

GALANTAS REPORTS FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED JUNE 30, 2022

August 26, 2022: Galantas Gold Corporation (TSX-V & AIM: GAL; OTCQX: GALKF) ("Galantas" or the "Company") is pleased to announce its unaudited financial results for the Quarter and Six Months ended June 30, 2022.

Financial Highlights

Highlights of the second quarter 2022 results, which are expressed in Canadian Dollars, are summarized below:

All figures denominated in Canadian Dollars (CDN\$)	Quarter Ended June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Cost and expenses of operations	\$ (66,995)	\$ (61,333)	\$ (113,634)	\$ (107,481)
Loss before the undernoted	\$ (66,995)	\$ (61,333)	\$ (113,634)	\$ (107,481)
Depreciation	\$ (148,336)	\$ (87,088)	\$ (278,867)	\$ (159,153)
General administrative expenses	\$ (1,412,941)	\$ (2,719,055)	\$ (2,584,111)	\$ (3,224,152)
Foreign exchange gain / (loss)	\$ 48,104	\$ (21,092)	\$ (19,368)	\$ (37,745)
Net Loss for the period	\$ (1,580,168)	\$ (2,888,568)	\$ (2,995,980)	\$ (3,528,531)
Working Capital (Deficit) / Surplus	\$ (3,687,844)	\$ 4,505,905	\$ (3,687,844)	\$ 4,505,905
Cash (loss) / profit from operating activities before changes in non-cash working capital	\$ (1,738,055)	\$ 144,806	\$ (1,738,055)	\$ 144,806
Cash at June 30, 2022	\$ 903,435	\$ 6,142,477	\$ 903,435	\$ 6,142,477

Sales revenue for the quarter ended June 30, 2022 amounted to \$Nil compared to revenue of \$Nil for the quarter ended June 30, 2021. Shipments of concentrate commenced during the third quarter of 2019. Concentrate sales provisional revenues totalled US\$Nil for the second quarter of 2022 compared to US\$218,000 for the second quarter of 2021. Until the mine commences commercial production, the net proceeds from concentrate sales are being offset against development assets.

The Net Loss for the quarter ended June 30, 2022 amounted to \$1,580,568 (2021: \$2,888,568) and the cash outflow from operating activities before changes in non-cash working capital for the quarter ended June 30, 2022 amounted to \$1,738,055 (2021: \$144,806). The main difference in the reduction in net loss is due to a reduction in the value attributed to stock based compensation and a reduction in financing activities from 2021.

The Company had a cash balance of \$903,455 at June 30, 2022 compared to \$6,142,477 at June 30, 2021. The working capital deficit at June 30, 2022 amounted to \$3,687,844 compared to a working capital surplus of \$4,505,905 at June 30, 2021.

Exploration

On August 4, 2022, the Company announced results for three holes from its ongoing 4,000-metre drilling program at the Omagh Project, including a hole that intersected 31.8 grams per tonne gold and 39.2 grams per tonne silver over 4.4 metres. See the news release of the Company dated August 4, 2022, which is available on SEDAR at www.sedar.com.

Mine Development

Safety is a high priority and the company continued to invest in safety-related training and infrastructure. The zero lost time accident rate since the start of underground operations continues. Environmental monitoring demonstrates a high level of regulatory compliance.

Ongoing development of the underground decline will facilitate deeper drilling and more precise targeting of dilation zones to the south at Kearney, planned later this year. Drilling is also planned from the 1084 level, with the aim of identifying and delineating new dilation zones to the north at Kearney.

The secondary egress has been commissioned and blasting of the first stope has commenced. The Company is reviewing its mine plan and production guidance for the next 16 months including the timing to advance development to the higher grade Joshua Vein to provide multiple mine headings as well as underground drill platforms to extend the mineralization to depth and test new targets.

The Company is experiencing cost pressures in fuel and energy costs as well as input costs including labor and supplies. The long term impact of macroeconomic cost pressures are difficult to accurately assess at the moment and result from supply chain issues arising from the COVID pandemic and energy cost increases resulting from the war in Ukraine.

The detailed results and Management Discussion and Analysis (MD&A) are available on www.sedar.com and www.galantas.com and the highlights in this release should be read in conjunction with the detailed results and MD&A. The MD&A provides an analysis of comparisons with previous periods, trends affecting the business and risk factors.

Qualified Person

The scientific and technical information in this news release has been reviewed and approved by Brendan Morris (COO), a qualified person within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS: This press 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 revenues and cost estimates for the Omagh Gold project and the Company's exploration and development plans. 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 press 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 press 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.

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