# Ely Gold Royalties Announces CAN$10,000,000 Brokered Private Placement

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VANCOUVER, May 04, 2020 - Ely Gold Royalties Inc. (“Ely Gold”) or the (“Company”) (TSX-V: ELY, OTCQB: ELYGF) announced today that it has agreed to undertake a brokered private placement of up to 12,500,000 units (each a “Unit”) at a price of C$0.80 per Unit for gross proceeds of C$10,000,000 (the “Offering”) with a syndicate of agents (the “Syndicate”) co-lead by Clarus Securities Inc. and Mackie Research Capital Corporation as joint bookrunners (the “Co-Lead Agents”) and including PowerOne Capital Markets Limited.

Each Unit will comprise one Ely Gold common share (a “Common Share”), and one half of one non-transferable Common Share purchase warrant (each whole, a “Warrant”). Each Warrant will be exercisable to purchase one additional Common Share for a period of three (3) years at an exercise price of C$1.00. The Warrants will be subject to acceleration of the expiry date to 30 calendar days upon notice by the Company in the event that the volume weighted average price of the Common Shares is greater than or equal to C$1.60 for a period of five (5) consecutive trading days on the TSX Venture Exchange or other Canadian stock exchange on which the Common Shares are principally traded.

The Offering will be conducted on a best efforts agency basis under the terms of an agency agreement to be entered into between the Company and the Syndicate. On closing of the Offering, subject to the related party qualification noted below, the Company has agreed to pay the Syndicate a cash fee equal to 6.0% of the gross proceeds of the Offering, and a number of broker warrants equal to 6.0% of the number of Units sold (a “Broker Warrant”). Each Broker Warrant will be exercisable to purchase one Common Share for a period of three (3) years at an exercise price of C$0.80 and will not be subject to the same acceleration terms.

Eric Sprott, an insider of the Company is expected to participate in the Offering, such participation constituting a related party transaction pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company intends to rely on section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement, and section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement, under MI 61-101 as the fair market value of the transaction does not exceed 25% of the Company’s market capitalization. With respect to Mr. Sprott’s subscription amount, the commission will be limited to a cash fee of 2.0%.

The Company intends to use the net proceeds raised from the Offering principally for future royalty acquisitions and related project generative activities, and secondarily for general working capital purposes.

The Offering will be conducted in all provinces of Canada, and in such other jurisdictions as are agreed to by the Company and the Syndicate. Pursuant to applicable Canadian securities laws, all securities issued and issuable in the Offering will be subject to a four (4) month hold period from the closing date. The Offering, including the payment of any broker fees, is subject to TSX Venture Exchange approval. Closing of the Offering is expected on or about May 21, 2020.

About Ely Gold Royalties Inc. Ely Gold Royalties Inc. is a Nevada focused gold royalty company. Its current portfolio includes royalties at some of Nevada’s largest gold mines, including Jerritt Canyon, Goldstrike and Marigold as well as the Fenelon property in Quebec, operated by Wallbridge Mining. Ely Gold’s royalty portfolio includes several advanced projects that are scheduled for production by 2023. The Company continues to actively seek opportunities to purchase producing or near-term producing royalties. Ely Gold is also generating development royalties through property sales on projects that are located at or near producing mines. Management believes that due to the Company’s ability to locate and purchase third-party royalties, its successful strategy of organically creating royalties and its gold focus,

Ely Gold offers shareholders a low-risk leverage to gold prices and low-cost access to long-term gold royalties.

On Behalf of the Board of Directors
*Signed “Trey Wasser”*
Trey Wasser, President & CEO


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Forward-Looking Caution: This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, including statements regarding the timing and size of the Offering, the anticipated use of proceeds, the required TSX Venture Exchange acceptance of the Offering, the future exercise of options on the Company’s properties, the ability of the Company to generate and acquire new royalty interests, the Company’s prospects for future revenue generation, management’s assessment of the risks associated with the Company’s business and stated plans for further near-term exploration and development of the Company’s properties. 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 TSX Venture 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 the risk of accidents and other risks associated with mineral exploration, development and extraction operations, the risk that its partners will encounter unanticipated geological factors, or the possibility that they may not be able to secure permitting and other governmental clearances, necessary to carry out their stated plans for the Company’s properties, the Company's inability to secure the required Exchange acceptance required for the Offering, 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.

*This press release, required by Canadian securities laws applicable to the Company and the Offering, is not for distribution to U.S. news services or for dissemination in the United States, and does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities described in this press release have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "1933 Act") or any state securities laws, and may not be offered or sold within the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.*

*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 release.*

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