

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE earns \$3,176,936 (\$0.153 per share) during the six months ended May 31, 2016

July 14, 2016 - Elysee Development Corp. (TSXV: ELC) has released its unaudited financial statements and management discussion and analysis for the three and six months ended May 31, 2016, both of which are available for viewing on SEDAR and at www.elyseedevelopment.com. All dollar amounts are in Canadian funds.

During the six months ended May 31, 2016 (“the current period”), Elysee had net earnings of \$3,176,936 as compared with net earnings of \$1,071,493 for the six months ended May 31, 2015 (“the prior period”). The earnings for the current period were primarily the result of realized gains on marketable securities of \$886,960, unrealized gains on marketable securities of \$2,393,496 and interest and dividend income of \$76,718. Earnings during the prior period were the result of net investment gains of \$1,031,632, an unrealized foreign exchange gain of \$147,428 and interest and dividend income of \$28,379. As a result of the foregoing, Elysee earned \$0.153 per share for the six months ended May 31, 2016 as compared to earnings per share of \$0.050 during the prior period.

During the second quarter of the current period, our results were favorably impacted by extensive mergers and acquisitions activity in the gold mining sector, with several companies in our portfolio being the subject of take-over offers. These included Lake Shore Gold Corp. being acquired by Tahoe Resources; Claude Resources Inc. being acquired by Silver Standard Resources; Niogold Mining being acquired by Oban Mining (now Osisko Mining Inc.) and Kaminak Gold Corporation receiving a take-over offer from Goldcorp. We converted our substantial position in convertible bonds of Lake Shore Gold into shares of Tahoe Resources and subsequently sold the entire position. We also reduced our positions in Osisko Mining and Kaminak Gold at a significant profit.

During the current period, we took part in several financings. We subscribed for additional shares of Focus Ventures and participated in private placement financings for IBC Advanced Alloys, Rye Patch Gold, and Alexco Resource Corp. In addition, we elected to take advantage of Niocorp’s warrant incentive program which enabled the company to exercise its remaining warrants of Niocorp at a reduced price, with our participation funded by selling part of our position in Niocorp.

As at May 31, 2016, the fair value of the company's investments in marketable securities was \$8,590,913, as compared with \$3,920,592 as at May 31, 2015. Cash and cash equivalents at May 31, 2016 totaled \$2,283,357 as compared to \$4,106,844 at May 31, 2015. The Company’s only debt is comprised of trade payables and accruals of \$8,008 at May 31, 2016.

During the six month period ended May 31, 2016 the Company repurchased 200,000 of its shares at a total cost of \$37,732 pursuant to a Normal Course Issuer Bid. These shares were cancelled and returned to treasury during the period.

As of June 30, 2016 the five most significant positions held by Elysee were IBC Advanced Alloys Corp., Focus Ventures Ltd., Silver Standard Resources Inc., TerraX Minerals Inc. and Niocorp Development Corp. Our net asset value ("NAV") was \$0.51 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 based on their intrinsic value only. The warrants were not valued using the Black-Scholes model calculation, which would result in a higher value, 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 consolidated 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 more updated information.

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.