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MELCOR DEVELOPMENTS LTD. ANNOUNCES NORMAL COURSE ISSUER BID

Edmonton, Alberta | June 5, 2023

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 and on alternative trading systems.

The notice provides that Melcor may, during the twelve-month period commencing June 7, 2023 and ending June 6, 2024, purchase for cancellation up to 1,562,431 common shares in total, being approximately 5% of its issued and outstanding common shares. The daily repurchase restriction for the common shares is 1,617.

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.

Under the previous normal course issuer bid, 1,641,627 common shares were purchased for cancellation through the facilities of the TSX at a weighted average price per common share of \$11.88 (1,641,627 had been approved for repurchase). Such repurchases represented the maximum number under the previous normal course issuer bid and were completed by December 23, 2022. As of May 29, 2023, there were 31,248,628 common shares of Melcor outstanding and the average daily trading volume for the six-month period ending April 30, 2023 was 6,469.

Melcor believes that, at times, its common shares trade 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.

In connection with commencement of the NCIB the Corporation also announced that it has entered into an automatic share purchase plan agreement ("ASPP") with a broker to allow for the purchase of common shares under the NCIB at times when the Corporation ordinarily would not be active in the market due to regulatory restrictions or self-imposed trading blackout periods. Before entering into such restricted or blackout period, the Corporation may, but is not required to, instruct the designated broker to make purchases under the NCIB in accordance with the terms of the ASPP. Such purchases will be determined by the broker in its sole discretion based on parameters established by the Corporation prior to the restricted or blackout period in accordance with TSX rules, applicable securities laws and the terms of the ASPP. Outside of these pre-determined restricted or blackout periods, common shares will be purchased based on management's discretion, in compliance with TSX rules and applicable securities laws.

About Melcor Developments Ltd.

Melcor is a diversified real estate development and asset management company with a rich heritage of innovation in real estate since 1923.

Through integrated operating divisions, Melcor manages the full life cycle of real estate development: acquiring raw land, community planning, construction, and development, and managing revenue-producing office, retail and residential assets. Melcor develops and manages mixed-use residential communities, business and industrial parks, office buildings, retail commercial centres and golf courses.

Melcor is committed to building communities that enrich quality of life – communities where people live, work, shop and play.

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.

Contact Information:

Media Contact

1.855.673.6931

ir@melcor.ca