

**MELIOR RESOURCES INC.  
ANNOUNCES PROPOSED ACQUISITION OF 100% OF BELRIDGE ENTERPRISES PTY LTD  
AND CHANGE OF BUSINESS**

**Toronto, Ontario – 31 March, 2014.** Melior Resources Inc. (TSXV: "MLR") ("Melior" or the "Corporation"), a Tier 1 Investment Issuer listed on the TSX Venture Exchange ("Exchange"), is pleased to announce that it has entered into a share sale and purchase agreement dated as of March 31, 2014 (the "Share Purchase Agreement") with respect to the acquisition (the "Proposed Transaction") of 100% of the issued and outstanding shares of Belridge Enterprises Pty Ltd ("Belridge"). Belridge is an Australian incorporated company which owns the Goondicum Ilmenite Project (the "Goondicum Project") located in Queensland, Australia. The Proposed Transaction will constitute a "Change of Business" transaction of the Corporation in accordance with Policy 5.2 of the Exchange.

A presentation detailing the Proposed Transaction can be found on Melior's website at <http://www.meliorresources.com/>

### **Highlights**

#### **Transaction**

- 100% all-share acquisition of Belridge
- Melior to issue 38.1 million shares at closing representing 18.0% of the Corporation on a pro-forma basis
- Residual earn-out payment of up to an additional 38.1 million shares due on achievement of certain predetermined share price levels significantly in excess of Melior's current share price
- Melior to invest up to US\$15 million in the re-start of the operation

#### **Goondicum Project**

- High-quality ilmenite and apatite (phosphate rock) project, well-positioned to leverage growing demand for titanium dioxide, as well as benefit from increasing agricultural demand for fertilizers
- Resource base of 1.9 million tonnes of indicated and 1.93 million tonnes of inferred in-situ ilmenite resources with significant opportunities to grow the resource base further through near-mine exploration
- Formerly operating project, currently on care and maintenance, expected to allow for quick and cost-effective re-start
- In excess of A\$120 million of historical invested capital previously spent on infrastructure and process plant equipment
- Project is strategically located in Australia, close to high-growth Asian markets
- High-quality ilmenite product well understood and accepted by customers, with over 61,000 tonnes having been previously supplied to customers
- Project provides Melior a unique and relatively low-risk opportunity to become a mid-sized producer of quality ilmenite
- Successful re-start of Goondicum will provide a strong platform allowing consideration of further growth opportunities

## Board

- Melior Board of Directors (“**Board**”) reconstituted to provide significant operational and commodity-specific experience to support Melior in its development of the Goondicum project
- Mark McCauley, the Managing Director of Belridge, will assume the role of CEO of Melior upon closing of the Proposed Transaction
- Overall Board compensation has been reviewed and revised downward by over 30%

Commenting on the transaction and new Board, Charles Entrekin, Chairman said:

*We are delighted to have reached an agreement with the Belridge shareholders to acquire this high-quality and near-production project. This project, when back in production, will provide Melior with a solid platform for further growth. I welcome Joe, Glenn, Martyn and Mark to the Board, and believe their combined expertise will be invaluable as we move towards the re-start of the Goondicum operation .”*

## Overview of the Goondicum Project

The Goondicum Project is a brownfield ilmenite project located in Central Queensland, Australia, 30 km due east of the township of Monto. The project, currently on care and maintenance, benefits from significant historical investment of over A\$120 million on infrastructure and processing equipment, expected to allow for a cost-efficient re-start of the operations (The A\$120 million historical investment is based on information with respect to the book value of its assets and historical transactions provided by Belridge, and has not been audited). Further, the Goondicum ore body is well understood due to a history of exploration and resource evaluation activities.

The Goondicum Project is located within the Goondicum crater, a topographic feature roughly circular and 6 km in diameter containing significant ilmenite, apatite (phosphate rock), titano-magnetite and feldspar mineralization. The project comprises a mining lease (ML80044) which covers approximately 20 percent of the Goondicum Crater and exploration leases covering the remainder of the crater, providing significant opportunity for resource and mine life extension.

