

ASX / Media Release

27 October 2009

Meridian Minerals Obtains Exclusive Option over 600,000tpa Zinc-Lead Processing Plant

Key points:

- **Exclusive option obtained over the Galmoy zinc-lead processing plant located in Ireland,**
- **Galmoy is a complete 600,000 tpa plant which was operating until June 2009,**
- **Initial technical review suggests that the plant will effectively process zinc-lead mineralisation from the Lennard Shelf Project in WA,**
- **If the option to purchase is exercised, the purchase price will be €6M,**
- **Payments will be made over a 12 month period,**
- **Relocation of the plant to the Lennard Shelf Project would occur late in 2010, subject to the completion of the Kapok/Kapok West Feasibility Study.**

Australian resources company Meridian Minerals Limited ('Meridian' or 'Company') (ASX: MII) today announces that it has obtained an exclusive option to purchase the Galmoy zinc-lead mineral processing plant located in Ireland. The purchase option can be exercised up until the 30 November 2009 by making an initial down payment of €1.3M. The total purchase price of the Galmoy plant will be €6M, to be paid in a series of instalments over a twelve month period.

Meridian Minerals Managing Director, Jeremy Read, said that the option to purchase the Galmoy plant was a very exciting development for Meridian and a unique opportunity to purchase an entire processing plant, which has only recently been put on care and maintenance.

"Following the positive result from our initial Scoping Study of the Kapok and Kapok West resources, we started to look at ways to shorten the potential timeline to production. We concluded that the fastest and most cost effective manner to potentially bring the project to production was through the purchase of a second hand processing plant," Mr Read said.

"When the Galmoy plant became available, we completed an initial desk top review which suggested it would be technically suitable for processing zinc and lead mineralisation from the Lennard Shelf project. Following this, we negotiated the option and purchase agreement.

If the Kapok and Kapok West feasibility study is positive, then towards the end of 2010 we will relocate the Galmoy plant to the Lennard Shelf Project. This has the potential to take twelve months out of the timeframe required to put the Lennard Shelf Project back into production."

Kapok and Kapok-West Feasibility Study

Meridian will soon commence a program of infill and extension drilling at the Kapok and Kapok West mineral resources (Figure One). This drill program will be a key component of a Feasibility Study into the viability of recommencing mining on the Lennard Shelf Project, via a combined operation at Kapok and Kapok West. Meridian is targeting the fourth 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.

If the feasibility study concludes that profitable mining operations can be re-established at Kapok and Kapok West, then it will be important to bring these resources into production as quickly as possible. Purchasing a second hand plant has the potential to save 12 months from the timeline to re-establish zinc and lead production, in comparison to designing and building a new processing facility. Furthermore, significant capital expenditure savings are possible, provided that only minor modifications are required to the Galmoy plant.

Meridian staff and engineering consultants recently visited the Galmoy plant. The initial conclusion from this visit was that Galmoy, in its current form, should be suitable for processing ore from Kapok and Kapok West, without major modifications to the plant. A Due Diligence report will be completed by the end of the month by Meridian's consultants. This report will detail the results from the trip to Galmoy to confirm the design specifications and condition of the plant, as well as examine in detail the suitability of the plant to process Lennard Shelf zinc-lead mineralisation. Following receipt of that report, Meridian will make a final decision as to whether to exercise its exclusive option to purchase the processing plant.

The purchase price of €6M includes dismantling, cleaning and packing into shipping containers supplied by Meridian. Studies have already commenced into the logistics and requirements (customs and quarantine) needed to relocate Galmoy to the Lennard Shelf Project.

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

Mr Jeremy Read
Managing Director
Meridian Minerals Limited
Tel: 07 3844 6444
Mob: 0409 484 322

Mr David Tasker
Professional Public Relations
Tel: 08 9388 0944
Mob: 0433 112 936
Em: david.tasker@ppr.com.au

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.

