Galane Gold Ltd. Releases Financial and Operating Results for Q1 2021

TORONTO, May 26, 2021 (GLOBE NEWSWIRE) -- Galane Gold Ltd. ("Galane Gold" or the Company") (TSX-V: GG; OTCQB: GGGOF) is pleased to announce the release of its financial results for the three months ended March 31, 2021.

A copy of the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2021 prepared in accordance with International Financial Reporting Standards and the corresponding Management's Discussion and Analysis are available under the Company's profile on www.sedar.com. All references to "$" in this press release refer to United States dollars.

First Quarter 2021 Highlights

- Produced 5,600 ounces of gold at Mupane and sold its gold at an average sales price of $1,771 per ounce.
- Earnings from mining operations for the period of $890,559.
- Positive cash flows from operating activities of $2,027,644.
- Capitalised $1,124,492 of concentrate sales produced by Galaxy.
- $1,615,208 of debt repaid.

Galane Gold CEO Nick Brodie commented: "At Mupane production was not at the level we had hoped for in the first quarter. This was due to unseasonably high rainfalls which flooded the lower levels of the Tau underground and constrained production. In addition, we experienced inconsistent power supply, again caused by the high rainfall, which resulted in the failure of the main incoming transformer. These challenges have also affected the start of the next quarter but we are confident that we can make up for the majority of the lost production as we go forward. [(1)]

The hard work at the Galaxy project is now coming to fruition and we are seeing a significant increase in monthly production. The ounces produced in April exceeded those produced in the first quarter at Galaxy. We should see a significant increase in production as we start to mine the Galaxy ore body.[(1)]

Work has now commenced on Summit in earnest now that we have closed the acquisition. We have started work on the plans and requirements to recommence production as soon as possible."

About Galane Gold

Galane Gold is an un-hedged gold producer and explorer with mining operations and exploration tenements in Botswana, South Africa and New Mexico. Galane Gold is a public company and its shares are quoted on the TSX Venture Exchange under the symbol "GG" and the OTCQB under the symbol "GGGOF". 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:

(1) 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 Company's ability to make up for lost production at Mupane, the projected increase in production as the Company starts to mine the Galaxy ore body, the recommencement of production at the Summit mine, 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 three mineral projects; gold price volatility; risks associated with the conduct of the

Company's mining activities in Botswana, South Africa and New Mexico; regulatory, consent or permitting delays; risks relating to the Company's exploration, development and mining activities being situated in Botswana, South Africa and New Mexico; 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; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; 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.

For further information please contact:
Nick Brodie
CEO, Galane Gold Ltd.
+ 44 7905 089878
Nick.Brodie@GalaneGold.com
www.GalaneGold.com