

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Merger Mines Corporation

3714 West Industrial Loop
Coeur d'Alene, ID 83815

208-664-8801

www.mergerminescorp.com

info@mergerminescorp.com

SIC Codes: 1040 Gold and Silver Mining; 35320104 Manufacturing Mining Equipment

Quarterly Report

For the Period Ending: March 31, 2020
(the "Reporting Period")

As of March 31 2020, the number of shares outstanding of our Common Stock was:

551,981

As of December 31, 2019, the number of shares outstanding of our Common Stock was:

424,981

As of December 31, 2019, the number of shares outstanding of our Common Stock was:

424,981

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: ☐ No: ☒

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

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

Merger Mines Corporation

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

November 12, 1929 State of Arizona Corporation

November 12, 1929 Articles of Incorporation filed

September 12, 1936 Amended Articles of Incorporation – Article VII – Recapitalized from 2,900,000 shares of Common Stock, par value \$1.00, to 3,900,000 shares of Common Stock, par value \$0.10; and 100,000 shares of Preferred Stock with a par value of \$1.00. Article XIV – Decrease highest amount of indebtedness to \$266,666 from \$1 million

April 14, 1938 – State of Idaho Certificate of Qualification of Foreign Corporation

November 26, 1968 – Amended Articles of Incorporation - Article VII – Eliminate Preferred Stock. Article IX – Change date of Annual Meeting of the Stockholders. Article XII – The common stock shall be non-assessable

March 30, 1992 Restated Articles of Incorporation

July 14, 2014 Amended Articles of Incorporation – Reverse Split – 1,000 to 1.

November 1, 2016 Amended Articles of Incorporation – Article VII – Recapitalized from 3,900,000 shares of Common Stock to 9,500,000 shares of Common Stock with a par value of \$0.10; and 500,000 shares of Preferred Stock with a par value of \$1.00

Status is ACTIVE with the State of Arizona

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

2) Security Information

Trading symbol:	<u>MERG</u>
Exact title and class of securities outstanding:	<u>Common Shares</u>
CUSIP:	<u>589518-20-8</u>
Par or stated value:	<u>\$0.10</u>

Total shares authorized:	<u>9,500,000</u>	as of date: <u>03/31/2020</u>
Total shares outstanding:	<u>551,981</u>	as of date: <u>03/31/2020</u>
Number of shares in the Public Float ² :	<u>16,861</u>	as of date: <u>03/31/2020</u>
Total number of shareholders of record:	<u>422</u>	as of date: <u>03/31/2020</u>

All additional class(es) of publicly traded securities (if any):

Trading symbol:	<u>None</u>
Exact title and class of securities outstanding:	<u>Preferred Shares</u>
CUSIP:	<u>None</u>

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Par or stated value: \$1.00
Total shares authorized: 500,000 as of date: 03/31/2020
Total shares outstanding: 0 as of date: 03/31/2020

Transfer Agent

Name: Columbia Stock Transfer
Phone: 208-664-3544
Email: michelle@columbiastocktransfer.com

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

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:

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of 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. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>12/31/2017</u> Common: <u>314,475</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance?	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

					(Yes/No)				
<u>01/02/2018</u>	<u>New Issuance</u>	<u>645</u>	<u>Common</u>	<u>2.50</u>	<u>No</u>	<u>Achenbach Designs LLC</u> <u>Control: Gabe Achenbach</u>	<u>Consulting Services Rendered</u>	<u>Restr.</u>	<u>NA</u>
<u>01/13/2018</u>	<u>New Issuance</u>	<u>50,000</u>	<u>Common</u>	<u>2.50</u>	<u>No</u>	<u>Groundhog Mining & Milling Co LLC</u> <u>Control: Delbert Hunt</u>	<u>Per Limited Partnership Agreement</u>	<u>Restr.</u>	<u>NA</u>
<u>02/15/2018</u>	<u>New Issuance</u>	<u>2,000</u>	<u>Common</u>	<u>2.50</u>	<u>No</u>	<u>James Connell & Patricia A Connell, Michael C Connell JTROS</u>	<u>PPM @ 2.50 per share</u>	<u>Restr.</u>	<u>NA</u>
<u>04/01/2019</u>	<u>New Issuance</u>	<u>321</u>	<u>Common</u>	<u>2.50</u>	<u>No</u>	<u>Achenbach Designs LLC</u> <u>Control: Gabe Achenbach</u>	<u>Consulting Services Rendered</u>	<u>Restr.</u>	<u>NA</u>
<u>04/06/2019</u>	<u>New Issuance</u>	<u>12,000</u>	<u>Common</u>	<u>2.50</u>	<u>No</u>	<u>Atlanta Capital Partners LLC</u> <u>Control: David Kugelman</u>	<u>Per Consulting Agreement</u>	<u>Restr.</u>	<u>NA</u>
<u>06/12/2019</u>	<u>New Issuance</u>	<u>540</u>	<u>Common</u>	<u>2.50</u>	<u>No</u>	<u>Alycia Moss</u>	<u>Consulting Services Rendered</u>	<u>Restr.</u>	<u>NA</u>
<u>02/03/2020</u>	<u>New Issuance</u>	<u>26,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Lex Smith</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
<u>02/03/2020</u>	<u>New Issuance</u>	<u>26,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Melanie Farrand</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
<u>02/03/2020</u>	<u>New Issuance</u>	<u>15,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Scott Beggs</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
<u>02/03/2020</u>	<u>New Issuance</u>	<u>15,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Don Rolfe</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
<u>02/03/2020</u>	<u>New Issuance</u>	<u>15,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Gary Mladjan</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
<u>02/03/2020</u>	<u>New Issuance</u>	<u>10,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Ground Hog Mining & Milling</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>

