TORONTO, ONTARIO – August 31, 2015: Galane Gold Ltd. (“Galane Gold” or the “Company”) (TSX-V: GG) is pleased to announce the release of its financial results for the three and six months ended June 30, 2015. All amounts are in United States dollars unless otherwise indicated.

A copy of the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2015 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.

Second Quarter 2015 Highlights

- Operating cash cost of $1,457 per ounce (excluding royalties).\(^{(1)}\)
- Cash balance of $4,308,145 at the end of the quarter.
  - Cash in flows from operating activities of $1,745,036.
  - Cash flows used in investing activities of $2,498,279 which included infrastructure and initial development for Tau underground.
- Produced 4,829 ounces of gold.
- Total ore mined of 88,937 tonnes at an average grade of 1.33 grams per tonne.
- Total ore milled of 206,440 tonnes at a head grade of 1.08 grams per tonne.
- Mining licence for Jim’s Luck received which has a measured and indicated mineral resource of 93,004 ounces of gold and a total inferred mineral resource of 46,424 ounces of gold.

On April 29, 2015 the Company announced an agreement to acquire Galaxy Gold Mining Ltd. The acquisition of Galaxy is subject to the satisfaction or waiver of various closing conditions including the completion of due diligence by the Company and the receipt of applicable regulatory approvals, including the approval of the TSX Venture Exchange. On June 24, 2015, the Company extended the closing date to August 31, 2015. On August 31, 2015, the parties further extended the closing date to September 30, 2015.

Galane Gold CEO, Nick Brodie commented: “We started the development of Tau underground in quarter one 2014 as part of our long term plan for Mupane. In quarter two 2015 we completed the first phase of the development of Tau underground and we have now commenced commercial production in quarter three on the Eastern ore body. Management must be commended for completing the transition to an underground mining operation on time and within budget. We are looking forward to a marked increase in production and improvement in results in the last two quarters of the year. We succeeded in generating positive cash flows from operating activities in quarter two 2015 to continue funding the Tau underground development costs.”
The Galaxy due diligence process has continued and we have agreed with their majority shareholders an extension to ensure that we produce a comprehensive business model that can provide considerable benefit to both sets of shareholders.”

Note:

(1) Operating cash cost excluding royalties is a non-GAAP measure. Refer to “Supplemental Information to Management’s Discussion and Analysis” in the Company’s Management’s Discussion and Analysis for the three and six months ended June 30, 2015 for reconciliation to measures reported in the Company’s financial statements.

About Galane Gold
Galane Gold is an un-hedged gold producer and explorer with mining operations and exploration tenements in Botswana. 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 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 are set out under the heading “Risks and Uncertainties” in Galane Gold’s annual management’s discussion and analysis for the year ended December 31, 2013, a copy of which is available on the Company’s SEDAR profile at www.sedar.com. 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 or referenced 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.

For further information please contact:
Nick Brodie
CEO, Galane Gold Ltd.
+ 44 7905089878
Nick.Brodie@GalaneGold.com
www.GalaneGold.com