

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE earns \$1,817,312 (\$0.07 per share) during the thirteen months ended December 31, 2019; declares final dividend of \$0.02 per share for fiscal 2019.

February 21, 2020 - Elysee Development Corp. (TSX.V: ELC) is pleased to announce its audited financial results for the thirteen month period ended December 31, 2019 ("FY2019") its seventh straight year of profitable operations and fifth year paying out a significant dividend. All dollar amounts are in Canadian funds.

Highlights of fiscal 2019 results include:

- Net income increased to \$1,817,312 (\$0.07 per share) in FY2019 from \$1,289,273 (\$0.06 per share) in FY 2018;
- Net investment income increased 29% to \$2,440,637 in FY2019;
- Final dividend of \$0.02 per share declared for 2019, bringing the total annual dividend for FY2019 to \$0.03 per share; and
- Net Asset Value per share rose to \$0.56 per share at December 31, 2019.

In accordance with the Company's policy of returning cash to the shareholders, the board of directors of Elysee has declared a dividend of two cents (\$0.02) per common share. The dividend is to be paid on March 9, 2020 to shareholders of record on March 2, 2020. This is an eligible dividend for Canadian income tax purposes.

Elysee paid an interim dividend of \$0.01 per share on July 31, 2019. As a result, the total dividend attributable to our fiscal 2019 results amounts to \$0.03 per share, which represents a gross dividend yield of approximately 8% based on our current share price.

Guido Cloetens, the Executive Chairman of Elysee, stated: "We are extremely pleased with our continued solid performance during fiscal 2019, which now marks our seventh consecutive year of profitability and our fifth consecutive year of paying a dividend. Our balance sheet remains very strong, with over \$15 million in net assets and no debt as at December 31, 2019."

On December 31, 2019 Elysee's largest single investment was a 12.3% interest in U.S. Vanadium LLC ("USV") which represents an investment of approximately \$2.4 million. In October, 2019 USV acquired an operating vanadium processing facility located in Hot Springs, Arkansas (see our news release of October 15, 2019).

Our actively managed investment portfolio is diversified with a focus on natural resources and in particular the precious metals sector.

The most significant publicly traded positions at the end of last year were Aftermath Silver Ltd., Kirkland Lake Gold Inc., Alexco Resource Corp., Osisko Mining Inc., Gold Terra Resource Corp., IBC Advanced Alloys Corp. and Niocorp Developments Ltd.

As at December 31, 2019 the fair value of the company's investments in marketable securities was \$10,260,554 as compared with \$9,143,332 as at November 30, 2018. Cash and cash equivalents at December 31, 2019 totaled \$1,919,243 as compared to \$4,000,039 at November 30, 2018. The Company's only debt was comprised of trade payables and accruals of \$161,984 as of December 31, 2019.

During the fiscal period ended December 31, 2019 the Company repurchased 98,000 of its shares at a total cost of \$33,680 pursuant to a Normal Course Issuer Bid. These shares were returned to treasury and cancelled. As of December 31, 2019 there were 26,837,613 shares outstanding.

On December 31, 2019 Elysee's net asset value ("NAV") was \$0.56 per share. 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.

The audited Financial Statements and Management Discussion and Analysis are available for viewing on SEDAR and at www.elyseedevelopment.com.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Stuart Rogers
President
Elysee Development Corp.
Tel: (778) 373-1562

Guido Cloetens
Chairman and CEO
info@elyseedevelopment.com
Tel: (778)-985-8011

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