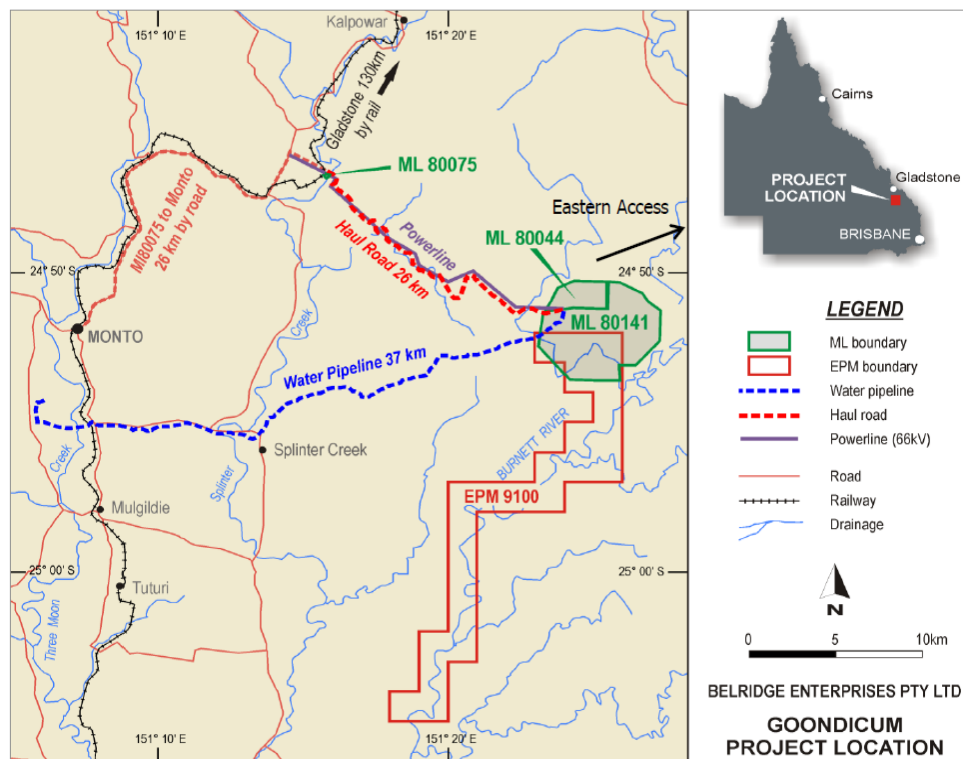


Figure1: Goondicum Tenement and Infrastructure Map

Current mineral resources for the project, reported at a cut-off grade of 2.5% available ilmenite, are estimated at 31.3 million tonnes of Indicated Resource and 30.9 million tonnes of Inferred Resource providing 1.90 and 1.93 million tonnes respectively of in-situ ilmenite.

Table 1: Resource Estimates for the Goondicum Ilmenite Deposit

Category	Tonnes (Mt)	Available Ilmenite (%)	Available Ilmenite (Mt)	Recoverable Ilmenite (%)	Recoverable Ilmenite (Mt)	Slimes (%)
Indicated	31.3	6.1	1.90	4.9	1.52	22.9
<b>Inferred</b>	<b>30.9</b>	<b>6.3</b>	<b>1.93</b>	<b>5.0</b>	<b>1.55</b>	<b>24.3</b>

(1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.

(2) The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Mineralisation is planned to be mined via basic open-pit excavations using scrapers, excavators and trucks. The mineralisation is present from surface and there is no requirement for any overburden removal or for blasting or ripping of the resource.

The mineralisation will be trucked to a centrally located process plant for extraction of ilmenite and apatite. As part of the project re-start, it is envisaged the process plant will be upgraded from a nominal capacity of 1.8 million tonnes of mineral feed per annum to approximately 2.8 million tonnes per annum, lowering the operating cost structure significantly. Management believes that there is scope to further increase this level through a relatively low-cost upgrade of key processing equipment once the plant is back in operation.

The process plant employs conventional mineral sands upgrading processes including scrubbers, screens, cyclones, wet magnets and gravity spirals. Magnetic separation is then used to separate ilmenite from other by-product materials.

