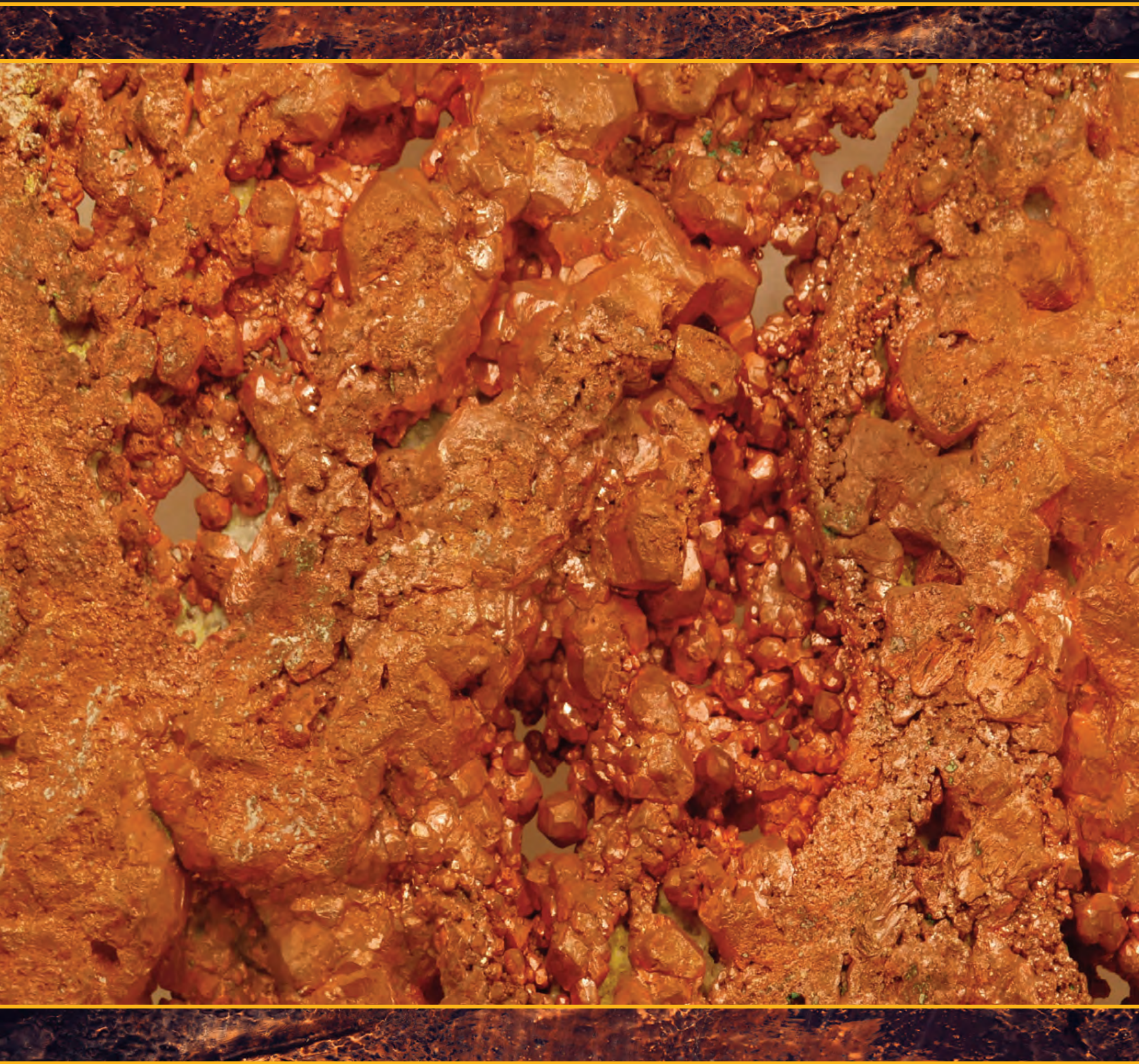
galileo RESOURCES PLC



ANNUAL REPORT 2023

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Holding Company
Galileo Resources Plc

Country of incorporation and domicile
United Kingdom

Nature of business and principal activities
The Company acts as a holding Company for subsidiary undertakings and investments engaged in the exploration of natural resources.

Corporate Information

Directors	Colin Bird – *Chairman and CEO* Edward P Slowey – *Technical Director* Joel M Silberstein – *Finance Director* Christopher Molefe – *Non-Executive Director* John Richard Wollenberg – *Non-Executive Director*		
Secretarial Services	Link Company Matters Ltd 6th Floor, 65 Gresham Street, London, EC2V 7NQ	**Registrars**	Neville Registrars Neville House, Steelpark Road Halesowen, West Midlands, B62 8HD
Registered Office	7/8 Kendrick Mews London, SW7 3HG United Kingdom	**Banker**	National Westminster Bank Plc 186 Brompton Road London, SW3 1XJ
Auditors	MAH Chartered Accountants 2nd Floor 154 Bishopsgate London, EC2M 4LN	**Nominated Advisor**	Beaumont Cornish Limited Building 3 566 Chiswick High Road London, W4 5YA
Joint Broker	Novum Securities Limited 2nd Floor, Lansdowne House 57 Berkeley Square, London, W1J 6ER United Kingdom	**UK Solicitors to the Company**	Fladgate LLP 16 Great Queen Street London, WC2B 5DG
Joint Broker	Shard Capital Partners LLP Floor 3, 70 St Mary Axe London, EC3A 8BE United Kingdom		
Incorporation No:	05679987		

Strategic Report –

Chairman's Report

Colin Bird
Chairman

Dear Shareholder,

I am pleased to report that the Company has enjoyed a very progressive and successful year with its projects across Zimbabwe, Zambia, and Botswana and a successful exit from our Glenover project in South Africa.

In Zimbabwe the Agreement with BC Ventures, we acquired a 29% share of the company which we announced on the 10th of August 2022 and at the time of the report, we have expended in excess of the expenditure of USD1.5 million required to acquire 51% interest in two Zimbabwean projects, thus entitling us to become an 80% shareholder in the BC Ventures company. We have made particularly good progress with the Zimbabwean based assets, in that we have identified a significant gold target nearby the Queen's Mine, close to Bulawayo.

In following up our airborne geophysical programme, we also identified a new nickel target and large tracts of ground with potential for gold mineralisation. We intend to follow up by test drilling the gold anomalies in 2023 and undertaking further ground geophysics to get a better understanding of the nickel prospect.

The Kamativi Lithium/Tin project of some 520km^2 has presented us with the most exciting target in the BC Ventures acquisition portfolio. During the year under review, we carried out significant fieldwork and identified multiple anomalies which warranted a reconnaissance drilling programme.

Post balance sheet, we commenced drilling and are currently on the 10th hole, with the first hole reporting viable grade lithium, with a short drilling interval reporting over 2% lithium oxide, which was a very pleasing result. We have elected to continue with this programme but have upgraded its status from reconnaissance to resource definition status i.e., we are looking for depth and strike extensions to build up a tonnes/grade profile for that particular area in the Kamativi concession.

In Zambia during the period, we carried out further drilling to establish the near-surface potential of the Luansobe Project, with particular emphasis on filling gaps in the data and establishing the amount of pre-strip required to commence an operation. We have established a minable resource, together with all the parameters necessary to commence an open pit operation with a mine life of 4-5 years, thereafter, progressing to an underground operation.

Also, in Zambia our Shinganda Joint Venture Project is proving to be very exciting, since field work has found numerous indications of shallow copper/gold mineralisation. The area is also beginning to show all the indications of an IOCG deposit (Iron-Oxide-Copper-Gold), which academia has talked about in Zambia, without real solid evidence. We have built up significant potential strike as well as question marks against what lies below the intrusives. We intend to test both of these targets in the fourth quarter of this year, continuing into next year. We have completed our initial option period with Garbo Resource Solutions Ltd and are now agreeing our formal final joint venture relationship.

In Zambia we are currently working on developing a local arrangement with artisan labour in the Kashitu area. Initially stripping high grade willemite (+/- 30% Zn). Thereafter, if the project is sustainable, we will look towards upgrade processing techniques to treat the +/-5% Zn material, if the quantity and zinc price support the decision.

In Botswana our Sandfire joint venture is progressing well, and the year under review has seen Sandfire bring in their T3 Pit mining operation with current information suggesting that they are having a painless production ramp-up with their anticipated result. This is a credit to Sandfire's exploration and engineering prowess.

Sandfire is exploring a number of former Galileo licences in the Kalahari Belt, for which the Company has financial exit formulas in place, whilst we also have our own licences which we are actively working on.

In South Africa the proceeds from the Afrimat deal were, post the period, renegotiated and we received half the consideration in shares during July 2023, with the balance to be received in cash before the end of April 2024.

The international copper price remains rangebound between USD7,500-USD8,500 per tonne, whilst the general forecast for 2024/2025 is USD9,000-USD11,000 per tonne, which is based as much on supply fundamentals as demand. The demand features are very easy to understand, but as yet the supply features are not. Simplistically, there are not enough projects in development and not too many large discoveries. In any event, the development of a large discovery, will take some 8-12 years to bring into production. It is my firm belief, often quoted, that copper is moving from being an important metal to a critical strategic metal and global major mining companies and governments are adjusting their mines to this fact.

Again, my opinion is that the Majors will have to lower the bar and seek discoveries or potential discoveries of 500,000 tonnes of contained copper instead of the current 2 million tonnes of contained copper.

To this end, we are very pleased with our recent joint venture agreement, in Zambia in respect of a large exploration licence adjacent to the Angolan border, which we believe has the potential to host the Western Foreland terrain and Kamoa style mineralisation. The licence is extremely well positioned in this regard, and we look forward to commencing early exploration to test our and other third-party companies' postulations.

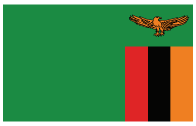
I would like to thank my fellow directors, management team and dedicated consultants for their support and excellent work for the period under review. I look forward to the coming year, realising one of our projects, any one of which could be transformational for the company and its shareholders.

Yours sincerely,

Colin Bird
Chairman
28 September 2023

Strategic Report –
Operations Report

Edward P Slowey
Technical Director



Zambia
Luansobe Copper Project

Highlights

- A drill programme was completed by the Company on the 9th November 2022 for a total of 3,568.4m of drilling in 28 diamond drill holes.
- Based on the Galileo drill programme and historic drilling, a JORC 2012 Inferred Mineral Resource was reported in February 2023, inclusive of:
  - o Approximately 5.8 million tonnes gross at 1% total Cu above a cut-off grade of 0.25% total Cu for 56,000 tonnes of contained Cu potentially amenable to open pit mining;
  - o Approximately 6.3 million tonnes gross at 1.5% total Cu above a cut-off grade of 1% total Cu for 97,000 tonnes of contained Cu, potentially amenable to underground mining.
- A significant exploration target was identified in a currently underexplored area of the exploration licence, containing a 3 to 7 million tonne gross conceptual exploration target with grades in the region of 1% to 1.5% Cu at depths between 100m and 300m.
- A 60kg sample of drill core was dispatched for metallurgical testwork to determine the optimised processing flow sheet which may contribute to the upgrade of the Mineral Resource classification.
- It is then planned to prepare an optimised block model to support potential open pit mine development.

Background

The Company holds a 75% interest in the Luansobe project and is undertaking an advanced exploration programme with a view to development of an open pit mine.

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.

Operation Progress

Galileo completed a 28-hole diamond drill programme for a total of 3,568.4m of coring in November 2022. The drilling was designed to infill gaps in historic drilling and twin selected holes, with a particular focus on shallow levels of the Luansobe deposit amenable to open-pit mining. All holes were vertical, with depths ranging between 47.7m and 230.3m, and coring was PQ in overburden with HQ tails. On completion of the drilling programme Galileo engaged Addison Mining Services to complete an updated JORC 2012 compliant mineral resource to be used as the basis for open pit mine planning.

Photo 1: Drill rig on site at Luansobe

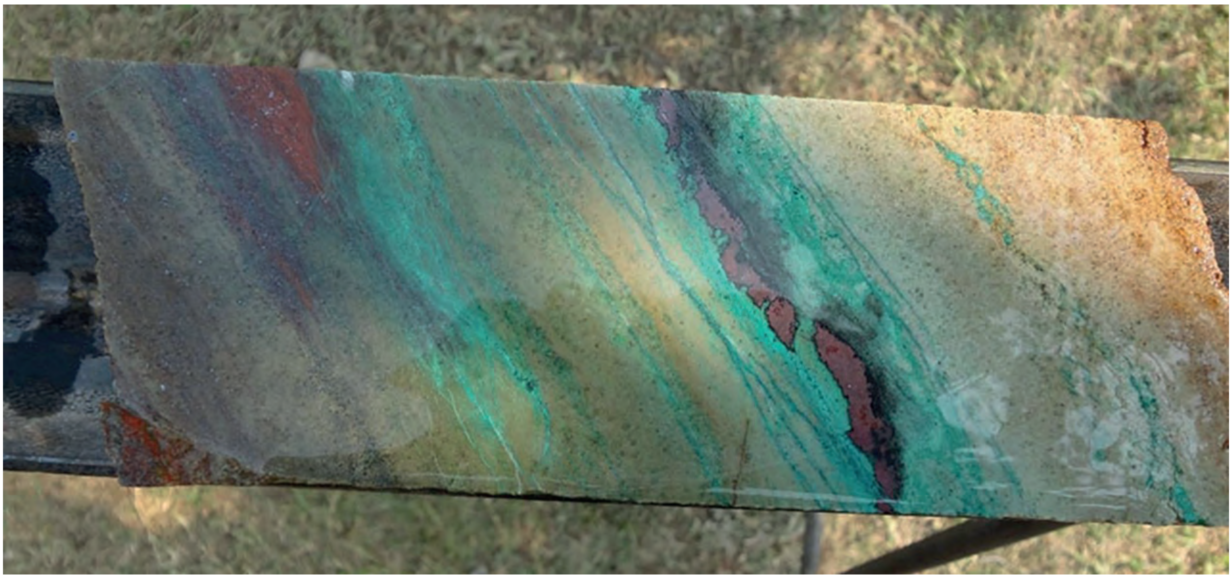


Photo 2: Mineralised drill core with chalcocite and malachite from the Luansobe project

In addition to the drilling completed by Galileo in 2022, 78 holes drilled in 2006-2007 by previous operators Z.C.C.M. Ltd along with 86 other historical drillholes completed by Roan Consolidated Mines Ltd between 1950 to 1970 were used in the estimate, 30 of which were re-logged by independent consultants GeoQuest on behalf of Galileo. GeoQuest completed pXRF verification of Cu values on the historic core inspected and sampled previously unsampled mineralised core for inclusion in the mineral resource estimate.

Table 1: Inferred Mineral Resources for the Luansobe Project, Zambia

Cut-off Total Cu (%)	Tonnes (t)	Density (t/m3)	Total Cu (%)	Acid Soluble Cu (%)	Total Cu Metal (t)	Acid Soluble Cu Metal (t)
Open Pit Potential Resources 100% Gross						
1	2,400,000	2.5	1.4	0.6	34,000	14,000
0.5	4,900,000	2.5	1.1	0.4	53,000	21,000
0.25	5,800,000	2.5	1	0.4	56,000	22,000
Underground Potential Resources 100% Gross						
2	770,000	2.5	3.5	0.4	27,000	2,900
1.5	1,600,000	2.5	2.5	0.3	40,000	5,200
1	6,300,000	2.5	1.5	0.2	97,000	15,000
Open Pit Potential Resources 75% Net*						
1	1,800,000	2.5	1.4	0.6	25,500	10,500
0.5	3,675,000	2.5	1.1	0.4	39,800	15,800
0.25	4,350,000	2.5	1	0.4	42,000	16,500
Underground Potential Resources 75% Net*						
2	578,000	2.5	3.5	0.4	20,300	2,200
1.5	1,200,000	2.5	2.5	0.3	30,000	3,900
1	4,725,000	2.5	1.5	0.2	72,800	11,300

** Net calculations are performed on a 75% basis reflecting Galileo's interest in the Project*

Notes relating to Mineral Resource Estimate:

1. *The independent Competent Person for the Mineral Resource Estimate, as defined by the JORC Code (2012 edition), is Mr. Richard Siddle, MSc, MAIG, of Addison Mining Services Ltd since November 2014. The effective date of the Mineral Resource Estimate is 21st of December 2022. Mr Siddle has not yet completed a site visit and as such the Mineral Resources are restricted to the Inferred category.*
2. *No mineral reserve estimates have been undertaken. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The quantity and grade of reported Inferred Resources in this Mineral Resource Estimate are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured, however it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration and verification including improved structural understanding of the deposit, fault mapping, further verification of legacy drillholes and metallurgical testing. Following a site visit by the CP it may be possible to convert some of the Inferred Mineral Resources to Indicated Mineral Resources.*
3. *Acid Soluble Cu (%) represents the concentration of copper that is susceptible to leaching by a 5% sulphuric acid digestion and is a proxy for the concentration of copper present in oxide phases. Chalcocite, a secondary sulphide copper mineral may also report in part to the Acid Soluble Cu. By extension Total Cu (%) minus Acid Soluble Cu (%) is a proxy for the concentration of copper in sulphide phases. Estimation of copper phases is important for future evaluation work as sulphide and oxide copper minerals maybe processed by different methods such as flotation and leaching with electrowinning respectively, bulk flotation is also a possibility. Initial mineral processing testwork has commenced but has yet to be completed at the time of writing.*
4. *The Inferred mineral resource category set out in the table above at cut-off grades >0.25% Total Cu for open pit and 1% Total Cu for underground mining comply with the resource definitions as described in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).*
5. *Numbers are rounded to reflect the fact that an Estimate of Resources is being reported. Rounding of numbers may result in differences in calculated totals and averages. All tonnes are metric tonnes.*
6. *Open pit mining assumes a Cu price of US$9000 per tonne with 85% payability on metal in concentrate. Pit optimisation and cut-off grade selection was based on the assumption of 85% recovery of total Cu, including the acid soluble component, by flotation at US$14/t plus US$1.5/t G&A. Mining costs were assumed as US$3/t. Underground mining was based on the same assumptions with a mining cost of US$40/t.*
7. *Pit slopes were assumed as 40 degrees in overburden and 50 degrees in fresh rock. No geotechnical studies have been completed to support this assumption and the requirement for shallower pit slopes may serve to materially reduce the open pit mineral resource.*

8. *The Mineral Resource Estimate set out above was based on the wireframe interpretation of the mineralised massive shale, lower dolomite, BC and C quartzites of the "Ore" Formation of the Lower Roan stratigraphy. Mineralisation is interpreted to dip in the limb of a syncline to the northeast by 30-40 degrees with locally shallower sections.*
9. *The block size was 20 mE x 20 mN x 2 mZ in the area of closest spaced drilling covering the open pit resource area (1/2 to 1/3 of drill spacing). In areas of more sparse drilling including most of the underground resource the block size was 60 mE x 60 mN x 6 mZ (1/2 to 1/3 of drill spacing).*
10. *Grades were estimated using Ordinary Kriging of 2m downhole composites, no grade capping was deemed necessary. An incrementally larger search radius of 100, 200 and 300m was used. The maximum number of samples per search was restricted to 18 maximum and samples per drillhole restricted to 2 in the area of 2 mZ blocks, elsewhere there was no restriction in the number of samples per drillhole. Discretisation was 5x5x2. The estimate was completed using Micromine 2023.1 software.*
11. *Mineralisation ranges from approximately 30 to 160m below surface in the open pit resource and is approximately 550m along strike to the southwest and 150m down dip to the northeast. Elsewhere the resource ranges up to 250 to 300m below surface with an additional strike length of 1200m extending down dip 300 to 500m.*
12. *The mineral resource is closed off by drilling and as it nears surface to the northwest and southwest. Down dip to the northeast mineralisation may continue and it has been extrapolated by ~50m from the edge of drilling, were further mineralisation to be present here it would likely only be amenable to underground mining due to the high stripping ratios to the northeast. To the southeast where the deposit is deepest further mineralisation has been identified at depths 250-300m, however drilling is too sparse to infer continuity and allow reporting of a mineral resource.*

