

ASX / Media Release

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Final \$5M Received of \$10.5M Investment by NWME into Meridian

Key points:

- Chinese company Northwest Mining and Geology Group Co Ltd (“NWME”) has provided the final \$5M in funding to Meridian as a part of its overall investment of \$10.5M,
- NWME representative Mr. Shaoru Zhao will join the Meridian Board as an Executive Director
- Meridian has issued to NWME a further 62,500,000 fully paid ordinary shares at \$0.08/share,
- NWME now hold a 42.7% interest in Meridian,
- The funds provided by NWME will be used to complete a feasibility study in to whether the Kapok mine can be profitably put back in to production, and a new mining operation started at Kapok West.

Australian resources company Meridian Minerals Limited (‘Meridian’ or ‘Company’) (ASX: MII) today announces that Chinese company Northwest Mining and Geology Group Co Ltd. (“NWME”) has completed its \$10.5M investment into Meridian by providing a final tranche of \$5M in funding. The investment has been made through NWME’s wholly owned Australian subsidiary, Northwest Nonferrous Australia Mining Pty Ltd, which has been issued with an additional 62,500,000 shares at \$0.08/share, adding to their current holding of 68,750,000 issued on 25 November 2009. NWME, through its Australian subsidiary, now holds a total of 131,250,000 Meridian shares which is 42.7% of Meridian’s issued shares.

Meridian’s Managing Director, Jeremy Read, said that the finalisation of the NWME \$10.5M investment into Meridian was a major milestone for Meridian and provides the funding required to complete the Kapok/Kapok West feasibility study.

“A key component of the Kapok/Kapok West feasibility study is a +20,000m drill program to extend the Kapok West resource and having defined the extremities of Kapok West, infill drill the resource,” Mr Read said.

“There are two drill rigs onsite at Kapok West at the moment and with drilling proceeding at a rapid pace we are extremely pleased to have finalised the NWME investment into Meridian.”

“With Mr. Zhao joining the Board of Meridian, as an Executive Director, we are looking forward to working very closely with NWME during the Kapok/Kapok West feasibility study and beyond.”

Under the placement agreement between NWME and Meridian the issue price for the placement is \$0.08 per share. This is a 28% premium to the 30 day Volume Weighted Average Price for the month prior to the placement agreement being signed.

In addition to holding 42.7% of Meridian's shares, NWME will also have the following rights:

- Ability to maintain, at their election, its interest in Meridian, up to 38.23%, through a first right of refusal for future capital raisings;
- Executive Director appointed to the Board of Meridian and entitled to retain his position whilst Northwest remains the largest shareholder, subject to the requirements for re-election under the ASX Listing Rules and Meridian's constitution
- First right of refusal to acquire up to 35% of any mineral concentrates produced from the Lennard Shelf Project on arms length terms
- The secondment of a Field Geologist from NWME to Meridian for a period of at least 6 months each year during the Western Australian exploration field season

The funds provided by NWME will be used to complete a feasibility study into whether the Kapok mine can be profitably put back into production and a new mining operation started at Kapok West.

The current mineral resources at Kapok (including Kapok East and Kapok Central) and Kapok West are given in Table One.

Table One – Kapok and Kapok West Mineral Resources

Resource	Cutoff Grade		Measured	Indicated	Inferred	Total
Kapok Central	5% Zn	Tonnes	23,000	868,000		891,000
		Zn%	7.0	8.6		8.6
		Pb %	9.4	5.5		5.6
Kapok East	5% Zn	Tonnes	1,000	261,000	357,000	619,000
		Zn%	2.6	6.9	8.0	7.6
		Pb %	18.2	6.6	11.2	9.3
Kapok West	5% Zn	Tonnes			1,220,000	1,220,000
		Zn%			4.3	4.3
		Pb %			9.0	9.0

For further information please visit www.meridianminerals.com.au or contact:

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Jeremy Read, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Read is a full-time employee of Meridian Minerals Limited. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Read consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.