

ELY GOLD & MINERALS INC. (“ELY GOLD” or the “COMPANY”)
Code of Business Conduct and Ethics
January 2015

General

Ely Gold’s Code of Business Conduct and Ethics (“the Code”) reflects our commitment to a culture of honesty, integrity, and accountability that outlines basic principles and policies with which all directors, officers, employees, and employee-type contractors of the Company are expected to comply to. Canadian securities regulators recommend companies to have such a Code for good corporate governance.

This Code applies to all directors, officers, employees, and employee-type contractors of the Company. References in this Code to Ely Gold or the Company means Ely Gold and its subsidiaries, if any. Reference to “Employees” includes all directors, officers, employees, and employee-type contractors of the Company (as determined by Ely Gold’s senior management or Board).

Ely Gold is committed to conducting its business in compliance with the law and the highest ethical standards. This Code summarizes the standards that must guide the actions of Ely Gold’s Employees.

This Code sets out written standards that are designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that Ely Gold files with, or submits to, applicable securities regulators and in other public communications made by the Company.
- Compliance with applicable governmental laws, rules, and regulations;
- The prompt internal reporting to an appropriate person or persons of violations of this Code; and
- Accountability for adherence to this Code.

While covering a wide range of business practices and procedures, this Code cannot and does not cover every issue that may arise, or every situation in which ethical decisions must be made, but rather sets forth key guiding principles of business conduct that Ely Gold expects of all of its Employees. This Code should be read in conjunction with the Company’s other corporate policies and procedures, including those related to corporate disclosure, insider trading, and the protection of confidential information.

Compliance with Laws, Rules, and Regulations

Ely Gold is strongly committed to conducting its business affairs with honesty and integrity and in full compliance with all applicable laws, rules, and regulation. No Employee may commit an illegal or unethical act, or instruct or authorize others to do so, for any reason, in connection with any act, decision or activity that is or may appear to be related to his or her employment by or position with Ely Gold. All Employees must comply with the policies of the Company.

Conflicts of Interest

All Employees have an obligation to act in the best interest of Ely Gold. Employees must avoid situations involving a conflict or potential for a conflict between their personal interests and the interest of the Company. Any situation that presents an actual or potential conflict between an Employee’s personal interests and the interests of Ely Gold should be reported to the Chair of Ely Gold’s Audit Committee. Any Employee has a conflict of interest when his or her personal interests, relationships or activities, or those of a member of his or her immediate family, interfere or conflict, or even appear to interfere or conflict, with the Company’s interests. A conflict of interest can arise when any Employee takes an

action or has a personal interest that may adversely influence his or her objectivity or the exercise of sound, ethical business judgment. Conflicts of interest can also arise when any Employee, or member of his or her immediate family, receives improper personal benefits as a result of his or her position at Ely Gold. No Employee should improperly benefit, directly or indirectly, from his or her status with Ely Gold, or from any decision or action by Ely Gold that he or she is in a position to influence.

It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest should be reported immediately to an Employee's supervisor or Ely Gold's Corporate Secretary.

Insider Trading

All non-public information about Ely Gold or its partners should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. The Company has a separate Insider Trading policy which is available to each Employee of Ely Gold. Any questions regarding this policy can be directed to the Company's Audit Committee.

Protection and Proper Use of Company Assets

All Employees should endeavour to protect the Company's tangible and intangible assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on Ely Gold's potential profitability. Any suspected incidents of fraud or theft should be immediately reported for investigation.

Company assets, such as funds, office equipment (such as computers), or any other products may only be used for legitimate business purposes or other purposes approved by management. Company assets may never be used for illegal purposes.

The obligation to protect Ely Gold's assets includes proprietary information. Proprietary information includes any information that is not generally known to the public or would be helpful to our competitors. Examples of proprietary information include, but is not limited to, field equipment, exploration data, intellectual property, such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records salary information and any unpublished financial data or reports. Unauthorized use or distribution of this information is a violation of the Company policy. It may also be illegal and may result in civil and criminal penalties. The obligation to preserve proprietary information continues even after you leave the Company.

Employees cannot appropriate a corporate opportunity or corporate property arising out of their relationship with the Company, for their own person benefit.

Confidentiality of Corporate Information

Employees must maintain the confidentiality of information entrusted to them by Ely Gold or its customers, advisors or service providers except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might be of use to competitors or might be harmful to Ely Gold or its partners and associates, if disclosed. This obligation to preserve confidential information continues even after an Employee's relationship with Ely Gold terminates.

Fair Dealing with Ely Gold's Security Holders, Customers, Suppliers, Competitors, and Employees

Employees shall deal honestly, fairly and ethically with all of the Company's security holders, customers, suppliers, competitors and employees. In all such dealings, Employees shall comply with all laws, rules and regulations and not take any actions that would bring into question the integrity of Ely Gold or any of its Employees.