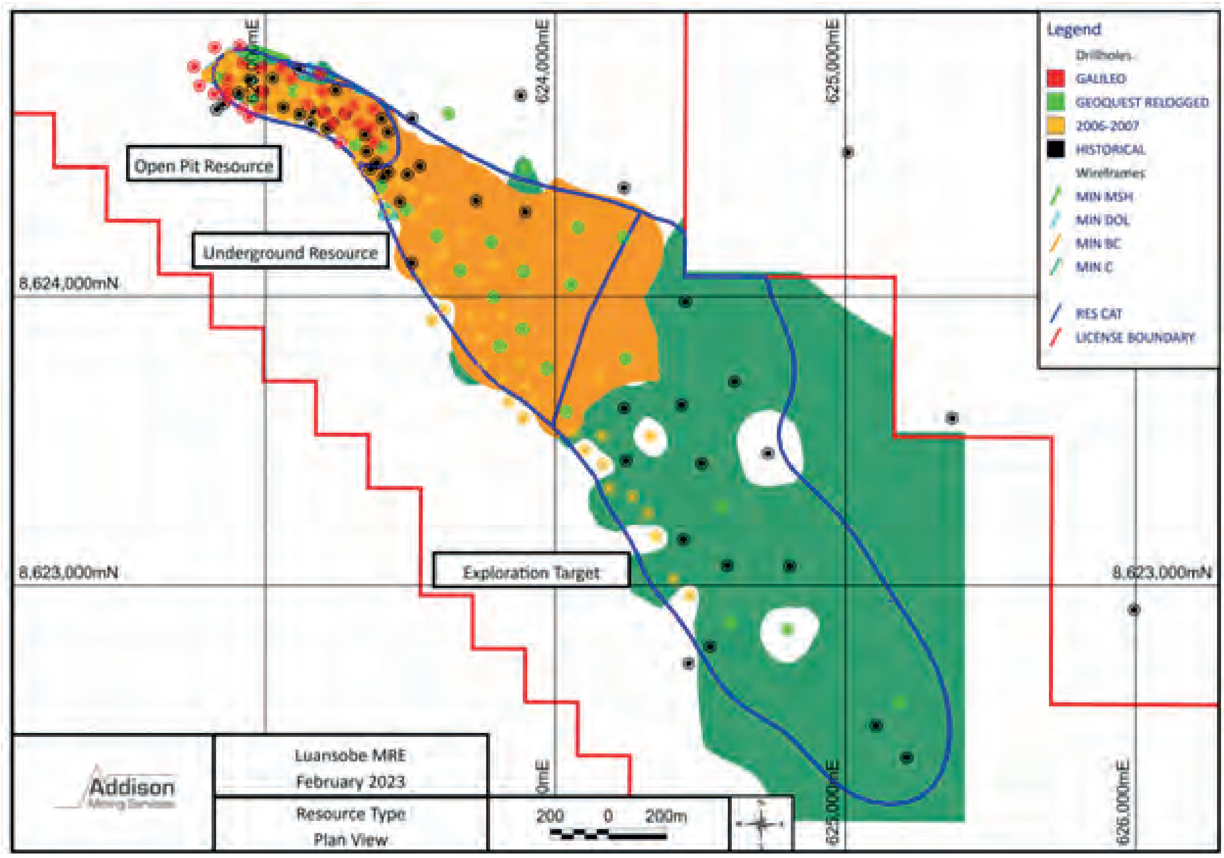


Figure 1: Luansobe Resource Type Plan View

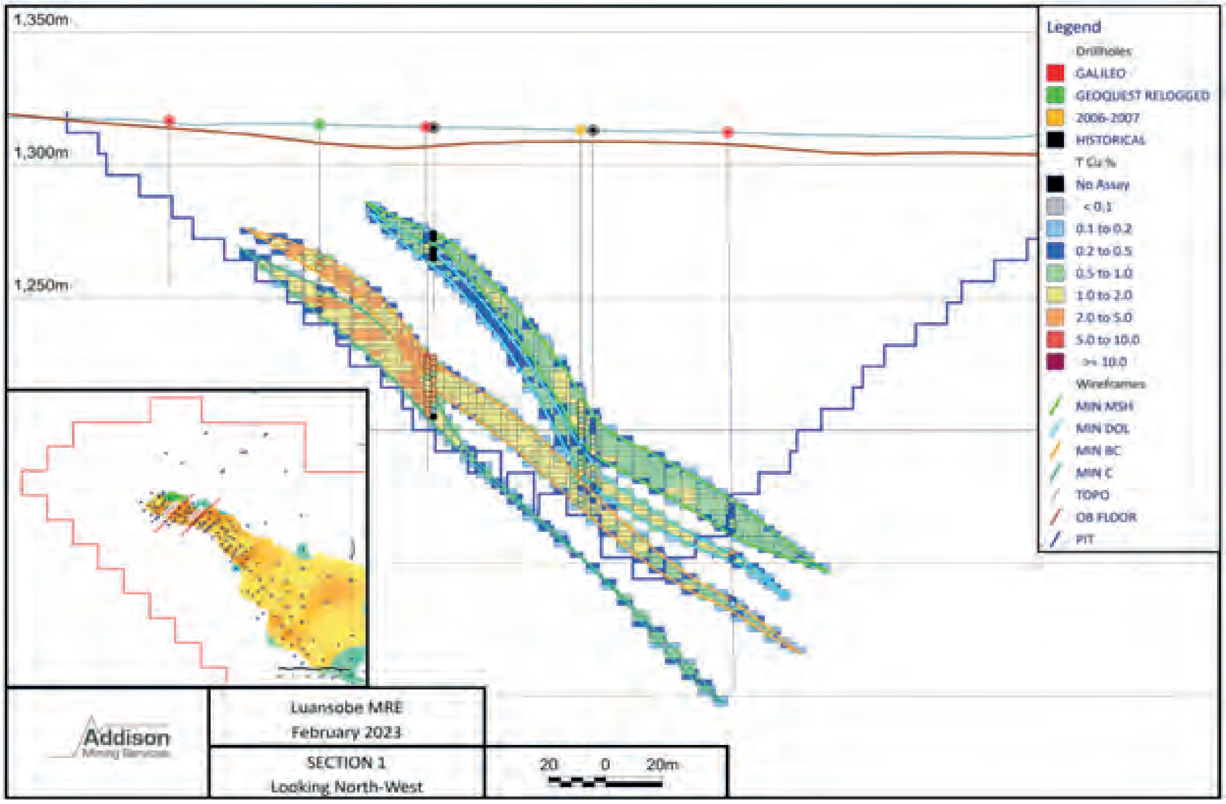


Figure 2: Luansobe Project Resource Blocks – Cross-Section 1

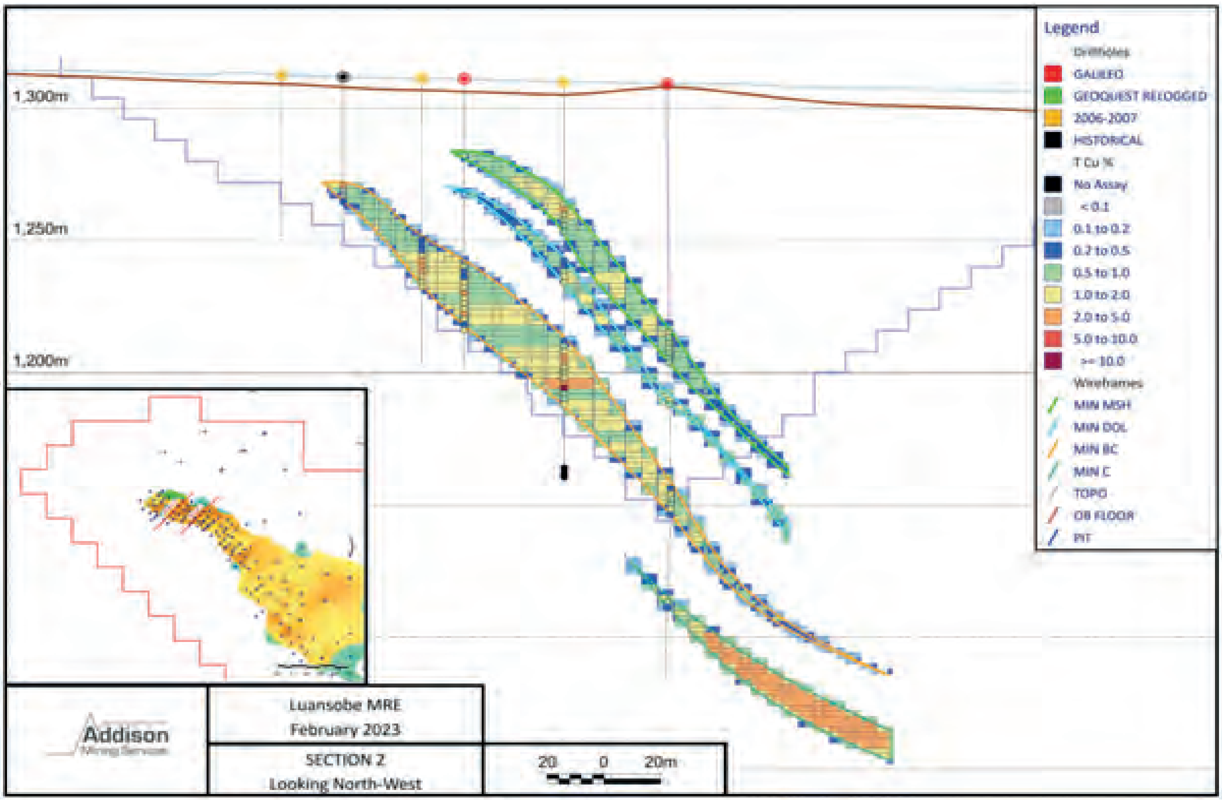


Figure 3: Luansobe Project Resource Blocks – Cross-Section 2

Shinganda Copper & Gold Project

Highlights

- A diamond drill programme of nine angled drill holes for a total of 1,227.2m of drilling was completed by the Company in Q4 2022 at the Shinganda outcrop zone.
  - o The drilling confirmed a supergene copper-gold mineralised gossan zone containing malachite, chalcocite, native copper and associated gold mineralisation over a plan view of 100m x 200m and to a depth of 70-80m, with best intercepts: 50.3m @ 1.54% Cu and 0.30g/t Au from 21.0m, including 7.0m @ 4.36% Cu and 1.51g/t Au from 47.0m in SHDD002;
  - o 43.7m @ 1.01% Cu, 0.18g/t Au from 7.3m in SHDD004.
- The mineralised zone contains a higher-grade core and lower-grade margins, with drilling towards the west-northwest and the east suggesting mineralisation remains open in these directions.
- Strong hydrothermal alteration and brecciation is suggestive of a significant hydrothermal and supergene system at Shinganda, possibly controlled by regional and local faulting.
- Several further copper-gold targets were identified from review of historical reports and prospecting by Galileo, with some exceptionally high gold values in grab samples. These included:
  - o Target 1 – grab samples from exploration pits peaking at 33.9g/t Au, 0.46% Cu within an anomalous trend extending over a minimum strike length of 120m and still open;
  - o Target 7 – 25m-wide artisanal pit with chip/channel samples assaying up to 3.44g/t Au, 0.53% Cu;
  - o Target 9 – 0.63g/t Au, 1.10% Cu in grab samples within an area with extensive anomalous soils.
- Post year-end the company exercised the option to enter a joint venture agreement and be issued a 51% interest in the Shinganda copper-gold licence by its partner Garbo Resource Solutions Ltd.
- Following this, the company completed a licence wide review of all historical geophysical data, combined with their own geophysical surveys, soil sampling and prospecting, the results of which have defined two areas with prospective geophysical characteristics for an IOCG setting, for immediate follow-up drilling.

Background

The Shinganda project is located in western Zambia just outside the game management area of the Kafue National Park and is easily accessed via the well-maintained dirt road running between Kaoma and Kasempa. The main feature of interest is the west-northwest trending Gerhard Trend which extends for at least 12km through the project area. This trend is marked by a strong magnetic linear high coincident with an intermittent zone of silicified hematite and magnetite bedrock containing copper and gold at several places along its length. There are other strong magnetic features of interest on the licence which reflect shallow intrusives, perhaps related to the Hook Granite, suggesting a potential IOCG (Iron-Oxide-Copper-Gold) setting for the mineralisation seen in the region.

On 6 December 2021, Galileo entered into an Option and Joint Venture Agreement with Garbo Resource Solutions Ltd. covering the Shinganda Copper-Gold Project, central Zambia comprising Large Scale Exploration Licence No. 22990–HQ-LEL. The agreement allows Galileo the right to earn an initial 51% interest in the project in central Zambia, by spending US$0.5m on exploration and evaluation over two years and can subsequently increase its interest through entering into a Joint Venture to develop a mining operation, ranging from 65% interest for a large deposit of greater than 1Mt of contained copper equivalent, up to an 85% interest in a smaller deposit of less than 200,000 tonnes of contained copper equivalent.

Operations Update

The company completed a drilling programme of nine angled diamond drill holes on the Shinganda outcrop zone for a total of 1,227.2m of diamond core drilling. The drilling confirmed the Shinganda mineralisation over a plan area of 200m x 100m extending to a depth of 70-80m, inclusive of strong hydrothermal alteration and brecciation, suggestive of a significant hydrothermal and supergene system at Shinganda, possibly controlled by regional and local faulting.

A summary of the best intercepts are as follows:

- SHDD002 – 50.3m @ 1.54% Cu and 0.30g/t Au from 21.0m, Including 7.0m @ 4.36% Cu and 1.51g/t Au from 47.0m.
- SHDD004 – 43.7m @ 1.01% Cu and 0.18g/t Au from 7.3m.
- SHDD005 – 11.0m @ 1.03% Cu and 0.55g/t Au from 102.0m, Including 3.4m @ 2.89% Cu and 1.61g/t Au from 102.0m.
- SHDD006 – 16.0m @ 0.72% Cu and 0.04g/t Au from 11.0m.

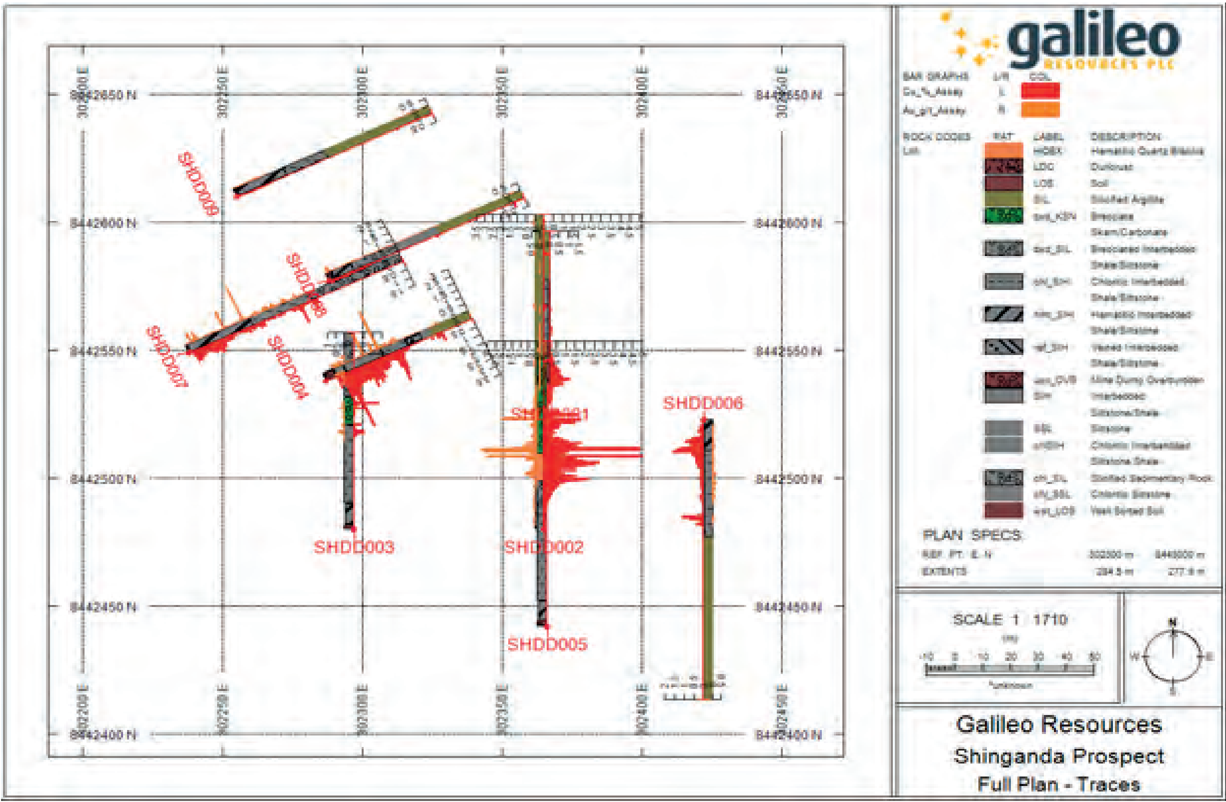


Figure 4: Shinganda Outcrop Zone – Drillhole Traces in Plan with Cu/Au Assay Histograms

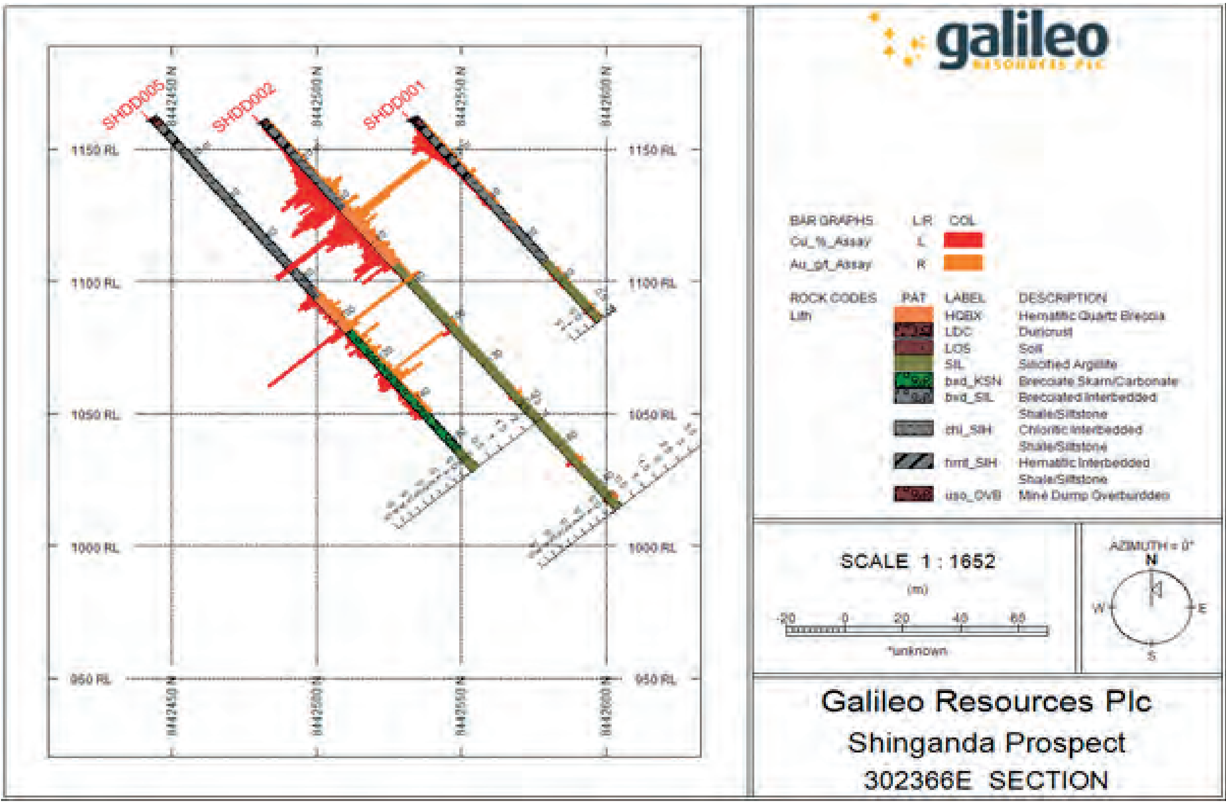


Figure 5: Shinganda outcrop zone drill cross-section facing west

Table 2: Shinganda Prospect – Selected DDH Assay Intervals >0.5% Cu over 2m Minimum Downhole Width

Hole No.	Dip	Azimuth	From (m)	To (m)	Interval (m)	Cu%	Au g/t
SHDD001	-50	360	6.0	17.0	11.0	0.63	0.03
SHDD002	-50	360	21.0	71.3	50.3	1.54	0.30
Incl.			47.0	54.0	7.0	4.36	1.51
Incl.			47.0	50.0	3.0	7.96	3.13
SHDD003	-50	360	58.0	60.0	2.0	0.52	0.22
and			73.0	77.0	4.0	0.54	0.12
and			92.0	94.0	2.0	1.02	0.38
SHDD004	-55	65	7.3	51.0	43.7	1.01	0.18
Incl.			10.0	20.0	10.0	1.61	0.07
SHDD005	-50	360	87.0	90.0	3.0	0.79	0.06
and			102.0	113.0	11.0	1.03	0.55
Incl.			102.0	105.4	3.4	2.89	1.61
and			126.0	131.0	5.0	0.52	0.77
SHDD006	-50	180	11.0	27.0	16.0	0.72	0.04
Incl.			17.0	20.0	3.0	1.41	0.06
and			59.0	61.0	2.0	0.89	0.02
SHDD007	-50	65	3.0	21.0	18.0	0.53	0.12
and			67.0	69.0	2.0	0.72	0.14

Galileo's drilling has confirmed and extended the Shinganda hematite breccia gossan zone copper-gold occurrence, containing supergene malachite, chalcocite and native copper mineralisation. The core zone on the main profile drilled is about 35m wide and extends from surface to at least 70m vertical depth. The overall mineralised zone covers an area of about 200m x 100m in plan and it has not yet been closed off in several directions, particularly to the east and the west-northwest.

A 25cm interval of semi-massive native copper was noted at approximately 103m downhole depth in hole SHDD005 within the hematite zone. Chalcopyrite mineralisation also occurs deeper in hole SHDD005 in bands and associated with quartz-carbonate veining around 133m-143m downhole depth, which may represent the original sulphide source of the remobilised supergene mineralisation.

Strong bedrock alteration and brecciation, including quartz-carbonate, silica and potassic alteration types are seen flooding through intervals of core in several holes, particularly SHDD003, SHDD005 and SHDD006, suggestive of a significant hydrothermal and supergene system at Shinganda.

3D modelling of the deposit was planned to assist in preparations for additional drilling, while further evaluation is continuing on other prospects within the exploration licence showing similar characteristics.

Photo 3: Drill core core with massive native copper from 103m depth in hole SHDD005

Further Exploration on Reconnaissance Targets

A detailed ground magnetic survey covering 383 line km was completed in the reporting period which allowed the company to identify a number of additional targets within the licence area for immediate follow-up work, including grab sampling, trenching, pitting.

Nine target areas have been identified to date, designated Target 1 to Target 9, three have been sampled, with promising results as summarised:

- Target 1: A small, shallow open pit working, located 5km southeast from the Shinganda outcrop. Bedrock grab samples have returned high-grade assays up to 33.90 g/t Au, with associated anomalous copper. The target shows an east-west anomalous gold trend over a minimum area of 120m by 25m and remains open to the east, west and south and is a priority for further testing.
- Target 7: A relatively large, exposed pit working, located about 5km southwest from Shinganda. A chip/channel sampling programme returned gold and copper values of 3.44 g/t Au and 0.53% Cu and the target remains open in several directions.
- Target 9: A small exploration pit about 4km west of the Shinganda outcrop where soil sampling has highlighted two separate soil anomalies, 500m apart, with pXRF analytical values of up to 409ppm Cu (approximately 10 times background levels).

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.

Photo 4: Drying and sorting soil samples at Shinganda in preparation for pXRF analysis

Post Year-end

Post year-end the Company exercised the option to enter a Joint Venture and be issued a 51% interest over the Shinganda Copper-Gold Project by its partner Garbo Resource Solutions Ltd following expenditure of more than US$500,000 in direct exploration costs. The joint venture will enable Galileo to increase its equity interest in the project to a percentage ranging between 65 to 85 per cent depending on the size of any future discovery.

The Company will fully fund ongoing exploration up to completion of a feasibility study, with several targets being lined up for drill testing.

Following the joint venture agreement, Galileo completed a licence-wide geophysical review combining historical airborne and ground geophysical survey data, with their own geophysical surveys, soil sampling and prospecting. The work has unlocked the structural framework of the property and highlighted potential targets for immediate drill testing.

- High-resolution aeromagnetics and historical drilling has revealed a prospective structural setting with three large clusters of iron alteration. Previous drilling in this area returned wide-spread, and, in parts, intense iron-alteration in the form of hematite, magnetite and lesser pyrite, which were never assayed.
- At the Shinganda copper-gold prospect a higher order splay fault coming off the Main Fault Zone can be clearly identified in the aeromagnetic data that probably acts as the primary control to the mineralisation.
- Copper in soil anomalies >285ppm Cu occur both along the Shinganda Splay Fault and over iron alteration cluster A, indicating prospectivity for an IOCG setting and warrant follow-up drilling.
- Several strong, historic IP chargeability anomalies over the iron alteration clusters have been insufficiently drill tested to date.
- Up to 2,000m of diamond drilling is planned to commence shortly to test multiple shallow copper-gold targets along, and parallel to, the Shinganda Splay Fault and to test the IOCG deposit potential related to the iron alteration clusters and IP targets highlighted by the study.

