

## NEVADA SELECT ROYALTY- AVAILABLE PROPERTIES

(January 2018)

### ● COUNTY LINE PROPERTY HIGHLIGHTS (AU,AG):

**Location: Mineral/Nye Co., T10N, R36E, Fairplay Mining District. Elevation: 5,000'.**

Geology/Description: The property is located within the mineral-endowed Walker Lane Trend and is part of the Paradise Peak collection of high sulphidation epithermal deposits. The district produced a total of 1.5Moz of gold and 38.9 Moz of silver. The County Line open pit historically produced 81,000 oz of gold and 760,000 oz silver. The Porphyry Pit is about 2,500 feet SE of the County Line pit and produced 7,400 oz of gold and 8,000 oz silver.

Four targets; the County Line Pit, Porphyry Pit, Newman Ridge and the Jackpot zone were discovered by Gold Resources south of Newman Ridge. The County Line and Porphyry pit mineralization remains open and its size potential is untested. The porphyry style mineralization/alteration was recognized by Dick Sillitoe on the property and it is suggestive of large bulk tonnage deposits.

### ● STATELINE PROPERTY HIGHLIGHTS (AU,AG):

**Location: Iron Co., Utah T32S, R19W, Stateline Mining District. Elevation: 7,500'.**

Geology/Description: The Stateline Property is situated on the east flank of the Paradise Mountains, approximately 23 miles (37 kilometers) east of Panaca, NV and 55 miles (88 km) northwest of Cedar City, Utah. The property consists of 18 unpatented lode claims on BLM ground owned by Nevada Select Royalty (NSR).

Gold mineralization is low sulfidation (LS) epithermal, hosted in quartz-adularia-calcite banded veins, vein breccias, and stockwork zones that are over 2 km long and over a hundred meters wide in places. The property resembles the Midas deposit (>3 Moz Au equivalent) in northern Nevada.

Multiple target areas are identified at Stateline with surface gold in rock values up to 35 ppm (1.02 opt), and 1,300 ppm silver (37.9 opt).

The Stateline Property possesses the following attractive features:

- Very large, gold-mineralized LS epithermal veins, stockworks, and vein breccias
- Underexplored property in underexplored portion of Utah
- Strong results in surface rock sampling
- Gold up to 35 ppm (1.02 opt)
- Silver up to 1,300 ppm (37.9 opt)

### ● NEVADA RAND PROPERTY HIGHLIGHTS (AU,AG):

**Location: Mineral Co., T11N, R32E, Rand Mining District. Elevation: 5,600'.**

Geology/Description: The project lies in the northeastern boundary of the Walker Lane Mineral Belt. The mineralized veins occur in Tertiary volcanic rocks similar to the Rawhide district located 12 miles north of Nevada Rand. Several NW trending epithermal veins are exposed on the property. The veins vary in width from two to fourteen feet.

The property shows good alteration over good widths and along the strike and deserves modern exploration. The average gold and silver content of six shipments from the property averaged 5.62opt gold and 188opt silver.

### ● WHITE HILL PROPERTY HIGHLIGHTS (CU,AU,AG):

**Location: Mineral Co., T9N, R33E, Fitting Mining District. Elevation: 6,500'.**

Geology/Description: This project lies in the northeastern boundary of the Walker Lane Mineral Belt. It is located in a wedge of Triassic limestones (Luning Formation) which has been intruded by a quartz monzonite stock of Cretaceous age.

The skarn outcrops over a 400 x 1000 foot area. Drilling has indicated a resource of 4 million tons of 1.5% Cu indicated\*. Nine 10 foot chip samples were taken along a portion of the skarn. These samples averaged 190 ppb Au, 5.6 ppm Ag, 3270 ppm Cu, 1.73% Zn and 630 ppm Mo.

*\*The estimate presented above is treated as historic information and has not been verified or relied upon for economic evaluation by the Company. The Company has not done sufficient work yet to classify the historical estimate as current mineral resources or mineral reserves.*

### ● **SILVER DYKE PROPERTY HIGHLIGHTS (AU,AG,W):**

**Location: Mineral Co., T5N, R34E, Silver Star Mining District. Elevation: 7,500'.**

Geology/Description: The property was developed by an open cut locally known as the Hendrix cut. This cut is developed along the Silver Dyke vein system that has a 4.5 mile strike length and extends across the northern end of the Excelsior Range from range front to range front.

An intrusive (diorite) is exposed in the hanging wall of the Silver Dyke vein system. The vein system truncates the northern extensions of this intrusive diorite mass and lies close to the contact between the diorite and the volcanics. Gold values are reported along the vein system to 1 opt gold and 15 opt silver. Very little exploration has been completed on the project.

