Ely Gold Royalties Options Gold Canyon Project to Fremont Gold

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Vancouver, Jan. 16, 2018 - Ely Gold Royalties Inc. (TSXV: ELY) (OTC: ELYGF) ("Ely Gold" or the "Company") through its wholly owned subsidiary, Nevada Select Royalty, Inc ("Nevada Select") is pleased to announce that it has entered into a definitive option agreement with Intermont Exploration LLC., ("Intermont") a Nevada limited liability company and a wholly owned subsidiary of Fremont Gold Ltd, a British Columbia Corporation ("Fremont") whereby Fremont has the option to acquire a 100% interest in the Gold Canyon Project, located in Eureka County, Nevada (the "Option" or "Option Agreement"). The total Option consideration (if exercised by Fremont) is US$802,500 and Nevada Select will retain a net smelter returns royalty ("NSR"). The Option Agreement was executed December 29, 2017 (the "Effective Date").

The Gold Canyon Claims consists of twenty-six (26) unpatented mining claims (460 acres) and is part of the original Gold Bar mining complex operated by Atlas Gold Mining Corp from 1986 to 1994 ("Atlas"). The claims are located only 900 meters northwest of McEwen Mining Inc.'s Gold Ridge ore body and are surrounded by the Gold Bar mine development. Gold Bar is scheduled to produce 65,000 ounces of gold for eight years starting in the first quarter of 2019. Nevada Select acquired the Gold Canyon claims through staking.

Jerry Baughman, President of Nevada Select commented on the Option, "This is exactly the kind of high-quality project and exploration partner we need to confirm the historic ounces at Gold Canyon and explore the high-quality targets identified by Atlas"

The Option

Under the terms of the Option Agreement, Fremont can acquire a 100% interest in the Property by making an initial payment of US$15,000 (paid), followed by:

- $37,500 six months after the Effective Date
- $150,000 one year after the Effective Date
- $112,500 two years after the Effective Date
- $112,500 three years after the Effective Date
- $112,500 four years after the Effective Date
- $300,000 five years after the Effective Date (the "Final Option Payment")

Fremont may terminate the Option Agreement at any time without further liability for future Option payments.

In addition to the payments, Fremont must pay advance royalty payments as follows:

- $25,000.00 on the first, second and third anniversary of the Final Option Payment; and
- $35,000.00 on the fourth anniversary of the Final Option Payment and on each anniversary thereafter.

There are no work commitments or additional expenditures required other than Fremont's obligation to maintain the claim maintenance fees. If the Option is exercised by Fremont, Nevada Select will retain a 2% NSR on the Gold Canyon Claims and a 1% NSR on any acquired or staked additional claims located within a one-mile area of interest. Fremont will have the right to buy-down 1% of the underlying royalties on all the claims for an aggregate purchase price of $3,000,000.

Trey Wasser, President and CEO of Ely Gold stated, "This transaction provides another excellent example of our royalty model. Finalizing this Option Agreement adds another important development royalty to our Nevada asset portfolio."

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.

About Ely Gold Royalties Inc.

Ely Gold Royalties is an emerging royalty company with development assets focused in Nevada and the Western US. The Company is actively purchasing existing third-party royalties for its portfolio and all the Company's Option Properties will produce royalties if exercised. Its current portfolio includes 20 Deeded Royalties and 17 Optioned Properties. A majority of the royalties and option properties have active exploration programs and are being developed by partners comprised of majors, mid-tier gold producing companies and well-funded junior explorers. In 2018, Ely Gold estimates it will generate positive cash flow from its current portfolio. Ely Gold maintains a strong cash position and a gold stock equity portfolio. Ely Gold is well positioned with its current portfolio of available properties to generate additional operating revenue through option and sale transactions. The Company has a proven track record of maximizing the value of its properties through claim consolidation and advancement using its extensive, proprietary data base.

On Behalf of the Board of Directors

Signed "Trey Wasser"
Trey Wasser, President & CEO

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