

NEWS RELEASE

June 30, 2014

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Shares Issued: 39,619,980

ELCORA RESOURCES ANNOUNCES THE APPOINTMENT OF DR. IAN FLINT AS VP OF PROCESSING AND REFINING and CLOSURES TRANSACTION WITH SAKURA GRAPHITE (PVT) LTD.

HALIFAX, NOVA SCOTIA -- (CNW – June 30, 2014) – Troy Grant, President and CEO of **ELCORA RESOURCES CORP.** (TSXV:ERA), (the "Company" or "Elcora"), is pleased to announce that it has completed the purchase of 40% of the issued and outstanding shares of Sakura Graphite (PVT) Ltd of Sri Lanka ("Sakura") and it has appointed Dr. Ian Flint as VP of Processing and Refining. .

With the purchase of Sakura complete, Elcora will immediately start to focus on the processing and refining of the graphite deposit at the Sakura Graphite Mine and Dr. Ian Flint's experience and background in graphite processing is crucial to Elcora's plan get into production in the next year. Dr. Flint brings 30 years of graphite experience including metallurgical test work, process development & engineering, plant & equipment design and operations. Dr. Flint also brings years of graphite research experience into different Graphene applications to the company. Dr. Flint states: "The material at the Sakura Graphite Ragadara mine shows very unique and excellent promise for high end applications and I am excited to commence processing this graphite into a high quality form. The resulting Elcora processing plant will be a large step forward for Sri Lanka and should re-establish Sri Lanka as a reliable, high quality graphite producer"

As previously announced (See PR dated May 13, 2014), Elcora entered into an arm's length binding definitive share purchase agreement dated March 25, 2014 (the "Agreement") with Sakura to purchase 40% of the issued and outstanding shares of Sakura (the "Transaction"). Sakura operates the Sakura Graphite Mine located on Sakura's leased plots totaling 70 acres in Sri Lanka (the "Mine"). The industrial mining license, exploration licenses and environmental license for the Mine are currently being held by J.D.K. Wickramaratne for the sole benefit of Sakura and will be transferred to Sakura upon renewal. In addition, Elcora will earn 20% of the net income from the Mine as the Mine operator, and an additional 30% of the net income from the Mine for managing the processing of the graphite, for the life of the Mine. Elcora will provide the remaining capital expenditure required to put the Mine back into commercial production. No Finders Fee is payable for the Transaction.

Pursuant to the Transaction, Elcora has issued a total 6,827,442 common shares of Elcora at a price of \$0.19 per share (the "Shares") to shareholders of Sakura on the Closing Date. Elcora will also issue 6,827,442 warrants to the shareholders of Sakura to purchase common shares of Elcora (the "Warrants"). Each Warrant entitles the holder of such Warrant to purchase one common share of Elcora at a price of \$0.19 for a period of 5 years. Sakura shall be entitled to appoint one director to Elcora's board, but is not appointing a director to Elcora's board at the closing of this Transaction.

KWA Holdings (Private) Ltd. (“KWA”) owns the remaining 60% of the outstanding shares of Sakura. J.D.K. Wickramaratne, a Sri Lankan citizen, will be the sole officer, director and shareholder of KWA. Upon closing, Dr. Ian Flint will be appointed VP VP of Processing and Refining.

KWA and Elcora have entered into a shareholders agreement for Sakura (the “Shareholders Agreement”). The Shareholders Agreement grants to the CEO of Sakura control of daily management and conduct of all the company’s business, including completion of other transactions or corporate actions, choosing and communicating with Sakura’s auditors, Sakura’s internal policy for any related party transactions, Sakura’s internal policy and controls to ensure that any material information concerning Sakura is disclosed in a news release by Elcora, the internal control system for the financial reporting of Sakura and payment of all mine management and processing and refining fees by Sakura.

Technical Report

A report on the Sakura Ragedara Property was prepared by Marc Filion, P.Eng. on behalf of Elcora to comply with the Geological reporting and disclosure requirements set out under National Instrument 43-101 (the “Geological Report”). The TSX Venture Exchange is satisfied that the report meets the Exchange’s guidelines. The Report is on SEDAR and can be viewed at www.sedar.com.

Private Placement

As previously announced, on May 13, 2014, Elcora closed a non-brokered private placement in trust for \$1,436,300 (the “Private Placement”) pending completion of the Transaction. The Private Placement was subscribed for at \$0.16 per common share with a full warrant attached entitling the holder to acquire one common share of Elcora for \$0.30 for 18 months (the “Warrant”). Pursuant to the Private Placement, Elcora will issue 8,976,875 common shares and 8,976,875 Warrants.

The Private Placement was closed in trust pending the closing of the Transaction. As the Transaction has now closed, the Private Placement has also closed. The securities issued pursuant to the Private Placement will be subject to a hold period expiring four months and one day after the closing of the Private Placement in accordance with applicable securities laws and, if required, the policies of the Exchange.

Board of Directors

The Board of Directors of Elcora will continue to be Troy Grant, Theo van der Linde, John Cumming and Gregory Isenor. Troy Grant will continue to act as President and CEO and Theo van der Linde will continue to act as CFO and Corporate Secretary. Dr. Ian Flint will become the VP Processing and Refining for Elcora.

For further information please contact: Troy Grant, Director, President and CEO, Elcora Resources Corp., 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.

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