



MERIDIAN MINING PLC
(Expressed in United States Dollars)

Annual report and financial statements

Registered number 16832228

31 December 2025

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Strategic Report

Description of Business

Meridian Mining plc (the “Company” or “Meridian”) was formed in Amsterdam, Netherlands on December 16, 2013. Effective 15 August 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. During 2025, the Company completed its corporate conversion in the United Kingdom, changing its legal form from Meridian Mining UK Societas to Meridian Mining plc. 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.

Business Overview

Meridian is a resource development and exploration company with projects in Brazil. The Company signed a Purchase Agreement on 6 November 2020, to acquire the rights within the Cabaçal gold (“Au”) – copper (“Cu”) – silver (“Ag”) Volcanic Massive Sulphide (“VMS”) belt (“VMS Belt”), that included the historical Cabaçal Au-Cu-Ag mine (“Cabaçal”), and the separate Santa Helena Cu-Au-Ag, Zinc (“Zn”), and Lead (“Pb”) mine (“Santa Helena”) in the state of Mato Grosso, Brazil. The Company has separately secured additional licences across the project’s VMS Belt, and in the parallel Jauru and Araputanga greenstone belts to the west of Cabaçal.

The Company also has non-core projects in the State of Rondônia, including the Espigão Cu-Au polymetallic (“Espigão”) project.

Strategy

Meridian’s vision is to create sustainable value for its stakeholders by developing and exploring for high quality resource assets. The Company is committed to being a responsible steward of the environment and building collaborative partnerships with communities, governments, and all other stakeholders for mutual success.

The Company’s focus is on the resource development and exploration of Cabaçal.

The Company is reviewing a dual listing on the London Stock Exchange Main Market under the Equity Share - Commercial Company designation to target exposure to both FTSE index inclusion, and the UK investment market.

Group Outlook

Our priorities are to focus on the potential of the Au-Cu-Ag at Cabaçal and Au-Cu-Ag & Zn potential at Santa Helena, which are both assets acquired through the Purchase Agreement with two private Brazilian companies (detailed below). The priority focus is to advance and complete the feasibility study on the Cabaçal project whilst continuing exploration and resource definition work at the Santa Helena project.

In March 2025, the Company published a Pre-Feasibility Study on Cabaçal (“PFS”). During the year ended 31 December 2025, the Company commenced the next phase of studies by initiating Cabaçal’s Feasibility Study. This involves detailed engineering, economic, metallurgical and final environmental studies. An infill drilling programme of the Cabaçal deposit was undertaken and completed on 7 October 2025.

The Company is conducting a separate drilling programme at Santa Helena to evaluate potential for a second open-pit development. The Company has initiated a metallurgical programme for Santa Helena based on the historical metallurgical data and flowsheet, with the inclusion of oxide-transitional metallurgical testing, and also with the addition of a gravity circuit for the recovery of any free gold mineralisation.

Regional exploration along the VMS Belt is planned to progressively cover over 50km of strike of the prospective geology that is held by the Company under licence. The aim is to identify additional Cu-Au-Ag systems for follow up drilling.

The Company will continue to develop its Executive Management and Brazilian teams to meet business needs for the continual growth of the principal asset of Cabaçal.

31 December 2025

2026 Business Outlook

The Company continued to advance the Cabaçal and Santa Helena projects during 2025. Key objectives for the Company during the year included initiating Cabaçal's Feasibility Study (which is currently underway), granting of the Preliminary License (granted 31 October 2025 and formalised 3 November 2025), and the future publication of the inaugural Santa Helena resource statement. In parallel, the Company is advancing the greater VMS Belt's exploration licenses to keep them in good standing. The Company is looking to achieve this during a period when gold and copper prices remain robust and there is an increased interest in natural resource equities occurring.

Performance Review

The review should be read in conjunction with the audited financial statements and notes.

The Board assesses the performance of the Company and its senior management by evaluating, on a quarterly basis, the level of cash holdings of the Company, operational achievements, management of costs and capital expenditures.

All amounts are in United States ("US") dollars and all units of measurement are expressed using the metric system, unless otherwise stated. References to "\$", "US\$" or "dollars" are to US dollars, and references to "C\$" are to Canadian dollars.

Financial key performance indicators

Financial Performance highlights

Results of Operations

The consolidated financial statements reflect the financial performance of the Group for the year ended 31 December 2025. During the year ended 31 December 2025, the Group incurred a total comprehensive loss of \$17,047,361 as compared to a total comprehensive loss of \$20,013,091 for the year ended 31 December 2024.

Operating expenses for the Group totalled \$18,179,398 for the year ended 31 December 2025, compared to \$17,788,926 for the year ended 31 December 2024. The main variances were primarily driven by higher engineering and study expenditures related to the advancement of the Feasibility Study, together with the recognition of share-based compensation arising from stock option grants made during the year.

The Company expenses costs incurred in relation to the Cabaçal Project, including engineering and feasibility-related expenditures, as they are incurred, in line with its accounting policy under IFRS 6. Although the Cabaçal Project has reached the pre-feasibility stage, key milestones — including completion of the definitive feasibility study, obtaining the installation licence, securing project financing and a final investment decision — remain outstanding. Accordingly, management has determined that the criteria to commence capitalisation of development expenditures have not yet been met, and such costs continue to be recognised as expenses.

Operating expenses with significant balances or significant movements include:

- Exploration and evaluation costs increased to \$9,372,104 (2024 - \$8,722,577). The variance was primarily due to higher expenditures compared to the prior year, driven by increased engineering and technical study costs associated with the advancement of the Feasibility Study, as well as higher costs related to drilling campaigns at Santa Helena, Cabaçal, and for regional exploration.
- General and administration expenses increased to \$4,541,151 (2024 - \$2,977,345). The variance reflects incentive-based compensation approved by the Board and higher payroll, employee benefit, and travel expenses supporting the advancement of the Cabaçal project and corporate activities.
- Professional fees increased to \$1,864,936 (2024 - \$724,759). The increase is mainly related to financial advisory fees and the legal fees related to the conversion to a plc.
- Share based compensation of \$2,134,179 (2024 - \$118,834). Variance related to the issuance of 8,025,000 stock options in 2025, compared to 780,000 options issued in 2024.
- Foreign exchange gain of \$586,343 (2024 - loss of \$795,756). The foreign exchange gain was incurred mainly due to fluctuation of exchange rates related to the translation of the Canadian dollars cash balances to US dollars during 2025 compared to 2024.

The results for the year ended 31 December 2025, included other comprehensive loss of \$44,717 (2024 – loss of \$1,778,186), comprised of foreign currency translation differences, primarily arising from the translation of the Company's Brazilian operations. These differences result from translating the financial statements of subsidiaries with a BRL functional currency into the Company's USD presentation currency, with assets and liabilities translated at the closing rate and income and expenses at average rates, in accordance with IAS 21. The movement in the period reflects fluctuations between average and closing exchange rates.

Detailed breakdowns of exploration costs for the year ended 31 December 2025 are provided in the notes to the consolidated financial statements.

Non-financial key performance indicators

The Board establishes targets to maintain and improve the operational performance of the Group. These targets primarily focus on the exploration and development of mineral properties, environment and corporate structure, areas which the Board considers important for the short and long-term success of the Group and its operations.

Cabaçal Highlights

On 10 March 2025, the Company announced the positive results of the Preliminary Feasibility Study ("PFS") led by Ausenco do Brasil Engenharia Ltda and Ausenco Engineering Canada ULC, supported by GE 21 Mineral Consultants Ltd for the advanced Cabaçal gold-copper-silver deposit in Brazil. In preparation for the commencement of the Cabaçal detailed feasibility study, the Company announced that it is expanding the team for the engineering and potential financing and development of the Cabaçal mine project.

On 8 May 2025, the Company announced that it has appointed Ausenco do Brasil Engenharia Ltda to undertake the Definitive Feasibility Study for its advanced Cabaçal Au-Cu project in Mato Grosso, Brazil. Meridian also signed a Corporate Agreement with Aurubis AG to facilitate a technical exchange to optimize Cabaçal's Cu + Au-Ag sulphide concentrates.

Work completed within the VMS Belt during the year ended 31 December 2025 included:

Cabaçal

- 51 surface diamond holes for 5,815m for resource definition;
- Initiation of Feasibility Study engineering reviews by Ausenco and the Company's expanded engineering team;
- Metallurgical tests of samples from the planned first 5 years of mining operations;
- Running of a mini pilot plant to generate data for the Cabaçal Feasibility Study;
- Crushability and hardness tests;
- 86 geotechnical holes for 1,031m; and
- Six hydrogeological holes for 461m.

Santa Helena

- 82 surface diamond holes for 5,343m, for resource definition;
- 20 auger holes for 135m, for mapping of the surface mineralization projection;
- Further metallurgical and environmental test work programmes, for which final reporting is pending; and
- 7 hydrogeological holes for 360m.

Regional Exploration

- 51 surface diamond holes for 5,144m;
- 2 trenches for 147m;
- 17 surface channels for 50m;

- 4 auger holes for 20m;
- Surface geophysics, with 127.6 line kilometers of gradient array induced polarization surveys, 2.7 line kilometers pole-dipole surveys, 3.4 line kilometers dipole-dipole surveys, and 234 gravity stations;
- Down-hole geophysics, with 28 downhole borehole electromagnetic ("BHEM") surveys, and 1 Mise-à-la-Masse survey;
- Surface geochemistry, with 2139 soil samples collected;
- Regional mapping and reconnaissance; and
- Review of historical data over the regional licence application areas.

Subsequent to 31 December 2025:

- On 17 February 2026, the Company reported on the acceleration of its post financing 2026 field and corporate programmes. Capital items with long lead times, required in the construction of the Cabaçal mine will be ordered in Q1 2026, and civil works to upgrade bridges and roads to site will be brought forward to the 2026 dry season. Meridian outlined an expansion of exploration programmes in 2026 to test the Cabaçal mine-corridor targets, with field programmes also planned on Jauru & Araputanga Greenstone Belts; and Espigão IOCG targets to be tested. Santa Helena Central drilled returned further high-grade drill results, including CD-806: 2.6m @ 2.4g/t Au, 1.7% Cu, 93.2g/t Ag, 15.7% Zn & 2.6% Pb; CD-796: 5.7m @ 1.0g/t Au, 1.0% Cu, 27.6g/t Ag, 5.2% Zn & 0.9% Pb; CD-792: 4.6m @ 2.5g/t Au, 0.5% Cu, 47.3g/t Ag, 4.6% Zn & 1.1% Pb; CD-786: 2.0m @ 2.4g/t Au, 4.1% Cu, 73.7g/t Ag, 6.3% Zn & 0.8% Pb. Meridian also noted that it will consider a London Stock Exchange dual listing.
- On 12 February 2026, the Company closed a bought deal offering through the issuance of 36,392,900 common shares at a subscription price of C\$1.58 per common share, for aggregate gross proceeds to the Company of \$42,226,562 (C\$57,500,782).
- The Company issued 1,713,964 common shares from the cashless (net) exercise of 2,488,344 share purchase options, in accordance with the Company's omnibus plan, and 774,380 common shares for cash proceeds of \$232,322 upon the exercise of stock options at prices of C\$0.45 and C\$1.10, subsequent to the year ended 31 December 2025.
- On 20 January 2026, the Company reported results of separate Mineral Resource Estimates for the Cabaçal deposit and the Santa Helena Central deposit, concluded by its consultant, with highlights including: Cabaçal mine's Au-Cu-Ag open-pittable resource expanded: M&I: 70.1Mt @ 0.6g/t Au, 0.3% Cu, 1.3g/t Ag; Metal increases of 39.2% for Au, 14.2% for Cu and 19.3% for Ag; Mineralization remains open down dip. Santa Helena Central's maiden open-pittable Au-Cu-Ag-Zn-Pb resource declared: M&I: 5.3Mt @ 0.6g/t Au, 0.4% Cu, 15.5g/t Ag, 1.9% Zn & 0.4% Pb; Resource remains open in all directions. The Cabaçal VMS Belt's M&I resources total 1.4Moz Au, 0.6Blbs Cu, 5.6Moz Ag, 217.4Mlbs Zn and 49.9Mlbs Pb and Cabaçal DFS metallurgical studies have optimized recoveries of Au, Cu & Ag. The Company also reported that ten additional mineral title applications have been approved for exploration by the ANM in Mato Grosso, in the Cabaçal, Araputanga and Jarau Belts. With the increasing focus on copper-gold exploration in Mato Grosso, the Company has decided to relinquish certain non-core licences in Rondônia (within the Mirante da Serra and Ariquemes districts).

