

VANCOUVER, April 13, 2016 /CNW/ - Ely Gold and Minerals Inc. (TSX-V:ELY) ("Ely" or the "Company") is pleased to provide an update of its proposed acquisition of certain assets of Nevada Eagle LLC ("Nevada Eagle"), a private U.S. corporation, pursuant to a binding agreement (the "Agreement"), announced in a news release on February 26, 2016.

Ely entered into the Agreement with Nevada Eagle, to purchase its portfolio of thirty-one, highly prospective mineral properties and related assets, the ("Properties") located in Nevada and other western U.S. states. The majority of the Properties are precious metal exploration projects located in some of the most prolific and desirable gold trends in Nevada, with fifteen of the Properties located in the Walker Lane district of western Nevada. Nine of the Properties are in the Cortez Trend, one in the Austin-Lovelock Trend, one in the Carlin Trend, one in the Getchell Trend and the balance are unique situations throughout Nevada and surrounding U.S. states. Of the entire portfolio, eight of the Properties are currently leased or optioned to third parties (the "Third Party Agreements") and the assets acquired also include two deeded royalties.

The Properties are primarily unpatented mining claims staked on Bureau of Land Management or US Forest Service lands and, as such, have no existing or legacy royalties, work commitments or lease payments. Following the closing of the Agreement, Ely Gold, through its wholly owned subsidiary, Nevada Select Royalty Inc. ("Nevada Select"), will own 100% of twenty nine properties, 50% of two properties, all Third Party Agreements pertaining to the Properties and all deeded royalties. Several of these properties have had work programs completed on them, which may potentially form the basis of future NI 43-101 technical reports.

Nevada Eagle has a long history of staking mineral properties, which are then leased or optioned while retaining royalties. Mr. Jerry Baughman, the managing member of Nevada Eagle, will join the Ely Gold management team as President of Nevada Select. Mr. Baughman is a well-known and respected Nevada geologist who has demonstrated his skill at acquiring and monetizing quality prospects in a timely and cost effective manner. In July 2007, Mr. Baughman sold a portfolio of 54 properties to Gryphon Gold for US\$12,000,000.

Under the terms of the Agreement, Ely will pay Nevada Eagle a total purchase price of US\$895,600. The purchase price will be paid as to US\$445,600 in cash on closing, and as to the remaining US\$400,000 on the second anniversary, together with 5% interest. The remaining US\$50,000 of the purchase price was previously advanced to Nevada Eagle in September 2015 for the staking of certain mineral properties. The Company will also issue 3,000,000 purchase warrants to Nevada Eagle as part of the Agreement. Each warrant will be exercisable to purchase one Ely Gold share for C\$.07 for two years from the closing. The Agreement also provides for the mutual settlement of all outstanding legal claims between Ely Gold and Nevada Eagle (refer to February 5, 2016 news release). The Agreement is an arm's length transaction and no finder's fees will be paid.

The closing of the transaction is expected to take place on or about April 20, 2016. As previously announced in a press release on March 11, 2016, the Company has received conditional acceptance from the TSX Venture Exchange (the "TSX-V"). Completion of the acquisition is subject to a number of conditions, including final TSX-V approval. There can be no assurance that the acquisition will be completed as proposed or at all.

About Ely Gold

Ely Gold is focused on the acquisition, development, and marketing of North American precious metal resource properties to maximize their acquisition value. The Company's business model is to sell or option its portfolio properties, while reserving royalties. Ely Gold is traded on the TSX Venture Exchange ("ELY"). Additional information about Ely Gold is available online at www.elygoldandminerals.com

On Behalf of the Board of Directors

Trey Wasser, President & CEO

Forward-Looking Statements

This news release contains statements concerning Ely Gold and Mineral's acquisition, development, and marketing of North American precious metal resource properties and the Company's intent to sell or option portfolio properties, while reserving any royalties. Such forward-looking statements or information are based on a number of assumptions, which may prove to be incorrect.

Although Ely Gold and Minerals' believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include, but are not limited to, risks associated with geological, geometrical and geophysical interpretation and analysis, the ability of the Company to obtain financing, equipment, supplies and qualified personnel necessary to carry on exploration, exploitation or acquisition of properties and the general risks and uncertainties involved in mineral exploration and analysis.

The forward-looking statements or information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE Ely Gold & Minerals Inc.

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