



## Abitibi Royalties: Reserve & Resource Update Plus Royalty Production Schedule 2018–2020 Canadian Malartic Mine Royalties

VAL-D'OR, Québec, March 19, 2018 -- **Abitibi Royalties Inc.** (TSX-V:RZZ) ("Abitibi Royalties" or the "Company") is pleased to announce the receipt of the year-end 2017 gold Reserve and Resource estimate completed by the Canadian Malartic Mine, operated by Agnico Eagle Mines Limited and Yamana Gold Inc., in respect of the Company's net smelter return ("NSR") interests on various areas at the mine. These areas include portions of Odyssey, East Malartic, Barnat (East), Jeffrey and Gouldie (**Fig. 1**). In addition, Canadian Malartic has provided a 3 year production guidance schedule for areas covered by the Company's NSR's interests during the years 2018-2020.

"When you look at the history of the gold mining sector the biggest contributors to shareholder returns are the game changing discoveries (Goldcorp: Red Lake Mine mid-1990's) that are often combined with a paradigm shift in processing/mining technologies (Barrick: Goldstrike mid-1980's/ Osisko: Canadian Malartic mid 2000's). We have felt since 2014 that a similar situation existed with the bulk tonnage underground potential at Canadian Malartic, particularly the impressive growth we are now seeing at the Odyssey and East Malartic zones. When you combined good fundamentals, with a strong balance sheet, free cash flow and a small share count that goes down and not up, you are creating a unique company. There are numerous historical and new zones contained within our royalties at Canadian Malartic that remain to be confirmed and potentially included into the resource estimate, which leads me to believe that these discoveries will continue to grow in size," stated Ian Ball, president and CEO.

Information regarding the updated reserve and resource estimates for the areas where Abitibi Royalties holds an NSR interest was provided by Canadian Malartic by way of a "Surface Reserve and Resources Annual Reporting Letter to Abitibi Royalties". The following information was extracted from such letter. Proven and probable reserves have been calculated at a gold price of USD\$1,200 per ounce. Stated reserves are in addition to resources.

### Reserve Estimate for Barnat (East) & Jeffrey (3% NSR)

Category	Area	Tons (Metric)	Gold Grade (g/t)	Contained Ounces
Proven Reserve	BA+JF	378,449	1.04	12,627
Probable Reserve	BA+JF	4,054,393	0.89	115,526
Total Proven & Probable Reserve	BA+JF	4,432,842	0.90	128,153

\*BA = Barnat, Jeffrey = JF

### Inferred Resource Estimate for Odyssey, East Malartic, Barnat & Jeffrey (3% NSR)

Category	Area	Tons (Metric)	Gold Grade (g/t)	Contained Ounces
Inferred Resource	ODY-EM-BA-JF	32,779,651	2.20	2,313,925

\*BA = Barnat, Jeffrey = JF, Odyssey = ODY, East Malartic = EM

Agnico Eagle announced in February that the inferred mineral resource for Odyssey only included a small contribution from the Jupiter Zone (the estimate also included the Odyssey North and South Zones), which is an internal zone that extends from the Odyssey North Zone (**Fig. 2**). Agnico Eagle states that drilling carried out to date suggests that the Internal Zones could increase mineral resources and enhance the economics of the project by adding higher-grade ounces that would require minimal additional infrastructure to access. Additional drilling is required to fully understand the complex nature of these zones so that they might be integrated into the mineral resource model. Please see Fig. 3 for the area of focus at East Malartic that the Company believes was the basis for the resource estimate relative to East Malartic's mineralized envelope.

Agnico Eagle states that the planned exploration program for 2018 consists of 140,000 metres of drilling. The focus will be on the shallower portions of the Odyssey South and East Malartic Zone and further drilling to better define the geometry of the higher-grade Internal Zones.

### Resource Estimate for Barnat (East) & Jeffrey (3% NSR)

Category	Area	Tons (Metric)	Gold Grade (g/t)	Contained Ounces
Measured Resource	BA	93,560	1.42	4,276
Indicated Resource	BA-JF	1,008,595	1.24	40,143
Total M and I Resource	BA-JF	1,102,155	1.25	44,419

#### Resource Estimate for Gouldie (2% NSR)

Category	Area	Tons (Metric)	Gold Grade (g/t)	Contained Ounces
Measured Resource	Gouldie	910,676	1.63	47,836
Indicated Resource	Gouldie	1,310,500	1.58	66,430
Total M and I Resource	Gouldie	2,221,176	1.60	114,266
Category		Tons (Metric)	Gold Grade (g/t)	Contained Ounces
Inferred Resource	Gouldie	203,500	1.18	7,720

