

HALIFAX, NOVA SCOTIA / TheNewswire / June 2 2015 - Troy Grant, President and CEO of ELCORA RESOURCES CORP. (TSXV:ERA/Frankfurt:ELM), (the "Company" or "Elcora"), is pleased to announce;

Convertible Loan

The Company has entered into two-year syndicated limited recourse convertible loan agreements (the "Loan") totaling C\$1,388,040 with eight lenders including one insider. (see also news release of May 7, 2015)

The principal of the Loan is convertible into common shares of Elcora at \$0.14 cents per share. If the Loan was converted in full a total of 9,914,571 Elcora shares would be issued.

The Loan bears interest at the rate of 8% per annum payable quarterly in shares priced at the greater of the closing market price of Elcora shares on the TSX Venture Exchange on the quarterly payment date (if there are no trades on the date a quarterly payment is due then the last preceding trading day) or \$0.15 per share. The total interest payable over the two years amounts to C\$222,088 which, if paid in shares at the lowest price of \$0.15 per share, a total of 1,480,587 Elcora shares would be issued.

The Loan is a limited recourse loan. The lenders are relying primarily upon the future capability of the Sakura Mine to produce graphite mineralization and on the future capacity of the Sakura Mill, presently under construction, to process such graphite mineralization, and the ability of management to secure sales of refined graphite to generate the cash flow and operating profitability to support repayment of the Loan. The Loan does not grant any security over the resource assets of Elcora, either in Canada or outside of Canada, and in the event of a default the lenders are not permitted to seek the seizure or sale of the assets of Elcora except for liquid assets including cash and marketable securities.

The Loan, including the convertibility feature and the interest payments to be settled in shares contained therein, remains subject to TSX-V approval.

About Elcora

The Company is a TSX Venture Exchange listed company which owns an interest in the Ragadera graphite mine in Sri Lanka. The Company is continuing to upgrade the existing infrastructure to increase the production of graphite from the Ragadera mine, and metallurgical testing and laboratory research on that graphite to determine a suitable process for the commercial production of graphene is ongoing. Construction of a graphite refining facility is underway.

Cautionary Notes Regarding Ragadera Production

The Sakura graphite project's Ragadera mine has no established resource and is without a known body of commercial ore. The decision to commence production at the Ragadera mine and Elcora's plans for small scale mining and milling operations were based on economic models prepared by Elcora in conjunction with management's knowledge of the property and the prior limited recent operating history of the Sakura/Ragadera mine. The production decision and operating plan for the extraction and sale of graphite were not based on any preliminary economic assessment, a pre-feasibility study or a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with the production decision and operating plan, in particular the risk that mineral quantities and/or grades will be lower than expected, the risk that construction or ongoing mining operations will be more difficult or more expensive than expected, the risk that the Company will not be able to transport or sell the mineralized material it produces on the terms it expects, or at all, the risk that due to the absence of a detailed economic and technical analysis according to and in accordance with NI 43-101 the production and economic variables associated with mineral extractions and sale may vary considerably. Readers are cautioned that no reliable estimates of future production capability or the economics of any extraction activity can be made.

Ian Flint, Ph.D., P. Geo., is the Qualified Person as defined under NI 43-101 who has reviewed and is responsible for the technical information presented in this news release.

For further information please visit the company's website at <http://www.elcoraresources.com>

For further information please contact: Troy Grant, Director, President and CEO, [Elcora Resources Corp.](http://www.elcoraresources.com), T: 902 802-8847 F: 902 446-2001.

CAUTIONARY STATEMENT:

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. No stock Exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Elcora, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Elcora's expectations are exploration risks detailed herein and from time to time in the filings made by Elcora with securities regulators.

Investors are cautioned that, except as disclosed in the filing statement prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

Copyright (c) 2015 TheNewswire - All rights reserved.