



**Galileo Resources PLC**  
("Galileo" or "the Company" or "the Group")

## **Unaudited interim results for the six months ended 30 September 2022**

Galileo (AIM: GLR), the exploration and development mining company, announces its unaudited interim results for the six-month period ended 30 September 2022. A copy of the interim results is available on the Company's website, [www.galileoresources.com](http://www.galileoresources.com).

### **Operational Highlights**

#### **ZAMBIA**

##### **Luansobe Copper Project**

The Company holds a 75% interest in the Luansobe project and is undertaking an advanced exploration programme with a view to completing a Project Feasibility Study within 18 months of 20 February 2022.

The Luansobe area is situated some 15km to the northwest of Mufulira Mine in the Zambian Copperbelt which produced well over 9Mt of copper metal during its operation. It forms part of the north-western limb of the northwest - southeast trending Mufulira syncline and is essentially a strike continuation of Mufulira, with copper mineralisation hosted in the same stratigraphic horizons. At the Luansobe prospect mineralisation occurs in at least two horizons, dipping at 20-30 degrees to the northeast, over a strike length of about 3km and to a vertical depth of at least 1,250m.

##### ***Period Under Review***

Re-logging of historic drill core dating from the 1950s and 1960s was completed, with core from five vertical holes being split for assaying of possible copper-bearing zones not previously recognised or considered of interest by earlier operators. This work identified mineralised lenses of moderate copper grade, with some higher-grade intervals in an upper zone at Luansobe - selected assay results received included:

- 16m @ 1.20% Cu from 58m in hole L0071
- 14m @ 0.99% Cu from 70m in hole L0069

The newly discovered mineralisation was considered by the Company to have the potential to add incremental value to a possible open pit mining operation.

A contract was signed in August 2022 for a programme of core drilling designed to infill gaps in historic drilling and twin selected holes, with a particular focus on shallow levels of the Luansobe deposit. The new data will be utilised to complete a mineral resource estimate reported in accordance with JORC (2012) which will be used as the basis for potential open pit mine planning.

### ***Post Period Under Review***

On 03 November 2022 the Company confirmed completion of the drill programme, comprising 28 vertical diamond drill holes totalling 3,563.5m, thus marking an important step towards the definition of a new Mineral Resource Estimate for the Project. Assay results for the first 15 of 28 holes drilled were received. These identified wide zones of moderate grade, near-surface copper mineralisation, potentially offsetting open pit pre-stripping costs, which could be expected to impact positively on project economics.

Selected assay intervals for the first fifteen holes, included:

- 23.73m @ 2.63% Cu from 85.27m in hole LUDD013
- 2.56m @ 2.78% Cu from 45.44m in hole LUDD005
- 16.39m @ 0.95% Cu from 54.0m in hole LUDD009
- 7.0m @ 0.66% Cu from 21.0m in hole LUDD006

External independent consultant, Addison Mining Services of the UK, will complete a JORC (2012) Mineral Resource Estimate as soon as the balance of geological data and supporting assays have been received. The Mineral Resource Estimate will provide the information required to progress towards a potential open pit mine plan.

### **Shinganda Project**

Galileo has an Option and Joint Venture project covering the Shinganda Copper-Gold project, Zambia where the Company has the right to earn an initial 51% interest.

The project area covers part of a major 10km structural trend with two previously developed small-scale open pit copper-gold mines. Very limited historic drilling on the property is reported to have intersected 1.07% Cu over a true width of 28.3m at shallow depth within supergene copper oxides. Drilling on the structure within the Shinganda property further to the west by Vale S.A. recorded a 2m interval @ 3.93% Cu, 1.72g/t Au.

### ***Period Under Review***

The Company engaged a contractor to undertake a detailed ground magnetic survey at Shinganda, covering 383-line kilometres in total. Results were received and are being used to help guide further exploration.

On 20 July 2022 Galileo reported that it had completed a reconnaissance mapping and sampling exercise over the most prospective western sector of the exploration licence. Much of the area is covered by a layer of overburden and duricrust, nevertheless nine target areas with mineralisation or alteration of interest were identified during mapping. Almost all were artisanal pit working exposures with visible copper oxide mineralisation. Altogether 27 rock grab samples were collected for copper and gold assay from the exposed rocks. Assay results returned strongly anomalous values for copper and gold from many of these, including:

- 1.42% Cu, 3.14g/t Au from the Shinganda outcrop
- 1.79% Cu, 10.19g/t Au from Target No.1
- 3.77% Cu, 1.24g/t Au from Target No.7

The outcome of the prospecting, showing the presence of copper and gold mineralisation over an area of at least 12km x 6km on the Shinganda licence, points to the potential for several shallow copper-gold deposits on the property or for a potentially larger target.

The Company engaged a contractor to undertake an initial drilling programme to test the Shinganda pit workings in the vicinity of the historic intersection of 1.07% Cu over a true width of 28.3m at shallow depth within supergene copper oxides - previous drill holes at Shinganda were not assayed for gold.

