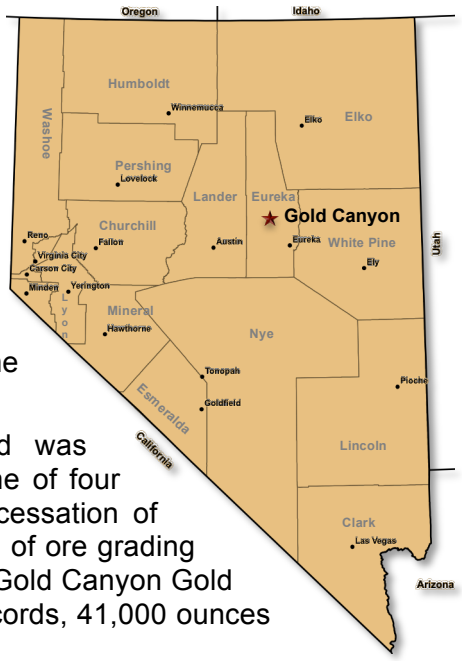
GOLD CANYON PROJECT, EUREKA COUNTY, NEVADA

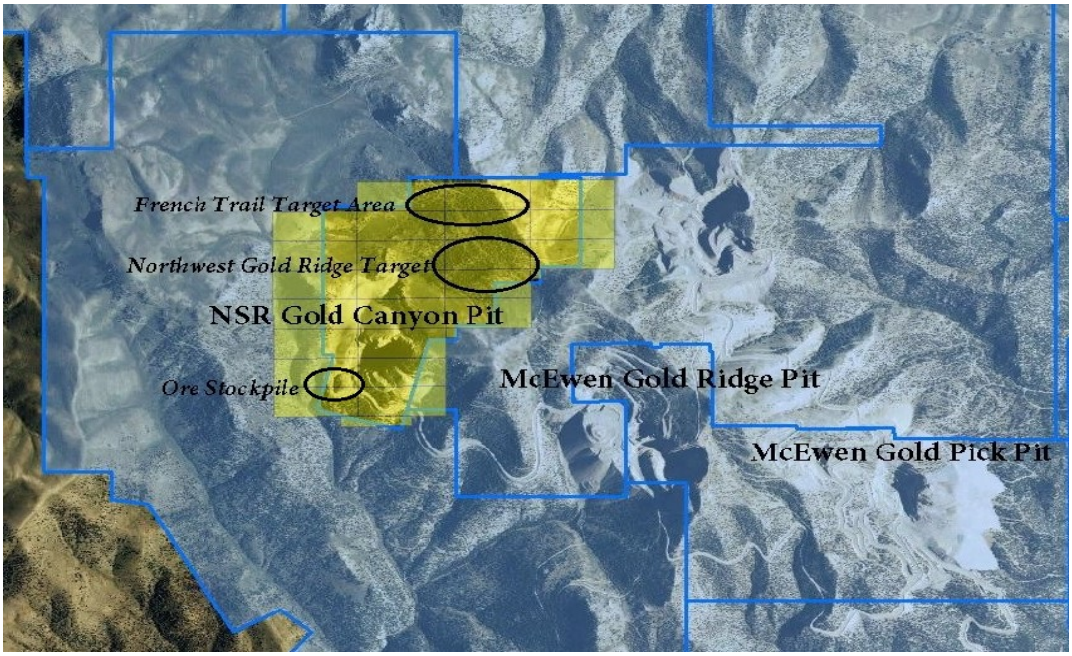
Nevada Select Royalties, Inc. Ely Gold & Minerals, through its subsidiary, Nevada Select Royalty, Inc. (NSR), owns a 100% interest in 27 highly prospective, primarily un-encumbered precious metals properties in Nevada. For more information on NSR properties please visit our website www.elygoldinc.com.



