

ASX / Media Release

27 August 2010

Extensional Drilling by Meridian at Kapok West in WA Intersects Further High Grade Lead and Zinc Mineralisation

Highlights

- **Extensional drilling at the Kapok West prospect on Meridian's Lennard Shelf Project has intersected additional high grade lead and zinc mineralisation, up to 22.5% combined lead and zinc, outside the boundary of the Kapok West Inferred Mineral Resource (currently JORC Inferred mineral resource of 2.9Mt @ 3.1% Zn, 5.5% Pb and 13.9g/t Ag, above a combined 3% zinc plus lead cutoff);**
- **Results from the 14 drill holes released today include:**
 - **11m @ 11.4% Pb+Zn in KW10-060 (Extension)**
 - **4m @ 10.1% Pb+Zn in KW10-067 (Extension)**
 - **9m @ 15.2% Pb+Zn in KW10-070 (Extension)**
 - **9m @ 22.5% Pb+Zn in KW10-071 (Extension)**
- **The latest batch of drilling results continue a recent run of excellent results, where a number of high grade lead and zinc intersections have been recorded outside the existing boundary of the Kapok West Mineral Resource;**
- **The scope of the Kapok West drilling program was increased initially from 39 to 76 drill holes due to the positive results achieved;**
- **The initial phase of drilling at Kapok West has been completed with the drilling of 76, both infill and extension drill holes;**
- **Including the results from the 14 holes released today, assay results for 72 drill holes have been released for Kapok West. Of these, 33 holes are classified as infill holes and 39 as extensional drill holes. Results from 13 extensional and 1 infill holes are being released today;**
- **Results from the final 4 drill holes from Kapok West will be released in September and a new revised Mineral Resource for Kapok West expected to be released prior to the end of September.**

Australian resources company Meridian Minerals Limited ('Meridian' or 'Company') (ASX: MII) today announces assay results from a further 14 diamond drill holes drilled at the Kapok West prospect on the Lennard Shelf Project ("Lennard Shelf"), as a part of the Emanuel Range Bankable Feasibility Study. Of these 14 holes, 13 were drilled with the objective of extending the currently defined Kapok West JORC Code (2004) compliant Inferred Mineral Resource and 1 hole was drilled as a part of an infill drill program.

Meridian's Managing Director, Jeremy Read, said that the results from recent drilling at Kapok West had been very encouraging, with a significant number of new high grade lead and zinc intersections occurring outside the current boundary of the Kapok West Mineral Resource.

"As we have accumulated more information on Kapok West through the drilling program, we now have a better understanding of the controls on the higher grade and thicker sections of lead and zinc mineralisation, which has enabled us to follow up successfully the high grade and thick intersections," Mr Read said.

"The majority of the recent results announced for Kapok West, including today's results, have the potential to increase the size of the Kapok West Inferred Mineral Resource as the intersections have occurred predominantly outside the boundary of the Mineral Resource, or located new thick lenses of mineralisation."

"We are looking forward to incorporating all the recent encouraging drill results into a new Mineral Resource model for Kapok West, as we expect their effect on the Mineral Resource to be significant."

The overall scope of the Kapok West drilling program was increased from the initially planned 39 drill holes, to 76 drill holes, due to the positive results achieved. The initial phase of the Kapok West drill program has now been completed with the drilling of the 76 infill and extension drill holes. It is possible that further drilling will need to be completed at Kapok West in order to report a JORC Code (2004) compliant Indicated Mineral Resource. The amount of drilling required will be determined following completion of a new Mineral Resource for Kapok West in September.

Kapok West Drill Program

In late November 2009, Meridian commenced a Bankable Feasibility Study ('BFS') to determine the viability of recommencing mining of the Kapok Mineral Resource and establishing new mining operations at the Kapok West and Cadjebut Splay Mineral Resources. This study is termed the Emanuel Range BFS, due to the geographic location of Kapok, Kapok West and Cadjebut Splay in the Emanuel Range region of the Lennard Shelf Project (Figure One).

The initial part of the BFS comprised a diamond drilling program to drill out the immediate extensions of the Kapok West Mineral Resource. The extensional drilling resulted in greater definition of the limits of the Kapok West mineralisation. A revision of the Kapok West Mineral Resource was announced to the ASX on 10 June 2010. The revised Mineral Resource for Kapok West is 2.9Mt @ 3.1% Zn, 5.5% Pb and 13.9g/t Ag, above a combined 3% zinc plus lead cutoff, reported as Inferred in accordance with the guidelines of the JORC Code (2004) (Figure One).

Infill and extensional drilling at Kapok West have been continuing in parallel. The results for the 13 extension and 1 infill drill holes announced today are given in Table One.

A summary of both the infill and extensional drill results announced today is presented in Figure Two, with reference to the boundary of the revised Kapok West JORC Inferred Mineral Resource.