Results were reported for the first six angled holes totalling 963.9m drilled at the Shinganda outcrop target, with copper assays being received for the first four of these. Gold assay results were awaited. Shallow intervals of semi-massive hematite mineralisation with strongly disseminated copper were noted particularly in holes SHDD002 and SHDD005.

Assay results included:

- 50.3m @ 1.53% Cu from 21m downhole depth in SHDD002, with a sub-interval of 7m @ 4.36% Cu, including 2.0m @ 11.31% Cu
- 43.7m @ 1.01% Cu from 7.3m downhole depth in SHDD004, including 10.0m @ 1.61% Cu

Further drilling is planned.

## **Kashitu**

### ***Period under review***

A new small-scale exploration licence was issued on 23 February 2022 covering the core of the Kashitu project area. The licence will run for four years from the issue date.

The Company has continued to plan for a drilling programme at the Kashitu zinc project. Site visits were previously undertaken to establish the suitability of several potential drill sites, with the initial focus on testing of a high-grade willemite zinc silicate vein zone which has been partially mined previously in a small open pit.

## **ZIMBABWE**

Galileo announced an agreement entered into on 04 March 2022 which assigned to Galileo an option granted under an agreement dated 21 January 2022 between BC Ventures and Cordoba Investments Limited to acquire a 51% interest in BC Ventures. BC Ventures is the owner of a highly prospective lithium project in western Zimbabwe (the Kamativi Lithium Project) and two gold licences (the Bulawayo Gold Project) close to Bulawayo through its wholly owned Zimbabwe subsidiary Sinamatella Investments (Private) Limited. Under the terms of the agreement the Company committed to spend US\$1.5 million on exploration expenditure by 21 January 2024.

On 10 August 2022, the Company further announced an agreement to acquire a further 29% shareholding in the Sinamatella projects and an extension on the commitment to spend US\$ 1.5 million on exploration expenditure by 6 months to 21 July 2024. Post the financial period under review the Company announced that all conditions had been met in relation to the agreement to acquire a 29% shareholding in BC Ventures Limited (the "Share Acquisition") accordingly, the Company issued 50,000,000 Galileo ordinary shares at a price of 1.2 pence per share being the consideration shares due in relation to the Share Acquisition. As a result, Galileo now has an interest of 29% in BC Ventures alongside an option to acquire a further 51% interest through the Company spending \$1.5million on exploration and evaluation of the Projects by 21 July 2024.

Zimbabwe is recognised as one of the most potentially prospective countries in Africa for pegmatite-hosted lithium. Among other explorers, Prospect Resources Ltd (ASX: PSC) estimates that its Arcadia open pit lithium deposit, hosted within a stacked series of pegmatite dykes, contains JORC- compliant proven and probable ore reserves of 37.4Mt, grading at 1.22% Li<sub>2</sub>O. China's Zhejiang Huayou Cobalt recently announced that it had agreed a deal to purchase 100% of the Arcadia hard-rock lithium project

for US\$422m. Zimbabwe has also long been a significant gold producer, primarily from Greenstone Belt quartz ‘reef’ deposits that are host to many small to mid-size quartz reef gold mines and deposits.

### *Period Under Review*

#### **Kamativi Lithium Project**

The Kamativi Lithium Project comprises EPO 1782, covering 520km<sup>2</sup>, and lies on the Kamativi Belt directly adjacent to, and along strike from the historic Kamativi tin- tantalum mine which operated from 1936 to 1994. The Kamativi Mine produced 37,000 tonnes of tin and 3,000 tonnes of tantalum ore from pegmatites, and in 2018 Chimata Gold Corp (Zimbabwe Lithium Company) announced a new JORC (2012) compliant Indicated Mineral Resource of 26Mt @ 0.58% Li<sub>2</sub>O within the Kamativi mine tailings, confirming that the mine contained significant quantities of lithium.

The Sinamatella licence area encloses extensions and splays of the Kamativi Tin Mine host unit, including mapped pegmatites, and it has been reported that there are old tin-fluorite workings within the Sinamatella property. The licence area also contains a large extent of the pre-Cambrian Malaputese Formation which is considered to be strongly prospective for VMS hosted copper, surrounding the old Gwaii River Copper Mine and including numerous other copper prospects and occurrences.

Little exploration has been carried out on the licence area in the past 25+ years, however there is very good historical data available to advance exploration for lithium prospects.

Environmental studies were completed on the permit area and the necessary permissions were granted by the Zimbabwe authorities to facilitate commencement of exploration on the property. Reconnaissance mapping/sampling site visits were undertaken, and detailed exploration work commenced on the property, comprising geological mapping, rock grab sampling and soil sampling aimed at identifying potentially lithium-bearing pegmatite host rocks.

