

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE COMPLETES CHANGE OF BUSINESS

December 31, 2015 - Elysee Development Corp. (TSXV: ELC) (the “**Company**”), is pleased to announce that it has received final approval from the TSX Venture Exchange (“**TSXV**”) and has completed a change of business (“**COB**”) to a Tier 2 investment company as originally announced October 19, 2015.

The Company has determined to refocus its business operations from a "mining issuer" to an "investment issuer". The Company believes that the experience and contacts of its board of directors and management will enable it to identify and capitalize upon investment opportunities as an "investment issuer". Management has adopted an Investment Policy to govern its investment activities and investment strategy. This Investment Policy provides, among other things, that: (a) the Company will seek high return investment opportunities in privately held and in publicly traded companies with a focus on publicly traded resource issuers; (b) the Company will seek to preserve capital and limit downside risk while achieving a reasonable rate of capital appreciation; and (c) the Company will seek investments that provide liquidity.

A copy of the Investment Policy is posted on the Company's profile at www.sedar.com.

Investment Strategy

In pursuit of the investment objectives stated above, the Company, when appropriate, shall employ the following disciplines: (a) investments shall focus on resource companies, concentrating on advanced stage companies, but also early stage and senior companies where appropriate; (b) the Company will obtain detailed knowledge of the relevant business the investment shall be made in, as well as the investee company. The Company will work closely with the investee company's management and directors, and in some cases assist in sourcing experienced and qualified persons to add to the directors and/or management of the investee companies; (c) the Company will limit 25% of its investment capital (at the time of the investment) to any one investment; and (d) a minimum of 50% of the Company's available funds will be allocated to a minimum of two specific investments. Notwithstanding the above, the Company may authorize investments outside of these limits for the benefit of the Company and its shareholders on a case-by-case basis.

The Investment Policy provides the Company with broad discretion with respect to the form of investment taken. The Company may employ a wide range of investment instruments, including: equity, bridge loans, secured loans, unsecured loans, convertible debentures, warrants, options, royalties, net profit interests and other hybrid instruments. The Company may acquire interests in real property and mineral claims, including carried interests, royalty interests or joint venture interests. Where appropriate the Company may act as a third party advisor of opportunities in target or other companies, in exchange for a fee. The Investment Policy does not permit the Company to invest in physical commodities, derivatives, uncovered "short" sales or other similar transactions. Notwithstanding the above, management of the Company may

authorize investments outside of these disciplines if they believe it is in the best interests of the Company and its shareholders.

Investment Evaluation Process

The Company has established an investment committee (“**Investment Committee**”) of three members of its directors to monitor its investment portfolio on an ongoing basis and to review the status of each investment at least once a month or on an as-needed basis. On an ongoing basis, the Investment Committee must be comprised of at least two directors. Nominees for the Investment Committee shall be recommended by the board of directors (the “**Board**”).

The members of the Investment Committee shall be appointed annually by the Board at the first Board meeting subsequent to the annual meeting of shareholders or on such other date as the Board shall determine. Members of the Investment Committee may be removed or replaced by the Board. Officers of the Company may be members of the Investment Committee. Each member of the Investment Committee shall be financially literate.

The Investment Committee is currently comprised of Stuart Rogers, President, Chief Executive Officer and director, Guido Cloetens, Executive Chairman and director and Martin Burian, director. The directors of Elysee are Stuart Rogers, Guido Cloetens, Martin Burian and Thomas Ogryzlo.

Composition of Investment Portfolio

Elysee currently has \$3.1 Million in cash and cash equivalents and the following investments valued at approximately \$3.875 Million as of December 30, 2015:

<u>Investment</u>	<u>Value</u> ⁽¹⁾
Common shares of our three largest holdings (NioCorp Developments Ltd., Focus Ventures Ltd. and TerraX Minerals Inc.)	\$1,927,900
Common shares of five other listed companies	\$ 543,100
Convertible debentures of six other listed companies	\$1,404,000
Total	\$3,875,000

(1) Based on the closing market price as of December 30, 2015

As a result of the above investments, the Company now has at least 50% of its available funds invested in a minimum of two investment in accordance with TSXV policy.

The convertible debentures noted above have an equity component as they are convertible into common shares of their respective issuers at the election of the holder. The company's principal investment objective is to achieve long-term capital appreciation on its equity investments while maintaining a current cash flow from the debenture and pass-through equity instruments.

Use of Available Funds

As of December 31, 2015, the Company has working capital of approximately \$3,100,000. The Company anticipates using the funds for the purposes set forth below:

<u>Principal Purpose</u>	<u>Amount</u>
Estimated 12 month general and administrative expenses	\$ 400,000
Estimated remaining expense of the COB	\$ 5,000
Unallocated working capital	\$ 2,695,000
Total	\$ 3,100,000

Summary of Insider Interests and Conflicts of Interest

Other than as disclosed below, no insider, promoter or control person of the Company and their respective associates and affiliates (before and after giving effect to the COB) has any interest in the transactions contemplated by the COB.

