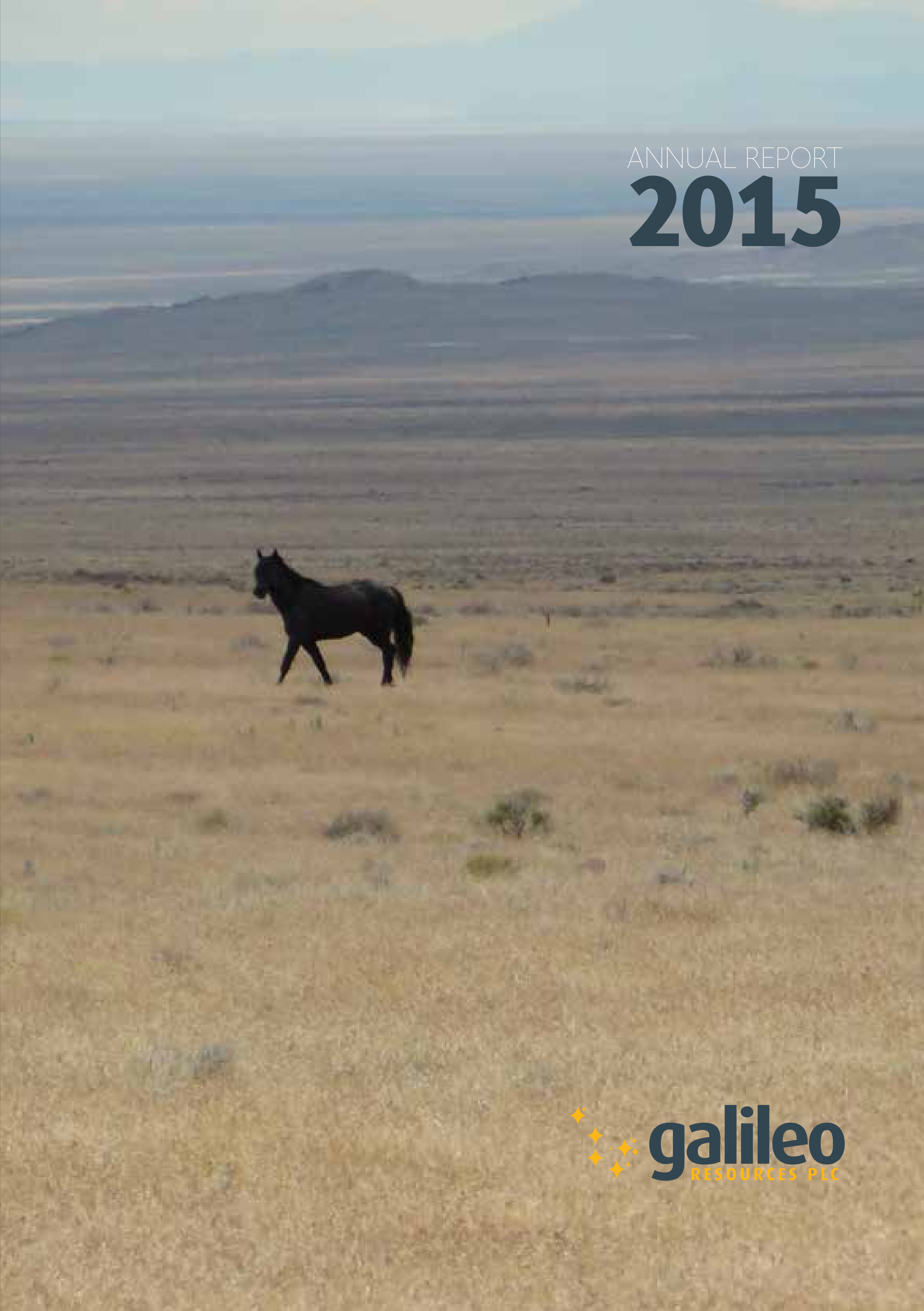
ANNUAL REPORT 2015



galileo RESOURCES PLC

Contents

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

Director
Colin Bird – *Chairman and CEO*
Brian Gavin – *Chief Executive Officer* (deceased 29 October 2014)
Andrew Sarosi – *Finance and Technical Director*
Christopher Molefe – *Non-Executive Director*
John Richard Wollenberg – *Non-Executive Director*

