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MELCOR DEVELOPMENTS LTD. ANNOUNCES NORMAL COURSE ISSUER BID

Edmonton, Alberta | March 27, 2015

Melcor Developments Ltd. (TSX:MRD), an Alberta-based real estate development and asset management company, announced today that the Toronto Stock Exchange has accepted its notice of intention to make a normal course issuer bid through the facilities of the TSX.

The notice provides that Melcor may, during the twelve month period commencing March 31, 2015 and ending March 30, 2016, purchase for cancellation up to 1,653,451 common shares in total, being approximately 5% of its issued and outstanding common shares. The daily repurchase restriction for the common shares is 3,057.

The price which Melcor will pay for any such common shares will be the market price at the time of acquisition. The actual number of common shares which may be purchased and the timing of any such purchases will be subject to compliance with the TSX guidelines.

No common shares were purchased for cancellation during the last twelve months. As of March 17, 2015 there were 33,069,024 common shares of Melcor outstanding with an average daily trading volume for the prior six months of 12,231.

Melcor believes that its common shares have been trading in a price range which does not adequately reflect the value of such common shares in relation to the business of Melcor and its future business prospects. As a result, depending upon future price movements and other factors, Melcor believes that its outstanding common shares may represent an attractive investment for itself. Furthermore, the purchases may benefit all persons who continue to hold common shares by increasing their equity interest in Melcor. All common shares purchased by Melcor under the normal course issuer bid will be cancelled.

About Melcor Developments Ltd.

Melcor is a diversified real estate development and asset management company that transforms real estate from raw land through to high-quality finished product in both residential and commercial built form. Melcor develops and manages mixed-use residential communities, business and industrial parks, office buildings, retail commercial centres and golf courses.

Melcor has been focused on real estate since 1923. The company has built over 90 communities across Western Canada and today manages over 3.3 million sf in commercial real estate assets and 1,286 residential rental units. Melcor is committed to building communities that enrich quality of life - communities where people live, work, shop and play.

Melcor's headquarters are located in Edmonton, Alberta, with regional offices throughout Alberta and in British Columbia and Arizona. Melcor has been a public company since 1968 and trades on the Toronto Stock Exchange (TSX:MRD).

Forward Looking Statements

Certain information set forth in this news release, may contain forward-looking statements, and necessarily involve risks and uncertainties, certain of which are beyond Melcor's control. Actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Melcor will derive therefrom. Additional information on these and other factors that could affect Melcor are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release, and Melcor does not undertake any obligation to update publicly or to revise any of the included forward looking statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.

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