### ● **GOLD NOTE PROPERTY HIGHLIGHTS (AU,AG):**

**Location: Pershing Co., T28N, R37 and 38E. Kennedy Mining District. Elevation: 6,200'.**

Geology/Description: This property presents an intersecting network of quartz-pyrite veins striking N and NW, dipping S and SW in Tgd. Native gold, gn (argentiferous), sp, cp, asp, tetra, pyrr., has been found averaging 0.75 opt Au/12 opt Ag in the oxide zone mined to 125' depth. The primary sulfide zone has been mined to 265' depth averaging 0.52 opt Au/10 opt Ag.

The Gold Note mine is located in the western part of the Kennedy mining district. It consists of veins similar to the Kennedy mine plus reported disseminated gold zones in meta-volcanic rocks. The veins strike NW and are steeply-dipping. The disseminated zones may be strata bound (gently-dipping). Skarn minerals (woll-epi-cal-garnet) have been reported in the wallrocks. Samples of disseminated mineralization consistently assay above 1 ppm gold, and as high as 4 ppm gold. Samples from dump material (veins) assay are similar to those of the Kennedy district. The veins and disseminated zones strike northwesterly, and the potential strike length of the mineralization is 1.8 km long.

### ● **LIBERTY SPRINGS PROPERTY HIGHLIGHTS (AU,AG):**

**Location: Nye Co., T5N, R42E, San Antone Mining District. Elevation: 6,200'.**

Geology/Description: Nevada Select Royalty has recently acquired the Liberty Springs property located south of the Hall mine and 8 miles north of Tonopah, Nevada. The Liberty Springs project encompasses over 2,000 acres of intensely altered and mineralized rocks including metasediments and Tertiary igneous rocks cut by a number of well developed epithermal veins.

The project area is characterized by complex geology with numerous high angle structures (NW,NE, EW) and abundant rhyolitic intrusives cutting basement metasediments and metavolcanics. The veins cutting the Liberty Springs project are classic high level epithermal quartz-carbonate veins measuring up to several tens of feet in width. These discrete veins often occupy vein zones of over 100 feet in width wherein the discrete veins make up well over 50% of the total zone volume. Stockworks of chalcedonic veining cutting silicified rhyolites occur locally. The veins, as exposed on the surface, exhibit classic high level textures including moss chalcedony, angel wing quartz after calcite, and banded chalcedony. Breccias with quartz cemented vein fragments are evident as well. The discrete veins and more significant vein zones occur primarily within a north-northwest trending zone measuring 2 miles along strike and about ½ mile in width. Individual structures can be traced for at least 1500 feet along strike. It is likely that detailed structural analysis and mapping would prove the continuity along strike for several thousand feet along the principal vein zones. All veins sampled to date are anomalous in gold.

Pegasus drilled 19 widespread shallow reverse circulation holes across the property. Total drill footage was only 5,147 feet as most holes were less than 300 feet deep. Only 5 holes returned no significant gold with 14 of the holes returning favorable values.

Selected drill data includes:

LBT 3 5'-60' .018 opt including 25-30 @ .078 opt, TD 300' -90

LBT 8 290-320 .022 opt and 405-420 .014 opt,TD 420' @ -60

LBT 15 10-80' .0145 opt,TD 240' @-71

## ● **LANTERN PROPERTY HIGHLIGHTS (AU,AG):**

**Location: Pershing Co., T33N, R30E, Scosa Mining District. Elevation: 5,200'**

Geology/Description: Precious metal mineralization was identified on the property around 1930 with the first ore mined from quartz veins on the top of Silver Ridge in the early 1930's. Modern exploration of the district effectively commenced in the 1980s with identification of silicified gold boulders located in the western portion of the current property. The property has been explored by several companies including Homestake Mining Co. (1986), Corona Gold (1987-92), and Santa Fe Gold Corp. (1993-96).

An estimated 180 reverse circulation and rotary chip holes have been drilled on the property since 1980 on over 6 prospect areas. The majority of drilling on those prospects was completed by Santa Fe Pacific Gold Corp. Santa Fe completed a resource estimate in 1992 for the SP ridge prospect based on 64 angle and vertical reverse circulation drill holes that covered an area of approximately 2,000 feet of strike in a north-south orientation. Santa Fe estimated a total of 12,670,000 tons averaging 0.012 oz/t (0.41 g/t) Au at a 0.008 (0.27 g/t) cut-off grade. In a separate, but overlapping silver resource shell 8,450,000 tons averaging 1.15 oz/t (39.4 g/t) Ag at a 0.292 oz/t (10 g/t) Ag cut-off (Chenevey, 1992). The two overlapping resource shells combined total just over 18M tons containing an estimated 145,900 ounces of gold and 9.73M ounces of silver\*.

