

VAL-D'OR, QUEBEC--(Marketwired - Aug 5, 2015) - Abitibi Royalties Inc. (TSX VENTURE:RZZ) ("Abitibi Royalties" or the "Company") is pleased to provide an update on the Company's net smelter royalties ("NSR") at the Canadian Malartic mine near Val-d'Or, Quebec and also announces that it has entered into a binding Letter of Intent to acquire a 2% NSR north of [Alamos Gold Inc.](#)'s Young-Davidson mine in Ontario (Fig. 1).

Canadian Malartic Mine NSR Update

Odyssey North Discovery (3% NSR)

Abitibi Royalties holds a 3% NSR on the Odyssey North discovery that is located east of the main Canadian Malartic open pit. [Agnico Eagle Mines Ltd.](#) ("Agnico Eagle") recently reported that drilling continues at the Odyssey discoveries and that data is currently being compiled and interpreted, with interesting results continuing to be encountered at depth. No additional assay results have yet been released and there are no assurances that all or any of the recent drilling since April 2015 has encountered mineralization on the property covered by the Company's 3% NSR.

Drilling at the Odyssey discoveries began in April 2015 with an initial budget of approximately Cdn\$3.5 million that includes 25,500 metres of drilling. The goal of the drilling is to define the potential size, grade and extent of the Odyssey deposits that could become feed for the Canadian Malartic mill. Odyssey North is believed to have bulk tonnage underground potential similar to Agnico Eagle's Goldex mine, which is located approximately 15 kilometers east.

As last reported in February 2015, Odyssey North had a strike length of 600 metres, starts at 650 metres below surface and has been successfully intersected to a depth of 1,250 metres. Previously reported results (April 2014, October 2014 and February 2015) from the initial drilling included 1.30 gpt gold over 93.5 metres, 2.39 gpt gold over 42.5 metres and 2.85 gpt gold over 110.2 metres. Odyssey North also includes a possible separate zone of narrow, higher-grade veins. Previously reported results of the higher grade zone included 7.86 gpt over 5.6 metres, 31.80 gpt gold over 1.5 metres, 12.8 gpt gold over 3.6 metres.

The portion of the property over which the Company has a 3% NSR, including Odyssey North, hosts several porphyry bodies that have potential for underground bulk mining. This is a new concept that has evolved in recent years and has been successfully demonstrated at Agnico Eagle's Goldex mine. Odyssey North is believed to be part of an emerging geological trend that also includes the Barnat Extension, historic East Malartic mine, Norrie Zone and the Jeffrey deposit.

Barnat Extension and Jeffrey Deposits (3% NSR)

The Company holds a 3% NSR on the eastern portion of the Barnat Extension and the Jeffrey gold deposit, both of which were included in the submitted Environmental Impact Assessment ("EIA") Project Notification Form. The formal EIA was submitted in February 2015. Agnico Eagle indicates that the process remains on schedule for receipt of the necessary permits in November 2016.

Gouldie Deposit (2% NSR)

Canadian Malartic GP (50% owned by Agnico Eagle and Yamana Gold) reported that mining at the Gouldie deposit, located south of the main Canadian Malartic open pit, stopped at the end of June 2015. The Company will receive a report at the end of August 2015 that will detail the final amount mined and stockpiled for future processing. Remaining reserves will be converted into resources when estimates are recalculated at year-end.

2% NSR Purchased on Baden Property - North of Young-Davidson Mine (Fig. 1)

The Baden property consists of approximately 1,300 hectares and is located approximately 12 kilometres north of [Alamos Gold Inc.](#)'s Young-Davidson mine in Ontario (Fig. 1). In exchange for the 2% NSR, Abitibi Royalties has paid the claim fees on behalf of Tamarack Gold Resources Inc. and certain related parties (collectively, the "Claim Holders") that totaled approximately Cdn\$10,000. There is a mutual 3 year option between the Company and the Claim Holders for Abitibi Royalties to pay an amount equal to the annual maintenance fees required to maintain the property in good standing, in consideration for which the 2% NSR will increase by 1% for each annual payment made on behalf of the Claim Holders. The cash consideration will be paid by Abitibi Royalties from its working capital.

Based on a public domain assessment report, eleven (11) samples collected in 1997 on the property, ranged between <0.03 gpt gold to 21.69 gpt gold. Sampling was completed over a length of more than 120 metres along an exposed structure referred to as the "*King Showing*" in the report. See Table 1 for the complete list of sample results. Follow-up work in 1998 included mechanical stripping of 5 trenches over an area of 150x150 metres with bedrock exposed over the full length of the trenches over widths of 3-7 metres. A total of eleven (11) samples were collected for analysis. The assay results ranged from <0.17 gpt gold to 31.61 gpt gold and visible gold was reported to be observed in a quartz veinlet at one location. See Table 2 for the complete list of sample results.

All of the exploration results reported are historical in nature and were obtained from a report filed with the Ontario Ministry of Northern Development and Mines Geoscience Assessment office (AFRI File: 42A02SE2006; AFRO ID: 2.18267 and Work Report Number: W9880.00184), titled "1998 Trenching Program on the Baden Property, Baden twp, Ontario", and dated March 1998 (Updated July 2, 1998). The Company has not verified the historical exploration results reported herein and has neither confirmed the grades, widths or the sampling methods described, and if a QA/QC protocol was in effect during the time of sampling/assaying.

Tamarack is actively searching for a partner in order to explore the mineral property north of the Young-Davidson mine. To contact Tamarack, call Ivars Azis at 416.303.6684 or visit www.tamarackgold.com.

Qualified Persons

Glenn Mullan, Chairman, is the Qualified Person (as that term is defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects) who has reviewed this news release and is responsible for the technical information reported herein that pertains to the Company's NSR interest at the Canadian Malartic mine, which was generated from data provided by Canadian Malartic GP.

Michael P. Rosatelli, consulting geologist, is the Qualified Person (as that term is defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects) who has reviewed this news release and is responsible for the technical information reported herein that pertains to the Company's NSR interest at the Baden property, which was obtained from a report filed with the Ontario Ministry of Northern Development and Mines Geoscience Assessment office.

About Abitibi Royalties

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 is building a portfolio of royalties on early stage properties near producing mines and it 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, 444,197 shares of Agnico Eagle Mines, approximately \$2.5 million in cash and no long-term debt. The Company has 10,897,346 common shares outstanding.

Golden Valley Mines and Rob McEwen hold approximately 51.4% 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.

Table 1 -Baden Property Samples "King Showing" 1997

Sample ID	Au (gpt)
BA-1-1	0.15
BA-4-1	14.15
BA-7-1	8.00
BA-8-1	21.69
BA-8B-1	0.83
BA-10-1	2.46
BA-10-2	2.40
BA-10-3	1.10
BA-13-1	0.33
BA-13-2	<0.03
BA-13-3	0.79

Table 2 -Baden Property Trench Samples 1998

Sample ID	Au (gpt)	Cu (ppm)	Pb (ppm)	Zn (ppp)	Ag (gpt)
41119	<0.17	61	21	86	0.5
41120	<0.17	31	15	12	0.4
41121	1.75	13	10	20	3.2
41122	2.30	10	9	57	1.2
41123	<0.17	37	24	59	0.3
41124	0.21	171	27	31	0.6
41125	31.61	1618	202	38	8.7
41126	14.40	17	27	30	2.2
41127	3.19	197	217	4045	3.4
41128	0.41	7	5	13	<0.1
41129	3.02	72	11	93	0.2

Contact

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