#### **Bulawayo Gold-Nickel-Copper Project**

The Bulawayo Project comprises EPO 1783 and EPO 1784, covering a large 1,300km<sup>2</sup> licence area near Bulawayo with extensive Greenstone Belt rock formations in Zimbabwe. No systematic exploration has been carried out in the area for more than 25 years due to the previously unfavourable investment climate in Zimbabwe. Prospective areas with thin sand/alluvial/Karoo basalt cover have never been explored and preliminary grab sampling on the property reported assays ranging from 3.9-16g/t Au, confirming the prospectivity of the ground.

The aim is to explore for resources to support the development of a large scale mine. The licences adjoin and enclose a number of small-scale gold mines on pre-existing mining permits which provides the opportunity to integrate the production from these operations which have a total historic production reported as more than 1Moz Au.

The Company contracted Xcalibur Airborne Geophysics (Pty) Ltd, to carry out a fixed-wing airborne magnetic and radiometric survey over the Bulawayo licence area, with the programme being completed in June 2022. The survey comprised 12,184 line km of flying at 100m line spacing covering extensive Greenstone Belt rock formations. The aim of the survey was to map critical structures and belts linking the many known small-scale gold mines and deposits to help identify targets for the potential development of a medium to large scale mine.

The survey successfully mapped magnetic greenstone lithologies that have remained unexplored, hidden beneath relatively shallow alluvial and Karoo sandstone cover. The new geophysical data was then

integrated with existing gold deposit and soil geochemical datasets. Modelling of the integrated dataset identified multiple gold targets associated with these prospective lithologies and geological structures known to provide the setting for both historic gold producers and operating mines within the Bulawayo licences.

In addition to gold targets, three nickel targets were also identified together with several further sites of interest. These included a 1.5km long soil geochemical anomaly up to 1,700ppm Ni with a coincident magnetic signature in the Fingo area, as well as several other buried or previously unidentified gabbro and ultra-mafic intrusives that represent potential hosts for nickel-copper mineralisation

### *Post Period Under Review*

#### **Kamativi**

On 08 December 2022 the Company provided an update on a reconnaissance mapping and sampling programme which identified four target zones with potential for pegmatite-hosted lithium, tin and tantalum. Work included collection of 1,661 samples, comprising rock chips, stream sediments and soil samples which were dispatched to an assay laboratory for a range of elements, including lithium, tin and tantalum. Possible spodumene and petalite lithium mineralisation was visually identified in rock chip samples from one site, however this will require laboratory confirmation.

#### **Bulawayo**

In November 2022 Galileo reported in relation to the Bulawayo Project that the following work was under way or planned on the initial targets selected for follow-up, as a precursor to proposed drilling in early 2023.

#### **Bembeshi Gold:**

At the Bembeshi gold target, evidence was found of both historic and current gold mining along a 7km-long outcropping greenstone trend. Exploration encountered visible sulphides and associated alteration in multiple shear-hosted quartz veins and stockworks over zones up to 30m wide. High-grade gold is currently being mined by artisans and small-scale miners at reported average grades of 5 to 7g/t Au. A wide-spaced soil survey had commenced over a 6km-long greenstone gold target hosting former producing mines to confirm the continuity of gold mineralisation.

#### **Bembeshi Nickel:**

The new Bembeshi nickel target was outlined, located east of the Fingo prospect, representing an entirely new potential nickel target. The target was based on available evidence for a large buried mafic – ultramafic body with potential to host nickel. Soil and rock sampling by the Company returned encouraging Ni results from preliminary handheld XRF analysis.

At the Fingo nickel target, infill and extension soil lines were planned on the prospect.

#### **Queens West:**

Ground geophysical surveys (resistivity and magnetic) were undertaken to test possible gold-bearing structures identified under surface cover extending away from current and historic gold mining activity in the Queens mine area, supported by historic anomalous gold in soil ranging from 0.5 to 1.0g/t Au. Discovery of multiple quartz veins/stockworks at surface containing sulphide mineralisation, and active artisanal mining were considered to provide clear evidence of the presence of gold along these structural extensions. Supplementary IP-Resistivity ground geophysics was planned to generate drill-ready gold targets

Galileo also reported that it had commissioned an external geological contractor to build a small-scale mining database for legally held small mining claims within the larger Bulawayo Licence to assist with exploration in the medium-term.

## **BOTSWANA**

### **Kalahari Copperbelt**

#### ***Period under review***

Following completion of the first phase drilling programme on PL40, PL39 and PL253 an overview report of the programme was prepared incorporating recommendations for follow-up drilling on the Galileo retained licences.

Significant encouragement in relation to the Kalahari Copperbelt is derived from the recent commencement of mining operations by Sandfire Resources Limited on its' Motheo Copper Mine and especially drilling reports by ASX listed Cobre Limited from its' newly discovered Ngami copper-silver project along 10km of strike which lies just about 20km from Galileo's PL253.

