

VANCOUVER, Aug. 12, 2016 /CNW/ - Ely Gold & Minerals Inc. ("Ely Gold" or the "Company") (TSX-V: ELY, OTC: ELYGF) is pleased to announce its wholly-owned subsidiary, Nevada Select Royalty, Inc. ("Nevada Select") has executed a purchase agreement (the "Agreement") for certain royalty interests from Golden Predator US Holdings Corp. ("Golden Predator") and Resource Re Ltd. ("RRL"). Golden Predator and RRL are wholly owned subsidiaries of [Till Capital Ltd.](#) ("Till"). RLL owns a 2% net smelter royalty ("NSR") on the Uduk Lake property in British Columbia. Nevada royalties owned by Golden Predator include a 3% gross production royalty ("GPR") on the Bolo property, a .5% GPR on the Wood property and a 2% NSR on the Mina Gold property. Nevada Select currently owns 100% of the claims covered by the Mina Gold royalty.

Terms of the Agreement include:

- Purchase by Nevada Select of RLL's Uduk Lake (2% NSR) royalty interest;
- Purchase by Nevada Select of Golden Predator's Atlanta (3% NSR), Bolo (3% GPR) and Wood (.5% GPR) royalty interests;
- Termination by Nevada Select, and Golden Predator of the Mina Gold (2% NSR);
- As total consideration, Nevada Select will pay US\$75,000 to Till.

Royalty Overview

Mina Gold The Mina Gold royalty property includes five patented claims that were purchased by Nevada Select from Nevada Eagle LLC (refer to news release May 4, 2016). Mina Gold is located in Mineral County, Nevada. The property was explored by Glamis Gold in the 1990's and is typical of the epithermal gold/silver type deposits on the Walker Lane Trend. Nevada Select also purchased eight unpatented claims from Nevada Eagle LLC and staked 35 additional claims, this year, thus consolidating the property for future exploration. The termination of the Golden Predator royalty will leave the Mina Gold property royalty free, except for a .5% NSR on four of the unpatented claims.

Bolo/Wood The Bolo royalty property is northeast of Tonapah in Nye County, Nevada and the deposit at Bolo is a Carlin-style, sedimentary rock-hosted, gold deposit similar to many deposits that occur in the Battle Mountain-Eureka Trend. The Bolo royalty includes two unpatented claims currently 100% controlled by [Columbus Gold Corp.](#) ("Columbus"). The Wood royalty includes 81 unpatented claims to the north of the Bolo claims, also 100% controlled by Columbus. Columbus drilled the Bolo property from 2007 to 2013. A 43-101 technical report was filed by Columbus on October 9, 2013.

Atlanta The Atlanta Gold project is located in Lincoln County, Nevada and is currently controlled by [Meadow Bay Gold Corp.](#) ("Meadow Bay"). The Atlanta royalty includes 136 unpatented claims. Atlanta was mined as an operating open pit mine from 1975 – 1985. The Project continues to benefit from historical infrastructure – power, water and roads – all of which remains in place. In March 2013, Meadow Bay filed a National Instrument 43-101 technical report, which included an initial resource estimate.

Uduk Lake The Uduk Lake royalty includes two mining tenures that are 100% owned by [Canarc Resource Corp.](#) ("Canarc"). The project, now called Windfall Hills, is in the same geological belt as the Blackwater/Davidson project. Windfall Hills is 90 kilometers northwest of Blackwater, which is now a flagship development project for [New Gold Inc.](#)

Trey Wasser, President and CEO of Ely Gold stated, "This transaction strengthens our growing royalty portfolio in Nevada. More importantly, it completes the consolidation of our Mina Gold property making it one of our most valuable assets. This transaction will allow us to sell or option Mina Gold while retaining a significant royalty interest. We believe that the royalties in this Agreement include some excellent exploration properties that are owned by important emerging junior gold companies."

About Ely Gold

Ely Gold is focused on developing recurring cash flow streams through the acquisition, consolidation, enhancement, and resale of highly prospective, un-encumbered North American precious metals properties. Ely's property development efforts maximize each property's potential for acquisition, while reserving significant royalty interests. Additional information about Ely Gold is available at the Company's website, at www.elygoldinc.com

Stephen Kenwood, P. Geo, is director of the Company and a Qualified Person as defined by NI 43-101. Mr. Kenwood has reviewed and approved the technical information in this press release.

On Behalf of the Board of Directors

Trey Wasser, President & CEO

Forward-Looking Statements

This news release contains statements concerning Ely Gold and Mineral's acquisition, development, and marketing of North American precious metal resource properties and the Company's intent to sell or option portfolio properties, while reserving any royalties. Such forward-looking statements or information are based on a number of assumptions, which may prove to be incorrect.

Although Ely Gold and Minerals believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include, but are not limited to, risks associated with geological, geometrical and geophysical interpretation and analysis, the ability of the Company to obtain financing, equipment, supplies and qualified personnel necessary to carry on exploration, exploitation or acquisition of properties and the general risks and uncertainties involved in mineral exploration and analysis.

The forward-looking statements or information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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

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