



Investor Presentation

Building a Specialty Minerals & Mining
Company

Mar 2019

TSX-V: MLR

Forward-looking statements



•This presentation contains information about Melior Resources Inc. ("Melior") and should be read in conjunction with Melior's public filings available at www.sedar.com and at www.meliorresources.com. The content of this presentation is not to be construed as legal, financial or tax advice. Any reader should contact his, her or its own professional advisors for legal, financial, tax or other advice.

•Certain information contained in this presentation, including the information contained in the Preliminary Economic Assessment (PEA), 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 possible future performance of operations at the Goondicum mine, the potential for resource expansion at the Goondicum mine and other aspects relating to the Goondicum mine. In addition, all of the results of the PEA represent forward looking information and statements. Statements in this presentation that constitute forward looking statements or information, include but are not limited to: commodities and price assumption, cash flow forecasts, projected capital and operating costs, recoveries, mine life and production rates, the financial results of the PEA including IRR and NPVs, as well as other assumptions used in the PEA. This forward looking information is subject to numerous risks, uncertainties and assumptions, certain of which are beyond the control of Melior including 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 by management at the time of preparation, may prove to be imprecise. Actual results, future events, 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. Information in this presentation is necessarily summarized and may not contain all available material information.

For more information on the risks, uncertainties and assumptions that could cause Melior's results, performance or achievement to differ from current expectations, please refer to the "Risk Factors" section of Melior's Annual Information Form dated October 19, 2018, Melior's third quarter Management's Discussion and Analysis of Financial Condition and Results of Operations dated November 29, 2018, as well as Melior's other public filings, available at www.sedar.com and at www.meliorresources.com. These factors should be considered carefully and prospective investors should not place undue reliance of the forward looking statement.

Resource category & preliminary economic assessment disclaimer



The expectations outlined in this presentation regarding the Goondicum mine represent the information contained in the Preliminary Economic Assessment (PEA) prepared in April 2018 independently by TZ Minerals International Pty Ltd for the purposes of National Instrument 43-101 and relies in part on inferred resources. As a result, the PEA is subject to increased uncertainty and technical and economic risks of mine failure and there can be no assurance that the report's expectations will be achieved.

The PEA is preliminary in nature and includes Inferred Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral Reserves, and there is no certainty the PEA will be realized. Shareholders are strongly encouraged to refer to the complete updated technical report prepared in accordance with NI 43-101 in respect of the Goondicum mine, which includes the results of the PEA described in this news release, which has been filed on SEDAR at www.sedar.com under the Company's profile.

The Qualified Persons for the PEA are:

Steven Gilman, BAppSc (Extractive Metallurgy), FAusIMM (CP) (105881), SME (1158500), employed by TZMI as Principal Consultant, was responsible for Sections 1,2,13,15,16,17,18,19,21,22,24,25,26,27.

Mineral Resources estimates were completed 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 news release is December 16, 2017.

Simon Tear, BSc Hons (Mining Geology), P.Geo (Institute of Geologists of Ireland 17), EurGeol (26), employed by H&SC as a director and Consultant Geologist, was responsible (or partly responsible) for Sections 3,4,5,7,10,11,12,14,20,23,25,26,27.

Graham Lee, BSc (Geology), FAusIMM CP(Geo) (101602), MAIG (1990), employed by Graham Lee and Associates Pty Ltd as a Director and Consultant Geologist, was responsible (or partly responsible) for sections 6,8,9,10,11,20,25,26.

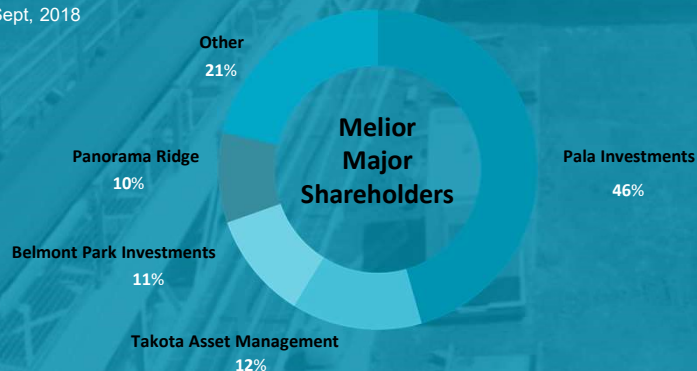
Melior share price & Capital structure



Ticker:	TSX-V: MLR
Shares outstanding:	~30 million
52 week price range:	\$0.50 - \$1.45
Recent price¹:	\$0.53
Market cap:	\$16 million
Cash position²:	\$4.85 million
Debt²:	US\$14.4 million