Liquidity and Capital Management

As at 31 December 2025, the Group reported a working capital of \$38,799,209 (31 December 2024 \$6,051,029) which included cash of \$41,709,473 (31 December 2024 \$7,710,874) and prepaid expenses and other assets of \$285,219 (2024 - \$382,628). Included in current liabilities on 31 December 2025, are accounts payable and accrued liabilities of \$2,665,576 (31 December 2024 - \$1,630,681), current provisions of \$351,967 (31 December 2024 - \$282,665) and taxes and fees payable of \$177,940 (31 December 2024 - \$129,127).

On 19 February 2025, the Company closed a non-brokered private placement through the issuance of 44,187,432 common shares at a price of C\$0.39 per common share for gross proceeds to the Company of \$12,127,300 (C\$17,233,098). The common shares issued pursuant to the private placement were subject to a four-month hold period which expired on 20 June 2025.

On 7 August 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 \$36,383,500 (C\$50,000,000).

The capital structure of the Company consists of equity attributable to common shareholders, comprising of share capital, share premium, reserves and deficits. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

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. As of 31 December 2025, the Company does not have any other sources of funding. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

Following the completion of the CAD 57.5M equity raising and as announced in its press release dated 17 February 2026 the Group will commit to the order of certain long lead items and will advance pre-construction civil works in order to accelerate the redevelopment of the Cabaçal project.

Going Concern

The Company will need to secure new funding to develop the Cabaçal Project. The ability of the Company to arrange additional financing in the future will depend, in part or in combination there-off, on the prevailing capital market conditions, the advancement of Cabaçal's Feasibility Study program, resource development success at Santa Helena and regional exploration successes. There can be no assurance that these initiatives will be successful, or sufficient financing, including financing from its shareholders, will be available or that positive market conditions may be present. These material uncertainties cast significant doubt as to the ability of the Company to meet its business plan and obligations as they become due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

Despite the Company reporting a strong cash position as at 31 December 2025, a significant portion of these funds is expected to be utilised in advancing the Cabaçal Project, including ongoing engineering studies, progression of the Feasibility Study, and continued drilling and regional exploration activities at Cabaçal, Santa Helena and along the VMS belt. However, the existing cash balance is not sufficient to fully fund these expenditures and the continued advancement of the mine development and engineering programmes.

The consolidated 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.

Contractual Obligations

As at 31 December 2025, contractual obligations from continuing operations are as follows:

	Less than 1 year \$	Less than 2 years \$	2 years or greater \$	Total \$
Trade and other payables	2,665,576	-	-	2,665,576
Provisions	351,967	-	-	351,967
	3,017,543	-	-	3,017,543

Risk Factors

Companies in the exploration, development and mining stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing risks where the rewards are considered commensurate and otherwise reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practicability, risks related to determining the validity of mineral property title claims, commodities prices, changes in laws and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

Significant risk factors have been identified by the Company and are listed below. Further discussion and additional risk factors are also available in the Company's most recent Annual Information Form, as filed on SEDAR+ at www.sedarplus.ca

Risks and uncertainties the Company considers material in assessing its consolidated financial statements are described below.

Meridian will require additional funding

As at 31 December 2025, the Company had positive working capital of \$38,799,209, which included cash of \$41,709,473, prepaid expenses and other assets of \$285,219, and accounts payable and accrued liabilities, taxes and fees payable, and provisions of \$3,195,483.

The Company has historically relied upon both equity and shareholder contributions, loan facilities, private placements and offerings to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. The Company will require additional capital to carry out planned exploration programs. There can be no assurances that the Company will be successful in raising the desired level of financing.

Mitigation

The Company maintains strong relationships with shareholders and has ongoing investor relations programs targeting existing and potential investors. The Company graduated to OTCQX® Best Market (the “OTCQX”) under the symbol “MRRDF”, having graduated from the OTCQB® Venture Market on May 11, 2023. The Company’s common shares continue to trade on the Toronto Stock Exchange (the “TSX”) under the symbol “MNO”. As a result of the graduation and the fact of being traded on the TSX, the Company becomes more accessible, with stable liquidity, to a broader range of investors.

Meridian is subject to government regulation

The Group’s mineral activities, including exploration, development and mining activities are subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil, administrative, environmental, or criminal fines, penalties, or enforcement actions, including orders issued by regulatory authorities curtailing the Company’s operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development, or mining operations.

Mitigation

The Group maintains collaborative and proactive dialogue with the relevant government departments and adheres to the required permitting process and title requirements. The Group engages personnel and consultants experienced in the various aspects of the licensing and permitting process to ensure that it maintains compliance with applicable laws and regulations.

Exploration, development and mining activities can be hazardous and involve a high degree of risk

The Group’s operations are subject to all the hazards and risks normally encountered in the exploration, development and mining industry, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Mitigation

The Group employs experienced and trained personnel to ensure effective day-to-day management of its activities. It has stringent health and safety policies in place, regular health and safety briefings and inspections, including ongoing health and safety mandatory training for its team.

Meridian may be adversely affected by fluctuations in copper, gold, and other metal prices

The value and price of the Company’s common shares, the Company’s financial results, exploration, development, mining activities of the Group, if any, may be significantly adversely affected by declines in commodity prices.

Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Mitigation

The Board and senior management closely monitor commodity prices and other events that may influence commodity prices in order to assess how these changes could affect the Company's ability to raise funds and adjust exploration programs accordingly to preserve cash to reflect its ability to finance the Company.

Infrastructure

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, railways, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Group exploring and developing its projects and could result in higher costs

Mitigation

The Company's assets can be accessed via a number of roads to site providing flexibility in site access and alternative routes for the import and export of equipment to site, there are several hydro power plants located close to the Company's projects providing flexibility in terms of power supply.

Meridian does not and likely will not insure against all risks

The Group's insurance will not cover all the potential risks associated with a mining company's operations. The Group may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental damages, pollution, or other hazards as a result of the exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Group might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Meridian to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Mitigation

The Group manages its exposure to environmental and operational risks through the implementation of environmental management and rehabilitation programmes across its project areas, in accordance with applicable laws and industry best practices.

Meridian is dependent on key personnel

The Group's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Group. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible, and human error could result in a significant uninsured loss to the Group.

Mitigation

The Board and senior management assess periodically the levels of compensation to ensure that they are competitive and motivating to attract, hold and inspire senior management and key personnel.

Meridian's officers and directors may have potential conflicts of interest

Meridian's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in

good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Mitigation

Applicable laws require the Directors and Officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of Directors, to refrain from participating in the relevant decision in certain circumstances.

Operations in Brazil and Regulatory Requirements

The Group's principal properties are located in Brazil and mineral exploration, and mining activities may be affected in varying degrees by changes in political, social, and financial stability, inflation and changes in government regulations relating to the mining industry. Any changes in regulations or shifts in political, social, or financial conditions are beyond the control of the Group and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation, and mine safety. Brazil's status as a developing country may make it more difficult for the Group to obtain any financing required for the exploration and development of its properties due to real or perceived increased investment risk. Since January 1996, there are no restrictions on the repatriation from Brazil on the earnings of foreign entities, provided that the foreign investments are duly registered with the Central Bank of Brazil. Capital investments registered with the Central Bank in Brazil may similarly be repatriated. The only restrictions to repatriation on the earnings/dividends of foreign entities deriving from Brazilian invested companies are in the cases of subscribed capital not fully paid in by the foreign investor, or in case the Brazilian invested company has accumulated losses registered in its balance sheet. In any case, there can be no assurance that restrictions on repatriation of earnings and capital investments from Brazil will not be imposed in the future.

Mine construction is complex and requires detailed planning. Equipment for mining operations has long lead times for manufacture which are beyond the control of the Group. Delays in supply of mining equipment could result in delays to commissioning of mining operations.

Mitigation

The Board and senior management closely monitor political, regulatory and economic developments in Brazil in order to respond appropriately to any changes that may impact the Group's operations. The Group also engages experienced local personnel, consultants and legal advisors with in-depth knowledge of the Brazilian regulatory and operating environment.

In relation to mine development, the Group undertakes detailed planning of construction activities and procurement processes, including early identification of long lead items and ongoing engagement with suppliers, in order to mitigate potential delays in the delivery of key equipment. The timing of major commitments remains aligned with project milestones and the availability of financing.

Permits, licenses and approvals

In countries where the Group carries out exploration activities, the mineral rights, or certain portions of them are owned by the relevant governments and access agreements with surface rights holders may also be required. These parties have entered into contracts with Group's Brazilian subsidiaries or granted permits or concessions that allow it to carry out operations or development and exploration activities there, but government policy or surface rights holders' permission to access the land could change. Any change that affects the Group's rights to conduct these activities could have a material and adverse effect on the Group.

In addition, mineral exploration and mining activities can only be conducted by entities that have obtained or renewed exploration or mining permits and licenses in accordance with the relevant mining laws and regulations. The duration and success of each permitting effort are contingent upon many factors we do not control. In the case of foreign operations, government approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. There may be delays in the review process. There is no guarantee that we will be granted the necessary permits and licenses, that they will be renewed, or that we will be in a position to comply with all conditions that are imposed.

All mining projects require a wide range of permits, licenses and government approvals and consents. It is not certain that the Group will be granted these at all, or in a timely manner. If it does not receive them for its mineral projects or is unable to maintain them, it could have a material and adverse effect on the Group.

Mitigation

The Group maintains collaborative and proactive dialogue with the relevant government departments and adheres to the required permitting process and title requirements. The Group engages personnel, consultants and legal advisors experienced in the various aspects of the licensing and permitting process to ensure that it maintains compliance with applicable laws and regulations.

Risks Inherent in Acquisitions

The Group may actively pursue the acquisition of exploration, development, and production assets consistent with its acquisition and growth strategy. From time to time, the Group may also acquire securities of or other interests in companies with respect to which it may enter into acquisitions or other transactions. Acquisition transactions involve inherent risks, including but not limited to: accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates; ability to achieve identified and anticipated operating and financial synergies; unanticipated costs; diversion of management attention from existing business; potential loss of the Group's key employees or key employees of any business acquired; unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and decline in the value of acquired properties, companies or securities. Additionally, the legal form of these acquisitions may result in the Group becoming liable for the historical operations of the acquisition.

To acquire properties and companies, the Group may be required to use available cash, incur debt, issue additional Common Shares or other securities and may incur delays negotiating purchase agreements, or a combination of any one or more of these. This could affect the Group's future flexibility and ability to raise capital, to explore, develop and operate its properties and could dilute existing shareholders and decrease the trading price of the Common Shares. There is no assurance that when evaluating a possible acquisition, the Group will correctly identify and manage the risks and costs inherent in the business to be acquired. There may be no right for the Company shareholders to evaluate the merits or risks of any future acquisition undertaken by the Group, except as required by applicable laws and regulations.

Mitigation

After identifying a potential asset for acquisition that is aligned with the Group's goals, the Group will assign experienced personnel to assess the technical potential of the asset and retain legal counsel to conduct a due diligence in the acquisition target before reaching a decision.

Statement by the Directors in performance of their statutory duties in accordance with Section 172(1) Companies Act 2006

The Directors of Meridian, in line with their duties under section 172(1) of the Companies Act 2006, consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and stakeholders, in the decisions taken during the year ended 31 December 2025, including the need to act fairly as between members of the Company 31 December 2025.

Through working collaboratively with management and having an open and transparent dialogue with the Company's many stakeholders, the Board believes that Meridian has been able to develop a clear understanding of their needs, assess their perspectives and is well positioned to promote the success of the Company. Meridian's strategy is outlined in the Strategic Report.(page 3).

As part of the Board's decision-making process, the Directors consider the potential impact of decisions on relevant stakeholders, including the impact of the Group's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term. The Board of Directors has considered the following matters, amongst others:

Availability and need for capital whether in the form of equity, debt or other sources of financing

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.

During the year ended 31 December 2025, The Company received proceeds from the private placements net of costs of \$47,032,832 (2024 - \$13,735,000), and \$1,842,957 (2024 - \$329,799) related to the exercises of stock options and agent's compensation options.

The Company will require additional funding to advance the development of its portfolio, including the construction of the Cabaçal Project. The ability of the Company to secure such financing will depend on a number of factors, including prevailing capital market conditions, continued advancement of the Cabaçal feasibility programme, progress at Santa Helena and broader exploration results.

While the Company is actively evaluating a range of financing alternatives, including potential debt and equity funding, there can be no assurance that such financing will be obtained on acceptable terms, or at all. In the absence of sufficient funding, the development of the Cabaçal Project may not proceed as currently planned.

