



[Galileo Resources PLC](#) - GLR

Concordia Project Update

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For immediate release

7 September 2016
Galileo Resources Plc
("Galileo" or "the Company")
Concordia Copper Project Update

Highlights

- Latest independent modelling on the Homeep East Prospect (the last of the current modelling programme) modelled to 942,453 tonnes at a grade of 0.89% Cu @ 0.2% Cu cut-off
- Induced polarity (IP) geophysics survey to commence in early October 2016 on the Homeep Trend of Prospects ("Homeep Trend")
- The Homeep Trend selected for the 1st Phase of the survey
- Prospecting Right for Concordia Copper project **executed and in place** for a further three years to 17 August 2019

Colin Bird Chairman and CEO said: "The Homeep Trend on Concordia has been chosen as the first site for IP since it has hosted at least two underground copper mines. The aforementioned results are for a very small portion of the trend and sporadic higher-grade occurrences have been found over other parts of the Homeep Trend. IP as a tool has had universal success in locating near surface massive and disseminated sulphide ore bodies and we are confident that this tool will work in the Concordia environment. The prospecting right renewal has been executed and we are in good standing for a period, which will allow us to carry out well reasoned technical work and advance the project to its next stage of mining licence application."

Update

Galileo (AIM: GLR), the exploration and development mining company, is pleased to announce a progress update on its Concordia project in Northwest Cape region of South Africa. The Department of Mineral Resources granted a renewal, for three years to 17 August 2019, of the Prospecting Right (PR) to the holder of the PR and Company's partner in the Project.

In addition, and further to recent similar announcements made by the Company, independent modelling of a small portion of Homeep East (**175 m or between 1.6% and 6.7% of the Homeep Trend ranged Strike length**), the last prospect of the current modelling programme and a part of the larger 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 deposit. Estimates at higher cut-offs are given in the tables below.

Following a strategic joint review of Minxcon's** independent assessment of exploration potential on 34 possible prospects on the Concordia property, and their ranking in terms of prospectivity, the Company has prioritised 4 main areas including the Homeep Trend, The Shirley Trend, The Henderson Prospect and the Klondike Prospect (included within the Shirley Trend) for exploration activities, commencing with an Induced Polarity (dipole - dipole) geophysical

survey. The company has selected three contractors to tender for a 3-phase IP survey on Concordia: **1st Phase** -the Homeep Trend prospect; **2nd Phase** - the Homeep Trend/Shirley prospect and **3rd Phase** - Shirley/Henderson/Klondike prospects). The Company has mandated Minxcon to manage the tender process and data base integration of this IP programme. Award of the contact is targeted towards mid September and commencement of the 1st Phase of the IP Survey beginning October 2016.

** Minxcon Consulting (Pty) Ltd

Homeep East Analysis

Table - Homeep East: High–Level Partial Prospect Estimate

@0.20% Cu Cut-off

Zone	Volume M ³	Tonnage T	SG t/m ³	Cut-off %Cu	%Cu	Mass_Cu T
1	137,800	399,118	2.90	0.20	0.85	3,393
2	139,546	403,803	2.89	0.20	0.99	3,990
3	48,784	139,532	2.86	0.20	0.73	1,025
Total	326,130	942,453	2.89	0.20	0.89	8,407

@0.35% Cu Cut-off

Zone	Volume M ³	Tonnage T	SG t/m ³	Cut-off %Cu	%Cu	Mass_Cu T
1	123,458	357,526	2.90	0.35	0.91	3,270
2	138,743	401,475	2.89	0.35	0.99	3,982
3	45,867	131,071	2.86	0.35	0.77	1,003
Total	308,067	890,071	2.89	0.35	0.93	8,255

@0.50% Cu Cut-off

Zone	Volume M ³	Tonnage T	SG t/m ³	Cut-off %Cu	%Cu	Mass_Cu T
1	112,536	325,854	2.90	0.50	0.96	3,130
2	135,306	391,509	2.89	0.50	1.01	3,941
3	42,264	120,698	2.86	0.50	0.79	958
Total	290,107	838,061	2.89	0.50	0.96	8,028

Source: Minxcon Consulting (Pty) Ltd - Report: Homeep East High -Level Partial Estimate Results and Sections August 2016

The small portion of the Homeep East prospect, which was modelled, was interpreted to consist of 3 spatially related mineralized zones. The zones cover overall some 175 m along strike, and vary between 10 m and 50 m in width. Mineralised lithologies have been modelled to a depth of approximately 500 m below surface. It is known that historical mining development passes through the model, however the volume or grade of the historical mining is not known.

Minxcon's estimation and modelling process included adopting, amongst other things, the following:

- Median specific gravities (i.e. relative densities) were used (from literature) per rock type within the mineralised zones were 2.9 for basic rocks norite and diorite, 2.75 for anorthosite and 2.65 for granite & gneiss;
 - Geological wireframes were generated defining contiguous zones of host lithologies;
 - Drillholes were composited to approximately 1.5 m for best fit in the Wireframe;
 - Classical statistics were conducted on raw and composited samples; and
 - Omni-directional variograms and down hole variograms were constructed to define search parameters
- Estimation was conducted utilising Inverse Distance to the power of 2.

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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](https://twitter.com/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.

Technical Glossary

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

'massive and disseminated sulphide': - A description of the various kinds of sulphides in deposits; massive (usually more than 60% sulphide minerals in the rock) or disseminated (usually fine-grained sulphide minerals in lesser concentration than massive) scattered throughout the rock

"dipole - dipole": - Dipole-Dipole array is a type of electrode configuration for a Direct-Current Resistivity Geophysical Survey and is defined by its electrode array geometry. The dipole-dipole electrode array consists of two sets of electrodes, the current (source) and potential (receiver) electrodes

"omnidirectional variograms": - the variance of the difference between field values between sampled locations taking equal cognisance of relationships between the locations in all directions

"downhole variograms": - the variance of the difference between field values between adjacent sampled intervals (at an infinitesimally small interval) down a drillhole. The result is termed the "nugget effect".

"nugget effect": - anomalously high assays resulting from the analysis of samples that may not adequately represent the composition of the bulk material tested due to non-uniform distribution of high-grade nuggets in the material to be sampled.

"host lithologies": - country rocks in which mineralised or other rocks have intruded

"lithology": - Rock composition, mineral and clay content

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