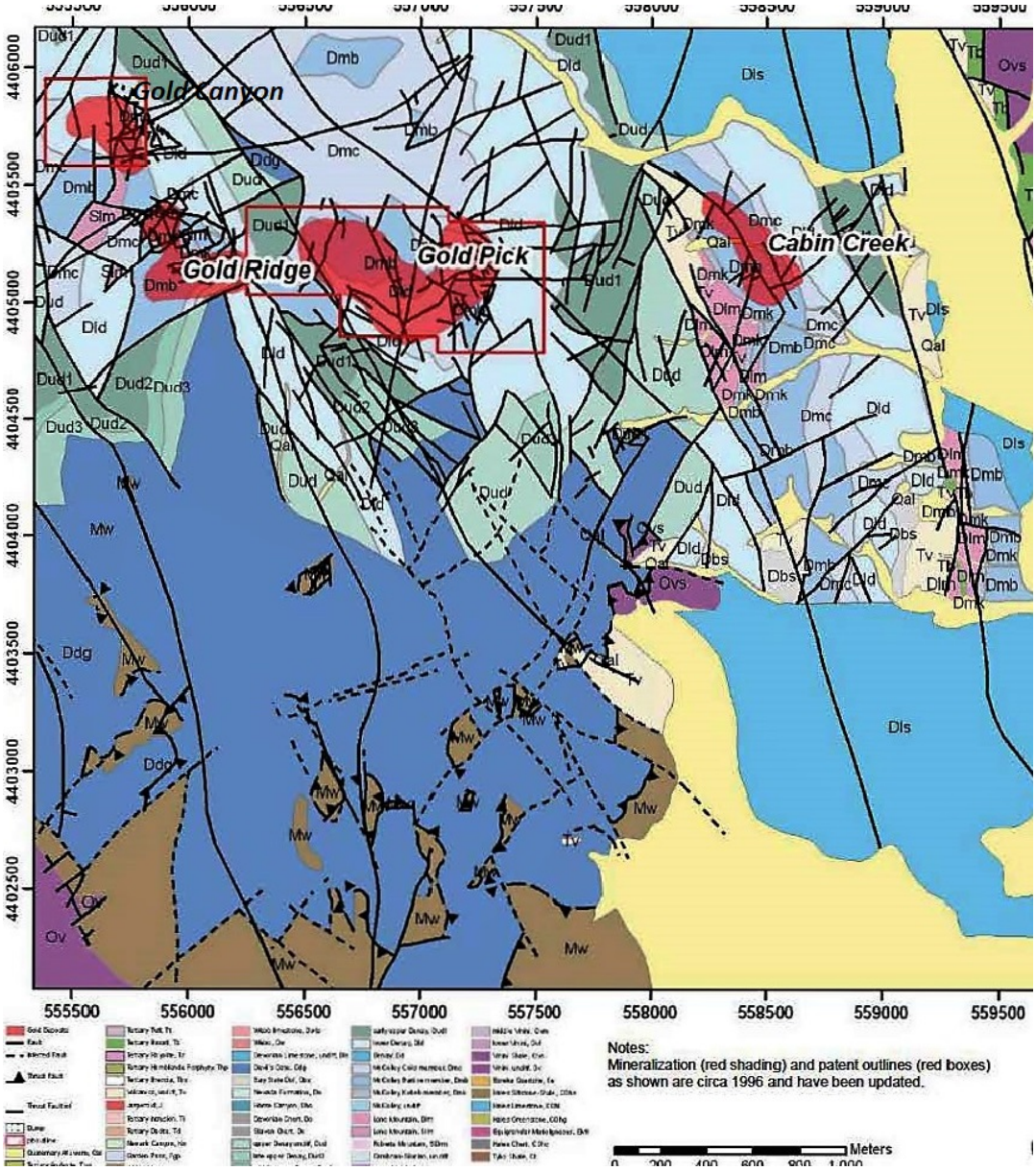
Property Overview – NSR holds a 100% interest in the Gold Canyon Project (Au, Ag), located in Eureka County, Nevada and is one of its key focus properties. Gold Canyon is located in the Gold Bar District in the southern Roberts Mountains, a prolific precious metals mining area in the southern portion 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 stockpile west of the pit. The claims were staked in 2015 and therefore have no underlying royalties.

History – Gold Canyon was discovered by Phelps Dodge in 1988 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 ounces per ton (opt) Au. This material came from the Gold Bar, Goldstone, Gold Canyon Gold Pick and Gold Ridge South deposits. (Telesto 2010). According to production records, 41,000 ounces of gold were recovered at Gold Canyon

Adjacent Properties – 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 tons per day. MMI has hired Stantec Consulting Services based in Reno, Nevada to assist the BLM in the preparation of an Environmental Impact Study for the Gold Bar Project. Formal notice from the BLM in the form of a Record of Decision for the Project is expected in January 2017. The Gold Canyon pit is approximately 3,000 feet from the Gold Ridge orebody.