## **NEVADA**

### **Ferber gold-copper project**

#### ***Period Under Review***

An earlier Galileo project review identified several drill targets at Ferber to test both skarn-type gold-copper occurrences and Carlin-type gold occurrences on the 100% held property. Due to strong demand for drill machines in Nevada, it proved difficult to find a contractor to undertake diamond core drilling at Ferber in 2022. However, the Company has proceeded with an application for environmental permit for the planned programme and has engaged Rangefront Mining Services, based in Elko Nevada, to assist in seeking quotes from drilling contractors for Reverse Circulation (RC) drilling with the aim of completing the planned programme during Q3 2023.

## **SOUTH AFRICA**

### **Glover Phosphate Project ("Glover")**

#### ***Period Under Review***

The Company received confirmation that all conditions for Afrimat Limited ("Afrimat") to acquire the Vermiculite Mining Right from Glover had been met and that Glover had elected for the Vermiculite Mining Right Consideration to be paid in cash, of which of ZAR11.6 million (approx. £0.6 million) was received by the Company.

#### ***Post Period Under Review***

The Company announced that Afrimat had given notice to Glover of its intention to conditionally acquire 100% of the shares in Glover from the current shareholders of Glover for consideration of ZAR300 million (approximately £14.3 million) with the to receive ZAR107 million (approximately £5.1 million).

The Sale Shares Consideration will be settled through a combination of cash and Afrimat shares;

- 50% of the Sale Shares Consideration shall, at the election of Afrimat, be split between Afrimat shares based on the Afrimat 30-day VWAP at which the Afrimat shares traded on the JSE Limited on the relevant Effective Date and cash (Afrimat has to make this election on the relevant Effective Date); and
- 50% of the Sale Shares Consideration shall, at the election of the Sellers (which includes the Company), be split between Afrimat shares 30-day VWAP at which the Afrimat shares traded on the JSE Limited on the relevant Effective Date and cash (the Sellers have to make this election on the relevant Effective Date).

The remaining suspensive conditions of the Glenover Acquisition include approval from the South African Department of Mineral Resources and Energy (“DMRE”) in terms of Section 11 of the South African Mineral and Petroleum Resource Development Act No. 28 of 2000 and South African Competition Commission approval for the Acquisition. The Company anticipates that the above suspensive conditions will be met by 31 July 2023.

In the event that either or both the suspensive conditions are not fulfilled by 31 July 2023, interest will be payable at the prime lending rate of the South African Reserve Bank (basic rate of interest that commercial banks charge their customers) less 2% on the remaining purchase consideration of ZAR300 million (£14.3 million) from 1 August 2023 until the suspensive conditions are fulfilled or waived, as applicable, prior to the longstop date of 30 April 2024.

The Company has a very prospective portfolio of projects all of which will be pursued during 2023. The progress of certain projects beyond the first half of 2023 will depend on receipt of the funds from the Glenover sale proceeds as referred to above. Should the receipt of funds be delayed, then certain low priority projects may be deferred until receipt of the funds or alternative funding is secured.

### **Financial Highlights**

The Group reported earnings of £1,209,344 (2021: loss of £552,493) after taxation. This included a fair value adjustment on non-current asset held for sale of £2,392,670 in relation to the Group’s interest in Glenover as more fully described in the announcement of 9 December 2021. Earnings reported is 0.11 pence (2021: loss of 0.06 pence) per share. Earnings per share is based on a weighted average number of ordinary shares of 1,115,819,649 (2021: 919,808,258).

### **For further information, please contact:**

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### **Statement of Responsibility for the six months ended 30 September 2022**

The directors are responsible for preparing the consolidated interim financial statements for the six months ended 30 September 2022 and they acknowledge, to the best of their knowledge and belief, that:

- the consolidated interim financial statements for the six months ended 30 September 2022 have been prepared in accordance with UK adopted IAS 34 – Interim Financial Reporting;
- based on the information and explanations given by management, the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated interim financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss;
- the going concern basis has been adopted in preparing the consolidated interim financial statements and the directors of Galileo have no reason to believe that the Group will not be a going concern in the foreseeable future, based on forecasts and available cash resources;
- these consolidated interim financial statements support the viability of the Company; and
- having reviewed the Group’s financial position at the balance sheet date and for the period ending on the anniversary of the date of approval of these financial statements they are satisfied that the Group has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

