

MELIOR RESOURCES INC.

NEWS RELEASE
For Immediate Release
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TSXV Trading Symbol: MLR

MELIOR RESOURCES INC. RESTART OF THE GOONDICUM MINE

Toronto, Ontario – 27 AUGUST, 2014. Melior Resources Inc. (TSXV: MLR) (“**Melior**”), is pleased to announce the commencement of the restart and upgrade of the Goondicum mine. Highlights of the restart include:

- Increased throughput of the processing plant by 50% to approximately 2.8 million tonnes per annum;
- Installation of additional equipment to enhance product quality, plant recovery and availability; and
- Construction of a new access road to the mine, reducing haulage distance to port by approximately 35%, or 100km.

These upgrades will build on the A\$120 million of historically invested capital and will result in increased production and significantly lower operating costs than those previously achieved by the mine. These upgrades and higher production rates are expected to position the mine’s cost base in the lowest quartile, ensuring economic production across market cycles.

Once restarted, the Goondicum mine will use basic open-pit mining and processing techniques to produce approximately 200,000 tonnes per annum of ilmenite and associated apatite from its resource base of 1.9 million tonnes of indicated and 1.93 million tonnes of inferred in-situ ilmenite resource. The operation will employ approximately 80 personnel directly and through direct contractor relationships from the local service centres of Monto and Bundaberg.

The pre-commissioning capital budget for the restart is A\$13 million which will be invested over an eight month construction period, this will be followed by a subsequent phase of commissioning and ramp-up. As of 30 June 2014 Melior held C\$18.5 million in cash which will be used to use fund these capital costs. Product sales have been underpinned by letters-of-intent with several key customers, many of whom were previous customers of the Goondicum mine.

Mark McCauley, CEO of Melior, commented, “We are excited to commence the restart of the Goondicum operations. It is a substantial milestone for Melior and will position the company as a significant low-cost producer of high-quality ilmenite ensuring that we are well positioned to capitalize on the increasing demand for titanium dioxide feedstocks.”

About Melior

Melior is the owner and operator of the Goondicum mine, a past-producing ilmenite and apatite mine strategically located in Queensland Australia. Melior is committed to restarting and expanding the Goondicum operations. 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.

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