

FORM 51-102F3
Material Change Report
Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations

- Item 1. Name and Address of Company
- Elysee Development Corp.**
2300-1066 West Hastings Street
Vancouver, B.C. V6E 3X2
- Item 2. Date of Material Change January 30, 2018
- Item 3. News Release
- Issued and distributed through the facilities of Newsfile Corp. on Jan. 30, 2018
- Item 4. Summary of Material Change
- See attached copy of the January 30, 2018 News Release
- Item 5. Full Description of Material Change
- See attached copy of the January 30, 2018 News Release
- Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102
- N/A
- Item 7. Omitted Information N/A
- Item 8. Executive Officer
- Stuart Rogers
Telephone: (604) 689-1749
- Item 9. Date of Report
- January 30, 2018

ELYSEE

DEVELOPMENT CORP.

NEWS RELEASE

ELYSEE earns \$651,448 (\$0.03 per share) during the fiscal year ended November 30, 2017; declares dividend of \$0.02 per share

January 30, 2018 - Elysee Development Corp. (TSX.V: ELC) is pleased to announce its audited financial results for the fiscal year ended November 30, 2017. The audited Financial Statements and management discussion and analysis are available for viewing on SEDAR and at www.elyseedevelopment.com. All dollar amounts are in Canadian funds.

During the fiscal year ended November 30, 2017 Elysee had net earnings of \$651,448 (\$0.03 per share) as compared with net earnings of \$3,617,285 (\$0.17 per share) for the fiscal year ended November 30, 2016. The earnings for the current year were primarily the result of realized gains on marketable securities of \$1,797,949 and interest and dividend income of \$94,546, offset by unrealized losses on marketable securities of \$628,118. Net investment income in fiscal 2017 totaled \$1,255,515 as compared to \$4,236,480 in fiscal 2016.

In keeping with the Company's stated policy of returning cash to the shareholders whenever possible and prudent, the board of directors of Elysee has declared a dividend of two cents (\$0.02) per share on the Company's common shares. The dividend is to be paid on February 20, 2018 to shareholders of record on February 12, 2018. This is an eligible dividend for income tax purposes.

On July 31, 2017 the Company paid an interim dividend of \$0.01 per share. As a result, the total dividend attributable to our fiscal 2017 results amounts to \$0.03 per share, which represents a gross dividend yield of approximately 10% 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 2017, which now marks our fifth year of profitability. Our balance sheet remains strong, with over \$11.5 million in net assets as at November 30, 2017. Our results in the first quarter of 2018 continue to outperform, propelled by an upturn in the the junior resource markets as a result of continued improvements in commodity prices and our own success as a highly selective investor."

During fiscal 2017 Elysee increased its participation in the specialty metals sector with significant investments in Largo Resources (vanadium), Millennial Lithium Corp. (lithium), Niocorp Developments Ltd. (niobium and scandium), Nouveau Monde Graphite Inc. (graphite) and IBC Advanced Alloys (specialty alloys). In addition, the Company made substantial investments in Jericho Oil Corporation and Ravenquest Biomed Inc. Elysee also exercised warrants to acquire 650,000 shares of TerraX Minerals Inc.

As of November 30, 2017 the five most significant positions held by Elysee were Largo Resources Ltd., Kirkland Lake Gold Inc., TerraX Minerals Inc., Ravenquest Biomed Inc. and PolyMet Mining Corp.

As at November 30, 2017 the fair value of the company's investments in marketable securities was \$10,681,519 as compared with \$10,516,494 as at November 30, 2016. Cash and cash equivalents at November 30, 2017 totaled \$882,010 as compared to \$1,214,972 at November 30, 2016. The Company's only debt was comprised of trade payables and accruals of \$158,811 as of November 30, 2017.

During the fiscal year ended November 30, 2017 the Company repurchased 473,500 of its shares at a total cost of \$162,464 pursuant to a Normal Course Issuer Bid. These shares were returned to treasury and cancelled. As of November 30, 2017 there were 21,692,479 shares outstanding.

On November 30, 2017 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.

Shareholders are invited to visit our website www.elyseedevlopment.com on a regular basis for quarterly updates.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Stuart Rogers
President & Chief Executive Officer
Elysee Development Corp.
Tel: (604) 689-1749

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

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.