

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE announces results for the six months ended June 30, 2022

August 5, 2022 - Vancouver, B.C. - Elysee Development Corp. (TSX.V: ELC, FRA: QLDN) wishes to announce its unaudited financial results for the three months ("Q2 2022") and six months ended June 30, 2022. All dollar amounts are in Canadian funds.

The second quarter of 2022 was a gloomy period for virtually all equity markets and most asset classes in general. Geopolitical tensions, lockdowns in China, high inflation and rising interest rates have created the expectation that a worldwide recession is on the horizon. As a result, the prices of most metals declined sharply. The GDXJ, a benchmark for junior gold and silver miners, fell 31% in Q2. Shares of senior precious metals miners lost roughly 29% of their value as evidenced by the GDX and XAU trackers. Copper miners (the "COPX") saw their share prices decline on average by 35% in the three months ending on June 30, 2022. During this same period, Elysee's Net Asset Value ("NAV") declined by 17% to \$0.53 per share from \$0.64 cents per share as of March 31, 2022.

During the three months ended June 30, 2022, Elysee incurred a loss of \$3,424,423 which was primarily the result of unrealized losses on the Company's marketable securities of \$3,527,374, which was only partially offset by realized gains of \$234,035 and interest and dividend income of \$85,383.

During the six months ended June 30, 2022, unrealized losses of \$3,292,730 outweighed realized gains of \$753,342. After general and administrative expenses of \$323,956 and taking into account transaction costs and interest and dividend income, the Company incurred a loss for the six months ended June 30, 2022, of \$2,695,944 (\$0.09 per share).

After paying out a two cent per share dividend for fiscal 2021 (a total of \$567,952) in March 2022, the Company's Net Asset Value decreased from \$18.2 million on December 31, 2021 (\$0.64 per share) to \$15 million (\$0.53 per share) on June 30, 2022. Cash on hand as of June 30, 2022, was approximately \$1 million.

Investment Highlights

During Q2 2022 Elysee sold its investments in B2 Gold Corp and Cornish Metals Inc. among others. The Company participated in several smaller private placements and added to existing equity positions.

The most significant publicly traded equity positions held by Elysee at the end of June 30, 2022, were Arizona Sonoran Copper Company Inc., Dundee Precious Metals Inc., Wesdome Gold Mines Ltd., Green Impact Partners Inc., and Spartan Delta Corp.

For more information on these investments and others made during the period, please refer to our web site and our MD&A dated August 3, 2022.

During the six months ended June 30, 2022, the Company purchased 75,500 of its common shares at a total cost of \$47,549 pursuant to a Normal Course Issuer Bid. As of June 30, 2022, there were 28,497,113 shares issued and outstanding.

On June 30, 2022, Elysee's net asset value ("NAV") was \$0.53 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 Financial Statements and Management Discussion and Analysis are available for viewing on SEDAR and at www.elyseedevelopment.com.

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