Royalties acquired near Goldcorp's Red Lake mine & Pure Gold's Madsen mine

VAL-D'OR, QUEBEC--(Marketwired - Nov 29, 2016) - Abitibi Royalties Inc. (TSX VENTURE:RZZ) ("Abitibi Royalties" or the "Company") is pleased to announce that the Company has partnered with AuRico Metals Inc. ("AuRico") for the purpose of entering into an agreement with Frontline Gold Corp. ("Frontline") that allows each company to acquire a 1% net smelter royalty ("NSR") on several early stage exploration projects in the Red Lake district. The exploration projects are located south of Goldcorp's Red Lake mine, with the largest claim package adjoining Pure Gold's Madsen mine to the east and south (Fig. 1 - Claim Map).

These acquisitions will build on the Company's Red Lake royalty portfolio, which also includes a 2% NSR on the White Horse Island Project (also owned by Frontline), situated between the Goldcorp / Premier Gold Rahill-Bonanza Gold Property and Premier Gold's Hasaga Gold Property (Fig. 1). A total of fourteen royalties have now been purchased near existing mines since the Company's "Royalty Search" was launched in June 2015 (http://www.abitibiroyalties.com). Please click here for a full list.

1% NSR - RED LAKE EXPLORATION PROJECTS

In exchange for the 1% NSR on the Red Lake exploration projects, Abitibi Royalties has agreed to pay Frontline Cdn$13,000, with AuRico agreeing to pay an equal amount. Abitibi Royalties will pay the cash consideration from its treasury.

Since launching the Royalty Search in June 2015, fourteen royalties near existing mining operations have been acquired, which include royalties surrounding or near Agnico Eagle and Yamana's Canadian Malartic mine in Québec, Agnico Eagle's Lapa mine in Québec, Alamos Gold's Young-Davidson mine in Ontario, Eldorado's Efemcukuru mine in Turkey, Goldcorp's Red Lake mine in Ontario, Hudbay's 777 mine in Manitoba, Metanor Resources Bachelor mine in Québec and New Gold's Rainy River mine in Ontario.

The Royalty Search (www.abitibiroyalties.com) is an easy to use website that allows mining companies and prospectors a quick way of accessing capital.

Abitibi Royalties is offering to pay the annual 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 an NSR on the property. To date over 100 properties have been submitted through the website and 14 agreements have been finalized.

MENDERES GOLD PROJECT - TURKEY (3% NSR)

The Company has been informed by Frontline that drilling initially scheduled for September / October has been deferred to the first half of 2017 in order to complete additional work that should allow Frontline to better target possible extensions of Eldorado Gold Corp.'s Efemcukuru gold mine in Turkey.

YAMANA RIGHTS OFFERING

The Company has decided to sell its purchase rights ("Purchase Rights") payable by Yamana Gold and not participate in the Brio Gold offering. Abitibi Royalties intends to use the proceeds from the sale to repurchase shares of the Company under its Normal Course Issuer Bid ("NCIB"). Based on the last trading price of the Purchase Rights (Cdn$0.295), the Company would receive approximately Cdn$65,450.

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 September 30, 2016) of Cdn$41.8 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.

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.

Fig 1 - Red Lake District Abitibi Royalties NSR Interest

Contact

Shanda Kilborn
Director, Corporate Development
1-888-392-3857
info@abitibiroyalties.com