

Ely Gold Royalties Purchases Three Royalties from Nevada Prospector Ken Snyder

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Royalties include .33% NSR on the Sleeper Mine, 1% NSR on the Lincoln Hill Property and 1% NSR on Mt. Hamilton Project

Vancouver, August 11, 2020 - [Ely Gold Royalties Inc.](#) (TSXV: ELY) (OTCQX: ELYGF) ("Ely Gold" or the "Company") is pleased to announce that the Company, through its wholly owned subsidiary Nevada Select Royalty Inc ("Nevada Select") has signed a binding term sheet purchase for a package of three net smelter returns ("NSR") royalties from prospector Ken Snyder ("Snyder") for US\$350,000 cash (the "Transaction"). The royalty package includes a 0.33% NSR on the Sleeper Mine (the "Sleeper Royalty"), a 1.0% NSR on 38 unpatented mining claims in Pershing county Nevada (the "WR Royalty") and a 1% NSR on 40 acres of fee ground in White Pine County, Nevada (the "Monte Cristo Royalty"). The Transaction is subject to final documentation and closing is expected to be September 15, 2020.

The Sleeper Royalty

The Sleeper Gold Project ("Sleeper") is 100% owned by Paramount Gold Nevada ("Paramount"). It is a former high-grade open pit gold producer located approximately 25 miles northwest of the town of Winnemucca, Nevada. The Sleeper Mine was operated by AMAX Gold Inc. ("Amax") from 1986 until 1996, producing 1.66 million ounces of gold and 2.3 million ounces of silver. Paramount acquired the Sleeper Mine in a merger with X-Cal Resources ("X-Cal") in August 2010. On September 28, 2017, Paramount filed a 43-101 technical report titled Amended Preliminary Economic Assessment, Metal Mining Consultants, September 2017 (the "Sleeper Report"). The Sleeper Report outlined a Pit constrained mineral resource using a mining and processing cost of \$550 and precious metal prices of \$1,300 gold and \$16.00 silver as follows:

To view an enhanced version of Table 1, please visit:

https://orders.newsfilecorp.com/files/4181/61444_89b2c9d3142d990f_001full.jpg

Highlights of the Sleeper Report include:

- Low Initial Capital of \$175 Million for a 30,000 tonnes per day operation
- Estimated annual production of 102,000 ounces of Gold and 105,000 ounces of Silver
- Low cash operating cost of \$529 per ounce of Gold Equivalent produced
- Base Case has a \$244 million pre-tax net cash flow, a \$167 million net present value at a 5% discount rate and an internal rate of return of 25% at US\$1300 gold
- Confirmed the potential to add mineralized material

The Sleeper Royalty was granted to Snyder by X-Cal in June 2007. In April 2017, Paramount announced that it had closed a previously announced sale of a 2% NSR on the Sleeper Gold property to Franco-Nevada Corporation (NYSE: FNV) (TSX: FNV) for US\$2 million

Trey Wasser, President & CEO of Ely Gold stated, "This transaction is a testament to our ability to make third-party royalty purchases due primarily to Jerry's long-standing relationships throughout Nevada".

The WR Royalty

The WR Royalty covers 38 unpatented mining claims (the "WR Claims") on the Lincoln Hill & Gold Ridge properties currently owned by Coeur Mining Inc. (NYSE: CDE) ("Coeur") (see Figure 1) Snyder sold the WR Claims to X-Cal in 2008 and retained the WR Royalty. The Lincoln Hill property is adjacent to Coeur's Rochester Mine. Ely Gold currently holds a 2% NSR on separate claims at Lincoln Hill where Coeur is

currently undertaking development drilling. The WR Claims are adjacent to Ely Gold's 2% Lincoln Hill Royalty property.

Figure 1

To view an enhanced version of Figure 1, please visit:

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Jerry Baughman, President & CEO of Ely Gold stated, "This royalty package adds three excellent Nevada royalties to our portfolio. The price for the Sleeper Royalty compares very favorably to the Franco Nevada transaction which was completed in 2017 at \$1,300 gold."

The Monte Cristo Royalty

The WR Royalty covers 40 acres of fee ground at the Mt. Hamilton project currently owned by Waterton Global ("Waterton"). Mt. Hamilton is fully permitted for mine construction and the Monte Cristo royalty is Ely Gold's second royalty at Mt. Hamilton. Ely Gold sold the Mt. Hamilton project to Waterton in August 2015.

Qualified Person

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 Inc.](#) is a Nevada focused gold royalty company. Its current portfolio includes royalties at Jerritt Canyon, Goldstrike and Marigold, three of Nevada's largest gold mines, as well as the Fenelon mine in Quebec, operated by Wallbridge Mining. The Company continues to actively seek opportunities to purchase producing or near-term producing royalties. Ely Gold also generates 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 strategy of organically creating royalties and its gold focus, Ely Gold offers shareholders a favourable leverage to gold prices and low-cost access to long-term gold royalties in safe mining jurisdictions.

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, but not limited to, statements regarding completion of the Transaction. 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 Company's inability to control whether the buy-down right will ever be exercised, and whether the right of first refusal will ever be triggered, uncertainty as to whether any mining will occur on the property covered by the Probe Royalty such that the Company will receive any payment therefrom, and the general risks and uncertainties relating to the mineral exploration, development and production business. 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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