

GALANTAS GOLD CORPORATION

TSXV – AIM “GAL”

DEVELOPMENT OF OMAGH GOLD MINE ADVANCES AND INTERSECTS STRINGER VEIN

12th July 2017 : Galantas Gold Corporation (the “Company”) is pleased to announce continued progress by its wholly owned subsidiary engaged in development of an underground gold mine near Omagh, County Tyrone, Northern Ireland.

Underground development is proceeding well with the development tunnel advanced by approximately 47 metres from the underground portal. Arrangements regarding blasting appear to be working efficiently and actions are in hand to increase the blasting frequency.

A narrow stringer vein, an offshoot of the Kearney system, has been intercepted (as expected following report dated 24th August 2016 of adjacent drill Hole 159). Hole 159 intersected the stringer vein some 11m south of the tunnel intersection and reported a mineralised intersect of 1 metre (true width 0.5m) at 5.7 g/t gold and 6.2 g/t silver. Mineralisation, examined by trenching (reported 7th September 2016) and considered the surface expression of the stringer vein, suggested a vein strike of 325 degrees, with a dip of 85 degrees east. The tunnel intersection shows the mineralisation over a true width of a minimum of 0.5m with a similar strike and dip. Grade samples have been taken. This vein has potential to provide a limited quantity of mineralised material for processing whilst the remainder of development required to access the main Kearney veins is progressed.

Having reached the first development milestone, the permanent ground support tunnel lining is to be installed. Recent tests of shotcrete (a form of sprayed concrete), at the site, demonstrated that a suitable permanent lining can be achieved. Shotcrete will be sprayed over the existing mesh and rockbolt ground support on a campaign basis until in-cycle shotcreting is possible. The current shotcreting program and installation of capital infrastructure has been scheduled over the next two weeks during which time tunnel advance will be restricted.

After the permanent ground support has been installed, it is anticipated that the enhanced blasting arrangements noted above will accelerate the rate of tunnelling advance.

The mining is being carried out by an in-house crew which is fully trained in safety and operating procedures. An in-house, mines rescue team has also been trained and equipped. Capital equipment has been purchased, including fans, pumps, compressor, additional environmental monitoring, security and safety equipment amongst the items.

Surface stockpiles of rock have been reduced by backfilling of the Kearney open pit, to create an apron area for the upper part of a ramp which has been formed in the north end of the open pit. The ramp accesses the lower portal in the base of the open pit and will eventually be contained within a concrete tunnel, permitting completion of backfilling of the open pit.

Two additional ground-water monitoring boreholes have been drilled and monitoring data collected. Water make within the tunnel is minimal and water monitoring at the site continues to demonstrate good compliance within the criteria set down by the regulatory authority.

Roland Phelps, President & CEO, Galantas Gold Corporation, said "I am very pleased with the progress being made. We have an excellent and skilled team in place delivering results. As a consequence, I am delighted to announce that arrangements are being put in hand to increase the rate of progress and with this the hiring of some additional personnel. This will take the number of persons employed at the operation to around 27."

The Omagh Gold Mine has an operational processing plant and tailings facility with an excellent environmental record. The plant uses a non-toxic, froth flotation process, without the use of cyanide or mercury and produces a gold concentrate which is exported for smelting. The remaining tailing sands are clean and free from acid drainage. The plant is on stand-by awaiting mineralised material from underground development. The underground mine, when fully developed, is expected to create 130 jobs plus others in service industries associated with the development.

Regulatory

The Company confirms that all resolutions were passed at an Annual General and Special Meeting which took place on 26th June 2017, details of which may be found on the Company's website www.galantas.com.

The samples were taken by geological staff under the supervision of R. Phelps C.Eng MIMMM, (President & CEO, Galantas Gold Corporation), the Qualified Person (QP) for the program under NI 43-101 and who is also a "Qualified Person" as defined in the Note for Mining Oil & Gas Companies, June 2009, of the London Stock Exchange. Readers are referred to the disclosure dated 24th August 2016 for complete technical details, including sampling, security, verification and testing regarding Core H159 and the disclosure dated 7th September 2016 regarding details of the surface trenching. Mr. Phelps has reviewed the technical detail contained in this release.

Neither 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.

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

Enquiries : Galantas Gold Corporation

L. Jack Gunter P.Eng – Chairman, Roland Phelps C.Eng – President & CEO
Email: info@galantas.com Telephone: (UK) +44 (0) 2882 241100
Website: www.galantas.com

Grant Thornton UK LLP (Nomad)

Philip Secrett, Richard Tonthat: Telephone: +44(0)20 7383 5100

Whitman Howard Ltd (Broker & Corporate Adviser)

Nick Lovering, Grant Barker: Telephone: +44(0)20 7659 1234