Increase long-term value for shareholders

The Directors consider the long-term consequences of decisions taken during the year in promoting the success of the Company for the benefit of its members as a whole. During the year, the Board reviewed and approved the Company's business plan and strategic priorities, including the continued advancement of the Cabaçal Project, alongside ongoing work at Santa Helena and other regional exploration activities.

In doing so, the Directors considered the Company's funding requirements, liquidity and capital structure, particularly in the context of progressing the Cabaçal Project towards development. The Board continues to assess available financing options and ensures that expenditure is aligned with available resources and key project milestones.

The Directors also considered the principal operational and strategic risks associated with the Company's activities, including those relating to project development, regulatory requirements and market conditions. In addition, the Company remains focused on maintaining appropriate environmental standards and building relationships with local communities, governments and other stakeholders, which are considered important to the long-term success of the business.

The impact of the Group's operations on the community and the environment

Given the nature of the Group's business, the Board places significant value on these relationships and the Group's operating and development plans are specifically designed to build upon them.

Some of the actions adopted:

- Environmental and community relationships are managed directly by employees, residents in Mato Grosso state;
- Professional compensation packages for landowners impacted by the Group's activities are agreed to in advance;
- Safety and environmental improvements are continuously monitored and upgraded;
- Investment in road infrastructure and the installation of safety signs for external and internal accesses to the projects' access areas;
- Partnership with Mato Grosso Federal University to provide field experience for its students; and
- Partnerships with local communities and schools to deliver outreach on primary health prevention, environmental awareness and responsible behaviours, including traffic safety.

The Group has implemented an improved rehabilitation process whereby rehabilitation is incorporated into the exploration activities sequence providing lower operational costs and a more rapid return of impacted land back to the owners with enhanced land values.

The Environmental, Health and Safety Policy has been adopted to affirm the Group's commitment to protecting the environment as well as the health and safety of its directors, officers, employees and consultants and the communities in which the Company conducts its activities. Pursuant to the Environmental, Health and Safety Policy, management, under the Board's supervision, will ensure that environmental, health and safety policies, programmes, and performance standards are an integral part of our planning and decision-making. The Company's directors, officers, employees and consultants are responsible and accountable for compliance and have an obligation to bring issues forward to management for resolution. The full text of the Environmental, Health and Safety Policy is available for download on the Company's website at www.meridianmining.co

Employee Interests: A Commitment to Satisfaction, Development, and Well-being

The Directors recognise that Meridian employees are key to its success and to the delivery of the Group's strategic ambitions. The success of the Group's business depends on attracting, retaining, and motivating employees. The Group seeks to remain a responsible employer regarding pay and benefits, whilst health, safety and well-being of our employees is one of the primary considerations, how we undertake our business.

The Company has a Compensation Committee that consists of Messrs. Bruce McLeod (Chair), Douglas E. Ford and Mrs. Susanne Sesselmann, all of whom are independent Directors. The Compensation Committee implemented a written charter which was last reviewed on 26 November 2024. A copy of the charter is available on the Company's website at www.meridianmining.co. The Compensation Committee's responsibilities are, among others:

- Reviewing the Company's overall compensation philosophy;
- Addressing matters related to compensation of the Chief Executive Officer (the "CEO");
- Making recommendations to the Board with respect to non-CEO and director compensation, incentive-compensation plans and equity-based plans; and
- Reviewing executive compensation disclosure before the Company publicly discloses this information.
- Reviewing disclosures relating to directors' remuneration and indebtedness, and preparing the Directors' Remuneration Report (or equivalent disclosures) for inclusion in the annual report and other applicable regulatory filings.

During the year ended 31 December 2025, following improved market conditions and continued advancement of the Company's projects, the Company resumed granting stock options as part of its long-term incentive strategy. The Company granted a total of 8,025,000 stock options to directors, officers, employees, advisors and consultants. These options generally vest in three equal tranches over a period of up to 24 months from the grant date. The exercise prices ranged from C\$0.63 to C\$1.57 per common share and the options have a contractual life of five years from the date of grant.

As a result of improved market conditions and the Company's share price performance, there was an increase in stock option exercises during the period. This included 495,763 common shares issued on a cashless (net) exercise of 844,903 stock options, and 2,103,394 common shares issued for cash proceeds of \$746,586, in each case in accordance with the Company's omnibus plan.

The need to foster business relationships with suppliers and others

The specialist nature of its activities, and the location of the Group's operations, limits the diversity of the supplier base that the Group can access. The Board has been involved in decisions regarding the selection of suppliers and contractors for material capital and operational expenditures, balancing a desire to support local business and to avoid becoming overly reliant on any single supplier. The Board also considers supplier performance and reliability as part of its decision-making process, including track record, quality of delivery and ability to meet project timelines, particularly in relation to key equipment and long lead items.

Maintenance of standards of business conduct

The Board is responsible for promoting the long-term sustainability of the business and maintaining high standards of business conduct. The Board places significant importance on operating to the highest ethical standards in all of its interactions, including with governments, suppliers, shareholders and employees.

The Company has established a Code of Business Conduct and Ethics, which sets out the principles and expectations governing the behaviour of directors, officers and employees. This is supported by a framework of policies and procedures, which are regularly reviewed and updated to ensure alignment with evolving regulatory requirements and best practices.

The Board oversees the implementation and effectiveness of these policies and is committed to fostering a culture of integrity, accountability and transparency across the organisation.

The Board adopted a Code of Business Conduct and Ethics on 21 December, 2016, which was last updated on 20 November 2025. The Company's Code of Business Conduct and Ethics affirms the Group's commitment to uphold high moral and ethical principles and specifies the basic norms of behaviour for those conducting business on its behalf. While the Group's business practices must be consistent with the business and social practices of the

communities in which the Group operates, the Group believes that honesty is the essential standard of integrity in any locale. Thus, though local customs may vary, the Group's activities are to be based on honesty, integrity and respect. The Group's Code of Business Conduct and Ethics is posted on the Company's website at www.meridianmining.co. In addition to the Group's Code of Business Conduct and Ethics, each director, officer and employee is expected to comply with relevant corporate and securities laws and, where applicable, the terms of their employment agreements.

The Corporate Governance Committee monitors the compliance with the Company's Code of Business Conduct and Ethics and also ensures that management encourages and promotes a culture of ethical business conduct. It also reviews any reported concerns raised through the Company's whistleblowing procedures, where applicable.

Key strategic decisions

The key strategic decisions approved by the Board during 2025 were:

- 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);
- Completed a brokered private placement of 64,102,564 common shares at a subscription price of C\$0.78 per common share, for aggregate gross proceeds of \$36,383,500 (C\$50,000,000);
- Completion of the Company's corporate conversion to a UK PLC structure and alignment of its corporate identity on the Toronto Stock Exchange, supporting its strategic positioning and continued access to international capital markets.

By order of the Board



Mr. Gilbert Clark
Director

23 April 2026

Directors' Report

Directors

The Directors who held office during the year ended 31 December 2025, and for which this Annual Report has been produced were as follows:

Mr. Bruce McLeod
Mr. Gilbert Clark
Dr. Adrian McArthur
Ms. Susanne Sesselmann

Mr. John Skinner
Mr. Douglas Ford
Mr. Neil Gregson

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the parent and consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs), in conformity with the requirements of the Companies Act 2006. Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group and parent company for that period. In preparing the financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable IFRSs, in conformity with the requirements of the Companies Act 2006 have been followed for the Group financial statements and IFRSs, in conformity with the requirements of the Companies Act 2006 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and parent company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

The Directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Employees, health and safety

The Group is an equal opportunity employer and encourages diversified culture in workplace. Disclosures in respect of how the directors have engaged with employees regarding their interests are included in section *"Employee Interests: A Commitment to Satisfaction, Development, and Well-being"* in the Strategic Report, page 13.

To promote employees' engagements, management regularly holds team meetings to communicate on factors that affect Group's performance. Safety remains one of number one priorities and one of Group's core values.

The Group is always working to continue to improve personal and process safety. All Group's employees and contractors have the responsibility to stop unsafe work and perform tasks under Group's safety rule guide to stay safe.

Donations and charitable contributions

The Group's approach to political donations, charitable contributions and sponsorships is governed by its Code of Business Conduct and Ethics. All donations must be authorised by the Chief Executive Officer, Chief Financial Officer or the Chair of the Company and, where deemed appropriate, are subject to consultation with the Audit Committee. Donations or sponsorships must not be offered, promised or made by or on behalf of the Company where they are:

- In exchange for an act or omission by the recipient;
- In exchange for a personal advantage or benefit to a public official;
- Intended to obtain or retain business for the Company, directly or indirectly;
- Intended to secure any improper advantage; or
- Intended to induce or reward any unlawful or improper conduct

The Group made charitable contributions of \$3,137 during the year ended 31 December 2025 to organisations which work in the communities in which the Company operates in Brazil, there were no political donations made by the Company or Group during the year ending 31 December 2025.

Results and dividends

The Group's comprehensive loss for the year amounts to \$17,047,361 (31 December 2024 – loss of \$20,013,091). To date, the Company has never declared or paid cash dividends to its shareholders.

Any future determination relating to Group's dividend policy will be made at the discretion of the Board and will depend on a number of factors including future earnings, capital requirements, contractual restrictions, financial condition and other factors that the Board may deem relevant from time to time.

Matters referred to in the Strategic Report

Future developments, principal risks and uncertainties, research and development and the fostering of the Group's business relationships disclosures required in the Directors' Report are included in the Strategic Report.

Post balance sheet events

Refer to Subsequent Events (note 21).

Indemnification of Directors and Officers

During the financial year, the Company purchased directors' and officers' insurance. In general terms, the insurance cover indemnifies individual directors and officers of the Group against certain personal legal liabilities and legal defence costs for claims arising out of actions connected with Group business.

Independent Auditor

PKF Littlejohn LLP have expressed their willingness to continue as auditor and a resolution to re-appoint PKF Littlejohn LLP will be proposed at the Annual General Meeting.

Directors' Interests

	Number of shares owned	
	31 December 2025	31 December 2024
Dr. Adrian McArthur	1,245,155	1,065,890
Gilbert Clark	4,442,732	4,215,809
John Skinner	5,376,166	5,081,166
Susanne Sesselmann	137,000	137,000
Bruce McLeod	900,000	900,000
Douglas Ford	501,000	501,000
Neil Gregson	12,000	12,000
Total	12,614,053	11,912,865

Going Concern

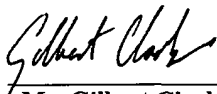
To continue as a going concern, the Company will need to secure new funding. The ability of the Company to arrange additional financing in the future will depend, in part or in combination there-off, on the prevailing capital market conditions, the advancement of Cabaçal's Feasibility Study programme, resource development success at Santa Helena and regional exploration successes. There can be no assurance that these initiatives will be successful, or sufficient financing, including financing from its shareholders, will be available or that positive market conditions may be present. These material uncertainties cast significant doubt as to the ability of the Company to meet its business plan and obligations as they become due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern

The Directors remain actively engaged in evaluating and progressing funding alternatives, including ongoing discussions with potential investors and financing counterparties. This includes engagement with potential lending institutions, with indicative proposals received to date. The Directors have a reasonable expectation that the Company will be able to secure the necessary funding to support its planned activities, although the timing and outcome of such initiatives remain uncertain.

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 Group's obligations under various agreements, stability or increases in future commodity prices, and the success of future operations or dispositions of the mineral properties.

