

VANCOUVER, Oct. 27, 2016 /CNW/ - Ely Gold & Minerals Inc. ("Ely Gold" or the "Company") (TSX-V: ELY, OTC: ELYGF) is pleased to announce that [Novo Resources Corp.](#) (TSX-V: NVO, OTCQX: NSRPF), through its wholly owned subsidiary Novo Resources (USA) Corp ("Novo") has exercised its option to purchase 100% of 24 unpatented mining claims in Elko County, Nevada (the "Claims"). The Claims, known as the Tuscarora Project, were lease/optioned by Novo on November 7, 2014 (the "Option Agreement").

The Option Agreement allowed Novo to purchase 100% of the Claims by making lease payments aggregating US\$100,000 over time. The final payment, which was due on November 7, 2016, was paid by Novo on October 4, 2016.

The Option Agreement also provides for:

1. a sliding scale net smelter returns royalty, subject to the gold price, as follows:

- less than or equal to \$1,500
- greater than \$1,500.00 but less than or equal to \$2,000
- greater than \$2,000

2. an advance minimum royalty payment as follows:

- third through fifth anniversaries
- sixth through tenth anniversaries
- eleventh and succeeding anniversaries

3. an area of interest of ½ mile

Ely Gold, through its wholly owned subsidiary, Nevada Select Royalty, Inc. was the underlying owner of the claims through staking and owns 50% of the Option Agreement which was executed in partnership with Platoro West Inc, a privately held Nevada corporation. Ely Gold and Platoro West will each be deeded 50% of the royalty and will each be entitled to 50% of the advance minimum royalty payments.

Novo recently completed a 4,775 foot (1,455 meters) reverse circulation drill program Tuscarora. Eight holes targeted the pediment-covered Navajo vein, a one km long target situated along the south-southeast extension of the Navajo vein which was the most prolific past-producing vein in the Tuscarora mining district. In Novo's news release, dated September 13, 2016, it announced the first assay results from this program including an intercept of 143.5 grams per tonne (gpt) gold over 1.5 m. Additional results, reported in a news release dated October 12, 2016, included intercepts of 21.50 gpt gold over 1.5 meters and 7.37 gpt gold over 3.1 meters within an intercept of 1.72 gpt gold over 35.1 meters.

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

On Behalf of the Board of Directors

Signed "Trey Wasser"
Trey Wasser, President & CEO

Neither 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 release. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those

currently anticipated in such statements.

SOURCE Ely Gold & Minerals Inc.

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