



Getting back in production

Melior Resources is capitalizing on the recovery of ilmenite prices by pursuing a two-pronged strategy focused on the re-start of production at its wholly-owned Goondicum Mine and identifying a strategic partner to augment its financial, operational, and marketing capabilities.

Located in Queensland Australia, Goondicum is a past-producing ilmenite and apatite project with a substantial resource base and significant potential for expansion. The mine includes extensive infrastructure and excellent accessibility, requiring minimal capital investment.

Ilmenite is an industrial mineral that serves as a feedstock used in the production of titanium dioxide (TiO₂) pigment which is used primarily in the production of paints, coatings, inks, plastics and other products, due to its ability to impart brightness, opacity, strength and durability to the product. Pigment production is related to urbanization and has a high correlation to GDP growth.

The market for ilmenite is currently experiencing strong and growing demand, particularly from China due to the country's ongoing economic development and urbanization. Melior is well positioned to capitalize on this demand due to its close proximity to Asia and near-term production profile.

COMPANY HIGHLIGHTS

- Focused leadership with deep industry knowledge
- Fully-permitted, past-producing mine with low CAPEX re-start
- Large existing resource base
- Significant opportunity for mine extension
- Extensive infrastructure
- Strong, committed shareholder base
- Innovative metallurgical process prospective for product upgrading and enhanced marketing

CAPITAL STRUCTURE

(as of 06/22/17)

Share Price	\$0.045
Market Cap	12.2M
Avg. Vol.	15,200
Shares Out.	271,468,945
Options	13,210,000
Fully Diluted	284,678,945
Cash Position	CA\$0.9 million
Debt	CA\$4.4 million

Goondicum Mine Project

Currently on care and maintenance, the fully-permitted, 100% owned Goondicum Mine has strong economics backed by a recently completed PEA. With existing infrastructure and a fully operational processing plant, the re-start of Goondicum is forecast to require less than USD\$6 million of capital and six months.

PEA FINANCIAL HIGHLIGHTS*

- After-tax NPV: US\$52.8M
- After-tax IRR: 178%
- After-tax payback period: 1.2 years
- Average annual before-tax cash flow of US\$13.9M and average after-tax cash flow of US\$11.2M
- Average unit operating cash cost of production: US\$111.80 FOB per tonne of product
- LOM sustaining capital: US\$11.39M

OPERATING METRICS*

- Average annual ilmenite production: 181,000 tonnes
- Average annual apatite production: 31,000 tonnes
- Mine life: 9 years using high-grade mine plan
- Total LOM resources: 22 million tonnes at an average ilmenite and apatite grade of 9.7% and 1.8%, respectively

INNOVATIVE METALLURGICAL PROCESS

Melior is exploring the potential of its Browne process technology that will lower energy costs and reduce the complexity needed to upgrade ilmenite as a titanium-dioxide feed stock.

LARGE EXISTING RESOURCE BASE*

Current Mining Lease ML80141:

- Total Indicated Resources: 31.3 million tonnes at 6.1% ilmenite
- Total Inferred Resources: 30.9 million tonnes at 6.3% ilmenite

Wider Goondicum Crater - MLA 80044

- Total Indicated Resources: 15.6M tonnes at 5.1% ilmenite
- Total Inferred Resources: 12.3M tonnes at 5.2% ilmenite

EXTENSIVE INFRASTRUCTURE

- Fully operational processing plant
- 36 km water pipeline
- 26 km grid-connected power lines
- Accessibility via highways, roads and rail lines

SENIOR LEADERSHIP

Charles Entrekin | Chairman

Mark McCauley | CEO

Jonathan Mattiske | CFO

MAJOR SHAREHOLDERS

- Pala Investments | 48%
- Takota Asset Management | 13%
- Belmont Park Investments | 9.9%
- Panorama Ridge | 9.9%

INVESTOR INQUIRIES

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*Per 'Preliminary Economic Assessment – Goondicum 2016' dated 11/25/16, independently prepared by TZ Minerals International Pty Ltd in accordance with the guidelines of Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").