Regulatory Story

Galileo Resources PLC - GLR

Concordia Copper Project - Exploration Update

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Galileo Resources Plc
("Galileo" or "the Company")
Concordia Copper Project - Exploration Update

Galileo completes its second-phase geophysics survey on the **Shirley Trend** (survey previously announced 30 November 2016) on its **Concordia Copper Project** (the "**Concordia Project** or **"Concordia**") in the Northwest Cape Province of South Africa. The survey has identified three high-chargeability [(a)] zones ("hi-ch") from near surface to at least 500 metres (m) depth, similar to those in **Homeep Trend** (as announced on 30 November 2016). This phase concludes the Company's field and geophysics exploration programme for Concordia for 2016.

Note [(a)]: Chargeability effects are frequently associated with the presence of sulphide mineralisation and therefore hi-ch zones represent potential drill targets

Highlights

· Geophysics survey progamme (2016) completes with the last section, the Shirley Trend, now completed

· 3D (three dimension) modeling of the geophysics data on two contiguous blocks on the 7-kilometre (km) striking **Shirley Trend** identifies one large and two smaller bodies (or zones) with high chargeability values - in excess of 10 millivolts/volt (mV/V), including enclosed zones of up to 12 mV/V

· The larger **hi-ch** zone correlates well with historic geological information and and also more importantly extends significantly the area for new prospective drill targets to the west

· The hi-ch bodies range in depth from **near surface (50 m) to more than 500 m** with the larger **250 m-wide** body extending for approximately **1.3 kilometres (km)** along potential strike

· The area surveyed is less than 30% of the **Shirley Trend,** which **is** some 12 km west-northwest of the Homeep Trend and represents the second prospective target in a list of eleven high-priority targets

· The total geophysics programme to date has covered partially only two of the eleven priority ranked prospects on Concordia

· The extended Shirley Trend programme was based on the initial encouraging results from Homeep East and the strong chargeability levels that extended the area of prospectivity on the Homeep Trend (announced 30 November 2016)

· Final report consolidating the geophysics data on the Homeep and Shirley Trends expected in January 2017, for Company review and planning of the next exploration phase

Colin Bird, Chairman and CEO said: " The results of our geophysics programme are highly encouraging with clear definition for drill hole targeting. A limited drilling programme is expected to commence early in the new year and on completion, the Company will either elect to drill the Shirley Trend or extend geophysics to other areas. The drill programme will establish a relationship between the geophysics signatures and the underlying geology and will attach copper grades to the chargeability values. All of the work done to date supports our initial prognosis for Concordia in that potentially large areas of copper are likely to be present with possibly high grade components within the copper unit."

Galileo (AIM: GLR), the exploration and development mining company, is pleased to provide an update on the geophysics survey exploration programme on the **Shirley Trend** being undertaken at its **Concordia Copper Project** in the Northwest Cape Province of South Africa (the "**Concordia Project" or "Concordia**").

The **Shirley Trend**, the second of the current two phase geophysics programme on Concordia was selected for its long 7km-strike length and historical geological data, which included sporadic high copper values and historic drill collars for which drilling data are not readily available.

This second phase survey, which commenced 5 December 2016 has identified several hi-ch zones - one large and two smaller zones in new undrilled prospective areas to the west of the historic drill positions. These hi-ch zones correlate well with the historic geological information and more importantly the larger zone extends significantly the area for new prospective drilling targets to the west of earlier exploration activity. The hi-ch bodies range in depth from **near surface 50 m to more than 500 m** with the largest 250m-wide body extending for approximately **1.3 kilometres (km)** along potential strike.

The current hypothesis is that the better chargeability bodies seem to be related with the higher grade models such as Whyte's West and Homeep East prospects in the Homeep Trend (announced 7 September 2015 and 13 April 2016 respectively) and the smaller lesser chargeability bodies seem to be associated with the lower grade model such as Koeëlkop prospect on the Homeep Trend (announced 29 March 2016). This hypothesis will be tested during a scout-drilling programme, which is anticipated to commence in early 2017.

The geophysics data, currently being interpreted, is based mainly on geophysical parameters and not on underlying geology, on which little data is readily available. The final geophysics report - expected in January 2017 - will be reviewed and revised as necessary to test the models' correlation with known available surface geology before final selection of drilling targets. The drilling programme should eliminate to a large extent the current paucity of the underlying geological data.

Images of the geophysics' signatures, and 3D-modelling results from both raw data and those generated from the inputs into datamine are available on Galileo's website.

Background

Following a strategic joint review of Minxcon Consulting (Pty) Ltd's *('*Minxcon') independent assessment of exploration potential on 34 possible prospects on the Concordia Project, and their ranking in terms of prospectivity, the Company prioritised four main areas: the **Homeep Trend**, **the Shirley Trend** (including the Klondike Prospect) and the Henderson Prospect area for exploration activities, commencing with an Induced Polarity (IP) geophysical survey.

In September 2016, the Company selected GeoSpec Instruments (Pty) Ltd (from three bidders) for a 3-phase IP survey on Concordia: **1st Phase** -the Homeep Trend ; **2nd Phase** - the Homeep/Shirley Trend and **3rd Phase** - Shirley Trend and Henderson/Klondike prospects). The Company mandated Minxcon to manage the data base integration of this IP programme. The **1st Phase** IP survey commenced 10 October 2016, and the 2nd Phase on 28 November 2016, which field work for the latter has now been completed.

The IP surveys on the first Homeep Trend area were announced 1 September 2016 and 30 November 2016: 3D (three dimension) modelling of the IP data identified bodies (zones) with high chargeability - in excess of 11 mV/V - in three contiguous sections across the **Homeep Trend**.

The modelling of Homeep East (announced 7 September 2016), a small part of the **Homeep Trend** of prospects, indicated the potential over a very small portion of strike of the overall Trend estimated at **942,435 tonnes grading 0.89% Cu at 0.2% Cu cut-off**, thereby confirming the expected high grade of the Homeep prospect.

The **Shirley Tren**d, the second of the current two phase geophysics programme on Concordia was selected for its long 7km-strike length, the occurrence of sporadic historic high copper values and a few clusters of historic drilling positions but for which the drilling data are missing.

The Department of Mineral Resources granted a renewal, for three years to 17 August 2019, of the Prospecting Right (PR) on Concordia to SHIP (Pty) Ltd , the holder of the PR and the Company's partner in the project. Galileo to date has committed, to SHIP, 90% of the funds required for a 51% earn-in to Concordia.

Further details are available from the Company's website which details the Company's project portfolio as well as a copy of this announcement: www.galileoresources.com

You can also follow Galileo on Twitter: **@GalileoResource**

Technical Sign-Off
Andrew Sarosi, Director of Galileo, who holds a B.Sc. Metallurgy and M.Sc. Engineering, University of Witwatersrand and is a member of the Institute of Materials, Minerals and Mining, is a "qualified person" as defined under the AIM Rules for Companies and a competent person under the reporting standards. The technical parts of this announcement have been prepared under Andrew's supervision and he has approved the release of this announcement.

ENDS

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Technical Glossary

"chargeability" a ratio of a secondary voltage V_s induced by an observed (applied) voltage, Va, applied by way of an electrode array and commonly expressed as millivolts (mv) per volt (V); this quantity is independent of topographic effects and of electrode geometry and is thus a good measure of induced polarisation.

"Induced polarity (IP) geophysics survey": - a geophysical imaging technique used to identify the electrical chargeability and resistivity of subsurface materials, such as sulphides in rocks

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