Mr. Stuart Rogers, a director and the President and Chief Executive Officer of the Company is also a director and the Chief Financial Officer of TerraX Minerals Inc. ("**TerraX**"). Mr. Rogers beneficially owns or controls 1,140,000 TerraX shares and 512,500 securities convertible into TerraX shares, representing 1.69% of the outstanding TerraX shares on a non-diluted basis and 2.43% of the outstanding TerraX Shares on a diluted basis. Mr. Rogers beneficially owns or controls 339,000 shares of the Company and 425,000 securities convertible into shares of the Company, representing 1.63% of the outstanding shares on a non-diluted basis and 3.60% of the outstanding shares on a diluted basis. TerraX does not own any securities of the Company. The 1,400,000 shares of TerraX owned by the Company constitute 2.08% of the outstanding shares of TerraX on a non-diluted basis and 3.01% of the outstanding shares of TerraX on a diluted basis. Mr. Rogers declared his interest in, and abstained from voting in respect of, the TerraX investment on behalf of TerraX and the Company. The directors of each of TerraX and the Company have considered the merits of the TerraX investment in the absence of Mr. Rogers. Mr. Rogers will disclose his interest to the directors in respect of any investment decision to be made in respect of the TerraX investment and will abstain from voting in relation thereto.

The directors and officers of the Company are involved in other projects, including projects which may have a conflict of interest in allocating their time between the business of the Company and other businesses or projects in which they are or will become involved.

Update Regarding Mineral Properties

The Company intends to dispose of all its mineral property interests. Elysee currently holds mineral leases claims in the Northwest Territories of Canada that have annual payments or filing obligations that have come due or will come due within the next six months. Elysee plans to allow these claims and leases to lapse when these obligations become due. In addition, it has abandoned its option agreements on the Central Canada property in Ontario (announced in February 2014) and the Archie Lake property in Saskatchewan (announced October 2014) and written-off all acquisition costs.

Shareholder Approval

The Company received the approval of the shareholders of the Company in respect of a change of business of the Company from a "mining issuer" to an "investment issuer" at a meeting of its shareholders on June 24, 2014 (the "**Meeting**"). At the Meeting, a total of 6,488,957 shares were represented out of 21,655,974 shares issued, of which 99.83% voted in favour of the COB. A copy of the circular (the "**Circular**") in relation to the Meeting is available on the Company's profile at www.sedar.com. The TSXV has confirmed that no further approval of the Company's shareholders is required in respect of the COB.

At the Meeting, the shareholders of the Company also approved a change of name for the Company. On July 15, 2015 the name of the Company was changed from Alberta Star Development Corp. to Elysee Development Corp.

Securities Subject to Resale Restrictions

On completion of the, securities of the Company held by certain directors and officers ("**Principals**") of the Company (the "**Principal Securities**") will be subject to resale restrictions. Those Principals of the Company holding Principal Securities in amounts less than 1% of the Company's outstanding Shares on a partially-diluted basis will not be subject to resale restrictions. Principals holding greater than 1% of the Company's outstanding Shares on a partially diluted basis have entered into a pooling agreement that is satisfactory to the TSXV whereby their Principal Securities will be subject to resale restrictions in accordance with the following schedules:

<u>Event</u>	<u>% of Principal Securities Released</u>
Completion Date	25%
Six months after Completion Date	25%
12 months after Completion Date	25%
18 months after Completion Date	25%

A total of 339,000 Shares and 425,000 stock options owned directly and indirectly by Mr. Stuart Rogers and 3,863,000 Shares and 375,000 stock options owned by Mr. Guido Cloetens will be subject to the resale restrictions set forth above.

Sponsorship

The Company has received from the TSXV a waiver from the requirement to engage a sponsor in connection with the COB.

Risk Factors

An investment in the shares of the Company will involve a high degree of risk. Investors should carefully consider each of the risks described below before investing in shares in the Company. The success of the Company will depend entirely on the expertise, ability, judgment, discretion, integrity and good faith of its management. In addition, there are certain risks that the Company will face in its normal course of business following completion of the COB which include: the value of the shares of the Company will fluctuate based on the value of the Company's investment portfolio and general market conditions. There can be no assurance that shareholders will realize any gains from their investment in the Company and may lose their entire investment; the Company does not have any record of operating as an investment issuer or undertaking merchant banking operations; investments made by the Company may lack liquidity; there is no guarantee that the Company will be able to reduce its investment risk by diversifying its investment portfolio; the long-term viability for the Company will depend, in part, on its ability to raise additional investment capital; the Company faces competition from other capital providers and there can be no assurance that suitable investments will be found; the Company will be dependent on attracting key personnel; shareholders will be required to rely on the directors to conduct the business of the Company and the services provided by the directors and management will not be exclusive to the Company and conflicts of interest may arise in the ordinary course of business; shareholders may face dilution in the event of the issuance of additional securities; the Company is not required to pay dividends; the market price of securities of the Company may be volatile; the results of operations and financial condition of the Company will be dependent upon the market value of the securities that will comprise the Company's investment portfolio; the Company will hold a minority interest in each of its investee companies; the volatility of stock price of the Company's shares; the trading price of the shares relative to net asset value; and the Company's due diligence procedures. **Shareholders should review the risk factors set out in their entirety in the Circular before investing in shares of the Company.**

Other Information

Investors are cautioned that, except as disclosed in news releases to be prepared in connection with the COB any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the COB and has neither approved nor disapproved the contents of this press release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Stuart Rogers
President & Chief Executive Officer
Elysee Development Corp.
Tel: (604) 689-1749

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

Caution Regarding Forward-Looking Statements - This news release contains certain forward-looking statements, including statements regarding the COB. These statements are subject to a number of risks and uncertainties. Actual results may differ materially from results contemplated by the forward-looking statements. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward looking statements, oral or written, made by itself or on its behalf, except as required by applicable law.