

TORONTO, May 9, 2016 /CNW/ - [Galane Gold Ltd.](#) ("Galane" or the "Company") (TSX-V: GG) is pleased to announce that its previously announced rights offering (the "Rights Offering") has closed.

Details of the Rights Offering are as follows:

- the aggregate gross proceeds from the Rights Offering were approximately \$713,000;
- pursuant to the basic subscription privilege under the Rights Offering, 60,568,856 common shares of Galane ("Common Shares") have been issued;
- pursuant to the additional subscription privilege under the Rights Offering, 10,745,586 Common Shares have been issued;
- 142,628,884 Common Shares are now issued and outstanding; and
- no fees or commissions were paid in connection with the Rights Offering.

Galane CEO, Nick Brodie commented, "Having reviewed options to fund the restart of our newly acquired Galaxy operation, we decided that giving existing shareholders an equal opportunity to invest in the future of the Company via a rights issue was the most desirable path forward. I would like to thank our shareholders for their vote of confidence in our plans by ensuring the rights offering was heavily oversubscribed when taking into account additional subscription requests. We will now commence the recommissioning of the Galaxy plant and underground operations back up to their full production capacity plus installing a new tailings retreatment facility."

Galane will announce information with respect to the breakdown of distributions under the basic subscription privilege and additional subscription privilege to insiders before the distributions under the Rights Offering, or persons who became insiders as a result of the distributions under the Rights Offering, when that information becomes available to Galane, after reasonable inquiry.

About Galane Gold Ltd.

Galane is an un-hedged gold producer and explorer with mining operations and exploration tenements in Botswana and South Africa. Galane is a public company and its shares are quoted on the TSX Venture Exchange and the Botswana Stock Exchange under the symbol GG. Galane's management team is comprised of senior mining professionals with extensive experience in managing mining and processing operations and large-scale exploration programmes. Galane is committed to operating at world-class standards and is focused on the safety of its employees, respecting the environment, and contributing to the communities in which it operates.

Cautionary Notes

Certain statements contained in this press release constitute "forward-looking statements". All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the completion, timing and quantum of proceeds of the Rights Offering, the Company's future financial position and results of operations, strategy, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially are set out under the heading "Risks and Uncertainties" in Galane's annual management's discussion and analysis for the year ended December 31, 2015, a copy of which is available on the Company's SEDAR profile at www.sedar.com. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained or referenced herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

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 release.

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Contact
Nick Brodie, CEO, [Galane Gold Ltd.](#), + 44 7905089878, Nick.Brodie@GalaneGold.com, www.GalaneGold.com