



NEWS RELEASE

MELIOR RESOURCES AND FIRESTONE VENTURES ANNOUNCE PROPOSED FRIENDLY ACQUISITION OF FIRESTONE VENTURES AND BRIDGE LOAN

July 5, 2013 Toronto, Ontario and Edmonton, Alberta – Melior Resources Inc. (TSXV- MLR) (“Melior”) and Firestone Ventures Inc. (TSXV - FV) (“Firestone”) announced today that they have entered into a letter of intent (the “Letter of Intent”) in connection with a proposed transaction (the “Proposed Transaction”) pursuant to which Melior would acquire all of the issued and outstanding common shares of Firestone in consideration for the issuance to Firestone shareholders of one Melior common share for each 2.895 Firestone common shares held. The Proposed Transaction is subject to a number of conditions, including confirmatory due diligence by Melior and the negotiation of mutually satisfactory definitive acquisition documentation. There can be no assurance that any such definitive documentation will be entered into or that the Proposed Transaction will be completed. Melior and Firestone also announced today that Melior has agreed to provide Firestone with a bridge loan (the “Bridge Loan”) of up to C\$500,000.

Proposed Transaction

Pursuant to the terms of the Proposed Transaction, Firestone shareholders would receive one Melior common share for each 2.895 Firestone common shares held. Based on Melior’s unaudited net asset value per share as of June 30, 2013, this represents a premium of 45.7% to the volume weighted average price of Firestone’s common shares for the 20 trading days preceding the date of this release. Melior’s net assets consist of cash, liquid securities (valued at the volume weighted average price of those securities for the 20 trading days preceding the date of this release) and other working capital (for example, pre-payments and accounts payable). It is currently anticipated that the Proposed Transaction would be completed pursuant to a plan of arrangement under the provisions of the *Business Corporations Act* (Alberta).

Firestone has granted Melior a three-month period of exclusivity to complete its confirmatory due diligence and negotiate definitive acquisition agreements. Conditions to entering into definitive agreements include the approval of the boards of directors of Melior and Firestone, satisfactory completion of confirmatory due diligence review by each of Melior and Firestone and execution of support agreements by each of the directors and officers of Firestone together with Firestone common shareholders who collectively hold at least 33.33% of the issued and outstanding Firestone common shares. To date shareholders of Firestone holding approximately 41.6% of Firestone’s issued and outstanding common shares have agreed to vote in favour of, or tender to, as the case may be, the Proposed Transaction. The Board of Directors of Firestone has engaged Paradigm Capital Inc. (“Paradigm Capital”) as financial advisor in connection with the Proposed Transaction. Paradigm Capital has provided the Board of Directors of Firestone with an opinion that, as of the date of the opinion and based on and subject to the assumptions, limitations and qualifications stated at the time of delivering such opinion, the consideration to be received by Firestone shareholders under the Proposed Transaction is fair, from a financial point of view. Accordingly, the Board of Directors of Firestone is recommending the Proposed Transaction.

Conditions to closing the Proposed Transaction will include the execution of definitive agreements; the approval of 66 2/3% of the votes cast at a meeting of Firestone shareholders in person or by proxy or by the tender to any bid of not less than 66 2/3% of the issued and outstanding Firestone shares, as applicable receipt of all necessary regulatory, corporate and third party approvals and other conditions customary for a transaction like the Proposed Transaction. There can be no

assurance that any such definitive acquisition agreements will be entered into or that the Proposed Transaction will be completed.

The Letter of Intent contains binding provisions regarding the payment of a break fee by Firestone in certain circumstances. In the event that Firestone breaches the no-shop and exclusivity provisions contained in the Letter of Intent, Firestone must pay Melior a fee of \$800,000 in cash plus the amount of Melior’s costs and out-of-pocket expenses associated with the Proposed Transaction to a maximum of \$400,000 (collectively, the “Break Fee”). The Break Fee is also payable by Firestone to Melior in the event Melior completes its confirmatory due diligence investigations and confirms in writing that it is prepared to pursue the Proposed Transaction on the terms set forth in the Letter of Intent and the parties are subsequently unable to negotiate and execute mutually satisfactory definitive agreements in respect of the Proposed Transaction prior to the expiry of the three-month exclusivity period, provided such failure has not been caused by Melior’s bad faith.

