

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE earns \$3,617,285 (\$0.17 per share) during the fiscal year ended November 30, 2016

February 1, 2017 - Elysee Development Corp. (TSXV: ELC) is pleased to announce its audited financial results for the fiscal year ended November 30, 2016. The audited Financial Statements and management discussion and analysis are available for viewing on SEDAR and at www.elyseedevelopment.com. All dollar amounts are in Canadian funds.

During the fiscal year ended November 30, 2016, Elysee had net earnings of \$3,617,285 as compared with net earnings of \$744,279 for the fiscal year ended November 30, 2015. The earnings for the current year were primarily the result of realized gains on marketable securities of \$2,356,135, unrealized gains on marketable securities of \$1,726,246 and interest and dividend income of \$137,213. Earnings during the prior year were the result of net investment income of \$853,794, a realized foreign exchange gain of \$124,500, an unrealized foreign exchange gain of \$139,011 and interest and dividend income of \$69,044. As a result of the foregoing, Elysee earned \$0.17 per share for the fiscal year ended November 30, 2016 as compared to earnings per share of \$0.035 during the prior year.

In keeping with its stated policy of returning cash to the shareholders whenever possible and prudent, Elysee declared and paid a dividend of \$0.02 per share (\$425,359) to its shareholders on April 27, 2016. A further \$0.02 per share was returned to the shareholders in the form of dividends in December of 2016.

Guido Cloetens, the Chairman of Elysee, stated "We are extremely pleased with our performance during fiscal 2016, which marks our fourth year of profitability. After returning over \$501,861 to the shareholders in the form of dividends and a buy-back of shares during fiscal 2016, we were still able to increase our net shareholders equity to \$11,569,781 at November 30, 2016 from \$8,037,909 at November 30, 2015, an increase of \$3,531,872 (43.9%). While our success is linked to that of the junior resource market, our portfolio has now recovered from the overall downturn in the sector in the last quarter of fiscal 2016 and we will continue to be a highly selective and prudent speculator".

During the current fiscal year, Elysee took profits from some of its largest investment holdings, most notably from the sale of a substantial portion of its position in Silver Standard Resources, which was the result of their acquisition of Claude Resources earlier this year. Elysee also sold shares it held in Tahoe Resources, Kaminak Gold (acquired by Goldcorp), Osisko Mining, Pretium Resources, Kirkland Lake Gold, and Abitibi Royalties among others.

Elysee increased its participation in the specialty metals sector during fiscal 2016 with significant investments in Largo Resources (vanadium), Niocorp (niobium) and IBC Alloys (specialty alloys). In October, 2016 the Company made a substantial investment in the base metals sector through its participation in a major financing for PolyMet Mining (copper-nickel-precious metals). Elysee also

continued to invest in the precious metals sector through participation in private placement financings for, Rye Patch Gold (gold), Alexco Resources (silver) and Fiore Exploration (silver).

As at November 30, 2016, the fair value of the company's investments in marketable securities was \$10,516,494 as compared with \$3,920,592 as at November 30, 2015. Cash and cash equivalents at November 30, 2016 totalled \$1,214,972 as compared to \$4,106,844 at November 31, 2015. The Company's only debt was comprised of trade payable and accruals of \$196,429 as of November 30, 2016.

During the fiscal year ended November 30, 2016 the Company repurchased 333,000 of its shares at a total cost of \$76,502 pursuant to a Normal Course Issuer Bid. These shares were returned to treasury and cancelled.

As of November 30, 2016 the five most significant positions held by Elysee were PolyMet Mining Corp., TerraX Minerals Inc., Largo Resources Ltd., IBC Advanced Alloys Corp. and Focus Ventures Ltd. Elysee's net asset value ("NAV") was \$0.53 per share as of that same date. 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 on a regular basis for monthly updates.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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