The ilmenite product was previously hauled 260km from the mine site to the port of Gladstone where it was shipped around the world to various customers. There is potential to reduce this haulage distance from 260km down to 160km with the construction of a new 22km mine access road, lowering off site logistics costs significantly. Further evaluation of this cost-saving opportunity will be conducted during the mine re-start process.

The project has historically sold over 61,000 tonnes of ilmenite product to pigment customers and management believes the product's performance is well understood and accepted in the market.

A National Instrument 43-101 compliant technical report has been prepared and will be filed by Melior on the System for Electronic Document Analysis and Retrieval ("SEDAR") within the next 45 days.



Figure 2: The Goondicum Processing Plant

### Overview of Ilmenite and Titanium Dioxide (TiO<sub>2</sub>)

Ilmenite is a titanium dioxide mineral which is used primarily in the production of pigments for paints, coatings, plastics, inks and other products. TiO<sub>2</sub> feedstocks are used in the pigment production process due to its ability to impart brightness, opacity, strength and durability to the pigment. Management believes that TiO<sub>2</sub> feedstocks face limited risk from substitution as there are few viable feedstock alternatives which produce pigment of equivalent quality.

### The Proposed Transaction

The Share Purchase Agreement provides that Melior Australia Pty Ltd. (the “**Purchaser**”), a direct subsidiary of Melior, will acquire 100% of the issued share capital of Belridge in exchange for the issuance by Melior of 38,087,971 common shares of Melior (the “**Consideration Shares**”) to Belmont Park – Monto Pty Ltd (48.68%), Panorama Ridge – Monto Pty Ltd (48.68%) and Sashimi Investments Pty Ltd (2.62%) (the “**Belridge Shareholders**”), in each case in their capacity as trustees. Each Belridge Shareholder is a company formed in Australia. The Consideration Shares would represent 18.0% of Melior’s issued and outstanding shares immediately after closing of the Proposed Transaction. Closing of the Proposed Transaction is subject to Exchange approval and other customary conditions. Melior expects closing to occur within the next 4 to 6 weeks.

Melior would commit to invest up to US\$15 million in the Goondicum Project, subject to the satisfaction of all applicable legal and regulatory requirements and fulfillment of all permitting, approval and licensing requirements necessary to successfully achieve a full re-start of the Goondicum Project. Melior’s board of directors would direct and have ultimate approval over the total amount invested and the drawdowns and conditions for the expenditure of these funds.

Following Closing, the Belridge Shareholders would be entitled to receive an earn-out payment, payable in Melior common shares (or, at Melior’s election, in cash) based on the performance of Melior by reference to its share price (“**Earn-out Consideration**”). The parties have agreed to predetermined earn-out payment amounts should Melior’s share price reach predetermined levels with such predetermined levels being well in excess of the market price of Melior’s common shares as of the effective date of the Share Purchase Agreement. The maximum number of Melior common shares that could be issued as payment for the Earn-out Consideration is 38,087,971. The Earn-out Consideration will be available for a period of four years from the date of Closing (“**Validity Period**”).

- *Change of control during the Validity Period:* If a change of control event (as defined below) occurs during the Validity Period and the price at which the Melior common shares are trading exceeds specified levels above the current market price, the Belridge Shareholders would have a right to receive the Earn-out Consideration on a pro-rata basis.

- *No change of control during the Validity Period:* In the event that no change of control event occurs during the Validity Period, the Belridge Shareholders would, at the end of the Validity Period, be entitled to receive the Earn-out Consideration, on a pro-rata basis, if the trading price of the Melior common shares exceeds specified levels above the current market price.

A change of control event is defined as any party or parties acting in concert, other than Pala Investments Limited (Melior's current majority shareholder, "**Pala Investments**"), acquiring more than 50.0% of the fully diluted common shares of Melior. The payment of the Earn-out Consideration would be subject to the satisfaction of customary eligibility and performance conditions including the continuation of operations of the Goondicum Project and the Belridge Shareholders continuing to hold all the Consideration Shares. For example, assuming that no change of control occurs during the Validity Period, the Earn-out Consideration payable at the end of the Validity period will range from zero (if the Melior share price is less than C\$0.41 per share) to 38.1 million shares if the Melior share price exceeds C\$1.11 per share.