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Several styles of mineralization are recognized at Lantern including epithermal style vein and stockwork prospects with quartz-adularia mineralization and disseminated mineralization in porous fanglomerates and calcareous sedimentary units.

The SP Ridge and Silver Ridge prospects are structurally complex zones with several feeder structures cutting through both Mesozoic sediments and Paleozoic Auld Lang Syne group rocks. Low grade mineralization exploits favourable lithologies at each prospect.

The Gold Boulders target is a 1,600 ft (488 m) linear zone of nearly continuous quartz rubble, and several large sub angular boulders up to 3 ft (1m) wide and 5 ft (1.5 m) long. Large boulders and fragments are primarily composed of banded quartz-adularia veining, that repeatedly return +1 oz/t Au (+ 34.3 g/t) rock chip assays with representative sampling averaging >0.25 oz/t (8.6 g/t) Au by several companies in past exploration programs. Drilling on the prospect is limited and non conclusive as to the source for the boulders. The gold boulders may represent a blind target of high grade quartz-adularia veining located proximal and to the west of the exposed geochemical signature.

## ● **ST. ELMO PROPERTY HIGHLIGHTS (AU,AG):**

**Location: Elko Co., T44-45N, R36E, Island Mountain Mining District. Elevation: 7,800'.**

Geology/Description: The St. Elmo Gold Project is located in northeastern Nevada, 20 miles south of the Idaho border and 69 miles north of the city of Elko. It covers about 75% of the historic Island Mountain mining district on the northern flank of the northeast-trending Midas Trough metallogenic trend, one of several important epithermal gold belts in Nevada. The St. Elmo mine was likely discovered in the late 1870s after the District was established in 1869 at Rosebud Mountain. Underground mining at that time and again in the 1940s resulted in only limited production of high grade pockets on the vein. Modern exploration in the late 1980s and 1990s included surface and underground sampling as well as limited surface drilling.

Gold mineralization at the St. Elmo mine is hosted in a north to northeast-trending structural zone, 6 to 30 feet wide, containing quartz veins and hydrothermal breccias. Free gold in the quartz veins is associated with sulfide minerals and in hydrothermal breccias cemented with hematite. The St. Elmo vein textures, wall-rock alteration features and suite of associated copper-sulfide minerals are suggestive of a high-sulfidation epithermal environment. Mapping by previous explorers indicates this system extends north and south well beyond the St. Elmo mine itself and is probably at least 4,000 feet long.

A 795 pound bulk sample collected underground in 1990 assayed 2.36 oz Au/ton and 1.15 oz Ag/ton. A core hole drilled in 1999 intercepted 63 feet of mineralized (0.072 oz Au/ton) vein structure at depths well below the existing workings, including intercepts of 8.5 feet assaying 0.167 oz Au/ton (with 1.5 feet assaying 0.498 oz Au/ton) and 6.25 feet averaging 0.460 oz Au/ton. The St. Elmo vein and the rest of the property remain essentially unexplored by modern methods.

## **WESTGATE PROPERTY HIGHLIGHTS (AU,AG):**

**Location: Churchill Co., T16-7N, R35E, Westgate Mining District . Elevation: 4,600'.**

Geology/Description: Nevada Select Royalty has acquired the rights to approximately 2,400 acres of unpatented lode claims in the Westgate Mining District of Nevada, at the southern end of the Clan Alpine Range. The center of the property is transected by US Highway 50 about 45 miles east of Fallon and just west of its intersection with State Route 361 at Middle Gate Station. Two linear zones of acid-sulfate alteration with associated silicification and quartz veining transect the property. The northern claim group is defined by northwest-trending (310° and 340°) linear zones of gold-bearing silicification and quartz veining while the southern claim group is dominated by a nearly east-west trending ridge of the same. These zones range from 50 to 500 meters in width over strike lengths up to 1 kilometer.

The northern area was heavily prospected in 1905 when the district was established, but despite the digging of numerous pits and shallow shafts, no production was reported. Modern day sampling of pits, dumps and outcrops has produced gold assays ranging from trace to 0.15 oz per ton and silver up to eight ounces per ton. Only one drill pad has been seen in the north, near the most prominent historic shaft.