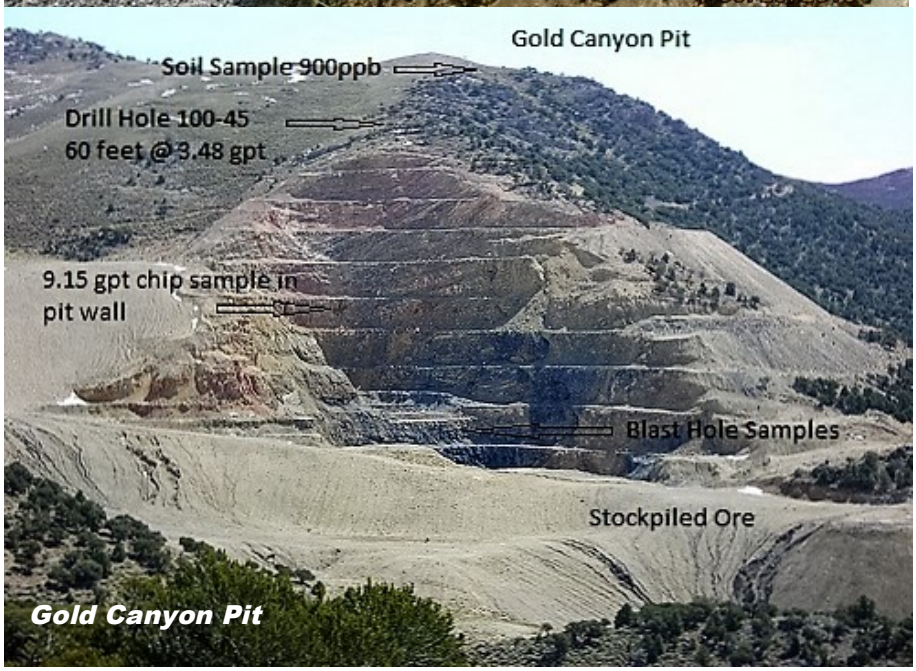
Geology –The geology of the Gold Canyon Deposit, which lays in the Gold Bar district is characterized by two Paleozoic assemblages separated by the Roberts Mountain thrust (RMT). The upper plate consists of siliciclastic rocks and minor carbonate rocks of the western assemblage, and the lower plate consists of a thick section of limestone and dolomite of the eastern assemblage. Local exposures of the Permian Garden Valley Formation unconformably overlie the RMT, and constitute an overlap assemblage. Shortening during the late Devonian to Early Mississippian Antler orogeny juxtaposed these two assemblages along the RMT. Although this orogeny may have caused folding in the lower plate of the RMT, such folds may have been caused by Mesozoic orogenic events. Evidence for Mesozoic orogeny in the region comes from the presence of Mesozoic igneous rocks and post-Permian, pre-Cretaceous folding. Tertiary and younger normal faults and related volcanism were superimposed on the older structures.



The deposits, located in the lower plate of the RMT, are sedimentary rock-hosted disseminated gold deposits. Host rocks in the Gold Canyon deposit are Unit 2 of the Devonian Upper Denay Limestone, and Jasperoid breccia. The Unit 2 limestone is thin-bedded and is approximately 250 feet thick at Gold Canyon. Jasperoid breccias are fault related and form an important high-grade portion of the deposit.

The material is controlled in Gold Canyon by a northeast trending high angle feeder structure. This mineralized zone is clearly visible at the north east end of the pit. Rock samples, collected in May 2016 by NSR, ran as high as 9.15 gpt Au at the pit levels and this feeder is completely oxidized. The feeder structure can be traced to the northeast all the way to the Northwest Gold Ridge target identified by Atlas in a 1997 report. (Atlas Corporation, Gold Bar Review, January 1997). Atlas drilled one hole just northeast of the Gold Canyon pit. Hole 100-45 returned 60 feet grading .112 opt (3.48 gpt) Au. Historic soil samples further up the ridge, northeast of the pit, returned 900ppb Au. This target represents the intersection of the Gold Ridge northwest trending structure with the higher grade Gold Canyon northeast feeder structure. The Atlas report also identified the South French Trail target to the northwest of Gold Canyon. Here, Atlas drilled eight RC holes and all were mineralized. French Trail represents a potential parallel NE trending feeder zone on NSR claims.

