

# ELYSEE

## DEVELOPMENT CORP.

### NEWS RELEASE

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**ELYSEE earns \$1,195,025 (\$0.06 per share) during the nine months ended August 31, 2018**

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**October 16, 2018 - Elysee Development Corp. (TSX-V: ELC)** is pleased to announce that its unaudited financial statements and management discussion and analysis for the three and nine months ended August 31, 2018 are now available for viewing on SEDAR and at [www.elyseedevelopment.com](http://www.elyseedevelopment.com). All dollar amounts are in Canadian funds.

During the nine months ended August 31, 2018 ("the current period"), Elysee had net earnings of \$1,195,025 (\$0.06 per share) as compared with net earnings of \$357,992 (\$0.02 per share) for the nine months ended August 31, 2017. The earnings for the current period were primarily the result of realized gains on marketable securities of \$1,966,531 and interest and dividend income of \$87,043, offset by unrealized losses on marketable securities of \$503,414.

During the third quarter the Company raised its cash position by selling several smaller positions as well as taking partial profits on some of its significant holdings. Elysee realized gains on marketable securities of \$548,191 and earned interest and dividend income of \$40,932 during the third quarter, with net earnings for the period of \$195,774 (\$0.01 per share) after taking into account unrealized losses of \$315,323 and operating expenses of \$80,090.

As of August 31, 2018 Elysee's net asset value ("NAV") was \$12,155,746 or \$0.56 per share. The fair value of the company's investments in marketable securities was \$9,522,048. Cash and cash equivalents at August 31, 2018 totaled \$2,601,154 as compared to \$882,010 at November 30, 2017. The Company's only debt was comprised of trade payables of \$2,491 as of August 31, 2018.

Guido Cloetens, the chief executive officer of Elysee, stated: "Despite the recent weakness in the junior mining sector our active investment management policy has allowed us to continue to deliver outstanding results. In spite of paying a cash dividend for fiscal 2017 of two cents per share and an interim dividend of one cent per share our shareholders during the period, we were still able to increase our Net Asset Value and cash position during the period. With earnings per share during the first nine months of fiscal 2018 of \$0.06 per share, we are confident of continuing our strong performance through the final months of the fiscal year and beyond."

In September 2018 the company completed a private placement of 4,868,139 shares at a price of \$0.35 per share for gross proceeds of \$1,703,849. There were no warrants issued in conjunction with this placement and no finder's fees were paid. As of the date of this news release the Company had cash and cash equivalents on hand of approximately \$4 million.

During the three months ended August 31, 2018 the Company acquired a convertible debenture of IBC Advanced Alloys Corp. for \$500,000. The debenture bears interest at a rate of 8.25% per year and is convertible in shares of IBC at \$0.31 per share until May 2023.

Subsequent to the period, Elysee acquired a convertible debenture of Baker Street Scientific Corp. for US\$300,000. Baker Street is a private early stage “big data” analytics company based near Atlanta, Georgia. The Company also increased its exposure to both the vanadium and uranium sectors by increasing its position in the convertible debentures of Energy Fuels Inc. to \$555,000.

The most significant positions held by Elysee on August 31, 2018 were Kirkland Lake Gold Inc., Largo Resources Ltd., IBC Advanced Alloys Corp., TerraX Minerals Inc., Niocorp Developments Ltd., Alexco Resource Corp. and Energy Fuels Inc.

NAV is a non-GAAP (generally accepted accounting principles) measure calculated as the value of total assets less the value of total liabilities divided by the total number of common shares outstanding as at a specific date. For the purpose of this calculation, share purchase warrants held by Elysee were valued using the Black-Scholes model calculation, as reported in our annual and quarterly financial statements. The term NAV does not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. There is no comparable GAAP measure presented in Elysee’s financial statements and thus no applicable quantitative reconciliation for such non-GAAP financial measure. The Company believes that NAV can provide information useful to its shareholders in understanding its performance, and may assist in the evaluation of its business relative to that of its peers.

Shareholders are invited to visit our website [www.elyseedevelopment.com](http://www.elyseedevelopment.com) on a regular basis for updates.

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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*Caution Regarding Forward-Looking Statements - This news release contains certain forward-looking statements that 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.*