Secretarial Services
Capita Asset Services
34 Beckenham Road
Beckenham, Kent, BR3 4TU

Bankers
National Westminster Bank Plc
186 Brompton Road
London, SW3 1XJ

Registered Office
United Kingdom
4th Floor
2 Cromwell Place
London, SW7 2JE

South Africa
7 Einstein Street
Highveld Techno Park
Centurion, 0157

Auditors
Chapman Davis LLP
2 Chapel Court
London, SE1 1HH

Nominated Advisor
Beaumont Cornish Limited
2nd Floor, Bowman House
29 Wilson Street, London, EC2M 2SJ

Joint Broker
Beaufort Securities Ltd
131 Finsbury Pavement
London, EC2A 1NT

Joint Broker
Daniel Stewart & Company Plc
Becket House
36 Old Jewry
London, EC2R 8DD

Registrars
Neville Registrars
Neville House, 18 Laurel Lane
Halesowen, West Midlands, B63 3DA

UK Solicitors to the Company
Morgan Cole LLP
Bradley Court, Park Place
Cardiff, CF10 3DR

Incorporation No: 05679987

Strategic Report – Chairman's Report

Colin Bird
Chairman

Dear Shareholder

The key event during the year under review was the completion of the acquisition of St Vincent Minerals Inc. ("SVM") who have the ownership of the Gabbs copper/gold project in Nye County, Nevada. The property has a regulatory compliant resource and is open ended in all directions for resource expansion.

Notwithstanding Gabbs, the SVM acquisition has an emerging portfolio of properties whose potential worth is significant and justifies further exploration. The key portfolio project is Ferber, which is in north eastern Nevada and is close by Mount Kinsley, which is showing major potential as a gold exploration site. Mount Kinsley is majority owned by PilotGold who are conducting extensive drill programmes and other work to advance the project. There is an emerging belief that a new Carlin Trend may exist with a possible continuity to the Newmont Mining Long Canyon developing mine.

Our Crow Springs project is very interesting and is the site of many mineralisation types. There is a strong geological argument for a concealed porphyry and significant molybdenum shows have been found. The area has not benefitted from significant investigation and as such the potential for discovery of current day mineralisation models is high. A considerable area of the property contains high potential monzonite, which has been minimally explored.

Our Silverton project is intriguing with large areas of elevated gold anomalies and a minimally tested highly prospective shear zone.

The Nevada positions represent a potential world-class holding in an environment, which has been prolific in gold and copper production but has not been extensively explored for mineral sources. In many instances throughout Nevada the source of the original mines may well provide tomorrow's new mine impetus.

On 29 October 2014, Brian Gavin our Chief Executive Officer suddenly passed away. Brian came as part of St Vincent Minerals Inc. and Galileo looked forward to working with him to develop the SVM portfolio and other acquisitions. The Company extends deepest sympathies to his St Vincent Minerals Inc. colleagues and to his family.

We have elected to dispose of our position in the Glenover Rare-Earth Project because of the current and future forecasted low rare-earth prices. The extended low price forecast together with the processing and marketing complexities make the Glenover project more suitable for a company specialising in the rare-earth business. The Glenover project, from a technical and commercial prospective, is generally superior to its peers and our partners Fer-Min-Ore combined with other potential industry players are more suited to advance the project. We therefore granted Fer-Min-Ore an option to work with our potential industry partners, agreeing to sell our interest.

The small-cap mining industry, in my experience, has suffered many ups and downs but none as drastic and prolonged as the one currently being experienced. It is little consolation that the major mining companies have also suffered extreme changes of fortune for the worse. Commodity prices are being driven down by an almost unstoppable force, which is relentless and quite alarming. It is in these times that the brave prosper and as such the Board continues to search out opportunities, which current conditions have presented like never before.

During the period under review the Company lost £10,726,785, of which £10,166,000 relates to a downward adjustment to intangible assets to reflect its realisable value, which represents 9.4p per share against the loss in 2014 of 4.7p per share.