By order of the Board



Mr. Gilbert Clark

Director

8th Floor, 4 More London Riverside, London, SE1 2AU, United Kingdom

23 April 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERIDIAN MINING PLC

Opinion

We have audited the financial statements of Meridian Mining Plc (the 'company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Profit and Loss and Other Comprehensive Loss, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion:

- The financial statements give a true and fair view of the state of the group and company's affairs as at 31 December 2025 and of the group's loss for the year then ended;
- The group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- The company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance of the provisions of the Companies Act 2006; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.3 in the financial statements, which indicates that continued operations of the group and further exploration and development of its exploration and evaluation assets is contingent on the group's ability to obtain additional financing and to generate profitable operations in the future. As stated in note 1.3, these events or conditions, along with the other matters as set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining and documenting our understanding of the controls in place around the preparation of the going concern forecast and future plans for the group through discussions with management;
- Obtaining management's assessment for going concern for period to 30 April 2027 and checking the mathematical accuracy of the cash flow forecasts and budgets prepared;
- Comparing budgeted performance for the year ended 31 December 2025 against actuals to assess management's historical forecasting accuracy;
- Performing sensitivity analysis on the inputs and assumptions in the going concern model to assess headroom across the going concern period. Key inputs and assumptions included: (i) Levels of operating and capital expenditure; (ii) cost saving initiatives; and (iii) availability of external funding and financing.
- Assessing management's assumptions against external factors and market trends for appropriateness;

- Agreeing the opening cash position 1 January 2026 in the going concern forecast to the audited position as at 31 December 2025;
- Assessing the prospective accuracy of management's forecast in 2026 against post year-end bank statements and management accounts;
- Undertaking a review of subsequent events on matters impacting the going concern assessment; and
- Considering the adequacy of the disclosures and accounting policy in the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of audit procedures on the individual financial statement line items and disclosures, and evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

	Financial statements – group	Financial statements - company
Overall materiality	\$236,000 (2024: \$168,000)	\$207,000 (2024: \$132,850)
Basis for determining overall materiality	0.5% of net assets (2024: 1% of gross assets)	0.5% of net assets (2024: 1% of gross assets)
Rationale for the benchmark applied	The nature of the business activities and operations result in the group and company being asset-driven, with the entity still in the exploration and evaluation phase. Net assets is a key performance metric for internal reporting purposes by group management and is a key figure within the financial statements for the users of the financial statements, shareholders and wider stakeholders. On this basis, net assets was determined to be an appropriate basis for determining overall materiality for group and company.	
Performance materiality	\$165,000 (2024: \$117,000)	\$145,000 (2024: \$93,000)
Basis for determining performance materiality	70% of group overall materiality (2024: 70% of group overall materiality)	70% of company overall materiality (2024: 70% of company overall materiality)
Rationale for the benchmark applied	For determining the performance materiality, we have considered the following factors: • The level of significant judgements and estimates; • The risk assessment and aggregation of risk, and the effectiveness of controls; • The control environment and the group's financial reporting controls and processes; and • The stability of key management personnel.	

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the nature and extent of our testing of account balances, classes of transactions, and disclosures, for example in determining sample sizes.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$11,800 (2024: \$8,000) for the audit of the group financial statements, and \$11,800 (2024: \$8,000) for the audit of the parent company financial statements as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

For each component in scope of the group audit, we allocated performance materiality to each entity based on their contribution to overall group net assets. The performance materiality allocated across the components was \$82,600 (2024: \$75,000).

Our approach to the audit

In designing our audit approach, we determined materiality and assessed risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgements made by management, including the carrying amount and recoverability of exploration and evaluation assets and the carrying value and recoverability of investments and intra-group receivables. Procedures were then performed to address the risks identified and for the most significant assessed risks of misstatement, the procedures performed are outlined below in the key audit matters section of this report. We re-assessed the risks throughout the audit process and concluded that the scope remained in line with that determined at the planning stage of the audit. An audit was performed on the financial information of the group's significant operating components which, for the year ended 31 December 2025, were located in the United Kingdom (UK) and Brazil.

As a result of our materiality and risk assessments, we determined which components required a full scope audit of their financial information with consideration to their significance to the group based on their contribution to overall net assets, the presence of material classes of transactions and account balances, and other risk characteristics. Whilst Meridian Mining plc is a company listed on the Toronto Stock Exchange, the group's operations principally comprise exploration and evaluation projects in Brazil. On this basis, three components required a full scope audit of their financial information. One component was subject to a specific scope audit whereby procedures were performed on one or more classes of transactions, account balances or disclosures. The remaining components were not in scope due to the nature and conditions present in each component, and lack of material classes of transactions, account balances, and disclosures.

The full scope audit of the components based in Brazil was audited by a component auditor, under our direction and supervision as group auditor in accordance with ISA (UK) 600. We issued detailed instructions and performed a review of the component auditor's working papers. The group audit team regularly interacted with the component audit team during all stages of the audit and were responsible for the scope and direction of the audit process. This, in conjunction with additional procedures performed at the group level, gave us sufficient and appropriate evidence to support our opinion on the group and company financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Carrying amount and recoverability of exploration and evaluation assets (note 7)	
The carrying value of the Cabaçal Project within intangible assets comprises the most material asset on the balance sheet at the prior year-end and as at the 31 December 2025 management accounts with a value of \$3,329,764. These balances are key to the Group's business activities and long-term strategy. There is a risk that the Group's carrying value of the intangible asset is overstated and an impairment charge is required, given	Our work on this key audit matter included, but was not limited to, the following: • A substantive review of the work performed by the component auditor. This included, but was not limited to, the following procedures: ◦ Reviewing expenditure capitalised as additions to the mines under construction

that the Cabaçal project is not yet generating commercial revenues and is incurring negative cash outflows. There is also a risk that exploration and evaluation costs are being incorrectly capitalised and do not meet the capitalisation requirements under IFRS 6 Exploration for and Evaluation of Mineral Resources. The assessment of the carrying value and the subjectivity involved in capitalising costs is subject to management judgement and estimation and as a result this is considered to be a key audit matter.	asset balances during the year ended 31 December 2025 to ensure the transactions met the capitalisation criteria under IFRS 6; - o Assessing whether sufficient funding was available in the post year-end period to bring the Cabaçal Project into the feasibility and production phase and evaluating the progress of the Cabaçal Project during the period; - o Obtaining copies of licences, to ensure their validity and that the Group had rights to the areas of exploration and ascertain the terms and conditions of the licences to ensure that they had been adhered to; - o Obtaining management's assessment as to whether facts and circumstances suggested that the carrying value of the exploration and evaluation assets exceeded their recoverable amount; - o Performing an independent review of the Cabaçal Project under IFRS 6 to ascertain if indicators of impairment existed as at the reporting date; - o Reviewing historical reports to ensure they support management's assumptions over the underlying feasibility of the mining site(s); and • Reviewing disclosures made in the financial statements to ensure they are in line with IFRS 6.
Carrying amount and recoverability of investments in subsidiaries and intra-group receivables (company only) (note 15 & 16)	
The carrying amount of the Company's investments in subsidiaries and intra-group receivables represents a significant portion of the Company's total assets as at the reporting date. There is a risk that the investment in each subsidiary and intra-group receivable balance may not be recoverable. This is predicated on the premise that the Group is in a loss-making position as at 31 December 2025, alongside historical losses being made in prior financial periods. The assessment of the carrying value and recoverability of the investment in subsidiaries and intra-group debtors requires significant judgements and estimates to be made by management, such as forecasted revenue, growth rates, operating expenditure levels and discount rates. As related company loans measured at amortised cost, the intra-group receivables are within the scope of IFRS 9 Financial Instruments expected credit loss calculations (ECL) – the ECL provision requires significant estimation from management. As a result of the materiality of the balances involved, and the subjective nature of the assessments to be made by management, the carrying value and recoverability of investments in subsidiaries and intra-group receivables has been designated as a key audit matter.	Our work on this key audit matter included, but was not limited to, the following: • Obtaining and assessing management's impairment accounting paper and models and reviewing and challenging key assumptions thereon; • Reviewing the carrying value of investments compared to the underlying net asset values, reviewed historical reports produced by management's expert and licences/permits/mining contracts held in respect of the key projects to assess the mining assets; • Reviewing disclosures made concerning the investments in subsidiaries to ensure they are adequate and in line with UK-adopted IAS; • Reviewing post year-end SEDAR+ announcements for items that may have impacted the future

	recoverability of the investments in subsidiaries; and • Reviewing disclosures made concerning the investments in subsidiaries to ensure they are adequate and in line with UK-adopted IAS. Our work on the carrying value and recoverability of intra-group receivables included the following audit procedures: • Obtaining and assessing management's ECL accounting paper and reviewing and challenging key assumptions therein; • Reperforming the ECL calculation on the intra-Group loan receivables to establish an auditor point range and estimate; • Reviewing post year-end SEDAR+ announcements for items that may have impacted the future recoverability of the intra-group loan receivables; and • Reviewing disclosures made concerning the intra-group loan receivables to ensure they were adequate and in line with UK-adopted IAS.
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Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from:
 - Companies Act 2006;
 - UK-adopted international accounting standards;
 - General Data Protection Regulation;
 - Mining licences;
 - Local Brazilian laws and regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
 - Making enquiries of management in relation to known or suspected instances of non-compliance with laws and regulations;

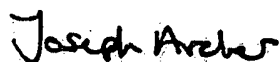
- Reviewing SEDAR+ Announcements for the Canadian-listed entity;
 - Reviewing minutes from Board and other committee meetings; and
 - Reviewing legal expenditure nominal ledger accounts.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the carrying value and recoverability of exploration and evaluation assets, the carrying value and recoverability of investments in subsidiaries and intra-group receivables and the valuation of share-based payments. We addressed this by challenging the assumptions and judgements made by management when auditing these significant accounting estimates.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We issued group audit instructions and maintained effective communication with the component auditors to ensure that any issues in relation to fraud and irregularities would be effectively communicated.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Archer (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

30 Churchill Place
 London
 E14 5RE

23 April 2026

Consolidated Statement of Profit and Loss and Other Comprehensive Loss
for year ended 31 December 2025

	Note	2025 \$	2024 \$
Operating expenses			
Exploration and evaluation expenses	3	9,372,104	8,722,577
General and administrative expenses	3	4,541,151	2,977,345
Professional fees		1,864,936	724,759
Care and maintenance expenses		77,400	73,920
Gain on mineral rights sale		(17,895)	-
Share-based payments	13	2,134,179	118,834
Depreciation and amortisation expenses		207,523	194,587
Impairment of exploration and evaluation assets	7	-	4,976,904
Operating loss		(18,179,398)	(17,788,926)
Finance items			
Finance income		612,085	388,384
Finance expense		(21,674)	(38,607)
Foreign exchange gain (loss)		586,343	(795,756)
Net financing income / (expense)		1,176,754	(445,979)
Loss for the year before tax	5	(17,002,644)	(18,234,905)
Income tax expense		-	-
Loss for the year		(17,002,644)	(18,234,905)
Other comprehensive loss			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		(44,717)	(1,778,186)
Total Other Comprehensive income loss for the year, net of income tax		(44,717)	(1,778,186)
Total comprehensive loss for the year		(17,047,361)	(20,013,091)
Net loss attributable to:			
Equity holders of the parent		(17,047,361)	(18,234,905)
		(17,047,361)	(18,234,905)
Total comprehensive loss attributable to:			
Equity holders of the parent		(17,047,361)	(20,013,091)
Total comprehensive loss for the year		(17,047,361)	(20,013,091)
Loss per share (“EPS”)			
Basic	13	\$ (0.05)	\$ (0.06)
Diluted	13	\$ (0.05)	\$ (0.06)
Weighted Average Number of Shares Outstanding (000s)			
Basic		371,957	285,681
Diluted		371,957	285,681

Consolidated Statement of Financial Position

	Note	December 31, 2025 \$	December 31, 2024 \$
Non-current assets			
Property, plant and equipment	6	750,927	653,781
Intangible assets		45,585	37,167
Exploration and evaluation assets	7	3,329,764	2,447,566
Total non-current assets		4,126,276	3,138,514
Current assets			
Cash and cash equivalents		41,709,473	7,710,874
Prepaid expenses and other assets	8	285,219	382,628
Total current assets		41,994,692	8,093,502
Total assets		46,120,968	11,232,016
Current liabilities			
Trade and other payables	9	2,665,576	1,630,681
Provisions	10	351,967	282,665
Taxes and fees payable	11	177,940	129,127
Total liabilities		3,195,483	2,042,473
Net assets		42,925,485	9,189,543
Equity attributable to equity holders of the parent			
Share capital	14	4,693,092	3,413,029
Share premium	14	35,487,829	141,451,944
Others Reserves	14	70,616,063	7,492,813
Deficit attributable to common shareholders		(67,871,499)	(143,168,243)
Total equity		42,925,485	9,189,543

These financial statements were approved and authorised for issue on 23 April 2026 and were signed on its behalf by:



Mr. Gilbert Clark
Director

Company registered number: 16832228



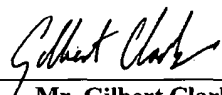
Mr. Douglas Ford
Director

Company Statement of Financial Position

	Note	December 31, 2025 \$	December 31, 2024 \$
Non-current assets			
Investments	15	10,845,031	10,845,031
Exploration and evaluation assets		341,966	341,966
Intercompany loans	16	24,020,377	13,404,708
Total non-current assets		35,207,374	24,591,705
Current assets			
Prepaid expenses and other assets	8	117,554	218,457
Cash and cash equivalent		41,254,612	7,454,742
Total current assets		41,372,166	7,673,199
Total assets		76,579,540	32,264,904
Current liabilities			
Trade payables	9	1,208,137	393,666
Taxes and fees payables	11	18,555	14,963
Intercompany loans	16	792,813	793,245
Total liabilities		2,019,505	1,201,874
Net assets		74,560,035	31,063,030
Capital and reserves			
Share capital	14	4,693,092	3,413,029
Share premium	14	35,487,829	141,451,944
Other Reserves		20,540,794	19,437,878
Deficit attributable to common shareholders		13,838,320	(133,239,821)
Shareholders' funds		74,560,035	31,063,030

A separate statement of comprehensive income for Meridian Mining plc has not been prepared as permitted by Section 408 of the Companies Act 2006. The loss of the Company for the year ended 31 December 2025 was \$7,286,298 (2024 – Loss of \$29,994,415).

