

GALANTAS GOLD ANNOUNCES CLOSING OF US\$2.6 MILLION PRIVATE PLACEMENT OF UNSECURED CONVERTIBLE DEBENTURES AND TERMS OF DEBT SETTLEMENT TRANSACTION

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DECEMBER 20, 2023, TORONTO, CANADA – Galantas Gold Corporation (TSX-V & AIM: GAL; OTCQX: GALKF) ("Galantas" or the "Company") is pleased to announce the closing of its previously announced non-brokered private placement, pursuant to which the Company sold US\$2,627,000 aggregate principal amount of unsecured convertible debentures of the Company (the "Debentures"), in the principal amount of US\$1,000 per Debenture (the "Offering"). The net proceeds of the Offering are expected to be used for exploration and development, working capital and for general corporate purposes.

Each Debenture is convertible at the option of the holder thereof into common shares in the capital of the Company (the "Conversion Shares") at a conversion price of US\$0.255 per Conversion Share (the "Conversion Price") at any time prior to 5:00 p.m. (Toronto time) on the last business day immediately preceding December 20, 2026 (the "Maturity Date"). In accordance with the terms of the Debentures, if, at any time following the issuance of the Debentures, the closing price of the common shares of the Company on the TSX Venture Exchange (the "TSXV") equals or exceeds C\$0.70 per common share for 10 consecutive trading days or more, the Company may elect to convert all but not less than all of the outstanding principal amount of the Debentures into Conversion Shares at the Conversion Price, upon giving the holders of the Debentures not less than 30 calendar days advance written notice. On the Maturity Date, any outstanding principal amount of Debentures plus any accrued and unpaid interest thereon shall be repaid by the Company in cash.

Interest on the principal amount outstanding under each Debenture shall accrue during the period commencing on the date hereof (the "Closing Date") until the Maturity Date and shall be payable in cash on an annual basis on December 31st of each year (each, an "Interest Payment Date"); provided, however, that the first Interest Payment Date shall be December 31, 2024. Each Debenture shall bear interest at a minimum interest rate of 10% per annum (the "Base Interest Rate"). During each interest period (an "Interest Period"), being the period commencing on the Closing Date to but excluding the first Interest Payment Date and thereafter the period from and including an Interest Payment Date to but excluding the next Interest Payment Date or other applicable payment date, the Base Interest Rate will be adjusted based on a gold price of US\$2,000 per ounce, with the Base Interest Rate being increased by 1% per annum for each US\$100 in which the average gold price for such Interest Period exceeds US\$2,000 per ounce, up to a maximum interest rate of 30% per annum; provided, however, that, without the prior acceptance of the TSXV, the average interest rate shall not exceed 24% per annum during the term of the Debentures. Any adjustment to the Base Interest Rate in respect of an Interest Period shall be calculated based on the average gold price quoted by the London Bullion Market Association, being the LBMA Gold Price PM, in respect of the Interest Period ending on December 31, 2024, from the Closing Date to and including December 15, 2024, and for each subsequent Interest Period, from January 1st to and including December 15th of that year or 15 days prior to the applicable payment date.

In connection with the Offering, the Company paid a cash finder's fee of US\$40,500 and issued 158,823 non-transferable finder's warrants ("Finder Warrants") to Canaccord Genuity Corp. in consideration for providing certain finder services to the Company under the Offering. Each Finder Warrant is exercisable

to acquire one common share in the capital of the Company at an exercise price of C\$0.35 per common share at any time on or before December 20, 2026.

In connection with the Offering, Ocean Partners UK Ltd. acquired US\$875,000 aggregate principal amount of Debentures.

The Offering remains subject to the final acceptance of the TSXV. The securities issued pursuant to the Offering are subject to a four-month hold period under applicable Canadian securities laws which will expire on April 21, 2024.

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.

Debt Settlement Transaction

The Company is also pleased to announce the terms of a proposed debt settlement transaction (the "Debt Settlement") with an arm's length creditor of the Company pursuant to which the Company intends to settle approximately US\$2,712,000 of indebtedness through the issuance of US\$2,712,000 aggregate principal amount of Debentures on substantially the same terms as the Debentures issued under the Offering.

Closing of the Debt Settlement is expected to occur on or about December 29, 2023, and remains subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals, including the conditional acceptance of the TSXV. The securities issued pursuant to the Debt Settlement will be subject to a four-month hold period under applicable Canadian securities laws.

61-101 Disclosure

In connection with the Offering, Melquart Ltd. ("Melquart") subscribed for US\$875,000 aggregate principal of Debentures. Melquart is a "related party" of the Company by virtue of being a control person of the Company within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Accordingly, the participation of Melquart in the Offering constitutes a "related party transaction" for purposes of MI 61-101. The Company has completed the Offering in reliance on exemptions from the formal valuation and minority approval requirements of MI 61-101. The Company is exempt from the formal valuation requirement in Section 5.4 of MI 61-101 in reliance on Section 5.5(b) of MI 61-101 as no securities of the Company are listed or quoted on a specified market under MI 61-101. Additionally, the Company is exempt from the minority approval requirement in Section 5.6 of MI 61-101 in reliance on Section 5.7(1)(a) of MI 61-101 as neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Offering, insofar as it involves "interested parties", 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 participation therein by Melquart was not confirmed until shortly prior to closing, and the Company wished to close the Offering as expeditiously as possible.

Melquart is also deemed a related party of the Company by virtue of being a Substantial Shareholder of the Company as defined in the AIM Rules for Companies. As a consequence, the Directors of the

Company consider, having consulted with their nominated adviser, Grant Thornton UK LLP, that the terms of Melquart's involvement in the Offering are fair and reasonable insofar as shareholders are concerned.

About Galantas Gold Corporation

Galantas Gold Corporation is a Canadian public company that trades on the TSXV 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, and exploring the Gairloch Project hosting the Kerry Road gold-bearing VMS deposit in Scotland.

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 the use of proceeds of the Offering, the terms of the Debt Settlement, the timing and ability of the Company to close the Debt Settlement (if at all) and on the terms announced, the timing and ability of the Company to receive necessary regulatory approvals in respect of the Offering and the Debt Settlement, 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.

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.

(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	Debentures				
	Identification Code	N/A				
b)	Nature of the transaction	Private Placement of Debentures				
c)	Price(s) and volume	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Price</u></td> <td style="text-align: center;"><u>Volume</u></td> </tr> <tr> <td style="text-align: center;">US\$1,000</td> <td style="text-align: center;">875</td> </tr> </table>	<u>Price</u>	<u>Volume</u>	US\$1,000	875
<u>Price</u>	<u>Volume</u>					
US\$1,000	875					
d)	Aggregated information	N/A single transaction				
e)	Date of the transaction	December 20, 2023				
f)	Place of the transaction	Outside of a trading venue				