

VAL-D'OR, QUEBEC--(Marketwired - Oct 31, 2016) - 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, Québec.

Malartic CHL - Odyssey North Zone (3% NSR)

Abitibi Royalties holds a 3% NSR on the Odyssey North Zone located within the Malartic CHL Property. Odyssey North is proximate to the Odyssey South Zone and together, these zones comprise the "Odyssey Zones", "Odyssey deposit", "Odyssey" or "deposits" that is east of the main Canadian Malartic Mine open pit. The Canadian Malartic Mine and Malartic CHL Property are jointly operated by [Agnico Eagle Mines Ltd.](#) ("Agnico Eagle") and [Yamana Gold Inc.](#) ("Yamana") through the Canadian Malartic General Partnership.

A) Odyssey - Exploration Update

The Company observes that during the third quarter of 2016, a total of 56 drill holes (40,019 metres) were completed at Odyssey, bringing the year-to-date total to 113 holes (89,774 metres). The Company understands that drilling at Odyssey is expected to continue through year-end with an increased budget, previously established at Cdn\$13.5 million (95,000 metres of drilling). As stated by Agnico Eagle at the Denver Forum (September 20, 2016), nine drill rigs are active at the project.

Yamana stated in its Q3-2016 News Release, "Drilling during the third quarter focused on defining the margins of both deposits and adding infill holes to upgrade the potential resources to an inferred status. Drilling in the fourth quarter will continue this work and provide additional intercepts to better define potential high grade cross cutting structures. The Company is excited about the results received to date and looks forward to receiving a maiden Inferred Mineral Resource estimate in the first quarter of 2017."

Agnico Eagle stated in its Q3-2016 Conference Call, "[Odyssey] certainly was one of the reasons that both Yamana and Agnico Eagle were attracted to the opportunity of Osisko. There are two zones, Odyssey North and Odyssey South. We have traced Odyssey North Zone from 600 to 1,300 metres below surface, it's a large zone with a strike length over one kilometre".

B) Odyssey - Resource Estimate

Abitibi Royalties has been advised that an inferred mineral resource is expected to be estimated for Odyssey North with the operators fourth quarter and year-end financial results due in February 2017. Abitibi Royalties anticipates receiving a separate annual reserve and resource estimate for the areas at the Canadian Malartic Mine where it holds a royalty sometime after the operator's fourth quarter and year-end financial results are released. Yamana stated during its Q3-2016 Conference Call that "Infill drilling of the Odyssey deposits has returned positive results" and, referring to future steps after the initial inferred resource, "Drilling will continue into Q1 or Q2 of 2017 to develop indicated resources that could form the basis of a pre-feasibility study".

C) Odyssey - Possible Production

Yamana states in its Q3-2016 News Release "This deposit (Odyssey) supports optionality for enhanced production and life of mine" and during the Denver Gold Forum Yamana indicated that Odyssey could operate between 8,000-10,000 tonnes per day (tpd). The operators have provided a range for Odyssey North's gold grade at between 1.5 to 3.0 grams per tonne (gpt), with an average grade being shown as 2 gpt (Agnico Eagle Exploration News Release July 27, 2016 and Yamana's Q2-2016 Results Conference Call Presentation July 29, 2016).

Drill Hole Data and Locations

The Company has not received all, or, in some cases any of the drill hole information since Agnico Eagle and Yamana assumed operational control of the Malartic CHL Property in March 2015. Odyssey North strikes east-southeast and dips deeply to the south, with the mineralization on the eastern portion of the discovery appearing to straddle the Malartic CHL Property boundary at depth (please refer to the Company's plan map in its corporate presentation located at www.abitibiroyalties.com). The Company has not independently verified the location of the published assay results, nor subsequent drilling at Odyssey North and the Company can make no assurances that all of the assay results released to date, nor all of the additional drilling targeting Odyssey North, are within the limits of the Malartic CHL Property where Abitibi Royalties holds a 3% NSR. Any resource estimate for Odyssey North released by the operators with their fourth quarter and year-end financial results may differ from the actual Abitibi Royalties NSR interest due to the location of the Malartic CHL Property boundary.

The Company also wishes to clarify the section numbers for two drill holes in its September 12, 2016 news release. Hole ODY16-5056 section number is 718000E (previously stated as 718800E) and hole ODY-16-5058 section number is 717800E (previously stated as 718800E).

Update on Barnat Extension and Jeffrey Deposits (3% NSR)

The Company holds a 3% NSR on the eastern portion of the Barnat Extension (Barnat East) 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 and is pending final approval.

Agnico Eagle states in its Q3-2016 News Release, "Following the Québec Bureau des Audiences Publiques sur l'Environnement ("BAPE") public hearings in June and July 2016, permitting of the Canadian Malartic extension project and Highway 117 deviation reached an important milestone with the issue of the BAPE report on October 5, 2016. The report concluded that the project is acceptable and provides several recommendations intended to enhance social acceptability. The next step is for the Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques to review the report and present their decision to Cabinet for approval. No date for the approval has been set, but the Partnership anticipates that this may occur in the first half of 2017."

Based on current estimates, cash flow from the Jeffrey Zone in 2017 has been estimated by the Company at approximately Cdn\$430,000 and for the Jeffrey and/Barnat Extension Zones in 2018 at approximately Cdn\$1.85 million based on information provided by Agnico Eagle and Yamana (Abitibi Royalties News Release March 29, 2016) and a gold price of US\$1,270 per ounce (1.34 CDN:USD Exchange Rate). No production details have been provided by the mine operators beyond 2018.

QUALIFIED PERSON

Glenn J. 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 which is based on and derived from information contained in Agnico Eagle's Q3-2016 News Release (October 26, 2016), Agnico Eagle's Q3-2016 Results Conference Call (October 27, 2016), Agnico Eagle's Exploration News Release (July 27, 2016), Agnico Eagle's Denver Gold Forum Corporate Presentation Webcast (September 29, 2016), Yamana's Q3-2016 News Release (October 27, 2016), Yamana's Q3-2016 Results Conference Call (October 28, 2016), Yamana's Denver Gold Forum Corporate Presentation Webcast (September 20, 2016) and Q2-2016 Results Conference Call Presentation (July 29, 2016).

About Abitibi Royalties

Abitibi Royalties holds a 3% NSR on the Odyssey North discovery, Jeffrey Zone and the eastern portion of the Barnat Extension, located inside the Malartic CHL property 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. The Company owns common shares in Yamana Gold and Agnico Eagle Mines (market value), plus cash (as of June 30, 2016) of approximately Cdn\$47.1 million. The Company is debt free.

Golden Valley Mines Ltd. and Rob McEwen hold approximately 49.4% and 12.3% 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.

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