Kashitu Zinc Project

Highlights

- A 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.

Background

Kashitu is situated 7km south-east from the historical Kabwe Zn-Pb mine and processing plant, and immediately adjacent to and south of the town of Kabwe, in Zambia which is 140km north of the capital Lusaka.

The prospect is underlain by Neo-Proterozoic carbonate units of the Katanga Supergroup which form a west-northwest plunging synform. North-east trending structures within the north-west trending stratigraphy are thought to control the development of the Kabwe massive sulphide ore bodies, while disseminated and vein-type mineralisation is found to a lesser or greater degree throughout the entire syncline.

There are several target types at Kashitu, including;

- Surficial accumulations of Zn-Pb-Ag and supergene enrichment associated with the near-surface karst interface, varying between 0-3m depth and ranging up to 7.7% Zn;
- High grade willemite veins of limited extent, but grading up to 30-50% Zn;
- Wide intervals of medium to low-grade disseminations of sphalerite and willemite associated with dolomite host rock, typically averaging 1-3% Zn, but with sub-intervals containing considerably higher grades.

Limited surface mining in the area exploited a discordant N-S lenticular willemite body roughly 30m x 3m and grading up to 30-50% Zn. This operation was mostly illegal in nature and progression was likely hindered by the high-water-table.

Operations Update

The Company continues to plan for a drilling programme at the Kashitu zinc project. Site visits have been 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.

Photo 5: Site review visit to Kashitu

New Acquisition

Post-year end, on the 5th September 2023, the company announced that it had entered into a joint venture agreement with Cooperlemon Consultancy Limited in relation to the exploration for copper at large scale licence 28001-HQ-LEL in Northwest Zambia.

Licence 28001–HQ–LEL runs along the Angolan-Zambian border and is closely associated with the perceived Western Foreland geological district boundary that potentially hosts Kamoa – Kakula deposits in Northwest Zambia.

Galileo will earn a 65% interest in the joint venture over an initial 18-month period termed Phase One, by;

i) An immediate cash payment of US$230,000 to Cooperlemon;

ii) funding Phase One exploration expenditure on the Licence of not less than US$750,000. Exploration is expected to commence in September / October 2023, and will comprise both physical activity within the Licence boundaries (including but not limited to mapping, soil geochemistry, geophysics and drilling), and desktop studies, laboratory analysis and interpretation of data and results. Galileo anticipates funding this exploration expenditure from existing resources; and

iii) for the issue of 2,500,000 Galileo Resources plc shares (the "**Consideration Shares**") at a price of 1.175 pence per share being the closing Galileo share price on 4 September 2023 (totalling £29,375). The Consideration Shares are subject to a three-month lock-up arrangement and thereafter a further three months orderly market arrangement. Under the orderly market arrangement, the Consideration Shares can be sold via the Company's broker at a price determined by the vendor (the "**Nominated Sale Price**") which shall not be less than the lower of i) the 10-day VWAP and ii) the closing bid price on the day before the fixing of the Nominated Sale Price and the Company's broker will have 10 business days to sell the shares at the Nominated Sale Price.

If the Phase 1 exploration results are successful and prove the potential for the future development of a Mineral Resource of not less than 500,000 tonnes of contained copper, consistent with economic recovery at the depth of discovery with a minimum internal rate of return of not less than 25% and a payback period not exceeding 42 months (including the recovery of capital expenditure), then there will be a second two year exploration period ("**Phase 2**"). The Phase 2 exploration expenditure of US$1.5 million will also be funded by Galileo who will be the operator of the Licence for the duration of the Agreement.

In the event the Licence advances to a point where they are commercially viable and suitable for development then the licence will be moved to a corporate entity to be owned 75% by Galileo and 25% by Cooperlemon, and it will be the responsibility of the newly formed corporate entity to raise all capital for mine development and future operations.

Zimbabwe
Kamativi Lithium & Bulawayo Gold Projects

Galileo has a current interest of 29% in the two Projects (collectively known as the Sinamatella licences), held through its interest in BC Ventures, along with an option to earn an additional 51% interest through spending a combined total of US$1.5 million on exploration and evaluation in the Project areas by 21 July 2024.

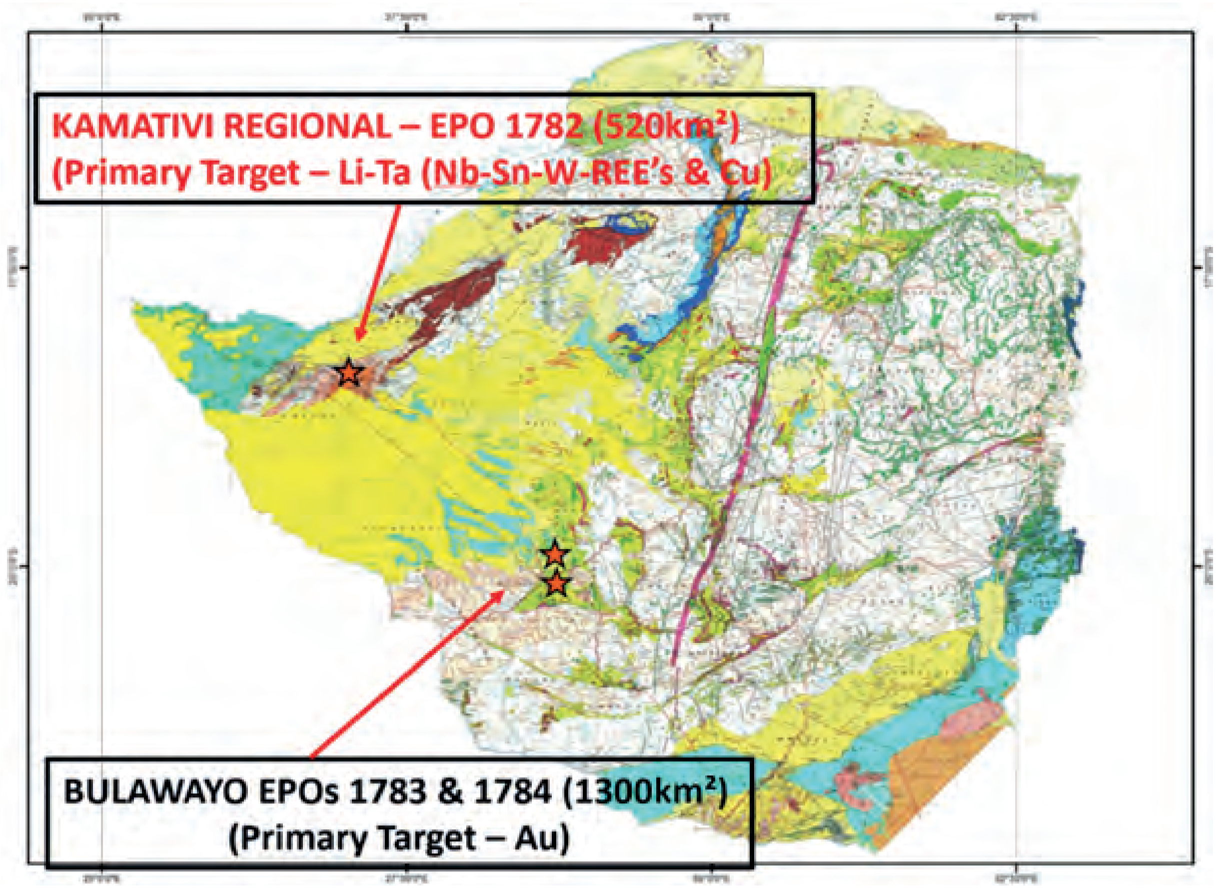


Figure 6: Location of the Kamativi & Bulawayo Projects in Zimbabwe

Kamativi Lithium Project

Highlights

- Surface exploration has identified 4 priority zones anomalous in lithium, tin, tantalum and rare earth elements with drilling commenced and first results received post-year end.
- Galileo's Kamativi soil anomaly, which peaks at 1,000ppm Li, extends over a strike length of almost 3km, comparable to the footprint of the Arcadia Lithium Project near Harare, considered to be one of the world's biggest hard rock lithium resources.
- Zone 1 (west of licence):
  - o Pegmatite swarms mapped with individual pegmatites measuring up to 30m wide have revealed a coherent Li-Cs-Nb-Sn-W-Ga-Rb-total rare earth element ('TREE') in soil anomaly extending over 1.2km with a width of 300m to 500m and a peak Li in soil content of 880ppm, with a further 1.5km extension with peak Li in soil content of 1,000ppm (the limit of laboratory assays).
  - o Rock chip samples with up to 0.4% Sn and stream sediment sampling from the surrounding area, distal to the soil sampling report total rare earth elements peaking at 0.80%.
  - o A further 2km long zone of prospective pegmatite lithology associated with elevated Li, Nb, W, Sn, Ga, Rb and a total rare earth element geochemical response up to 0.45% TREE has also been delineated.
- Zone 2 (centre of licence):
  - o Rock chip and stream sediment sampling indicate potential for significant mineralisation with rock chip peak values of 820ppm Li, 372ppm Cs and 617ppm Sn from pegmatites.
  - o Sampling of pegmatites from historic workings returned peak Sn grades of 0.7% Sn in association with anomalous Ta, Nb and Cs.
- Zone 3 & 4 (east & northeast of licence):
  - o Rock chip sampling returned anomalous Sn and Li values peaking at 0.2% Sn and 1060ppm Li.
- Post-year end, diamond drilling targeting extensive strike of pegmatite swarms, with associated anomalous soil geochemistry in the western portion of the licence area, intersected approximately 111m of pegmatite, and a return of 9m at 0.56% Li2O from 30m, including 1m at 2.04% Li2O from 37m in the first hole drill on the project, KSDD001, with more results awaited.

Background

Zimbabwe is recognised as one of the most prospective countries in Africa for pegmatite-hosted lithium. 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% Li2O and 121ppm Ta2O5. China's Zhejiang Huayou Cobalt announced in late 2021 that it had agreed a deal to purchase 100% of the project for US$422m.

The Kamativi Lithium Project comprises EPO 1782, covering 520km^2, 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% Li2O within the Kamativi mine tailings, confirming that the mine contained significant quantities of lithium.

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

Much of the historical exploration on the licence has been focused on new discoveries of tin, with the lithium potential overlooked due to recent changing market demand.

Operational Updates

A total of 4,359 soil samples, 728 stream sediment samples and 221 rock chip samples were collected and analysed by portable XRF, of which 1,282, 72 and 68 respectively were submitted for laboratory geochemical determinations. Numerous pegmatites have been recorded based on field observations. Pegmatite widths range from 1 to 30m, with pinching and swelling along the observable surface trend. The highest observed surface pegmatite density coincides with the peak geochemical results.

Zone 1 (west of licence)

A significant coherent Li-Cs-Nb-Sn-W-Ga-Rb TREE in soil geochemical anomaly extends over approximately 1.2km with a width of 300-500m based on a 200ppm Li cut-off, with a peak reported Li in soil content of 880ppm. Other elements of interest report up to 465ppm Cs, 191ppm Nb, 964ppm Rb, 159ppm W, 421ppm Sn and TREE content of 1142ppm, including 393ppm Ce, 348ppm Y and 180ppm Nd indicating the high degree of fractionation and prospectivity for Lithium-Caesium-Tantalum ('LCT') pegmatites.

The Li in soil geochemical trend can be traced northeast for a further 1.5km (to the limit of laboratory assays), up to 300m in width with a peak Li in soil content of 1000ppm with similar elements of interest and pathfinder geochemical associations.

An outcropping pegmatite was observed over 1km of strike, typically 2-3m in surface observable width likely to be associated with the peak Li in soil value.

Rock chip samples report up to 0.4% Sn and stream sediment sampling from the surrounding area to the south and southeast (distal to the soil sampling) indicates anomalies up to 0.80% TREE associated with pegmatites within granitic terrain including up to 3120ppm Ce, 1575ppm La, 1345ppm Nd, 351ppm Dy, 366ppm Pr and 830ppm Y which require follow-up.

A further zone anomalous in Li (110ppm) has been identified with associated Nb, W, Sn, Ga, Rb and TREE geochemical responses (up to 0.45%) over 2km of prospective lithology associated with pegmatites. The most significant observed pegmatite body is exposed over 350m with an approximate observed width of 3 to 5m, trending to the ENE with a sub-vertical dip.

Zone 2 (centre of licence)

Reconnaissance rock chip and stream sediment sampling indicates further potential for significant mineralisation in this area. Rock chip sampling returned values up to 820ppm Li, 372ppm Cs and 617ppm Sn from pegmatites. Sampling of historic pegmatite workings from the surround granitic terrain reported up to 0.7% Sn with up to 923ppm Ta, 415ppm Nb and 168ppm Cs. Stream sediment samples returned anomalous Li, Cs and TREE values (up to 0.3%) which require follow-up.

Zone 3 & 4 (east & north-east of licence)

Rock chip sampling returned values up to 0.2% Sn and 1060ppm Li associated with ENE trending, steeply dipping pegmatites (typically 2 to 3m in observable width) in old workings associated with the extension of the Kamativi Formation.

Over part of the mapped extension of the Kamativi Formation, weakly anomalous Cs, [Nb], Sn, W, [Ga], [Rb] in soils are reported over an approximate area of 1.6km x 0.6km.

TREE in soil values up to 1122ppm are widely distributed over an approximate area 7km^2 (note area not fully covered by laboratory assays) in conjunction with anomalous Nb, Ga and Rb, associated with northeast trending structures, outcropping porphyritic granite and/or pegmatites with values up to 553ppm Ce, 261ppm Y, 248ppm La and 192ppm Nd.

A leading battery metals consultant from CSA Global Ltd (an ERM Group Company) is assisting the Company in evaluation of the results and planning for follow up of these discoveries.

Post Year-end

Drilling on the project got underway post-year end, targeting lengthy pegmatite swarms in the West of the licence which extend from the historic Kamativi mine, for accumulations of lithium and associated elements. To date, six diamond drillholes have been drilled for over 700m of drilling, intersecting approximately 111m of favourable low K/Rb pegmatite combined. Laboratory assay results have been returned from the first drill hole KSDD001, returning 9m at 0.56% Li2O from a downhole depth of 30m, including 4m at 0.99% Li2O from 35m, and 1m at 2.04% Li2O from 36m. These preliminary results from the continued drilling programme highlight the potential for the area to host significant intersections of lithium and pegmatite associated mineralisation. Drilling has so far intersected significantly more pegmatite than was originally anticipated, and this has brought some areas of the licence thought to be less prospective back into the spotlight as additional hosts for lithium (plus tin-REE) mineralisation.

A full assessment for the tin potential of the pegmatites is awaited with the return of laboratory assays, tin frequently occurs with lithium, and initial indications from hand-held pXRF analysis suggest that tin is anomalous with increased lithium, with anomalous tin of up to 0.4% Sn already confirmed associated with lithium from handheld rock chip samples in the licence area.

Research* notes that lithium and tin mineralisation is typically found in the highly fractionated LCT pegmatites that are enriched in Li, Cs, Ta, Sn, and Rb. Such fractionated lithium – tin-rich pegmatites are found on the Galileo Licence and extend through to the neighbouring Kamativi mine licence where they were selectively mined for tin generating a large tailings resource rich in lithium with a reported average grade of 0.58% Li2O. *(Ref: R.A Shaw et al, 2022: The magmatic – hydrothermal transition in lithium pegmatites: petrographic and geochemical characteristics of pegmatites from the Kamativi area, Zimbabwe).

The lithium minerals identified at the Kamativi mine include spodumene, petalite and amblygonite. Late-stage pegmatites in the Kamativi Formation hosting this mineralisation pass through the western and eastern parts of the Galileo licence and the discovery of extensive lithium soil anomalies based on accredited independent assays may indicate the presence of some or all of these lithium minerals in pegmatites delineated within the Galileo licence.

Follow-up work is also planned in the northeast of the licence area to test in more detail the REE content of pegmatites where early indications from soil and stream sediment sampling suggest potential for economic grades of highly sought after specialist rare earth elements.

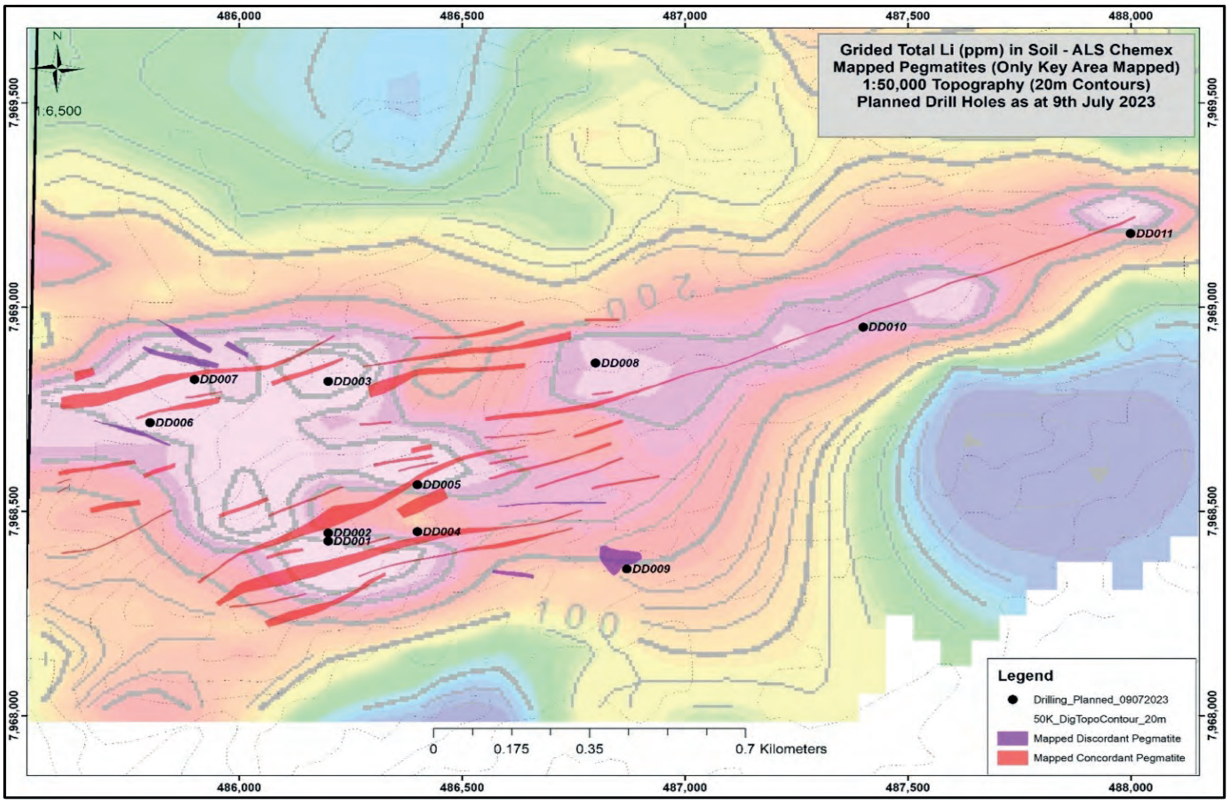


Figure 7: Plan of Kamativi contoured soil data with mapped pegmatites

Photo 6: Kamativi pegmatite in drill core

Bulawayo Gold Project

Highlights

- An airborne magnetic survey undertaken by the Company successfully mapped extensions of underexplored prospective greenstone belt lithology extending beneath relatively shallow alluvial Karoo sandstone cover.

- Modelling of the data highlighted a number of targets in prospective lithologies and geological structures known to provide the setting for both historic and operating gold mines in the Bulawayo region.

- Targets included:

  - Bembeshi Zone: A 7km long outcropping greenstone trend with artisanal miners reporting grades of between 5 and 7g/t Au.

  - Queen's West: Multiple gold-bearing structures identified via ground geophysics coincident with gold-in-soil values between 0.5g/t and 1.0g/t Au, leading to the discovery of multiple quartz veins and stockworks at surface with active artisanal mining.

  - Fingo & Bembeshi Nickel: Fingo nickel represents a 1.5km long trend with up to 1,700ppm Ni in soils and co-incident magnetic anomaly, while the Bembeshi nickel target further to the east was identified as a mafic/ultramafic intrusive by the airborne survey.

Background

The Bulawayo Project comprises EPO 1783 and EPO 1784, covering a large 1,300km^2 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.

Operational Update

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 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.

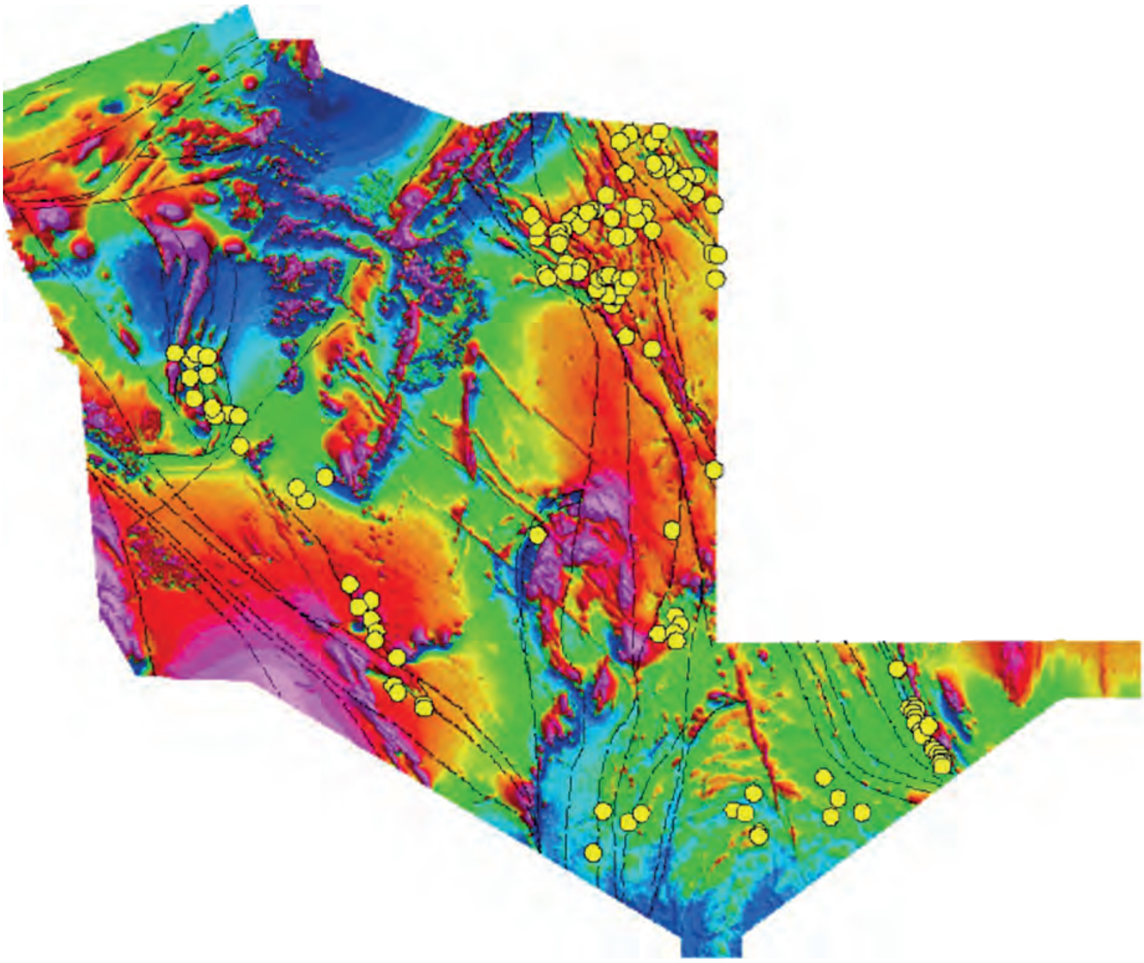


Figure 8: Bulawayo magnetic image with known gold occurrences and small-scale mines (yellow dots)

In November 2022, the company announced that preparatory works had completed on the following targets with the view to follow-up with drilling:

Queens West Gold:

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.

