

VAL-D'OR, QUEBEC--(Marketwired - May 8, 2017) - Abitibi Royalties Inc. (TSX VENTURE:RZZ) ("Abitibi Royalties" or the "Company") is pleased to provide an update on the Company's various net smelter royalties ("NSR") at the Canadian Malartic Mine, near Val-d'Or, Québec. The Canadian Malartic Mine is jointly operated by [Agnico Eagle Mines Ltd.](#) ("Agnico Eagle") and [Yamana Gold Inc.](#) ("Yamana") through the Canadian Malartic General Partnership ("Partnership").

Odyssey Zones Exploration Update (3% NSR)

Abitibi Royalties holds a 3% NSR on the portions of the Odyssey Zones (Odyssey North, Odyssey South, Internal Zones), within the Malartic CHL Property, which is located east of the Canadian Malartic open pit (Fig. 1).

During the first quarter of 2017, 34 holes (totaling 22,676 metres) were drilled at Odyssey. Yamana reports in its Q1-2017 news release that the focus at Odyssey was on tightening the spacing between existing data in the North and South mineral bodies and importantly, to better define the inter-porphry mineralized crossing structures (Internal Zones). Initial results are encouraging from both the Jupiter crossing structure and the South mineral body as visible gold was recorded from both targets. Agnico Eagle states in its Q1-2017 news release that drilling also focused on expanding the mineral resources in Odyssey South.

In February the Partnership released a number of significant drill results from the newly discovered Internal Zones that extend from the Odyssey North Zone and were not included in the initial inferred Odyssey Project resource estimate. Agnico Eagle stated in February that drilling indicated that the Internal Zones could increase mineral resources and enhance the economics of the Odyssey Project by adding higher grade ounces that would require minimal additional infrastructure to access. To view a plan map and cross section of the Internal Zones (labeled as the Jupiter Zone and Marianne Zone) please see Yamana's Investor Day 2017 Presentation (May 5, 2017) that can be found on their corporate website www.yamana.com.

As of December 31, 2016 the extreme northwest portion of the Odyssey South resource extended onto the Malartic CHL property where the Company holds a 3% NSR. This portion of Odyssey South (Inferred Resource: 4,890 ounces @ 1.38 gpt within 110,294 tonnes) was included in the Company's inferred resource update for the Odyssey Project (March 10, 2017 news release). Although the resource is currently small relative to Odyssey North, other zones where the Company holds an NSR and Odyssey South as a whole, it is encouraging that Odyssey South extends northwest onto the ground covered by the Company's 3% NSR. Agnico Eagle states in its Q4-2016 news release that they are evaluating several potential opportunities (none of which have yet been approved for construction) at a number of existing operations to enhance their production profile in 2018 through 2020, which included the Odyssey South Zone.

Near Pit Targets Update (2-3% NSR)

Exploration programs at the Canadian Malartic Mine are ongoing to evaluate several Near Pit Targets. Abitibi Royalties holds an NSR on several of the Near Pit Targets that were previously outlined by the Partnership that include the eastern portion of the Gouldie Zone (2% NSR), the Charlie Zone (2% NSR), eastern portion of the Barnat Extension/Barnat South Wall Contact (3% NSR) and the Sheehan Zone (3% NSR) (Fig. 2). Agnico Eagle states in its Q4-2016 news release that they are evaluating several potential opportunities (which have not been approved) at a number of existing operations to enhance its production profile in 2018 through 2020. The Near Pit Targets around the Canadian Malartic Mine were identified as one possible opportunity. Yamana stated at their 2016 annual meeting that they are looking at the ounces below the pit that are not currently considered economic.

Agnico Eagle stated during their Q1-2017 conference call and 2016 annual meeting that they are interpreting old drill holes from the East Malartic Mine, located below the open pit where they feel there is potential to add additional ounces in an underground context (Fig. 3). Abitibi Royalties' 3% NSR covers portions of the East Malartic Mine (Fig. 3). Yamana states during its Investor Day webcast that the historic cutoff grade for the East Malartic Mine was 4.5 grams per tonne (gpt) and the remaining mineralization could be economic and the potential exists to build one shaft that could access this mineralization from the East Malartic Mine and Odyssey, which could help bring Odyssey forward.

As previously released by Abitibi Royalties, a zone exists at the bottom of the East Malartic Mine where the Company holds a 3% NSR, called the Norrie Zone, where several wide intersections of gold mineralization were previously encountered by underground drilling (historic drilling) and surface drilling (2008 drilling) (Fig. 3). For further information on the Norrie Zone and previously released drill results, please see [click here](#) (August 19, 2014 news release).

For further information on reserve and resources at the Company's NSR's please [click here](#) (March 10, 2017 news release), which includes stated reserve and resources for the Near Pit Targets covered by the Company's NSRs.

Canadian Malartic Mine Exploration Budget & Future Update

Agnico Eagle previously announced that the Partnership has budgeted USD\$11 million for a total of 99,700 metres of drilling in 2017 (US\$6.4 million for 46,000 metres is being expensed and US\$4.6 million for 53,700 metres is being capitalized) at the Canadian Malartic Mine. Yamana states in its Q1-2017 news release that a supplementary budget will be requested in the second quarter based on first quarter results and that the goal at Odyssey is to better define the Internal, North and South Zones and

extend the deposit to the east. Yamana states during its Investor Day webcast that an exploration update with specific drill results could be released between July and August.

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

The Company holds a 3% NSR on the Jeffrey deposit and the eastern portion of the Barnat Extension (Barnat East), both of which are included in the proposed expansion of the Canadian Malartic Mine (Fig. 1).

