

Management Presentation


January 2013



Forward Looking Statements

Certain information set forth in this presentation contains “forward-looking statements” and “forward-looking information” under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include management’s assessment of Galane Gold’s future plans and operations and are based on Galane Gold’s current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Forward-looking statements are provided to allow potential investors the opportunity to consider management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment in Galane Gold. Some of the forward-looking statements may be identified by words such as “may”, “will”, “estimates”, “intends”, “expects”, “anticipates”, “believes”, “potential”, “projects”, “plans”, and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. In addition, the projections contained herein are based on the assumptions set out in Appendix A. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Galane Gold’s actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: liabilities inherent in mining; technical problems; Galane Gold’s inability to obtain permits and regulatory approvals required in connection with operations; dependence on third party transportation systems; competition for, among other things, capital, land, inputs and skilled personnel; incorrect assessments of the value of acquisitions; changes in commodity prices and regulations related to mining; the effects of competition and pricing pressures in the market; the oversupply of, or lack of demand for, mineral products; currency and interest rate fluctuations; various events which could disrupt operations and/or the transportation of mining products, including labor stoppages and severe weather conditions; the demand for and availability of rail, port and other transportation services; and management’s ability to anticipate and manage the foregoing factors and risks. Galane Gold undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements. Such forward looking statements and forward-looking information in this presentation speak only as of the date of this presentation.

Summary

GALANE GOLD		MUPANE GOLD MINING	
Trading Symbol	GG:TSX-V GG:BSE	Location	<ul style="list-style-type: none"> 30 km southeast of Francistown (population ~ 100,000) in Northeastern Botswana
Shares O/S	48,233,000	Ownership	<ul style="list-style-type: none"> 100% - Acquired from IAMGOLD July 2011
Shares O/S fully-diluted	78,161,233	Operating History	<ul style="list-style-type: none"> Historical production from 2005 is 557,309 oz Au to end June, 2012
Recent Price (Oct 1, 2012)	C\$0.90	Reserves and Resources	<ul style="list-style-type: none"> As at 31 December 2010 at \$850 pit-shell and \$1,200/oz gold: Reserves: 136,000 oz Resource: 399,000 oz Au M&I; and 78,000 oz Au Inferred
Market Cap	C\$43,409,700	Type	<ul style="list-style-type: none"> Conventional open-pit gold mine with mill and carbon-in-leach processing
Working Capital (at Jun30, 2012)	US\$25,450,000	Mine Life	<ul style="list-style-type: none"> Currently 4+ years, opportunity to significantly extend
Enterprise Value	~C\$21,100,000	Plant Capacity	<ul style="list-style-type: none"> 1.2mt pa oxide ore / 1.0mt pa sulphide ore
Institutional Ownership	69.5%	Production Forecast	<ul style="list-style-type: none"> 50,000 oz Au per annum at approximately \$1,100 / oz all-in cost (operating, capex, exploration, royalties)
Management & Board	11.8%		
<h2>Mupane Gold Mine Mill</h2> 			

Management Team



Philip Condon
Chief Executive
Officer and
Director

- 26 years experience in mining industry, focus on gold and base metals
- Former CEO of National Mining Company of Oman, Technical Expert & Development Specialist for Freeport McMoran Copper & Gold Inc., Engineering Manager for Golden Shamrock (Ashanti Goldfields), Project Engineer and Manager, Engineering Services for Conzinc (Rio Tinto plc)
- B.Eng (Hons), MBA, Member of Australian Institute of Company Directors
- Australian



Charles Byron
Chief Geologist
and Director

- 30 years experience as geologist focused on Archaen gold exploration and mining
- Previously with Phelps Dodge, Falconbridge and Gallery Gold where he led the team that discovered the Mupane Gold Deposit and saw it into production in 2004
- B.Sc. (Hons) Geology, Soils, Geography (University of Natal)
- Botswana



Nicholas Brodie
Chief Financial
Officer

- 22 years experience in accounting, with 8 years in Africa, and the last 6 years in the mining industry in Africa
- Former CFO of Katanga Mining, Financial Advisor to Metallon Gold, CFO of Copperbelt Energy Corporation, Head of Finance at Cinery and Financial Controller of Total SA in the UK.
- FCCA
- British

Non-Exec Directors



Ravi Sood
Chairman
(non-exec)

- Chairman of Feronia Inc., one of Africa's oldest operating companies and largest employers
- Former CEO of Navina Asset Management a Toronto-based investment firm
- Director of several companies in the Agriculture, Mining, and Oil & Gas sectors
- Canadian



Ian Egan
Independent
Director

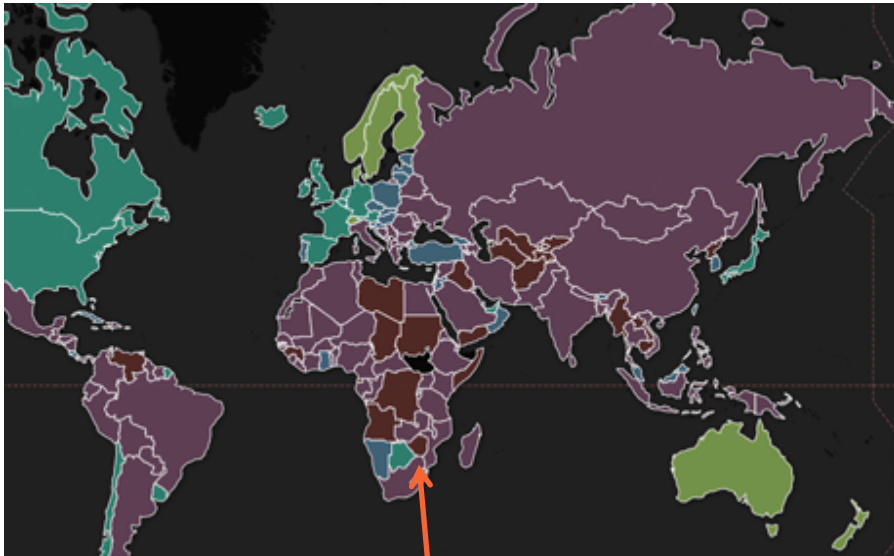
- Over 30 years experience in mining industry including senior positions at BHP, Utah Mining Australia, Mineral Deposits Ltd and N L Industries Inc.
- Director of Kenmare Resources plc, former Director of Ok Tedi Mining
- Fellow of the Australian Institute of Mining and Metallurgy (FAusIMM) and a Fellow of the Australian Institute of CPAs (FCPA)
- BEc in Accounting and Law, MEc in Industry Economics
- Australian