The Consideration Shares will be placed in escrow for a period beginning on the date on which Closing occurs (the "**Closing Date**") and ending two years after the Closing Date. Should Melior have a successful claim against the Belridge Shareholders during the escrow period, such claim may be satisfied by cash or by a return of the Consideration Shares with equivalent value to such claim. Consideration Shares returned to Melior are to be valued based on the price of Melior common shares on the Closing Date.

Following Closing, the Belridge Shareholders will be entitled to nominate one director to the board of directors of Melior for so long as they together hold at least 10.0% of Melior's issued and outstanding common shares.

Upon completion of the Proposed Transaction, it is expected that the Corporation's listing status will change from that of a Tier 1 Investment Issuer to a Tier 1 Mining Issuer.

A finder's fee of A\$250,000 is payable by Melior to a third party on closing of the transaction.

As the Proposed Transaction is a "Change of Business" transaction, pursuant to Exchange Policy 5.2 Melior shareholder approval is required. Melior's majority shareholder, Pala Investments, has provided written consent approving the Proposed Transaction which constitutes the requisite shareholder approval. The Proposed Transaction will be at arm's length, and accordingly, will not require shareholder approval beyond that described above.

A Filing Statement in respect of the Proposed Transaction will be prepared and filed in accordance with Policy 5.2 of the Exchange on SEDAR at [www.sedar.com](http://www.sedar.com) prior to the closing of the Proposed Transaction. A press release will be issued once the Filing Statement has been filed as required pursuant to Exchange policies.

### **Sponsorship**

The Exchange has conditionally waived the sponsorship requirements of Exchange Policy 5.2. The Corporation expects that a final waiver of the sponsorship requirement will be obtained prior to closing.

### **Loan Arrangement**

Pursuant to a loan agreement, Melior has agreed to provide Belridge with short term financing in an aggregate amount of up to C\$500,000 for ongoing operational costs. It is intended that any amounts outstanding after Closing will be refinanced in a tax efficient manner for Melior.

### **Board of Directors**

In recognition of the expected transition of Melior from a Tier 1 Investment Issuer to a Tier 1 Mining Issuer, the Board has been reconstituted with operationally experienced executives who can support and guide the Corporation in its next phase of growth as a mining company.

The Corporation would like to thank departing directors Remo Mancini, Muneeb Yusuf and Evgenij Iorich for their stewardship of the Corporation as an Investment Issuer and for their successful identification of both Asian Mineral Resources and the Goondicum Project investment opportunities.

Commenting on the transaction, Remo Mancini said:

*“On behalf of Muneeb Yusuf, Evgenij Iorich and myself, I would like to say how pleased we are with the Belridge acquisition. The Board’s mission of transforming Melior from an investment company into a soon to be full-fledged significant operating entity has been successfully achieved and positions Melior well to drive growth in shareholder value”*

Melior welcomes Glenn Black, Joe Connolly and Martyn Buttenshaw who have now joined the Board as new directors. It is expected that Mark McCauley will join the Board as a director and become Chief Executive Officer of Melior upon closing of the Proposed Transaction.

The following are brief descriptions of the directors and officers that will, collectively, bear stewardship and management of the Corporation going forward.

**Dr. Charles Entrekin** –*Director, current Chief Executive Officer, and Chair of the Board of Directors*

Dr. Entrekin has over thirty five years of experience in the mining and metals sector and possesses significant public company experience at the executive officer level. He has served as President and Chief Operating Officer of Titanium Metals Corporation, a NYSE listed producer of primary titanium and its alloys, as well as President and Chief Executive Officer of Timminco Ltd., a TSX listed magnesium, silicon and aluminum company. Through his career Dr. Entrekin has led and implemented successful restructurings and turnarounds of mining and metals companies in North America and worldwide. Dr. Entrekin holds a B.Sc. from Lehigh University, an MBA from the University of Delaware and an M.Sc. and Ph.D. from Drexel University. Dr. Entrekin is also a director of Sierra Rutile Ltd. a company listed on AIM

**Glenn Black** –*Director*

Mr. Black is a professional mechanical engineer with over thirty six years of experience in senior management and operational roles. A significant portion of his experience has been with De Beers and Anglo American, focusing on project implementation, management, and operation for a variety of major projects globally. Mr. Black is currently Chief Operating Officer of Peninsula Energy, an Australian-listed uranium producer with assets in Wyoming, USA and Karoo, South Africa and Firestone Diamonds an AIM-listed diamond producer with operations in Lesotho and Botswana.

