

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

Galane Gold Ltd. (the “Company”)
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Item 2. Date of Material Change

May 19, 2021

Item 3. News Release

On May 19, 2021, a news release in respect of the material change was disseminated by the Company through Globe Newswire. A copy of the news release is appended as Schedule “A” and was filed under the Company’s profile on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

The Company closed its previously announced transaction whereby the Company, through a wholly-owned subsidiary, acquired (the “Acquisition”) the Summit Mine and the infrastructure constituting the Banner Mill in New Mexico from Pyramid Peak Mining, LLC, a wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP.

In addition, in connection with the closing of the Acquisition, the net proceeds of the private placement of subscription receipts of the Company (“Subscription Receipts”) completed on April 8, 2021, have been released from escrow and delivered to the Company, in order to fund the initial cash consideration of US\$6 million payable at the closing of the Acquisition.

Each Subscription Receipt has converted into one common share of the Company (a “Common Share”) and one Common Share purchase warrant of the Company (a “SR Warrant”). Each SR Warrant will entitle the holder thereof to purchase one Common Share at a price of C\$0.30, for a period of three years following the closing of the Acquisition.

Item 5. Full Description of Material Changes

A full description of the material change is contained in the Press Release, a copy is attached hereto as Schedule “A”.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

Nick Brodie, Chief Executive Officer of the Company, who is knowledgeable about the details of the material change and may be contacted at (+44) 7905 089878 and at Nick.Brodie@GalaneGold.com.

Item 9. Date of Report

May 26, 2021

SCHEDULE “A”

GALANE GOLD ANNOUNCES CLOSING OF THE ACQUISITION OF THE SUMMIT MINE IN NEW MEXICO AND RELEASE OF FUNDS FROM SUBSCRIPTION RECEIPT FINANCING

TORONTO, ONTARIO – May 19, 2021: Galane Gold Ltd. (“Galane Gold” or the “Company”) (TSX-V: GG; OTCQB: GGGOF) is pleased to announce the closing of its previously announced transaction whereby Galane Gold, through a wholly-owned subsidiary, will acquire (the “Acquisition”) the Summit Mine and the infrastructure constituting the Banner Mill in New Mexico (collectively, the “Assets”) from Pyramid Peak Mining, LLC (the “Seller”), a wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP.

Nick Brodie, CEO of Galane Gold, commented, “The management team is excited to now have an additional opportunity to increase Galane’s production, lower its operating costs and diversify its country risk.

Following closing of the Acquisition, Galane’s plan is to first update the 2014 Technical Report (as defined below) which showed an average production of 1 million ounces of silver and 16,000 ounces of gold per annum over the life of mine, an all-in sustaining cost of US\$578 per gold equivalent ounce, and a start-up capital cost of US\$4.2 million. From there it will then be to target production as quickly as possible.”⁽¹⁾⁽²⁾

In addition, in connection with the closing of the Acquisition, the net proceeds of the private placement of subscription receipts of the Company (“Subscription Receipts”) completed on April 8, 2021 (the “Offering”) have been released from escrow and delivered to Galane Gold, in order to fund the initial cash consideration of US\$6 million payable at the closing of the Acquisition. In connection with the Offering, the Company issued 44,028,700 Subscription Receipts at a price of C\$0.22 per Subscription Receipt (the “Issue Price”) for aggregate proceeds of C\$9,686,314, including a lead order from Palisades Goldcorp Ltd. (“Palisades”).

Each Subscription Receipt has converted into one common share of the Company (a “Common Share”) and one Common Share purchase warrant of the Company (a “SR Warrant”). Each SR Warrant will entitle the holder thereof to purchase one Common Share at a price of C\$0.30, for a period of three years following the closing of the Acquisition.

Canaccord Genuity Corp. acted as lead agent in connection with the Offering, on behalf of a syndicate of agents, including Research Capital Corporation.

For further details on the Acquisition, the Assets, and the Offering, please see the Company’s press releases dated March 16, 2021 and April 8, 2021.

Not for distribution to U.S. newswire services or for dissemination in the United States.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Galane Gold

Galane Gold is an un-hedged gold producer and explorer with mining operations and exploration tenements in Botswana, South Africa, and New Mexico. Galane Gold is a public company and its shares are quoted on the TSX-V under the symbol “GG” and the OTCQB under the symbol “GGGOF”. 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.

About Palisades Goldcorp Ltd.

Palisades Goldcorp is Canada's resource focused merchant bank. Palisades' management team has a demonstrated track record of making money and is backed by many of the industry's most notable financiers. With junior resource equities valued at generational lows, management believes the sector is on the cusp of a major bull market move. Palisades is positioning itself with significant stakes in undervalued companies and assets with the goal of generating superior returns.

Notes:

(1) This information is based on available public sources and in a report provided by the Seller to the Company with an effective date of September 17, 2014, entitled "Technical Report, Preliminary Economic Assessment, Summit Gold-Silver Project, Grant and Hidalgo Counties, New Mexico", prepared by Douglas F. Irving, P.E., Susan C. Bird, P.Eng., and Tracey D. Meintjes, P. Eng. of Chapman, Wood and Griswold, Inc. in Albuquerque, New Mexico (the "2014 Technical Report"). This information has not been independently verified by the Company, and should not be relied upon as a predictor of future results.

(2) This is forward-looking information and is based on a number of assumptions. See "Cautionary Notes".

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 statements regarding the Company's ability to commence and increase production, lower costs, and diversity risk, plans to update the 2014 Technical Report, technical, financial and business prospects of the Company, 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 three mineral projects; gold price volatility; risks associated with the conduct of the Company's mining activities in Botswana, South Africa and New Mexico; regulatory, consent or permitting delays; risks relating to the Company's exploration, development and mining activities being situated in Botswana, South Africa and New Mexico; 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 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; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; 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; risks related to restarting production; 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; 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.

Neither the TSX-V nor its regulation services provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.

The information in this news release under the section titled "About Palisades Goldcorp Ltd." was provided by management of Palisades Goldcorp Ltd.

For further information please contact:

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