¹As at 13 Feb, 2019

²As at 30 Sept, 2018



Melior share price & trading history



Strong shareholder support

Leadership team that has built mines and companies



Mark McCauley Director & CEO

Mr. McCauley has substantial mining experience, both technical and financial, and has been involved in the development of several major mining projects in Australia and Argentina, as well as turnaround and organizational restructuring of resource focussed corporations. Was previously CFO at ASX listed Felix Resources during the period where the market cap grew from \$35 million to over \$1 billion driven by project development and M&A before becoming Managing Director of an Australian Private Equity Fund. Subsequently ran Belridge Enterprises Pty Ltd, the former owner of the Goondicum Project.

Martyn Buttenshaw Chairman

Mr. Buttenshaw is currently a Managing Director with Pala Investments Limited. Mr Buttenshaw has significant direct mining experience and more recently has worked closely with several of Pala's portfolio companies including Sierra Rutile (AIM:SRX), Norcast Wear Solutions and Asian Mineral Resources (TSX:ASN), to assist in their execution of strategic plans, growth projects, product marketing strategy, development of corporate governance and achievement of operational goals. Martyn is currently a director of Melior and Kasbah Resources (ASX:KAS) and a former director of Asian Mineral Resources (TSX.V:ASN) and Sierra Rutile Ltd. Martyn holds an MBA (with distinction) from the London Business School and an MEng (First Class) in Mining Engineering from the Royal School of Mines, Imperial College, London.

Rishi Tibriwal Independent Director

Mr. Tibriwal has more than 20 years of accounting and finance experience as well as broad experience in the resources sector. Mr. Tibriwal is a chartered accountant and earned an MBA in Finance from Newport University. Mr. Tibriwal is also a graduate from Mumbai University and spent 10 years at Ernst & Young, with the last four years as a partner before setting up his own financial consulting services group. Mr. Tibriwal was also formerly the chief financial officer of Carpathian Gold Inc. and Gravitas Financial Inc. Mr Tibriwal is based in Toronto, Canada.

George Lloyd Independent Director

Mr Lloyd is an experienced corporate finance adviser and has served as a director of a number of listed companies in the minerals, energy and engineering services sectors. His board experience includes roles as Chairman, Chairman of the Audit Committee, Chairman of the Takeover Response Committee and Chairman of the Remuneration Committee. He is currently the non-executive Chairman of the global engineering services company Ausenco Pty Ltd and a non-executive director of the Australian bauxite producer Metro Mining Limited. Mr Lloyd has also held senior executive roles with a number of Australian resource companies including RGC Limited where he was integrally involved in the merger of that company with Westralian Sands Limited to form Iluka Resources Limited in 1998. Mr Lloyd is based in Sydney, Australia.

Focused & motivated board

Ilmenite - Strategic industrial mineral with lifestyle uses



A feedstock for titanium dioxide (TiO₂) pigment manufacture

Used as a whitening agent for:

- Paints
- Coatings
- Plastics
- Paper
- Cars
- Houses
- Electronics

Total global consumption of TiO₂ units is 7.35 Mt

Note that ilmenite is made of ~50% TiO₂



Difficult to substitute.

"The world can do without TiO₂ but it would be a very drab place...."

