



## **GALANTAS GOLD ANNOUNCES CLOSING OF C\$6.9 MILLION PRIVATE PLACEMENT OF UNITS**

***Not for distribution to United States news wire services or for dissemination in the United States***

August 30, 2022, TORONTO, CANADA – Galantas Gold Corporation (TSX-V & AIM: GAL; OTCQX: GALKF) ("**Galantas**" or the "**Company**") is pleased to announce that it has closed its previously announced private placement, pursuant to which the Company sold an aggregate of (i) 14,826,674 units of the Company ("**Units**") at a price of C\$0.45 per Unit (the "**Offering Price**") on a "best efforts" brokered private placement basis (the "**Brokered Offering**") for gross proceeds of C\$6,672,003.30 and (ii) 506,667 Units at the Offering Price on a non-brokered private placement basis (the "**Non-Brokered Offering**" and, together with the Brokered Offering, the "**Offering**") for gross proceeds of C\$228,000.15, for aggregate gross proceeds to the Company of approximately C\$6.9 million, including full exercise of the agents' option. Each Unit was comprised of one common share in the capital of the Company (each, a "**Common Share**") and one-half of one common share purchase warrant of the Company (each whole common share purchase warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one Common Share (a "**Warrant Share**") at a price of C\$0.55 per Warrant Share until February 28, 2025.

Canaccord Genuity Corp., Cormark Securities Inc. and Research Capital Corporation acted as agents (the "**Agents**") in connection with the Brokered Offering pursuant to the terms of an agency agreement dated August 30, 2022. In consideration for their services in connection with the Brokered Offering, the Company paid the Agents a cash commission equal to C\$355,320, being 6% of the aggregate gross proceeds from the sale of Units under the Brokered Offering, and a reduced cash commission equal to 3% of the aggregate gross proceeds from the sale of Units under the Brokered Offering to certain purchasers identified by the Company's management to the Agents (the "**President's List**"). As additional consideration for their services in connection with the Brokered Offering, the Company issued the Agents 789,600 non-transferable broker warrants of the Company ("**Broker Warrants**"), being 6% of the aggregate number of Units issued pursuant to the Brokered Offering, and a reduced number of Broker Warrants equal to 3% of the number of Units issued pursuant to the Brokered Offering to certain purchasers on the President's List. Each Broker Warrant is exercisable to acquire one Common Share at an exercise price of C\$0.45 per share until August 30, 2024. In addition, the Company also paid the Agents a cash advisory fee equal to C\$13,680 and issued the Agents an additional 30,400 Broker Warrants.

The Company intends to use the net proceeds of the Offering for exploration and development at the Joshua Target as well as for working capital and general corporate purposes.

Melquart Limited, a London-based investment firm and an existing shareholder, acquired 2,666,667 Units for consideration of C\$1,200,000.15. Following the Offering, Melquart Limited will hold 28,140,195 Common Shares, representing approximately 27.36% of the issued and outstanding Common Shares on a non-diluted basis.

Eric Sprott, through 2176423 Ontario Ltd., a corporation that is beneficially owned by Mr. Sprott, acquired 1,333,334 Units for consideration of C\$600,000.30. Following the Offering, Eric Sprott will hold 10,166,667 Common Shares, representing approximately 9.88% of the issued and outstanding Common Shares on a non-diluted basis. Mr. Sprott is a renowned and respected leader in the investment community and one of the world's premier gold and silver investors.

Michael Gentile acquired 222,222 Units for consideration of C\$99,999.90. Following the Offering, Michael Gentile will hold 6,217,222 Common Shares, representing approximately 6.04% of the issued and outstanding Common Shares on a non-diluted basis. Mr. Gentile is a retired professional money manager with over 20 years' experience investing in the mining and natural resource sector. Currently, Mr. Gentile is an active investor in the junior mining space with significant positions in a number of companies.

Ocean Partners UK Ltd. acquired 461,112 Units for consideration of C\$207,500.40. Following the Offering, Ocean Partners UK Ltd. will hold 2,869,446 Common Shares, representing approximately 2.80% of the issued and outstanding Common Shares on a non-diluted basis.

Mario Stifano, a director of the Company, acquired 55,556 Units for consideration of C\$25,000.20. Following the Offering, Mario Stifano will hold 547,388 Common Shares, representing approximately 0.53% of the issued and outstanding Common Shares on a non-diluted basis.

As indicated above, Melquart Limited, an insider of the Company, Eric Sprott, an insider of the Company, and Mario Stifano, an officer and a director of the Company, subscribed for 2,666,667 Units, 1,333,334 Units and 55,556 Units, respectively, under the Offering on the same terms as arm's length investors. The participation of Melquart Limited, Mr. Sprott and Mr. Stifano in the Offering constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering in reliance on sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101, as no securities of the Company are listed or quoted on the specified markets and neither the fair market value of the securities to be received by the related parties nor the fair market value of the consideration for the securities exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Company did not file a material change report more than 21 days before the expected closing date of the Offering as the aforementioned insider participation had not been confirmed at that time and the Company wished to close the Offering as expeditiously as possible.

Melquart Limited and Eric Sprott are deemed to be related parties of the Company by virtue of being Substantial Shareholders of the Company and Mario Stifano is deemed to be a related party of the Company by virtue of being a director of the Company as defined in the AIM Rules for Companies (together the "**Related Parties**"). As a consequence, the Directors of the Company (excluding Mr. Stifano for the purposes of considering his involvement in the placing) consider, having consulted with their nominated adviser, Grant Thornton UK LLP, that the terms of the Related Parties' involvement in the Offering are fair and reasonable insofar as shareholders are concerned.

