

## **PRIME MERIDIAN RESOURCES CORP. - NEW RESOURCE TRANSACTION**

May 30, 2018

**Vancouver, B.C.: Prime Meridian Resources Corp. (“PMR” or the “Company”)** (TSXV Symbol: PMR) is pleased to announce that further to its News Release of March 13, 2018 the Company has concluded a Letter of Intent (“LOI”) with Eclipse Mining Services Pty Ltd of Perth, Australia (“Eclipse”) for the assignment and purchase of a seventy percent (70%) interest in the Parral Mining Project in Chihuahua, Mexico (“Parral Project”).

Under the terms of the LOI, Eclipse will assign a one-hundred percent (100%) interest in the Parral Project to a new Mexican Company (“MX NewCo”) that will own, have the right to purchase or have an option on the resource assets and processing operations of Eclipse and/or its partners in the Parral region of Chihuahua, Mexico. PMR will earn an initial thirty percent (30%) permanent interest and a forty percent (40%) conditional interest (cumulative total of 70%) in MX NewCo.

PMR will earn its initial 30% interest by completing the following capital transactions:

1. issue CA\$500,000 in common shares to Eclipse at a CA\$0.10 per share value;
2. issue US\$200,000 in common shares to a shareholder of Eclipse at a \$0.10 per share value in order to retire a US\$200,000 loan by the shareholder to MX NewCo;
3. Completing US\$800,000 in cash payments as follows:
  - a. on completion of an initial 43-101(s) subject to regulatory requirements;
  - b. payment of up to US\$185,000 to repay the documented accrued expenses of Eclipse related to the Parral Project;
  - c. make payment of up to US\$750,000 (plus 7% annual interest accrued from the date of the advance) for repayment of the loans advanced by Eclipse for the development of the Parral Project (to be confirmed and dated by receipts) by October 31, 2018; and
  - d. advance the balance (if any) of the required US\$800,000 cash payments toward the development capital of the Parral Project

PMR will have the right to convert its forty percent (40%) conditional interest into a permanent interest in MX NewCo by completing a further US\$4.0 million in capital investment into MX NewCo or by financing the development of the combined processing plant input capacity of the Parral Project to 500 tonnes per day within 36 months of the date of the LOI.

Under a residual option, Eclipse has the option to sell a further ten percent (10%) interest in MX NewCo (cumulative total of 80%) to PMR within ninety (90) days of the Parral Project producing a cumulative total of US\$2.5 million in EBITDA, for 2.5 million common shares of PMR. The remaining interest in MX NewCo held by Eclipse will be subject to a standard contributory Joint Venture between the parties and/or a valuation purchase for further common shares of PMR subject to agreement between the parties.

The LOI is subject to due diligence, negotiation, execution of a definitive agreement and receipt of any required reports and regulatory approvals by the parties.

The Company is conducting a non-brokered private placement financing of up to 15,000,000 shares at a price of ten cents per share (\$0.10) to raise proceeds of up to \$1,500,000. The Company will, upon completion of the financing, have working capital on hand to move forward with its resource-focused business plan. Finders fees may be payable on this financing.

The Company is also continuing negotiations to pursue opportunities for the development of gold resources in Central Asia.

**On behalf of the Board of Directors of  
Prime Meridian Resources Corp.**

*"Brian Leeners"*

**Brian Leeners, CEO & Director**

*Completion of the transaction is subject to a number of conditions, including Exchange acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of Prime Meridian Resources Corp should be considered highly speculative.*