

In the news release, Ely Gold Announces Sale of Mina Gold Property, Nevada, Retains Royalty, issued today at 08:17e, we are advised by the company that an error occurred in the 2nd sub-bullet of the first bullet under "Terms of the agreement include:". The figure at the end of the 2nd sub-bullet should read "\$6.53 per share" rather than "\$5.63 per share". as originally issued inadvertently. The complete, corrected release follows:

Ely Gold Announces Sale of Mina Gold Property, Nevada, Retains Royalty

TSX-V:ELY

VANCOUVER, Aug. 15, 2016 /CNW/ - Ely Gold & Minerals Inc. ("Ely Gold" or the "Company") (TSX-V: ELY, OTC: ELYGF) is pleased to announce its wholly-owned subsidiary, Nevada Select Royalty, Inc. ("Nevada Select") has executed a purchase agreement (the "Agreement") for the sale of its 100% owned Mina Gold property located in Mineral County, Nevada to [Gold Resource Corp.](#) (NYSE MKT: GORO) ("Gold Resource") for US\$1,000,000. Nevada Select will retain a net smelter royalty ("NSR") of separate and varying percentages on various claims on the Mina Gold property. Closing of the Agreement (the "Closing"), which is subject to Securities Exchange Commission approval, is expected to be on or about August 19, 2016.

Terms of the Agreement include:

- a total sale price of US\$1,000,000 to be paid, at Closing, as follows:
 - US\$150,000 cash as a one-time advance royalty payment;
 - US\$850,000 in Gold Resource restricted common stock, which equated to 130,000 shares issued at the closing price on August 12, 2016 of \$6.53 per share;
- Nevada Select will retain various NSR's on the Mina Gold property;
- Gold Resource will receive Mina Gold property deeds at Closing, and will own 100% of all 48 claims.

Terms of the NSR retained by Nevada Select include:

- a 3% NSR on five patented claims;
- a 2% NSR on thirty-nine unpatented claims, staked by Nevada Select;
- a 1.5% NSR on four unpatented claims, purchased by Nevada Select with existing .5% NSR;
- a 2% NSR on additional unpatented claims staked by Gold Resource within a one-mile area of interest;
- Gold Resource has the option to buy-down 1% of the NSR on the patented claims for US\$1,000,000;
- Gold Resource has the option to buy-down .5% of the NSR on all unpatented claims for US\$500,000.

The Mina Gold property covers an area of approximately 825 acres consisting of 43 unpatented claims and five patented claims in central Nevada's Walker Lane Mineral Belt located in Mineral County, approximately seven miles northeast of Gold Resources' Gold Mesa property. Gold mineralization at Mina Gold is hosted by epithermal quartz veins occurring along fault zones in volcanic host rock outcropping at the surface.

Trey Wasser, President and CEO of Ely Gold stated, "We are extremely pleased to complete our second transaction with Gold Resource and we hope to continue this partnership as they expand their Nevada operations. The Mina Gold project is an exemplary demonstration of Ely Gold's new business model of acquisition and packaging of properties while retaining NSRs. Our team skill-sets for project development allow us to generate new exciting properties and attract quality mining partners. We anticipate making further sales and accretive acquisitions to add to our current platform in Nevada"

Nevada Select has successfully consolidated the Mina gold property by completing the following transactions:

- purchased eight unpatented claims from Nevada Eagle LLC "NEL" (refer to press release dated May 4, 2016);
- under the terms of the NEL purchase, the Company negotiated a property exchange with [Timberline Resources Corp.](#) for the five Mina patented claims;
- staked 35 additional claims in April 2016;
- negotiated the termination of the underlying 2% NSR with Till Capital (refer to news release dated August 12, 2016);
- acquired and organized a large historical data base.

Jerry Baughman, President of Nevada Select, commented, "Our Mina Gold project is an excellent example of how we are able to quickly consolidate claims and generate fresh properties that have not seen exploration in the current mining cycle. Our ability to acquire properties through acquisition and staking, coupled with Ely Gold's capacity to secure capital financing, puts Nevada Select in a unique position to offer 100% ownership to our partners while securing and retaining royalties. We look forward to updating our shareholders with additional Nevada-based transactions in the near future.

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

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.

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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