I would like to thank my colleagues for their support hoping that the fundamentals of our industry will change and that our efforts will deliver considerable enhanced shareholder value for our shareholders in the coming year.

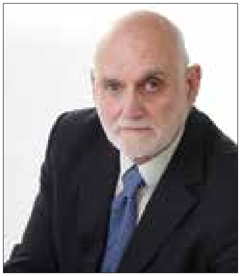
Colin Bird
Chairman

4 September 2015

Strategic Report – Operations Report

SUMMARY

- The Company completed the acquisition of Toronto incorporated St Vincent Minerals Inc. ("SVM"), with its highly prospective copper/gold projects in Nevada, USA. The transaction, which was by way of share exchange, resulted in SVM shareholders holding approximately 22.88% of the enlarged issued share capital of Galileo.
- The Company is currently focusing on these Nevada copper gold projects.
- Mr Brian Gavin, who was appointed CEO of Galileo on 4 February 2014, sadly died suddenly on 29 October 2014. Colin Bird, Executive Chairman, assumed the duties of CEO of Galileo, a position he held before Mr Gavin took on the role.
- The Company's Glenover Rare-Earth Phosphate Project ("Glenover Project"), at the beginning of the year under review had advanced in association with the Company's partner Fer-Min-Ore Proprietary Limited ("Fer-Min-Ore") to a status where significant new funds together with specific industry expertise were required to progress to feasibility study and development.
- The Company and Fer-Min-Ore commenced seeking a strategic partner to advance the Glenover Project to feasibility study level.
- The Company entered into an exclusive Sale Agreement, with Fer-Min-Ore, in terms of which the Company has offered to sell and Fer-Min-Ore (the "Purchaser") has offered to purchase all the Company's rights, title, interest and shares in the capital of Glenover Phosphate Proprietary Limited, the owner of the Glenover Rare-Earth Phosphate Project ("Provisional Offer") for a purchase consideration of US$4 million (£2.6 million at an exchange rate of £1 to US$1.55) ("Funding").
- The Provisional Offer is subject to meeting certain conditions including the Purchaser obtaining such Funding which will enable it to implement the proposed transaction by 28 February 2016, unless extended by mutual agreement.



Andrew Sarosi
Technical and Finance Director

USA ASSETS

On 15 May 2014, the Company, completed the acquisition of the entire issued share capital of St Vincent Minerals Inc. ("SVM") at an agreed transactional value of CAN$ 4.33 million, the consideration which was by way of share exchange and issue of 26,195,538 new Galileo ordinary shares of 5p each ("Galileo Shares"), at a strike price of 9p, exchange ("the Acquisition"). The Acquisition resulted in SVM shareholders holding approximately 22.88% of the enlarged issued share capital of Galileo. SVM's assets, all in the State of Nevada USA include the 1 million oz gold resource estimate level Gabbs gold-copper deposit ("Gabbs Property") and the Silverton Gold property in Nye County; the prospective Ferber gold-copper property ("Ferber") in Elko County; and the Crow Springs gold property ("Crow Springs") in Esmeralda County. The Acquisition was funded pursuant to a business combination agreement ("Business Combination") signed on 28 January 2014 and as amended by way of a Third Amendment dated 28 April 2014 between Galileo, its then wholly owned Canadian subsidiary 2404119 Ontario Inc. (since renamed St Vincent Minerals Inc.) and SVM.

Mr Brian Gavin, Founder, President and CEO of SVM, who took on the role of CEO of Galileo (4 February 2014) sadly died suddenly on 29 October 2014. Colin Bird assumed again the duties of CEO of the Company, a position held before the acquisition of St Vincent and continued as Executive Chairman of the Company.

Gabbs Property

The Gabbs Property is located in the Fairplay Mining District, on the southwest flank of the Paradise Range, about 9 km (5.6 miles) south-southwest of the town of Gabbs, Nye County, Nevada. The Gabbs Property consists of 355 unpatented lode claims and one patented lode claim, which constitute a 28-square kilometre contiguous claim block containing at least three separate mineralised Au-Cu porphyry deposits and one epithermal gold deposit. Interpretation of extensive geophysical surveys over the Gabbs Property postulates the potential for a major porphyry feeder source at depth for these separate mineralised zones.