						<u>LLC</u> <u>Control: Delbert</u> <u>Hunt</u>			
<u>02/03/2020</u>	<u>New</u> <u>Issuance</u>	<u>10,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Achenbach</u> <u>Designs LLC</u> <u>Control: Gabe</u> <u>Achenbach</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
<u>02/03/2020</u>	<u>New</u> <u>Issuance</u>	<u>10,000</u>	<u>Common</u>	<u>0.01</u>	<u>No</u>	<u>Alycia T Moss</u>	<u>Bonus</u>	<u>Restr</u>	<u>N/A</u>
Shares Outstanding on Date of This Report:									
<u>Ending</u> <u>Balance:</u>									
<u>Ending Balance:</u>									
Date03/31/2020 Common <u>551,981</u>									
Preferred: 0									

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2019, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2017 through September 30, 2019 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities..

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: **Scott Beggs**
Title: **Comptroller**
Relationship to Issuer: **Director**

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

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Changes in Shareholders' Equity
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ 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 statements in a separate report as described 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 OTCIQ in the field below. Financial Statements must be compiled in one document.

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Annual Report for Period Ended March 31, 2020 – Posted May 15, 2020

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Merger Mines Corporation has applied the academic conceptualization, computer modeling, and study of laser technology to now actively engineer and design inaugural "thermal fracturing" prototype units for the mining industry and adjunct applications in the areas of construction and rescue where safe and efficient removal of material is required. Based on proprietary and patented laser array technology, the future of mining, construction and rescue will be transformed through processes that increase yield productivity in mining, delivers efficiency and safety in all applications while decreasing operational time and decreasing costs associated with labor, insurance liability and environmental compliance.

Aside from mining ventures, Merger's patented laser technology could find uses in the construction industry such as bypass tunneling in the construction of dams, highway tunnels or the splitting of large rocks in slide situations where the clearing of highway passage is essential. Additional usage would be for excavating building foundations or trenches for electrical conduit, water mains or to access drain field for sewage systems in solid rock terrain. In its application related to rescue operations, Merger's patented laser technology could be efficiently used to clear access for those trapped in natural disasters such as earthquakes, mine cave-ins or spelunking misadventures.

These are exciting times for Merger Mines Corporation. We are supported by an entire team of engineers as we examine the many applications of how our equipment might be successfully utilized. The team possesses impeccable credentials as we have melded together acumen in mechanical, opto-mechanical, manufacturing, electrical, mechatronics, software, optical and materials engineers supported by metallurgists, laser physicists, integration engineers, technical writers along with advisors in civil and mining engineering.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

None

- C. Describe the issuers' principal products or services, and their markets

Gold and Silver Ore
Laser Mining Equipment

6) 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.

3714 W Industrial Loop, Coeur d'Alene, ID 83815 – Office Building is owned by Gibbonsville Premier Gold Mine Ltd. Merger Mine Corp leases the space at the rate of \$1,500 per month and is responsible for all expenses incurred with the right to utilize the space as needed.

7) 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 or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% of more of any class of the issuer's securities, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Lex Smith</u>	<u>President/Director</u>	<u>Coeur d'Alene, ID</u>	<u>136,558</u>	<u>Common</u>	<u>24.74%</u>	_____
<u>Gary Mladjan</u>	<u>Vice President Director</u>	<u>Post Falls, ID</u>	<u>17,000</u>	<u>Common</u>	<u>3.08%</u>	_____
<u>Don Rolfe</u>	<u>Vice President Director</u>	<u>Wilbur, WA</u>	<u>22,000</u>	<u>Common</u>	<u>3.99%</u>	_____
<u>Melanie Farrand</u>	<u>Secretary/Treasurer Director</u>	<u>Sandpoint, ID</u>	<u>136,617</u>	<u>Common</u>	<u>24.75%</u>	_____
<u>Scott Beggs</u>	<u>Director</u>	<u>Ronan, MT</u>	<u>75,546</u>	<u>Common</u>	<u>13.69%</u>	_____
<u>Groundhog Mining & Milling Co., LLC</u> <u>Control: Delbert Hunt</u>	<u>Director</u>	<u>Dillon, MT</u>	<u>110,000</u>	<u>Common</u>	<u>19.93%</u>	
<u>Alycia Moss</u>	<u>Director</u>	<u>Coeur d'Alene, ID</u>	<u>10,540</u>	<u>Common</u>	<u>1.91%</u>	

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 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

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: William H. Caffee
Firm: White Summers Caffee and James LLP
Address 1: 805 SW Broadway, Suite 2440
Address 2: Portland, Or 97205
Phone: 503-419-3000
Email: wcaffee@white-summers.com

Accountant or Auditor

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations

Name: David Kugelman
Firm: Atlanta Capital Partners LLC
Address 1: 507 N Little Victoria Rd
Address 2: Woodstock, GA 301189

Phone: 404-856-9157
Email: dk@atlcp.com

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: William Jeckle
Firm: Randall Danskin PS
Nature of Services: Patent Attorney
Address 1: 601 West Riverside, #1500
Address 2: Spokane, WA 99201
Phone: 509-747-2052
Email: waj@randalldanskin.com

10) Issuer Certification

Principal Executive Officer:

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 March 31, 2020 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.

May 15, 2020

/s/ Lex Smith

President

Principal Financial Officer:

I, Melanie Farrand certify that:

1. I have reviewed this March 31, 2020 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.

May 15, 2020

/s/ Melanie Farrand

Secretary/Treasurer