Amar Bhalla
Independent
Director

- President of Capital Investment Corp., an investment management firm focused on private equity and venture capital
- Previously served as CEO of Crescent Logic Inc., a Toronto-based software firm
- Chairman of Ursa Major Minerals, a TSX listed nickel producer and director of several TSX-V listed companies
- Canadian

Botswana Overview



Corruption index 2012 from Transparency International



Strong Economic Environment

- Strong GDP growth
- AA credit rating
- Corporate Tax Rate as low as 22%
- 5% Royalty on Gold Sales
- No Exchange Control

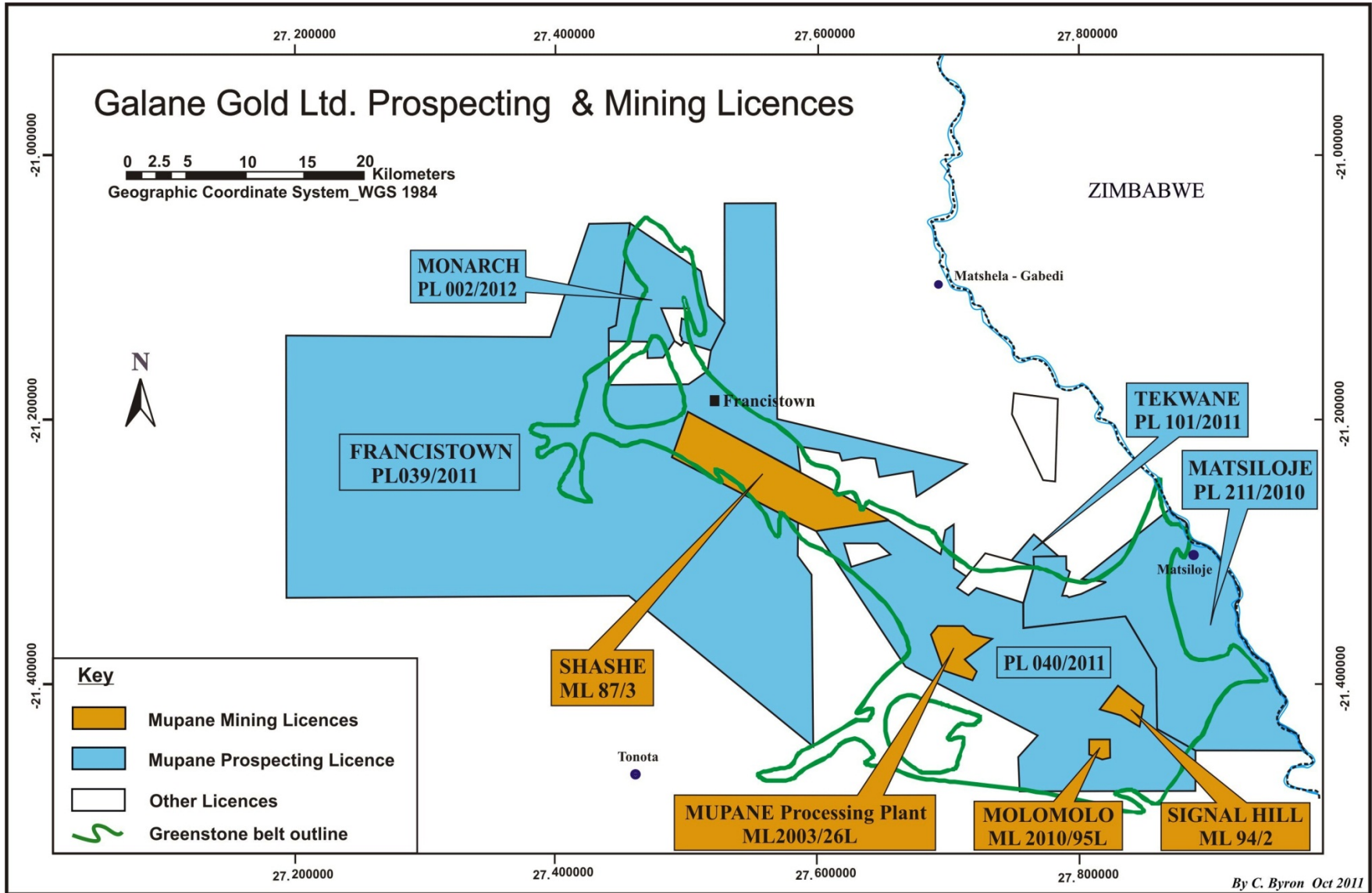
Stable and Simple Legal System

- Ranked as best mining country in Africa¹
 - Ranked 7th best mining country globally
 - Political Stability and Legal Stability
- English speaking
- IFRS Accounting System
- English Law

¹ Source: Fraser Institute

Operating in a stable and economically sound mining-friendly jurisdiction

Tenements



Projected Cash Flows – next 3 years

Mupane Mine Forecasted Cash Flow ^{1,2}				
	2012E	2013E	2014E	2015E
Gold price US\$/oz	\$1,660	\$1,725	\$1,650	\$1,600
OPERATING				
Average head grade (g/t Au)	1.65	1.78	1.81	2.00
Strip ratio (Waste:Ore)	13.3	8.9	8.5	8.5
Gold Production, Total (000 oz)	52	50	50	55
FINANCIALS				
Cash Operating Costs (US\$/oz)	\$1,079	\$937	\$946	\$860
Capital Spending, US\$ M	\$23	\$8	\$2	\$2
Cash flow - Operations (US\$mm)	\$21	\$34	\$27	\$30
Cash flow - Investing (US\$mm)	(\$23)	(\$8)	(\$2)	(\$2)
Cash flow - Financing (US\$mm)	\$0	(\$3)	(\$1)	\$0
Net Free Cash Flow (US\$mm)	\$0	\$23	\$23	\$28
Net Free Cash Flow per Share (US\$)	-\$0.01	\$0.46	\$0.46	\$0.55

¹ Does not include any operational improvements or resource upside

² Based on Canaccord Genuity forecasts for a) gold production, b) cash and total operating costs, c) capex and exploration

Galane Gold – Operating and Financial Performance

	YTD to Sept 30, 2012	Three months to December 31, 2011
Gold Price US\$/oz	\$1,686	\$1,666
OPERATIONS		
Total material mined (000 t)	12,304	4,450
Strip ratio	13.92	14.98
Ore milled (000 t)	838	281
Ore mined (000 t)	825	278
Head grade (g/t)	1.80	1.93
Recovery (%)	83.8%	87.4%
Gold production (oz)	39,706	15,554
FINANCIALS		
Total operating cash costs excluding royalties (US\$/oz)	\$907	\$910
Fully diluted earnings per share (US\$)	\$0.41	\$0.13
Cash flow from operations before working capital adjustments (US\$)	\$23.5 million	\$9.0 million