Geology

The Gabbs Property is underlain by a stratigraphic sequence of intermediate volcanic rocks and shallow marine sediments that are intruded by a large mafic to ultramafic igneous gabbroic complex. Monzonite bodies intrude the Triassic units and gabbroic complex. These intrusive bodies are extremely significant as they host porphyry style Au-Cu mineralisation found at the Sullivan, Lucky Strike and Gold Ledge mineralised areas on the property. The Car Body prospect by comparison is classified as an epithermal gold system. Overlying the pre-Tertiary (Triassic) rocks are thick sequences of Tertiary intermediate and felsic volcanic rocks.

Gabbs Resource (Reported in Company's 2014 Annual Report)

SVM completed a 2,400 metre (7,875 feet) drilling programme consisting of 10 reverse circulation ("RC") holes in March-April of 2011. The goal of this drilling was to expand the area of known mineralisation at the Lucky Strike area (six holes) and test geophysic IP (induced polarisation) anomalies (four holes) identified by previous owner, Newcrest. Gold mineralisation was encountered in seven of ten holes. Highlights of the three most interesting holes include extension of the mineralisation 2,000 feet (610 metres) at Lucky Strike and encountering mineralisation in a new area identified by an IP anomaly south of the Sullivan mineralised zone. The independently prepared Inferred Mineral Resource estimate (details of which are available on the Company's website www.galileoresources.com) is based on 494 drill hole records, consisting of 397 historical drill holes, 87 drill holes completed by Newcrest and ten RC drill holes recently completed by St Vincent. The historical drill holes do not meet NI 43-101 and CIM guidelines for the public reporting of a mineral resource. Historical drill holes were therefore used only to define the extent of the mineralised deposits, and historical assay grades were not incorporated into the mineral resource estimate. The Mineral Resource estimate for the Gabbs Property is reported at a cut-off grade of 0.40 g/t Au for the oxide deposits and 0.30 g/t Au for the non-oxide deposits (see Table 1). A summary of the mineral resource sensitivity is presented in Table 2.

Table 1 Resource Estimate

Deposit	Au Cut-off g/t	1,000 t	Au g/t	Au 1,000 oz	Cu ppm	AuEq g/t	AuEq 1,000 oz
Sullivan Oxide	0.40	9,935	0.80	254.5	2,463	0.80	254.5
Sullivan Non-Oxide	0.30	10,782	0.47	161.6	2,185	0.83	288.1
Car Body Oxide	0.40	836.5	1.44	38.6	–	1.44	38.6
Car Body Non-Oxide	0.30	44.4	0.78	1.1	–	0.78	1.1
Gold Ledge Oxide	0.40	108.2	0.47	1.6	2,691	0.47	1.6
Gold Ledge Non-Oxide	0.30	760.6	0.61	15.0	1,800	0.91	22.3
Lucky Strike Oxide	0.40	243.5	0.52	4.1	2,479	0.52	4.1
Lucky Strike Non-Oxide	0.30	34,489	0.50	552.6	2,427	0.90	1,002
Total	–	57,199	0.56	1,029	2,342	0.88	1,612

(1) Mineral Resources, which are not mineral reserves, do not have demonstrated economic viability. Environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues may materially affect the estimate of Mineral Resources.

(2) The quantity and grade of reported Inferred Mineral Resources are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as an Indicated or Measured Mineral P&E Mining Consultants Inc. iii St Vincent Minerals Inc. Gabbs Au-Cu Property Report No. 220 Resource, and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.

(3) Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

(4) Mineral Resources are reported within a conceptual pit shell.

(5) Inverse distance weighting of capped composite grades within grade envelopes was used for estimation.

(6) Composite grade capping of 5.00 g/t Au and 9,000 ppm Cu was implemented prior to estimation.

(7) A bulk density of 2.70 t/m^3 was used for tonnage calculations.

(8) A two-year, November 30, 2011 trailing average copper price of US$3.70/lb and a gold price of $1,350.00/oz were used along with an oxide process cost of $6.50/tonne, a sulphide process cost of $9.50/tonne and G&A costs of $2.25/tonne.