These financial statements were approved and authorised for issue on 23 April 2026 and were signed on its behalf by:



Mr. Gilbert Clark

Director

Company registered number: 16832228



Mr. Douglas Ford

Director

Consolidated Statement of Changes in Equity

	Share Capital		Reserves					Deficit	Total – shareholders' capital attributable to parent
	Share capital \$	Share premium \$	Conversion note reserve \$	Share-based payments \$	Warrant reserve \$	Other Reserves \$	Accumulated other comprehensive loss \$		
Equity shareholders' funds at 1 January 2024	2,736,732	128,187,393	462,185	7,132,288	330,376	14,436,271	(13,332,906)	(124,933,338)	15,019,001
Foreign currency translation	–	–	–	–	–	–	(1,778,186)	–	(1,778,186)
Profit for year	–	–	–	–	–	–	–	(18,234,905)	(18,234,905)
Total comprehensive income for the year	–	–	–	–	–	–	(1,778,186)	(18,234,905)	(20,013,091)
Share-based payments	–	–	–	118,834	–	–	–	–	118,834
Shares issued on public offering financing (Note 14)	624,404	14,201,770	–	–	–	–	–	–	14,826,174
Share issuance costs (note 14)	–	(1,393,580)	–	–	302,406	–	–	–	(1,091,174)
Exercise of stock options	46,473	281,273	–	(125,761)	–	–	–	–	201,985
Exercise of compensation options	5,420	175,088	–	–	(52,694)	–	–	–	127,814
Equity shareholders' funds at 31 December 2024	3,413,029	141,451,944	462,185	7,125,361	580,088	14,436,271	(15,111,092)	(143,168,243)	9,189,543
Foreign currency translation	–	–	–	–	–	–	(44,717)	–	(44,717)
Loss for year	–	–	–	–	–	–	–	(17,002,644)	(17,002,644)
Total comprehensive income for the year	–	–	–	–	–	–	(44,717)	(17,002,644)	(17,047,361)
Share-based payments	–	–	–	2,134,179	–	–	–	–	2,134,179
Shares issued on public offering financing (Note 14)	1,208,230	47,302,570	–	–	–	–	–	–	48,510,800
Share issuance costs (note 14)	–	(1,704,635)	–	–	–	–	–	–	(1,704,635)
Exercise of stock options	30,238	1,188,971	–	(472,623)	–	–	–	–	746,586
Exercise of compensation options	41,595	1,613,418	–	–	(558,640)	–	–	–	1,096,373
Cancellation of share premium account	–	(154,364,439)	–	–	–	62,065,051	–	92,299,388	–
Equity shareholders' funds at 31 December 2025	4,693,092	35,487,829	462,185	8,786,917	21,448	76,501,322	(15,155,809)	(67,871,499)	42,925,485

Company Statement of Changes in Equity

	Share capital	Share Premium	Convertible note reserve	Reserves	Other reserves	Warrant reserve	Accumulated deficit	TOTAL
	\$	\$	\$	Share-based payments	\$	\$	\$	\$
Equity shareholders' funds at 1 January 2024	2,736,732	128,187,393	462,185	7,132,288	11,270,244	330,376	(103,245,406)	46,873,812
Loss for year	-	-	-	-	-	-	(29,994,415)	(29,994,415)
Total comprehensive loss for the year	-	-	-	-	-	-	(29,994,415)	(29,994,415)
Shares issued on public offering financing (note 14)	624,404	14,201,770	-	-	-	-	-	14,826,174
Share issuance costs (note 14)	-	(1,393,580)	-	-	-	302,406	-	(1,091,174)
Share-based payments	-	-	-	118,834	-	-	-	118,834
Stock options exercises (Note 14)	46,473	281,273	-	(125,761)	-	-	-	201,985
Exercise of compensation options	5,420	175,088	-	-	-	(52,694)	-	127,814
Equity shareholders' funds at 31 December 2024	3,413,029	141,451,944	462,185	7,125,361	11,270,244	580,088	(133,239,821)	31,063,030
Loss for year	-	-	-	-	-	-	(7,286,298)	(7,286,298)
Total comprehensive loss for the year	-	-	-	-	-	-	(7,286,298)	(7,286,298)
Shares issued on public offering financing (Note 14)	1,208,230	47,302,570	-	-	-	-	-	48,510,800
Share issuance costs (Note 14)	-	(1,704,635)	-	-	-	-	-	(1,704,635)
Share-based payments	-	-	-	2,134,179	-	-	-	2,134,179
Stock options exercises (Note 14)	30,238	1,188,971	-	(472,623)	-	-	-	746,586
Exercise of compensation options	41,595	1,613,418	-	-	-	(558,640)	-	1,096,373
Cancellation of share premium account	-	(154,364,439)	-	-	-	-	154,364,439	-
Equity shareholders' funds at 31 December 2025	4,693,092	35,487,829	462,185	8,786,917	11,270,244	21,448	13,838,320	74,560,035

Consolidated Cash Flow Statement
for year ended 31 December 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Loss before tax for the year		(17,002,644)	(18,234,905)
Adjustments for:			
Finance expense		21,674	38,607
Depreciation and amortisation expenses	6	207,523	194,587
Gain on sale of mineral rights		(17,895)	-
Share-based payments	13	2,134,179	118,834
Foreign exchange (gain)/loss		(586,343)	795,756
Impairment of exploration and evaluation assets	7	-	4,976,904
Increase/(Decrease) in estimated provisions	10	47,099	13,589
Items affecting cash:			
Interest paid		(13,292)	(31,011)
Disbursements related to environmental provision	10	(9,079)	(29,475)
Changes in non-cash working capital items:			
Increase/(Decrease) prepaid expenses and other assets	8	103,230	(12,082)
Increase in trade and other payables	9	457,143	94,774
Increase/(Decrease) in taxes and fees	11	43,990	(47,109)
Net cash used in operating activities		(14,614,415)	(12,121,531)
Cash flows from investing activities			
Acquisition of exploration and evaluation assets	7	(734,033)	(578,811)
Increase to property, plant and equipment and intangibles	6	(206,938)	(125,495)
Proceeds from sale of mineral rights		17,895	-
Net cash used in investing activities		(923,076)	(704,306)
Cash flows from financing activities			
Proceeds from public offering financing	14	48,510,800	14,826,174
Share issuance costs related to the public offering financing	14	(1,704,635)	(1,091,174)
Proceeds from the exercise of stock options	14	746,586	201,985
Proceeds from the exercise of agent's compensation options	14	1,096,373	127,814
Net cash from financing activities		48,649,124	14,064,799
Net increase in cash and cash equivalents		33,111,633	1,238,962
Cash and cash equivalents at 1 January		7,710,874	7,095,927
Effect of exchange rate fluctuations on cash held		886,966	(624,015)
Cash and cash equivalents at December 31		41,709,473	7,710,874

See note 9 for non-cash transactions

Company Cash Flow Statement
for the year ended December 31

	<i>Notes</i>	2025 \$	2024 \$
Cash flows from operating activities			
Loss before tax for the year		(7,286,298)	(29,994,415)
Adjustments for:			
Finance income		(851,169)	(891,038)
Foreign exchange loss		504,816	740,911
Share-based payments charge	13	2,134,179	118,834
Impairment of financial fixed assets	15	961,647	19,340,353
Impairment of intercompany loan		-	7,784,970
Changes in non-cash working capital items:			
Increase in prepaid expenses and other assets		100,903	29,073
Increase in intercompany loans		(9,764,500)	(8,669,500)
Tax and fees payable	11	3,592	3,591
Increase in trade payables	9	814,471	149,315
Net cash used in operating activities		(13,382,359)	(11,387,906)
Cash flows used in investing activities			
Intercompany investments, capital contributions		(962,079)	(1,492,715)
Net cash used in investing activities		(962,079)	(1,492,715)
Cash flows from financing activities			
Proceeds from public offering financing	14	48,510,800	14,826,174
Share issuance costs related to the public offering financing	14	(1,704,635)	(1,091,174)
Proceeds from the exercise of stock options	14	746,586	201,985
Proceeds from the exercise of agent's compensation options	14	1,096,374	127,814
Net cash from financing activities		48,649,125	14,064,799
Net increase in cash and cash equivalents		34,304,687	1,184,178
Cash and cash equivalents at 1 January		7,454,742	7,011,475
Effect of exchange rate fluctuations on cash held		(504,817)	(740,911)
Cash and cash equivalents at 31 December		41,254,612	7,454,742

Notes to the Financial Statements

1 Accounting policies – Group and parent

Meridian Mining plc (the “Company” or “Meridian”) was formed in Amsterdam, Netherlands on December 16, 2013. Effective 15 August 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. During 2025, the Company completed its corporate conversion in the United Kingdom, changing its legal form from Meridian Mining UK Societas to Meridian Mining plc. 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.

1.1 *Measurement convention*

The consolidated financial statements have been prepared on a historical cost basis. Financial instruments are initially recognised at fair value and subsequently measured at amortised cost.

1.2 *Basis of presentation*

The parent and consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

As the Company is listed on the TSX, there are additional requirements to report audited consolidated financial statements under the exchange rules prepared in accordance with IFRS and audited in accordance with Canadian generally accepted auditing standards. During the year ended 31 December 2025, differences in legal and regulatory frameworks between Canada and the United Kingdom resulted in certain differences in accounting treatment, primarily within the equity section. An example of this relates to the share surrender and cancellation transaction executed in previous year where the accounting treatment differs between the Canadian and UK financial statements due to the requirements of the UK Companies Act 2006, which necessitates a formal legal capital reduction process.

The financial statements of the Group and Parent Company are presented in United States dollars, which is the functional currency of the Group and Parent Company. References to “\$”, “US\$” or “dollars” are to United States dollars, references to “C\$” are to Canadian dollars, references to “€” are to Euros, references to “£” are to British pounds, and references to “R\$” are to Brazilian Reals.

1.3 *Going concern*

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realise its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future. The Group incurred a loss of \$17,002,644 during the year ended 31 December 2025 (31 December 2024 – loss of \$18,234,905). The Company has working capital of \$38,799,209 as at 31 December 2025 (31 December 2024 – \$6,051,029). During the year ended 31 December 2025, the Group incurred negative cash flows from operating activities of \$14,614,415 (31 December 2024 – \$12,121,531), and positive cash flow from financing activities of \$48,649,124 (31 December 2024 – \$14,064,799).

To continue as a going concern, the Company will need to secure new funding. Its ability to continue as a going concern is dependent on its ability to obtain additional financing in the future. 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 consolidated 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 cause a material uncertainty.

1.4 Basis of consolidation

The consolidated 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 unrealised gains and losses have been eliminated on consolidation.

During the year ended 31 December 2024, the Company incorporated a new entity, Rio Cabaçal Participações S.A. ("RCP"). The Company has 49% of the voting rights and 100% rights to its variable returns. The legal ownership of Rio Cabaçal Mineração Ltda ("RCM") was transferred to RCP. Although the Company has 49% of the voting rights in RCP, the Company determined that it has the full beneficial interest over the entity as the Company has the rights of variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Therefore, the Company has consolidated 100% of RCP.

These consolidated financial statements include the following entities as 31 December 2025:

Name of subsidiary	Incorporated	Registered office address	Activity	Interest ⁽¹⁾	Functional Currency
Rio Cabaçal Internacional Ltda ("Rio Cabaçal Internacional")	Brazil	Rua Comandante da Costa, 1519, andar 2, sala 3, Cuiabá, MT, Brazil	Investment	100%	R\$
Rio Cabaçal Participações S.A.	Brazil	Rua Comandante Costa, 1519, andar 2, sala 8, Cuiabá, MT, Brazil	Investment	49%	R\$
Rio Cabaçal Mineração Ltda	Brazil	Avenida Dr. Guilherme Pinto Cardoso, 851-B, São José dos Quatro Marcos, MT, Brazil	Exploration	49%	R\$
Cancana Resources Corp ("Cancana")	Canada	1055 West Hastings St, Suite 1700, Vancouver, BC, Canada	Investment	100%	C\$
Meridian Mineração Jaburi S.A. ("Jaburi")	Brazil	Rua Alagoas, 2274, Espigão do Oeste, RO, Brazil	Exploration	100%	R\$

⁽¹⁾ Percentage related to the voting shares.

