



ASX / Media Release

12 October 2009

NWME Receives FIRB Approval for \$10.5M Investment into Meridian Minerals

Key points:

- **NWME has received approval from FIRB for \$10.5M investment**
- **Chinese government approvals for NWME investment well advanced**
- **NWME transaction approved by Meridian shareholders at recent GM**
- **Drilling programme at the Kapok and Kapok-West resources defined**
- **Drilling to commence as soon as final approval is received**
- **Acquisition of additional tenements to increase project area**

Australian resources company Meridian Minerals Limited ('Meridian' or 'Company') (ASX: MII) today announces that it has been advised that the Foreign Investment Review Board ('FIRB') has approved the investment of \$10.5M into Meridian by Northwest Nonferrous Australia Mining Pty Ltd, a wholly owned subsidiary of the Chinese company Northwest Mining and Geology Group Co. Ltd for Nonferrous Metals ('NWME'). NWME will subscribe to 131,250,000 ordinary shares at a share price of \$0.08 ('Placement') to raise \$10.5M.

Meridian Minerals Managing Director, Jeremy Read, said that the approval by FIRB of NWME's investment into Meridian was a very significant milestone for the company and extremely pleasing, given that some investments by Chinese companies into Australia have recently been rejected by FIRB.

"Getting the approval from FIRB of the NWME investment is a major milestone for Meridian and it now brings us very close to the completion of the overall transaction with NWME. We are looking forward to working closely with NWME," Mr Read said.

"The final step in the process is approval by the Chinese national government of the NWME investment and we understand that approval process is well advanced. As soon we have that final approval, we will commence our infill and extension drilling at the Kapok and Kapok-West resources on the Lennard shelf Project.

All of our field preparations are now complete and we are ready to go with the drill programme."

Mr Sun Feng, Director General of NWME, said that "NWME is very pleased to have received FIRB approval. Upon receipt of Chinese Government approval, which is progressing well, we look forward to our investment being completed, which in turn will allow Meridian to commence its drilling programme."

At the Company's General Meeting on 5 October, Meridian shareholders approved the NWME acquisition together with the capacity for the Company to raise additional funding to progress the project in terms of exploration and/or plant infrastructure.



Kapok and Kapok-West Drill Programme

Once final approval from the Chinese government is received, Meridian will commence a drill programme of infill and extension drilling at the Kapok and Kapok-West resources (Figure One). The goal of this drill programme will be to confirm the continuity and shape of the Kapok-West resource, which will be a key component of a feasibility study into the viability of recommencing mining on the Lennard Shelf Project. Meridian is targeting the third quarter of 2010 to be able to decide whether or not to commit to the redevelopment of the Kapok mine and development of a new mining operation at Kapok West.

Additional tenements

Meridian also announced on 7 October, that it had signed an agreement with Zinc Co to acquire four exploration tenements located in close proximity to the Company's Lennard Shelf Zinc Project. The consideration for the tenements is to be paid following the completion of the A\$10.5M investment by NWME. These tenements have excellent exploration potential, including the extensions to the Kapok mineral resource and will significantly strengthen the overall Lennard Shelf project package. Post this transaction, the area held by Meridian will increase to 679km².

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

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About the Lennard Shelf Project

The Lennard Shelf region is one of the world's premier Mississippi Valley Type ("MVT") zinc-lead provinces containing pre-mining zinc-lead resources of 41 million tonnes ("Mt") @ 7.9% zinc and 3.2% lead.

The MVT style of zinc and lead mineralisation, which occurs on the Lennard Shelf project, produces metal concentrates which are very highly sought by smelting companies due to the very high-grade and clean nature of the concentrates. Of all the resources mined to date, the overall recovery has been around 95% for zinc and 85% for lead. Concentrate grades have also been high with the zinc concentrate historically containing 58-60% zinc and the lead concentrate containing 72-77% lead. It is as a result of their clean, high-grade nature that concentrates from the Lennard Shelf project have in the past attracted a premium price from smelters.

BHP Minerals commenced exploration of the Lennard Shelf region in the late 1970's and shared the exploration risk through a series of joint ventures. After several years of extensive exploration the Cadjebut deposit was discovered in 1984, Goongewa in 1987 and Kapok in 1989. BHP Minerals and Billiton jointly brought Cadjebut into production in 1987 and in the mid-1990's both BHP Minerals and Billiton sold their respective interests in the Lennard Shelf Project to Western Metals.