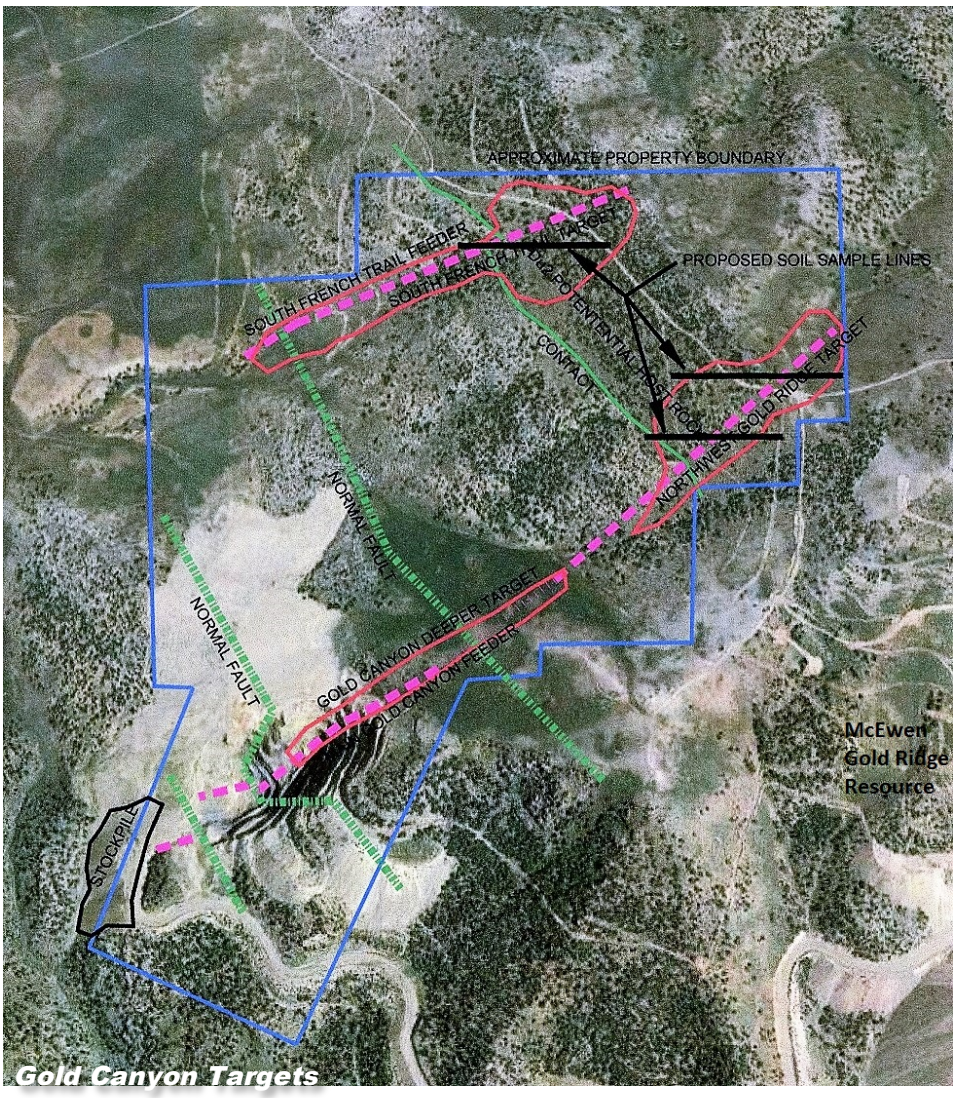
2016 Gold Canyon Field Work – A sampling program was conducted by NSR geologist, John Cox, in May 2016. The purpose of the program was to test mineralization left in the Gold Canyon pit, sample the high grade feeder structure and determine cyanide solubility of the Gold Canyon material. In total, forty-eight samples were collected and assayed. Forty samples were collected from two benches in the bottom of the Gold Canyon pit. These were cuttings from blast holes that were never loaded when Atlas ceased operations. All forty samples were mineralized and at a .15 gpt cutoff, thirty-three of the forty samples ran an average grade of .42 gpt Au The gold grades seen in this sampling could be within minable grades for a heap leach operation. It also appears that the majority of the samples had no adverse metallurgical problems indicated by the CN assays. Most of the samples showed a CN soluble rate of over 70% of the fire assay gold value with many over 90%. Additional metallurgical testing will be necessary but barring silica encapsulation or clay problems, this rock may be amenable to a heap leach operation. The three samples (Gcj-15,16,17) that did show poor CN soluble rates were field identified as clearly carbonaceous. This probably means that a visual cut could be made for grade control purposes.