**C Bird**

Chairman and Chief Executive Officer

30 December 2022

**CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION**

		Six months ended 30 September 2022 (Unaudited) £s	Six months ended 30 September 2021 (Unaudited) £s	Year ended 31 March 2022 (Audited) £s
<b>ASSETS</b>				
Intangible assets	6	4,382,659	2,854,706	3,875,570
Investment in joint ventures		-	1,990,053	2,936,125
Loans to joint ventures, associates and subsidiaries		284,792	364,644	792,259
Other financial assets		2,318,549	1,440,148	1,994,617
<b>Non-current assets</b>		<b>6,986,000</b>	6,649,551	9,598,571
Trade and other receivables		387,734	49,796	119,855
Cash and cash equivalents		3,309,842	3,523,794	4,648,995
Other financial assets		-	6,930	-
<b>Current assets</b>		<b>3,697,576</b>	3,580,520	4,768,850
Non-current assets held for sale	7	5,138,367	1,574,160	-
<b>Total Assets</b>		<b>15,821,943</b>	11,804,231	14,367,421
<b>EQUITY AND LIABILITIES</b>				
Share capital		32,146,730	31,636,356	31,996,730
Reserves		1,352,184	887,304	1,223,801
Accumulated loss		(18,142,010)	(21,687,406)	(19,351,353)
		<b>15,356,904</b>	10,836,254	13,869,178
Non-controlling interest		117,754	-	117,754
<b>Equity</b>		<b>15,474,658</b>	10,836,254	13,986,932
<b>Liabilities</b>				
Other financial liabilities		6	6	6
Deferred taxation		-	425,813	-
<b>Non-current liabilities</b>		<b>6</b>	425,819	6
Trade and other payables		141,628	542,158	106,233
Taxation payable		205,651	-	274,250
		<b>347,279</b>	542,158	380,483
<b>Total liabilities</b>		<b>347,285</b>	967,977	380,489

<b>Total Equity and liabilities</b>	<b>15,821,943</b>	11,804,231	14,367,421
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Joel Silberstein  
30 December 2022  
Company number: 05679987

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	<b>Six months ended 30 September 2022 (Unaudited) £s</b>	Six months ended 30 September 2021 (Unaudited) £s	Year ended 31 March 2022 (Audited) £s
Revenue	-	-	-
Operating expenses	<b>(629,417)</b>	(556,524)	(753,321)
Operating loss	<b>(629,417)</b>	(556,524)	(753,321)
Investment revenue	<b>218,012</b>	-	332,904
Fair value adjustments	<b>2,392,670</b>	-	141,205
Profit/(loss) on sale of investments	-	-	(1,266,967)
Provision for impairment	-	-	(495,842)
Share of (loss)/profit from equity accounted investments	<b>(771,921)</b>	4,031	3,433,034
Profit/(loss) for the period before taxation	<b>1,209,344</b>	(552,4933)	1,391,013
Taxation	-	-	151,563
Profit for the period after taxation	<b>1,209,344</b>	(552,493)	1,542,576
Other comprehensive loss:			
Exchange differences on translating foreign operations	<b>91,182</b>	41,091	483,319
Total comprehensive income/(loss)	<b>1,300,526</b>	(511,402)	2,025,895
Total comprehensive loss attributable to: Owners of the parent	<b>1,300,526</b>	(511,402)	2,025,895
Weighted average number of shares in issue	<b>1,115,819,649</b>	919,808,258	1,038,799,984
Basic earnings/(loss) per share - pence	<b>0.11</b>	(0.06)	0.15

## STATEMENTS OF CHANGES IN EQUITY as at 30 September 2022

	Share Capital	Share premium	Total capital	Foreign currency translation reserve	Convertible instruments	Shares to be issued reserve	Share based payment reserve	Total reserves	Accumulated loss	Total equity attributable to equity holders of the company	NCI	Total equity
<b>Figures in Pound Sterling</b>												
Balance at 1 April 2021	6,522,609	23,182,635	29,705,244	(776,495)	1,047,821	-	566,374	837,700	(21,134,916)	9,408,029	-	9,408,029
Loss for the year	-	-	-	-	-	-	-	-	1,542,576	1,542,576	-	1,542,576
Other comprehensive income	-	-	-	483,319	-	-	-	483,319	-	483,319	-	483,319
Total comprehensive income for the year	-	-	-	483,319	-	-	-	483,319	1,542,576	2,025,895	-	2,025,895
Warrants lapsed	-	-	-	-	-	-	(91,194)	(91,194)	91,194	-	-	-
Options lapsed	-	-	-	-	-	-	(149,793)	(149,793)	149,793	-	-	-
Warrants issued	-	(27,560)	(27,560)	-	-	-	27,560	27,560	-	-	-	-
Warrants exercised	-	33,791	33,791	-	-	-	(33,791)	(33,791)	-	-	-	-
Issue of shares	184,559	2,100,696	2,285,255	-	-	-	-	-	-	-	-	-
Shares to be issued	-	-	-	-	-	150,000	-	150,000	-	150,000	-	150,000
Change in share in associate	-	-	-	-	-	-	-	-	-	-	117,754	117,754
Total contributions by and distributions to owners of company recognised directly in equity	184,559	2,106,927	2,291,486	-	-	-	(247,218)	(97,218)	240,987	2,435,255	117,754	2,553,009
Balance at 1 April 2022	6,707,168	25,289,562	31,996,730	(293,176)	1,047,821	150,000	319,156	1,223,801	(19,351,353)	13,869,178	117,754	13,986,932
Loss for the 6 months	-	-	-	-	-	-	-	-	1,209,344	1,209,344	-	1,209,344
Other comprehensive income	-	-	-	91,182	-	-	-	91,182	-	91,182	-	91,182
Total comprehensive income for the 6 months	-	-	-	91,182	-	-	-	91,182	1,209,344	1,300,526	-	1,300,526
Options issued	-	-	-	-	-	-	187,201	187,201	-	187,201	-	187,201
Warrants exercised	-	-	-	-	-	-	-	-	-	-	-	-
Issue of shares	13,742	136,258	150,000	-	-	(150,000)	-	(150,000)	-	-	-	-
Total contributions by and distributions to owners of company recognised directly in equity	13,742	136,258	150,000	-	-	(150,000)	187,201	37,201	-	187,201	-	187,201
Balance at 30 September 2022	6,720,910	25,425,820	32,146,730	(201,994)	1,047,821	-	506,357	1,352,184	(18,142,010)	15,356,904	117,754	15,474,658

