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 – Ely Gold’s Isabella Project (Au) is located in Mineral County, Nevada and is one of its key focus properties. Isabella comprises 153 unpatented lode claims (~2700 acres) located on BLM land in the Santa Fe Mining District in the Walker Lane Structural Province. The claims have no underlying royalties. The Project is immediately adjacent to, and likely an extension of, Gold Resource Corporation’s Isabella-Pearl mine development property, containing hydrothermal alteration, structural ground preparation and gold mineralization similar to that property.

Figure 1 - IS claims near Isabella-Pearl deposit

Exploration History – This portion of the Walker Lane was extensively explored for volcanic hosted gold-silver mineralization in the 1970s and 1980s by numerous exploration companies, resulting in the discovery of the Santa Fe Mine in the late 1970s and the Isabella-Pearl deposit in the late 1980s. The Santa Fe mine produced 345,499 ounces of gold and 710,629 ounces of silver from 1983 to 1994 at an average grade of 0.034 ounces (1.06 grams per tonne) gold and 0.25 ounces (7.8 grams per tonne) silver. Exploration surveys and prospect drilling during that same time period identified a number of discrete occurrences of alteration and mineralization similar to those previous discoveries on the ground now owned by Ely Gold.
**Geology and Deposit Model** – The Isabella Project is immediately adjacent to Gold Resource Corporation’s Isabella-Pearl property. The same ore-host rock units and structural controls for gold mineralization for the Isabella-Pearl deposits are present on Ely Gold’s IS and IW claims. Middle Tertiary (Oligocene-Miocene) volcanic rocks including lava flows, ash-flow tuffs, and hypabyssal rhyolite intrusions crop out over much of the project area. The Tertiary volcanic section unconformably overlies Mesozoic sedimentary and granitic rocks. A complex series of northwest-trending high angle faults and the granite basement unconformity, believed to be the main ore controlling features for the Isabella-Pearl deposits, can be traced northwestward onto Ely’s claim block. Mineralization identified by drilling included one drill hole (Figure 1) with an average grade of 0.032 ounces gold per ton over an interval of 235 feet, drilled less than 500 feet from Gold Resource’s current western claim boundary. None of these areas of mineralization have been extensively explored by follow-up drilling.
**Isabella-Pearl Deposit** – Gold Resource Corporation’s Isabella-Pearl project is mining mineralization grading approximately 2.10 grams per tonne gold with minor by-product silver that will be recovered and used to offset gold production costs. Development plans envision two open pits with the Isabella pit averaging approximately 1.0 gm/t gold with mineralization starting at surface. The deeper Pearl deposit averages about 3.7 gm/t gold and includes a higher grade core averaging ~5.0 gm/t gold. The estimated strip ratio for the project is 5:1. Metallurgical tests indicate 80-85% gold recovery for crushed oxide ore using conventional heap leach technologies (Gold Resource Website).

**Outlook** – Ely Gold’s Isabella property contains numerous occurrences of alteration and mineralization similar to the adjacent Isabella-Pearl gold-silver deposit owned by Gold Resource Corporation that have only been superficially explored to date. The presence of gold in drilling on Ely’s claim block that approaches the widths and grades of nearby gold resources is encouraging and worthy of additional follow-up exploration.

**Status** – The Isabella property was sold to Gold Resource Corporation in January 2017. Ely Gold retains a 2.5% NSR royalty, of which Gold Resource can purchase 0.5% for US$500,000. For more information, including historical reports and photos, visit our website [www.elygoldinc.com](http://www.elygoldinc.com).

**Qualified Person**

Scientific and technical information contained herein has been reviewed and approved by Stephen Kenwood, P. Geo, a Director of Ely Gold & Minerals and a “qualified person” as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI 43-101”).