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Meridian Completes Equity for Debt Transaction and Announces New Capital Structure

“Significant removal of debt and reduction of issued shares”

July 20, 2020 /CNW/ - Meridian Mining SE (TSXV: MNO) ("Meridian" or the "Company") is pleased to announce that it has issued 11,869,142 common shares for the repayment of C\$16,669,531 of Company debt. 5,958,540 common shares have been issued to Sentient Global Resource Fund IV L.P. ("Fund IV") for the payment of C\$14,896,350 and 5,910,602 common shares have been issued to The Sentient Group's nominees for the repayment of C\$1,773,181. As part of the now completed corporate restructure and related capital raise the Company has repaid a significant part of its debts. The remaining loan outstanding to Fund IV, is held via a Limited Recourse Loan with a zero percent (0.0%) interest rate, a two year term and a pre-set conversion price of C\$2.50 per common shares for a fixed number of 5,869,671 common shares¹. The common shares issued in respect of the debt settlements are subject to a four month hold period expiring on November 17, 2020.

The Company also announces that Fund IV has surrendered 141,011,304 common shares in the capital of the Company to facilitate the restructuring of the Company's capital structure.

The completion of the repayment of debt, together with the recently completed financing and the surrender of equity by Fund IV is a significant milestone for the Company and allows it to focus on its portfolio of exciting exploration and resource development projects in Brazil.

As a result of the recent transactions, the Company's current capital structure consists of the following:

- 83,408,985 common shares.
- 46,766,666 share purchase warrants. Each warrant is exercisable into once common share at a price of C\$0.11 until July 15, 2022.
- 1,962,060 compensation units issued to finders under the recently completed equity financing. Each compensation unit exercisable at a price of C\$0.075 into one common share and one share purchase warrant until July 15, 2022. Each warrant exercisable into once common share at a price of C\$0.11 until July 15, 2022.
- The Company is in process of reducing the number of stock options outstanding to correlate with the new capital structure and represent not more than 10% of the number of issued and outstanding common shares in accordance with the terms of the Company's Stock Option Plan. It is anticipated that the Company will have approximately 8,340,000 stock options outstanding once the reduction is complete.

Dr. Adrian McArthur CEO, states, "The Company acknowledges the support of Sentient Global Resource Fund IV L.P and the Sentient Group in the restructuring of the Meridian, which has facilitated the recent successful capital raise. Through this arrangement, the two parties retain exposure to discovery upside, whilst allowing Meridian to focus on its exciting exploration and resource development portfolio with a broadened shareholder base."

¹ See Meridian news releases: April 27th, 28th and June 18th, 2020

On behalf of the Board of Directors of Meridian Mining S.E.

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Meridian Mining S.E.
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ABOUT MERIDIAN

Meridian Mining SE is focused on the acquisition, exploration, development and mining activities in Brazil. The Company is currently focused on exploring and developing the Espigão copper gold polymetallic project, the Mirante da Serra manganese project and maintaining the Ariquemes tin exploration portfolio in the state of Rondônia, Brazil.

Further information can be found at www.meridianmining.co.

FORWARD-LOOKING STATEMENTS

Some statements in this presentation contain forward-looking information or forward-looking statements for the purposes of applicable securities laws. These statements include, among others, statements with respect to the Company's plans for exploration, development and exploitation of its properties and potential mineralisation. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such risk factors include, among others, failure to obtain regulatory approvals, failure to complete anticipated transactions, the timing and success of future exploration and development activities, exploration and development risks, title matters, inability to obtain any required third party consents, operating risks and hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices and one-time events. In making the forward-looking statements, the Company has applied several material assumptions including, but not limited to, the assumptions that: (1) the proposed exploration, development and exploitation of mineral projects will proceed as planned; (2) market fundamentals will result in sustained metals and minerals prices and (3) any additional financing needed will be available on reasonable terms. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as otherwise required by applicable securities legislation.

The Company cautions that it has not completed any feasibility studies on any of its mineral properties, and no mineral reserve estimate or mineral resource estimate has been established. In particular, because the Company's production decision relating to Meridian Mineração Jaburi S.A, manganese project is not based upon a feasibility study of mineral reserves, the economic and technical viability of the Espigão manganese project has not been established

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