<b>CONSOLIDATED STATEMENTS OF CASH FLOW</b>	<b>Six months ended 30 September 2022 (Unaudited) £s</b>	<b>Six months ended 30 September 2021 (Unaudited) £s</b>	<b>Year ended 31 March 2022 (Audited) £s</b>
Cash used in operations	<b>(595,592)</b>	(175,946)	(901,220)
Interest income	<b>2,884</b>	-	238,827
Net cash from operating activities	<b>(592,708)</b>	(175,946)	(662,393)
Additions to intangible assets	<b>(154,106)</b>	(700,753)	(1,559,823)
Distributions from Joint Ventures (incl subs, JVs & Assoc)	-	-	2,417,977
Proceeds on sale of non-current assets held for sale	-	1,095,385	1,132,394
Loans repaid/(advanced)	<b>509,567</b>	(18,960)	-
Purchase of financial assets	<b>(1,101,906)</b>	-	(132,644)
Net cash flows from investing activities	<b>(746,445)</b>	375,672	1,857,904
Net Proceeds on share issue	-	1,931,113	2,060,529
Net cash flows from financing activities	-	1,931,113	2,060,529
Total cash movement for the period	<b>(1,339,153)</b>	2,130,839	3,256,040
Cash at the beginning of the period	<b>4,648,995</b>	1,392,955	1,392,955
Total cash at end of the period	<b>3,309,842</b>	3,523,794	4,648,995

## Notes to the Financial Statements

### 1. Status of interim report

The Group unaudited condensed interim results for the six months ended 30 September 2022 have been prepared using the accounting policies applied by the Company in its 31 March 2022 annual report, which are in accordance with UK adopted international Accounting Standard, the AIM rules of the London Stock Exchange and the Companies Act 2006 (UK). This condensed consolidated interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2022 and any public announcements by Galileo Resources Plc. All monetary information is presented in the presentation currency of the Company being Great British Pound. The Group's principal accounting policies and assumptions have been applied consistently over the current and prior comparative financial period. The financial information for the year ended 31 March 2022 contained in this interim report does not constitute statutory accounts as defined by section 435 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

### 2. Basis of preparation

The consolidated financial statements incorporate the financial statements of the Company and all entities for the six months ended 30 September 2022, including special purpose entities, which are controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of

disposal. Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest. Transactions which result in changes in ownership levels, where the Group has control of the subsidiary both before and after the transaction, are regarded as equity transactions and are recognised directly in the statement of changes in equity. The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

### 3. Segmental analysis

#### Business unit

The Company's investments in subsidiaries and associates, that were operational at year-end, operate in four geographical locations being South Africa, Botswana, Zambia, Zimbabwe and USA, and are organised into one business unit, namely Mineral Assets, from which the Group's expenses are incurred and future revenues are expected to be earned. This being the exploration for and extraction of its mineral assets through direct and indirect holdings. The reporting on these investments to the board focuses on the use of funds towards the respective projects and the forecasted profit earnings potential of the projects.

The Company's investment in Zambia and Zimbabwe did not contribute to the operating profit or losses and is excluded from the segmental analysis.

#### Geographical segments

An analysis of the profit/(loss) on ordinary activities before taxation is given below:

	<b>Six months ended 30 September 2022 (Unaudited) £s</b>	Six months ended 30 September 2021 (Unaudited) £s	Year ended 31 March 2022 (Audited) £s
Profit/(loss) on ordinary activities before taxation:			
Rare earths, aggregates and iron ore and manganese – South Africa	<b>2,191,462</b>	4,031	3,433,034
Gold - USA	<b>(4,214)</b>	(2,288)	8,170
Copper - Botswana	<b>(22,664)</b>	-	117,599
Corporate costs – United Kingdom	<b>(955,240)</b>	(443,598)	(2,167,790)
	<b>1,209,344</b>	(552,493)	1,391,013

### 4. Financial review

The Group reported earnings of £1,209,344 (2021: loss of £552,493) after taxation. Earnings reported is 0.11 pence (2021: loss of 0.06 pence) per share. Earnings per share is based on a weighted average number of ordinary shares of 1,115,819,649 (2021: 919,808,258).