Quality of Public Disclosure

Ely Gold is committed to providing information about the Company to the public in a manner that is consistent with all applicable legal and regulatory requirements and that promotes investor confidence by facilitating fair, orderly, and efficient behaviour. Ely Gold's reports and documents filed with or submitted to securities regulators in Canada, and Ely Gold's other public communications, must include full, fair, accurate, timely, and understandable disclosure. All Employees who are involved in the Company's disclosure process are responsible for using their best efforts to ensure that Ely Gold meets such requirements. Employees are prohibited from knowingly misrepresenting, omitting or causing others to misrepresent or omit material information about Ely Gold to others, including to the Company's independent auditors.

Ely Gold maintains all records in accordance with laws and regulations regarding retention of business records. The term "business records" covers a broad range of files, reports, business plans, receipts, policies and communications, including hard copy and electronic whether maintained at work or at home. Ely Gold prohibits the unauthorized destruction of or tampering with of any records, whether written or in electronic form, where the Company is required by law or government regulation maintain such records or where it has reason to know of a threatened or pending government investigation or litigation relating to such record.

Health and Safety

Ely Gold is committed to making the work environment safe, secure and healthy for its employees and others. Ely Gold complies with all applicable laws and regulation relating to safety and health and the environment in the workplace. Ely Gold expects each Employee to promote a positive working environment for all and to comply with the Company's policies concerning environmental, health and safety matters. An Employee should immediately report any unsafe or hazardous conditions or materials, injuries and accidents connected with Ely Gold's business and any activity that compromises his or her security to his or her supervisor. No Employee shall work under the influence of any substances that would impair his or her safety or the safety of others. All threats or acts of physical violence or intimidation are prohibited.

Respect for Employees

Ely Gold's employment decisions will be based on reasons related to its business, such as job performance, individual skills and talents, and other business-related factors. The Company requires adherence to all applicable federal, provincial and state employment laws. In addition to any other requirements of applicable laws in a particular jurisdiction, Ely Gold prohibits discrimination in any aspect of employment based on race, color, religion, sex, national origin, disability or age, within the meaning of applicable laws.

Abusive or Harassing Conduct Prohibited

Ely Gold policy prohibits abusive or harassing conduct by its employees toward others, such as unwelcome sexual advances, comments based on ethnicity, religion or race, or other non-business, personal comments or conduct that make others uncomfortable in their employment with the Company. Ely Gold encourages and expects all Employees to report harassment or other inappropriate conduct as soon as it occurs.

Privacy

Ely Gold, and third parties who may be authorized by the Company, collect and maintain personal information that relates to each Employee's employment, including compensation, medical and benefit information. Ely Gold follows procedures and applicable laws to protect information wherever it is stored or processed, and access to employee's personal information is restricted. Employee personal information will only be released to outside parties in accordance with the Company's policies and

applicable legal requirements. Employees who have access to personal information must ensure that personal information is not disclosed in violation of Ely Gold's policies or practices or applicable laws.

Use of E-mail and Internet

E-mail and Internet systems are provided for business use. Employees' use of these resources for other purposes should be kept to a minimum. As e-mail may not be entirely secure, Employees must exercise caution and etiquette when sending e-mail correspondence.

Compliance with This Code and Reporting of Any Illegal or Unethical Behaviour

Employees are expected to comply with all of the provisions of this Code. This Code will be strictly enforced and violations will be dealt with immediately, including subjecting the Employee to corrective and/or disciplinary action, including without limitation, dismissal or removal from office.

Situations that may involve a violation of ethics, laws, or this Code may not always be clear and may require difficult judgment. Employees who have concerns or questions about violations of laws, rules or regulation, or of this Code, should report them to the Corporate Secretary or to the Chair of Ely Gold's Audit Committee. If the concerns involve accounting, internal controls and auditing matters, such concerns may also be reported by Employees on a confidential and anonymous basis under Ely Gold's Whistle Blowing Complaint Procedures. Following receipt of any complaints submitted hereunder, the Corporate Secretary or Chair of the Audit Committee, as the case may be, will investigate each matter so reported and report to the Audit Committee. The Audit Committee will have primary authority and responsibility for the enforcement of this Code, subject to the supervision of the Board of Directors. Ely Gold encourages all Employees to report promptly any suspected violation of this Code to the Corporate Secretary or Chair of the Audit Committee. Ely Gold will tolerate no retaliation for reports or complaints regarding suspected violations of this Code that were made in good faith. Open communication of issues and concerns without fear of retribution or retaliation is vital to the successful implementation of this Code. Ely Gold will take such disciplinary or preventative action as it deems appropriate to address any violations of this Code that are brought to its attention.

Waivers and Amendments

Any waivers from this Code that are granted for the benefit of Ely Gold's directors or senior officers (including without limitation, Ely Gold's President and Chief Executive Officer, Chief Financial Officer, Controller and persons performing similar functions) shall be granted by the Audit Committee or by the Board of Directors. Any waivers for all other employees shall be granted exclusively by the Chief Executive Officer and President or by any other senior officer as may be designated by the Audit Committee.

Affirmation by Directors and Officers

This Code will be circulated to all employees of Ely Gold on an annual basis and whenever changes are made. New directors, officers and employees will be provided with a copy of this Code.

January, 2015