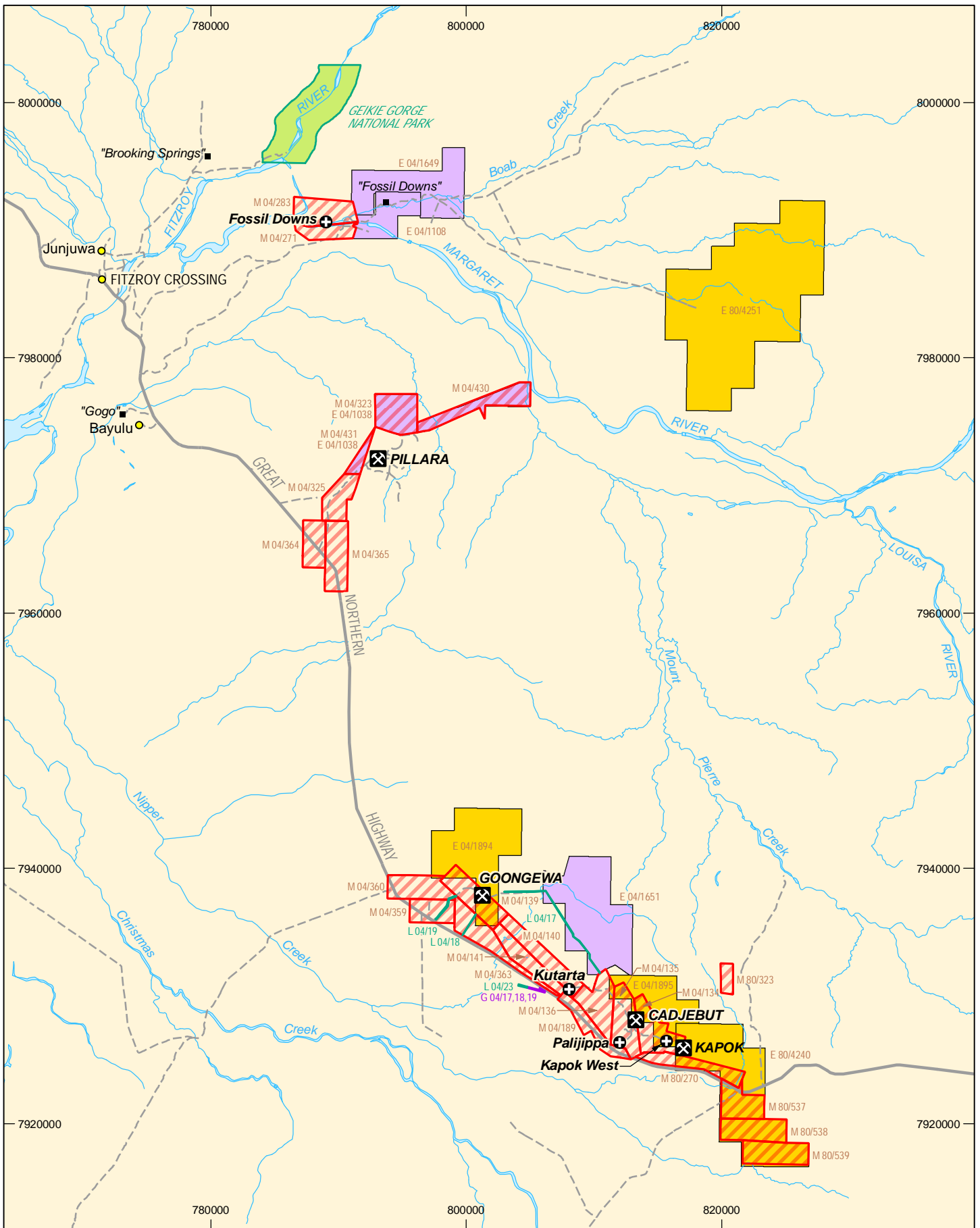


Following purchase of the project, Western Metals continued with exploration and extended the known resources at Cadjebut, Goongewa, Kapok, Kapok West and discovered a new resource at Kutarta. Production from Cadjebut ceased in 1998. Goongewa produced from 1995 to 2001, and Kapok from 1997 until 2003.

Teck purchased the Lennard Shelf assets from the receivers of Western Metals in 2003 and subsequently sold a 50% interest in the project to Noranda (now Xstrata), forming the joint-venture company Lennard Shelf Pty Ltd (LSPL).

LSPL undertook exploration within the Lennard Shelf tenements during the field seasons of 2004, 2005, 2006, 2007 and 2008. Highlights included intersecting previously undiscovered mineralisation at the Palijippa prospect in 2005 where, following further drilling in 2006, an in-house inferred resource was estimated. The Palijippa discovery by LSPL demonstrates the excellent potential of the project area for the discovery of additional mineral resources.

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



Tenements purchased from Lennard Shelf Pty Ltd

- Exploration Licence
- Mining Lease
- General Purpose Lease
- Miscellaneous Licence

Tenements purchased from ZincCo Australia Ltd

- Exploration Licence

X Mine
+ Resource

0 5 10km
 Transverse Mercator Projection
 MGA Zone 51. GDA94 Datum.

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**LENNARD SHELF ZINC PROJECT, WESTERN AUSTRALIA
 LOCATION OF TENEMENTS**

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FIGURE 1	