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.

Fingo Nickel target:

A 1.5km long soil geochemical anomaly with up to 1,700ppm Ni with a coincident magnetic signature. Infill and extension soil lines are planned on the prospect.

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.

Post Year-end

The collection of 2,455 soil samples in the area surrounding the Queen's mine returned several gold-in-soil targets up to 2.1g/t Au. An anomalous zone more than 5km^2 in size was outlined southeast of the Queen's mine with gold-in-soil anomalies up to 680ppb defined coincident with a number of structures highlighted by airborne geophysics southeast of Queen's mine. Additional targets include further anomalous zones along-strike of the Queen's mine deposit cluster and pXRF analyses show coincident anomalies of associated elements, providing strong encouragement. Laboratory analyses for gold were awaited.

Further soil sampling was on-going to prepare the area for the selection of drill targets.

Photo 7: Small-scale underground gold mines on claims in the Queen's Mine area

Botswana
Kalahari Copper Belt

Operations Update

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

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 soil sampling and drilling on the Galileo 100% retained licences.

On the former Galileo licences purchased previously by Sandfire and in which Galileo has potential entitlement to a Success Payment work has been undertaken by Sandfire on prospecting licences PL044/2018, PL045/2018, PL122/2020, PL154/2018, PL251/2018, PL366/2018 and PL367/2018, with the following results and further plans as follows:

- PL250/2020 – approximately 7.24km of prospective Lower D'Kar contact has been identified warranting a Terraleach™* soil geochemical survey. Area will also be covered by regional airborne gravity survey ('AGG').
- PL367/2018 – Four multi-element soil anomalies identified as priority targets with infill Terraleach™ soil surveys planned.
- PL251/2020 – Scheduled Terraleach™* soil survey over an area described by Sandfire as a T3/A4-type target. AGG survey also to be flown.
- PL366/2018 – Soil anomaly identified warranting additional soil geochemistry in conjunction with Sandfire's announced AGG regional survey.
- PL044/2018 & PL045/2018 – Airborne magnetic and radiometric geophysics and follow up drilling confirmed the presence of magnetite and disseminated copper-zinc mineralisation in intermediate to acid volcanic rocks – follow up under review.
- PL122/2020 & PL154/2020 – Considered low order priorities with no additional work planned in the short to medium-term subject to results of the pending AGG survey.

* *Terraleach™: The technique is a partial leach method that assays for mobile ions which have migrated into the weathering zone, and which are only weakly or loosely attached to the surfaces of soil particles. Studies have shown that these ions have the ability to disperse through unmineralised rock (e.g. hundreds of metres vertically) possibly by micro-bubble, vapour, ground-water flow, capillary rise, or electrochemical processes. The technique therefore has the capacity to indicate buried mineralisation.*

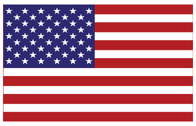
Post Year-end

On 15 May 2023 Galileo provided an update on Airborne Gravity and Advanced Soil Geochemistry surveys commencing over the Company's 100% held licences PL253/2018, PL039/2018 and PL040/2018. The Airborne Gravity Survey was jointly commissioned by Cobre and Sandfire with coverage to include part of Galileo licence PL253/2018 whilst Galileo itself planned to undertake a Terraleach™ soil sampling programme over the three licence areas.

Highlights

- Galileo was informed that data collection on Cobre and Sandfire joint Airborne Gravity Gradient (AGG) survey had commenced, with coverage to include part of Galileo licence PL253/2018 for which the Company will receive the data at no cost; results were expected in Q3 2023.
- The survey covers a large portion of the KCB, including Cobre's new Ngami, Kitlanya West and Kitlanya East copper discoveries on a licence adjacent to PL253/2018, where Cobre recently reported downhole drill intercepts up to 12.2m @ 2.7% CuEq (Cobre announcement 1 February 2023).
- AGG results are expected to provide valuable information on KCB basin architecture and the location of copper-silver bearing trap-sites analogous to Sandfire's neighbouring T3 and A4 deposits, providing new targets for drill testing.
- In addition, Galileo announced that it had commenced preparations for a soil sampling programme for low detection Terraleach™ mobile metal-ion geochemistry over critical contact zones across the three Galileo licences – more than 3,000 samples were planned, with results expected in Q3/Q4 2023.
- Sampling coverage includes ground adjacent to the licence hosting Cobre's recent drill discoveries at Ngami and Kitlanya where that company has been undertaking extensive similar soil programmes as part of its drill target identification.
- Galileo plans to utilise the soil geochemical results, in conjunction with the results of the AGG survey, to develop new targets for drill testing on its 100% held ground later in the dry season.

Photo 8: Sorting and preparing soil samples from Galileo Kalahari licences



Nevada
Ferber Gold-Copper Project
Operational Update

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 applied for and received an 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 2023/early 2024.

South Africa
Glenover Phosphate Project
Period Under Review

The Company received confirmation that all conditions for Afrimat Limited ("Afrimat") to acquire the Vermiculite Mining Right from Glenover had been met and that Glenover 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 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 Company 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. 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.

Further exploration work planned beyond H1 2023 is dependent on receipt of the funds from the Glenover sale proceeds as referred to above and therefore, should these funds not be received within the expected timeframe, the Company will need additional funding to consider each individual project, its planned work programme and the timing thereof based on its merits and the results achieved on work carried out to date.

Post-year End

In relation to the sale for ZAR300 million shares in and shareholder loans made to Glenover Phosphate Proprietary Limited in which Galileo has a 30.7% direct and 4.99% indirect investment held via Galagen Proprietary Limited. The parties on the 21 June 2023 signed an addendum to the conditional sale of shares and shareholders loan agreement between Afrimat, Glenover and the shareholders of Glenover which gave rise to Afrimat's option which confirms that the Sale Claims and Share sale consideration will be settled as below.

The amended terms remove the requirement for the previous conditions to be met before the first two tranches of consideration are paid and instead sets a revised timetable, as well as amending the second tranche to be paid in cash, as detailed below.

- 15 business days after 21 June 2023: First tranche payment of ZAR150 million (approx. GBP 6.4M) in respect of Sales claims to be settled by the issue of Afrimat shares calculated on a 30-day volume weighted average price on the payment date.
- 30 April 2024: Second tranche payment of ZAR147 million (approx. GBP6.3M) in respect of Sales Claims to be settled in cash.
- 30 April 2024: Cash consideration of ZAR3 million (approx. GBP128K) in respect of the Glenover shares subject to the fulfilment of the suspensive conditions.

The suspensive conditions applicable to the sale of Glenover shares are:

i) The Approval in terms of section 11 of the Mineral and Petroleum Resources Development Act No. 28 of 2002; and

ii) The completion of the 30 June 2023 audited financial statements and collation of all company documentation on or before 30 April 2024.

Directors' Report

1. REVIEW OF ACTIVITIES

Principal activities

Galileo Resources Plc (AIM: GLR) is an opportunity driven company seeking opportunities for projects where potential value has not been realised. The current focus is on our copper and zinc projects in Zambia and gold and lithium projects in Zimbabwe.

Business review

The function of the business review is to provide a balanced and comprehensive review of the Group's performance and developments during the year and its position at the year-end. The review also covers the principal risks and uncertainties faced by the Group. At this stage in the Group's development, the key performance indicators that the directors monitor on a regular basis are management of liquid resources, which are cash flows and bank balances. The results of the Company and the Group for the year are set out in the audited financial statements on pages 44 to 50.

A review of the Group's operations during the year ended 31 March 2023 and future developments are contained in the Strategic Report on pages 3 to 26.

Financial review

The Group reported a loss of £1,466,530 (2022: earnings of £1,542,576) after taxation. Basic losses are 0.13 pence (2022: earnings of 0.15 pence) per share.

Risk review

The board and the executive committee keep the risks inherent in an exploration business under constant review. The principal risks for an exploration company and the measures taken by the Company to mitigate them are detailed below:

Political risk

Political risk is the risk that assets will be lost through expropriation and unrest or war. The Group minimises political risk by operating in countries with relatively stable political systems, established fiscal and mining codes and a respect for the rule of law.

Commodity risk

Commodity risk is the risk that the price earned for minerals will fall to a point where it becomes uneconomic to extract them from the ground and process. The principal metals in the Group's portfolio are gold, copper and lithium. The prices of these elements have been volatile during the year but an uptrend is in place. However, commodity prices are cyclical and prices are subject to fluctuations. These fluctuations could adversely affect the Group's operations. The potential economics of all the Group's projects are kept under close review on a regular basis.

Financial risk

The three main types of financial risk faced by the Group are credit risk, liquidity risk and currency risk. Liquidity risk is the risk of insufficient working and investment capital. The Group's goal is to finance its exploration and activities from operational cash flow from operations but in the absence of such cash flow, and from time to time the Group relies on the issue of equity share capital to finance its activities or through the sale of investments held by the Group.

The Group finances its overseas operations by purchasing US Dollar, Zambian Kwacha, Botswana Pula with Pound Sterling in the United Kingdom and transferring it to meet local operating costs and selling South African Rand and Australian Dollars. The Group does not hedge its exposure and is therefore exposed to currency fluctuations between these three currencies and local currencies, but this policy will be reviewed from time to time. The Group maintains tight financial and budgetary control to keep its operations cost effective to mitigate these financial risks.

Strategic risk

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, the Group may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Group will acquire any interest in additional operations that would yield reserves or result in commercial mining operations. The Group expects to undertake sufficient due diligence where warranted, to help ensure opportunities are subjected to proper evaluation.

Funding risk

The Group has raised funds via equity contributions from new and existing shareholders ensuring the Company remains a going concern until such time that it enters an offtake agreement/debt financial arrangement. The directors regularly review cash flow requirements to ensure the Company can meet financial obligations as and when they fall due.

Exploration risk

Exploration risk is the risk of investing cash and resources on projects, which may not provide a return. The Group addresses this risk by using its skills, experience and local knowledge to select only the most promising areas to explore. Mineral exploration and development of the Group's mineral exploration properties is speculative in nature and is contingent upon obtaining satisfactory exploration results. Mineral exploration and development involve substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able adequately mitigate. The degree of risk reduces substantially when a Group's properties move from the exploration phase to the development phase.

Operational risk

Exploration and subsequent mining operations are subject to hazards normally encountered in exploration, development and production. Although it is intended to take adequate precautions during each stage of development to minimise risk, there is a possibility of a material adverse impact on the Group's operations and its financial results. The Group will develop and maintain policies appropriate to the stage of development of its various projects. Recruiting and retaining skilled and qualified personnel are critical to the Group's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. While the Group has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations, which may be introduced by the relevant governmental authorities. Adverse changes in such legislation may have a material adverse effect on the Group's business, results of operations and financial condition. Members of staff are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the Group.

Mining risk

There is no guarantee that the minerals contained in the various assets can be mined either practically, technically or at a cost less than the realisable value of the contained minerals. The cost of development and access may preclude the development of the mine. Should a mine be developed there is no assurance that operations can continue since operations are dependent on product prices, direct operating cost and the cost of "stay in business" capital. Mining operations are often challenged by difficult mining and/or slope stability conditions, variability of grade, excess water and small faulting. All of these factors could adversely affect mining production rate and therefore profitability.

Political stability

The Group is conducting its activities in Botswana, South Africa, Zambia, Zimbabwe and the United States of America. Botswana is one of the most stable and low-risk countries in Africa with a long-established mining industry and relatively good infrastructure. It built a tradition of democratic values which helped maintain political and social stability. Mining is a significant contributor to Botswana's GDP, and minerals comprise almost 80% of export earnings. Over the last half century, Botswana has transformed itself from a severely impoverished nation to a high-middle-income country and achieving substantial reductions in poverty and rapid improvements in living standards. It has managed its diamond revenues in a prudent and transparent manner contributing to sizable savings that can be used to stabilize the economy in case of a downturn and save for investments and future generations. It has allocated a good share of government spending to health, education, social assistance, and investment in public infrastructure. Zambia boasts 10% of the world's copper reserves, is the second largest copper producer in Africa and the eighth globally, remains one of the world's largest cobalt producers, and has the world's largest emerald mine. The mining industry is an important pillar of the economy contributing about 12% and 75% of GDP and exports, respectively. The government is reliant on the mining industry. Any changes in policy affecting ownership of assets, taxation, and exchange controls may affect the Group's ability to continue with the projects in Zambia.

Zimbabwe's mining sector is highly diversified, with close to 40 different minerals. The predominant minerals include platinum group metals (PGM), chrome, gold, coal, and diamonds. The country boasts the second-largest platinum deposit and high-grade chromium ores in the world, with approximately 2.8 billion tons of PGM and 10 billion tons of chromium ore. The sector accounts for about 12 percent of the country's gross domestic product (GDP), and the minister of mines claims the sector has the potential to generate US$12 billion annually by 2023 if the government addresses challenges such as persistent power shortages, foreign currency shortages, and policy uncertainties.

The directors believe that the government of South Africa supports the development of natural resources by foreign investors and actively monitors the situation. However, there is no assurance that future political and economic conditions in South Africa will not result in the government of South Africa adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, may affect the Group's ability to develop the projects. The Company is complying with current South African mining charter code of practice and black economic empowerment legislation (refer to the directors' report). The politics of the USA are well understood and transparent with full democracy. Federal law could change in the USA thereby affecting the cost of mineral concession ownership. Nevada Mining Law could change to the detriment of future mining development.

Uninsurable risks

The Group may become subject to liability for accidents, pollution and other hazards, which it cannot insure or against which it may elect not to insure because of premium costs or for other reasons, such as in amounts, which exceed policy limits.

Security of tenure

The Group investigates its rights to explore and extract minerals from all of its material properties and, to the best of its knowledge; those rights are expected to be in good standing. However, no assurance can be given that the Group will be able to secure the grant or the renewal of existing mineral rights and tenures on terms satisfactory to it, or that governments in the jurisdiction in which the Group operates will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments or other claimants. Although the Group is not aware of any existing title uncertainties with respect to any of its future material properties, there is no assurance that such uncertainties, if negative, will not result in future losses or additional expenditures, which could have an adverse impact on the Group's future cash flows, earnings, results of operations and financial condition.

Market perception

Market perception of mining and exploration companies may change which could impact on the value of investors' holdings and impact on the ability of the Company to raise further funds by issue of further shares in the Company.

Environmental factors

All mining operations have some degree of an environmental risk. Although the directors have made reasonable assessment, no assurance can be given that no outstanding or intended claims against disturbance of the environment exist. Environmental legislation and permitting are evolving in a non-mining supportive manner, which could result in onerous standards and enforcement with the risk of consequential fines, penalties and closure. As the Company develops, the directors intend to carry out the appropriate environmental base-line studies with experts outsourced from independent environmental consultancies.

Reserve and resource estimates

The Group's future reported reserves and resources are only estimates. No assurance can be given that the estimated reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral and metal reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral and metal reserve and resource estimates may require revision (either up or down) based on actual production experience or further sampling. Any future reserve and/or resource figures will be estimates and there can be no assurance that the minerals are present, will be recovered or can be brought into profitable production. Furthermore, a decline in the market price for natural resources that the Group may discover or invest in could render reserves containing relatively lower grades of these resources uneconomic to recover and may ultimately result in a restatement of reserves.

Pandemic risk

The Group acknowledges the pandemic risk which has the potential to cause further disruption and continues to pose a further threat on similar operations worldwide. It remains the Group's focus to protect all personnel, site visitors and stakeholders and at the same time to ensure business continuity. The necessary changes have taken place in all the relevant jurisdictions and the Group continues to monitor government guidance to mitigate the above risk.

2. GOING CONCERN

The Group has sufficient financial resources to enable it to continue in operational existence for the foreseeable future, to continue the current development programme and meet its liabilities as they fall due. The Company has no external debt or overdrafts. The directors have further reviewed the Group's cash flow forecast, and in light of this review and the financial position at the date of this report, they are satisfied that the Company and Group have access to adequate resources to continue in operational existence for the foreseeable future.

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, contingent obligations and commitments will occur in the ordinary course of business.

3. EVENTS AFTER THE REPORTING PERIOD

Other than the events described in the Chairman's and Operations Report and the transactions set out in note 31 of these financial statements the directors are not aware of any matter or circumstances arising that should be disclosed since the end of the financial year.

4. DIRECTORS' SHAREHOLDING ANALYSIS

Directors' direct and indirect interests in the ordinary shares of the Company as at period end were as follows:

	At 31 March 2023		At 31 March 2022	
Beneficial owner	**Shares**	**%**	**Shares**	**%**
Colin Bird	78,605,862	6.77	78,605,862	7.17
John Richard Wollenberg	12,675,511	1.09	12,675,511	1.16
The Cardiff Property Plc*	900,000	0.07	900,000	0.08
	92,181,373	**7.93**	**92,181,373**	**8.41**

** John Richard Wollenberg and his family are 51.30% shareholders in The Cardiff Property Plc*

At the date of this report, Colin Bird holds 78,605,862 ordinary shares of 0.1 pence each or 6.77% of the Company's issued share capital. This makes him a shareholder in Galileo with potentially significant influence over the affairs of the Company.

Directors' interests in the Company's share option scheme at the end of the period were as follows:

	At 31 March 2023	At 31 March 2022
Beneficial owner		
Colin Bird	37,000,000	22,000,000
Ed Slowey	9,500,000	4,000,000
Joel Silberstein	6,000,000	4,000,000
John Richard Wollenberg	2,500,000	2,500,000
Chris Molefe	2,600,000	1,600,000
	57,600,000	**34,100,000**

Director's interest in the Company's share options scheme at the date of the report were as follows:

Beneficial owner	
Colin Bird	37,000,000
Ed Slowey	9,500,000
Joel Silberstein	6,000,000
John Richard Wollenberg	2,500,000
Chris Molefe	2,600,000
	57,600,000

Refer to note 27 for directors' emoluments.

5. CAPITAL STRUCTURE AND SHARE ISSUE

The Company issued the following new ordinary shares during the period under review.

Date	Number of ordinary shares	Issue price (pence)	Purpose of issue
Opening balance	**1,096,946,844**		
10-Mar-22	13,741,609	1.09	Acquisition
10-Oct-22	50,000,000	1.20	Acquisition
Closing balance	**1,160,688,453**		
12-Sept-23	2,500,000	1.18	Acquisition
Total issued shares at the date of this report	**1,163,188,453**		

Allotment of shares

As ordinary business at the annual general meeting to be held in November 2023, a resolution will be proposed to renew the power of your directors to allot equity securities, pursuant to section 551 of the Companies act 2006, such power being to equity securities having an aggregate nominal value of £1,163,188. This authority may be renewed for five years but, in common with modern corporate governance practice, it is your directors' intention that the resolution be limited to one year and that its renewal be proposed at each annual general meeting.

Pre-emption rights

As special business at the annual general meeting to be held in November 2023, a resolution will be proposed to renew for a further year the power of your directors to allot equity securities for cash without first offering such securities to existing shareholders. The aggregate nominal amount of equity securities, which may be allotted in this way shall not exceed £1,163,188.

Major Shareholders

The table below presents a list of all shareholders holding 3% and more of the voting rights of the Company as at the last practicable date:

Name of Holder	No. of Ordinary Shares	% of Voting Rights
Hargreaves Lansdown Asset Management	178,544,960	15.38
Interactive Investor	114,381,174	9.85
Mr Colin Bird	78,605,862	6.77
Jarvis Investment Management	56,896,706	4.90
Barclays Wealth	55,743,279	4.80
A J Bell Securities	52,596,084	4.53
African Mineral Resources Ltd	50,000,000	4.31
Halifax Share Dealing	49,552,455	4.27
IG Markets	47,969,389	4.13
Raymond James Investment Services	42,482,992	3.66
Sandfire Resources NL	41,100,124	3.54

6. DIVIDENDS

No dividends were declared or paid to shareholders during the year under review.

7. BOARD OF DIRECTORS

There were no changes to the Board for the period under review. The directors of the Company during the year and to the date of this report are disclosed under Corporate Information on page 2 of this report.

8. SECRETARY

The secretary of the Company is Link Company Matters Limited, a division of Link Group with address; Beaufort House, 51 New North Road, Exeter, EX4 4EP, United Kingdom.

9. AUDITORS

PKF Littlejohn LLP resigned as auditors on 20 July 2023 and MAH, Chartered Accountants were appointed by the directors to fill the vacancy arising with effect from that date.

A resolution to appoint MAH, Chartered Accountants as auditors of the Company will be proposed at the forthcoming Annual General Meeting.

10. DISCLOSURE OF INFORMATION TO AUDITORS

The directors, who held office at the date of approval of this directors' report, confirm that as far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

11. CORPORATE GOVERNANCE

The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

11.1 Principle One – Business Model and Strategy

The Board has concluded that the highest medium and long-term value can be delivered to its shareholders by the adoption of a single strategy for the Company. The Company is developing its portfolio of resource companies in Botswana, South Africa, Zambia, Zimbabwe and USA. The Company continues to hold significant stakes in these projects and companies and remains actively involved with their development. The Company will continue to seek to grow the businesses organically and will seek out further complementary acquisitions that create enhanced value.