Capital Structure

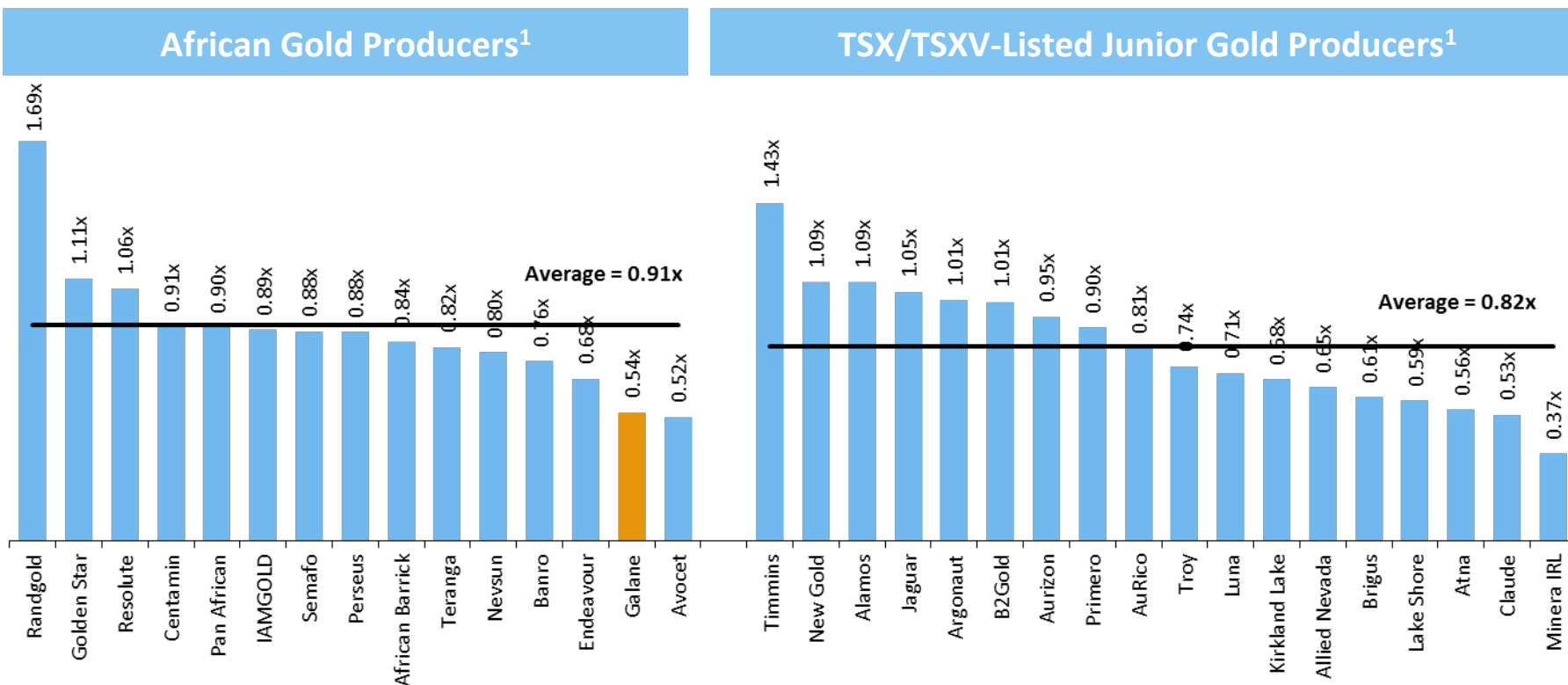
	Number	% of Basic Shares Outstanding
Common Shares		
IAMGold Corporation	21,875,000	45.4%
Sprott Asset Management	5,939,400	12.3%
Other Institutions	5,687,500	11.8%
Retail Investors	9,036,100	18.7%
BOD and Management	5,695,000	11.8%
Total Shares O/S (Basic)	48,233,000	100%
Dilutive Securities including options, warrants, performance shares		
July 10, 2013 expiry, \$0.80 strike (legacy from shell)	123,750	
March 1, 2013 expiry, \$1.10 strike listed warrant (GG.WT)	14,650,503	
March 1, 2013 expiry, \$0.80 strike broker warrants	1,888,980	
Management Performance Shares ¹	2,500,000	
Management Share Options	2,015,000	
Shares issuable pursuant to NLE resource targets being met ²	8,750,000	
Fully Diluted Shares O/S	78,161,233	

- Management holds 2.5 million Performance Shares. Performance Shares will be issuable into common shares once the Company has reached either of the following milestones:
 - Production of 130,000 oz Au over a 24 consecutive month period within three years of being public at cash costs of less than US\$900/oz Au
 - US\$25 million in free cash flow over a four consecutive quarter period within three years of being public
- Contingent payments in relation to the Northern Lights acquisition are based on NI 43-101 compliant measured category resources defined at the Jim's Luck Project and other priority targets. The following is a breakdown of the contingent shares issuable upon reaching certain resource targets:

Contingent Shares	Gold Resource (oz)
+1.375 million	100,000
+1.750 million	250,000
+3.125 million	500,000
+2.500 million	1,000,000

Comparables – P/NAV

- Galane Gold is trading at a significant discount to African and TSX/TSXV-listed junior gold producers on a P/NAV basis

