

**OTC Pink Basic Disclosure Guidelines**

**1) Name of the issuer and its predecessors (if any)**

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Merger Mines Corporation

**2) Address of the issuer's principal executive offices**

Company Headquarters:

Address: 3714 West Industrial Loop  
 City, State, ZIP :Coeur d'Alene, ID 83815

Mailing Address:

Address: PO Box 1957  
 City, State, ZIP : Hayden, ID 83835  
 Phone:208 664-8801  
 Email: info@mergerminescorp.com  
 Website(s):www.mergerminescorp.com

IR Contact

Name: Lex Smith  
 Address: 3714 W Industrial Loop  
 City, State, ZIP: Coeur d'Alene, ID 83815  
 Phone: 208-664-8801  
 Email: lsmith@mergerminescorp.com  
 Website(s): www.mergerminescorp.com

**3) Security Information**

Trading Symbol: MERG  
 Exact title and class of securities outstanding: Common  
 CUSIP: 589518-20-8  
 Par or Stated Value: \$0.10  
 Total shares authorized: 9,500,000 as of: 03/31/2018  
 Total shares outstanding: 412,120 as of: 03/31/2018

Additional class of securities (if necessary):  
 Trading Symbol: N/A  
 Exact title and class of securities outstanding Preferred  
 CUSIP: N/A  
 Par or Stated Value: \$1.00  
 Total shares authorized: 500,000 as of: 03/31/2018  
 Total shares outstanding: 0 as of: 03/31/2018

Transfer Agent

Name: Columbia Stock Transfer Company  
 Address: 1869 E Seltice Way, #292  
 Phone: 208-777-8998

Is the Transfer Agent registered under the Exchange Act?\* Yes:  No:

\*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

Recapitalization – The shareholders voted by a majority to authorize the recapitalization of the capital stock of the corporation from Three Million Nine Hundred Thousand (3,900,000) to Nine Million Five Hundred Thousand (9,500,000) shares of common stock with a par value of ten cents (0.10) per share; and Five Hundred Thousand (500,000) shares of preferred stock with a par value of One Dollar (1.00) per share. The recapitalization was finalized during the Quarter ended December 31, 2016.

#### **4) Issuance History**

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

Philp A Foley & Gretchen M Foley JTWROS – 2,000 Shares PPM Securities Act Rule 501(a)

WhiteDelf Mining & Development Co. – 10,000 Shares – PPM Securities Act Rule 501(a)

Control Person – Melanie Farrand

Robert Noort & Spring Creek Properties – 2,000 Shares – PPM Securities Act Rule 501(a)

Lex Smith – 100,000 Shares – Past Services - Director

Melanie Farrand – 100,000 Shares – Past Services-Director

Scott Beggs – 50,000 Shares – Past Services – Director

Lex Smith – 2,000 Shares – Director Fees – Board Meetings

Melanie Farrand – 2,000 Shares – Director Fees – Board Meetings

Scott Beggs – 2,000 Shares – Director Fees – Board Meetings

Don Rolfe – 2000 Shares – Director Fees – Board Meetings

Gary Mladjan – 2,000 Shares – Director Fees – Board Meetings

Groundhog Mining & Milling Company LLC – 50,000 Shares – Limited Partnership Agreement

Control Person - Delbert Hunt

Achenbach Designs, LLC – 1,893 Shares – Consulting Services

Control Person – Gabriel Achenbach

Groundhog Mining & Milling Company LLC – 50,000 Shares – Limited Partnership Agreement

Control Person - Delbert Hunt

Achenbach Designs, LLC – 645 Shares – Consulting Services

Control Person – Gabriel Achenbach

James & Patricia Connell & Michael Connell JTWROS 2,000 Shares PPM Securities Act Rule 501(a)

B. Any jurisdictions where the offering was registered or qualified;

Idaho

Washington

C. The number of shares offered;

400,000 shares

D. The number of shares sold;

16,000 shares

E. The price at which the shares were offered, and the amount actually paid to the issuer;

\$2.50 per share – \$40,000

F. The trading status of the shares; and

Restricted under Rule 144 with a one year holding period.

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

All stock was issued with the appropriate Rule 144 legend

## **5) Financial Statements**

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otcq.com in the field below.

### **Quarterly Financial Statements – period ended March 31, 2018 – posted to otcq on May 19, 2018**

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

## **6) Describe the Issuer's Business, Products and Services**

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. a description of the issuer's business operations;

Merger was incorporated in 1938. The company is listed on the OTC market under the stock symbol "MERC". The corporate office is located at 3714 W. Industrial Loop in Coeur d'Alene, Idaho. Merger has been in the heart of the famous Silver Valley for over 86 years.

Merger is the global leader in the development and use of lasers for mining. This innovative use of lasers and robotics has the potential to change the way mining is done world-wide. Merger's innovative mining methods will lower mining costs significantly and reduce miners' exposure to dangerous situations they typically encounter when using explosives and traditional mining equipment.

Merger's design and manufacture of high tech, state-of-the-art laser arrays which incorporate the use of robotics and highly sophisticated computer programs are specifically designed to achieve maximum production from mines. Merger's laser mining technology brings the traditional mining into the 21<sup>st</sup> century world-wide.

Merger has world class technical experts to oversee the design and manufacture of the robotic laser mining arrays, and Merger has one of the finest mining engineers in the U.S. to assist the laser design team with his mine design and operational expertise. He will be working closely at any mining location where Merger is testing and fine tuning the laser arrays, and he will be available to assist mining companies that purchase or lease the mining arrays from Merger. Merger's corporate engineering staff has nearly completed CAE (Computer-aided engineering) Modeling of the Scan Head, Test Unit, Characterization Unit and the Merger Miner Unit itself, with engineering documentation well underway. Component suppliers and our manufacturing base are eagerly awaiting release of documentation to move ahead.

Currently, Merger holds a total of 193.2 acres (78 hectares) of patented claims and 40 acres (16 hectares) of unpatented claims (silver, gold, lead, zinc) located in Shoshone County, Idaho. Additionally, Merger also holds 60 acres (24 hectares) of unpatented claims (silver, gold, lead, zinc) in nearby Kootenai County, Idaho, and 500 acres (202 hectares) of unpatented claims (copper, gold, platinum) in Boundary County, Idaho.

B. Date and State (or Jurisdiction) of Incorporation:

Arizona – February 1938

C. the issuer's primary and secondary SIC Codes;

1040 Gold and Silver Ores  
35320104 Manufacturing Mining Equipment

D. the issuer's fiscal year end date;

December 31

E. principal products or services, and their markets;

Gold and Silver  
Laser/Drilling Equipment

## 7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

None

## 8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Lex Smith – President/Director  
Melanie Farrand – Secretary-Treasurer/Director  
Scott Beggs – Comptroller/Director  
Don Rolfe – Vice-President/Mining Engineer/Director

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

No

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

None

## 9) **Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

### Legal Counsel

Name: William H. Caffee

Firm: White Summers Caffee and James LLP

Address: 805 S.W. Broadway, Suite 2440

City, State, Zip: Portland, OR 97205

Phone: 503-419-3002

Email: wcaffee@white-summers.com

### Investor Relations Consultant

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## **10) Issuer Certification**

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Lex Smith certify that:

1. I have reviewed this Quarterly Disclosure Statement of Merger Mines Corporation;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 19, 2018

/s/ [Lex Smith]  
Title: CEO/President

/s/ [Melanie Farrand]  
Title: CFO/Secretary-Treasurer