Makes colors bright, opaque and UV-resistant

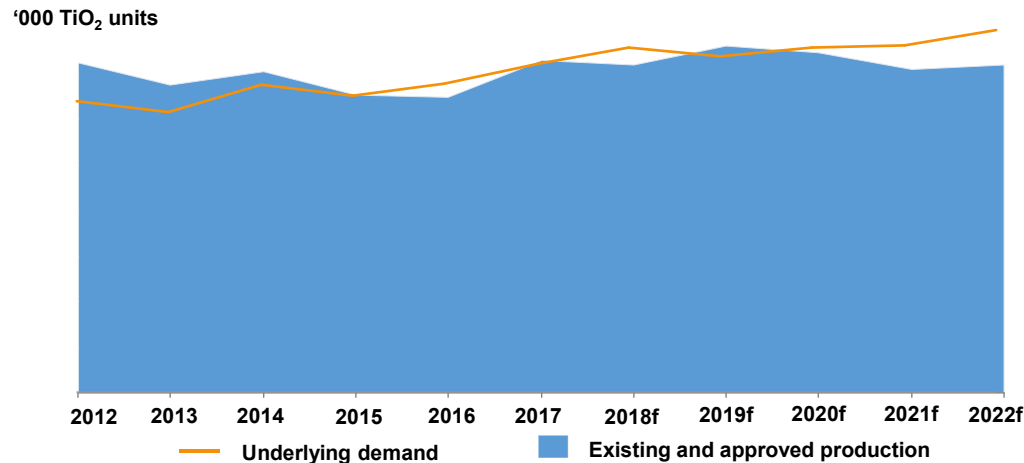
Market fundamentals are strong



Price strength & stability over last 18 months looks set to continue

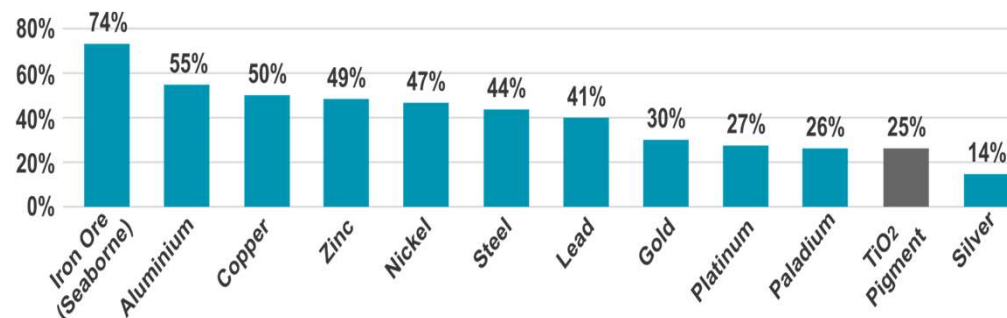
- Demand strongly correlated to global GDP
- Existing operations production profiles are declining, ensuring new supply required to meet demand growth
- Average grade and mineral assemblage of new supply is reducing
- Per capita consumption in China remains <50% of North America and Europe

Global supply/demand balances and outlook to 2022



"... the supply/demand outlook continues to show an increasing supply deficit for the period to 2022 due to the rapid rate of supply decline from existing operations. If no new supply is commissioned, TZMI's current projections suggest the supply gap could reach 900,000 TiO₂ units by 2022." TZMI May 2018

China's share of global demand for key basic materials



Source - TZMI

Underlying demand is the basis for continued strong pricing

Product Quality is Paramount



Sulfate ilmenite quality is about:

