For immediate release

GALANE GOLD LTD. ANNOUNCES AGREEMENTS TO ACQUIRE
GALAXY GOLD MINING LTD.

TORONTO, ONTARIO – April 29, 2015: Galane Gold Ltd. (“Galane Gold” or the “Company”) (TSX-V: GG) is pleased to announce that it has entered into binding share purchase agreements to acquire approximately 78% of the issued and outstanding ordinary shares (each, a “Galaxy Share”) of Galaxy Gold Mining Limited (“Galaxy”), a gold mining company with operations in the Mpumalanga Province of South Africa. Following the acquisition of the Galaxy Shares pursuant to the share purchase agreements, Galane Gold will make an offer to all other shareholders of Galaxy to acquire the remaining Galaxy Shares on economically equivalent terms (the “Mandatory Offer”).

Transaction

Galane Gold has entered into share purchase agreements with the majority shareholders of Galaxy, pursuant to which a wholly-owned subsidiary of the Company has agreed to acquire approximately 78% of the issued and outstanding Galaxy Shares in exchange for 19,311,378 common shares in the capital of the Company (“Common Shares”), with an aggregate value of approximately Cdn.$2.4 million, based on a deemed price of Cdn.$0.125 per Common Share, and common share purchase warrants (“Warrants”) exercisable to acquire an aggregate of up to 4,293,805 Common Shares for a period of two years from the closing date at Cdn.$0.175 per Common Share.

Upon issuance of the Common Shares, the above-noted majority vendors of Galaxy Shares will hold an aggregate of 26.8% of the issued and outstanding Common Shares on an undiluted basis, based on the outstanding number of Common Shares as of today’s date, or 30.9% assuming the exercise of the Warrants and no other convertible securities of the Company. If all of the remaining shareholders of Galaxy tender their Galaxy Shares pursuant to the Mandatory Offer in exchange for Common Shares and Warrants, the shareholders of Galaxy, including the majority vendors, will hold 31.8% of the Common Shares on an undiluted basis, based on the outstanding number of Common Shares as of today’s date, or 36.6% assuming the exercise of the Warrants and no other convertible securities of the Company.

The acquisition of the Galaxy Shares pursuant to the share purchase agreements is subject to the satisfaction or waiver of various closing conditions on or before June 30, 2015, including the completion of due diligence by the Company and the receipt of applicable regulatory approvals, including the approval of the TSX Venture Exchange. Galane Gold may, in its sole discretion, extend the closing date under the share purchase agreements to August 31, 2015.

The Company also intends to provide a secured loan facility to Galaxy in an amount up to U.S.$0.2 million to fund Galaxy’s working capital requirements until the closing of the transactions contemplated in the share purchase agreements.
Chief Executive Officer Nick Brodie stated, "We are pleased with the proposition of adding the Galaxy operation to our portfolio. Gold mining in South Africa started in Barberton, home to Galaxy and its prolific Agnes Gold Mine which was discovered in 1888. While it is a current producer with substantial infrastructure in place, Galaxy has been constrained in recent years by a lack of working capital and an inability to make expenditures required to increase its production. Having completed substantial preliminary due diligence, we are confident that Galane brings the appropriate resources, both financial and managerial, to maximise the potential of Galaxy. This acquisition is consistent with our approach of acquiring production or near-term production assets at a fraction of the replacement cost to position ourselves as a substantial gold producer with minimal additional capital requirements. We have a clear path forward, funded through internal resources that we are optimistic can substantially increase Galaxy’s production and resources which will be defined in a 43-101 technical report to be delivered by the vendors prior to closing. We are optimistic that this transaction will ultimately prove to be highly accretive in terms of both production and resource.

Galaxy Description

Galaxy’s mining assets are located on the Barberton Greenstone Belt ("BGB"), approximately 10 km to the west of the town of Barberton in the Mpumalanga Province of South Africa and include several historical mining operations on the BGB as well as tailings storage facilities comprised of previously mined and processed material. Historic production commenced in the 1880s. To date, the mining assets have produced over one million ounces of gold. The information regarding the quantity of gold produced historically is based on available public sources, has not been independently verified by the Company and should not be relied upon as a predictor of future results.
Galaxy’s existing processing plant is in need of refurbishment and consists of a crushing, milling, flotation, thickening, Biox, carbon in leach, elution and tailings disposal designed to treat 16,000 tonnes per month. This facility can be expanded through refurbishment and the introduction of larger mills and flotation equipment.

Subject to the completion of due diligence and preparation of a 43-101 report, Galane Gold envisages a six month mining development and plant refurbishment project to recommence production following the acquisition. Once this stage is complete, Galane Gold’s objective is to then commence a scoping study to increase production.

