

VAL-D'OR, QUEBEC--(Marketwired - Jun 16, 2015) - Abitibi Royalties Inc. (TSX VENTURE:RZZ) ("Abitibi Royalties" or the "Company") is pleased to announce that it has entered into a binding Letter of Intent with [Golden Valley Mines Ltd.](#) ("Golden Valley") to acquire a 2% net smelter royalty ("NSR") on the Smokehead Prospect, located approximately one kilometre southeast of the Canadian Malartic mine in Québec (Fig. 1). The Company has also received dividends from its investment in Agnico Eagle Mines and additional royalty income from its 2% NSR on the eastern portion of the Gouldie Zone, located at the Canadian Malartic mine.

Smokehead Prospect (Figure 1)

The Smokehead Prospect consists of two mineral claims totaling 97 hectares (Fig. 1). Golden Valley acquired the property in May 2013. In exchange for the 2% NSR, Abitibi Royalties will pay Golden Valley Cdn\$5,000, which will be used towards paying annual maintenance fees associated with the claims. Abitibi Royalties also has a three year option to pay Golden Valley an amount equal to the annual claim maintenance fees required to maintain the Smokehead Prospect in good standing, in consideration for which the 2% NSR will increase by 1% for each annual payment made on behalf of Golden Valley. In addition, Abitibi Royalties has agreed to pay Golden Valley an additional Cdn\$5,000 in exchange for the right to receive 15% of total proceeds should the property be sold. No exploration has been completed to date by Golden Valley on the property. The cash consideration will be paid by Abitibi Royalties from its working capital.

As Abitibi Royalties has been a majority owned (currently 53.3%) subsidiary of Golden Valley since the reorganization of Golden Valley's assets in July 2011, the acquisition of the Smokehead NSR constitutes a related party transaction pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* and is subject to acceptance by the TSX Venture Exchange.

No finder's fees are payable in connection with acquisition by Abitibi Royalties of the Smokehead NSR.

The "Royalty Search"

On June 9th, 2015, Abitibi Royalties launched "*The Royalty Search*". *The Royalty Search* (www.abitibiroyalties.com) is an easy to use website that allows mining companies and prospectors a quick way of accessing capital in this difficult commodities market.

Abitibi Royalties is offering to pay, for a specified period of time, the claim fees/taxes related to:

1. Existing mineral properties or
2. Staking of new mineral properties

In return for paying these fees, Abitibi Royalties would be granted a NSR on the property. Many claim holders are having a difficult time paying the fees associated with their property and face losing the mineral claims or they do not have the capital needed to stake new properties. To date, 12 properties have been submitted through the website.

Dividend and Royalty Payment Update

Since reported on May 14, 2015, the Company has received approximately Cdn\$46,000 in dividends from Agnico Eagle Mines and approximately Cdn\$18,000 in additional royalty payments from its 2% NSR on the eastern portion of the Gouldie Zone, located at the Canadian Malartic mine. As of June 15 2015, dividend and royalty payments in 2015 now total approximately Cdn\$385,500.

About Abitibi Royalties Inc.

Abitibi Royalties holds a 3% NSR on the Odyssey North discovery, Jeffrey Zone and the eastern portion of the Barnat Extension and a 2% NSR on portions of the Gouldie and Charlie zones all at the Canadian Malartic mine near Val-d'Or, Québec. In addition, the Company holds 100% title to the Luc Bourdon and Bourdon West Prospects in the Ring of Fire, Ontario. The Company owns 3,549,695 shares of Yamana Gold and 459,197 shares of Agnico Eagle Mines.

Golden Valley Mines and Rob McEwen hold approximately 53.3% and 8.7% interest in Abitibi Royalties, respectively.

Forward-Looking Statements:

This news release contains certain statements that may be deemed "forward-looking statements". Forward looking statements

are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

To view Figure 1, Location of Smokehead Claims, please visit the following link:

<http://www.abitibiroyalties.com/projects/canadianmalarticmine/malartic-nsr/abitibi-overview-of-assets.pdf>

Contact

[Abitibi Royalties Inc.](#)

Glenn J. Mullan

Chairman

819-824-2808, x 204

glenn.mullan@abitibiroyalties.com

[Abitibi Royalties Inc.](#)

Ian J. Ball

President

416-346-4680

ian.ball@abitibiroyalties.com

www.abitibiroyalties.com