Acquisitions of subsidiaries under common control before and after the transaction are recorded at historical carrying value. Subsidiaries under common control are consolidated from the date of acquisition by the ultimate controlling entity.

1.5 Foreign currency

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The presentation currency of these consolidated financial statements is the United States dollar, which is also the functional currency of the Group and the Parent Company.

Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the period-end date exchange rates.

The results and financial position of entities in the group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities, for each Statement of Financial Position presented are translated at the closing rate of the period reported;
- Income and expenses for each consolidated Statement of Loss and Other Comprehensive Loss ("Statements of Loss") presented are translated at average exchange rates for the period; and
- All resulting exchange differences are recognised in accumulated other comprehensive loss which is included in the reserves on the consolidated Statement of Financial Position.
- Foreign exchange differences on monetary items that form part of the Group's net investment in a foreign operation are recognised in OCI and accumulated in cumulative translation adjustment. All other foreign exchange differences on intercompany monetary items are recognized in statement of profit or loss.

1.6 Classification of financial instruments issued by the Group

Financial assets

The Group's accounting policy for each of the categories is as follows:

Financial assets at amortised cost: A financial asset is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognised at fair value and subsequently carried at amortised cost less any impairment.

The following table shows the classification of the Group's financial assets:

Financial asset	Classification
Cash	Amortised cost

Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Group's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the Statements of Loss.

Amortised cost - This category includes accounts payable and accrued liabilities all of which are recognised at amortised cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss or other comprehensive income are recognised in the Statements of Loss immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

The following table shows the classification of the Group's financial liabilities:

Financial liability	Classification
Trade payables	Amortised cost

1.7 Earnings Per Share ("EPS")

Basic net earnings per share is calculated by dividing the net loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated using the treasury stock method for determining the dilutive effect of outstanding financial instruments issued under the Company's various stock-based compensation plans. Under this method, the conversion of dilutive financial instruments and related issue of shares is assumed at the beginning of the period (or at the time of award, if later). The proceeds from the conversion or exercise of dilutive financial instruments plus future period compensation expenses are assumed to be used to purchase common shares at the average market price during the period, and the incremental number of shares (the difference between the number of shares assumed issued and assumed purchased) is included in the denominator of the diluted loss per share computation.

Potentially dilutive instruments are included in the calculation of diluted earnings per share only when their effect is dilutive. Instruments that are antidilutive are excluded from the calculation.

1.8 Exploration and evaluation assets

Pre-exploration costs are expensed as incurred. Costs directly attributable to the acquisition of exploration and evaluation assets are capitalised once the legal rights to explore the mineral properties have been acquired. Subsequent exploration and evaluation expenditures are expensed as incurred.

When the technical feasibility and commercial viability of a mineral resource have been demonstrated, and a development decision has been approved by the Board of Directors, the capitalised costs related to the property are transferred to mining development assets. Subsequent expenditures are capitalised as mine development costs.

Once in full commercial production, all assets classified as mines under construction will be transferred into Property, Plant and Equipment (PPE), with all subsequent expenditures being capitalised as PPE under IAS 16 *Property, plant and equipment*. It is at this point that depreciation commences over the useful economic lives, using the Units of Production Method (UOP).

The carrying amounts of exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development, and the achievement of profitable production or proceeds from the disposition of the properties.

The Group assesses exploration and evaluation assets for indicators of impairment at each reporting period. Indicators of impairment include, but are not limited to, the following:

- the right to explore in a specific area has expired, or is expected to expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration and evaluation in the specific area is neither budgeted nor planned;
- exploration activities in the specific area have not resulted in the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities; or
- sufficient data exists to indicate that, although development of the asset is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be fully recovered through successful development or sale.

1.9 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, labour and other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs.

Property, plant and equipment is depreciated on a straight-line basis.

Vehicles	5 years
Machinery and Equipment	10 years
Office furniture, communication and computer equipment	10 years
Buildings	10 years

Depreciation commences when the asset is available for its intended use. The residual values and useful lives of the assets are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amounts. The depreciation charge is recognised within operating expenses in the statement of profit or loss.

1.10 Impairment and reversal of non-financial assets

The carrying value of the Group's exploration and evaluation expenditures and property, plant and equipment are assessed for impairment in accordance with IFRS 6 *Exploration and Evaluation of Mineral Resources* and IAS 36 *Impairment of Assets*, respectively, when indicators of such impairment exist. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated to determine the extent of the impairment loss, if any.

The recoverable amount is determined as the higher of the fair value less costs of disposal for the asset and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment is determined on an asset by asset basis, whenever possible. If it is not possible to determine impairment on an individual asset basis, then impairment is considered on the basis of a cash generating unit ("CGU"). CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other group of assets. For exploration and evaluation assets, a CGU is generally defined as an individual mineral property or a group of properties that are subject to a single exploration programme.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired, and an impairment loss is charged immediately to comprehensive loss within the consolidated statements of loss and comprehensive loss so as to reduce the carrying amount to its recoverable amount.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount.

For exploration and evaluation assets, a previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized, in accordance with IFRS 6 and IAS 36. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the consolidated statements of loss and comprehensive loss.

1.11 Provisions

General

Provisions for legal claims and constructive obligations are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as finance expense.

Environmental provisions

Mining, processing, development and exploration activities are subject to various laws and regulations governing the protection of the environment. An environmental provision is recognised in the period when a legal or constructive obligation originates. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability where the impact of discounting is material. Where appropriate, the provision is accreted over time to its expected future settlement value.

Environmental provisions are reviewed at each reporting period and are adjusted for changes in estimated costs and the timing of the remediation activities to be performed. As the remaining environmental remediation activities are expected to be completed within the next twelve months, no changes in the discount rate have been recognized during the period. Accordingly, the impact of discounting is not material, as the obligation is expected to be settled in the short term. Changes in environmental provisions may also arise from movements in foreign exchange rates, where applicable, and such changes are recognized in profit or loss. Any reduction in the related asset is limited to the carrying amount of that asset.

Share-based payments

The Company grants stock options to directors, officers, employees and non-employees. Share-based compensation costs are measured based on the grant date fair value of the equity-settled instruments and recognised upon grant date over the related service period in the consolidated Statements of Loss and credited share-based payment reserve within shareholders' equity.

The grant date fair value is based on the underlying market price of the common shares of the Company taking into account the terms and conditions upon which those equity-settled instruments were granted. The fair value of equity-settled instruments granted is estimated using the Black-Scholes model or other appropriate method and assumptions at grant date. Equity-settled awards are not re-measured subsequent to the initial grant date.

Determination of the grant date fair value requires management estimation of the volatility required to determine the weighted average expected life. Share option expense incorporates an expected forfeiture rate which is estimated based on historical forfeiture rates and expectations of future forfeiture rates. The Company makes adjustments if the actual forfeiture rate differs from the expected rate.

The vesting of stock options is subject exclusively to service conditions over time, with options vesting in specified tranches throughout the vesting period. The awards are not subject to market or non-market performance conditions.

The weighted average grant date fair value is the basis for which share-based compensation is recognised in the Statements of Loss.

When the stock options are exercised, the applicable amounts of equity reserves are transferred to share capital and share premium.

1.12 Current and deferred income taxes

Income tax expense comprises current and deferred income tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered the deferred tax asset is not set up.

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.

1.13 Investment in subsidiaries

Investments in subsidiaries are initially recorded at cost. The carrying values of fixed financial assets are subject to review for impairment at least at each reporting date. Fixed financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets. The process undertaken to review impairment in the year ended 31 December 2025 comprised of the calculation of fair value less costs of disposal.

1.14 Recent accounting pronouncements adopted

On 1 January 2025, the Group adopted amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* regarding how to assess if a currency is exchangeable and how to determine the exchange rate if it is not. The amendments did not have an impact on the Company's consolidated financial statements or the comparative periods upon adoption, as the Company only transacts in currencies that are exchangeable.

1.15 Recent accounting pronouncements issued not yet effective

On 9 April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements* replacing IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 *Statement of Cash Flows* were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 *Earnings per Share* were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its consolidated financial statements.

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*). The key changes included clarification on the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to financial liabilities settled through electronic payment system, including an option to utilize an accounting policy for early derecognition. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance ("ESG") linked features and other similar contingent features. The IASB also added disclosure requirements to provide additional transparency regarding equity investments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments are effective for annual periods beginning on or after 1 January 2026 with early application permitted. The Company is currently assessing the impact of the standard on its consolidated financial statements.

On 18 December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 regarding nature-dependent electricity contracts and related hedge accounting. The amendments are effective 1 January 2026 and are not expected to have a significant impact on the Company's Consolidation financial statements.

2 Significant accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments and estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated 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 and judgments related to the evaluation of indicators of impairment for exploration and evaluation assets depend on subjective or complex judgments about matters that may be uncertain. Changes in this estimate could materially impact these consolidated financial statements.

Evaluation of indicators of impairment for exploration and evaluation assets (Note 6 and 7)

Judgments

The Group applies significant judgment in assessing at each reporting period whether there is an indication that the recoverable amount of exploration and evaluation assets may be greater than or less than the carrying amount. Management assesses internal and external actors to evaluate whether indicators of impairment or impairment reversal exist that necessitate impairment testing.

Recoverability of intercompany investments and receivables (Note 15)

Judgments

The Company applies significant judgment in assessing, at each reporting date, the recoverability of amounts invested in subsidiary companies, including both equity investments and intercompany loans advanced to subsidiaries. Investments in subsidiaries recognised in the Company's separate financial statements are assessed for impairment in accordance with IAS 36 *Impairment of Assets*. Management assesses internal and external indicators to determine whether impairment or reversal indicators exist, and, where required, estimates the recoverable amount based on expected future cash flows from the underlying projects held by the subsidiaries, including assumptions regarding development timelines, commodity prices, capital and operating costs, and discount rates.

In addition, intercompany loan balances are assessed under IFRS 9 *Financial Instruments*. Management applies judgment in determining whether there has been a significant increase in credit risk and in estimating expected credit losses, taking into account the financial position of the subsidiaries, their stage of development, and the expected timing of future cash flows required to support repayment.

These assessments involve significant judgment, particularly in the context of subsidiaries that are pre-operational and dependent on future project development and financing.

Share-based payments

The Company grants stock options to directors, officers, employees and non-employees. Share-based compensation costs are measured based on the grant date fair value of the equity-settled instruments and recognized upon grant date over the related service period in the consolidated Statements of Loss and credited share-based payment reserve within shareholders' equity.

The grant date fair value is based on the underlying market price of the common shares of the Company taking into account the terms and conditions upon which those equity-settled instruments were granted. The fair value of equity-settled instruments granted is estimated using the Black-Scholes model or other appropriate method and assumptions at grant date. Equity-settled awards are not re-measured subsequent to the initial grant date.

Determination of the grant date fair value requires management estimation of the volatility required to determine the weighted average expected life. Share option expense incorporates an expected forfeiture rate which is estimated based on historical forfeiture rates and expectations of future forfeiture rates. The Company makes adjustments if the actual forfeiture rate differs from the expected rate.

The weighted average grant date fair value is the basis for which share-based compensation is recognized in the Statements of Loss.

When the stock options are exercised, the applicable amounts of equity reserves are transferred to share capital.

3 Expenses and auditors' remuneration

Group exploration and evaluation expenses included in the loss is comprised of the following:

	2025	2024
	\$	\$
Assays	1,247,032	1,594,171
Consulting – geological and other	2,602,639	1,243,971
Drilling	2,006,655	2,808,761
Equipment and Vehicle expenses	691,478	674,762
Environmental studies	274,135	154,838
Fees and licenses	67,308	56,447
Field expenditures and road construction	396,145	510,941

Payroll	1,569,910	1,289,172
Room and boarding	443,748	298,757
Other	73,054	90,757
Total	9,372,104	8,722,577

Group general and administrative expenses included in the loss is comprised of the following:

	2025	2024
	\$	\$
Consulting	206,034	136,266
Investor relations and shareholder communication	290,292	298,967
Insurance	173,611	125,119
Management and director fees	2,457,646	1,365,453
Office and miscellaneous	179,846	147,431
Payroll	693,227	501,458
Rent	120,294	80,109
Subscriptions and licenses	7,097	8,840
Telephone and information technology	79,373	69,584
Travel	265,781	203,512
Other	67,950	40,606
Total	4,541,151	2,977,345

Auditor's remuneration:

	2025	2024
	\$	\$
Audit of these financial statements		
Amounts receivable by the company's auditors in respect of:		
Auditor of Group and Company Financial Statements – PKF Littlejohn LLP	80,182	74,463
Auditor of Group Financial Statements – KPMG Canada ⁽¹⁾	313,464	191,628
	393,646	266,091

⁽¹⁾ During the year ended 31 December 2025, it includes the fees related to the review of the interim consolidated financial statements of 30 September 2025 and fees in connection to the filing of the short form prospectus. During the year ended 31 December 2024, it includes the fees related to the review of the interim consolidated financial statements of 30 June 2024 and 30 September 2024.

