

TORONTO, Sept. 13, 2016 /CNW/ - [Galane Gold Ltd.](#) ("Galane Gold" or the "Company") (TSX-V: GG) is pleased to announce that it has closed its previously announced mandatory offer (the "Mandatory Offer") for the acquisition of the outstanding ordinary shares (the "Galaxy Shares") of Galaxy Gold Mining Limited ("Galaxy") held by its minority shareholders.

As a result of the completion of the Mandatory Offer, the Company now owns approximately 98.6% of the outstanding Galaxy Shares. Pursuant to the terms of the Mandatory Offer, Galane Gold has agreed to pay an aggregate purchase price of approximately Cdn\$235,000 to holders of Galaxy Shares who elected to receive cash consideration and to issue 2,340,094 common shares and 520,016 common share purchase warrants, with each warrant being exercisable at a price of Cdn\$0.175 per common share until September 12, 2018, to those holders of Galaxy Shares that elected to subscribe for securities of Galane Gold in lieu of receiving cash consideration.

As the Mandatory Offer was accepted by holders of more than 90% of the Galaxy Shares not owned by Galane Gold, Galaxy intends to exercise, to the fullest extent legally possible, its rights under the Companies Act (South Africa) to compulsorily acquire all of the Galaxy Shares that remain outstanding.

Galane Gold CEO, Nick Brodie commented: "This represents another milestone completed in bringing the Galaxy mine back into full production. The capital project to recommence production commenced in July 2016 and we are on target to start producing gold in the fourth quarter of 2016 as previously advised."

Appointment of Chief Financial Officer

The Company is also pleased to announce that it has appointed Mr. Gavin Vandervegt as Chief Financial Officer, effective October 16, 2016, in replacement of interim Chief Financial Officer Bradshaw Zinyemba.

Mr. Vandervegt has had extensive experience in Africa and held several senior finance positions in mining including Group Financial Controller at Nautilus Minerals, Finance Director at Katanga Mining and Commercial Controller at Xstrata Coal.

Galane Gold CEO, Nick Brodie commented: "Given Gavin's extensive relevant experience I am very happy to have secured his services for Galane Gold where I believe he will be a positive addition to our already strong management team."

Investor Relations Engagement

The Company also announces the engagement of Soar Financial Partners ("Soar Financial") as an investor relations advisor. Soar Financial is a communication services company based in Germany which will assist the Company with its corporate communications and information dissemination services.

Soar Financial has agreed to provide services to the Company for an initial six month period which commenced on May 1, 2016 for a fee of 3,500 per month plus applicable taxes. In addition, the Company confirms the prior grant to Soar Financial of options to purchase up to 1,000,000 common shares, exercisable at a price of \$0.05 per share for a period of five years. Prior to the grant of the above-noted options, Soar Financial had no direct or indirect interest in the Company or its securities, or any right or intent to acquire such an interest.

About Galane Gold

Galane Gold is an un-hedged gold producer and explorer with mining operations and exploration tenements in Botswana and South Africa. Galane Gold is a public company and its shares are quoted on the TSX Venture Exchange and the Botswana Stock Exchange under the symbol "GG". Galane Gold's management team is comprised of senior mining professionals with extensive experience in managing mining and processing operations and large-scale exploration programmes. Galane Gold 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 Company's future financial position and results of operations, strategy, proposed acquisitions, 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 include, but are not limited to: the Company's dependence on two mineral projects; gold price volatility; risks associated with the conduct of the Company's mining activities in Botswana and South Africa; regulatory, consent or permitting delays; risks relating to the Company's exploration, development and mining activities being situated in Botswana and South Africa; risks relating to reliance on the Company's management team and outside contractors; risks regarding mineral resources and reserves; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks arising from the Company's fair value estimates with respect to the carrying amount of mineral interests; mining tax regimes; risks arising from holding derivative instruments; the Company's need to replace reserves depleted by production; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; operating or technical difficulties in connection with mining or development activities; lack of infrastructure; employee relations, labour unrest or unavailability; health risks in Africa; the Company's interactions with surrounding communities and artisanal miners; the Company's ability to successfully integrate acquired assets; risks related to restarting production; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; development of the Company's exploration properties into commercially viable mines; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; risks related to the market perception of junior gold companies; and litigation risk. 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 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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