At the southern end of the property, the east-west ridge saw fairly intense exploration activity, including trenching and drilling, in the late 1970s and early 1980s by Dekalb Mining and Inland Mining. Results of this work are mostly anecdotal but approximately 20 holes were drilled during this time and gold mineralization encountered was said to have continuity between holes. There are no specific resource calculations or detailed assay reports for the holes. General mention was made of assays of 0.6 oz Au/ton and 20-30 oz Ag/ton from outcrop and drill samples of banded quartz vein.

The Westgate property represents a fairly large epithermal system that contains interesting levels of gold and silver in outcrop and shallow drilling from past exploration campaigns. It is easily accessible through most of the year. Nearby Middle Gate Station provides food, lodging and fuel opportunities as well as water for drilling.

## **● DYKE HOT SPRING PROPERTY HIGHLIGHTS (AU,AG,SB,HG):**

**Location: Humboldt Co., T42N, R30&31E, Dyke Mining District. Elevation: 4,200'.**

Geology/Description: Nevada Select Royalty has recently acquired the Dyke Hot Spring property through staking of unpatented lode mining claims. It is located on the southeastern edge of the Pine Forest Range about 20 miles south of Denio, Nevada. The prospect encompasses gold and silver-bearing epithermal quartz veins and breccias in outcrops of altered units of the Permian Happy Creek Volcanic Sequence. Veining and breccias are associated with near vertical and low angle faults. Surface samples from outcropping vein exposures taken by Kernow Resources in the early 1990s assayed as high as 3.12 grams/tonne gold, with grab samples of gossanous vein material from old mine dumps reporting up to 0.9 ounces gold and silver per ton. Limited, sporadic drilling by exploration companies prior to Kernow demonstrated that mineralization can be followed in the outcrop areas but also continues eastward across a post-mineral range front fault under recent pediment gravels. Drilling records from those earlier explorers (summarized by Kernow) show strong mercury and silver values with moderate to strong gold in pyritic to hematitic silicification and vein quartz in andesites over widths of 20-50 feet within 200 feet of the surface. Gravity surveys associated with this drilling suggest that much of the pediment is shallow and additional geophysical surveys, especially Induced Polarization (IP) - Resistivity, should be helpful in guiding future exploration drilling. The Company believes that the Dyke property contains excellent potential for discovery of additional mineralization in outcrop and under pediment cover.

## **● CASTLE WEST PROPERTY HIGHLIGHTS (AU,AG,HG):**

**Location: Esmeralda Co., T3N, R38-39E, Gilbert Mining District. Elevation: 6,600'.**

Geology/Description: Castle West is located in the south-central Monte Cristo Range and the south end of the historic Gilbert District. The general area has been explored by numerous mining companies over the last 40 years in search of gold bearing sheeted vein mineralization similar to the world class Round Mountain mine.

The property includes three significant areas of gold mineralization within a very large area of altered Tertiary ash flow tuffs, identified by Kinross Gold in 2009-10 through geologic mapping and surface sampling (Castle, West Castle and Golden Rod). The areas were specifically defined as coherent clusters of rock samples containing greater than one gram per ton gold and strongly anomalous arsenic, antimony, mercury, thallium and tellurium. Castle and West Castle are within large (+4000 feet in diameter) cells of advanced argillic alteration with high angle auriferous chalcedony-calcite veins, stockworks and breccia ribs, characteristic of high level low sulfidation-style hydrothermal systems. The Golden Rod area is a more linear, northwest trending structural zone 800 feet wide and 4000 feet long.

Multi-ounce gold ore was produced from small underground mines in what is now called the Castle Zone during the early days of the District in the early 1920s. Limited production by small miners continued in the 1980s. Modern exploration by companies such as Felmont Oil, Alpha Gold, Santa Fe and Platte River Gold included drilling but always on specific targets within the larger area. Much of this information is anecdotal and specific drill results are no longer available. Felmont concentrated on the Castle Zone with 65 vertical percussion holes but data only exists from about 10 holes that

were drilled on privately held claims containing the small producing mine. US Borax and FMC drilled six to ten holes in the Golden Rod zone between 1988 and 1991, but no information is currently available.

The Castle West property is an excellent volcanic-hosted gold target with high grade vein and bulk tonnage, open pit potential. The primary targets are high angle sheeted vein zones in altered rhyolitic ash flow tuffs. Previous exploration demonstrates that a significant amount of surface sampling is required to identify potential drill targets and that vertical drilling with poor results does not necessarily condemn or properly test a target. The Company has a large collection of useable surface data for the property.