11.2 Principle Two – Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company keeps its private shareholders and institutional investors informed with regular RNS statements and its executive directors meet with shareholders during the year with opportunities to discuss issues and provide feedback. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. Investors also have access to current information on the Company through its website, www.galileoresources.com and via Colin Bird, Chairman/CEO who is available to answer investor relations enquiries.

11.3 Principle Three – Considering wider stakeholder and social responsibilities

The Board recognises that the long-term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators, and other stakeholders. The Board has put in place a range of processes and systems to ensure that there is close oversight and contact with its key resources and relationships. There is an open and confidential dialogue with each person in the Company to help ensure successful two-way communication with agreement on goals, targets and aspirations of the employee and the Company. This feedback process helps to ensure the Company can respond to new issues and opportunities that arise to further the success of employees and the Company. The Company has on-going relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company.

11.4 Principle Four – Risk Management

In addition to its other roles and responsibilities, the Audit and Compliance Committee is responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate, and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The Audit and Compliance Committee reviews the risk matrix and the effectiveness of scenario testing on a regular basis. The following principal risks and controls to mitigate them, have been identified:

Activity	Risk	Impact	Control(s)
Management	Recruitment and retention of key staff	Reduction in operating capability	Stimulating and safe working environment. Balancing salary with longer term incentive plans
Regulatory adherence	Breach of rules	Censure or withdrawal of authorisation	Strong compliance regime instilled at all levels of the Group
Strategic	Damage to reputation	Inability to secure new capital or clients	Effective communications with shareholders and our joint venture partners.
	Inadequate disaster recovery procedures	Loss of key operational and financial data	Robust compliance. Secure off-site storage of data
Financial	Liquidity, market and credit risk	Inability to continue as going concern Reduction in asset values	Robust capital management policies and procedures Appropriate authority and investment levels as set by the Board and Investment Policies
	Inappropriate controls and accounting policies	Incorrect reporting of assets	Audit and Compliance Committee
Exploration	Investing cash and resources in projects which may not provide a return	Reduction in asset value. The degree of risk reduces substantially when a project moves from the exploration phase to the development phase.	Management addresses this risk by using its skills, experience, and local knowledge to select with best endeavours to explore the most promising areas

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control. An internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control exercised by the executive directors. However, the Board will continue to monitor the need for an internal audit function. The Board works closely with and has regular ongoing dialogue with the Company's financial director, Mr. J Silberstein and has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

11.5 Principle Five – A Well-Functioning Board of Directors

As at the date hereof the Board comprises, the Chairman and CEO Colin Bird, Technical Director Edward Slowey and Finance Director, Joel Silberstein and two non-executive Directors, Christopher Molefe and Richard Wollenberg of whom both are independent. The Company's portfolio of natural resource projects is not extensive. The present scale of corporate activity in this regard would not justify the separation of the roles of chairman and CEO and the Company considers its two non-executive directors are sufficient for its current range of activities. However, the Company reviews its governance policy annually having due regard to the intent of Principle 5 and the Company's development. Biographical details of the current Directors are set out on within Principle Six below. Executive and non-executive directors are subject to re-election at intervals of no more than three years. The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours. All the non-executive Directors are considered to be part time but are expected to provide as much time to the Company as is required. The Board elects a chairman to chair every meeting: normally this would be Colin Bird.

The Board endeavours to meet on a quarterly basis. It has established an Audit and Compliance Committee and a Remuneration Committee, particulars of which appear hereafter. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. The non-executive Directors are considered to be part time but are expected to provide as much time to the Company as is required. The Board considers that this is appropriate given the Company's current stage of operations. It shall continue to monitor the need to match resources to its operational performance and costs and the matter will be kept under review going forward. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there should be two independent non-executives. As noted above the Board will review annually further appointments as the Company's scale and operational complexity grows.

Attendance at Board and Committee Meetings

The Board conducted three board meetings during the period to the date of this report. During the period under review Committee matters were discussed at board level. Executive and non-executive directors interact on a regular basis via telephone or other electronic means.

11.6 Principle Six – Appropriate Skills and Experience of the Directors

The Board currently consists of five directors. In addition, the Company has employed the outsourced services of Link Company Matters to act as the Company Secretary.

The Company believes that the current balance of skills in the Board as a whole reflects a very broad range of commercial and professional skills across geographies and industries and each director has experience in public markets.

The Board recognises that it currently has a limited diversity and this will form a part of any future recruitment consideration, if the Board concludes that replacement or additional directors are required.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Colin Bird – Executive Chairman & Chief Executive Officer

Colin Bird has a Diploma in Mining Engineering, is a Fellow of the Institute of Materials, Minerals and Mining and is a certified mine manager both in the UK and in the United States of America. The formative part of his career was spent with the National Coal Board in the UK and thereafter he moved to the Zambia Consolidated Copper Mines and then to South Africa to work in a management position with Anglo American Coal. On his return to the UK he was Technical and Operations Director of Costain Mining Limited, which involved responsibility for gold mining operations in Argentina, Venezuela and Spain. In addition to his coal mining activities he has been involved in the management of mining nickel, copper, gold and other diverse mineral operations. He has founded and floated several public companies in the resource sector and served on resource company boards in the UK, Canada and South Africa. Notably he was on the board of Kiwara Plc which was successfully sold to First Quantum Plc in February 2010. In addition, he is chairman of other several publicly quoted resource companies.

Edward (Ed) Slowey – Executive Technical Director

Ed Slowey holds a BSc degree in Geology from the National University of Ireland and is a founder member of The Institute of Geology of Ireland. He has more than 40 years' experience in mineral exploration, mining, and project management. He worked as a mine geologist at Europe's largest zinc mine in Navan, Ireland and was exploration manager for Rio Tinto in Ireland for more than a decade, which led to the discovery of the Cavanacaw gold deposit. He has also operated as an exploration geologist and consultant in many parts of the world, including Africa, Europe, America, and the FSU. This work included joint venture negotiation, exploration programme planning and management through to feasibility study implementation for a variety of commodities. As a professional consultant, work has included completion of CPR's and 43-101 technical reports for international stock exchange listings and fundraising, while also undertaking assignments for the World Bank and European Union bodies. In addition, Ed served as director of several private and public companies, including the role of CEO and Technical Director at AIM-listed Orogen Gold Plc which discovered the Mutsk gold deposit in Armenia.

Joel Silberstein – Executive Finance Director

Mr. Silberstein holds an Honours Bachelor of Accounting Science degree from the University of South Africa. He qualified as a Chartered Accountant with Mazars, Cape Town in 2002, and subsequently joined Toronto-quoted European Goldfields Limited. There he held the position of Group Financial Controller and Vice President Finance, supporting the executive team in growing the company through its exploration and development phases, until it was bought by Eldorado Gold in a C$2.5bn deal. He joined AIM-traded Xtract Resources Plc in mid-2013 and was appointed finance director in February 2014. He has subsequently assisted in several corporate transactions, including those surrounding the Manica gold mining operations, and he has experience of working in multiple jurisdictions around the world. He is a member of the Institute of Chartered Accountants of South Africa as well a Fellow of the Institute of Chartered Accountants in England and Wales.

J Richard Wollenberg – Non-Executive Director

Richard Wollenberg, was, between 1981 and 1996, an investment consultant with Brown Shipley Stockbroking Limited and has over the past 25 years, been actively involved in several corporate acquisitions, mergers and capital re-organisations of public and private companies. Mr. Wollenberg is currently Chairman and Chief Executive Officer of The Cardiff Property Plc, a quoted property investment and development company and is a non-executive director of Aquila Services Group Plc. He was also a non-executive director of Kiwara Plc alongside Colin Bird.

Christopher (Chris) Molefe – Non-Executive Director

B.Com (Unin); Post graduate diploma (University of Cape Town). Mr. Molefe was formerly the Chief Executive of Royal Bafokeng Resources (Pty) Limited and has recently resigned from Merafe Resources Limited, a publicly listed company on the JSE Securities. He is currently non-executive director of Jubilee Metals Group Plc. Mr. Molefe has held several positions in corporate banking and industry for the previous 20 years. He commenced his career as Group Human Resource Manager at Union Carbide Africa Corporation. His subsequent positions include being the Manager of Corporate Affairs at Mobil Oil Southern Africa (Pty) Limited; an Executive Director at Black Management Forum; a Financial Analyst at Chase Manhattan Bank; the Marketing Manager at African Bank Limited; an Executive Manager at Transnet (Propnet) (Pty) Limited; and an Executive Director at Dipapatso Media (Pty).

11.7 Principle Seven – Evaluation of Board Performance

Internal evaluation of the Board, the Committee and individual Directors is to be undertaken on an annual basis in the form of peer appraisal and discussions to determine the effectiveness and performance in various committees as well as the Directors' continued independence.

The results and recommendations resulting from the appraisals for the directors shall identify the key corporate and financial targets that are relevant to each Director and their personal targets in terms of career development and training. Progress against previous targets shall also be assessed where relevant.

11.8 Principle Eight – Corporate Culture

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long-term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. A large part of the Company's activities is centered upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders.

Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company successfully to achieve its corporate objectives. The Board places great import on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

11.9 Principle Nine – Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Company's activities rests with the Board and the respective responsibilities of the chairman and chief executive officer (currently a combined role) arising as a consequence of delegation by the Board. The chairman is responsible for the effectiveness of the Board, while the Board has delegated management of the Company's business and primary contact with shareholders to the executive officers of the Company.

Audit and Compliance Committee

The Audit and Compliance Committee is chaired by Christopher Molefe with Richard Wollenberg as the other member of the committee. This committee has responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported. It receives reports from the executive management relating to the interim accounts and from the executive management and auditors relating to the annual accounts and the accounting and internal control systems in use throughout the Company. The Audit and Compliance Committee meets not less than twice in each financial year and it has unrestricted access to the Company's auditors.

Remuneration Committee

The Remuneration Committee comprises Richard Wollenberg as chairman and Christopher Molefe as the other member of the committee. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors

The Board has adopted guidelines for the appointment of non-executive directors, which are in place and which are being observed. These provide for the orderly rotation and re-election of the directors in accordance with the articles of association of the Company. In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

11.10 Principle Ten – Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company keeps its private shareholders and institutional investors informed with regular RNS statements and its executive directors meet with shareholders during the year with opportunities to discuss issues and provide feedback. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. Investors also have access to current information on the Company through its website, www.galileoresources.com and via Colin Bird, Chairman/CEO who is available to answer investor relations enquiries.

The Company, when relevant, shall include in its annual report, any matters of note arising from the audit or remuneration committees.

12. DIRECTORS' s172 STATEMENT

The Directors continue to act in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefits of the members as a whole, and in doing so have regard, amongst other matters to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community as well as the environment;
- the need to act fairly as between members of the Company, and
- the desirability of the company maintaining a reputation for high standards of business conduct

The Board has always recognised the relationships with key stakeholders as being central to the long-term success of the business and therefore seeks active engagement with all stakeholder groups, to understand and respect their views, in particular of those with the communities in which it operates, its host governments, employees and suppliers. Throughout the year, the Directors continued to exercise all their duties, whilst having the highest regard to section 172 factors as they assessed and considered proposals from senior management and governed the company on behalf of their stakeholders. As with smaller size companies, day-to-day management, execution of the business strategy and related policies of the Company is delegated to senior executives however the Board reviews compliance and legal matters along with the Company's key financial and operational data, diversity, corporate responsibility, environmental and stakeholder-related matters over the course of the financial year. In response to COVID-19 and other pandemics, the Board continues to prioritise and maintaining the health and safety of all employees and contractors. Consideration of the Company's conduct towards its stakeholders, suppliers and employees of the Group is essential when implementing ways in which the Board's engagement can be improved to help the business operate more effectively. Details of the Board's decisions for the year ending 31 March 2023 to promote long-term success, and how it engaged with stakeholders and considered their interests when making those decisions, can be found throughout the Strategic Report, Directors' and Corporate Governance reports.

13. DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 2006 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly represent the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the applicable UK laws.

The consolidated annual financial statements are prepared in accordance with UK-adopted international accounting standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong controlled environment.

To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner.

The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints. The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the accounts; and
4. prepare the accounts on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The going-concern basis has been adopted in preparing the consolidated annual financial statements. The directors 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 annual financial statements support the viability of the Company. The directors have 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 and they are satisfied that the Group has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

14. RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in note 25 of the financial statements.

15. FINANCIAL INSTRUMENTS

For the period under review the Group held no financial instruments, outside of cash and receivables. Financial risk management policies are disclosed in note 28 of the financial statements.

16. POLITICAL AND CHARITABLE CONTRIBUTIONS

The Group made no charitable donations £Nil (2022: £Nil) and no political donations £Nil (2022: £Nil) during the year.

The Company's independent auditors, MAH, Chartered Accountants, audited the Group's consolidated annual financial statement, and their report is presented on pages 39 to 43.

The Group and Company annual financial statements set out on pages 44 to 50, which have been prepared on the going-concern basis, were approved by the Board and signed on its behalf by:

Colin Bird
Chairman

28 September 2023

Independent Auditors' Report

TO THE MEMBERS OF GALILEO RESOURCES PLC

Opinion

We have audited the financial statements of Galileo Resources Plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023 which comprise the Group and Company Statements of Financial Position, the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2023 and of the Group's loss and Company's profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the inputs to the forecast financial information and agreeing these to the underlying supporting documentation
- Audit procedures to ensure that the calculations applied in the forecasts were in accordance with the method and were mathematically accurate
- Challenging the key assumptions and estimates

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company
Overall materiality	£126,000	£122,000
How we determined it	Based on 1% of gross assets	Based on 1% of gross assets
Rationale for benchmark applied	We believe the most adequate basis is for materiality to be based on gross assets, as it is from these assets that the Group seeks to deliver returns for shareholders, in particular the value of exploration and development projects that the Group is interested in.	We believe the most adequate basis is for materiality to be based on gross assets, as it is from these assets that the Group seeks to deliver returns for shareholders

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of reporting units, comprising the Group's operating businesses and holding companies.

We performed full scope audits of the financial information of the components within the Group which were individually financially significant and material. We also performed specified audit procedures over certain account balances and transaction classes that we regarded as material to the Group, as well as analytical procedures, for components which were not significant and not material. The audit work and specified audit procedures accounted for 100% of the Group's revenue and 100% of the Group's absolute result before tax (i.e. the sum of the numerical values without regard to whether they were profits or losses for the relevant reporting units).

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Carrying value and classification of intangible exploration and evaluation assets The Group has intangible assets in relation to capitalised exploration costs in respect of its exploration and evaluation in the United States, Zambia and Botswana. There is the risk that these assets have been incorrectly capitalised in accordance with IFRS 6 – Exploration for and Evaluation of Mineral Resources and that there is a risk that the indicators of impairment have not been identified as at 31 March 2023. Particularly for early stage exploration projects where the calculation of recoverable amount from value in use calculations is not practical, management's assessment of impairment under IFRS 6 requires estimation and judgement based on the costs that are being capitalised and whether they meet the criteria stipulated in IFRS 6.	Our audit work included: • Confirmation that the Group has good title to the applicable exploration licences; • Review of capitalised costs including consideration of appropriateness for capitalisation under IFRS 6; • Assessment of progress at the individual projects during the year and post year-end; and • Consideration of management's impairment assessment, including challenge of key assumptions and • Sensitivity test to reasonably possible changes The Directors' judgements in their assessment of impairment are reasonable and our work did not identify any impairment indicators regarding the carrying value and recoverability of intangible assets.

Key Audit Matter	How our audit addressed the key audit matter
Valuation and classification of investments in joint ventures and associates and held for sale assets The Group has interests over Glenover Phosphate (Proprietary) Limited and BC Ventures Limited. These types of balances are normally accounted for by the Group as investments in joint venture and follow equity accounting in accordance with IAS 28 –Investments in Associates and Joint Ventures. During the year, the Group has shared the profit and loss from these joint ventures as well as receiving dividend distributions. BC Ventures Limited is a new acquisition during the period and Glenover Phosphate (Proprietary) Limited was held for sale at the year end. There is a risk that this treatment is not appropriate, and that indicators of impairment have not been identified as at 31 March 2023 or the balances have not correctly valued.	Our audit work included: • Obtain evidence to support the profit and loss from the entity • Review management's impairment assessment and provide challenge of key assumptions made; • Obtain evidence to support the ongoing value of the underlying project, including current status of project and future development plans; • Recalculate balances to be included in the consolidation in respect of this entity; • We reviewed the agreements and transactions for acquisitions made in the year and checked their accounting treatment under IAS 28. • For assets held for sale, we reviewed the recognition criteria were met under IFRS 5 and checked the equity accounting prior to their reclassification. We also checked that upon classification as held for sale, the assets were valued at the lower of carrying amount and fair value. • Based on the results of our audit work carried out, there were no issues noted that indicate any material misstatement in respect of the valuation and classification of investments in joint ventures and associates and held for sale assets

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the Group and Company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 of the Group financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the Group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters that we are required to address

The non-audit services prohibited by the FRC' Ethical Standard were not provided to the Group or the parent company and we remain independent of the Group and the parent company in conducting our audit. Our audit opinion is consistent with the additional report to the audit committee.

Use of this report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohammed Haque (Senior Statutory Auditor)
For and on behalf of MAH, Chartered Accountants
Statutory Auditor

2nd Floor
154 Bishopsgate
London EC2M 4LN

28 September 2023

Group and Company Statements of Financial Position

as at 31 March 2023

Figures in Pound Sterling

		Group		Company	
	Note(s)	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Assets					
Non-current assets					
Intangible assets	3	**5,161,591**	3,875,570	**1,604,676**	505,578
Investment in subsidiaries	4	**–**	–	**2,049,755**	2,049,755
Investment in joint ventures & Associates	5	**835,149**	2,936,125	**835,149**	–
Loans to joint ventures, associates, and subsidiaries	6	**9,547**	792,259	**4,981,672**	5,657,509
Other financial assets	7	**2,556,034**	1,994,617	**2,556,034**	1,500,975
		8,562,321	9,598,571	**12,027,286**	9,713,817
Current assets					
Trade and other receivables	9	**284,923**	119,856	**278,566**	–
Other financial assets		**47,351**	–	**47,351**	–
Cash and cash equivalents	10	**1,435,511**	4,648,995	**303,570**	1,952,900
		1,767,785	4,768,851	**629,487**	1,952,900
Non-current assets held for sale		**2,323,807**	–	**–**	–
Total assets		**12,653,913**	14,367,422	**12,656,773**	11,666,717
Equity and liabilities					
Equity					
Share capital	11	**32,753,530**	31,996,730	**32,753,530**	31,996,730
Reserves		**421,097**	1,223,801	**1,552,177**	1,516,977
Accumulated loss		**(20,815,887)**	(19,351,353)	**(22,126,364)**	(22,466,482)
		12,358,740	13,869,178	**12,179,343**	11,047,225
Non-controlling interest		**117,754**	117,754	**–**	–
		12,476,494	13,986,932	**12,179,343**	11,047,225
Liabilities					
Non-current liabilities					
Loans from subsidiaries	6	**–**	–	**379,192**	523,097
Other financial liabilities	14	**5**	6	**–**	–
		5	6	**379,192**	523,097
Current liabilities					
Trade and other payables	15	**177,414**	106,234	**98,238**	96,395
Tax Payable		**–**	274,250	**–**	–
		177,414	380,484	**98,238**	96,395
Total liabilities		**177,419**	380,490	**477,430**	619,492
Total equity and liabilities		**12,653,913**	14,367,422	**12,656,773**	11,666,717

These financial statements were approved by the directors and authorised for issue on 28 September 2023 and are signed on their behalf by

Colin Bird **Joel Silberstein**

Company number: 05679987

Group and Company Statements of Comprehensive Income

for the year ended 31 March 2023

Figures in Pound Sterling

		Group		Company	
	Note(s)	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Other Income		**289,040**	–	**289,040**	–
Operating expenses	17	**(1,257,877)**	(753,321)	**(1,030,905)**	(583,841)
Operating loss		**(968,837)**	(753,321)	**(741,865)**	(583,841)
Investment revenue	18	**90,096**	332,904	**1,350,865**	–
Fair value adjustments		**71,074**	141,205	**71,073**	141,205
Profit/(loss) on sale of assets		**291,758**	(1,266,967)	**–**	(472,752)
Impairments	9	**(274,314)**	(495,842)	**(274,314)**	(495,842)
Profit/(loss) from equity accounted investments	5	**(765,172)**	3,433,034	**–**	–
Profit/(loss) for the year before taxation		**(1,555,395)**	1,391,013	**405,759**	(1,411,230)
Taxation	19	**88,865**	151,563	**(67,242)**	–
Profit/(loss) for the year		**(1,466,530)**	1,542,576	**338,517**	(1,411,230)
Other comprehensive income/(loss):					
Items which may subsequently be reclassified to profit or loss:					
Exchange differences on translating foreign operations	21	**(837,904)**	483,319	**–**	–
Other adjustments		**1,996**	–	**1,999**	–
Total comprehensive income/(loss) for the year		**(2,302,438)**	2,025,895	**340,516**	(1,411,230)
Earnings per share in pence	22	**(0.13)**	0.15		

All operating expenses and operating losses relate to continuing activities.