**Historical Estimate**

The historical estimate set out in the table below (the “Historical Estimate”) was disclosed in a report provided by Galaxy to the Company with an effective date of August 30, 2011 entitled “An Independent Competent Persons’ Report on the Galaxy Gold Mineral Assets, Mpumalanga Province, South Africa”.

<table>
<thead>
<tr>
<th>Mineral Resource Category</th>
<th>Tonnes (t)</th>
<th>Gold Grade (g/t)</th>
<th>Content (oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured</td>
<td>2,113,200</td>
<td>3.39</td>
<td>230,520</td>
</tr>
<tr>
<td>Indicated</td>
<td>4,422,900</td>
<td>2.85</td>
<td>405,352</td>
</tr>
<tr>
<td>Total Measured and Indicated</td>
<td>6,536,100</td>
<td>3.02</td>
<td>635,872</td>
</tr>
<tr>
<td>Inferred</td>
<td>8,070,000</td>
<td>3.40</td>
<td>882,562</td>
</tr>
</tbody>
</table>

The Historical Estimate was prepared in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves as at June 27, 2011 and does not comply with the CIM Definition Standards on Mineral Resources and Mineral Reserves as required by National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). A qualified person has not done sufficient work to classify the Historical Estimate as a current mineral resource in accordance with NI 43-101. The issuer is not treating the Historical Estimate as a current mineral resource and the historical estimate should not be relied on.

The report was prepared by a well-known South African advisory company that offers a wide range of exploration, mining, management, valuation, financing and advisory services (the "Author"). The report relies on historical drilling and sampling. The Author used information relating to operational methods and expectations provided to it by various sources. The report provides that: (a) the historical mineral resource model is based on available sampling data collected over the history of the project area; (b) the grade models were verified using visual and statistical methods and deemed to be globally unbiased; (c) the blocks were classified into historical mineral resource categories using sampling quality assurance and quality control, geological confidence, distance to sample (variogram range) and kriging efficiency; (d) only the historical mineral resources lying within the legal boundaries are reported; (e) the historical mineral resources are declared at cut-offs shown in the table above; (f) conversion from kilograms to ounces was on the basis of 32.15076; (g) the historical mineral resources declared in the above table are for the project and have not been split into attributable figures; and (h) no modifying factors were applied to the historical mineral resources.

1 This is a forward looking statement and is based on a number of assumptions and risks, including the Company’s ability to successfully complete and integrate the acquired assets; gold price volatility; risks associated with proposed activities in South Africa; regulatory, consent or permitting delays; risks and unknowns inherent in all mining projects, including the inaccuracy of metallurgical recoveries and capital and operating costs of such projects; and operating or technical difficulties in connection with mining or development activities.
The business of mining and mineral exploration, development and production by their nature contain significant operational risks. The business depends upon, amongst other things, successful prospecting programmes and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances and technical issues. Factors such as political and industrial disruption, currency fluctuation and interest rates could have an impact on future operations, and potential revenue streams can also be affected by these factors. The majority of these factors are, and will be, beyond the control of any operating entity.

More recent estimates or data is not available. Galane Gold intends to verify the Historical Estimates based on a NI 43-101 technical report to be delivered by the vendors prior to closing of the acquisition of Galaxy. Work required to upgrade or verify the Historical Estimates as current mineral resources will be based on recommendations in the NI 43-101 report.

One of the above-noted majority vendors of Galaxy Shares is Wayne Hatton-Jones, the Chief Operating Officer of Galane Gold. The proposed acquisition of 8,581,752 Galaxy Shares from Mr. Hatton-Jones constitutes a “related party transaction” under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Under the share purchase agreement with Mr. Hatton-Jones, Galane Gold will issue 1,352,467 Common Shares and 300,715 Warrants to Mr. Hatton-Jones. Upon issuance of the Common Shares to the majority vendors and assuming the exercise of all of the Warrants issued to Mr. Hatton-Jones and no other convertible securities of the Company, Mr. Hatton-Jones will hold approximately 2.2% of the issued and outstanding Common Shares based on the outstanding number of Common Shares as of today’s date. The Company is relying on exemptions from the formal valuation and minority approval requirements of MI 61-101, based on a determination that the fair market value of the consideration payable to Mr. Hatton-Jones did not exceed 25% of the market capitalization of the Company at the time such transaction was agreed to. The purchase of Mr. Hatton-Jones’ Galaxy Shares was unanimously approved by the board of directors of the Company.

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”, including statements regarding the proposed acquisition of Galaxy and the Company’s current plans for the property. All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the Company’s 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 ability to successfully integrate acquired assets; the Company’s current dependence on a single mineral project; gold price volatility; risks associated with the conduct of the Company’s mining activities in Botswana and proposed activities in South Africa; regulatory, consent or permitting delays; risks relating to the Company’s exploration, development and mining activities being situated in two countries; 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 resources 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 speculative nature of exploration and development, including the risks of diminishing quantities or grades of resources; 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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