## 5. Share Capital

During the period under review the Company issued new ordinary shares as follows:

Date	Number of ordinary shares
<b>Opening balance</b>	<b>1 096 946 844</b>
Acquisition	13 741 609
<b>Closing balance</b>	<b>1 110 688 453</b>

Post the period under review the Company issued new ordinary shares as follows:

Date	Number of ordinary shares
<b>Opening balance</b>	<b>1 110 688 453</b>
Acquisition	50 000 000
<b>Closing balance</b>	<b>1 160 688 453</b>

### Warrants

The Company had the following warrants outstanding at the period end:

Issue date	Number of warrants	Issue price (pence)	Expiry date
15-Sep-20	10 000 000	2.00	2022/10/15
01-Jun-21	3 341 666	2.25	2023/06/01
01-Jun-21	66 833 332	2.25	2023/06/01
	<b>80 174 998</b>		

The Company had the following warrants outstanding at the date of this report:

Issue date	Number of warrants	Issue price (pence)	Expiry date
01-Jun-21	3 341 666	2.25	2023/06/01
01-Jun-21	66 833 332	2.25	2023/06/01
	<b>70 174 998</b>		

Share Options	30 September 2022	30 September 2021	31 March 2022
Outstanding at the beginning of the year	58,700,000	68,400,000	68,400,000
Options lapsed	-	-	(9,700,000)
	<b>58,700,000</b>	<b>68,400,000</b>	<b>58,700,000</b>

During the period under review, on 28 July 2022 the Company granted 13,500,000 new options to employees and management at a strike price of 1.35 pence. The options vest immediately and expire on 25 July 2025. The fair value of options issued prior to the period end was determined by using the Black-Scholes Valuation Model.

## 6. Intangible assets

### Reconciliation of Intangible assets:

#### Group as at 30 September 2022

	Asset currency	Opening balance	Additions	Foreign exchange movements	Closing balance
Exploration and evaluation asset – Botswana	BWP	1,467,320	32,692	12,976	1,512,988
Exploration and evaluation asset – U.S.A.	US\$	1,893,024	121,414	340,007	2,354,445
Exploration and evaluation asset – Zambia	ZMW	515,226	-	-	515,226
<b>Total intangible assets</b>		<b>3,875,570</b>	<b>154,106</b>	<b>352,983</b>	<b>4,382,659</b>

#### Group as at 30 September 2021

	Asset currency	Opening balance	Disposal as part of assets held for sale	Additions	Foreign exchange movements	Closing balance
Exploration and evaluation asset – Botswana	BWP	2,796,950	(2,378,626)	605,575	391	1,024,290
Exploration and evaluation asset – U.S.A.	US\$	1,696,493	-	95,178	38,744	1,830,415
<b>Total intangible assets</b>		<b>4,493,443</b>	<b>(2,378,626)</b>	<b>700,753</b>	<b>39,135</b>	<b>2,854,705</b>

## Group as at 31 March 2022

	Asset currency	Opening	Additions	Foreign exchange movements	Total
<b>Exploration and evaluation asset - Botswana</b>	BWP	418,324	1,047,628	1,367	1,467,320
<b>Exploration and evaluation asset - U.S.A.</b>	US\$	1,696,493	114,723	81,807	1,893,024
<b>Exploration and evaluation asset - Zambia</b>	ZMW	-	515,226	-	515,226
		<b>2,114,817</b>	<b>1,667,577</b>	<b>83,174</b>	<b>3,875,570</b>

### Botswana

The Company currently holds copper licenses in the highly prospective Kalahari Copper Belt (“KCB”), The KCB is approximately 800km long by up to 250km wide, is a northeast-trending Meso- to Neoproterozoic belt that occurs discontinuously from western Namibia and stretches into northern Botswana along the northwestern edge of the Paleoproterozoic Kalahari Craton. The belt contains copper-silver mineralisation, which is generally stratabound and hosted in metasedimentary rocks of the D’Kar Formation near the contact with the underlying Ngwako Pan Formation. The hanging wall-footwall redox contact is a distinctive target horizon that consistently hosts copper-silver mineralization in fold-hinge settings. The geological setting is similar to that of the major Central African Copper Belt and Kupferschiefer in Poland.

## 7. Non-current assets held for sale

### Group as at 30 September 2022

#### Glenover Phosphate (Pty) Ltd

The Company currently holds a 30.70% direct investment in Glenover and also has an indirect investment of 4.99% in Glenover through its shareholding in Galagen Proprietary Limited, a special purpose vehicle incorporated to hold the BEE shareholding in the Glenover project, resulting in a total interest in Glenover of 35.69%.

As announced on 9 December 2021, Glenover entered into a conditional sale of shares agreement with JSE Limited listed Afrimat Limited (JSE: AFT) (“Afrimat”) Glenover also between Afrimat, Glenover and the shareholders of Glenover including Galileo Resources SA (Pty) Ltd the Company’s wholly owned South African subsidiary under which Afrimat has the option to acquire the sale of shares in and shareholders loans made to Glenover for ZAR300 million (approximately £14.3 million).

