Form 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of the Issuer

Melior Resources Inc. ("**Melior**" or the "**Company**")
120 Adelaide Street West, Suite 2500
Toronto, Ontario, Canada
M5H 1T1

2. Date of Material Change

February 4, 2019.

3. News Release

A news releases regarding the material change was disseminated by the Company over Globe Newswire on February 5, 2019. A copy of the news release has been filed on SEDAR and is available at www.sedar.com.

4. Summary of Material Change

On January 25, 2019, the Company announced that it had agreed with Pala Investments Limited ("**Pala**") to amend the loan facility currently in place with Pala pursuant to a loan agreement entered into between the parties on August 9, 2018 as amended on November 16, 2018 (the "**Current Agreement**") to increase the principal amount of the available loan facility by US$2,000,000 to US$15,750,000 and to issue 750,000 common shares in the capital of Melior (the "**Bonus Shares**") to Pala (the "**Amended Agreement**").

On February 5, 2019, the Company announced that it had signed and closed the Amended Agreement.

5. Full Description of Material Change

On February 4, 2019, Melior completed and executed the previously announced Amended Agreement pursuant to which the principal amount of the available loan facility under the Current Agreement was increased by US$2,000,000 to US$15,750,000. In addition, Pala was issued the Bonus Shares and the 3,250,000 share purchase warrants issued to Pala in connection with the Current Agreement (the "**Loan Warrants**") were cancelled. The material terms of the Amended Agreement otherwise remained the same as the Current Agreement.

The additional proceeds will be used by Melior for general working capital, progression of its Project Brown research and development project and Goondicum expansion planning.

The Bonus Shares are subject to a four-month hold period in accordance with the policies of the TSX Venture Exchange and applicable securities laws.

About Pala

Prior to entering into the Amended Agreement, Pala beneficially held a total of 16,551,986 common shares in the capital of the Company ("**Common Shares**") on a partially diluted basis, representing approximately 51.21% of the issued and outstanding Common Shares. Following the closing of the Amended Agreement, the issuance of the Bonus Shares and the cancellation of the Loan Warrants, Pala holds 14,051,986 Common Shares on a partially diluted basis, representing a securityholding percentage of approximately 47.12%, a decrease of approximately 4.09%.

Additional Disclosure Required Under Section 5.2 of National Instrument 61-101

The Amended Agreement is a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The board of directors of Melior (the "**Board**"), acting in good faith, and the independent members of the Board, acting in good faith, have determined that the Company is in serious financial difficulty, that the Amended Agreement is designed to improve the Company's financial position and that its proposed terms are reasonable in the Company's circumstances. The Board made such determination based on its position that Melior was in a difficult position as it related to the cash it had available to continue funding its Goondicum Project and that the additional funds to be received by Pala under the Amended Agreeement would fill this funding gap and allow Melior to maintain sufficient working capital over the next twelve months, provided Goondicum continues to meet its budgeted operating performance. As such, Melior relies on the exemption from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(g) and 5.7(1)(e) of MI 61-101 on the basis of financial hardship.

Melior did not file a material change report more than 21 days before the closing of the Amended Agreement because the details of the Amended Agreement were not settled until shortly prior to closing and Melior wished to complete the transaction on an expedited basis for commercial reasons.

A full copy of the Amended Agreement will be filed in accordance with applicable securities laws and will be found on Melior's profile on SEDAR at www.sedar.com.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

7. Omitted Information

No significant facts have been omitted from this report.

8. Executive Officer

The officer who is knowledgeable about the material change and this report is:

Mark McCauley
Chief Executive Officer
Melior Resources Inc.
+61 7 3233 6300
info@meliorresources.com

9. Date of Report

February 12, 2019.