### ● **MT. WILSON PROPERTY HIGHLIGHTS (AU):**

**Location: Elko Co., T43N, R51E, Lime Mountain (Deep Creek) Mining District. Elevation: 6,600'.**

Geology/Description: The Mount Wilson property lies just southwest of Jerritt Canyon within the Lime Mountain mining district. The nearest town is Owyhee, 25 miles to the north. The nearby Lime Mountain Mine had a brief production life in the early 1900s, producing 8,000 ounces of gold, 24,000 ounces of silver and 552,000 pounds of copper from a skarn. Mineralization at Mount Wilson principally occurs in epithermal veins hosted by Tertiary range front faults in Cambrian limestone. Large erratics of vein material up to 15 feet in width occur at surface, giving evidence to intercepts from drilling by various companies in the past.

The property has historically seen about 50 drill holes from companies such as Teck and Freeport McMoRan. Results from drilling have been encouraging but spotty, including an intercept of 70 feet averaging 0.119 oz Au/ton and several intercepts ranging from 5-40 feet with grades between 0.02 and 0.10 oz Au/ton. To date, no resource has been calculated from the drilling.

There is a sizeable data base from exploration activities over a thirty year period and numerous companies.

### ● **NORTH MONITOR**

**Location: Nye Co., T6N, R46E, Longstreet District. Elevation: 8,600'.**

North Monitor is located approximately 23 miles SSE of Manhattan, in Nye County, NV. The property is located within the Big Ten caldera an under explored area with strong low-sulfidation alteration with potential for discovery. North Monitor is often referred to as a Round Mountain type deposit by geologist that have previously explored the property. Several similarities between the two deposits, relating the age of the calderas, alteration assemblages, structural trends, and the depths of bulk - minable ore. Regionally, the property is underlain by Tertiary aged volcanic rocks, overlain with outcropping units consisting of quartzite with subordinate shale and limestone (Terra, 1982). It's suggested the Big Ten tuff was deposited by a major eruptive event followed by late stage resurgence with dykes and mineralization. The prospects encompass zones of argillic alteration, with adularization and high level silica in areas of metallization.

The North Monitor project has potential to contain bulk minable, Round Mountain type deposits which include:

- The Round Mountain and Big Ten calderas are of very similar ages (common deep magma chamber/gold source.)
- Quartz - sulfide - gold veinlets at Round Mountain are high in the system, above the bulk minable ore. This gives encouragement for additional drilling at North Monitor.
- Round Mountain ore is hosted by intracaldera tuff of the main eruptive stage early in the development of the caldera. Alteration and gold mineralization at North Monitor is confined to a similar eruptive stage, sequence and timing.
- Round Mountain is situated over the inferred caldera rim fracture. North Monitor appears to be positioned astride a chord connecting two points on the Big Ten Caldera rim.

### ● **GOLD CANYON**

**Location: Eureka Co., T22N, R50E, Antelope District. Elevation:7,800'.**

The Gold Canyon project is located in the Gold Bar District in the southern Roberts Mountains, a prolific precious metals mining area in the southern portion of the Battle Mountain-Eureka trend consisting of a 200km long, N-NW trending structural zone. The district itself contains a calculated resource of 1.6 million ounces of gold. The Gold Canyon project consists of 26 unpatented lode claims covering approximately 460 acres. The claims are on BLM ground and include the original Gold Canyon pit as well as a portion of an ore stockpile west of the pit. The claims were staked in 2015 and therefore have no underlying royalties.

Gold Canyon was discovered by Phelps Dodge in 1983 and was subsequently acquired by Atlas Precious Metals in 1991. Gold Canyon was one of four satellite deposits to the Gold Bar Mine and Mill. From inception through the cessation of operations in 1994, 485,200 ounces of gold were recovered from 7,514,600 tons of ore grading .074 opt Au. This material came from the Gold Bar, Goldstone, Gold Canyon Gold Pick and Gold Ridge South deposits. (Telesto 2010) At Gold Canyon, Atlas calculated a resource of 140,000 oz of gold with average grade of 0.056 oz/ton (1.74 g/t). According to historic (non 43-101) reports Atlas' mining operations recovered 41,000 ounces of gold.

**SOLD**

The Gold Canyon project is surrounded by claims owned by McEwen Mining Inc. ("MMI") that comprise their Gold Bar Mine development. MMI published a NI 43-101 Feasibility Study on December 3, 2015 by SRK Consulting Inc. (US) ("SRK"). The report outlines a mine plan that includes mining from four open pits (Gold Pick, Gold Ridge and two pits at Cabin Creek). The heap leach operation will utilize absorption, desorption, recovery (ADR) carbon plant with a throughput of 8050 ore tons per day. McEwen Mining Gold Bar project is now fully permitted and under construction. The Gold Canyon pit is approximately 3,000 feet from the Gold Ridge pit.

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