Group and Company Statements of Changes in Equity

as at 31 March 2023

Figures in Pound Sterling

	Share capital	Share premium	Total share capital
Group			
Balance at 1 April 2021	**6,522,609**	**23,182,635**	**29,705,244**
Loss for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	184,559	2,100,696	2,285,255
Shares to be issued	–	–	–
Warrants lapsed	–	–	–
Options lapsed	–	–	–
Warrants issued	–	33,791	33,791
Warrants exercised	–	(27,560)	(27,560)
Total contributions by and distributions to owners of Company recognised directly in equity	**184,559**	**2,106,927**	**2,291,486**
Balance at 1 April 2022	**6,707,168**	**25,289,562**	**31,996,730**
Profit for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive income for the year	**–**	**–**	**–**
Issue of shares net of issue costs	63,742	693,058	756,800
Options issued	–	–	–
Options lapsed	–	–	–
Warrants lapsed	–	–	–
Warrants issued	–	–	–
Warrants exercised	–	–	–
Total contributions by and distributions to owners of Company recognised directly in equity	**63,742**	**693,058**	**756,800**
Balance at 31 March 2023	**6,770,910**	**25,982,620**	**32,753,530**
Note(s)	11	11	11

Figures in Pound Sterling

Foreign currency transaction reserve(1)	Shares to be issued reserve(2)	Merger reserve(3)	Share based payment reserve(4)	Total reserves	Accumulated loss	Total equity
(776,495)	**–**	**1,047,821**	**566,374**	**837,700**	**(21,134,916)**	**9,408,029**
–	–	–	–	–	1,542,576	1,542,576
483,319	–	–	–	483,319	–	483,319
483,319	**–**	**–**	**–**	**483,319**	**1,542,576**	**2,025,895**
–	–	–	–	–	–	2,285,255
–	150,000	–	–	150,000	–	150,000
–	–	–	(91,194)	(91,194)	91,194	–
–	–	–	(149,793)	(149,793)	149,793	–
–	–	–	27,560	27,560	–	–
–	–	–	(33,791)	(33,791)	–	–
–	**150,000**	**–**	**(247,218)**	**(97,218)**	**240,987**	**2,435,255**
(293,176)	**150,000**	**1,047,821**	**319,156**	**1,223,801**	**(19,351,353)**	**13,869,178**
–	–	–	–	–	(1,466,530)	(1,466,530)
(837,904)	–	–	–	(837,904)	1,996	(835,908)
(837,904)	**–**	**–**	**–**	**(837,904)**	**(1,464,534)**	**(2,302,438)**
–	(150,000)	–	–	(150,000)	–	606,800
–	–	–	185,200	185,200	–	185,200
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	**(150,000)**	**–**	**185,200**	**35,200**	**–**	**792,000**
(1,131,080)	**–**	**1,047,821**	**504,356**	**421,097**	**(20,815,887)**	**12,358,740**
13		12				

Group and Company Statements of Changes in Equity continued

as at 31 March 2023

Figures in Pound Sterling

	Share capital	Share premium	Total share capital
Company			
Balance at 1 April 2021	**6,522,609**	**23,182,635**	**29,705,244**
Loss for the year	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	184,559	2,100,696	2,285,255
Shares to be issued	–	–	–
Warrants lapsed	–	–	–
Options lapsed	–	–	–
Warrants issued	–	33,791	33,791
Warrants exercised	–	(27,560)	(27,560)
Total contributions by and distributions to owners of Company recognised directly in equity	**184,559**	**2,106,927**	**2,291,486**
Balance at 1 April 2022	**6,707,168**	**25,289,562**	**31,996,730**
Profit for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	63,742	693,058	756,800
Shares to be issued(5)	–	–	–
Options issued	–	–	–
Options lapsed	–	–	–
Warrants lapsed	–	–	–
Warrants issued	–	–	–
Warrants exercised	–	–	–
Total contributions by and distributions to owners of Company recognised directly in equity	**63,742**	**693,058**	**756,800**
Balance at 31 March 2023	**6,770,910**	**25,982,620**	**32,753,530**
Note(s)	11	11	11

(1) Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(2) Shares to be issued reserve comprises shares to be issued post year end arising out a contractual obligation that existed at year end.

(3) Merger reserve comprises the difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange.

(4) Share based payment reserve comprises the fair value of an equity-settled share based payment.

(5) On 4 March 2022 Galileo entered into a Deed of Assignment with Cordoba and BC Ventures (the "Deed of Assignment") under which Cordoba has assigned all its rights and obligations under the Principal Agreement to Galileo for £150,000 which was settled by the issue of 13,741,609 new ordinary Galileo Resources plc shares.

Figures in Pound Sterling

Foreign currency transaction reserve[(1)]	Shares to be issued reserve[(2)]	Merger reserve[(3)]	Share based payment reserve[(4)]	Total reserves	Accumulated loss	Total equity
–	**–**	**1,047,821**	**566,374**	**1,614,195**	**(21,296,239)**	**10,023,200**
–	–	–	–	–	(1,411,628)	(1,411,628)
–	**–**	**–**	**–**	**–**	**(1,411,628)**	**(1,411,628)**
–	–	–	–	–	–	2,285,255
–	150,000	–	–	150,000	–	150,000
–	–	–	(91,194)	(91,194)	91,194	–
–	–	–	(149,793)	(149,793)	149,793	–
–	–	–	(33,791)	(33,791)	–	–
–	–	–	27,560	27,560	–	–
–	**–**	**–**	**(247,218)**	**(97,218)**	**240,987**	**2,435,255**
–	**150,000**	**1,047,821**	**319,156**	**1,516,977**	**(22,466,880)**	**11,046,827**
–	–	–	–	–	338,517	338,517
–	**–**	**–**	**–**	**–**	**1,999**	**1,999**
–	**–**	**–**	**–**	**–**	**340,516**	**340,516**
–	(150,000)	–	–	(150,000)	–	606,800
–	–	–	–	–	–	–
–	–	–	185,200	185,200	–	185,200
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	**(150,000)**	**–**	**185,200**	**35,200**	**–**	**792,000**
–	**–**	**1,047,821**	**504,356**	**1,552,177**	**(22,126,364)**	**12,179,343**

12

Group and Company Statements of Cash Flows

for the year ended 31 March 2023

Figures in Pound Sterling

		Group		Company	
	Note(s)	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Cash flows from operating activities					
Cash generated from/(used in) operations	23	**(1,495,390)**	(901,221)	**(891,829)**	(716,617)
Dividends received from trading		**–**	–	**–**	–
Interest Income		**–**	–	**–**	–
Net cash from operating activities		**(1,495,390)**	(901,221)	**(891,829)**	(716,617)
Cash flows from investing activities					
Additions to intangible assets	3	**(1,229,886)**	(1,559,823)	**(1,099,098)**	(162,633)
Sale of intangible		**291,759**	–	**–**	–
Dividends received from Joint Venture		**–**	238,827	**1,350,866**	–
Distributions from Joint Ventures (incl subs, JVs & Assoc)		**–**	2,417,977	**–**	–
Movement in investments (incl subs, JVs & Assoc)		**–**	–	**–**	(353,262)
Net movement in loans	6	**369,579**	–	**257,219**	(167,289)
Purchase of financial assets		**(1,149,545)**	(132,644)	**(1,266,487)**	(132,644)
Proceeds on sale of Non-current assets held for sale		**–**	1,132,394	**–**	35,394
Net cash flows from investing activities		**(1,718,092)**	2,096,731	**(757,500)**	(780,434)
Cash flows from financing activities					
Net proceeds from share issues	11	**–**	2,060,529	**–**	2,060,529
Repayment of loans from group companies		**(1)**	–	**–**	–
Net cash flows from financing activities		**(1)**	2,060,529	**–**	2,060,529
Total cash movement for the year		**(3,213,483)**	3,256,039	**(1,649,329)**	563,478
Cash at the beginning of the year		**4,648,994**	1,392,955	**1,952,899**	1,389,421
Total cash at end of the year	10	**1,435,511**	4,648,994	**303,570**	1,952,899

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

Galileo Resources PLC is a public company listed on AIM of the LSE, incorporated and existing under the laws of England and Wales, having its registered office at 1st Floor, 7/8 Kendrick Mews, London, SW7 3HG, United Kingdom. The consolidated annual financial statements have been prepared in accordance with UK-adopted International Accounting Standard and the Companies Act 2006. The consolidated annual financial statements have been prepared on the historical cost basis, except for certain financial instruments and acquisitions at fair value, and incorporate the principal accounting policies set out below. Cost is based on the fair values of the consideration given in exchange for assets and they are presented in Pound Sterling. These annual financial statements were approved by the board of directors on 28 September 2023.

1.1 Basis of Consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Company and all entities, 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 so as 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.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt, which are amortised as part of the effective interest, and costs to issue equity, which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity, which arise as a result of the contingent consideration, are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are classified as held-for-sale in accordance with IFRS 5 non-current assets held-for-sale and discontinued operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interests arising from a business combination, which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, are measured either at the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRSs.

In cases where the Group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less fair value of the identifiable assets and liabilities of the acquiree. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the gain on bargain purchase is credited in full to the consolidated statement of comprehensive income on the acquisition date.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the Group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

Investment in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in associate is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with IFRS 5 non-current assets held-for-sale and discontinued operations. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

Losses in an associate in excess of the Group's interest in that associate are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment; however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the Group and an associate are eliminated to the extent of the Group's interest therein.

When the Group reduces its level of significant influence or loses significant influence, the Group proportionately reclassifies the related items, which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal. Interests in joint ventures

A joint venture is a contractual agreement whereby the Group and other parties undertake an economic activity that is subject to joint control that is when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control.

Jointly controlled entities

An interest in a jointly controlled entity is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with IFRS 5 non-current assets held-for-sale and discontinued operations. Under the equity method, interests in jointly controlled entities are carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the jointly controlled entity, less any impairment losses. Profits or losses on transactions between the Group and a joint venture are eliminated to the extent of the Group's interest therein.

When the Group loses joint control, the Group proportionately reclassifies the related items, which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the annual financial statements. Significant judgements include:

Options granted

Management uses the Black Scholes Formula for subsequent options being granted. Additional details regarding the estimates are included in note 12 – share-based payments.

Recoverability of exploration and evaluation costs

The Company incurs costs directly attributable to exploration and evaluation. These costs are capitalised to each individual project, pending a decision on the economic feasibility of the project. The capitalisation of these costs gives rise to an intangible asset in the consolidated statement of financial position. The costs are capitalised where it is considered likely that the amount will be recovered by future exploitation. This requires management to make estimates and assumptions as to the future events and circumstances and whether an economically viable extraction operation can be established. The estimates are subject to change and in the event that recovery of the expenditure becomes unlikely, the relevant amount is written off in the statement of comprehensive income.

Receivables from Group entities

The Company makes assumptions when implementing the forward-looking ECL model. The model is used to assess group loans for impairment. Estimates are made regarding the credit risk and underlying probability of default in each of the credit loss scenarios, which include production, failure, divestment and sale. The Directors make judgements on the expected likelihood and outcome of each of the scenarios and these expected values are applied to the loan balances.

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

1.3 Exploration and evaluation costs

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or

(ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if:

(i) sufficient data exist to determine technical feasibility and commercial viability; and

(ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units ("CGU") to which the exploration activity related.

Exploration and evaluation assets are carried forward in the balance sheet under intangible assets.

1.4 Investment in subsidiaries

Company annual financial statements

In the Company's separate annual financial statements, investment in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

1.5 Investment in joint ventures

Company annual financial statements

An investment in a joint venture is carried at cost less any accumulated impairment.

In respect of its interests in jointly controlled operations, the Company recognises in its annual financial statements:

- the assets that it controls and the liabilities that it incurs; and
- the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint venture.

In respect of its interest in jointly controlled assets, the Company recognises in its annual financial statements:

- its share of the jointly controlled assets, classified according to the nature of the assets;
- any liabilities that it has incurred;
- its share of any liabilities incurred jointly with the other venturers in relation to the joint venture;
- any income from the sale or use of its share of the output of the joint venture, together with its share of any expenses incurred by the joint venture; and
- any expenses that it has incurred in respect of its interest in the joint venture.

1.6 Investments in associates

Company annual financial statements

An investment in an associate is carried at cost less any accumulated impairment.

1.7 Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provision of the instrument. These financial instruments are recognised initially at fair value. For instruments not at fair value through profit or loss, any directly attributable transaction costs are included.

Financial assets are de-recognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets or substantially transfers all risk and rewards of the asset to another party without retaining control. Financial liabilities are de-recognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Classification

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Classification depends on the purpose for which the financial instruments were obtained/incurred and takes place at initial recognition. Classification is reassessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category. The Group classifies its financial assets as financial assets at amortised cost and financial assets at fair value through profit or loss.

Initial recognition and measurement

Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments.

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value. For financial instruments, which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Regular way purchases of financial assets are accounted for at trade date.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss exclude dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the Group's right to receive payment is established.

Financial assets at amortised cost are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Loans to/(from) Group companies and Joint Arrangements

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint arrangements and associates and are recognised initially at fair value plus direct transaction costs.

Loans to Group companies are classified as financial assets at amortised cost. Loans from Group companies are classified as financial liabilities measured at amortised cost.

Inter-company loans bear no interest.

Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss in accordance with the expected credit loss model under IFRS 9.

Trade and other receivables are classified as financial assets at amortised cost.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.8 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.9 Share-capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.10 Share-based payments

Goods or services received or acquired in a share based payment transaction are recognised when the goods or as the services are received. A corresponding increase in equity is recognised if the goods or services were received in an equity-settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share based payment transaction.

When the goods or services received or acquired in a share-based payment transaction do not qualify for recognition as assets, they are recognised as expenses.

For equity-settled share-based payment transactions the goods or services received and the corresponding increase in equity are measured, directly, at the fair value of the goods or services received provided that the fair value can be estimated reliably.

If the fair value of the goods or services received cannot be estimated reliably, or if the services received are employee services, their value and the corresponding increase in equity, are measured, indirectly, by reference to the fair value of the equity instruments granted.

Vesting conditions, which are not market, related (i.e. service conditions and non-market related performance conditions) are not taken into consideration when determining the fair value of the equity instruments granted. Instead, vesting conditions which are not market related shall be taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods or services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Market conditions, such as a target share price, are taken into account when estimating the fair value of the equity instruments granted. The number of equity instruments are not adjusted to reflect equity instruments which are not expected to vest or do not vest because the market condition is not achieved.

If the share-based payments granted do not vest until the counterparty completes a specified period of service, Group accounts for those services as they are rendered by the counterparty during the vesting period, (or on a straight-line basis over the vesting period).

If the share-based payments vest immediately the services received are recognised in full.

1.11 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.12 Translation of foreign currencies

Functional and presentation currency

Items included in the annual financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated annual financial statements are presented in Pound Sterling, which is the Group's functional, and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in South African Rand, US Dollar and Canadian Dollar by applying to the foreign currency amount and the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in South African Rand, US Dollar and Canadian Dollar by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the cash flow.

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.13 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. The held for sale assets are measured at the lower of their carrying amount and fair value less costs to sell, except for certain assets such as deferred tax assets, which are not required to. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

1.14 Going concern

The going concern basis has been adopted in preparing the consolidated annual financial statements. The directors 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 annual financial statements support the viability of the Company.

The directors have 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.

2. NEW STANDARDS AND INTERPRETATIONS

The IASB and IFRS Interpretations Committee have issued the following standards and interpretations with an effective date of implementation for accounting periods beginning after the date on which the Group's financial statements for the current year commenced.

New and amended standards adopted by the Group

The most significant new standards and interpretations adopted, none of which are considered material to the Group, are as follows:

Ref	Title	Summary	Application date of standards (periods commencing)
IFRS 3	Business Combinations	Updates certain references to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
IAS 16	Property, Plant and Equipment	Requires amounts received from selling items produced while the company is preparing the asset for its intended use to be recognised in profit or loss, and not as an adjustment to the cost of the asset.	1 January 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle		Minor amendments to IFRS 1, IFRS 9 and IAS 41. Amendment to Illustrative Examples accompanying IFRS 16.	1 January 2022
IAS 37	Onerous Contracts	Specifies which costs to include when assessing whether a contract will be loss-making.	1 January 2022

Figures in Pound Sterling

2. NEW STANDARDS AND INTERPRETATIONS (continued)

New standards and interpretations not yet adopted

Unless material the Group does not adopt new accounting standards and interpretations which have been published and that are not mandatory for 31 March 2023 reporting periods.

No new standards or interpretations issued by the International Accounting Standards Board ('IASB') or the IFRS Interpretations Committee ('IFRIC') have led to any material changes in the Company's accounting policies or disclosures during each reporting period.

The most significant new standards and interpretations to be adopted in the future are as follows:

Ref	Title	Summary	Application date of standards (periods commencing)
IFRS 17	Insurance Contracts	Establishes new principles for the recognition, measurement, presentation and disclosure of insurance contracts issued, reinsurance contracts held and qualifying investment contracts with discretionary participation features issued.	Annual periods beginning on or after 1 January 2023.
IFRS 16	Lease Liability in a Sale and Leaseback	Specifies requirements relating to measuring the lease liability in a sale and leaseback transaction after the date of the transaction.	Annual periods beginning on or after 1 January 2024.
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Introduces an exception to clarify that the 'initial recognition exemption' does not apply to transactions that give rise to equal taxable and deductible timing differences.	Annual periods beginning on or after 1 January 2023.
IAS 8	Changes in Accounting Estimates and Errors: Definition of Accounting estimates	Clarifies how to distinguish changes in accounting policies from changes in accounting estimates.	Annual periods beginning on or after 1 January 2023.
IAS 1	Presentation of Financial Statements and IFRS Practice Statement 2 – Disclosure of Accounting Policies	Changes requirements from disclosing 'significant' to 'material' accounting policies and provides explanations and guidance on how to identify material accounting policies.	Annual periods beginning on or after 1 January 2024.
IAS 1	Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants Date	Clarifies that only those covenants with which an entity must comply on or before the end of the reporting period affect the classification of a liability as current or non-current.	Annual periods beginning on or after 1 January 2024.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

The directors are evaluating the impact that these standards will have on the financial statements of the Group.

Figures in Pound Sterling

3. INTANGIBLE ASSETS

	31 March 2023 Cost/ Valuation	31 March 2023 Accumulated amortisation	31 March 2023 Carrying value	31 March 2022 Cost/ Valuation	31 March 2022 Accumulated amortisation	31 March 2022 Carrying value
Group						
Exploration and evaluation asset – Botswana	**1,470,267**	–	**1,470,267**	1,467,320	–	1,467,320
Exploration and evaluation asset – U.S.A.	**2,154,613**	–	**2,154,613**	1,893,024	–	1,893,024
Exploration and evaluation asset – Zambia	**1,536,711**	–	**1,536,711**	515,226	–	515,226
	5,161,591	–	**5,161,591**	**3,875,570**	–	**3,875,570**
Company						
Exploration and evaluation asset – Botswana	**538,982**	–	**538,982**	505,578	–	505,578
Exploration and evaluation asset – Zambia	**1,065,694**	–	**1,065,694**	–	–	–
	1,604,676	–	**1,604,676**	**505,578**	–	**505,578**

Reconciliation of intangible assets – Group

	Asset denomination currency	Opening	Additions	Foreign exchange movements	Total
2023					
Exploration and evaluation asset – Botswana	BWP	**1,467,320**	**77,614**	**(74,667)**	**1,470,267**
Exploration and evaluation asset – U.S.A.	US$	**1,893,024**	**130,788**	**130,801**	**2,154,613**
Exploration and evaluation asset – Zambia	ZMK	**515,226**	**1,021,485**	**–**	**1,536,711**
		3,875,570	**1,229,887**	**56,134**	**5,161,591**

	Asset denomination currency	Opening	Additions	Foreign exchange movements	Total
2022					
Exploration and evaluation asset – Botswana	BWP	418,324	1,047,628	1,368	1,467,320
Exploration and evaluation asset – U.S.A.	US$	1,696,493	114,723	81,808	1,893,024
Exploration and evaluation asset – Zambia	ZMK	–	515,226	–	515,226
		2,114,817	1,677,578	83,176	3,875,570

Figures in Pound Sterling

3. INTANGIBLE ASSETS (continued)

Reconciliation of intangible assets – Company

	Asset denomination currency	Opening	Additions	Foreign exchange movements	Total
2023					
Exploration and evaluation asset – Botswana	BWP	**461,369**	**77,613**	**–**	**538,982**
Exploration and evaluation asset – Zambia	ZMK	**44,210**	**1,021,484**	**–**	**1,065,694**
		505,579	**1,099,097**	**–**	**1,604,676**

	Asset denomination currency	Opening	Additions	Foreign exchange movements	Total
2022					
Exploration and evaluation asset – Botswana	BWP	342,946	118,423	–	461,369
Exploration and evaluation asset – Zambia	ZMK	–	44,210	–	44,210
		342,946	162,633	–	505,579

Exploration and evaluation assets are carried at cost adjusted for any foreign currency movements during the period under review.

Botswana

In Botswana Galileo acquired Crocus-Serv (Pty) Ltd in May 2020 with its copper licences in the highly prospective Kalahari Copper Belt and nickel-copper-platinum group metal licences in the Limpopo Mobile belt in Botswana. In the Kalahari Copper Belt ('KCB'), the Agreement covers 19 prospecting licences ('PLs') extending over 14,564km2 located approximately 500km to the northwest of Gaborone, the capital of Botswana. The KCB extends for over 800km of strike and contains multiple recent copper-silver discoveries, which are generally stratabound and hosted in metasedimentary rocks. The geological setting is comparable to that of the Central African Copper Belt and the Kupferschiefer in Poland. The Limpopo Mobile Belt ('LMB') project comprises 2 PLs covering 311km2 on land located about 400km northeast of Gaborone, near the border with Zimbabwe, viz. PL048/2018 (Sampowane) and PL049/2018.

Galileo acquired its Kalahari Copper Belt portfolio with the acquisition of Africibum Co (Pty) Ltd, a wholly owned subsidiary of Crocus-Serv (Pty) Ltd. The Company acquired a 100% interest in five prospecting licences PL366/2018, PL367/2018, PL368/2018, PL122/2020, PL123/2020 and two mining tenement applications in Botswana (the "North East Kalahari Copper Belt Project")

Botswana – Kalahari Copper Belt Licenses

As announced on 16 September 2021, Galileo sold 9 of its Company's Kalahari Copper Belt Licences ("Included Licenses") to Sandfire Resources. As part of the consideration Sandfire issued 370,477 Sandfire ordinary shares to the Company. Sandfire Resources is an Australian listed company and have an enviable track record of copper/gold discovery, development execution and operation.

The Included Licenses were sold for an aggregate consideration of US$3 million paid US$1.5 million in cash and US$1.5 million by the issue of 370,477 Sandfire ordinary shares to the Company. Sandfire has a first right of refusal in relation to the acquisition of the 15 Kalahari Copper Belt Licences being retained by the Company.

Sandfire has an exploration commitment to spend US$4 million on the Included Licences within two years of settlement and if the US$4 million is not spent, any shortfall will be paid to the Company. A one-off success payment will be paid to the Company for the first ore reserve reported under JORC Code 2012 edition on the Included Licences which exceeds 200,000 tonnes of contained copper (the "First Ore Reserve") in the range of US$10 million to US$80 million depending on the amount of contained copper in the First Ore Reserve (the "Success Payment"). A US$2 million of the Success Payment will be held in escrow for up to three years pending any claim by Sandfire under the Licence Sale Agreement.

Given the limited exploration conducted on the Included Licences to date and the many years that it could take to establish an Ore Reserve, there can be no guarantee that any such Success Payment will be forthcoming.