The Offering was made by way of private placement in each of the provinces of Canada

pursuant to applicable exemptions from the prospectus requirements and in certain other jurisdictions, in each case in accordance with all applicable laws. The securities issued under the Offering are subject to a four month hold period under applicable Canadian securities laws which will expire on December 31, 2022. The Offering is subject to final acceptance of the TSX Venture Exchange.

The securities offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or any state securities law, and may not be offered or sold in the United States absent registration or an exemption from such registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

An application has been filed for admittance of 15,333,341 additional shares to AIM ("**Admission**") with Admission expected to occur on or around September 5, 2022. Following Admission, the Company's issued and outstanding Common Shares will total 102,862,143.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "**UK MAR**") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.*

*The notification set out below, made pursuant to Article 19(3) of the Market Abuse Regulation which is part of UK law by virtue of the European Union (withdrawal) Act 2018, provides further details.*

## **About Galantas Gold Corporation**

Galantas Gold Corporation is a Canadian public company that trades on the TSX Venture Exchange and the London Stock Exchange AIM market, both under the symbol GAL. It also trades on the OTCQX Exchange under the symbol GALKF. The Company's strategy is to create shareholder value by operating and expanding gold production and resources at the Omagh Project in Northern Ireland.

## **Enquiries**

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### **Forward-Looking Statements**

This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws, including, but not limited to, the use of proceeds of the Offering, the timing and ability of the Company to receive necessary regulatory approvals, including the final acceptance of the Offering from the TSX Venture Exchange, and the plans, operations and prospects of the Company. Forward-looking statements are based on estimates and assumptions made by Galantas in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that Galantas believes are appropriate in the circumstances. Many factors could cause Galantas' actual results, the performance or achievements to differ materially from those expressed or implied by the forward looking statements or strategy, including: gold price volatility; discrepancies between actual and estimated production, actual and estimated metallurgical recoveries and throughputs; mining operational risk, geological uncertainties; regulatory restrictions, including environmental regulatory restrictions and liability; risks of sovereign involvement; speculative nature of gold exploration; dilution; competition; loss of or availability of key employees; additional funding requirements; uncertainties regarding planning and other permitting issues; and defective title to mineral claims or property. These factors and others that could affect Galantas' forward-looking statements are discussed in greater detail in the section entitled "Risk Factors" in Galantas' Management Discussion & Analysis of the financial statements of Galantas and elsewhere in documents filed from time to time with the Canadian provincial securities regulators and other regulatory authorities. These factors should be considered carefully, and persons reviewing this news release should not place undue reliance on forward-looking statements. Galantas has no intention and undertakes no obligation to update or revise any forward-looking statements in this news release, except as required by law.

**(UK) DEALING NOTIFICATION FORM  
FOR USE BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITY AND THEIR  
CLOSELY ASSOCIATED PERSONS**

1.	Details of the person discharging managerial responsibilities/person closely associated					
a)	Name:	Ocean Partners UK Ltd				
2.	Reason for the notification					
a)	Position/status:	Ocean Partners UK Ltd is a person closely associated with Brent Omland, a Director of Galantas				
b)	Initial notification/Amendment:	Initial Notification				
3.	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name:	Galantas Gold Corporation				
b)	LEI:	LEI: 213800JKVPLLKO4KVB93				
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted					
a)	Description of the financial instrument type of instrument  Identification Code	Common Shares and Share Purchase Warrants  ISIN: CA36315W3012				
b)	Nature of the transaction	Private Placement for a "Unit" at C\$0.45 per Unit, where each Unit comprises one common share and one-half of one common share purchase warrant				
c)	Price(s) and volume	<table border="0"> <tr> <td><u>Price</u></td> <td><u>Volume</u></td> </tr> <tr> <td>C\$0.45</td> <td>461,112</td> </tr> </table>	<u>Price</u>	<u>Volume</u>	C\$0.45	461,112
<u>Price</u>	<u>Volume</u>					
C\$0.45	461,112					
d)	Aggregated information	N/A single transaction				
e)	Date of the transaction	August 30, 2022				
f)	Place of the transaction	Outside of a trading venue				

**(UK) DEALING NOTIFICATION FORM  
FOR USE BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITY AND THEIR  
CLOSELY ASSOCIATED PERSONS**

1.	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name:	Mario Stifano
2.	<b>Reason for the notification</b>	
a)	Position/status:	Chief Executive Officer
b)	Initial notification/Amendment:	Initial Notification
3.	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name:	Galantas Gold Corporation
b)	LEI:	LEI: 213800JKVPLLKO4KVB93

4.	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument type of instrument  Identification Code	Common Shares and Share Purchase Warrants  ISIN: CA36315W3012
b)	Nature of the transaction	Private Placement for a "Unit" at C\$0.45 per Unit, where each Unit comprises one common share and one-half of one common share purchase warrant
c)	Price(s) and volume	<u>Price</u> <u>Volume</u> C\$0.45                      55,556
d)	Aggregated information	N/A single transaction
e)	Date of the transaction	August 30, 2022
f)	Place of the transaction	Outside of a trading venue