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[Melior Resources Inc.](#) ("Melior" or the "Company") (TSX VENTURE:MLR) announces that it has received the decision of Court of Appeal of Milan in connection with Rothschild's appeal of lower court's decision to reject Rothschild's 2006 claim against a predecessor of Melior for damages in the amount of EUR436,811.00 plus interest.

As previously disclosed, in March 2005 Adobe Ventures Inc. ("Adobe") (the predecessor entity to Coalcorp Inc. ("Coalcorp") and Melior) entered into an agreement with Rothschild in connection with Adobe's proposed acquisition of all of the share capital of Carbones Colombianos de Cerrejon SA ("Carbonos"). In September 2005, Adobe withdrew from the Advisory Agreement and, shortly thereafter, acquired Andean Coal Corporation B.V.I., which had previously acquired the right to purchase the entire capital of Carbones. On July 3, 2006 Rothschild filed a notice of claim in the Court of Milan claiming payment against Coalcorp in the amount of EUR436,811.00 plus interest and expenses. Coalcorp successfully defended the claim ultimately obtaining a favourable ruling from the Court of Milan on March 4, 2011. On April 20, 2012, Rothschild filed a notice of appearance before the Court of Appeal of Milan seeking to overturn the initial judgement. Melior filed its notice of appearance on December 20, 2012 and appeared before the Court of Appeal of Milan on February 28, 2013 and again on May 21, 2015. Melior asked the Court of Appeal to confirm the initial ruling of the Court of Milan. On September 6, 2016 the Court of Appeal of Milan released its decision in the matter, overturning the judgement of the Court of Milan and ordering Melior to pay Rothschild damages in the amount of EUR436,811.00 plus interest, VAT and fees. The judgement is immediately enforceable against Melior in Italy but Rothschild will be required to follow the applicable process in order to seek enforcement of the award in Canada.

Melior is still reviewing the decision and is considering all options available to it, including any right of appeal that may exist.

Forward Looking Statements Disclaimer

Statements made in this news release may be forward-looking and therefore subject to various risks and uncertainties. Such statements can typically be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "possible", "continue", "objective" or other similar expressions concerning matters that are not historical facts. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Melior does not undertake to update any forward-looking statements; such statements speak only as at the date made.

Going Concern Risk

As described in Melior's MD&A, the continuing operations of the Company are dependent upon its ability to continue to raise adequate financing, to commence profitable operations in the future, and repay its liabilities arising from normal business operations as they become due. There remains a significant risk that the Corporation is unable to find alternative sources of financing for on-going working capital requirements. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

Failure to obtain sufficient financing could result in a delay or abandonment of the Goondicum Mine and could force the Company into reorganization, bankruptcy or insolvency proceedings. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Corporation and might involve substantial dilution to existing shareholders. Failure to raise capital when needed would have a material adverse effect on the Company's ability to pursue its business strategy, and accordingly could negatively impact the Company's business, financial condition and results of operations.

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.

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