Mr. Black graduated from New College, Durham, England and received a T4 Certificate of Mechanical Engineering, the Association of Mining Electrical & Mechanical Honors Certificate and the Mechanical Engineers Certificate from the National Coal Board. Mr. Black also received the Government Certificate of Competency (Mechanical) in 1987 in South Africa. Mr. Black completed the Executive Development Program at the Gordon Institute of Business Science in 2004.

**Martyn Buttenshaw** –*Director*

Mr. Buttenshaw is currently Senior Manager with Pala Investments Limited. Mr Buttenshaw has over twelve years of direct mining experience and is a former Senior Mining Engineer at Rio Tinto Mineral’s borax operations, overseeing all aspects of mine planning at its US and international mining operations. Mr. Buttenshaw is currently a director of Sierra Rutile Ltd and has extensive experience advising Sierra Rutile (a UK listed rutile and ilmenite producer) on strategic mine planning, business improvement and project feasibility studies. Mr. Buttenshaw holds an MBA (with distinction) from the London Business School and a MEng (First Class) in Mining Engineering from the Royal School of Mines, Imperial College, and London.

**Joe Connolly** –*Director*

Mr. Connolly is a Chartered Accountant and experienced finance professional with deep experience in the natural resource sector. Mr. Connolly was formerly the Chief Financial Officer of Sierra Rutile Limited (a UK-listed rutile and ilmenite producer), responsible for strategic business planning, financial reporting, budgeting and compliance. Mr. Connolly is currently co-founder and CEO of Buckthorn Partners Limited, a financial service advisory business, regulated by the UK Financial Conduct Authority. Prior to his role with Sierra Rutile, Mr. Connolly held roles with Clipper Windpower, Morgan Stanley and Deloitte. Mr. Connolly is a Chartered Accountant and graduated from the University of Cambridge with an MA in Natural Science.

**Thomas Masney** –*Chief Financial Officer and Corporate Secretary*

Mr. Masney is an experienced finance professional and is currently the Chief Financial Officer of Melior. Prior to joining Melior in 2012 Mr. Masney was the Chief Financial Officer of Astar Minerals PLC (formerly Pan Pacific Aggregates PLC) which is listed on the London Stock Exchange - AIM. Mr Masney has been a Chartered Accountant since 1980 and has experience in Canada, the UK and Hong Kong Mr Masney graduated from McMaster University in Hamilton, Ontario, with a Bachelor of Commerce.

On closing of the Transaction it is proposed that Dr. Charles Entrekin will step-down from the role of Chief Executive Officer of Melior and that Mark McCauley will assume the role of Chief Executive Officer. Dr. Charles Entrekin will remain as a Director and Chairman of the Board of the Corporation.

**Mark McCauley – Proposed Director and Proposed Chief Executive Officer**

Mr. McCauley is currently Managing Director of Belridge Enterprises Pty Ltd, which has been the owner of the Goondicum Project since 2009. Mr. McCauley has substantial mining experience and has been involved in the development of several major mining projects in Australia and Argentina, including turnaround and organizational restructuring. Mr. McCauley was a Non-Executive Director and Chair of the Audit Committee for Norton Goldfields Limited from September 2007 until June 2010 during which time he was also Managing Director for a nine month period of restructuring. Mr. McCauley served as Chief Financial Officer and Company Secretary of Felix Resources Ltd, an ASX listed coal mining company, from October 2003 to February 2007 during which time it went from a market cap of \$35 million to a market cap of over \$1 billion.

Mr. McCauley has previously been a director of several AIM and ASX listed mining and exploration companies. Mr. McCauley completed an Advanced Management Programme at Harvard Business School in 2003, holds an MBA from Bond University in Australia (with Majors in Finance and Accounting) and has a Bachelor of Engineering from the University of Queensland.