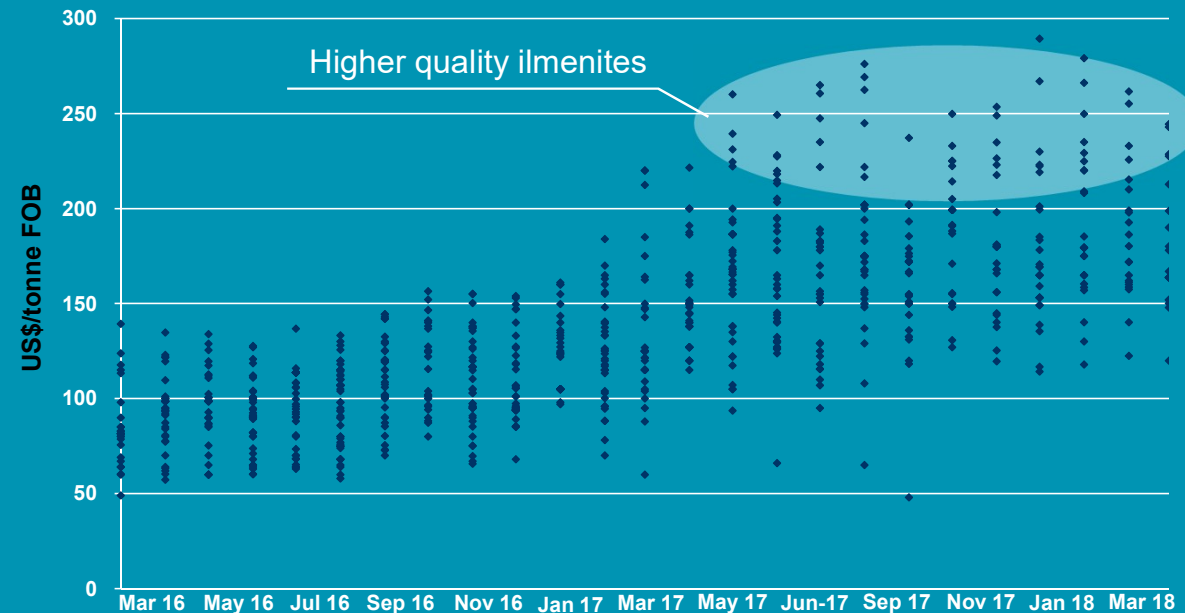
- TiO₂ content
- Fe₂O₃ content
- Impurities such as Cr, P, radioactive minerals

Goondicum has a genuine top quality product anticipated to receive top tier pricing

Industry pricing forecasts are generally for average quality ilmenite



Sulfate ilmenite cross-border trade prices:
Mar 2016 – Mar 2018



Source: TZMI May 2018

Goondicum AA Ilmenite is top quality

Goondicum will also produce Apatite



- A valuable agricultural by-product
- Rich in phosphate – 31% P₂O₅ with ability to refine further
- Low contaminants – very low cadmium, arsenic & lead
- Slow release refractory rock is ideal for organic fertilizer production
- No competing domestic supplier in Australia
- Life of mine off-take signed with domestic agriproducts manufacturer
- Potential to export to New Zealand for single super manufacturer



Provides significant cash flow upside potential

Goondicum- A compelling case for investment



160K

Tonnes ilmenite per
annum (~84% of revenue)

40K

Tonnes apatite per
annum (~16% of revenue)

- Simple mining process
- Zero strip ratio with no drill & blast
- Standard equipment & conventional processing
- Low operational risk
- High resource grade
- Top quality ilmenite & phos rock products
- PEA in line with internal feasibility and restart plan
- Potential for project expansion and extension
- Secure location in Australia near to Asian markets

Back in production since Nov 2018

Operating metrics*



Average annual production - ilmenite

160,000 tonnes

Average annual production – apatite

40,000 tonnes

Mine life

9 years +

Resource processed over LOM

23 million tonnes

Average ilmenite grade

7% (1st 4yrs >8% ilmenite)

