

TORONTO, ONTARIO--(Marketwired - May 26, 2017) - [Galane Gold Ltd.](#) ("Galane Gold" or the "Company") (TSX VENTURE:GG) is pleased to announce the release of its financial results for the three months ended March 31, 2017. All amounts are in United States dollars unless otherwise indicated.

A copy of the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2017 prepared in accordance with International Financial Reporting Standards and the corresponding Management's Discussion and Analysis will be available under the Company's profile on [www.sedar.com](http://www.sedar.com).

#### First Quarter 2017 Highlights

- Sold 5,531 ounces of gold.
- Positive cash flows from operating activities of \$821,253.
- Cash balance of \$1,241,089 at the end of the quarter.

#### Subsequent Events

- Announced letter of intent to acquire [Vantage Goldfields Ltd.](#) ("Vantage"), an Australian gold mining company with two mines and processing plant proximate to Galane Gold's Galaxy operation.

Galane Gold CEO, Nick Brodie commented: "The first quarter of 2017 was challenging for Galane Gold as unseasonably high rainfall at the Mupane property resulted in flooding at our underground mine and operational issues related to feeding wet ore to our plant. While we managed to continue production throughout this period, albeit at a reduced rate, we did not reach our own internal targets. The second quarter to-date has seen us move past these challenges and we have resumed a normal rate of production.

The announcement of the potential acquisition of Vantage is a significant opportunity for Galane. We expect to integrate Galaxy and Vantage with a view to deriving substantial operational and cost synergies and take a major step forward in our goal to reshape the Company into a long-life and low-cost operation that can produce positive returns for investors across commodity cycles."<sup>(1)</sup>

#### Options and deferred share units

The Company also announces that it has authorized the grant of options to the Chief Financial Officer of the Company. Options to purchase up to 500,000 common shares were authorized for grant with a five year term and an exercise price equal to the closing price of the common shares on the TSX Venture Exchange on May 26, 2017. Such options shall vest according to the following schedule: 10% vest on the award date; 10% vest on the first anniversary of the award date; 15% vest on the second anniversary of the award date; and 32.5% vest on each of the fourth and fifth anniversary of the award date.

The Company also announces that it has authorized the grant of deferred share units ("DSUs") to the Chief Executive Officer of the Company equal to 25% of his salary (approximately £62,500) and to the Chief Operating Officer of the Company equal to 25% of his salary (approximately \$68,000), each determined based on the closing price of the common shares on the TSX Venture Exchange on May 26, 2017. Such DSUs shall vest in three equal instalments on the first, second and third anniversaries of the award date. The DSUs have been awarded based on the achievement of certain key performance indicators for the 2016 financial year as previously approved by the Compensation Committee of the Company in May 2016.

#### 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.

#### Note:

<sup>(1)</sup> This is forward-looking information and is based on a number of assumptions. See "Cautionary Notes".

#### 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.

*Information of a technical and scientific nature that forms the basis of the disclosure in the press release has been approved by Charles Byron Pr. Sci. Nat., MAusIMM., MGSSA and Chief Geologist for Galane Gold, and a "qualified person" as defined by National Instrument 43-101.*

*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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