**Board Compensation**

The per annum compensation of the Board has been reduced to the following basic fees:

- Chairman: US\$40,000
- Directors: US\$20,000

In addition to the basic fees there will be additional Board committee fees of US\$5,000 for the Chairman of each committee and US\$3,000 for each member of a committee. Total Board compensation, including an expansion of the Board to include one additional director, is expected to be approximately US\$150,000 per year, a 33% reduction on 2013 fees. These fees will be reviewed from time-to-time by the Nomination and Corporate Governance Committee.

Further, a long-term incentive programme will be implemented with the Board and senior management at an appropriate point.

**Conference Call**

A conference call to discuss this transaction will be held at **12:00 EST on 31 March 2014**.

The conference call information is as follows:

USA/Canada (Toll free): +1 877 860 3058  
USA/Canada: +1 719 867 1571  
UK (Toll Free): 0800 358 6403  
Australia (Toll free): 1 800 205 565

Passcode: 644472

**About the Corporation**

The Corporation is incorporated under the provisions of the *Business Corporations Act* (British Columbia) and has a registered office in Toronto, Ontario. The Corporation currently operates as a Tier 1 Investment Issuer under the policies of the Exchange. After completion of the Proposed Transaction, the Corporation is expected to be classified as a Tier 1 Mining Issuer under the policies of the Exchange.

**READER ADVISORY**

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

### **Forward Looking Statements Disclaimer**

Certain information contained in this news release constitutes forward looking information under the provisions of Canadian securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "projects", "potential", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, "occur" or "be achieved" or the negative connotation. Such statements and information include, without limitation, statements regarding, the estimated mineral resources at the Goondicum property, and other benefits of the Potential Transaction. This forward looking information is subject to numerous risks, uncertainties and assumptions, certain of which are beyond the control of Melior, including, without limitation, risks relating to acquisitions, such as the parties may be unable to complete the acquisition, problems may arise with the ability to successfully integrate the businesses of Belridge and Melior, the parties may be unable to obtain regulatory approvals required for the acquisition, Melior may not be able to achieve the benefits from the acquisition or it may take longer than expected to achieve those benefits; and the acquisition may involve unexpected costs or unexpected liabilities. Other risks include the impact of general economic conditions; industry conditions; volatility of minerals prices; volatility of commodity prices; currency fluctuations; mining risks; risks associated with foreign operations; governmental and environmental regulation; competition from other industry participants; the lack of availability of qualified personnel or management; stock market volatility. Readers are cautioned that the material assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise. Actual results, performance or achievement could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits Melior will derive therefrom. Melior disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

### **Technical Information**

Mineral resources were estimated by H&S Consultants Pty Ltd ("H&SC"), a geological consultancy based in Sydney, NSW, Australia and are reported in accordance with Canadian Securities Administrators National Instrument 43-101. The effective date of the mineral resources estimates disclosed in this press release is February 25, 2014.

The scientific and technical information, in this press release has been reviewed and approved by Simon Tear (BSc (Hons), MIAusIMM, PGEO, EurGeol, MIMO3) a director H&SC, Graham Lee (BSc, FAusIMM, CP(Geo)), an Associate of H&SC and Chris Desoe (B.E.(Min)(Hons), FAusIMM, RPEQ, MMICA) a director of Australian Mine Design and Development Pty Ltd, who are all Qualified Persons under National Instrument 43-101.