On 26 October 2022, The Company announced that Afrimat had given notice to Glenover of its intention to conditionally acquire 100% of the shares in Glenover from the current shareholders of Glenover for consideration of ZAR300 million (approximately £14.3 million) with the to receive ZAR107 million (approximately £5.1 million).

The Sale Shares Consideration will be settled through a combination of cash and Afrimat shares;

- 50% of the Sale Shares Consideration shall, at the election of Afrimat, be split between Afrimat shares based on the Afrimat 30-day VWAP at which the Afrimat shares traded on the JSE Limited on the relevant Effective Date and cash (Afrimat has to make this election on the relevant Effective Date); and
- 50% of the Sale Shares Consideration shall, at the election of the Sellers (which includes the Company), be split between Afrimat shares 30-day VWAP at which the Afrimat shares traded on the JSE Limited on the relevant Effective Date and cash (the Sellers have to make this election on the relevant Effective Date).

The remaining suspensive conditions of the Glenover Acquisition include approval from the South African Department of Mineral Resources and Energy (“DMRE”) in terms of section 11 of the South African Mineral and Petroleum Resource Development Act No. 28 of 2000 and South African Competition Commission approval for the Acquisition.

In the event that either or both the suspensive conditions are not fulfilled by 31 July 2023, interest of the South African Reserve Bank at prime rate less 2% will be payable on the remaining purchase consideration of ZAR300 million from 1 August 2023 until the suspensive conditions are fulfilled or waived, as applicable, prior to the longstop date of 30 April 2024.

## **8. Going concern**

The Company has sufficient financial resources to enable it to continue in operational existence for the foreseeable future and meet its liabilities as they fall due.

The directors have further reviewed the financial position of the Company at the date of this report and Company’s cash flow forecast which includes the receipt of £5.1 million from the proceeds of the sale of shares in Glenover which the Company anticipates will be received by the 31 July 2023. The Company has a very prospective portfolio of projects all of which will be pursued during 2023. The progress of certain projects beyond the first half of 2023 will depend on receipt of the funds from the Glenover sale proceeds as referred to above. Should the receipt of funds be delayed, then certain low priority projects may be deferred until receipt of the funds or alternative funding is secured.

Accordingly, the directors consider it appropriate to continue to adopt the going-concern basis in preparing these financial statements. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities and commitments will occur in the ordinary course of business.

## **9. Post balance sheet events**

### **9.1 Acquisition of a further 29% shareholding in BC Ventures Limited**

On 20 October 2022, the Company announced that all conditions had been met in relation to the agreement to acquire a 29% shareholding in BC Ventures Limited (the “Share Acquisition”); accordingly, the Company issued 50,000,000 Galileo ordinary shares at a price of 1.2 pence per share being the consideration shares due in relation to the Share Acquisition (the “Consideration Shares”).

As a result, Galileo hold an interest of 29% in BC Venturers alongside an option to acquire a further 51% interest through the Company spending \$1.5million on exploration and evaluation of the Projects by 21 January 2024.

The Consideration Shares are subject to the following lockup and orderly market arrangements and cannot be sold during the lockup periods.

## 9.2 Update on Afrimat Option to sell shares in Glenover

The Company announced 26 October 2022 that Afrimat Limited (“Afrimat”) had given notice to Glenover of its intention to conditionally acquire 100% of the shares in Glenover from the current shareholders of Glenover for consideration of ZAR300 million (approximately £14.3 million) with the to receive ZAR107 million (approximately £5.1 million).

The Sale Shares Consideration will be settled in a combination of cash and Afrimat shares;

- 50% of the Sale Shares Consideration shall, at the election of Afrimat, be split between Afrimat shares based on the Afrimat 30-day VWAP at which the Afrimat shares traded on the JSE Limited on the relevant Effective Date and cash (Afrimat has to make this election on the relevant Effective Date); and
- 50% of the Sale Shares Consideration shall, at the election of the Sellers (which includes the Company), be split between Afrimat shares 30-day VWAP at which the Afrimat shares traded on the JSE Limited on the relevant Effective Date and cash (the Sellers have to make this election on the relevant Effective Date).

The remaining suspensive conditions of the Glenover Acquisition include approval from the South African Department of Mineral Resources and Energy (“DMRE”) in terms of section 11 of the South African Mineral and Petroleum Resource Development Act No. 28 of 2000 and South African Competition Commission approval for the Acquisition.

In the event that either or both the suspensive conditions are not fulfilled by 31 July 2023, interest of the South African Reserve Bank at prime rate less 2% will be payable on the remaining purchase consideration of ZAR300 million from 1 August 2023 until the suspensive conditions are fulfilled or waived, as applicable, prior to the longstop date of 30 April 2024.