(9) An oxide Au recover of 50% and a sulphide Au recovery of 90% were used.

(10) Resources were estimated within an optimised pit shell utilising pit slopes of 45 degrees and mining costs of $1.50/tonne of rock.

*(11) The conversion factor for AuEq: Au+Cu*1.67/10,000.*

Table 2 Summary – Sensitivity To Cut-Off Of Gabbs Resource Estimate

Grade Sensitivity Matrix, Gabbs, Nevada

Cut-off Au g/t Oxide/Non-oxide	Tonnage (1,000 t)	Au (g/t)	Au (1,000 oz)	Cu (ppm)	AuEq (g/t)	AuEq (1,000 oz)
0.60/0.50	20,132	0.82	532	2,740	1.17	756
0.50/0.40	38,528	0.65	806	2,443	0.97	1,208
0.40/0.30	57,199	0.56	1,029	2,342	0.88	1,612
0.30/0.20	85,014	0.46	1,262	2,253	0.77	2,117
0.20/0.10	167,942	0.37	1,977	2,213	0.74	3,972

Exploration upside

PROJECT POTENTIAL HIGHLIGHTS

- Additional "Sullivan-like" porphyry deposits likely to exist across the Gabbs Property.
- Similar geologic signatures combined with induced polarisations surveys indicate a large "feeder" porphyry at depth in a central area of the claims package.
- Adjacent to Paradise Peak existing infrastructure comprising mothballed gold milling facility, power substation and roads.
- Strong potential to create a large regional play through acquisitions and staking programmes.
- Highly prospective geology with significant historic exploration work completed by previous companies (including Newcrest).
- Numerous unexplored epithermal and porphyry targets, including a possible porphyry feeder system at depth.
- Multiple near-surface untested IP anomaly targets.

Ferber Project

On 21 July 2014, the Company executed two Exploration Lease and Option to Purchase Agreements to consolidate its land position at its Ferber project, through its subsidiary, St Vincent Minerals US Inc ("SVMUS"). This increased the Company's position at Ferber to 102 unpatented and 21 patented mining claims covering 2,377 contiguous acres at Ferber from previous 88 unpatented mining claims covering 1,760 acres. Ferber is a historic producer of gold and copper and hosts widespread gold and copper mineralisation.

The Company and SVM Geologists, following site visits and ongoing review of available data identified many geologic similarities with the nearby recent major gold at Long Canyon and at Kinsley Mountain. These discoveries in the region provide strong evidence for a mineralised system at Ferber, which makes the property a compelling target for reinterpretation and subsequent exploration. Ferber is approximately 12 km east of Kinsley Mountain.

Crow Springs

The recent discoveries close to Ferber, by others, of Carlin-type gold discoveries at Long Canyon and Kinsley Mountain have opened up an important new exploration frontier in eastern Nevada. The Long Canyon property was discovered and defined between 2005 and 2011 and is reported to host an estimated 2.2 million ounces of gold.

Newmont Mining purchased the Long Canyon property in 2011 for US$2.33 billion. A re-interpretation of the regional and local geology at Kinsley Mountain, a former producer of gold, and subsequent drilling by others has revealed high grade gold up to 21.3 g/t over 29 m and 10.5 g/t over 42.7 m (Galileo has no ownership interest in either Long Canyon or Kinsley Mountain).

Rhyolite ash flow tuff Silverton Project

Silicified breccia structure Antimony King mine, Silverton Project

Ferber's proximity to the Carlin Trend type mineralisation is attracting the interest of a major USA mining company with a view to possible joint venture interest.

