

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE announces results for the nine months ended September 30, 2022

November 2, 2022 - Vancouver, B.C. - Elysee Development Corp. (TSX.V: ELC, FRA: QLDN) (the “Company”) wishes to announce its unaudited financial results for the three months (“Q3 2022”) and nine months ended September 30, 2022. All dollar amounts are in Canadian funds.

Rapidly rising interest rates, continued geopolitical tension and increasing signs of a worldwide recession continued to put downward pressure on equity prices in the third quarter of 2022. Gold and base metal mining stocks declined across the board with benchmarks for gold producers like the GDX losing almost 12% and copper miners (COPX) falling another 7% in Q3 2022. While oil prices witnessed a substantial decline during the period, the share prices for oil producers managed to remain relatively stable. During this same period, Elysee’s Net Asset Value (“NAV”) declined by 8% to \$0.49 per share from \$0.53 per share as of June 30, 2022.

During the three months ended September 30, 2022, Elysee incurred a loss of \$1,170,364 which was primarily the result of unrealized losses on the Company’s marketable securities of \$1,035,974 and realized losses of \$40,072, partially offset by and interest and dividend income of \$81,210.

During the nine months ended September 30, 2022, unrealized losses of \$4,328,704 outweighed realized gains of \$713,269. After general and administrative expenses of \$500,579 and also taking into account transaction costs as well as interest and dividend income, the Company incurred a loss for the nine months ended September 30, 2022, of \$3,866,308 (\$0.14 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 million on December 31, 2021 (\$0.64 per share) to \$14 million (\$0.49 per share) on September 30, 2022. Cash on hand as of September 30, 2022, was \$726,832.

Investment Highlights

The most significant transaction in Q3 2022 was the conversion of a US\$1 million debenture issued by U.S. Vanadium Holding Company LLC (“USV”) into shares. The conversion was done in conjunction with a capital raise by USV and on the same favorable terms. As of September 30, 2022, Elysee has invested a total of US\$2.11 million into USV.

Elysee also invested \$135,000 in a 12% convertible note issued by CareCru Incorporated. The Company’s combined investment in CareCru, a private company, now totals approximately \$300,000.

During the period, Elysee increased its exposure to the energy sector by purchasing shares of Riley Exploration Permian, Inc.

Three portfolio companies were acquired in all-share deals during the third quarter including Alexco Resource Corp. acquired by Hecla Mining Company in September, Gold Standard Ventures Corp. acquired by Orla Mining Ltd. in August and Northern Superior Resources Inc. which completed the acquisition of Genesis Metals Corp. in July.

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

For more information on these investments and others made during the period, please refer to Elysee's web site and the Company's MD&A dated October 31, 2022.

During the nine months ended September 30, 2022, the Company purchased 125,500 of its common shares at a total cost of \$75,349 pursuant to a Normal Course Issuer Bid. As of September 30, 2022, there were 28,497,113 shares issued and outstanding.

On September 30, 2022, Elysee's net asset value ("NAV") was \$0.49 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 Elysee's 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 the Company'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.elyseedevlopment.com.

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