

Galantas Closes Second Part of Private Placement

TORONTO, Dec. 21, 2018 -- Galantas Gold Corporation (the "Company") (TSXV:GAL) (AIM:GAL), the AIM and TSXV quoted gold producer and explorer with a 100% interest in Northern Ireland's Omagh gold mine, announces that the second and final part of the private placement (the "Private Placement") for 80,000,000 common shares ("Common Shares") for gross proceeds of CDN\$6,900,000 (GBP£4,000,000) previously outlined in the disclosure dated November 19, 2018 and updated on December 5, 2018 has closed.

The second part of the Private Placement has received conditional approval of the TSX Venture Exchange and closed on December 21, 2018 for 22,564,935 Common Shares for receipt of CDN\$1,946,226 (GBP£1,128,247) (the "Second Closing"). The Second Closing pertains to Miton Asset Management Limited ("Miton"), a UK based investment institution, who has subscribed for a total of 50,000,000 Common Shares in total under the Private Placement, representing 16.68% of the Company's issued and outstanding Common Shares. Miton acquired 27,435,065 Common Shares in the first closing, representing 9.9% of the Company's issued and outstanding shares. On completion of the Second Closing, Miton has become an insider of the Company, by acquiring an additional 22,564,935 Common Shares. Miton is the only subscriber in the Second Closing of the Private Placement. The Private Placement is subject to final approval from the TSX Venture Exchange.

A four month hold period (the "Hold Period") will apply to the Common Shares of the Private Placement. The Hold Period will expire for the Second Closing on April 22, 2019. The shares issued pursuant to the Private Placement will rank pari passu with the existing Common Shares in issue of the Company.

In addition, the TSX Venture Exchange has approved Melquart Ltd. ("Melquart") becoming a control person of the Company.

Roisin Magee, a Director of Galantas Gold Corporation, has participated in the Private Placement with a subscription for 500,000 Common Shares. Ms. Magee now owns approximately 0.17% of the Company's issued and outstanding Common Shares.

Commissions payable in relation to the Private Placement total CDN\$338,790 / GBP£196,400.

The subscription made by Miton is a related party transaction, within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("MI 61-101"). The Company has relied on the exemptions from the formal valuation and minority approval requirements of MI 61-101 contained in sections 5.5(g) of MI 61-101 in respect of related party participation.

The Company has applied for admission of the 22,564,935 Common Shares in connection with the second closing to trade on the AIM market of the London Stock Exchange ("Admission") with Admission expected to occur on or around December 28, 2018.

Following Admission and the Second Closing of the Private Placement, Galantas Gold Corporation's Issued and Outstanding Common Shares total 299,686,805.

A further announcement will be released upon receipt of final approval of the Private Placement from the TSX Venture Exchange.

Roland Phelps, President & CEO, Galantas Gold Corporation, said, "I am delighted to welcome Miton Asset Management Limited as a new London financial institution to our shareholder list and welcome the increased participation by Melquart Ltd. and other investors. The funding allows the Company to proceed to commercial production at the Omagh gold-mine."

The net proceeds raised by the Private Placement are intended to be used for working capital purposes and to fund commercial production underground at the Omagh gold mine.

Neither 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.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

Enquiries : Galantas Gold Corporation

L. Jack Gunter P.Eng – Chairman, **Roland Phelps C.Eng** – President & CEO

Email: info@galantas.com Telephone: (UK) +44 (0) 2882 241100

Website: www.galantas.com

Grant Thornton UK LLP (AIM Nominated Advisor)

Philip Secrett, Richard Tonthat: Telephone: +44(0)20 7383 5100

Whitman Howard Ltd (Broker & Corporate Adviser)

Nick Lovering, Grant Barker: Telephone: +44(0)20 7659 1234