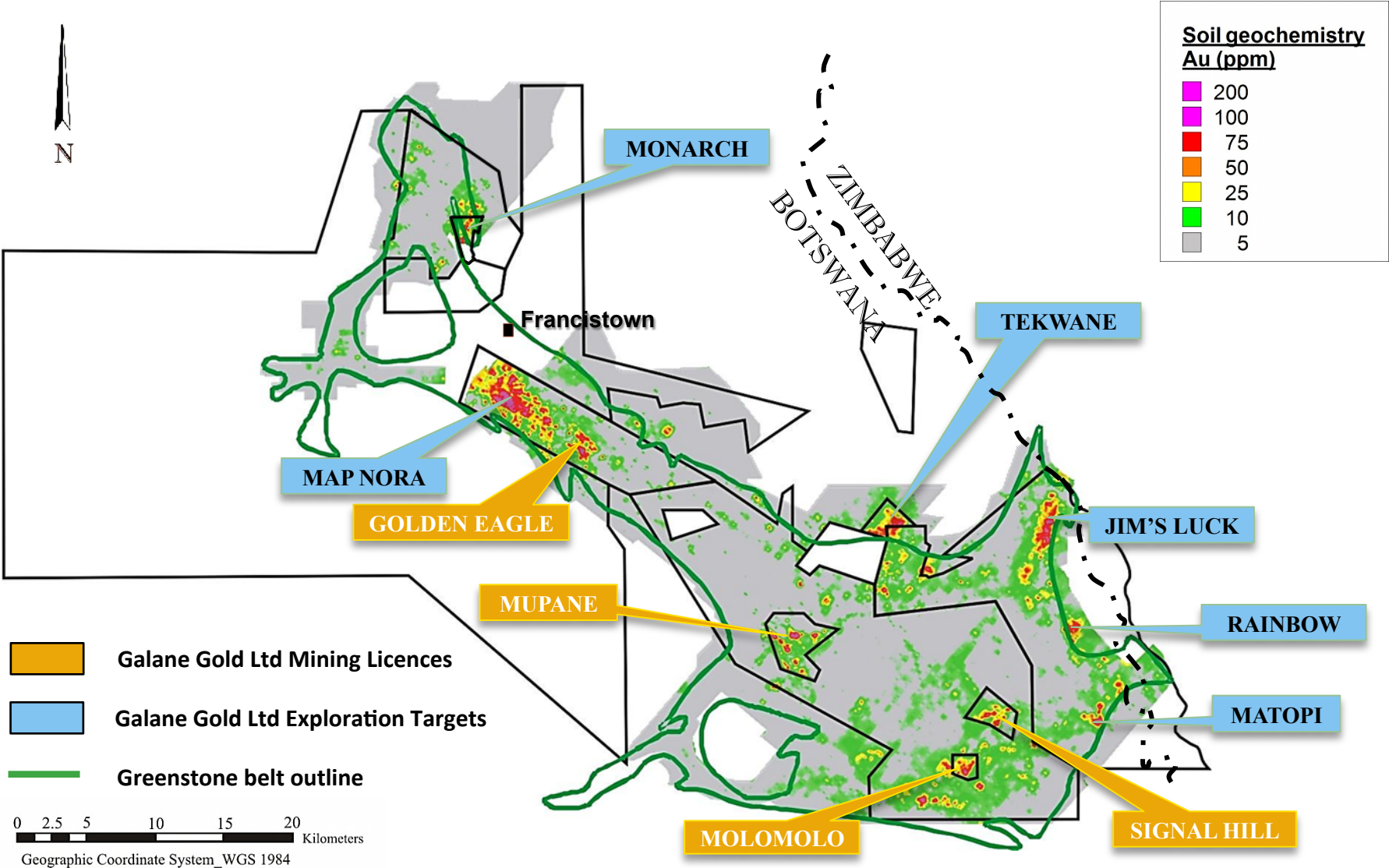


1. As of October 2, 2012. NAV estimates are based on Canaccord Genuity Research. NAV is estimated using a 5% discount rate and the following metal price forecast:

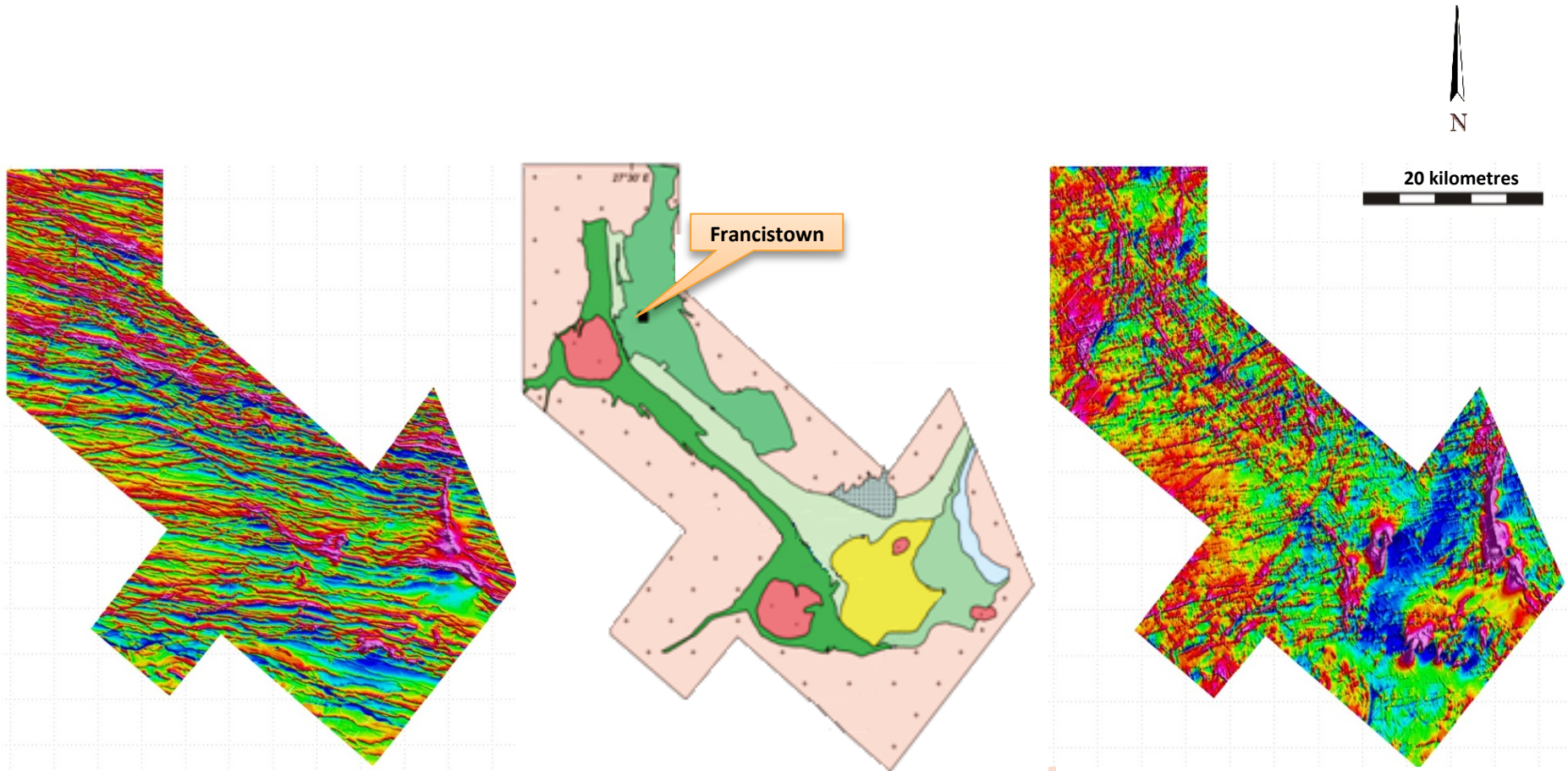
	2012	2013	2014	2015	2016	2017
Gold (US\$/oz)	\$1,731	\$1,725	\$1,650	\$1,600	\$1,550	\$1,500
Silver (US\$/oz)	\$34.02	\$34.00	\$31.50	\$29.50	\$28.50	\$27.50