Following the receipt of all assay data from the Kapok West drill program, the current Kapok West Mineral Resource will be revised. Meridian is aiming to announce a further revision of the Kapok West Mineral Resource in September and this revised resource will then be used to determine how much of the Kapok West Mineral Resource could potentially be mined. This estimate will be a key input into the Emanuel Range BFS.



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

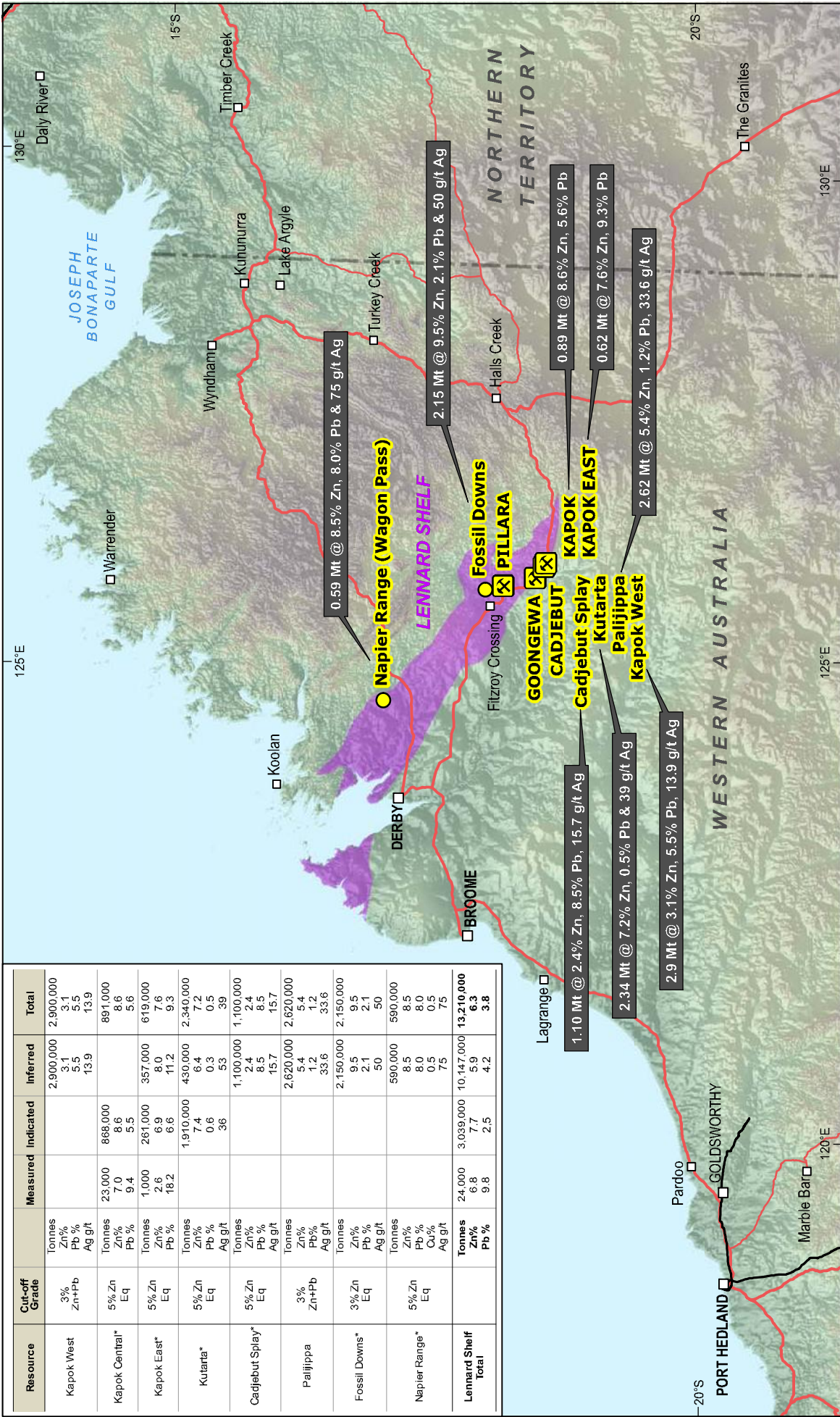
Mr Jeremy Read
Managing Director
Meridian Minerals Limited
Tel: 07 3225 0400
Mob: 0409 484 322

Mr James Harris
Professional Public Relations
Tel: 08 9388 0944
Mob: 0400 296 547
Em: james.harris@ppr.com.au