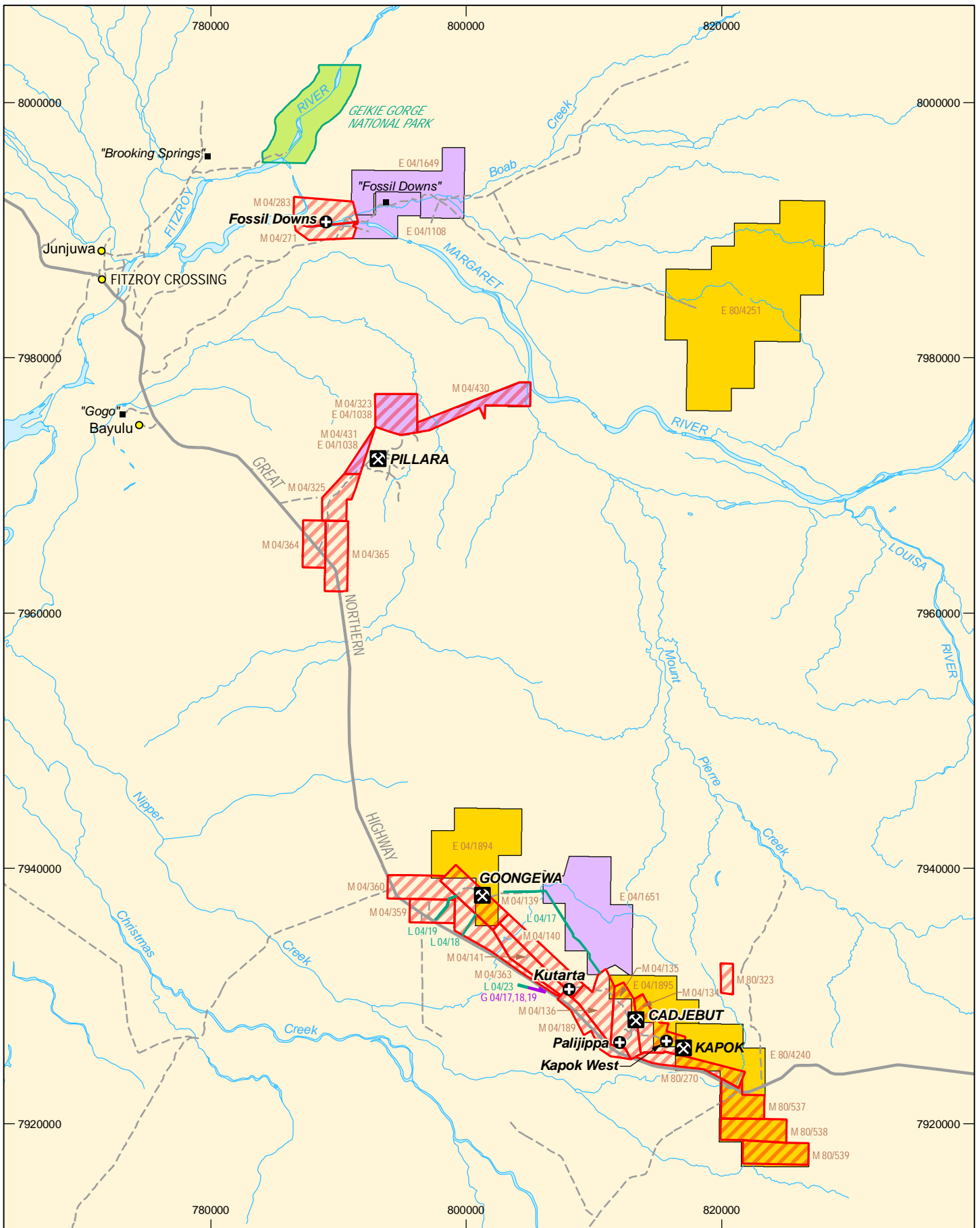
BHP Minerals commenced exploration of the Lennard Shelf region in the late 1970's and shared the exploration risk through a series of joint ventures. After several years of extensive exploration the Cadjebut deposit was discovered in 1984, Goongewa in 1987 and Kapok in 1989. BHP Minerals and Billiton 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

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

X Mine
+ Resource

M E R I M I A N
MINERALS LIMITED

Unit F6, 12 Browning Street Tel +61 7 3844 6444
West End QLD 4101 Fax +61 7 3844 6555

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

Prepared: JR	Date: Sep 2009
Revised: Oct 2009	Drwg: MML-0100
FIGURE 1	