

VANCOUVER, May 4, 2016 /CNW/ - Ely Gold and Minerals Inc. ("Ely Gold" or the "Company") (TSX-V:ELY OTC:ELYGF) is pleased to announce that it has closed its 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. The Agreement received notice of final acceptance from the TSX Venture Exchange on May 2, 2016.

The Company entered into the Agreement with Nevada Eagle, to purchase its portfolio of thirty-one, highly prospective mineral properties and related assets, located in Nevada and other western U.S. states. (the "Properties") Ely Gold will hold the Properties and operate through its wholly owned Nevada subsidiary, Nevada Select Royalty Inc. ("Nevada Select"). Jerry Baughman, Nevada Eagle's founder will join the Ely Gold team as President of Nevada Select.

Trey Wasser, President and CEO of Ely Gold stated, "We are very excited to be entering a new stage of development at Ely Gold. With the Agreement completed, our business model will now focus on developing a portfolio of highly prospective, un-encumbered precious metals Properties. Ely Gold's proven track record for enhancing projects through claim consolidation, data compilation and permitting with federal agencies, will now be scaled to the entire property portfolio. The addition of Jerry's skills at identifying, acquiring and vending properties will allow Ely Gold to become a premier vendor of precious metal projects. Many of the Properties have not seen modern exploration and we are currently experiencing a renaissance of interest for exploration properties in the state of Nevada. Our goal is to generate drill ready projects to be leased or sold while retaining significant royalty interests. This model will allow us to continue to acquire additional projects while generating cash flow from lease/option payments and advance royalty streams."

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. Eight of the Properties are currently leased or optioned to third parties who are making option payments and paying advance royalties to Nevada Select. 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. A full list of the Properties is available on the Company's website at [www.elygoldandminerals.com](http://www.elygoldandminerals.com) Seven of the properties have conflicts with previous claim staking or claim boundaries. While the Company does not believe that any of these claims are critically important to the current portfolio, it expects to resolve these issues shortly through the BLM or the Interior Board of Land Appeals. There is a risk that it may not successfully resolve the conflicts, in which case the Company will lose its claimed interests in those properties.

As part of the approval process with the TSX Venture Exchange, the Company reports that it has filed on SEDAR ([www.sedar.com](http://www.sedar.com)), an independent National Instrument 43-101 Technical Report, on the WEEPAH GOLD PROJECT, Weepah, Esmeralda County, Nevada, USA. The Technical Report dated April 15, 2016 is also available on Ely Gold's website and was prepared by Barry James Price, M.Sc., P.Geo., BJ Price Geological Consultants Inc. who is a "qualified person" as that term is defined in NI 43-101.

The 100% owned Weepah project is located 20 miles southwest of the town of Tonopah, Esmeralda County, Nevada, and has a historic production from two open pits. The report identifies two high priority targets based historic drill data.

In the Agreement, Nevada Eagle and Nevada Select entered into an agreement, with a third party, whereby it acquired five patented mining claims in Mineral County, Nevada in exchange for eight unpatented claims in Modoc County, California. These patented claims were added to forty three unpatented claims purchased or staked by Nevada Eagle to consolidate the Mina Gold project. Located on the Walker Lane in west central Nevada, Mina Gold was most recently explored by Glamis Gold in 1996. Nevada Select has also acquired significant historic data on the Mina Gold project.

Jerry Baughman, President of Nevada Select stated, "I am pleased to be a part of Ely Gold's new and exciting business model. Our Mina Gold project is a great example of how we are able to quickly consolidate claims and generate fresh properties that have not seen exploration in the current mining cycle. I look forward to working together and successfully enhancing the current portfolio while focusing on property submissions and acquisitions. We expect to be updating stakeholders of Ely Gold and the analyst community on new developments in the near future."

Under the terms of the Agreement, Ely will pay Nevada Eagle a total purchase price of US\$895,600. Upon closing, US\$445,600 was paid in cash with US\$400,000 due 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 has also issued 3,000,000 purchase warrants to Nevada Eagle as part of the Agreement. Each warrant is exercisable to purchase one Ely Gold share for C\$.07 for two years from the date of closing. The Agreement also provided for the mutual settlement of all outstanding legal claims between Ely Gold and Nevada Eagle (refer to February 5, 2016 news release). The Agreement has been filed on SEDAR. It was negotiated at arm's length and no finder's fees were paid.

Ely Gold is pleased to announce that they have retained Investor Relations Services Inc. ("IR.INC") to conduct investor relations services for the Company. IR.INC is headed Ms. Joanne Jobin and is based in Ontario. IR.INC is dedicated to providing

professional investor relations, marketing and corporate communications consulting services to select natural resource industry clients. Ms. Jobin has over 25 years of investor relations experience. She began her career in the fledgling investor relations industry in 1987 with Barrick Gold, where she helped develop its early investor relations and marketing programs. Since then she has worked in the natural resources sector and managed the investor relations, corporate affairs and communications programs for a number of publicly traded companies.

#### Qualified Person

Stephen Kenwood, P. Geo, is director of the Company and a Qualified Person as defined by NI 43-101. Mr. Kenwood has reviewed and approved the technical information in this press release.

#### About Ely Gold

Ely Gold is focused on developing recurring cash flow streams through the acquisition, consolidation, enhancement, and resale of highly prospective, un-encumbered North American precious metals properties. Ely's property development efforts maximize each property's potential for acquisition, while reserving significant royalty interests. Additional information about Ely Gold is available at the Company's website, at [www.elygoldandminerals.com](http://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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