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

Table One – Kapok West Infill and Extension Drill Results

HOLE_ID	Dip/Azi	From (m)	To (m)	Downhole Interval (m)	Zn %	Pb %	Ag g/t	% Zn + Pb	ZnPb Cut-off	
KW10-059	-90°	341.00	345.00	4.00	2.20	7.17	10.6	9.37	1% ZnPb cut-off	
KW10-060	-90°	441.00	443.00	2.00	0.13	5.73	1.0	5.86	0.3% ZnPb cut-off	
		466.73	469.00	2.27	0.08	3.81	4.4	3.89	0.3% ZnPb cut-off	
		481.00	492.00	11.00	1.35	10.02	16.8	11.37	1% ZnPb cut-off	
KW10-061	-90°	447.00	449.00	2.00	0.85	5.94	20.5	6.79	5% ZnPb cut-off	
KW10-062	-76° to 010° (TN)	350.00	352.00	2.00	7.97	0.58	3.0	8.55	3% ZnPb cut-off	
		370.00	375.00	5.00	0.02	3.54	20.8	3.57	1% ZnPb cut-off	
		including								
KW10-063	-90°	370.00	372.00	2.00	0.04	5.31	20.5	5.34	3% ZnPb cut-off	
		563.00	566.00	3.00	1.84	2.47	1.0	4.31	1% ZnPb cut-off	
		572.00	577.00	5.00	2.10	1.25	3.6	3.35	1% ZnPb cut-off	
KW10-064	-90°	including								
		574.00	576.00	2.00	1.90	2.28	3.0	4.18	3% ZnPb cut-off	
		336.00	339.00	3.00	0.17	3.41	0.3	3.58	1% ZnPb cut-off	
KW10-065	-90°	342.00	344.00	2.00	0.04	3.55	0.0	3.58	1% ZnPb cut-off	
		384.00	387.00	3.00	2.10	1.46	12.0	3.56	0.5% ZnPb cut-off	
		444.00	446.00	2.00	2.48	0.83	2.7	3.32	1% ZnPb cut-off	
KW10-066	-90°	529.00	539.00	10.00	4.36	0.72	0.30	5.07	0.5% ZnPb cut-off	
		including								
		534.00	537.00	3.00	11.27	1.82	1.0	13.09	5% ZnPb cut-off	
KW10-067	-70° to 015° (TN)	402.00	415.00	13.00	3.00	2.14	2.50	5.14	1% ZnPb cut-off	
		including								
		411.00	415.00	4.00	7.47	2.63	4.3	10.10	3% ZnPb cut-off	
KW10-068	-65° to 015° (TN)	384.00	389.00	5.00	0.06	2.86	9.0	2.92	1% ZnPb cut-off	
KW10-069	-90°	582.00	585.00	3.00	2.49	3.36	3.7	5.85	0.5% ZnPb cut-off	
KW10-070	-78° to 007° (TN)	425.00	437.00	12.00	2.17	6.12	15.08	8.29	1% ZnPb cut-off	
		including								
		426.00	431.00	5.00	4.84	12.07	6.13	16.91	5% ZnPb cut-off	
		440.00	457.00	17.00	2.64	6.02	13.94	8.66	1% ZnPb cut-off	
		including								
KW10-071	-81° to 012° (TN)	445.00	454.00	9.00	4.70	10.54	19.22	15.24	5% ZnPb cut-off	
		307.00	310.00	3.00	1.72	2.98	0.00	4.70	1% ZnPb cut-off	
		360.00	365.00	5.00	1.27	4.87	7.80	6.14	3% ZnPb cut-off	
		375.00	384.00	9.00	11.80	10.67	14.78	22.47	3% ZnPb cut-off	
		463.00	474.00	11.00	6.20	3.60	7.18	9.80	1% ZnPb cut-off	
including										
KW10-072	-84° to 007° (TN)	464.00	473.00	9.00	7.05	7.05	8.33	14.11	5% ZnPb cut-off	
KW10-072	-84° to 007° (TN)	480.00	488.00	8.00	2.22	1.83	4.00	4.05	1% ZnPb cut-off	



M E R I I A N
M I N E R A L S L I M I T E D
 Level 1, 30 Little Cribb Street
 Milton, QLD 4064
 Tel +61 7 3225 0400
 Fax +61 7 3225 0499