Figures in Pound Sterling

4. INVESTMENTS IN SUBSIDIARIES

Name of Company	Country of incorporation	**31 March 2023 % voting power**	31 March 2022 % voting power	**31 March 2023 Carrying amount**	31 March 2022 Carrying amount
Skiptons Global Investments Limited	British Virgin Islands	100	100	–	–
Galileo Resources SA (Pty) Ltd	South Africa	100	100	–	–
St Vincent Minerals Incorporated	Canada	100	100	–	–
St Vincent Minerals Incorporated	United States	100	100	1,696,493	1,696,493
Enviro Zambia Limited	Mauritius	100	100	–	–
Enviro Processing Zambia Limited	Zambia	95	95	–	–
Camel Valley Holdings Inc	British Virgin Islands	100	100	–	–
Crocus-Serv (Pty) Ltd	Botswana	100	100	–	–
Africibum Co (Pty) Ltd	Botswana	100	100	–	–
Virgo Business Solutions (Pty) Ltd	Botswana	100	100	–	–
Galileo Mining (Pty) Ltd	Zambia	90	100	–	–
Luansobe Mining Ltd	Zambia	68	–	353,262	353,262
				2,049,755	2,049,755

The carrying amounts of subsidiaries are shown net of impairment losses.

Galileo holds 100% of the issued share capital in Galileo Resources SA Proprietary Limited, incorporated in the Republic of South Africa, through its wholly owned subsidiary, Skiptons Global Investment Limited (BVI). The principal activity of Galileo Resources SA Proprietary Limited is the same as that of Galileo Resources Plc.

Galileo holds 95% of the issued capital in Enviro Processing Zambia Limited, incorporated in the Republic of Zambia, through its wholly owned subsidiary Enviro Zambia Limited, incorporated in Mauritius. The principal activity of Enviro Processing Zambia Limited is the same as that of Galileo Resources Plc.

Galileo holds 100% of the issued capital in Crocus-Serv (Pty) Ltd, incorporated in the Republic of Botswana, the holding company of 100% in Africibum Co (Pty) Ltd and 100% in Virgo Business Solutions (Pty) Ltd, both incorporated in the Republic of Botswana. The principal activity of Crocus-Serv (Pty) Ltd is the same as that of Galileo Resources Plc.

Galileo holds 90% of the issued capital in Galileo Mining Limited, incorporated in the Republic of Zambia. The principal activity of Galileo Mining is the same as that of Galileo Resources Plc.

Luansobe Mining Limited

On 30 December 2021, the Company announced that it had entered into a Joint Venture Agreement on 29 December 2021 with Statunga Investments Limited, a private Zambian company owns the Luansobe Project comprising small-scale exploration licence No. 28340– HQ-SEL, covering an area of 918 Hectares granted on 16 February 2021 and with its initial 4-year term expiring on 15 February 2025.

The Joint Venture Agreement provides that Galileo has the right to earn an initial 75% interest in a special purpose ("Company") to be established under Zambia law to acquire the Licence, and the technical information and other information and assets related to the Luansobe Project by making an initial payment of US$200,000 and a second payment of US$200,000 by 20 February 2022 and issuing 5,000,000 Galileo shares to the Vendor. The subsidiary had no assets or liabilities at the period end.

The registered addresses of the subsidiaries are as follows:

- British Virgin Islands -C/O FGL, 7B Wing Sing Commercial Centre, 12 Wing Lok Street, Sheung Wan, Hong Kong
- South Africa – Ground Floor, Support Services Place, Jigsaw Office Park, 7 Einstein Street, Highveld Techno Park, Centurion
- Zambia – C/O CGCS, 1st Floor, Holy Cross House, Stand No 6149/A, Suez Road, Cathedral Hill, Lusaka, Zambia
- Mauritius – C/O DTOS, 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius
- United States – C/O Thomas P Erwin, 241 Ridge St Ste 210, Reno, NV 89501, USA
- Botswana – Plot 102, Unit 13, Gaborone International Commerce Park, Gaborone, Botswana

Figures in Pound Sterling

5. INVESTMENT IN JOINT VENTURES AND ASSOCIATES

Name of Company	**31 March 2023 % holding**	31 March 2022 % holding	**31 March 2023 Carrying amount**	31 March 2022 Carrying amount
Associate – BC Ventures Limited – ordinary shares	29.00%	–	835,149	–
Associate – Glenover Phosphate (Pty) Limited – ordinary shares	35.69%	35.69%	–	2,936,125
			835,149	**2,936,125**

BC Ventures Limited

The registered address of BC Ventures Limited is Bahamas Financial Centre, 3rd Floor, Shirley & Charlotte Streets, Nassau, Bahamas.

On 21 January 2022, Cordoba and BC Ventures entered into an option agreement (the "Principal Agreement") which provided Cordoba with an option to acquire 51% of BC Ventures by funding US$1,500,000 of exploration expenditure within 2 years for BC Venture's 100% owned Zimbabwean subsidiary Sinamatella Investments (Private) Limited ('Sinamatella') holds three Exclusive Prospecting Orders ('EPOs') No's 1782, 1783 and 1784 in the Kamativi Regional, 'Bulawayo North' and 'Bulawayo South' areas in the Republic of Zimbabwe. EPO 1782 is primarily prospective for lithium (tantalum, niobium, tin, tungsten, REE's and copper) whilst EPO5 1783 and 1784 are primarily prospective for gold. The three EPOs were issued on 12 March 2021 and have a term of 3 years.

On 4 March 2022 Galileo entered into a Deed of Assignment with Cordoba and BC Ventures (the "Deed of Assignment") under which Cordoba has assigned all its rights and obligations under the Principal Agreement to Galileo for £150,000 which was settled by the issue of 13,741,609 new ordinary Galileo Resources plc shares in relation to the Consideration Shares.

On 9 August 2022, Galileo signed an addendum (the "Addendum") to an agreement dated 21 January 2022. Under the Addendum, Galileo acquired a 29% shareholding in BC Ventures (the "Share Acquisition") for the issue of 50,000,000 Galileo Resources plc shares (the "Consideration Shares")

The period for the expenditure of US$1.5M to be incurred by the Company under the Principal Agreement to acquire 51% of BC Ventures was extended by 6 months to 21 July 2024

As 31 March 2022, all amounts in relation to BC Ventures were accounted for as Other Financial Assets (See Note 7)

Glenover Phosphate (Pty) Ltd

The registered address of Glenover is 16 Victoria Ave, Parktown, 2193, South Africa.

Galileo's direct investment in Glenover is 30.70% and it also has an indirect investment in Glenover through its shareholding in Galagen Proprietary Limited, a special purpose vehicle incorporated to hold the BEE shareholding in the Glenover project, of 4.99% resulting in a total interest in Glenover of 35.69%. The carrying amounts of Joint Ventures are shown net of impairment losses. Galileo's share of the equity accounted profit/loss for the Joint Venture is recognised from the date of acquisition on 4 July 2011. Refer to page 26 of the Integrated Report for details of the Glenover project.

As announced on 9 December 2021, Glenover entered into an Asset sale agreement with JSE Limited listed Afrimat Limited (JSE: AFT) ("Afrimat") for ZAR250 million (approximately £11.64 million) of certain deposits of phosphate rock located at the Glenover Mine and mining rights to mine the Vermiculite Deposit at the Glenover Mine (the "Asset Sale Agreement").

Phase 1: ZAR215.1 million (approximately £10 million) of the Asset Sale Agreement consideration is unconditional and a dividend of ZAR46 million (approximately £2.16 million) was paid to Galileo during February 2022 in respect of its 29% direct shareholding and 4.99% indirect holding in Glenover; and

Phase 2: ZAR34.9 million (approximately £1.64 million) of the Asset Sale Agreement consideration was conditional on the issue of a vermiculite mining licence to Glenover. On 30 March 2022 the Company announced that it had received confirmation that all conditions for Afrimat Limited to acquire the Vermiculite Mining Right from Glenover have been met and that Glenover has elected for the Vermiculite Mining Right Consideration to be paid in cash. ZAR11 million (approximately £0.52 million) was received in Q3 2022 in respect of its 30.70% direct and 4.99% indirect shareholding in Glenover.

Upon conclusion of phase two of the Glenover Asset Sale Agreement Galileo's direct interest in Glenover increased from 29.00% to 30.70%.

Figures in Pound Sterling

5. INVESTMENT IN JOINT VENTURES AND ASSOCIATES (continued)

Glenover also entered into a conditional sale of shares agreement between Afrimat, Glenover and the shareholders of Glenover including Galileo Resources SA (Pty) Ltd the Company's wholly owned South African subsidiary under which Glenover has the option to acquire the sale of shares in and shareholders loans made to Glenover for ZAR300 million (approximately £14 million) which was expected to complete by 15 June 2023. If the option is exercised ("Conditional Share Sale Agreement"). Galileo's share of the gross Conditional Share Sale Agreement consideration in respect of its 30.70% direct shareholding in Glenover is ZAR87 million (approximately £4.1 million). On 20 October 2022, the Company announced Afrimat had agreed to exercise the option to acquire the shares of Glenover.

On 21 June 2023, the parties signed an addendum to the conditional sale of shares and shareholders loan agreement between Afrimat, Glenover and the shareholders of Glenover which gave rise to Afrimat's Option (the "Addendum") which confirmed that the Sale Claims and Share sale consideration. The amended terms removed the requirement for the previous suspensive conditions to be met before the first two tranches of consideration are paid and instead set out a revised timetable for the receipt of such amounts, as well as amending the second tranche to be paid in cash.

First tranche payment of ZAR150 million (approx. GBP6.4M) in respect of Sales Claims to be settled by the issue of Afrimat shares calculated on a 30-day volume weighted average price ("VWAP") on the payment date with Galileo's estimated portion of ZAR50 million (approx. GBP2.1M).Second tranche payment of ZAR147 million (approx. GBP6.3M) to be settled on or before 30 April 2024, in respect of Sales Claims to be settled in cash. Galileo's estimated portion will be approximately ZAR49 million (approx. GBP2.1M). Cash consideration of ZAR3 million (approx. GBP128K) in respect of the Glenover shares subject to the fulfilment of the suspensive conditions. Galileo's estimated portion will be approximately ZAR1 million (approx. GBP42K).

Suspensive conditions applicable are as follows: i) The Approval in terms of section 11 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 ("MPRDA"); and ii) the completion of the 30 June 2023 audited financial statements and collation of all company documentation on or before 30 April 2024.

	Group	
	31 March 2023	31 March 2022
Carrying value at the beginning of the year	**2,936,125**	1,979,640
Equity accounted profit/(loss) for the year	**(765,172)**	3,433,034
Fair value adjustment on NC Asset held	**–**	–
Transfer to Non Current Asset available for sale	**(2,188,514)**	–
Effect of change in translation currency	**17,561**	343,913
Dividend received	**–**	(3,000,705)
Effect of loan conversion	**–**	180,243
Additions – acquisition of 29% BC Ventures Limited	**835,149**	–
Carrying value at year end	**835,149**	2,936,125
Current assets	**–**	4,963,825
Non-current assets	**–**	1,504,428
Current liabilities	**3,328**	(317,175)
Net assets	**3,328**	6,151,078
Income	**12,773**	3,797,500
Interest received/(paid)	**33,827**	857
Expenses	**(140,861)**	(365,323)
Taxation	**(670,911)**	–
Equity accounted profit/(loss) for the year	**(765,172)**	3,433,034

Figures in Pound Sterling

6. LOANS TO/(FROM) JOINT VENTURES, ASSOCIATES AND SUBSIDIARIES

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Loans to/(from) subsidiaries				
Galileo Resources SA (Pty) Ltd	**–**	–	**4,777,152**	5,327,047
Skiptons Global Investment Ltd	**–**	–	**14,304**	12,161
Crocus-Serv (Pty) Ltd	**–**	–	**56,431**	(14,020)
Africibum Co (Pty) Ltd	**–**	–	**40,134**	40,134
Virgo Business Solutions (Pty) Ltd	**–**	–	**93,651**	93,651
	–	–	**4,981,672**	5,458,973
Loans from subsidiaries				
St Vincent Minerals	**–**	–	**(379,192)**	(523,079)
	–	–	**(379,192)**	(523,079)
Loans to/(from) subsidiaries are interest free, unsecured and has no repayment terms				
Loans to joint ventures and associates				
Glenover Phosphate (Pty) Ltd	**–**	781,265	**–**	198,537
SHIP – Concordia	**9,547**	10,994	**–**	–
	9,547	792,259	**–**	198,537
Non-current assets	**9,547**	792,259	**4,981,672**	5,657,510
Non-current liabilities	**–**	–	**(379,192)**	(523,079)

7. OTHER FINANCIAL ASSETS

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Fair value through profit or loss				
Galagen – Ordinary shares	**–**	9	**–**	–
Galagen – B Preference shares	**–**	395,234	**–**	–
Cordoba – BC Ventures	**836,107**	235,149	**836,107**	235,150
Sandfire listed investment	**1,271,476**	1,200,403	**1,271,476**	1,200,403
	2,107,583	1,830,795	**2,107,583**	1,435,553

– Galagen

The above non-listed preference share investment represents the "B" class zero percent coupon rate preference shares issued by Galagen for its investment in Glenover as part of the BBBEE transaction.

Figures in Pound Sterling

7. OTHER FINANCIAL ASSETS (continued)

– Sandfire listed investment

As announced on 16 September 2021, Galileo sold 9 of its Company's Kalahari Copper Belt Licences to Sandfire Resources. As part of the consideration Sandfire issued 370,477 Sandfire ordinary shares to the Company. Sandfire Resources is an Australian listed company and have an enviable track record of copper/gold discovery, development execution and operation.

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Amortised cost				
Star Zinc	**17,928**	116,327	**17,928**	17,928
Shinganda	**430,523**	1,680	**430,523**	1,680
Oval Mining	**–**	45,815	**–**	45,815
	448,451	163,822	**448,451**	65,422
Non-current assets				
At fair value through profit or loss	**2,107,583**	1,830,795	**2,107,583**	1,435,553
At amortised cost	**448,451**	163,822	**448,451**	65,422
Total other financial assets	**2,556,034**	1,994,617	**2,556,034**	1,500,975

Fair value hierarchy of financial assets at fair value through profit or loss.

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy, which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets, which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs, which are not based on observable market data.

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Level 1				
Sandfire listed investment	**1,271,476**	1,200,403	**1,271,476**	1,200,403
	1,271,476	1,200,403	**1,271,476**	1,200,403
Level 3				
Galagen – Ordinary shares	**–**	9	**–**	–
Galagen – B Preference shares	**–**	395,234	**–**	–
Cordoba – BC Ventures	**–**	235,149	**–**	235,149
	–	630,392	**–**	235,149

Figures in Pound Sterling

7. OTHER FINANCIAL ASSETS (continued)

Reconciliation of financial assets at fair value through profit or loss measured at level 1

	Group – 31 March 2023				
	Opening balance	**Additions**	**Foreign exchange movement**	**Gains or losses in profit or loss**	**Total**
Sandfire listed investment	**1,200,403**	**–**	**(169,736)**	**240,810**	**1,271,477**
	1,200,403	**–**	**(169,736)**	**240,810**	**1,271,477**

	Group – 31 March 2022				
	Opening balance	Additions	Foreign exchange movement	Gains or losses in profit or loss	Total
Sandfire listed investment	–	1,059,000	28,705	112,698	1,200,403
	–	1,059,000	28,705	112,698	1,200,403

Reconciliation of financial assets at fair value through profit or loss measured at level 3

	Group – 31 March 2023				
	Opening balance	**Foreign exchange movement**	**Additions**	**Reclassified to Available for Sale Asset**	**Total**
Galagen – Ordinary shares	**9**	**1**	**–**	**(10)**	**–**
Galagen – B Preference shares	**395,234**	**25,141**	**–**	**(420,375)**	**–**
Cordoba – BC Ventures	**235,149**	**–**	**600,958**	**–**	**836,107**
	630,392	**25,142**	**600,958**	**(420,385)**	**836,107**

	Group – 31 March 2022				
	Opening balance	Foreign exchange movement	Additions	Reclassified to Available for Sale Asset	Total
Galagen – Ordinary shares	8	1	–	–	9
Galagen – B Preference shares	370,093	25,141	–	–	395,234
Cordoba – BC Ventures	–	–	235,149	–	235,149
	370,101	25,142	235,149	–	630,392

The Group has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

Figures in Pound Sterling

8. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	31 March 2023			31 March 2022		
	Loans and receivables	**Fair value through profit or loss**	**Total**	Loans and receivables	Fair value through profit or loss	Total
GROUP						
Other financial assets	**448,451**	**2,107,583**	**2,556,034**	163,821	1,830,795	1,994,616
Trade and other receivables	**284,923**	**–**	**284,923**	119,856	–	119,856
Cash and cash equivalents	**1,435,511**	**–**	**1,435,511**	4,648,995	–	4,648,995
	2,168,885	**2,107,583**	**4,276,468**	4,932,672	1,830,795	6,763,467

	31 March 2023			31 March 2022		
	Loans and receivables	**Fair value through profit or loss**	**Total**	Loans and receivables	Fair value through profit or loss	Total
COMPANY						
Loans to Group Companies	**4,981,672**	**–**	**4,981,672**	5,657,509	–	5,657,509
Other financial assets	**448,451**	**2,107,583**	**2,556,034**	65,422	1,435,553	1,500,975
Trade and other receivables	**278,566**	**–**	**278,566**	–	–	–
Cash and cash equivalents	**303,570**	**–**	**303,570**	1,952,900	–	1,952,900
	6,012,259	**2,107,583**	**8,119,842**	7,675,831	1,435,553	9,111,384

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
9. TRADE AND OTHER RECEIVABLES				
Trade receivables	**284,923**	119,886	**278,566**	–
	284,923	119,886	**278,566**	–

Figures in Pound Sterling

	Group 31 March 2023	Group 31 March 2022	Company 31 March 2023	Company 31 March 2022
10. CASH AND CASH EQUIVALENTS				
Cash and cash equivalents consist of:				
Bank balances	**1,435,511**	4,648,995	**303,570**	1,952,900
	1,435,511	4,648,995	**303,570**	1,952,900
Credit quality of cash at bank and short-term deposits, excluding cash on hand.				
The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:				
Credit rating				
F1 + (ZAF)	**1,435,511**	4,648,995	**303,570**	1,952,900
	1,435,511	4,648,995	**303,570**	1,952,900

	Group 31 March 2023	Group 31 March 2022	Company 31 March 2023	Company 31 March 2022
11. SHARE CAPITAL				
Authorised share capital				
Unlimited ordinary shares of 0.01 pence (2021: 0.01 pence)				
Issued share capital				
Reported as at 1 April 2022	**1,096,946,844**	911,976,317	**1,096,946,844**	911,976,317
Share issues	**63,741,609**	184,970,527	**63,741,609**	184,970,527
Reported as at 31 March 2023	**1,160,688,453**	1,096,946,844	**1,160,688,453**	1,096,946,844
Reconciliation of share capital:				
Ordinary shares of 0.1p	**1,160,276**	1,096,534	**1,160,276**	1,096,534
Deferred shares of 4.9p	**5,610,634**	5,610,634	**5,610,634**	5,610,634
Share premium	**25,982,620**	25,289,562	**25,982,620**	25,289,562
	32,753,530	31,996,730	**32,753,530**	31,996,730

Figures in Pound Sterling

11. SHARE CAPITAL (continued)

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

Date	Number of ordinary shares	Issue price pence	Purpose of issue
Opening balance	**1,096,946,844**		
10-Mar-22	13,741,609	1.09	Acquisition
10-Aug-22	50,000,000	1.20	Acquisition
Closing balance	**1,160,688,453**		
Post the period under review the Company issued the following ordinary shares 12-Sep-23	2,500,000	1.18	Acquisition
Total issued shares at the date of this report	**1,163,188,453**		

During the period under review the Company issued 63,741,609 ordinary shares as consideration for acquisitions (2022: 133,666,664 ordinary shares to raise £1,904,750 net of costs of £100,250.)

A total of 2,500,000 shares were issued post year end.

12. SHARE-BASED PAYMENTS

Share Options

	Group and Company	
Description	**31 March 2023**	31 March 2022
Outstanding at the beginning of the year	**58,700,000**	68,400,000
Options lapsed	**–**	(9,700,000)
Granted during the year	**–**	–
– 28 July 2022 at a price of 1.35 pence per option	**39,000,000**	–
– 28 November 2022 at a price of 2.25 pence per option	**1,000,000**	–
Outstanding and exercisable at the end of the year	**98,700,000**	58,700,000

On 28 July 2022, the Company granted 39,000,000 new options to employees, consultants and management at a strike price of 1.35 pence. The options vest immediately and expire on 25 July 2025.

On 28 November 2022, the Company granted 1,000,000 new options to employee, consultants and management at a strike price of 2.25 pence. The options vest immediately and expire on 25 November 2027.

The fair value of options issued was determined by using the Black-Scholes Valuation Model.

Figures in Pound Sterling

12. SHARE-BASED PAYMENTS (continued)

The following inputs were used:

	2022	2022	2020	2020	2020	2020
Strike price in pence	2.25	1.35	1.30	1.80	1.45	1.85
Average spot at grant date (pence)	1.35	0.93	0.83	0.83	0.75	0.75
Expected volatility	72%	72%	87%	87%	98%	98%
Expected option life	5	5	5	5	5	5
Expected dividends	–	–	–	–	–	
The risk free interest rate	1.73%	1.73%	0.29%	0.29%	0.29%	0.29%
Value of the option	0.48	0.48	0.49	0.44	0.47	0.44

A summary of options held by directors at year end is given below:

	Strike price					
Director	**1.35**	**1.30**	**1.80**	**1.45**	**1.85**	**Total**
Colin Bird	15,000,000	7,500,000	7,500,000	4,000,000	4,000,000	23,000,000
Richard Wollenberg	–	750,000	750,000	500,000	500,000	2,500,000
Chris Molefe	1,000,000	500,000	500,000	300,000	300,000	1,600,000
Joel Silberstein	4,000,000	–	–	1,000,000	1,000,000	2,000,000
Edward Slowey	5,500,000	500,000	500,000	1,500,000	1,500,000	4,000,000
	25,500,000	**9,250,000**	**9,250,000**	**7,300,000**	**7,300,000**	**33,100,000**

A summary of options held by directors at the last practicable date is given below:

	Strike price					
Director	**1.35**	**1.30**	**1.80**	**1.45**	**1.85**	**Total**
Colin Bird	15,000,000	7,500,000	7,500,000	4,000,000	4,000,000	23,000,000
Richard Wollenberg	–	750,000	750,000	500,000	500,000	2,500,000
Chris Molefe	1,000,000	500,000	500,000	300,000	300,000	1,600,000
Joel Silberstein	4,000,000	–	–	1,000,000	1,000,000	2,000,000
Edward Slowy	5,500,000	500,000	500,000	1,500,000	1,500,000	4,000,000
	25,500,000	**9,250,000**	**9,250,000**	**7,300,000**	**7,300,000**	**33,100,000**

Warrants

At year-end the Company had the following warrants outstanding:

Issue date	**Number of warrants**	**Subscription price (pence)**	**Expiry date**
01-Jun-21	3,341,666	2.25	01-Jun-23
01-Jun-21	66,833,332	2.25	01-Jun-23
	70,174,998		

10,000,000 warrants with a subscription price of 2.00 pence each were brought forward from the previous year but expired on 15 October 2022.

