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**Galileo Resources PLC
11 February 2022**

Galileo Resources Plc

("Galileo" or "the Company")

Glenover Assets Sale and Star Zinc Update

Galileo Resources plc ("Galileo" or the "Company") is pleased to provide an update regarding a) the Glenover Asset sale between Glenover Proprietary Limited ("Glenover") and JSE Limited listed Afrimat Limited announced on 9 December 2021 and b) the sale of Star Zinc project to Siege Mining Limited ("Siege") announced on 4 March 2021. Capitalised terms defined in these previous announcements have the same meaning in this announcement unless indicated to the contrary.

Highlights:

- The Company has received ZAR50.7M (approx. £2.4M) from the Glenover Unconditional Asset Sale (including the amount due through the Company's indirect holding via Galagen Proprietary Limited);
- The Company has received royalties due to it under the Star Zinc sale agreement of US\$118K (approx. £86K) from the 1st three shipments and is due a further US\$460K (approx. £335K) from shipments which are subject to final weights and assays.

Colin Bird Chairman & CEO said: "This marks the start of earnings from the Star Zinc operation, which are progressing and will continue exporting more material. Our Kashitu operation will shortly be drilled with a view to a similar operation as Star Zinc but under Galileo's control for Galileo benefit other than 3rd party costs related to the Kashitu operation. I am pleased that the Company has received the first distribution of approximately £2.4M from the Glenover Asset Sale and look forward to the Company potentially receiving approximately a further £470K from Glenover's conditional sale of its Vermiculite Mining Rights and £4.78M if Afrimat exercises its option to acquire Glenover."

Glenover Sale

As previously announced the Company has a 29% direct and 4.99% indirect investment in Glenover held via Galagen Proprietary Limited who are Glenover's BEE partner and is potentially due the following further consideration under the Glenover Sale Agreements;

a) ZAR10M (approx. £470K) by way of distribution by Glenover in relation to the conditional sale of Vermiculite Mining Rights by Glenover (the "Vermiculite Mining Right Consideration") which is conditional on i) the mining right to mine certain minerals on the property known as Farm Glenover 371 L.Q. (the "Mining Right") being granted to Glenover by 15 June 2022; and ii) by no later than 15 June 2022, the Water Use License Application ("WULA") having been granted and a period of 30 days have lapsed since the date of grant of the WULA without any appeal having been lodged against the grant of the WULA; and

b) ZAR102M (approx. £4.78M) being its portion of the share sale proceeds due under the Glenover Share Sale Agreement (the "Sale Shares Consideration") which is conditional on Afrimat by 15 June 2022 or, if an extension has been granted by 10 November 2022 exercising their option to acquire the Glenover Shares.

Glenover has the right to elect for the Vermiculite Mining Right Consideration to be paid in cash or Afrimat Shares based on the 30 days volume weighted average price of brackets VWAP close brackets at which Africa shares traded on the JSE limited on the effective date.

The Sale Shares Consideration will be 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).

Colin Bird the Chairman of Galileo has waived in favour of the Company the bonuses awarded to him by Glenover in his capacity as a director of Glenover of 1.5% of the gross proceeds of the Glenover Agreements and these amounts will as received be added to the Transaction Awards previously announced that will, at the determination of the Company's remuneration committee, be paid as these transactions are successfully concluded.

Star Zinc Sale

As previously announced under the terms of the Star Zinc agreement, the Company is to be paid a royalty on any future sales of zinc from the Star Zinc Project based on the zinc grade. The minimum royalty rate being 3% and increasing by 1% for each US\$250 increase in the zinc price above US\$2,500 per tonne up to a maximum of 10%.

You can also follow Galileo on Twitter: [@GalileoResource](https://twitter.com/GalileoResource)

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

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