#### Gold Estimated Production 3% NSR (2018-2020)

Year	Area*	Tons Mined	Gold Grade (g/t)	Mined Ounces	Processed Ounces	Recovered Ounces	Stockpiled Ounces
2018 Q4	JF	907,662	0.70	20,304	12,123	10,826	8,181
2019	JF	1,637,121	0.87	45,833	27,339	24,414	18,494
2020	BA	362,582	0.89	10,327	8,797	7,855	1,530

#### Reserves/Resource Estimate Information

Resources are in addition to the reserves and are determined by Ordinary Kriging in exception to Odyssey South Zone and Jupiter Zone, part of the Odyssey Project, which is determined by Inverse Distance Squared. Variable cutoff grades ranging from 0.35 to 0.37 gpt gold are used for material located inside the pit design while a fix cutoff of 1.00 gpt gold is used for material outside the pit design, including Odyssey. East Malartic estimate has been constrained by mineable shape optimizer at 1.25 gpt stopes cutoff including internal dilution.

A Proven Ore Reserve is the economically minable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which occur when the material is mined. A Proven Ore Reserve represents the highest confidence category of reserve estimate.

A Probable Ore Reserve is the economically minable part of Indicated Mineral Resource. It includes diluting material and allowances for losses which may occur when the material is mined. A Probable Ore Reserve has a lower level of confidence than a Proven Ore Reserve but is of sufficient quality to serve as the basis for decision on the development of the deposit.

Measured resources are indicated resources that have undergone enough further sampling that a 'competent person' (defined by the NI-43 101) has declared them to be an acceptable estimate, at a high degree of confidence, of the grade, tonnage, shape, densities, physical characteristics and mineral content of the mineral occurrence.

Indicated resources are simply economic mineral occurrences that have been sampled (from locations such as drill holes) to a point where an estimate has been made, at a reasonable level of confidence, of their contained metal, grade, tonnage, shape, densities and physical characteristic.

Inferred mineral resource is that part of a mineral resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological/or grade continuity. It is based on information gathered through appropriate techniques from location such as outcrops, trenches, pits, workings and drill holes which may be of limited or uncertain quality and reliability.

#### Technical Information

Based on publically available information the Company believes the majority of the Jupiter Zones (1-4) and Internal North Zones (N1-N8) that are collectively part of the Internal Zone are located inside the Company's 3% NSR (**Fig. 2**). The Company can make no assurances that all or any of the potential future additions to the Internal Zones resources stated by Agnico Eagle would come from the area covered by the Company's 3% NSR. Please see **Fig. 3** for a schematic longitudinal section of the Canadian Malartic Mine and the area of focus at the East Malartic Zone that is believed to be the basis for the resource estimate at East Malartic relative to East Malartic's mineralized envelope. The Company can make no assurances that all or any potential resource additions at East Malartic would come from the area covered by the Company's 3% NSR. Abitibi Royalties believes that the areas at East Malartic covered by its NSR include the deep portions of the respective Main/East Zones and the Porphyry Swarm, East Porphyry and Chert/Wedge Zone (**Fig. 4**). The latter three zones may straddle the

southern boundary of the Company's NSR at depth and the Chert/Wedge Zone along strike to the east, although there can be no assurances that this is the case. These zones are in addition to the Norrie Zone, which straddles the boundary of the Company's NSR to the West and South (**Fig. 4**). The Company can make no assurance that all or any of the planned 140,000 metres drilling in 2018 will be in the areas covered by the Company's various royalties. For more information on the reserves and resources at the Canadian Malartic Mine, please see Agnico Eagle and Yamana Gold's news releases dated February 14 and 15, 2018.

## **QUALIFIED PERSON**

Glenn Mullan, Chairman, is the Qualified Person (as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects) who has reviewed this news release based solely on the data provided and without independent verification and is responsible for the technical information reported herein.

## **About Abitibi Royalties**

Abitibi Royalties owns various royalties at the Canadian Malartic Mine, Canada's largest gold mine, that cover portions of Odyssey, East Malartic, Barnat Extension, Gouldie/Charlie zones and all of the Jeffrey zone. In addition, the Company is building a portfolio of royalties on early stage properties near producing mines.

Golden Valley Mines Ltd. and Rob McEwen hold approximately **49.2%** and **12.2%** interest in Abitibi Royalties, respectively.

**For additional information, please contact:**

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## **Forward Looking Statements:**

This news release contains certain statements that may be deemed "forward-looking statements". Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*

**[Figure 1 – Plan Map of Canadian Malartic Mine and Abitibi Royalties NSR Holdings](#)**

**[Figure 2 - Schematic Longitudinal Section of the Odyssey Project](#)**

**[Figure 3 - Schematic Longitudinal Section of the Canadian Malartic Mine & Abitibi Royalties 3% NSR](#)**

**[Figure 4 - Schematic Longitudinal Section of the Canadian Malartic Mine & Abitibi Royalties 3% NSR](#)**