Three rock chip samples (Gcj-41 through Gcj-43) were collected from the pit wall at the high angle feeder structure at the northeast end of the pit. This mineralized zone showed high grades and clearly trends to the NE out of the pit. At the pit levels this exposed feeder is completely oxidized. The three samples ran .37, 1.56 and 9.15 gpt Au. This steeply dipping feeder is most likely what historic drill hole 100-45 hit. (60 feet grading 3.48 gpt Au). This interval appears to be the result of an oblique intersection of the high angle feeder with a vertical drill hole.

The Gold Canyon area gold mineralization appears to be almost entirely the result of fluids rising along North East trending high angle structures. Four additional rock chip samples were collected along the trend of the Main Gold Canyon Feeder at the contact between unit 1 and unit2 (Gcj-44,45,46) of the Upper Denay Limestone and near the contact with unit 2 and unit 3 (Gcj-47) of the Upper Denay Limestone. This very limited sampling program was aimed at verifying the 900 ppb historic sample and to confirm that there was at least some good gold on the surface along the main trend. This sampling was inconclusive with only trace amounts of gold assayed. However, Sample Gcj-47 was collected from bleached and sanded limestone along the main mineralized trend. This sample contained 74ppb gold. While a low number, it is still anomalous and came from important host rock. The location and form of this sample could be highly significant. Stratigraphically this sample came from near the contact with Unit 2 and Unit 3 of the Upper Denay Limestone. The majority of the favorable host rock Unit 2 of the Upper Denay Limestone would be just below the surface in this area.

Outlook –NSR is planning an exploration campaign to follow up on the May 2016 sampling program. The purpose of the second program will be to: (1) sample the remaining 150 blast holes in the Gold Canyon pit. It is apparent that there is minable material remaining and the small initial sample appears to have not included the higher-grade feeder structure; (2) complete a soil grid on the Northwest Gold Ridge - this was identified as a high priority target; (3) locate and sample the stockpiled material in front of the Gold Canyon pit. Historic records indicate that this material may run between .5-1.0 gpt Au; and (4) sample a soil grid on the South French Trail target. This second feeder structure is apparent in air photos at the at the north end of the property. No surface sampling was completed on the South French Trail target trend. But, Atlas drill results were encouraging and the host rock is also near surface in this area. The budget for the exploration program is approximately $20,000.



Gold Canyon Targets

Status – The Gold Canyon property is currently for sale or option. The NSR business model is focused on 100% ownership terms with a retained royalty not to exceed 3% net smelter royalty. For more information, including full assay results, historical reports and photos visit our website. www.elygoldinc.com

Quality Control
All samples were collected in the field by a Certified Professional Geologist and remained in the geologist's possession until delivered to the Assay lab. The lab used was Bureau Veritas, Inspectorate America Corp., in Sparks, NV. Samples were run by a 30g fire assay with an AAS finish and a Hot CN Leach 30g/60mL, AAS using all their standard internal lab QA/QC methods and procedures. A complete list of assay results, target maps, historical reports and pictures are available on the Company's website.

Qualified Person
Scientific and technical information contained in this press release has been reviewed and approved by Stephen Kenwood, P. Geo and is a Director of Ely Gold & Minerals and is a "qualified person" as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101").

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COMPANY PROFILE

Trading Symbol:	TSX-V: ELY
	OTC: ELYGF
Issued Shares:	64,580,474
Shares Fully Diluted:	72,680,474