Geology and Mineralisation

Ferber is underlain by a stratigraphic sequence of Pennsylvania-Permian age carbonate units thought to include the Rib Hill Formation, Riepe Spring Formation, Ferguson Mountain Formation, and possibly the Pequop Formation. The sedimentary units are intruded and domed by a multi-phase diorite-quartz monzonite Tertiary-aged igneous complex. The intrusive complex has an exposed footprint of 6.1 km east-west by 1.6 km north-south. A contact metamorphic marble and calc-silicate zone are found at the margin of the intrusive complex. The project area is intersected by a number east-west, north-northwest and north-east trending faults. Copper and gold mineralisation occurs in the following styles: calc-silicate skarn near the intrusive contact, as replacement zones in the marble, in silicified shear zones and veins near contacts, along structures and horizons in silicated marble and as disseminations in the stock. Information contained in the data package acquired as part of the land acquisition show historic drilling by Royal Gold in the 1990s encountered the following intercepts on lands at Ferber:

- 10.8 m of 0.53 g/t Au in marble with iron oxides
- 4.6 m of 2.15 g/t Au in oxidised intrusive

- 4.6 m of 0.718% Cu (oxide) in intrusive
- 26.2 m of 0.415% Cu (oxide) in contact zone
- 12.3 m of 0.832% Cu (oxide) in contact zone

Crow Springs

Crow Springs, a porphyry Cu-Mo-Au-Ag in quartz monzonite porphyry stock is located along the eastern margin of the Tertiary Walker Lane structural province in the southern Royston Hills, northern Esmeralda Co., Nevada. The property comprises 127 unpatented lode claims located by Newcrest in 2006 and lies within three miles of Columbus Gold, the site of a major gold drill programme in rhyolite-hosted intrusive rocks.

History of the District

Mineralisation – silver lead – was discovered in 1800s and mining began in 1924, although small turquoise (hydrated copper phosphate mineral) mining operations began in the early 1900s. Turquoise was the primary commodity in the 20th century. At various mines including Crow Springs turquoise was found within argillised shear zones in quartzite tuffs, monzonites and quartzites.

Fifteen miles east-northeast of Crow Springs, lies the Nevada Molybdenum Mine, which formerly produced 53 million pounds of Mo, is now owned by General Moly. It is a porphyry Mo-Cu deposit hosted in 69 myo quartz monzonite that has been intruded by a granite porphyry.

Geology

The oldest rocks are Triassic in age, and are composed of weakly metamorphosed siltstone, quartzite, and chert, assigned recently to the Permian Mina Formation. They exhibit weak bleaching and alteration along faults and near intrusive contacts Coarse to medium grained quartz monzonite porphyry dated at about 200 myo, among the oldest intrusions in Nevada. The surface exposure of the stock is ½ km wide and 2 km long in a NW direction.

Tertiary conglomerate and up to seven units of quartz latite to rhyolite ash flows are present which are likely the same volcaniclastic package in the Royston molybdenum area to the north.

Alteration and Mineralisation

The Crow Springs stock exhibits weak but pervasive stockwork quartz veining and disseminated pyrite. It is generally moderately argillised and bleached with few mafic minerals preserved. Intrusive rocks exhibit the strongest alteration, as well as contact aureoles. Minor skarn at contact aureole. Wall rocks are strongly fractured and quartz veined. Classic porphyry-type alteration was not discerned but later supergene processes could easily have masked original propylitic alteration.

Mineralisation is not uniformly distributed through the intrusion and is largely controlled by late shear zone structures where quartz monzonite is argillically altered and chalcopyrite box works are seen with turquoise deposits.

Previous exploration

Previous limited drilling reported by others on margins of the monzonite looked for secondary enrichment of copper in the area but no data are available.

Some 189 rock chips by Newcrest (1996 and 2006) et al showed the following:

	Average Au (ppm)	High Au (ppm)	Average Cu (ppm)	High Cu (%)
Krumm 1980	0.06	4.40	1,837	9.10
Newcrest	0.053	0.66	331	0.77

Rock chip geochemistry statistics - Krumm (1984):

Average grade of samples by rock type (Snyder, 2009, compiled from Krumm, 1984)

	Cu (ppm)	Mo (ppm)	Zn (ppm)	Pb (ppm)	Au (ppm)	Ag (ppm)
Veins						
(36 samples)	7,109	381	388	2,520	0.24	64
Monzonite Porphyry						
(40 samples)	1,732	73	267	174	0.02	4
Meta-sediments						
(58 samples)	252	21	151	200	0.03	10

Molybdenum in rock chip geochemistry had high value of 7600 ppm (Krumm, 1984)

The Company's exploration programme intends to focus on property mapping to understand better the spatial relationship with the Walker Lane trend and the extent of the quartz monzonite porphyries, where limited geochemistry suggests mineralisation extends beyond the surface exposure of old rhyolite intrusions, which latter appear to be the principal geologic rock characteristic driving the neighboring large Columbus Gold discovery.