4 Staff numbers and costs

The average number of persons employed by the Group (including directors and officers at the subsidiary level) during the year, analysed by category, was as follows:

Group	Number of employees	
	2025	2024
Employees	72	67
Management and Directors – Company	10	10
Management and Directors – Subsidiaries	3	3
	85	80

The aggregate payroll costs of these persons were as follows:

Group	2025	2024
	\$	\$
Wages, salaries, management and directors' fees	4,387,996	2,911,498
Share-based payment	2,134,179	118,834
Social security costs	344,739	262,812
Expenses related to employee benefits	215,256	162,568
	4,947,991	3,455,712

Directors' remuneration

Company	2025 \$	2024 \$
Management and directors' fees earned by Directors	1,049,909	709,604

The following table provides information regarding compensation paid to the Company's directors and details regarding the highest paid director during the financial period ended 31 December 2025:

Name	Fees earned \$	Share- based awards \$	Option- based Awards \$	Non-equity incentive plan compensation \$	Pension Value \$	All Other Compens ation \$	Total \$
Dr. Adrian McArthur	368,231	N/A	-	N/A	N/A	Nil	368,231
Gilbert Clark	561,488	N/A	-	N/A	N/A	Nil	561,488
John Skinner	21,482	N/A	-	N/A	N/A	Nil	21,482
Susanne Sesselmann	21,466	N/A	-	N/A	N/A	Nil	21,466
Douglas E. Ford	21,389	N/A	-	N/A	N/A	Nil	21,389
Neil Gregson	23,658	N/A	-	N/A	N/A	Nil	23,658
Bruce McLeod	32,195	N/A	-	N/A	N/A	Nil	32,195
Total	1,049,909	-	-	-	-	-	1,049,909

5 Taxation

Reconciliation of effective tax rate

	Group December 31, 2025 \$	2024 \$
Loss for the year	(17,002,644)	(18,234,905)
Loss excluding taxation	(17,002,644)	(18,234,905)
Statutory corporation tax rate of 25% (2024: 25%)	(4,250,661)	(4,558,726)
Foreign tax rate differential	(760,000)	(2,619,000)
Statutory permanent differences	885,000	1,702,000
Impact of future income tax rates	-	(1,753,000)
Adjustment to prior years provision versus tax returns	(232,000)	(234,000)
Losses and deductible temporary differences not recognised	6,321,000	3,621,000
Impact of foreign exchange	(1,963,339)	3,841,726
Total tax expense	-	-

There were no deferred tax assets and liabilities as at year-end.

The significant components of the Group's deductible temporary differences, and unused tax losses that have not been recognised on the statement of financial position, as there is no expectation that the Group will generate taxable income on a continuing basis in the foreseeable future, are as follows:

	Group December 31, 2025	2024
	\$	\$
Temporary differences:		
Environmental provision	17,000	13,000
Loss carry forwards	99,304,000	79,683,000
Provisions	713,000	632,000
Property, plant and equipment	717,000	883,000
Tax credits	679,000	603,000

Loss carry forwards consist of Canadian tax losses of \$3,924,000, which expire between 2037 and 2044, United Kingdom loss of \$36,191,000 which have no expiry date and Brazilian tax losses of \$59,189,000, which have no expiry date, however only 30% of the taxable income in one year can be applied against the loss carry-forward balance. The ability of the Company to access unrecognised tax losses and other deductions in Canada has been restricted to ten years as a result of the 2016 acquisition of control of Cancana. Tax attributes are subject to review, and potential adjustment, by tax authorities.

No deferred tax asset was recognised, as the Company is in a pre-operational stage and does not currently generate taxable profits. Accordingly, there is insufficient evidence that future taxable profits and therefore there is insufficient evidence that future taxable profits will be available to utilise these losses.

6 Property, plant and equipment – Group

	Land	Vehicles, machinery, and equipment	Office furniture and other	Total
Cost:	\$	\$	\$	\$
Balance, 1 January 2024	77,789	1,116,257	167,769	1,361,815
Additions	-	26,677	18,324	45,001
Foreign currency adjustment	(16,760)	(244,012)	(38,560)	(299,332)
Balance, 31 December 2024	61,029	898,922	147,533	1,107,484
Additions	-	102,304	29,437	131,741
Foreign currency adjustment	7,754	116,040	19,274	143,068
Balance, 31 December 2025	68,783	1,117,266	196,244	1,382,293

	Land	Vehicles, machinery, and equipment	Office furniture and other	Total
Accumulated depreciation:	\$	\$	\$	\$
Balance, 1 January 2024	-	(345,829)	(101,439)	(447,268)
Depreciation expense	-	(101,648)	(16,773)	(118,421)
Foreign currency adjustment	-	87,921	24,065	111,986
Balance, 31 December 2024	-	(359,556)	(94,147)	(453,703)
Depreciation expense	-	(98,497)	(19,408)	(117,905)
Foreign currency adjustment	-	(47,449)	(12,309)	(59,758)
Balance, 31 December 2025	-	(505,502)	(125,864)	(631,366)

	Land	Vehicles, machinery, and equipment	Office furniture and other	Total
Net book value:	\$	\$	\$	\$
31 December 2024	61,029	539,366	53,386	653,781
31 December 2025	68,783	611,764	70,380	750,927

7 Exploration and evaluation assets

Summary of Group's exploration and evaluation assets:

	Espigão project		Cabaçal project		Total
Balance as at December 31, 2023	\$	6,318,175	\$	2,701,326	\$ 9,019,501
Additions:					
Option agreement		-		250,000	250,000
New areas		-		4,550	4,550
Impairment		(4,976,904)		-	(4,976,904)
Foreign currency adjustment		(1,341,270)		(508,311)	(1,849,581)
Balance as at 31 December 2024	\$	1	\$	2,447,565	\$ 2,447,566
Additions:					
Option agreement		-		600,000	600,000
Foreign currency adjustment		-		282,198	282,198
Balance as at 31 December 2025	\$	1		3,329,763	\$ 3,329,764

In assessing impairment indicators management applied judgement in evaluating the recoverability of the Group's mineral interests and related investments. This assessment considered the continued advancement of the Cabaçal Project, including ongoing technical studies, results of the Pre-Feasibility Study, progress in permitting, and the Group's ability to fund planned activities.

Espigão Project

As at 31 December 2024, the Company identified an indicator of impairment of the exploration and evaluation assets related to the Espigão project, as the Company will no longer allocate resources for substantive expenditures on further exploration, including an initial drilling programme to further evaluate the Iron Oxide Copper Gold potential at the Espigão project.

The Company determined the recoverable amount of the Espigão project using the fair value less costs of disposal ("FVLCD") approach. As there are no estimated mineral resources for the Espigão project, the Company concluded the recoverable amount was nominal. As a result, the Company recognized an impairment of \$4,976,904 in the consolidated statements of loss and comprehensive loss for the year ended 31 December 2024

8 Prepaid expenses and other assets

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Current:				
Tax recovery – Current tax	1,661	24,000	1,661	24,000
Prepaid expenses and advances	283,558	358,628	115,893	194,457
Total	285,219	382,628	117,554	218,457

9 Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	\$	\$	\$	\$
Trade and other payables	1,244,610	971,629	392,835	314,905
Option agreement – Cabaçal project (note 7)	218,658	352,283	-	-
Payroll liabilities	387,006	228,008	-	-
Management and board fees payable (Note 16)	815,302	78,761	815,302	78,761

Total	2,665,576	1,630,681	1,208,137	393,666
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10 Provisions - Group

	Environmental provision (i)	Other provisions (ii)	Total
	\$	\$	\$
Balance, 1 January, 2024	\$ 54,682	\$ 328,794	\$ 383,476
Spent during the year	(29,475)	-	(29,475)
Accretion	2,180	-	2,180
Additions (reversals) during the year	(7,233)	13,589	6,356
Foreign currency adjustment	(7,242)	(72,630)	(79,872)
Balance, 31 December 2024	\$ 12,912	\$ 269,753	\$ 282,665
Spent during the year	(9,079)	-	(9,084)
Additions (reversals) during the year	-	47,099	47,099
Foreign currency adjustment	(3,833)	35,115	31,287
Balance, 31 December 2025	\$ -	\$ 351,967	\$ 351,967

(i) Environmental provision

The environmental rehabilitation provision recognised in 2024 relating to Jaburi's operations in Brazil was fully utilised during 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 Brazil. In the event that management's estimate of the future resolution of these matters changes, the Company will recognise the effects of the changes in its consolidated financial statements on the date such charges occur. As at 31 December 2025, the Company has recognised a provision of \$351,967 (31 December 2024 - \$282,665) 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.

11 Taxes and fees payable

	Group		Company	
	31	31	31	31
	December	December	December	December
	2025	2024	2025	2024
	\$	\$	\$	\$
Current:				
Taxes and fees payable (i)	-	8,242	-	-
Withholding taxes and other taxes	87,187	58,570	18,555	14,963
Other	90,753	62,315	-	-
Total	177,940	129,127	18,555	14,963

12 Earnings per share

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

	Year ended December 31,	
	2025	2024
Numerator		
Loss for the year	\$ (17,002,644)	\$ (18,234,905)
Effect of dilutive securities	-	-
	\$ (17,002,644)	\$ (18,234,905)

Denominator

For basic – weighted average number of shares outstanding	371,957,047	285,680,620
Effect of dilutive securities	-	-
For diluted – adjusted weighted average number of the shares outstanding	371,957,047	285,680,620

Earnings Per Share

Basic	\$ (0.05)	\$ (0.06)
Diluted	\$ (0.05)	\$ (0.06)

For the year ended 31 December 2025 and 2024, stock options in the money 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.

13 Reserves - Stock Options

Stock option transactions are summarised as follows:

	Stock Options	
	Number	Weighted Average Exercise Price
Outstanding December 31, 2023	21,543,103	C\$ 0.65
Granted	780,000	0.47
Expired/cancelled	(765,870)	0.58
Exercised (i)	(4,267,926)	0.07
Outstanding 31 December 2024	17,289,307	C\$ 0.61
Granted	8,025,000	0.69
Expired/cancelled	(1,267,879)	0.76
Exercised (i)	(2,599,157)	0.47
Outstanding 31 December 2025	21,447,271	C\$ 0.62
Number of Options Exercisable	20,807,735	

During the year ended 31 December 2025, the weighted average share price at the date of the stock option exercise was C\$1.26 (2024 – C\$0.43)

As at 31 December 2025, the following incentive stock options were outstanding:

	Number of Shares	Exercise Price (C\$)	Expiry Date	Remaining Contractual Life (years)
Stock options	1,890,000	0.45	26 February 2026	0.16
	3,042,232	1.10	27 October, 2026	0.82
	100,000	1.10	6 February 2027	1.10
	75,000	1.10	24 February 2027	1.15
	390,000	0.95	17 May 2027	1.38
	2,312,500	0.50	25 January 2028	2.07
	695,000	0.50	26 July 2028	2.57
	950,000	0.50	17 October 2028	2.78
	1,000,000	0.35	27 October 2028	2.82
	3,270,039	0.50	28 November 2028	2.91
	180,000	0.50	28 February 2029	3.16
	6,667,500 ⁽¹⁾	0.63	15 April 2030	4.29
	100,000 ⁽²⁾	0.89	13 June 2030	4.45
	250,000 ⁽³⁾	0.79	2 July 2030	4.50
	125,000 ⁽⁴⁾	0.86	18 August 2030	4.63
	400,000 ⁽⁵⁾	1.57	8 December 2030	4.94

⁽¹⁾ 1,597,728 shall vest on 15 April 2026.

⁽²⁾ 18,356 shall vest on 13 June 2026.

⁽³⁾ 82,428 shall vest on 2 January 2026 and 41,553 shall vest on 2 July 2026.

⁽⁴⁾ 30,571 shall vest on 18 February 2026 and 15,411 shall vest on 18 August 2026.

⁽⁵⁾ 16,850 shall vest on 8 June 2026 and 8,402 shall vest on 8 December 2026.