*Preliminary Economic Assessment announced April 2018

Goondicum becomes a global supplier of titanium feedstock

Goondicum project financial metrics¹



Post-tax NPV₈

US\$46 million

Post-tax IRR

92%

Project Payback Period

1.6 years

Pre-start Capital Costs²

US\$7.0 million

LOM free cash flow

US\$92 million

OPEX Costs/tonne³

US\$124 FOB

TZMI long-term Goondicum ilmenite price

US\$204/t FOB

Project NPV per MLR share⁴

\$2.02

1 Preliminary Economic Assessment announced April 2018. All amounts are after tax and in US\$

2 Excludes working capital requirements

3 Excludes commissioning period

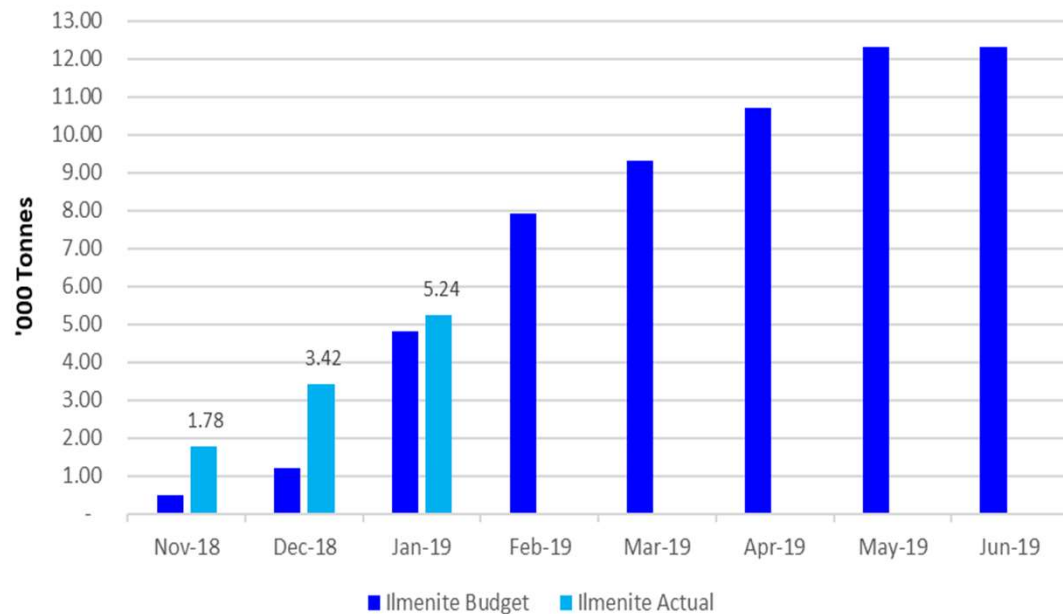
4 Using exchange rate of US\$0.76

Robust economics

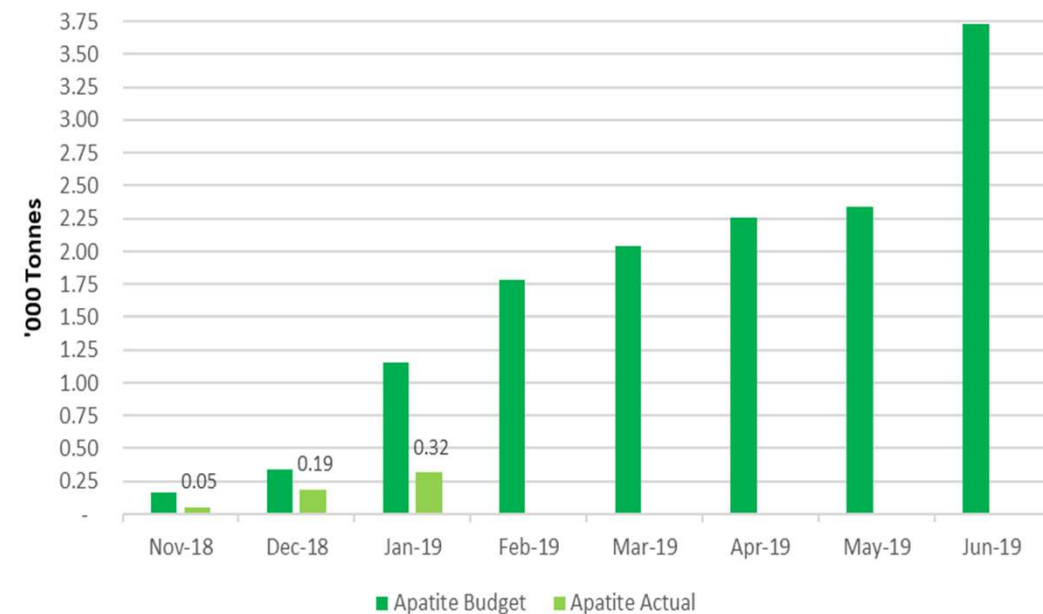
Goondicum commissioning progressing well



Goondicum FY2019 Ilmenite Production



Goondicum FY2019 Apatite Production



Focus on achieving 14kt ilmenite & 2.5kt apatite production per mth

First Goondicum production in 2018



So far so good...

