



December 3, 2013

RECENT TRANSACTIONS BOLSTER SOLITARIO'S FUTURE FINANCIAL POSITION

Denver, Colorado: Solitario Exploration & Royalty Corp. ("Solitario;" NYSE MKT: **XPL**; TSX: **SLR**) is pleased to announce that recent corporate transactions, in conjunction with other financial undertakings in 2013, have significantly strengthened Solitario's future financial position.

Solitario is announcing today the completion of the acquisition of 13,571,354 common shares (the "Shares") of Ely Gold & Minerals ("Ely Gold;" TSX.V: **ELY**) by way of a private placement at a price of CDN\$0.10 per share. Immediately after the acquisition of the Shares, Solitario now holds 15,732,274 common shares of Ely Gold, or approximately 19.6% of their common shares. Solitario will file an Early Warning Report as required by Canadian regulatory authorities under National Instrument 62-103 with regard to the acquisition of the Shares. Ely Gold used the funds from the private placement, per agreements with Solitario and Augusta Resource Corporation ("Augusta"), to completely pay off and eliminate all financial liabilities due to Augusta, the original lease holder of Solitario's Mt. Hamilton gold project in Nevada. Augusta agreed to reduce the \$1,750,000 combined total of the final two payments due in June 2014 and 2015 to an accelerated single payment of \$1,300,000 that was paid on November 28, 2013.

This private placement concluded a series of transactions during 2013 that significantly reduced Solitario's financial obligations moving forward. Chris Herald, CEO and President of Solitario, stated, "We started 2013 with \$3.5 million in cash payment obligations due to Augusta and Ely Gold maturing at various dates from February 2013 to June 2015; however, as a result of the actions we undertook during 2013, we now only have one cash payment of \$250,000 due to Ely Gold remaining, and we have increased our ownership of Ely Gold to 19.6%. The elimination of these future payments enhances our ability to finance Mt. Hamilton and further de-risks the project. In addition, during 2013, we raised approximately \$3.0 million through a private placement of Solitario common shares and the sale of certain other securities we held."

Significant Cost Reductions Allow for Full Mt. Hamilton Funding

Beginning in the first quarter of 2013 we implemented a series of cost reduction efforts in non-core exploration projects and G & A costs, while continuing to fully fund our permitting and engineering activities on our Mt. Hamilton gold project. We shut down our generative exploration programs in Brazil and Bolivia, and placed our 100%-owned Mexico and Peru projects on care-and-maintenance, while our joint venture partners continue to fund the Bongará zinc project in Peru, the Pachuca Norte silver-gold project in Mexico and the Pedra Branca platinum-palladium project in Brazil.

Chris Herald, President and CEO of Solitario commented further, "As a result of our cost reduction efforts and transaction activities, our Mt. Hamilton gold project will remain fully

funded through the permitting process and well into 2015, if required. 2013 was certainly a very challenging year for the gold mining industry, but we met these challenges head-on and believe we are ending 2013 financially stronger than when we started it. Mt Hamilton permitting is on track and our goal is to complete this process by the middle of 2014.”

Mt. Hamilton LLC

Solitario and Ely Gold formed the Mt. Hamilton LLC (“MH-LLC”), a limited liability company which holds 100% of the Mt. Hamilton project assets under an Operating Agreement (“MH-Agreement”). Per the terms of the MH-Agreement, DHI-US, Ely Gold’s wholly owned US subsidiary, has a 20% interest in the MH-LLC and Solitario has an 80% interest.

About Solitario

Solitario is a gold, silver, platinum-palladium, and base metal exploration and royalty company actively exploring in Brazil, Mexico, and Peru. Solitario has significant business relationships with Votorantim Metais on its high-grade Bongará zinc project in Peru, Hochschild Mining on its Pachuca Norte silver-gold project in Mexico and Anglo Platinum on its Pedra Branca platinum-palladium project in Brazil. 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 AT SOLITARIO, CONTACT:

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This press release includes certain "Forward-Looking Statements" within the meaning of section 21E of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization and reserves, exploration results and future plans and objectives of Solitario, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Development of Solitario’s properties are subject to the success of exploration, completion and implementation of an economically viable mining plan, obtaining the necessary permits and approvals from various regulatory authorities, compliance with operating parameters established by such authorities and political risks such as higher tax and royalty rates, foreign ownership controls and our ability to finance in countries that may become politically unstable. Important factors that could cause actual results to differ materially from Solitario’s expectations are disclosed under the heading "Risk Factors" and elsewhere in Solitario’s documents filed from time to time with Canadian Securities Commissions and the United States Securities and Exchange Commission.