LENNARD SHELF PROJECT
LOCATION OF MINES AND PROSPECTS

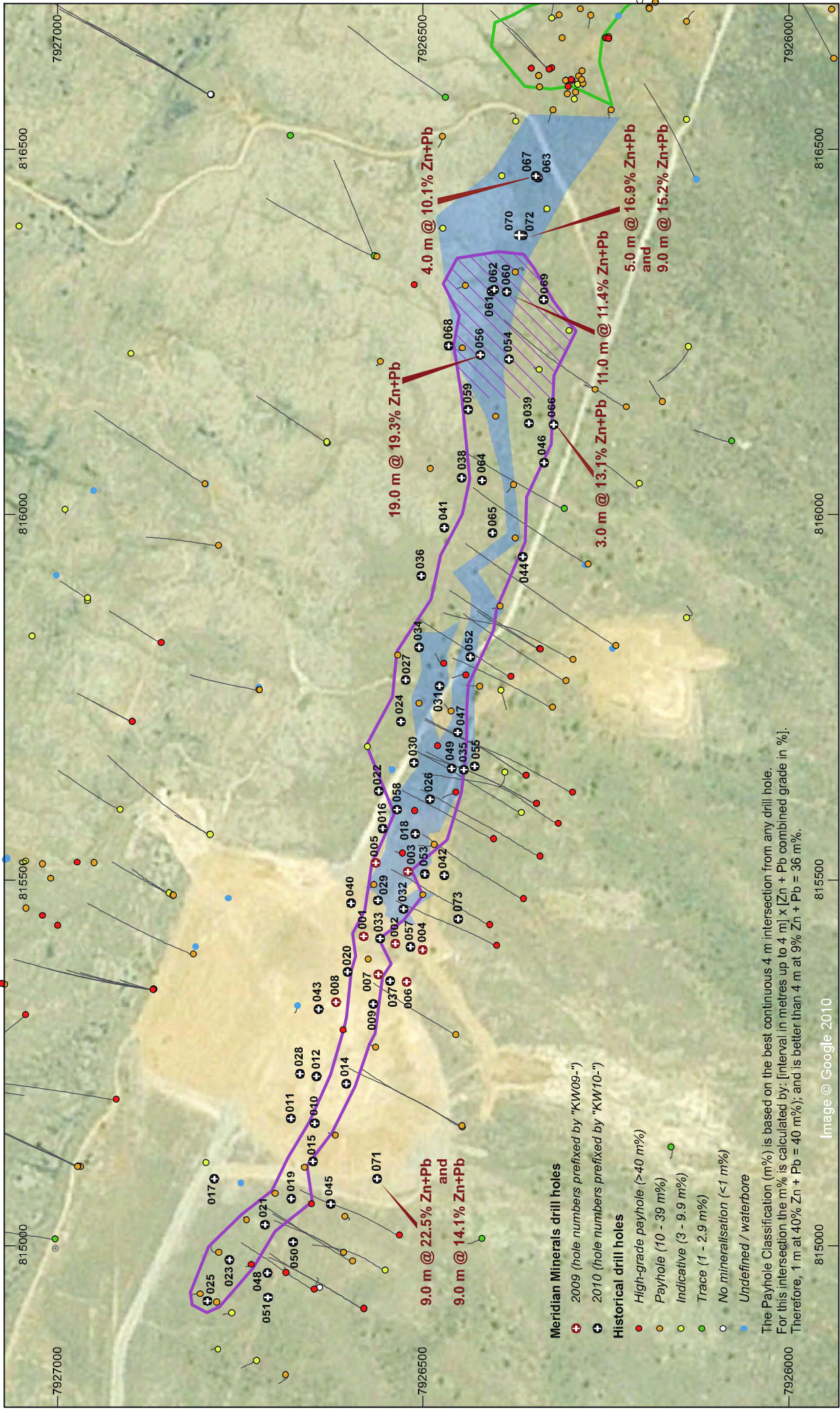
Prepared: Date: June 2010
 Drawn: RRM Dwg No.:

Lambert Conformal Conic Projection.
 GDA94 Datum.

0 100 200 km

Mine
 Resource
 Railway
 Principal Road
 Secondary Road

FIGURE 1



Meridian Minerals drill holes

- ⊕ 2009 (hole numbers prefixed by "KW09-")
- ⊕ 2010 (hole numbers prefixed by "KW10-")

Historical drill holes

- High-grade payhole (>40 m%)
- Payhole (10 - 39 m%)
- Indicative (3 - 9.9 m%)
- Trace (1 - 2.9 m%)
- No mineralisation (<1 m%)
- Undefined / waterbore

The Payhole Classification (m%) is based on the best continuous 4 m intersection from any drill hole. For this intersection the m% is calculated by: $[\text{interval in metres up to 4 m}] \times [\text{Zn} + \text{Pb combined grade in \%}]$. Therefore, 1 m at 40% Zn + Pb = 40 m%; and is better than 4 m at 9% Zn + Pb = 36 m%.

M E R I D I A N
MINERALS LIMITED
 Unit F6, 12 Browning Street
 West End QLD 4101
 Tel +61 7 3844 6444
 Fax +61 7 3844 6555

0 100 200 300 m
 UTM Projection: MGA Zone 51, GDA94 Datum.
Note: Not all assay results are shown on map. For full assay results, see Table 1.

**KAPOK WEST PROSPECT,
 LENNARD SHELF ZINC PROJECT**
DRILL HOLE LOCATIONS

Prepared: Q. Hills
 Drawn: RRM

Date: August 2010
 Dwg No.: MML-0106

FIGURE 2