Silverton

Silverton, an epithermal gold silver prospect is located northeast of Tonopah (Nye County) in the central Pancake Range and comprises 72 lode claims originally staked by Newcrest in 2002. The dominant geologic structural feature is a central shear zone (drilled only vertically) surrounded by extensive rhyolite alteration and presents an obvious target for drill testing (angled drilling) for gold.

History

Small scale mining occurred in the area from 1930 to 1937 and in 1953. Total production for the district is <100,000 oz silver, <2,000 oz gold and <1 ton of antimony. Over the last three decades the property has been explored for gold and silver by multiple companies including Olympic Mining, Westgold, Newmont and Pittston. Work completed comprised geochemical sampling, fluid inclusion studies, mapping, geophysics and drilling (~45 pre-Newcrest holes).

Since 2002, exploration by others included taking of more than 1,000 rock chip samples and drilling 42,983 ft (13,230 m) in 29 reverse circulation ("RC") holes.

Geology/Mineralisation

The Silverton district occurs at the eastern margin of a caldera complex dated at 34Ma. Both high and low angle faults and fault breccias related to caldera rim tectonics are observed on the property. Rocks consist of Paleozoic dolomite/limestone detachment blocks surrounded and underlain by Tertiary rhyolite tuffs. Rhyolite dikes have also been mapped along caldera ring fractures and north trending faults.

Tuffs around the Paleozoic rocks are locally bleached and argillised (kaolinite). Both units are silicified along faults, generally as jasperoid bodies up to 30 ft wide. Jasperoid also forms flat-lying replacement horizons within volcanic beds. Additional silicification includes, stockwork silica veining and chalcedony +- stibnite-pyrite veins. One to two percent disseminated pyrite and minor stibnite occur in tuffaceous rocks over a 4mi2 area. Other mineralisation includes barite, gypsum, and alunite. Ore-grade gold values are generally associated with veins, strongly veined limestone, and argillised tuff along mineralised structures and adjacent to jasperoid. Most jasperoid bodies themselves contain only low-level gold.

The property contains a >100 ppb Au rock chip anomaly measuring 2.5 km x 3 km. Au, Ag, As, and Hg mineralisation are broadly coincident. Within the anomaly, the most significant of three main zones is a NNE trending area >0.5 g/t Au measuring 1 km x 0.5 km and centered on a 100m wide silicified contact between rhyolite to the east and carbonate rocks to the west.

Old vertical drilling on the southern end of the Silverton Shear returned several intervals of 5ft @ 1-5 g/t Au and 100-600 g/t Ag. The best Newcrest intercept is 25 feet @ 2.3 g/t Au in rhyolite tuff.

Overall Exploration Strategy

The Company commenced development of near-term exploration programmes for the USA properties focusing on geologic mapping, compilation and digitising of data, soil and rock geochemical sampling as well as ground geophysics in order to move rapidly to the drilling stage.

The Company's ongoing overall strategy on Nevada, includes exploring the significant potential on the Gabbs Property, the potential of the advanced Ferber project and the early stage Silverton and Crow Springs properties.

By acquiring SVM, the Board was mindful of the quest for new large copper resources in favourable political jurisdictions. After an extensive search, the Nevada copper-gold properties were identified as fitting all of the Company's criteria particularly since the Gabbs Property is close to financial study.

SOUTH AFRICAN ASSETS

Glenover Phosphate Project

At the end of the reporting year previous to this period under review, the Glenover Project, owned by Glenover Phosphate Proprietary Limited ("Glenover") and in which the Company holds a 33.99% interest (29% direct and 4.99% through its shareholding in Galagen), had advanced in association with our partner Fer-Min-Ore to a status where significant new funds together with specific industry expertise were required to progress to feasibility study and development. To this end Glenover sought and continues to seek strategic fertiliser and funding partners and approached engineering consultancies to conduct a full project pre-feasibility study. Glenover is currently considering bids for this study.