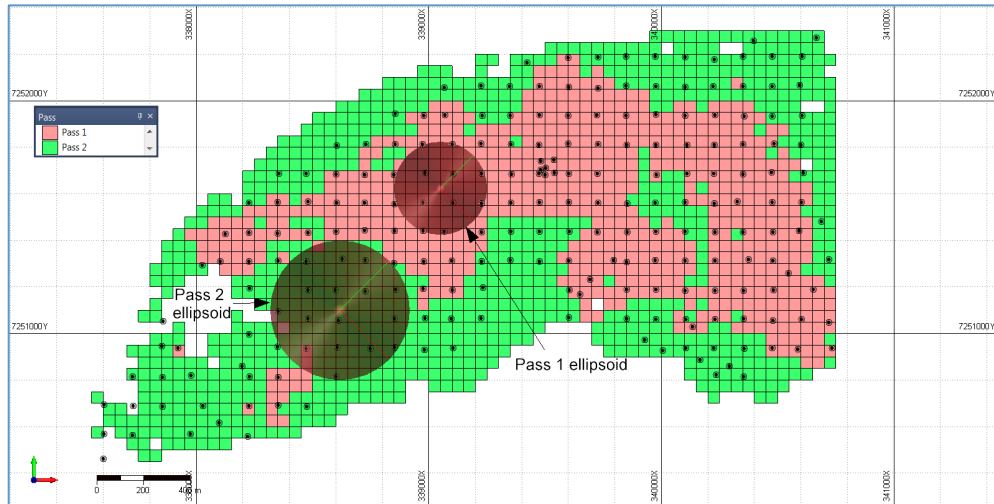
For detailed technical information please see the technical report prepared by H&S Consultants Pty Ltd, which will be posted on Melior's SEDAR profile.

The Goondicum crater is a layered gabbro complex with the mineralisation for the resource estimate (covered under ML80044), measuring approximately 3.5km by 1.3km and is up to 25m thick. The gabbro in the area under investigation has undergone multiphase oxidation and erosion producing a relatively complex weathering pattern of the host rock. A new geological model has been developed with four mineralised units being delineated from drilling information and surface topography/mapping, thought to represent in situ to short-distanced transported material from both alluvial and gravity slide (soil creep) processes. The decomposed gabbro is believed to be in situ. Mineralisation comprises resistive ilmenite liberated by the relatively complex weathering process.

Reporting of the resource estimates used a 2.5% available ilmenite cut-off grade and a partial percent volume adjustment factor for the 2013 topographic surface (Table 1). Classification of the resource estimates is primarily based on the search criteria after consideration of other impacting criteria e.g. grade continuity, QAQC, sample recovery, density and geological understanding. The 'recoverable ilmenite' field is the available ilmenite values multiplied by the anticipated plant recovery factor of 0.8 established by metallurgical testwork.

Figure 3 shows the distribution of the Indicated and Inferred Resources and the Ordinary Kriging search ellipses in plan view.





**Figure 3 : Indicated and Inferred Block Locations**  
(Pass 1 = Indicated, Pass 2 = Inferred)

The resource estimates are based on 224 aircore drillholes for 2,394m drilled in 2009. Drill spacing was on a nominal 125m on an MGA94 Zone 56 orthogonal grid projection. The aircore drilling generated chip samples that were collected as bulk samples for each 1m drilled interval. The samples were transported to the Goondicum Minesite where they underwent sub-sampling prior to magnetic separation. The samples then underwent size and magnetic fraction analyses at Belridge's minesite before dispatch of selected composited intervals to Downer EDI Mining – Mineral Technologies Pty Ltd (Mineral Technologies) for Clerici float/sink testwork. The QAQC for the sampling has included the use of a matrix-matched standards and field duplicates of the original aircore samples with no significant issues reported. A total of 997 by 1m composites were used to model 'available ilmenite' and 2,430 by 1m slimes composites were modelled for the slimes grades.

Reconciliation of the new H&SC block model with the 2012-2013 production showed a 10% difference which is considered acceptable for an Indicated Resource.

Further exploration opportunities exist within the remainder of the Goondicum Crater as some of the earlier drilling work by Monto Minerals had intersected significant amounts of similar style mineralisation within the Crater.

A feasibility study has not been completed and there is no certainty the proposed operation will be economically viable.

### **Regulatory Disclosure**

Completion of the Proposed Transaction is subject to a number of conditions, including Exchange acceptance. The Proposed Transaction cannot close until the Exchange acceptance is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement to be prepared in connection with the transaction, any information released or received with respect to the "Change of Business" may not be accurate or complete and should not be relied upon. Trading in the securities of Melior should be considered highly speculative.

**The TSX Venture Exchange has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.**

For further information please contact:

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