On 15 April 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 vested on 15 April 2025, one-third of the options vested on 15 October 2025 and the remaining shall vest on 15 April, 2026 with an exercise price of C\$0.63 per common share for a term of the five years, until 15 April 2030.

On 13 June, 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 vested on June 13, 2025, one-third of the options shall vest on 13 December 2025 and the remaining shall vest on 13 June 2026 with an exercise price of C\$0.89 per common share for a term of the five years, until 13 June 2030.

On 2 July 2025, the Company granted 250,000 stock options to an employee that vested one-third on 2 July 2025, one-third shall vest on 2 January 2026 and one-third on July 2, 2026 with an exercise price of C\$0.79 per common share for a term of five years, until July 2, 2030.

On 18 August 2025, the Company granted 125,000 stock options to an employee that vested one-third on 18 August 2025, one-third shall vest on 18 February 2026 and one-third shall vest on 18 August 2026 with an exercise price of C\$0.86 per common share for a term of five years, until 18 August 2030.

On 8 December 2025, the Company granted 400,000 stock options to certain individuals where one-third vested on 8 December 2025, one-third shall vest on 8 June 2026 and one-third shall vest on 8 December 2026 with an exercise price of C\$1.57 per common share for a term of five years, until 8 December 2030.

Total share-based payments expense recognized in the consolidated statements of loss and comprehensive loss for the year ended 31 December 2025 was \$2,134,179 (2024 - \$118,834) for incentive options granted and vested.

The following assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the years ended on 31 December 2025 and 31 December 2024:

	Options granted in 2025	Options granted in 2024
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Risk-free interest rate	2.72% - 3.01%	3.60% - 3.81%
Expected life of options	5 years	2 - 5 years
Expected annualised volatility	76.24% - 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.

14 Capital and reserves - Company

	Number of Shares	Share capital \$	Share premium \$
Balance at 31 December 2023	242,572,708	2,736,732	128,187,393
Shares issued on public offering financing	57,500,000	624,404	14,201,770
Share issuance costs	-	-	(1,393,580)
Exercise of stock options	4,267,926	46,473	281,273
Exercise Compensation options	500,253	5,420	175,088
Balance at 31 December 2024	304,840,887	3,413,029	141,451,944
Shares issued on public offering financing	108,289,996	1,208,230	47,302,570
Share issuance costs	-	-	(1,704,635)
Exercise of stock options	2,599,157	30,238	1,188,971
Exercise Compensation options	3,728,318	41,595	1,613,418
Cancellation of the share premium account	-	-	(154,364,439)
Balance at 31 December 2025	419,458,358	4,693,092	35,487,829

Authorised Capital

As at 31 December 2025 the Company had authorised unlimited number of common shares with a par value of €0.01.

Issued Capital

The Company has 419,458,358 (31 December 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.

Capital reduction in connection with conversion to PLC

On 4 November 2025, the Company completed its corporate conversion from Meridian Mining UK Societas to Meridian Mining plc in the United Kingdom. On 10 December 2025, the Company completed the update of its name with the Toronto Stock Exchange. Following this update, the Company's common shares continue to trade under the same ticker symbol.

As part of the conversion to a public limited company, the Company was required to undertake a capital reduction through the cancellation of its share premium account, which was approved by shareholders on 24 June 2025. As a result, the share premium balance of \$154,364,439 was cancelled and applied against the deficit attributable to common shareholders, reducing the deficit to nil as at 31 July, 2025.

Shares issued

During the year ended 31 December 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;
- 64,102,564 common shares for aggregate gross proceeds of \$36,383,500 at a subscription price of C\$0.78 per common share;
- 495,763 common shares related to the exercise on a cashless basis (net exercise) of 844,903 share purchase stock options, in accordance with the Company's omnibus plan;
- 2,103,394 common shares for cash proceeds of \$746,586 from the exercise of stock options, in accordance with the Company's omnibus plan; and
- 3,728,318 common shares for cash proceeds of \$1,096,371 pursuant to the agent's compensation options at the exercise prices of C\$0.35 and C\$0.50.

During the year ended 31 December 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;
- 3,964,897 common shares for cash proceeds of \$201,985 pursuant to the exercise of stock options at the exercise price of C\$0.07;
- 303,029 common shares related to the exercise on a cashless basis (net exercise) of 365,415 share purchase stock options, in accordance with the Company's omnibus plan; and
- 500,253 common shares for cash proceeds of \$127,814 pursuant to the agent's compensation options at the exercise price of C\$0.35.

On 9 April 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 totalling \$561,170 (C\$761,535) and issued 2,101,628 agent's compensation options, with a grant date fair value of \$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 9 April 2026. The grant date fair 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; annualised 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 and share purchase warrant transactions. Please refer to note 13.

Other Reserves

	Recognition and measurement
Convertible note reserve	Convertible note reserve represents the equity component of a convertible note agreement. The convertible note agreement was extinguished and not converted.
Share based payments	Share based payments accounts represent the accrued employee entitlements to share awards that have been charged to the income statement and have not yet been exercised. Once exercised, the difference between the accumulated fair value of the awards and their historical on-market purchase price is recognised in share premium.
Agent Options reserve	represents the accrued amount of agent's option units. Once exercised, the amount accrued is recognised in share premium.
Other reserves	Other reserves represent the debt settlement transactions and the carrying nominal value of the cancelled shares that was eliminated from share capital.
Accumulated other comprehensive loss	Accumulated other comprehensive loss represents exchange difference arising from the translation of non-US dollar functional currency operations within the Company into US dollars.

15 Investments - Company

The movements in financial fixed assets were as follows:

	Cancana	Rio Cabaçal Internacional	Total
	\$	\$	\$
Balance as at 1 January 2024	17,847,639	10,845,030	28,692,669
Capital contributions	1,492,715	-	1,492,715
Impairment of intercompany investments	(19,340,353)	-	(19,340,353)
Balance as at 31 December 2024	1	10,845,030	10,845,031
Balance as at 1 January 2025	1	10,845,030	10,845,031
Capital contributions	961,647	-	961,647
Impairment of intercompany investments	(961,647)	-	(961,647)
Balance as at 31 December 2025	1	10,845,030	10,845,031

In line with IAS 36 *Impairment of assets*, management performed a review of impairment indicators on investment in Cancana. During the year-ended 31 December 2024, the Group recognised a full impairment on the exploration and evaluation assets associated with the Espigao project, as there were deemed to be no estimated mineral resources and no further substantive expenditure was planned in the future on this project. On the basis that Cancana's underlying investment relates primarily to the Espigao project held through Jaburi, and that the recoverable amount determined by management on the investment is nominal, a full impairment on this asset has been recognised in the current financial period.

16 Related party disclosures

Transactions with intergroup entities

	Intercompany loans receivable (payable)	
	2025	2024
	\$	\$
Receivable		
Rio Cabaçal Internacional Ltda.	24,020,377	13,404,708
	24,020,377	13,404,708
Payable		
Cancana Resources Corp.	(792,813)	(793,245)
	(792,813)	(793,245)

The Group has an intercompany loan receivable from its Brazilian subsidiary, RCI, which is classified as non-current. Interest accrues on the outstanding balance; however, no repayment is expected in the short term as RCI is a holding entity and relies on its operating subsidiary, RCM, which remains in the exploration and development phase and has not yet generated revenue. The timing of repayment is therefore dependent on the future development of the Cabaçal Project and the generation of cash flows.

Group's key management compensation

Key management personnel transactions for the year ended 31 December 2025, included compensation paid to the Company's independent Directors, as well as the Company's Chief Executive Officer ("CEO") and Director, President and Director, Chief Financial Officer, Senior Vice-President – Strategy and Projects, Senior Vice-President of Corporate Development, Chief Development Officer and former Chief Financial Officer.

	2025	2024
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	\$	\$
Salaries and consulting fees	2,337,456	1,243,978
Director's fees	120,190	121,475
Share-based compensation	1,076,704	-
	3,534,350	1,365,453

On 19 February 2025, the Company completed a brokered private placement, issuing 44,187,432 common shares at a subscription price of C\$0.39 per share (Note 9). Insiders, considered related parties under applicable securities regulations, participated in the offering and subscribed for 279,744 common shares.

Group's other related party transactions

As at 31 December 2025, the Group 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.

	31 December 2025	31 December 2024
	\$	\$
Other liabilities - management and Board fees	815,302	78,761

17 Commitments and Contingencies

A significant portion of the Group's operations are located in Brazil. The Group is subject to legal, labour, environmental and tax matters arising in the ordinary course of business, given the nature of its current and historical operations. The Group maintains policies, procedures and controls designed to ensure compliance with applicable laws and regulations.

18 Capital Management

The capital structure of the Group consists of equity totalling \$42,925,485 (2024 – \$9,189,543). The Group's objectives when managing capital are to: (i) preserve capital, (ii) obtain the best available net return, and (iii) maintain liquidity.

The Group 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 Group may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

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

19 Risk Management and financial instruments

Financial instruments

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

The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of cash and accounts payable approximate fair value due to the short-term nature of the financial instruments.

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, Australian dollars, 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. 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 principal financial instruments by category are as follows:

Group financial assets and liabilities

	Amortised Costs	
	2025	2024
	\$	\$
<u>Financial assets</u>		
Cash and Cash equivalents	41,709,473	7,710,874
Total financial assets	41,709,473	7,710,874
<u>Financial liabilities</u>		
Trade and other payables	2,665,576	1,630,681
Loans payable	-	-
Total financial liabilities	2,665,576	1,630,681

Company financial assets and liabilities

	Amortised Costs	
	2025	2024
	\$	\$
<u>Financial assets</u>		
Cash and cash equivalents	41,254,612	7,454,742
Intercompany loans	24,020,377	13,404,708
Total financial assets	65,274,989	20,859,450
<u>Financial liabilities</u>		
Trade and other payables	1,208,137	393,665
Intercompany loans	792,813	793,245
Total financial liabilities	2,000,950	1,186,910

The Group 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 at 31 December 2025	Australian dollar	British pound	US dollar	Canadian dollar
Cash	\$ 6,085	\$ 97,766	\$ 2,059	\$ 40,970,893
Total Assets	6,085	97,766	2,059	40,970,893
Accounts payable and accrued liabilities	(238,936)	(299,977)	(218,658)	(463,599)
Net Assets	\$ (232,851)	\$ (202,211)	\$ (216,599)	\$ 40,507,294

As at 31 December 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 31 December 2025, fluctuations of +/- 10% in the US dollar, relative to those foreign currencies, would impact the Company's Statements of Loss for the year ended 31 December 2025 by approximately \$3,985,563. In addition, such fluctuations would impact the Company's consolidated total assets, total liabilities and total equity by approximately \$4,107,680, \$122,117 and \$3,985,563, respectively, as at 31 December 2025.

The Group 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 Group's financial assets exposed to interest rate risk consist of cash balances. None of the Group's payables are subject to floating interest rates. The Group does not believe its interest rate risk is significant.

Liquidity risk

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

The Group has historically relied upon equity financings to maintain an adequate level of cash to satisfy its capital requirements and expects to continue to rely primarily on equity financings. All of the Group's accounts payable and accrued liabilities are generally subject to normal trade terms. As a result, the Group is exposed to liquidity risk in the event that sufficient financing is not obtained when required.

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. 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 31 December 2025, the Group's liabilities that have contractual maturities are as follows:

	Less than 1 year	Less than 2 years	2 years or greater	Total
Trade and other payables	\$ 2,665,576	\$ -	\$ -	2,665,576
Provisions	351,967	-	-	351,967
	\$ 3,017,543	\$ -	\$ -	3,017,543

20 Segment information

The Group 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.

21 Subsequent events

On 15 January 2026, the Company paid the remaining \$150,000 related to the advance instalments required under the amended agreement (Note 5a). This amount forms part of the total \$600,000 advance that will be deducted from the fifth instalment of the purchase price.

On 12 February 2026, the Company closed a bought deal offering through the issuance of 36,392,900 common shares at a subscription price of C\$1.58 per common share, for aggregate gross proceeds to the Company of \$42,226,562 (C\$57,500,782). The Company paid agent's commissions of \$1,927,737 (C\$2,625,039) on this offering. The Company incurred other share issuance costs of \$353,334 on this offering. Total transactions costs incurred and allocated to share premium was \$2,281,071.

In addition to the common shares issued pursuant to the bought deal offering, The Company also issued the following common shares subsequent to the year ended 31 December 2025:

- 1,713,964 common shares related to the exercise on a cashless basis (net exercise) of 2,488,344 share purchase stock options, in accordance with the Company's omnibus plan; and
- 774,380 common shares for cash proceeds of \$288,256 pursuant to the exercise of stock options at price of C\$0.45 and C\$1.10.