Large existing resource base



- The Goondicum deposit is comprised of ilmenite-rich oxidized gabbro from surface
- Potential to recover additional apatite, vanadium containing titanomagnetite and feldspar by-products
- The Goondicum deposit extends over the remaining Goondicum Crater area which is secured with an existing Mineral Development License application (MDL application)
- Additional areas for exploration within the Goondicum Crater have been identified

ML80044 – Current mining area

MDL2007 – The wider Goondicum crater

ML80044 NI43-101 Mineral Resources								
Lithology	Category	Mt	Ilmenite %	Apatite %	Slimes %	Ilmenite MT	Apatite MT	Slimes MT
CL	Indicated	1.5	7.9	1.1	54.0	0.11	0.02	0.78
CS_H	Indicated	15.6	7.8	2.0	48.8	1.22	0.31	7.61
DG	Indicated	33.6	3.8	2.6	10.4	1.28	0.87	3.49
Sub-Total	Indicated	50.7	5.2	2.4	23.5	2.61	1.20	11.88
CL	Inferred	0.1	6.9	1.0	51.4	0.01	0.00	0.06
CS_H	Inferred	7.4	7.1	2.0	44.7	0.53	0.15	3.31
DG	Inferred	6.7	3.6	2.8	10.5	0.24	0.19	0.70
Sub-Total	Inferred	14.2	5.4	2.4	28.6	0.78	0.34	4.07

Note: Minor rounding errors

*Preliminary Economic Assessment Apr 2018

MDL2007 NI43-101 Mineral Resources*						
Lithology	Category	Mt	Ilmenite %	Slimes %	Ilmenite kT	Slimes kT
CS	Indicated	8.7	6.1	43.8	530	3,811
DG	Indicated	6.9	3.7	11.4	259	789
Sub-Total	Indicated	15.6	5.1	29.5	789	4,600
CS	Inferred	7.5	6.1	37.9	461	2,846
DG	Inferred	4.8	3.7	10.8	178	522
Sub-Total	Inferred	12.3	5.2	27.3	639	3,368

Note: Minor rounding errors

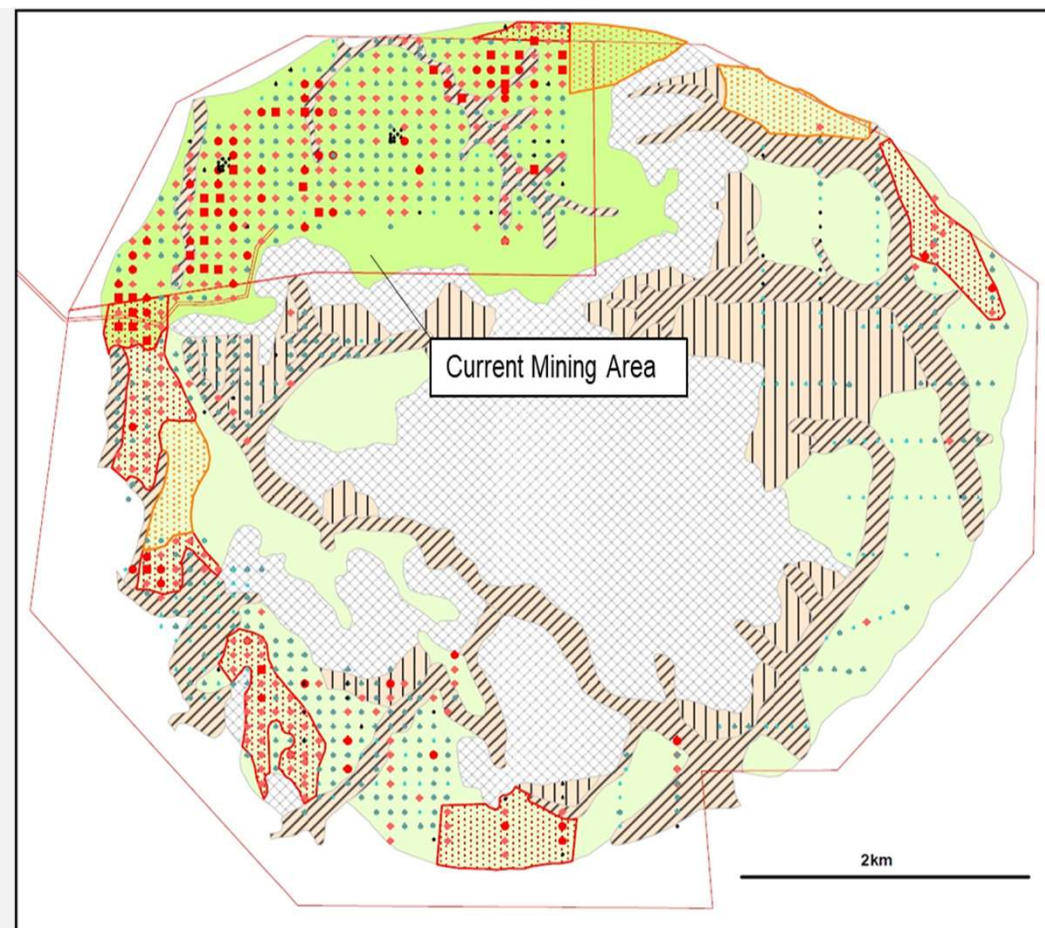
*Preliminary Economic Assessment Apr 2018

