreign exchange risk as certain transactions are denominated in foreign currencies. Jaburi's operations and exploration programs are primarily in Brazil and are denominated in the Brazilian Real, and its liabilities are denominated primarily in Brazilian reals, while Cancana's operations are primarily in Canada and its liabilities are denominated in Canadian dollars. The fluctuation of the US dollar will, consequently, have an impact upon the reported profitability of the Company and may also affect the value of the Company's assets and liabilities.

The Company holds cash and accounts payable in Canadian dollars, Australian dollars and Brazilian reals; fluctuations in these currencies will, consequently, have an impact upon the Company's profitability and the value of the Company's liabilities. As at December 31, 2016, the impact of a 10% change in rate of exchange on the US dollar compared to the Brazilian real would result in a change of approximately $42,000 on the Company's loss for the period. The net position of the Company in Australian dollars, Canadian dollars and Euros is not significant as at March 31,2017. 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 debt is 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.

The Company has historically relied upon capital contributions and maintaining an adequate level of cash to satisfy its capital requirements and will continue to depend heavily upon these financing activities. 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 minimal 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 and 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.

(Expressed in United States dollars)

20. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (cont'd…)

Risk management (cont'd…)

Liquidity risk (cont'd…)

As at March 31, 2017, the Company's liabilities that have contractual maturities are as follows:

	December 31, 2017	December 31, 2018	Total
Accounts payable and accrued liabilities	$ 2,370,215	$ -	$ 2,370,215
Provisions	678,869	-	678,869
Loans Payable	1,025,000	5,938,333	6,963,333
Convertible Note	1,331,820	-	1,331,820
	5,405,904	5,938,333	11,344,237

21. SEGMENTED INFORMATION

The Company's sole operation is the Jaburi mine in Rondônia, Brazil. Accordingly, the chief decision makers consider Meridian to currently have one segment and, therefore, segmented information is not presented.

22. COMMITMENTS AND CONTINGENCIES

A significant portion of the Company's operations are located in Brazil. From time to time various legal, labour, environmental and tax matters are outstanding due to the nature of both current and historical operations. The Company has taken and continues to take all necessary and available steps to comply with relevant laws and regulations, however there is no assurance such steps will be successful.

Royalties

The Company pays royalties to landowners as well as the Brazilian government. Royalties to landowners are determined based on individual negotiated agreements, usually at a rate of 1.5% of net sales proceeds on the sale of manganese oxide material, while royalties of approximately 3% of sale proceeds on the sale of manganese oxide material are paid to the Brazilian government.

Pilot Plant

During the year ended December 31, 2016, the Company entered into an agreement for the purchase and construction of a new pilot plant. The Company committed to future capital commitments of approximately R$10,775,000 ($3,340,250). Of this amount, R$8,900,000 ($2,759,000) corresponds to the supply of equipment and engineering services, which will be paid in six instalments and adjusted dependent on the Brazilian real: Euro exchange rate. As of March 31, 2017, R$7,565,000 ($2,401,740) was included in advances to supplier. The remaining R$1,875,000 ($595,276) corresponds to the assembly services and the installation of the pilot plant, which will be paid in two instalments.

Buffer Zone

The Company has been advised that due to certain Jaburi tenements being in close proximity to indigenous title land, Jaburi could be affected by a civil public action between two Brazilian government departments.

22. COMMITMENTS AND CONTINGENCIES (cont'd…)

Buffer Zone (cont'd…)

Jaburi currently owns several tenements, which border the Povo Cinta Larga indigenous land. Due to illegal diamond mining activities by third parties within the Povo Cinta Larga indigenous land and surrounding areas, the Brazilian Federal Prosecutor's Office (the "FPO") has filed a civil public action against the Brazilian Mining Authority – National Department of Mineral Production (the "DNPM"). The FPO is requesting the DNPM to withdraw all existent research applications and mining authorizations within the indigenous land of Povo Cinta Larga and surrounding area (10km) adjacent to the indigenous land (buffer zone). The DNPM has filed appeals to block the FPO civil public action and the final ruling is pending.

If there is an eventual imposition of a buffer zone, this would have a material impact on Jaburi's tenements as some of Jaburi's tenements straddle or are wholly within the proposed 10km buffer zone. The area impacted by the proposed 10km buffer zone would be approximately 35% of the total Jaburi project area.

Jaburi has retained legal counsel to represent them in this issue who are filing various legal actions to defend their interests. At this point in time, management has determined that it is not possible to determine an estimate of the potential loss or likelihood of outcomes, and therefore no liability has been accrued.

23. SUBSEQUENT EVENTS

Except as noted elsewhere above, subsequent to December 31, 2016 the Company:

a) Completed a non-brokered private placement issuing 12,734,500 units at a price of CAD$0.40 per unit for gross proceeds of CAD$5,093,800. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant is exercisable at a price of CAD$0.65 for a period of two years, until May 17, 2019.

   In connection with the offering, the Company paid finder's fees of CAD$27,200 and issued 60,000 finder's warrants. Each finder's warrant is exercisable into a unit at a price of CAD$0.40, with each unit having the same terms as above; and

b) Granted 8,456,166 options to purchase common shares in the capital of the Company to certain directors, officers, consultants and employees of the Company. The Options are exercisable at a price of CAD$0.44 per common share for a period of five years, until May 17, 2022.