Post year end the Company had no warrants outstanding.

Figures in Pound Sterling

12. SHARE-BASED PAYMENTS (continued)

New warrants granted are valued using the Black Scholes model, a commonly used option-pricing model. The calculation of volatility used in the model is based upon the share price and equity instrument movements during the financial period. The following factors were taken into consideration when the warrants were valued:

Issue price (pence)	2.25
Share price at issue date (pence)	1.48
Expected volatility	93%
Expected warrant life (years)	2.0
Expected dividends	–
The risk free interest rate	1.73%
Value of the warrant	0.57

Reconciliation of the share-based payment reserve

Group and Company

	Options £	Warrants £	Total £
Balance at 1 April 2021	420,388	145,986	566,374
New options granted	–	–	–
Options lapsed	(149,793)	–	(149,793)
Warrants expired	–	(91,196)	(91,196)
New warrants issued	–	27,560	27,560
Warrants exercised	–	(33,789)	(33,789)
Balance at 1 April 2022	270,595	48,561	319,156
New options granted	185,200	–	185,200
Options lapsed	–	–	–
Warrants expired	–	–	–
New warrants issued	–	–	–
Warrants exercised	–	–	–
Balance 31 March 2023	455,795	48,561	504,356

13. FOREIGN CURRENCY TRANSLATION RESERVE

Translation reserve comprises exchange differences on consolidation of foreign subsidiaries, foreign exchange profits or losses on inter-company loan accounts and revaluation of foreign intangibles recognised as part of a business combination.

	Group	
	31 March 2023	31 March 2022
Exchange differences on consolidation of foreign subsidiaries	**756,514**	1,067,373
Foreign exchange profits or losses on inter-company loan accounts	**(1,980,788)**	(1,409,364)
Foreign intangibles recognised as part of a business combination	**93,194**	48,815
	(1,131,080)	(293,176)

Figures in Pound Sterling

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
14. OTHER FINANCIAL LIABILITIES				
Held at amortised cost				
Fer-Min-Ore	**5**	6	**–**	–
	5	6	**–**	–
Non- current liabilities				
At amortised cost	**5**	6	**–**	–
15. TRADE AND OTHER PAYABLES				
Trade and other payables	**85,719**	31,649	**73,353**	21,811
Accrued expense	**27,154**	74,583	**24,885**	74,583
Withholding tax payable	**64,542**	–	**–**	–
	177,415	106,232	**98,238**	96,394

16. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Group – 31 March 2023		Group – 31 March 2022	
	Financial liabilities at amortised cost	**Total**	Financial liabilities at amortised cost	Total
Other financial liabilities	**5**	**5**	6	6
Trade and other payables	**177,410**	**177,410**	106,232	106,232
Taxation	**–**	**–**	274,250	274,250
	177,415	**177,415**	380,488	380,488

	Company – 31 March 2023		Company – 31 March 2022	
	Financial liabilities at amortised cost	**Total**	Financial liabilities at amortised cost	Total
Trade and other payables	**98,238**	**98,238**	96,395	96,395
Loans from group companies	**379,192**	**379,192**	523,097	523,097
	477,430	**477,430**	619,492	619,492

Figures in Pound Sterling

	Group 31 March 2023	Group 31 March 2022	Company 31 March 2023	Company 31 March 2022
17. OPERATING LOSS				
Operating loss for the year is stated after accounting for the following:				
Premises – contractual amounts	**32,633**	25,266	**25,200**	25,200
Employee costs – including management	**101,631**	110,454	**101,631**	110,454
(Profit)/loss on exchange differences	**8,678**	(33,809)	**8,678**	(33,809)
Share based payment expense	**185,200**	–	**185,200**	–
18. INVESTMENT REVENUE				
Dividends received	**–**	332,904	**1,350,866**	–
Interest received	**90,096**	–	**–**	–
	90,096	332,904	**1,350,866**	–
19. TAXATION				
NORMAL TAXATION				
Current period provision	**88,865**	(274,250)	**(67,242)**	–
Total current tax (expense) / credit	**88,865**	(274,250)	**(67,242)**	–
DEFERRED TAXATION				
Originating from reversal of temporary differences	**-**	425,813	**–**	–
Total deferred tax	**-**	425,813	**–**	–
Total tax (expense) / credit	**88,865**	151,563	**(67,242)**	–
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting (loss)/profit	**(1,555,395)**	1,391,013	**405,759**	(1,411,230)
Tax at the applicable tax rate	**(295,525)**	247,461	**77,094**	(268,134)
Tax effect of adjustments on taxable income				
Expenses not allowed for tax purposes	**91,731**	1,451	**91,731**	1,100
Withholding tax	**67,242**	–	**67,242**	–
Overprovision of prior year tax	**156,107**	–	**–**	–
Tax on equity accounted (profits)/losses	**145,383**	(610,557)	**–**	–
Non-taxable income	**(70,083)**	(31,126)	**(270,168)**	(33,253)
Tax losses carried forward	**(183,720)**	667,021	**101,343**	300,287
Total current tax expense/(credit)	**(88,865)**	274,250	**67,242**	–

Figures in Pound Sterling

19. TAXATION (continued)

	Group	
	31 March 2023	31 March 2022
DEFERRED TAXATION		
Deferred tax liability	–	425,813
Reconciliation of deferred tax liability		
Opening balance	–	425,813
Deferred tax arising from assets held for sale	–	–
Deferred tax recognised on profit on sale of assets	–	(425,813)
Closing balance	–	–

As announced on 16 September 2021, Galileo concluded the sale of 9 of its Company's Kalahari Copper Belt Licences to Sandfire Resources. As part of the transaction, during the previous financial year when the transaction was still subject to certain conditions precedent the Company recognised a deferred tax liability in the amount of £425,813. The transaction was completed during 2022 and the corresponding tax charge recognised in profit or loss.

The applicable tax rate is calculated with reference to the weighted average tax rate across the reporting jurisdictions for the period under review. The weighted average tax rate for the year under review was 19% (2022: 17.79%). No provision has been made for 2023 tax as the Group has no taxable income. The estimated Group tax losses available for set off against future taxable income is in excess of £5,000,000. The Group has not reflected a deferred tax asset in respect of the losses carried forward as the Group is not expected to generate taxable profits in the foreseeable future.

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022

20. AUDITORS' REMUNERATION

	Group 31 March 2023	Group 31 March 2022	Company 31 March 2023	Company 31 March 2022
Current year	**30,000**	31,750	**30,000**	31,750
Prior year underprovision	**53,332**	–	**53,332**	–
	83,332	31,750	**83,332**	31,750

21. OTHER COMPREHENSIVE INCOME

Components of other comprehensive income	**Group – 31 March 2023**			Group – 31 March 2022		
	Gross	**Tax**	**Net**	Gross	Tax	Net
Exchange differences through other comprehensive income	**(837,904)**	**–**	**(837,904)**	483,319	–	483,319

22. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

	Group	
	31 March 2023	31 March 2022
Reconciliation of profit attributable to equity holders of the parent to loss for the year		
Profit for the year attributable to equity holders of the parent	**(2,302,438)**	2,025,895
Adjusted for:		
Foreign exchange differences on translation of foreign operations during the year	**837,904**	(483,319)
Other adjustments	**(1,996)**	–
Profit/(loss) for the year	**(1,466,530)**	1,542,576
Weighted average number of shares in issue	**1,130,693,464**	1,038,799,984
Basic (loss)/earnings per share (pence)	**(0.13)**	0.15

Figures in Pound Sterling

23. CASH USED IN OPERATIONS

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Profit/(loss) before taxation	**(1,555,395)**	1,391,013	**405,759**	(1,411,230)
Adjustments for:				
Losses on disposal of intangible asset	**(291,759)**	–	**–**	–
(Profit)/ loss from equity accounted investments	**765,172**	(3,433,034)	**–**	–
Dividends received from trading	**–**	(332,904)	**(1,350,866)**	–
Interest Income	**(90,096)**	–	**(3)**	–
Fair value gains	**(71,073)**	(141,205)	**(71,073)**	(141,205)
Provision for impairment	**274,314**	495,842	**274,314**	495,842
Loss on sale of non-current assets	**–**	1,266,967	**–**	472,752
Foreign exchange differences	**(531,371)**	(28,866)	**–**	(15,501)
Share based payment expenses	**193,999**	–	**193,999**	–
Other non-cash items	**–**	–	**–**	–
Shareholder dividends received	**–**	–	**–**	–
Changes in working capital:				
Trade and other receivables	**(165,067)**	(118,497)	**(278,563)**	–
Trade and other payables	**71,176**	(537)	**1,842**	(117,275)
Cash generated from/(used) in operations	**(1,400,100)**	(901,221)	**(824,591)**	(716,617)
Tax Paid	**(185,386)**	–	**(67,242)**	–
Net finance costs/(income)	**90,096**	–	**4**	–
Net cash generated from/(used) in operations	**(1,495,390)**	(901,221)	**(891,829)**	(716,617)

During the year the Company issued 63,741,609 shares for £756,800 net of issue costs as consideration for acquisitions in non-cash transactions.

24. COMMITMENTS

The Group had no material commitments at the year-end date.

Figures in Pound Sterling

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
25. RELATED PARTY BALANCES AND TRANSACTIONS				
Loan accounts – owed by related parties				
– Galileo Resources SA (Pty) Ltd	**–**	–	**4,777,152**	4,927,425
– Skiptons Global Investment Ltd	**–**	–	**14,304**	12,160
– Glenover	**–**	961,509	**–**	274,314
– SHIP – Concordia	**9,547**	10,994	**9,547**	10,994
– Crocus-Serv (Pty) Ltd	**–**	–	**56,431**	(14,020)
– Virgo Business Solutions (Pty) Ltd	**–**	–	**93,651**	93,651
– Xtract Resources Plc, a company incorporated in England & Wales in which Colin Bird & Joel Silberstein are directors, in respect of a current other receivables balance.	**45,815**	–	**45,815**	–
Amounts paid – to related parties				
– Lion Mining Finance Limited ("LMF") Galileo paid rent and administrative service cost to LMF. Colin Bird is a director of both Galileo and LMF.	**32,633**	25,200	**32,633**	25,200
– Colin Bird During the period under review the Company issued 5 000 000 ordinary shares to Colin Bird pursuant to his exercise of 5 000 000 warrants at a strike of 6 pence per warrant.	**–**	30,000	**–**	30,000
During the period under review the Company issued 10 570 862 ordinary shares to Colin Bird in lieu of accrued director remuneration.	**–**	–	**–**	–
– Richard Wollenberg During the period under review the Company issued 5 854 170 ordinary shares to Richard Wollenburg in lieu of accrued director remuneration.	**–**	41,250	**–**	41,250

Refer to the directors report on page 30 of this report for details of options granted to directors during the period.

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
26. EMPLOYEE COST				
Employees	**18,000**	14,200	**18,000**	14,200
Senior management	**66,000**	92,040	**66,000**	65,378
Average number of employees excluding directors	**1**	2	**1**	2

Figures in Pound Sterling

27. DIRECTORS' REMUNERATION

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Executive				
Colin Bird	**48,542**	36,500	**48,542**	36,500
Edward Slowey	**18,000**	19,000	**18,000**	19,000
Joel Silberstein	**45,000**	41,500	**45,000**	41,500
Subtotal	**111,542**	97,000	**111,542**	97,000
Non-executive				
Christopher Molefe	**15,000**	16,000	**15,000**	16,000
Richard Wollenberg	**15,000**	15,000	**15,000**	15,000
Subtotal	**30,000**	31,000	**30,000**	31,000
Total	**141,542**	128,000	**141,542**	128,000

At year end an amount of £nil (2022: £42 083) was accrued towards outstanding director fees payable as follows:

	Group		Company	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
Colin Bird	–	22,500	–	22,500
Richard Wollenberg	–	15,833	–	15,833
Chris Molefe	–	3,750	–	3,750
Total	–	42,083	–	42,083

Refer to note 4 of the directors' report, for directors' interests in the Company's share option scheme.

The Company received shareholder approval to issue shares to directors in lieu of Deferred Fees. Shares issued in lieu of Deferred Fees will be issued on a quarterly basis for services that have been provided to the Company during that month (payment in arrears). The shares shall be issued at a price representing the monthly average weighted share price over the month during which the services have been rendered. Refer to note 25 of this report for details of shares issued to directors in 2022 in lieu of arrear director remuneration.

28. RISK MANAGEMENT

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of cash and cash equivalents disclosed in note 10 and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

Figures in Pound Sterling

28. RISK MANAGEMENT (continued)

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out under policies approved by the Board. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Group's risk to liquidity is a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the Group's financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group

At 31 March 2023	Less than 1 year	Between 2 and 5 years
Trade and other payables	**177,415**	**–**
Other financial liabilities	**–**	**5**

At 31 March 2022	Less than 1 year	Between 2 and 5 years
Trade and other payables	380,484	–
Other financial liabilities	–	6

Company

At 31 March 2023	Less than 1 year	Between 2 and 5 years
Trade and other payables	**98,238**	**–**

At 31 March 2022	Less than 1 year	Between 2 and 5 years
Trade and other payables	96,395	–

Interest rate risk

The Group's interest rate risk arises from cash held and short-term deposits. The Company does not face any significant interest ate risk as it has no borrowings.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Figures in Pound Sterling

28. RISK MANAGEMENT (continued)

Financial assets exposed to credit risk at year-end were as follows:

	Group		Company	
Financial instrument	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Trade and other receivables	**284,923**	119,856	**278,566**	–
Cash and cash equivalents	**1,435,511**	4,648,995	**303,570**	1,952,900
Other financial assets	**2,556,034**	1,994,617	**2,556,034**	1,500,975
Loans to Group companies and other related entities	**9,457**	792,259	**4,981,672**	5,657,509

Foreign exchange risk

The Group is exposed to fluctuations in foreign currencies arising from having deposits in various currencies as well as the purchase of goods and services in currencies other than the Group's measurement currency.

Galileo Group operates internationally, and the USD exposed to foreign exchange risk arising from various currency exposures primarily with respect to the ZAR, the AUD, the CAD, the USD, the ZMW and Pound Sterling. Galileo Group is exposed to currency risk on cash reserves, deposits received, trade receivables, and trade payables. The most significant of these being the inter-company loans, which it holds with its subsidiaries Galileo Resources SA (ZAR) and St Vincent Minerals (CAD and USD).

The Group does not hedge its foreign exchange on funding of projects as management is of the opinion that it would not have reduced these foreign currency fluctuations. Currency movements mainly include movements that arise as a result of South African Rand denominated projects that are revalued at each period end.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. This minimises the sensitivity to the exchange risk.

The table below classifies the Group's foreign currency risk between the different functional currencies as at year-end, and the respective balance thereof: Exchange rates used for conversion of foreign items were:

ZAR: £ (Average)	1:0.0489	(2022: 1:0.0493)
ZAR: £ (Spot)	1:0.0454	(2022: 1:0.0524)
USD: £ (Average)	1:0.8295	(2022: 0.7319)
USD: £ (Spot)	1:0.8086	(2022: 1:0.7615)
BWP: £ (Average)	1:0.0660	(2022: 1:0.0660)
BWP: £ (Spot)	1:0.0624	(2022: 1:0.0675)

The Group reviews its foreign currency exposure, including commitments on an ongoing basis.

29. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the Company and that the operations have the continued support of the holding company.

The directors have also considered the Group's ability to fund its planned projects and general operating costs. They consider the Group as sufficiently funded and anticipate that as projects come on line, the new cash raised will be sufficient to further develop current and future planned projects and provide adequate working capital. Throughout the development of projects, executive management and the directors will monitor the timing and funding requirements of each project to ensure that the Group remains a going concern.

Figures in Pound Sterling

30. SEGMENTAL REPORTING ON INCOME AND LOSSES ATTRIBUTABLE TO VARIOUS OPERATIONAL SEGMENTS

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 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:

		31 March 2023	31 March 2022
Rare earths, aggregates and iron ore and manganese	**South Africa**	**(717,323)**	3,433,034
Copper	**Botswana**	**110,901**	117,599
Gold	**United States**	**(9,892)**	8,170
Copper and corporate costs	**United Kingdom**	**(939,081)**	(2,167,790)
Gold & lithium	**Zimbabwe**	**–**	–
Total		**(1,555,395)**	1,391,013

Geographical segments

An analysis of total liabilities:

		31 March 2023	31 March 2022
Rare earths, aggregates and iron ore and manganese	**South Africa**	**(64,542)**	–
Copper	**Botswana**	**(4,794)**	(274,250)
Gold	**United States**	**–**	–
Corporate costs	**United Kingdom**	**–**	(106,232)
Gold & lithium	**Zimbabwe**	**(108,074)**	–
Total		**(177,410)**	(380,482)

Geographical segments

An analysis of Total assets:

		31 March 2023	31 March 2022
Rare earths, aggregates and iron ore and manganese	**South Africa**	**3,459,946**	6,601,178
Copper	**Botswana**	**1,481,683**	1,629,307
Gold	**United States**	**1,613,873**	1,396,831
Copper	**Zambia**	**2,508,201**	1,059,311
Copper and corporate costs	**United Kingdom**	**2,743,833**	3,445,545
Gold & lithium	**Zimbabwe**	**846,377**	235,249
Total		**12,653,913**	14,367,421

Figures in Pound Sterling

31. SUBSEQUENT EVENTS

Addendum signed to Afrimat Option to acquire shares in Glenover

On 23 June 2023, the Company informed shareholders on progress in relation to JSE Listed Afrimat Limited's ("Afrimat") option to buy for ZAR300 million (approx. GBP12.8M) shares in and shareholder loans ("Sale Claims") made to Glenover Phosphate Proprietary Limited ("Glenover") ("Afrimat's Option") in which Galileo has a 30.7% direct and 4.99% indirect investment held via Galagen Proprietary Limited.

The parties on 21 June 2023 have signed an addendum to the conditional sale of shares and shareholders loan agreement between Afrimat, Glenover and the shareholders of Glenover which gave rise to Afrimat's Option (the "Addendum") which confirms that the Sale Claims and Share sale consideration will be settled as below.

Payment Date	Payments due	Conditions
15 Business days after 21 June 2023	First tranche payment of ZAR150 million (approx. GBP6.4M) in respect of Sales Claims to be settled by the issue of Afrimat shares calculated on a 30-day volume weighted average price ("VWAP") on the payment date. Galileo's estimated portion will be approximately ZAR50 million (approx. GBP2.1M).	None
30 April 2024	Second tranche payment of ZAR147 million (approx. GBP6.3M) in respect of Sales Claims to be settled in cash. Galileo's estimated portion will be approximately ZAR49 million (approx. GBP2.1M).	None
30 April 2024	Cash consideration of ZAR3 million (approx. GBP128K) in respect of the Glenover shares subject to the fulfilment of the suspensive conditions (Note 1) Galileo's estimated portion will be approximately ZAR1 million (approx. GBP42K).	Fulfilment of suspensive conditions

Note 1: *The suspensive conditions applicable to the sale of Glenover shares are:*

i) the Approval in terms of section 11 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 ("MPRDA"); and

ii) the completion of the 30 June 2023 audited financial statements and collation of all company documentation on or before 30 April 2024.

Joint Venture Option exercised and further progress/plans at Shinganda Copper-Gold Project, Zambia

On 27 June 2023, the Company announced that it had exercised the option to enter a Joint Venture and will be issued a 51% interest over the Shinganda Project Copper-Gold Project, Zambia ("Project") following the expenditure of more than US$500,000 in direct exploration costs and will enable the Company to increase its equity interest in the Project to a percentage ranging from 65 to 85 per cent depending on the size of any future discovery. Work has also been stepped up to fast-track several further copper-gold targets to drill-ready stage within the Project area.

Joint Venture Agreement & Issue of shares

On 05 September 2023, the Company announced that it had Galileo yesterday entered into a joint venture agreement with Cooperlemon Consultancy Limited ("**Cooperlemon**") in relation to the exploration for copper at large scale exploration license 28001-HQ-LEL in Northwest Zambia (the "**Licence**"). Under the joint venture agreement ("JV Agreement"), the Company agreed the following key terms:

Earn-in and Phase 1 exploration budget: Galileo will earn a 65% interest in the joint venture by;

i) An immediate cash payment of US$230,000 to Cooperlemon;

ii) funding exploration expenditure over an initial eighteen month period ("**Phase 1**") on the Licence of not less than US$750,000.

iii) the issue of 2,500,000 Galileo Resources plc shares (the "**Consideration Shares**") at a price of 1.175 pence per share being the closing Galileo share price on 4 September 2023 (totalling £29,375). The Consideration Shares are subject to a three month lock up arrangement and thereafter a further three months orderly market arrangement

Figures in Pound Sterling

31. SUBSEQUENT EVENTS (continued)

If the Phase 1 exploration results are successful and prove the continuity of mineralisation at grades suggesting the potential for the future development of a Mineral Resource of not less than 500,000 tonnes of contained copper, consistent with economic recovery at the depth of discovery with a minimum internal rate of return of not less than 25% and a payback period not exceeding 42 months (including the recovery of capital expenditure), then there will be a second two year exploration period ("**Phase 2**").

Phase 2 exploration budget: The Phase 2 exploration expenditure of US$1.5 million will also be funded by Galileo who will be the operator of the Licence for the duration of the Agreement.

Consequence of Trade Sale: If there is a trade or any other sale of the Licence and/or the Joint Venture during Phase 1 of the joint venture then Galileo will be deemed to have a 55% interest in the Joint Venture. A sale requires the agreement of both Galileo and Cooperlemon.

32. ASSETS HELD FOR SALE

On 20 October 2022, the Company announced Afrimat had agreed to exercise the option to acquire the shares of Glenover. refer to Note 5 for further details. Therefore, Glenover has met the criteria to be classified as held for sale and is measured at the lower of carrying amount and fair value less costs to sell.

As the investment was previously treated as investment in joint venture under equity accounting there is no profit or loss on discontinued operations.

The assets and liabilities held for sale in the financial statements are the following major balances:

	Group		Company	
Statement of financial position	**31 March 2023**	31 March 2022	**31 March 2023**	31 March 2022
Net investment in Glenover	**2,323,807**	–	**–**	–