

VANCOUVER, Aug. 8, 2016 /CNW/ - Ely Gold & Minerals Inc. ("Ely Gold" or the "Company") (TSX-V: ELY, OTC: ELYGF) is pleased to announce that it has received assays from 48 rock samples at its 100%-owned Gold Canyon property located in Eureka County, Nevada (the "Property"). The Property is comprised of 26 unpatented lode claims that lie within the claims held by [McEwen Mining Inc.](#), which make up their Gold Bar development. The Property is held under the Company's wholly owned subsidiary, Nevada Select Royalty, Inc.

Gold Canyon was one of five pits mined by Atlas Corporation ("Atlas") from 1987-1994 when the Gold Bar Mine was closed due to low gold prices. According to production records, 41,000 ounces were recovered. Lower grade material was stockpiled and is currently located in front of the pit.

The sampling program was designed to test mineralization in the Gold Canyon pit, to sample the high grade feeder structure at the northwest end of the pit, to test for cyanide soluble gold ("CN") and to identify additional targets on the Property. Three of the rock chip grab samples assayed (Gcj-41 through Gcj-43) were collected at the pit wall from the high angle feeder structure at the northeast end of the pit as it trends to the NE out of the pit. The three samples ran .37 gpt, 1.56 gpt and 9.15 gpt Au and were completely oxidized. This steeply dipping feeder, strikes toward historic drill hole 100-45 located just northwest of the pit wall (60 feet @ 3.48 gpt Au).

Of the 48 samples assayed, 40 were drill cuttings collected from existing unloaded blast holes on two benches near the bottom of the Gold Canyon pit, (Gcj-1 through Gcj-40). All 40 samples were mineralized. Using a .15 gpt cutoff, 33 of the 40 samples ran an average grade of .42 gpt Au. It also appears that the majority of the samples had no adverse metallurgical problems indicated by the CN soluble test assays. Most of the samples showed a CN soluble rate of over 70% of the fire assay gold value, with many samples showing over 90%. Additional metallurgical testing will be necessary but barring silica encapsulation or clay problems, it is expected that the rock may be amenable to heap leach. The three samples (Gcj-15, 16, and 17) that did show poor CN recovery rates were samples that were field identified as clearly carbonaceous. This could potentially allow for a visual cut to be made for grade control purposes. Based on these results, Ely Gold intends to expand its sampling program to include all blast holes, the material stockpile, and a soil grid of the Northwest Gold Ridge and South French Trail prospects identified by Atlas.

Trey Wasser, President and CEO of Ely Gold stated, "We are very excited about these assay results. It supports our belief that the Gold Canyon property has leachable mineralized material remaining in the pit. The high grade feeder is oxidized and may represent significant additional mineralized material which could expand the pit."

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").

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.elygoldinc.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.

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