

Ely Gold Royalties Purchases Net Profit Royalty from Liberty Gold

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Regent Hill Production Ramping up at the Denton-Rawhide Mine, Nevada

Vancouver, December 18, 2019 - Ely Gold Royalties Inc. (TSXV: ELY) (OTCQB: ELYGF) ("Ely Gold") or the ("Company") and its wholly owned subsidiary, Nevada Select Royalty, Inc ("Nevada Select") are pleased to announce that they have signed a binding term sheet (the "Agreement") for the purchase and assignment of a net profit interest ("NPI") from Pilot Gold USA Inc., a Delaware corporation and wholly-owned subsidiary of [Liberty Gold Corp.](#) (TSX: LGD) (OTCQB: LGDTF), a British Columbia corporation (collectively "Liberty"). (All amounts in US dollars).

The NPI was created through a sale agreement dated January 8, 2013 between Liberty and Rawhide Mining LLC ("Rawhide LLC") for the Regent Hill Property ("Regent Hill") located in Mineral County, Nevada (the Pilot-Rawhide Agreement). Rawhide was granted a mining permit for Regent Hill in early 2019 and began mining operations at the property in the second fiscal quarter of 2019. Regent Hill's mineralized material is currently being processed at The Rawhide Mine, located 2.5 kilometres southeast of Regent Hill. Under the Agreement, Ely Gold will pay Liberty \$800,000 cash and issue 2,000,000 warrants priced at C\$0.43 for Ely Gold common shares, at closing. The Agreement is subject to TSX-Venture Exchange approval.

The Pilot-Rawhide Agreement

Rawhide paid Pilot \$3 million in cash for Regent Hill and retained a 15% NPI. The NPI was calculated allowing Rawhide certain cost deductions for development, operations and exploration, including the purchase price, but not including depreciation and depletion. Mining at Regent Hill, by Rawhide, is recovering development costs and the purchase price. NPI payments are expected to begin in late 2020. The Pilot-Rawhide Agreement also included a "Gold Bonus Payment" after 115,000 ounces of gold have been placed onto the leach pad. The Gold Bonus Payment is paid on every gold equivalent ounce placed on the leach pad as follows:

Gold Price (per oz.)	Bonus (per oz.)
Over \$1800 gold	\$29.050
\$1700 to \$1800 gold	\$27.275
\$1600 to \$1700 gold	\$17.500
\$1500 to \$1600 gold	\$11.550
\$1400 to \$1500 gold	\$5.775
Less than \$1400 gold	\$0

Jerry Baughman, President of Nevada Select commented, "We have a first-hand working knowledge of the deposit and the excellent exploration potential of the Regent Hill property. Furthermore, we are very familiar with the operators, Rawhide LLC and we were impressed with the overall quality of their operations on our recent site visit."

Trey Wasser, President and CEO commented, "We want to thank Liberty for the opportunity to purchase this near-term producing royalty. We expect this asset to generate a significant return for our shareholders while offering excellent leverage to the gold price due to the Gold Bonus Payment. The Regent Hill Property also offers some excellent exploration upside."

The Regent Hill Property and Rawhide

Regent Hill is made up of 196 unpatented mining claims covering 3,006 acres. The Regent Hill area is now part of the Rawhide Mine which has reported historical production of 80,000 ounces of gold and 600,000 ounces of silver between 1906 and 1966. Between 1990 and 2010, Kennecott Rawhide Mining Corp.

produced an additional 1.56 million oz gold and 11.5 million oz silver from the Denton-Rawhide. The mine was purchased by Rawhide LLC in 2010 and has continued to produce gold and silver.

The Regent Hill area was previously explored for near-surface, disseminated gold and silver resources by Newmont Mining Corporation and Kennecott Mining Company. These programs resulted in over 580 shallow drill holes, the vast majority of which were vertical reverse circulation holes drilled on a grid within a limited area. (Summary Technical Report Regent Gold Project Mineral County, Nevada January 4, 2011, filed on SEDAR, April 6, 2011).

In 2011, Pilot Gold explored Regent Hill by means of a thorough campaign of surface geological mapping, prospecting, grid soil sampling, ground magnetics and gravity surveys, reconnaissance CSAMT lines, and a drilling program consisting of approximately 9,841.5 metres of drilling in 20 diamond core and 22 reverse circulation holes. Drill hole data was compiled into a database and a three-dimensional geologic model was constructed for use in a resource estimation in a 43-101 report. However, due to the sale to Rawhide LLC, the report was never filed on SEDAR. (Pilot Gold press releases dated April 21 and September 16, 2011). Rawhide LLC's Amended Plan of Operations and Reclamation Plan (dated September 28, 2016, revised June 2017, October 2017 and February 2018 approved by the Bureau of Land Management in October 2018) called for mining 5,300,000 tons of mineralized material and 5,500,000 tons of waste from two Regent Hill pits.

About Ely Gold Royalties Inc. [Ely Gold Royalties Inc.](#) is a Vancouver-based, emerging royalty company with development assets focused in Nevada and Quebec. Its current portfolio includes 35 Deeded Royalties and 21 properties optioned to third parties. Ely Gold's royalty portfolio includes producing royalties, fully permitted mines and development projects that are at or near producing mines. The Company is actively seeking opportunities to purchase existing third-party royalties for its portfolio and all the Company's option properties are expected to produce royalties, if exercised. The royalty and option portfolios are currently generating significant revenue. Ely Gold is well positioned with its current portfolio of over 20 available properties to generate additional operating revenue through option and sale agreements. 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. All portfolio properties are sold or optioned on a 100% basis, while the Company retains royalty interests. Management believes that due to the Company's ability to generate third-party royalty agreements, its successful strategy of organically creating royalties, its equity portfolio and its current low valuation, Ely Gold offers shareholders a low-risk leverage to the current price of gold and low-cost access to long-term mineral royalties.

Stephen Kenwood, P. Geo, is a 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.

On Behalf of the Board of Directors

Signed "Trey Wasser"
Trey Wasser, President & CEO

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FORWARD-LOOKING CAUTIONS: This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, including statements regarding its current assets, Company acquisitions of additional royalty interests, and the requirement for TSX Venture Exchange approvals. These matters are subject to certain risks and uncertainties. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential,"

"goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur, or are those statements, which, by their nature, refer to future events. The Company cautions that Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Except to the extent required by applicable securities laws and the policies of the Exchange, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change. Factors that could cause future results to differ materially from those anticipated in these forward-looking statements include risks that the Company may not secure the required regulatory approvals, including the acceptance of the TSX Venture Exchange, and the Company may not be able to identify suitable new royalty acquisitions, and the risk of political uncertainties and regulatory or legal disputes or changes in the jurisdictions where the Company carries on its business that might interfere with the Company's business and prospects. The reader is urged to refer to the Company's reports, publicly available through the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com for a more complete discussion of such risk factors and their potential effect.

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