No apatite grades available

Upside exploration opportunity



- Mining lease occupies *only* 20% of Goondicum crater
- Exploration licenses encompass 28 km²
- Area demonstrates consistent geology and mineralization



Strong potential to expand production and extend mine life

Goondicum optimization a priority



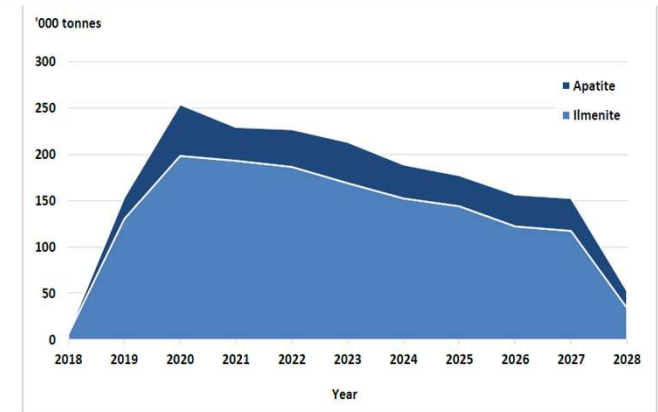
The lowest risk, highest return investment is in Goondicum via:

1. Expansion of processing plant throughput

- Sufficient ore within ML
- Mitigates production fade
- Very high financial return with low marginal cost of production
- Dephos circuit enables this to happen

2. Construction of new access road

- Reduces truck haul distance by 100km
- Reduces costs by up to \$15/t



This will significantly enhance Goondicum's future

More growth through IP development



Browne Processing Technology

- Upgrades ilmenite
- Reduces energy costs
- Reduces consumable and maintenance costs
- Potential to attract premium selling price
- Upside to current Goondicum economics
- Applicable to other ore types such as bauxite
- Significant value potential in its own right

Potential game-changing technology

Melior Transitioning to Producer Status: 2018 was a foundation year



							
Completed a US\$1.2m equity raise	Locked in US\$7.5m Restart debt facility	Locked in 6yr ilmenite off-take & US\$5.0m pre-payment facility	Commenced Construction at Goondicum	Appointed new NED to the board	Restructured loan facilities with elimination of convert & term extension	Negotiated binding merger agreement	Commenced production at Goondicum
							

The Platform was put in Place...

Plenty more to come...



Secure additional US\$2.0 million WC facility



Achieve budgeted production and cost at Goondicum



Commence Goondicum optimization & expansion



Progress Project Brown R&D



Pay down outstanding debt



Continue M&A search



Continue building corporate capability



Consolidate the Platform and Keep Building

Melior Strategy

- Platform Asset
- Market Momentum
- Supportive Shareholders
- Management Capability



Goondicum Restart



- Production in Nov 2018
- Cash positive by 2nd Qtr 2019



Targeted M&A



- Patience and thorough analysis
- Genuine value adding
- Counter cyclical

Goondicum Optimisation



- Operating efficiencies
- Market positioning
- Throughput expansion
- Eastern access road



Targeted M&A



- Mineral sands, industrial minerals, Speciality metals
- Optimal capital structure

Project Development/Consolidation



- Project diversification
- Market diversification
- Corporate credibility

Goondicum Expansion



- Reserves expansion
- Additional products
- Targeted sell-down

Growth via Goondicum restart & extension, & targeted M&A

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