NAVPS estimates for Aurizon Mines Ltd., Brigus Gold Corp., Gold One International Limited, Jaguar Mining Inc., Kirkland Lake Gold Inc., Luna Gold Corp., Pan African Resources PLC, Resolute Mining Limited, Semafo Inc., Teranga Gold Corp. and Troy Resources NL are based on consensus estimates

Regional Soil Sampling Gold



Tati Greenstone Belt Geology & AeroMagnetics

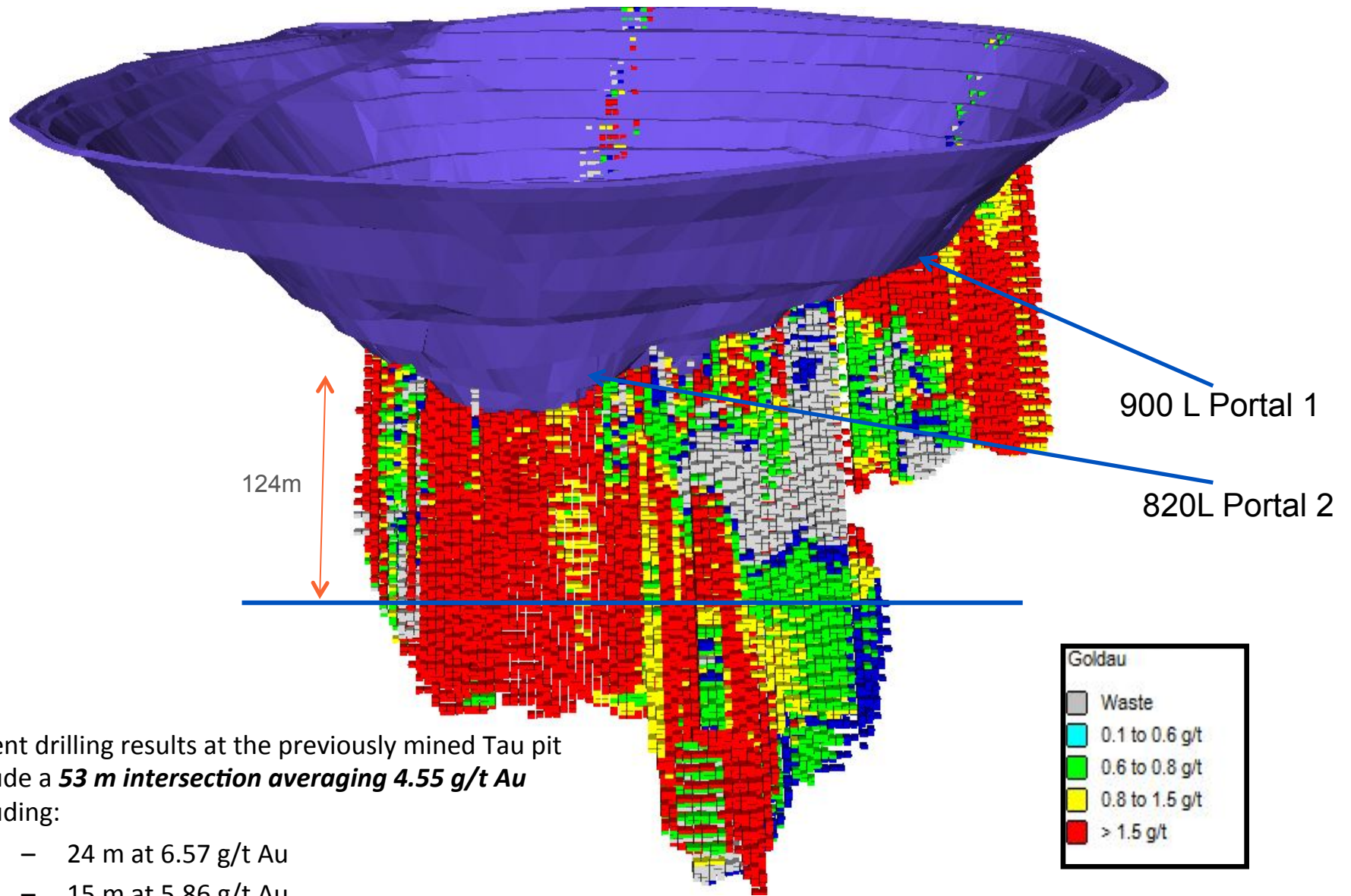


Total Field AeroMagnetics

Geology

Directional Filtered AeroMagnetics

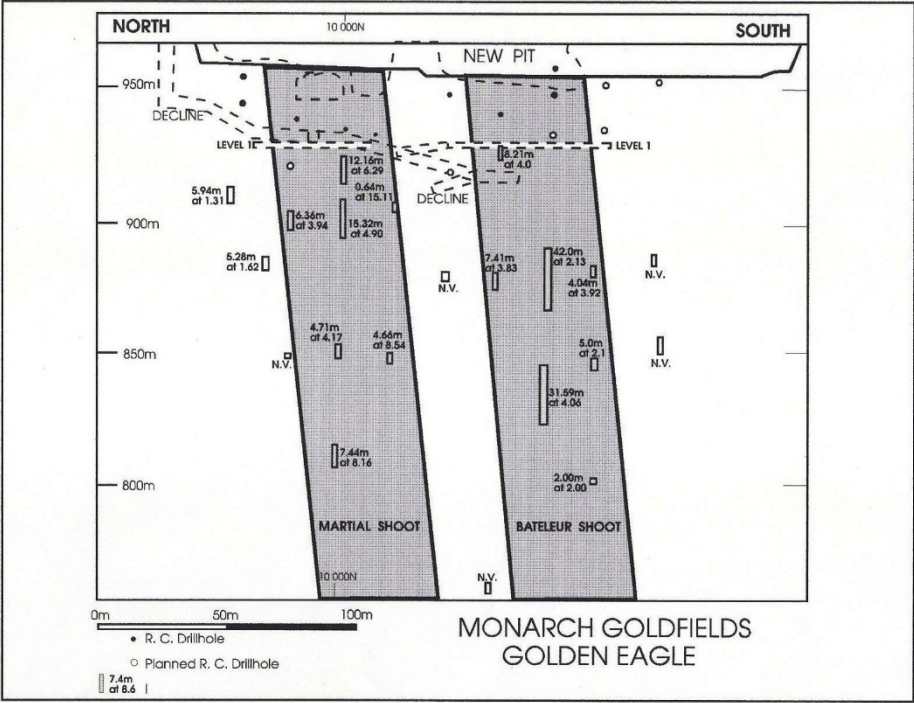
Tau Deeps – Early Access Project



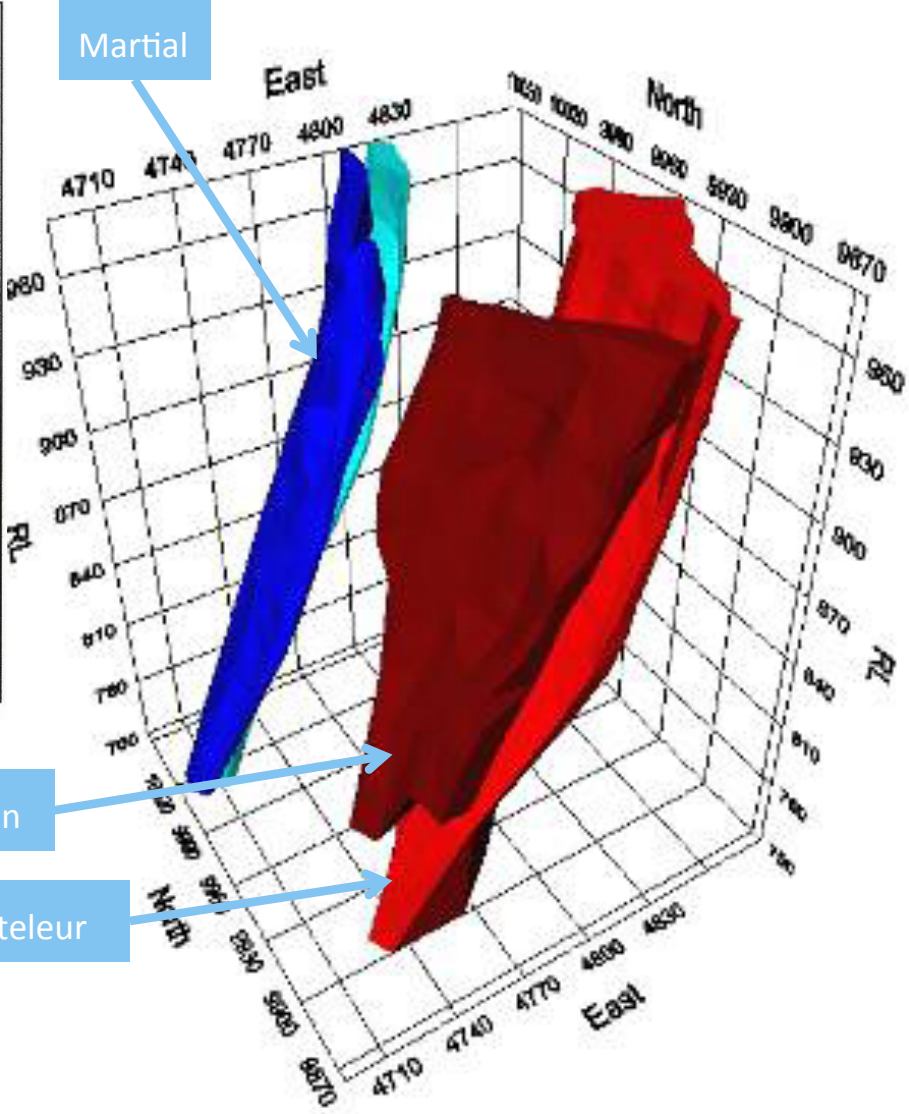
Recent drilling results at the previously mined Tau pit include a **53 m intersection averaging 4.55 g/t Au** including:

