



May 1, 2013

SOLITARIO ANNOUNCES CLOSING OF PRIVATE PLACEMENT TO ACQUIRE 5,131,150 SHARES OF ELY GOLD

Denver, Colorado: Solitario Exploration & Royalty Corp. ("Solitario;" NYSE MKT: **XPL**; TSX: **SLR**) announces that it has closed its previously announced private placement to acquire 5,131,150 shares (the "Shares") of Ely Gold & Minerals ("Ely Gold;" TSX.V: **ELY**) at a price of CDN\$0.10 per share US\$500,000. The Shares are subject to a four-month hold period in Canada, have not been registered for sale in the United States and were issued pursuant to an exemption from registration under Section 4(a)(2) of the Securities and Exchange Act of 1933, as amended, for offers and sales not involving any public offering..

The 5,131,150 Shares acquired represent approximately 7.7% of the Ely Gold's issued and outstanding Shares. Immediately after the acquisition, Solitario owned an aggregate of 8,464,483 Shares, representing approximately 12.68% of Ely Gold's outstanding Shares.

The securities were acquired by Solitario, by cash subscription, through a private placement by Ely Gold. Pursuant to a letter of intent dated August 26, 2010 between Solitario and Ely Gold (the "**LOI**"), as part of its earn-in to the Mt. Hamilton LLC joint venture, Solitario was required to subscribe for up to US\$750,000 of Ely Gold stock by May 1, 2013. Ely Gold reduced Solitario's required subscription payment due on May 1, 2013 from US\$750,000 to US\$500,000. Ely Gold is required to use the proceeds from the private placement to pay Augusta Resource Corporation ("**Augusta**") US\$750,000 due on June 1, 2013 and has agreed to pay the remaining US\$250,000 of this required payment directly to Augusta. This private placement fulfills Solitario's 2013 funding requirement as mandated by the LOI. Pursuant to the LOI, Solitario is required to subscribe for up to an additional US\$1,750,000 worth of additional Shares of Ely Gold, priced at the 20-day weighted market average price, calculated on the subscription date, with up to US\$750,000 to be subscribed for on or before May 1, 2014, and up to US\$1,000,000 to be subscribed for on or before May 1, 2015. However, per the LOI, Ely Gold has the option to reduce the amounts of the remaining US\$1,750,000 subscriptions. Solitario will file an Early Warning Report as required by Canadian regulatory authorities under National Instrument 62-103 with regard to the private placement.

About Solitario

Solitario is a gold, silver, platinum-palladium, and base metal exploration, development and royalty company actively exploring in Brazil, Mexico, Peru and Nevada. Solitario has significant business relationships with Votorantim Metais, Hochschild Mining and Anglo Platinum. Solitario is traded on the NYSE MKT ("XPL") and on the Toronto Stock Exchange ("SLR"). Additional information about Solitario is available online at www.solitarioxr.com .

FOR MORE INFORMATION OR A COPY OF THE EARLY WARNING REPORT
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