

Galantas Announces Proposed Private Placement

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TORONTO, Nov. 19, 2018 - [Galantas Gold Corp.](#) (the "Company" or "Galantas"), the AIM and TSX Venture Exchange ("TSXV") quoted gold producer and explorer with a 100% interest in Northern Ireland's Omagh gold mine, announces a proposed private placement of common shares (the "Private Placement").

The net proceeds to be raised by the Private Placement are intended to be used for working capital purposes and to achieve full production status. Galantas has set a production target of 30,000 ounces of gold in concentrate per year (see note 1). The Company expects the Private Placement to complete the equity element of funding required to achieve the target.

The Private Placement is for a minimum of 64,000,000 shares and a maximum of 80,000,000 shares, at an issue price of UK£0.05(CAD\$0.086) per share for minimum gross proceeds of UK£3,200,000 (CAD\$5,130,000) and maximum gross proceeds of UK£4,000,000 (CAD\$6,879,080). A four month plus one day hold period will apply to the shares and the shares will rank pari passu with the existing shares in issue of the Company. The Private Placement will be part brokered. Insiders are expected to participate in the placing.

The Company has received a provisional indication from Melquart Ltd. (Melquart), who currently hold 19.2% of the company's shares, to subscribe for a up to a maximum of £1,400,000. On the issuance of the minimum number of placing shares, the maximum subscription from Melquart would equate to a holding by Melquart, post Private Placement, of approximately 25% of the Company's total common shares.

Under Canadian securities law, Melquart would automatically be considered a "control person" if they owned 20% or more of the common shares of the Company. Canadian regulations require that consent of a majority of disinterested shareholders is required for the creation of new control persons. The Company expects to achieve this via a written resolution.

Mr. Roland Phelps, President & CEO, [Galantas Gold Corp.](#), intends to, subject to approvals, exchange shares for debt owed to him personally, in the amount of £500,000, on the same terms as the Private Placing ("the Shares for Debt Arrangement" or "Arrangement"). Mr. Phelps, by virtue of his executive role in the Company, is deemed a "control person" under Canadian regulations. The consent of a majority of disinterested shareholders is required by the regulations to enact such an Arrangement. The Company will be seeking that by means of a written resolution.

The Private Placement and the Shares for Debt Arrangement, will be subject to TSXV and regulatory approval.

In the case of the receipt of subscriptions above the minimum number of shares, the company expects to prioritise qualifying investors (see note 2) who are existing shareholders.

A further announcement will be made in due course detailing the results of the Private Placement.

The Company has received, through an advisor, expressions of interest in the Company's Omagh properties and operations. The Company will advise shareholders if matters of substance arise that may lead to corporate action.

The underground gold mine at Omagh has commenced limited production of gold concentrate, from feed

produced in development of the Kearney vein and Galantas announced the first delivery of gold and silver concentrate on November 5, 2018. The processing plant uses a non-toxic flotation process to produce concentrates, without the use of cyanide or mercury. It satisfies strict environmental monitoring criteria set by the Northern Ireland regulatory authorities and has a zero lost time accident record since the start of underground development.

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

[Galantas Gold Corp.](#)'s Issued and Outstanding Shares total 209,686,805.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

Note 1 : For further details see Galantas NI 43-101 / PERC Technical Report, July 2014 on www.sedar.com and www.galantas.com.

Note 2 : A qualifying investor is one that meets the requirements of the relevant securities laws of the jurisdiction in which they are resident, in relation to the Private Placement.

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