- 24 m at 6.57 g/t Au
- 15 m at 5.86 g/t Au

Golden Eagle Deep



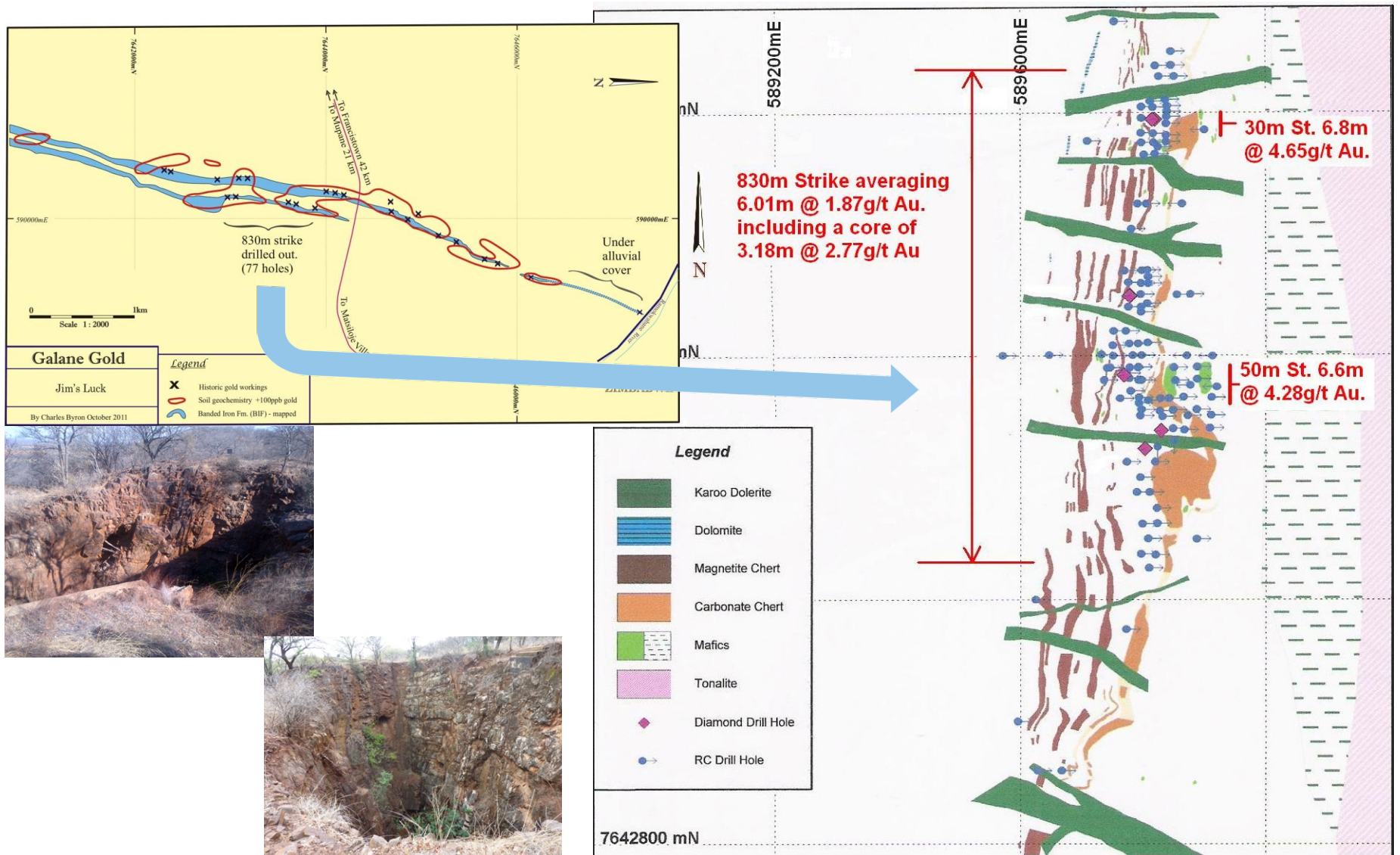
Golden Eagle - longsection



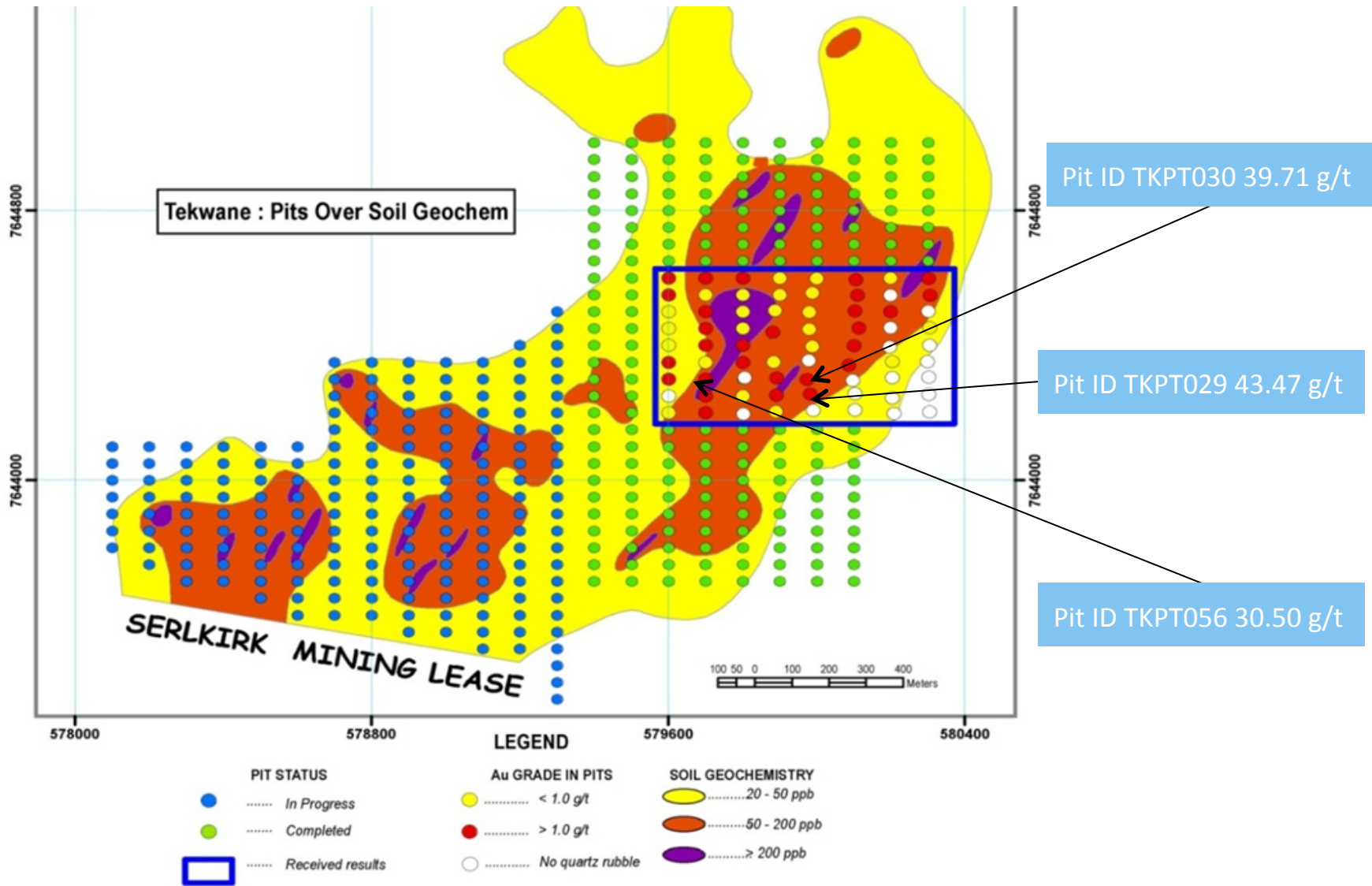
Falcon

Bateleur

Jim's Luck – 7km of Strike



Tekwane

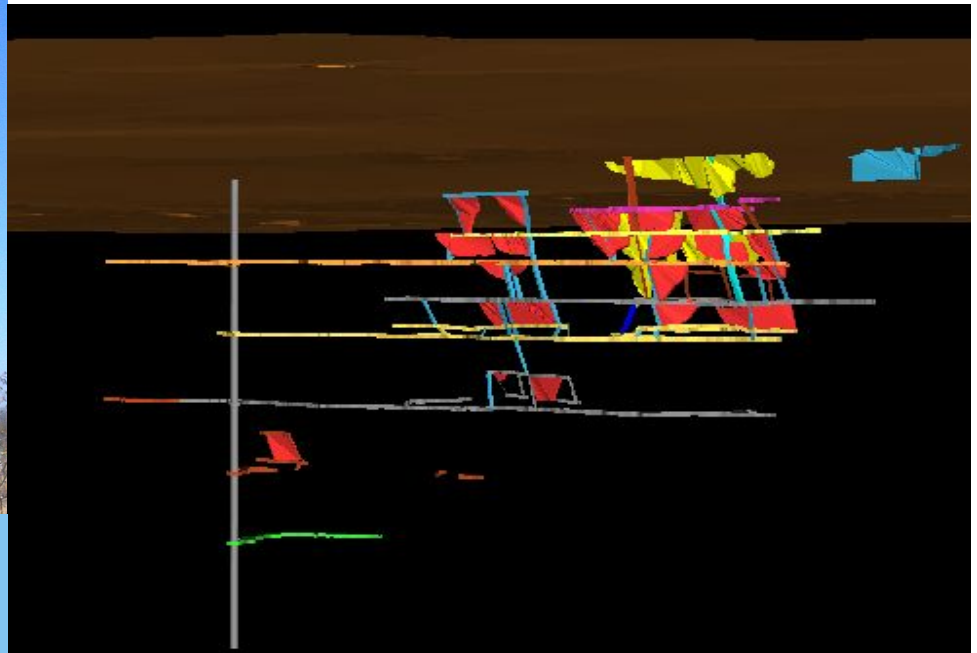


Map Nora

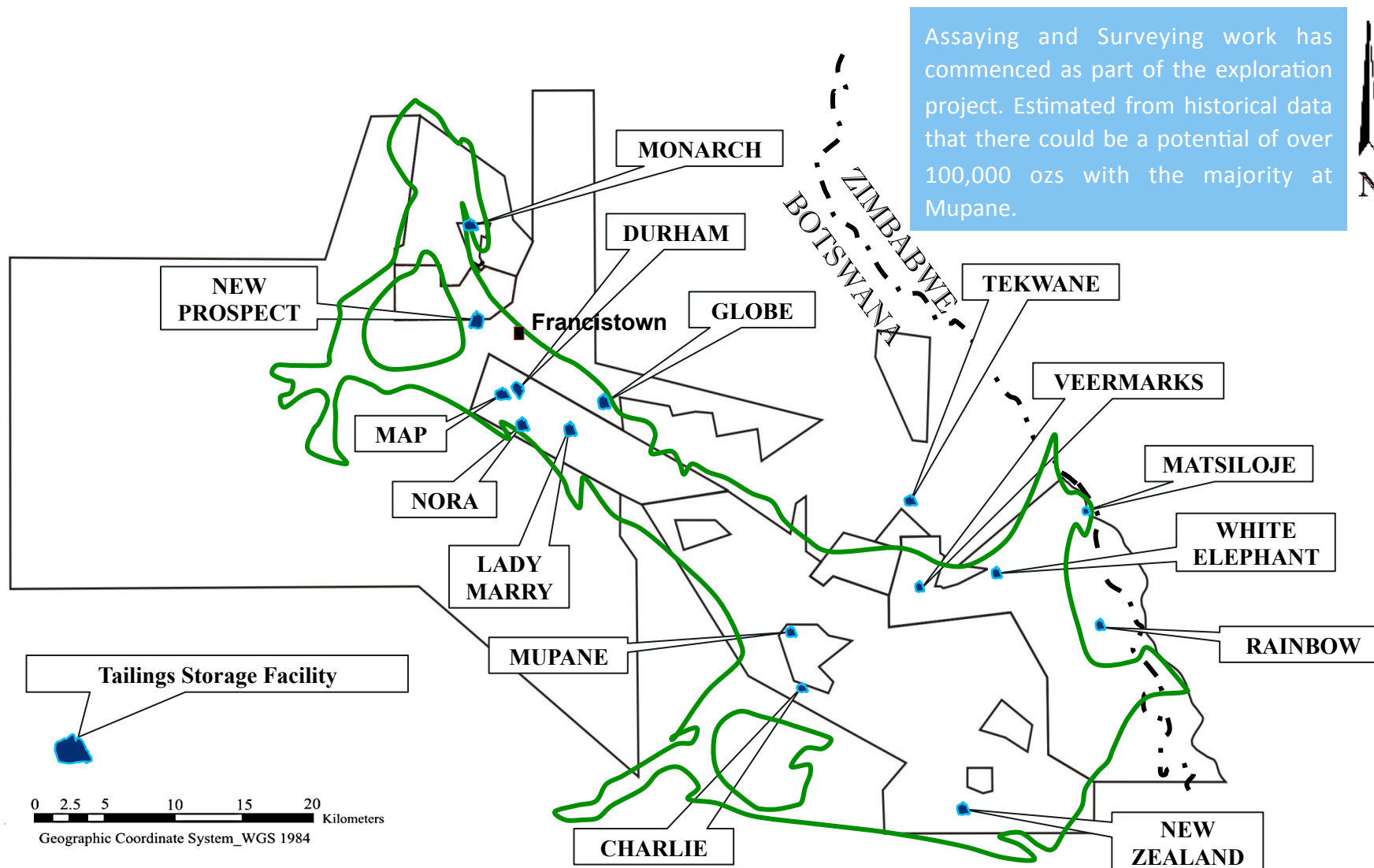


Underground infrastructure, including shaft, headgear and winder, in place and in good order to 340 m vertical depth

- Historical operation impeded by refractory nature of ore:
 - Metallurgy now better understood and a concentrate could be processed at bioleach facilities in South Africa
 - Metallurgical test work commenced in late 2012
- High grade shoots (>10 g/t Au) are continuous down plunge allowing for a potential of 150,000 contained oz Au to depth of 300m vertical depth
- Potential for 200,000oz Au for every 300m vertical depth tranche



Tailings Dumps on the Tati Greenstone Belt



Mining and Processing Optimization

Improvement - Mining	Description/Impact	Status
Revise mine plan for higher gold price	Increasing gold prices allowing for reduced cut off grades in ore mined increasing total reserve and gold produced	Q1, 2013
Contract mining	Utilise contract mining to enhance production capacity, availability, reduce costs and improve processing feed blend flexibility	Q1, 2013
Instrumentation and automation upgrade	Improved recoveries of gold	Q2, 2013
Secondary Crushing	Increase mill feed tonnage capacity from 1.2mt to 1.4mt	Q3, 2013
Tailings reprocessing	Potential for additional gold extraction through reprocessing of 8 million tonnes of tailings	Feasibility Study required
Total	Significant improvements in efficiency and improved tonnage throughput; estimated at 15% to 20% and recovery of gold by 1% to 2% to further lower cash costs/oz.	

Potential to significantly increase mine production, improve operational efficiencies, improve processing capacity and gold recovery. All of which will result in increased production and decreased cash costs at a minimal cost.

Investment Highlights

Immediate Leverage to Spot Gold

- Unhedged gold producer
- Free cash flow from current 2016 plan in excess of \$100 million at \$1,700/oz gold price and over \$200 million at \$2,000/oz

Exploration Upside

- Control all prospective ground on the Tati Greenstone belt
- Substantial data set and portfolio of drill-ready targets
- Targeting 1moz of resources and 5 year mine life in 2013

Experienced Operating Management

- Strong operators with the ability to optimize and expand the mine
- Ability to leverage African relationships
- Optimize production

Compelling Valuation on Current Production Alone





The Galane Gold logo was designed by an employee in a company-wide contest. The blue and black bars in the official colours of Botswana represent the hands of Botswana protecting the country's resources for the betterment of the country and its people.

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