On April 19, 2017, the Government of Québec announced the issuance of two decrees authorizing the Partnership to carry out the proposed expansion of the Canadian Malartic Mine and the diversion of Highway 117. The preparatory work for the proposed expansion will begin after obtaining the certificates of authorization to be issued by the *Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques*.

As last communicated by the Partnership, production from the Jeffrey Zone and the Barnat Extension Zone where the Company holds a 3% NSR is expected to commence in 2018. Further details regarding the Company's royalty production schedule for 2018-2019, in addition to reserve and resource estimates for the two areas (as of December 31, 2016) can be found here.

Technical Information

Abitibi Royalties has not received any of the Q1-2017 drill hole data from Odyssey North, Odyssey South, Internal Zones or the Near Pit Targets. The Company cannot make any assurances that all or any of the recent drilling completed at Odyssey North, Odyssey South, Internal Zones or the Near Pit Targets during Q1-2017 encountered mineralization where Abitibi Royalties holds a NSR or that the portion of the East Malartic Mine where the Partnership is reviewing the historic drill information is covered by the Company's 3% NSR. As of December 31, 2016, the Company believes that its 3% NSR covered all of Odyssey North with the mineralization appearing close to the property boundary at the east end of the deposit (Fig. 1). As of December 31, 2016 the Company's 3% NSR is believed to cover the extreme northwest portion of the Odyssey South (Fig. 1). The Company believes that the majority of the intercepts from the Internal Zones appear to be within the Malartic CHL Property where the Company holds a 3% NSR or straddle the property boundary. Although the Company believes the drill results from the Internal Zones could have a positive impact on its 3% NSR, the Company has not independently verified the drill hole data and cannot confirm, nor can there be any assurance, that all or any of the previous or current drilling from the Internal Zones encountered mineralization on the Malartic CHL Property where the Company holds a 3% NSR. Please see Fig. 2 to view the Near Pit Targets that are covered by the Company's various NSR interests. The full impact of the additional drilling will not be known until the mine operators calculate an updated reserve and resource estimate for the portions that are attributable to the Company's NSR interest. Full details of the last drill assays released by the Partnership, including coordinates for the Internal Zones and plan map for the Odyssey Project can be found in Agnico Eagle's or Yamana's Q4-2016 news release dated February 15, 2017 and February 16, 2017, respectively. Additional information for the Odyssey Project can be found on the Company's website www.abitibiroyalties.com. Also, Yamana states on its Q1-2017 conference call that they are preparing a prefeasibility on Odyssey and then will have to complete a feasibility study. The Company has not been informed which parts of Odyssey will be included in these studies.

QUALIFIED PERSON

Glenn Mullan, Chairman, is the Qualified Person (as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects) who has reviewed this news release based on the data provided and is responsible for the technical information reported herein. Information contained in this news release (Excluding Figures or as otherwise stated) is derived from information contained in Agnico Eagle's Q1-2017 news release (April 27, 2017), Yamana's Q1-2017 news release (May 3, 2017), Agnico Eagle's Q1-2017 conference call (April 28, 2017), Yamana's Q1-2017 conference call (May 4, 2017), Agnico Eagle's 2016 annual meeting webcast (April 28, 2017), Yamana's 2016 annual meeting webcast (May 4, 2017), Yamana's Investor Day webcast and presentation (May 5, 2017), Agnico Eagle's Q4-2016 news release (February 15, 2017), Yamana's Q4-2016 news release (February 16, 2017), Agnico Eagle's Q4-2015 news release (February 10, 2016) and without independent verification.

Legal Update

On April 10, 2017, the Quebec Superior Court dismissed the application for an interlocutory injunction. No dates have been set for the hearing of the application for a permanent injunction to restrict the Canadian Malartic mine's mining operations to sound levels and mining volumes below the limits to which it is subject.

Investments and Normal Course Issuer Bid Update

As of the date of this news release, the Company's investment income (Dividends, Puts Options and Covered Call Options) in 2017 totals approximately CDN\$645,000. The proceeds have been used to purchase additional royalties under the Abitibi Royalty Search, share repurchases under its Normal Course Issuer Bid ("NCIB") and for general corporate purposes.

Under its current NCIB, Abitibi Royalties has acquired through the TSX-Venture Exchange, an additional 6,300 shares (since last

reported on March 10, 2017) for a total of 52,000 shares at an average cost of CDN\$9.24 per share. The Company now has 11,284,243 shares outstanding (as of May 5, 2017).

For more information on the Company's investments, dividends, individual Put and Covered Call contracts and NCIB, please see the Company's Q4-2016 MD&A (prepared as of April 19th, 2017) and Financial Statements, which can be found on the Company's website www.abitibiroyalties.com.

About Abitibi Royalties

Abitibi Royalties holds a 3% NSR on the Odyssey, Jeffrey, eastern portion of the Barnat Extension and the East Malartic Mine, 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 (Q4 December 31, 2016 cash balance, plus proceeds from January 20, 2017 Agnico Eagle share sale) of approximately CDN\$41.6 million. The Company is debt free.

[Golden Valley Mines Ltd.](#) and Rob McEwen hold approximately 49.7% 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.

To view *Fig. 1 - Plan Map of Canadian Malartic Mine & Abitibi Royalties' NSR Holdings*, please visit the following link: <http://media3.marketwire.com/docs/1093942-F1.pdf>

To view *Fig. 2 - Plan Map of Canadian Malartic Mine & Near Mine Targets Covered by Abitibi Royalties' NSR*, please visit the following link: <http://media3.marketwire.com/docs/1093942-F2.pdf>

To view *Fig. 3 - Schematic Longitudinal Section of Malartic CHL Property*, please visit the following link: <http://media3.marketwire.com/docs/1093942-F3R.pdf>

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