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Star Zinc Project Update

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1 May 2019

Galileo Resources Plc

("Galileo" or "the Company")

Star Zinc - Negotiations to Commence for Off-take Agreement

Galileo is pleased to announce negotiations are to commence with Jubilee Metals Group plc ("JMG" or "Jubilee"), for an off-take agreement to supply ore from Star Zinc ("SZ"), pursuant to a Binding Term Sheet ("Term Sheet") (*announced 31 August 2017*). Commencement of negotiations is facilitated by JMG's recently announced acquisition (21 March 2019) of Glencore's Sable zinc refinery (the "Acquisition") for its Kabwe Tailings project in Zambia and the Company's recent placing to raise £500,000, before expenses, to advance its 80.75% owned Star Zinc project.

Highlights

- **Jubilee's acquisition of the Sable refinery (the "Refinery") enables negotiations to commence with JMG for an off-take agreement to supply ore mined from Star Zinc and other potential ore sources nearby, to which the Company has the exclusive option to acquire**
- **Star Zinc has an independently modelled exploration target estimated at between 600,000 and 900,000 tonnes (t) with an estimated average grade of 10 to 12% Zn (announced 14 November 2018), with a high grade (>20% Zn) component estimated at between 60,000 to 90,000 t rock mass**
- **Potential earnings from Star Zinc could be significant in the near future as there would be no requirement for either mining or processing capital**
- **Mining risk and costs would be low since the deposit is shallow, mainly near surface to maximum 60 m deep and parts of the deposit could be mined using mechanical diggers without the need for blasting**
- **Coincident with the off-take agreement negotiations, the Company will expedite use of the proceeds from the Placing to produce a JORC 2012 maiden resource estimate and an open pit design and plan to mine ore from Star Zinc**
- **Future exploration for the Company will include the Kashitu zinc willemite (zinc silicate ore mineral) prospect, some 6 km distant from the Refinery, subject to completion of the acquisition of the Kabwe Residual Rights announced on 13 September 2018.**
- **Kashitu is believed, by the Directors, to have similar mineralisation to Star Zinc and future ore from Kashitu would supplement that from Star Zinc**

- **Historically, vanadium has been identified on Kashitu. Star Zinc, however contains silver and germanium, which would be included in off-take agreement negotiations depending on their recoverability**
- **Kashitu licence area is more extensive than Star Zinc and is therefore believed to have the potential for a much larger tonnage based on interpretation of historical exploration on Kashitu**

Colin Bird Galileo CEO said "Jubilee's acquisition of the Sable refinery and development plans necessitates fast tracking negotiations for an off-take agreement to supply Star Zinc ore. We will undertake all necessary work, related to expedite producing a JORC compliant maiden resource estimate and a mining plan for ore from Star Zinc. The Kashitu prospect has the potential to be a bigger resource than Star Zinc and we intend to commence a study for exploration on this prospect as soon as practicable."

JMG's plans regarding its acquisition of the Sable Zinc refinery in Kabwe Zambia expects to deliver the first metal from its Kabwe Tailings within a year from the acquisition. In order to meet this schedule Galileo will expedite the completion of a maiden mineral resource estimate to 2012 JORC Code standard, which will include commissioning the refinement of its existing ETR model, in order to delineate a) potential high-grade and low-grade zinc components in the body, and b) develop an open pit design for selective mining, as appropriate, as run-of-mine feed to Kabwe.

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.

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

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