TORONTO, ONTARIO – November 26, 2012: Galane Gold Ltd. (“Galane Gold” or the “Company”) (TSX-V: GG) is pleased to announce the release of its financial results for the third quarter ended September 30, 2012. All amounts are in United States dollars unless otherwise indicated.

A copy of the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2012 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.

Third Quarter Highlights and Subsequent Events

- Produced 10,562 ounces of gold and sold 11,473 ounces of gold plus incidental silver at an average combined selling price of $1,686 per ounce.
- Total ore mined of 201,361 tonnes and total ore milled of 244,688 tonnes at an average head grade of 1.60 grams per tonne.
- Recovery rate at the processing plant of 84.0%
- Net earnings after tax of $7,759,010.
- Total operating cash cost of $980 per ounce (excluding royalties)$^{(1)}
- Realized earnings per share as follows:
  o Basic $0.16 ;and
  o Diluted $0.15.
- The accelerated stripping program at the Company’s Tholo pit has progressed well and remains on schedule. A water aquifer was encountered earlier than anticipated, causing a temporary delay in mining. As the program has progressed, more ore of better grade has been mined with a resulting positive impact on the average grade of total ore mined.
- Process water dam extension was commissioned during Q3 2012, which has resulted in an increased process water storage capacity of approximately 200% as previously reported.
- Process control (SCADA) system upgrade has been installed providing more reliable and refined dynamic control of the ore processing plant.
- A major shutdown was completed on the SAG mill in September 2012 that required significant downtime to complete. The scope of work was mainly on the mill power train and included changing the drive pinion, reversing the mill girth gear, replacing drive couplings and reinstating the drive speed reduction gearbox mounting. Further significant work is scheduled to be carried out on the processing plant during Q4 2012 and the first half of 2013. It is anticipated that this work will be carried out during planned shutdowns to minimise production disruption.
- As a result of the ore sulphide/oxide ratio increasing as expected, the flotation circuit in the processing plant was invoked during Q3 2012.
• As part of the Operational Improvement Program ("OI Program"), the Company is reviewing all the sources of ore that are available to it to optimise the feed to the processing plant. It is anticipated that this review will be completed by the end of Q4 2012.

• Galane’s exploration program during Q3 2012 progressed the drilling, pitting and soil sampling activities as planned. The first phase of this program is scheduled for completion in Q4 2012 before the onset of the wet season. Analysis of the results is expected to be carried out during Q4 2012 and into Q1 2013.

• On November 26, 2012, options to purchase up to an aggregate of 1,120,000 Common Shares were granted to certain officers and directors of the Company. The options are exercisable for a period of five years at an exercise price equal to the greater of $0.75 and the first closing price of the Common Shares following the release of the Company’s financial results for the three and nine month period ended September 30, 2012. The stock option grants are subject to necessary regulatory approvals.

• As part of its continuous review of the Company’s compensation policies, the Board of Directors has approved a compensation plan for the non-executive directors of the Company. The anticipated annual fees are expected to total approximately $205,000, which are in line with relative comparator groups.

Note:
(1) Total 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 nine months ended September 30, 2012 for a reconciliation to measures reported in the Company’s financial statements.

Galane Gold CEO, Philip Condon commented: “The Company continues to make good progress in all areas of its mining and processing operations as well as our exploration activities. The OI Program is identifying high priority areas of focus which are being progressively addressed with the aim of reducing our operating costs on a cost per ounce basis in both the short and long term. The OI Program will continue on indefinitely with its scope spanning all areas of operations for improved performance and risk mitigation.

Exploration is also making good progress on the current phase of the program throughout our portfolio of high priority exploration targets. The completion of field exploration during Q4 2012, receipt of associated assay results and analysis of this data will be an exciting conclusion to the first phase of our plan. The focus of the exploration program will continue to be both near mine and mostly brown fields targets, being associated with previous mining activity dating back in some cases to the mid 1800’s, with the ultimate aim of building considerably on Galane’s resource base and therefore mine life.”

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 BSE 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 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 a single mineral project; gold price volatility; risks associated with the conduct of the Company’s mining activities in Botswana; regulatory, consent or permitting delays; risks relating to the Company’s exploration, development and mining activities being situated in a single country; 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; 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; 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; 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.

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