

**MELIOR RESOURCES INC. ANNOUNCES
OPERATIONAL AND STRATEGIC UPDATE FOR THE GOONDICUM PROJECT**

Toronto, Ontario – 8 July 2015. Melior Resources Inc. (TSXV: "MLR") ("**Melior**" or the "**Company**") is pleased to provide an operational and strategic update.

Highlights

- Production ramp-up at 50%, with 15,000 tonnes of ilmenite produced since start-up
- First trial cargo of 6,600 tonnes successfully shipped to customer
- On-track for full operational ramp-up of design throughput rate during H2 2015, at 50% reduced scale of operations

Mark McCauley CEO of Melior commented,

"We are very pleased with the progress of commissioning to date with overall production at 50% of design capacity and various parts of the process plant operating well above design throughput rate. Melior will continue to ramp-up the project on schedule to full production capacity. However, in light of current market conditions, we believe it sensible to implement a reduced operating time strategy that will minimise cash outlays while we complete commissioning of the plant, positioning the Company well for the expected re-bound in pricing."

Operational Update

The commissioning of the Goondicum mine ("**Goondicum**") commenced on 7 April 2015 after a seven-month A\$7.6 construction programme to upgrade the existing processing facilities.

As of 30 June 2015, the operation has produced 15,000 tonnes of ilmenite and 2,020 tonnes of apatite. The plant is currently operating at approximately 50% of its design capacity of ilmenite production, in line with the 6-month ramp-up plan. During commissioning, the plant has consistently operated at above design capacity feed rate of 375 tonnes per hour of ore. Plant commissioning continues with a focus on increasing the recoveries and utilisation rate of the feed preparation plant.

The first trial cargo of ilmenite of 6,600 tonnes was shipped on 23 June 2015. Additional trial shipments to several customers in Asia are scheduled during the next quarter.

Strategic Update

Melior and its marketing agent have been working to build on the demand indication and letters of intent previously obtained from potential Japanese, Korean, and Chinese customers for its ilmenite product. However, the international ilmenite market remains subdued and equivalent Australian export prices in Goondicum's key markets have continued to soften.

The Board of Melior's view is that in the event ilmenite prices rebound, the Company will be well positioned to increase production at the Goondicum mine to take advantage of increased ilmenite

prices. However, in light of the current market conditions, the Board has decided to implement a reduced operating time strategy at Goondicum. This strategy will allow the operation to continue its ramp-up to 100% of design throughput rate, however, the scale of the operations, from an operating hours perspective, will be reconfigured to 50% of full-capacity by removing seven 12-hours operating shifts from the weekly production schedule.

Reducing operational run time will allow Melior to continue to fully commission the operation and to continue to serve our customers with ilmenite and apatite products, positioning the operation for a ramp up to full production when markets permit.

The implementation of this reduced operating time strategy will depend on securing sufficient working capital funds. Management has retained a financial advisor and has canvassed a number of funding alternatives and is currently in discussions with its major shareholder, Pala Investments Ltd, regarding the provision of a working capital loan facility of up to US\$5 million. The principal terms of such facility will be disclosed once settled between the parties however there can be no guarantee that the Company will be able to negotiate definitive agreements with Pala on satisfactory terms.

About the Corporation

Melior is the owner and operator of the Goondicum mine, an ilmenite and apatite mine strategically located in Queensland Australia. The mine has the capacity to produce 200,000 tonnes per annum when fully operational.

Further details on Melior and the Goondicum Mine can be found at www.meliorresources.com and regulatory filings are available on SEDAR.

Melior is incorporated under the provisions of the Business Corporations Act (British Columbia) and has a registered office in Toronto, Ontario. Melior is classified as a Tier 1 Mining Issuer under the policies of the TSX Venture Exchange.

For further details on Melior, please refer to SEDAR or the Melior website at www.meliorresources.com

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Forward Looking Statements Disclaimer

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competition from other industry participants; the lack of availability of qualified personnel or management; and 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.

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