Bridge Loan

Melior and Firestone have entered into a revolving credit facility pursuant to which Melior has agreed, subject to the satisfaction of certain conditions, to provide Firestone up to \$500,000 for certain stipulated corporate purposes. The Bridge Loan matures on January 4, 2014 and bears interest at a rate of 20% per annum.

Drawdown under the Bridge Loan by Firestone is subject to certain conditions, including the grant by Firestone in favour of Melior of a first-priority security interest over all of its assets, a pledge of the shares Fuegoestrella, S.A. (“Fuegoestrella”) Firestone’s Guatemalan subsidiary in favour of Melior, a guarantee from Fuegoestrella of Firestone’s obligations under the terms of the Bridge Loan and the grant by Fuegoestrella of a first-priority security interest over all of its assets, including its surface rights and exploitation licence in respect of the Torlon Hill Zinc-Lead-Silver Project. In the event of an event of default under the terms of the Bridge Loan, Melior will be entitled to enforce on its security over Firestone and Fuegoestrella.

About Melior

Melior is an investment company with a focus on making strategic investments in resource-based opportunities offering capital appreciation potential, in particular debt or equity participation in investee companies with projects nearing maturity.

About Firestone

Firestone is a Canadian-based exploration and development company with zinc-lead-silver and copper projects in Central America and has been working in Guatemala since 2004. Our main project is the Torlon Hill Zinc-Lead-Silver Project in Guatemala. The current NI 43-101 oxide resource (see news release 18 November 2008 on www.sedar.com) is summarized in the following table and the deposit remains open to expansion. The NI 43-101 resource used a 3% zinc equivalent cut-off grade and a 35.5% zinc top-cut.

Torlon Deposit Oxide Mineral Resource – as at March 6, 2013

	Tonnes	Zinc %	Zinc (lbs)*	Lead %	Lead (lbs)*	Silver (g/t)	Silver (oz)*
Measured and Indicated	1,891,636	7.32	304,905,997	2.41	100,294,541	14.25	866,663
Inferred	169,705	4.42	16,502,114	1.96	7,317,680	12.53	68,367

**The total contained metal assumes 100% metal recovery and does not indicate economic viability*

Smithsonite (ZnCO₃) is the prevalent zinc mineral at Torlon, occurring as a replacement to limestone and resulting in high grade mineralization locally exceeding 40% zinc. Other non-sulphide zinc minerals are relatively rare and there is no evidence of deleterious zinc-clay minerals.

In addition to Torlon, Firestone also has a large land position covering a significant portion of the Central Guatemala Zinc District with four drill ready targets and over fifty zinc mineral occurrences. The land position has excellent exploration potential and with systematic exploration could develop as the world's next major zinc district. The common shares of Firestone are currently listed on the TSX Venture Exchange (symbol FV) and the Frankfurt Stock Exchange (symbol F5V).

The technical information in this news release has been reviewed and approved by Pamela Strand, P.Geol., President of Firestone and a Qualified Person in accordance with NI 43-101.

For further information, contact:

Charles Entrekin
Chairman and Chief Executive Officer, Melior Resources Inc.
Telephone: 416-644-1217

Pamela Strand
President, Firestone Ventures Inc.
Telephone: 1-888-221-5588

FORWARD LOOKING STATEMENTS

This news release may contain certain statements regarding future events, results or outlooks that are considered forward looking statements within the meaning of securities regulation. These forward looking statements reflect management's best judgment based on current facts and assumptions that management considers reasonable and include the words "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "potential" and "should". Forward looking statements contain significant risks and uncertainties. A number of circumstances could cause results to differ materially from the results discussed in the forward looking statements including, but not limited to, changes in general economic and market conditions, metal prices, political issues, permitting, environmental, exploration and development success, continued availability of capital and other risk factors. The forward looking statements contained in this document are based on what management of Melior and Firestone believes to be reasonable assumptions, however, we cannot assure that the results will be compatible to the forward looking statements as management assumes no obligation to revise them to reflect new circumstances. Readers should not place reliance on forward looking statements.