While the Company remains of the opinion that in the longer term, the project is robust and ranks high against its peers on 28 January 2015, it entered into an exclusive Sale Agreement, with Fer-Min-Ore in terms of which the Company, *inter alia*, offered to sell and Fer-Min-Ore ("Purchaser") offered to purchase all the Company's rights, title, interest and shares in the capital of Glenover for a purchase consideration of US$4 million (£2.6 million at an exchange rate of £1 to US$1.55) ("Provisional Offer").

The Provisional Offer is subject to meeting certain conditions including *inter alia* the Purchaser obtaining such funding, which will enable it to implement the proposed transaction by 28 May 2015 since extended by mutual agreement to 28 February 2016, and also to the extent required, to the approval of the proposed transaction by relevant regulatory bodies, including, but not limited to, any approvals required from the Department of Minerals and Energy (South Africa) or other relevant regulatory authority in terms of section 11 of the Mineral and Petroleum Resources Development.

If the Provisional Offer is realised, Galileo intends to apply the sale proceeds on a basis to be determined by the Board as regards both general working capital and its other projects, principally advancing the exploration of the Company's copper-gold prospects in Nevada as described above. Glenover's application for the renewal of the prospecting rights, which was submitted in 2013, remained in pending approval status from the South African Department of Mineral Resources.

The directors submit their report and the Group's and Company's audited financial statements for the year ended 31 March 2015.

Andrew Sarosi
Technical and Finance Director

4 September 2015

Directors' Report

1. REVIEW OF ACTIVITIES

The Group's main activities are contained in this annual report. Details of the likely future developments of the Group have been addressed in the Chairman's report and the Operations report.

Principal activities

Galileo Resources PLC (AIM : GLR) is a focused resource company whose mission is to identify above average projects where the fundamentals are fully understood and have been released by significant raw data capture. The strategy is to acquire projects where early risk has been mitigated and major potential exists for value-add. All of our projects satisfy these strategic criteria and subject to financing and other constraints, the Company will continue to opportunistically grow and develop the Company.

In May 2014, the Company acquired St Vincent Minerals Inc, which owns the Gabbs property in Nevada, a major copper/gold project and other early stage copper/gold properties.

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 20 to 50.

A review of the Group's operations during the year ended 31 March 2015 and future developments is contained in the Chairman's report and in the Operations Report on pages 3 to 10.

Key performance indicators

Key performance indicators in assessing the performance of the Group have been considered in detail within the Operations Report.

Galileo is a resource/development company specialising in the acquisition of projects which can be brought into production in the near term. Its portfolio consists of a South African Rare-Earth/Phosphate project which has undergone independent successful preliminary economic study.

In May 2014, Galileo acquired St Vincent Minerals, a Canadian-based company, which owns the Gabbs Property in Nevada, a major copper/gold project and other earlier stage copper/gold properties. This quality asset fits in with the Company's strategy to invest in near-term production assets with quality and near-term cash. The Gabbs and Glenover projects are above average for the junior resource sector and can generally be described as world-class projects.

Financial review

The Group reported a net loss of £10,726,785 (2014: £4,164,494) before and after taxation. Basic and diluted loss was of 9.4 pence (2014: loss of 4.7 pence) per share.

The ZAR stood its ground against the GBP during the period under review as did the USD. The Group tightened its cost management and a significant reduction in overheads were achieved during the period under review supporting the working capital requirements of the Group. Operating expenses before impairment losses were £0.6 million compared to £0.7 million in 2014.

Management assessed the carrying value of the Company's investment in Skiptons and resolved to recognise an impairment in the carrying value of the investment to reflect a more realistic value when compared to the Fer-Min-Ore offer of USD4m for its interest in the Glenover Project. The loss from operations includes an impairment, in an amount of GBP10,166,000, against the Company's investment in Skiptons BVI to better reflect the carrying value of its interest in the Glenover Project.

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. The Company has instigated a black economic empowerment policy to comply with the South African mining charter, code of practice and black economic legislation.

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 rare earth elements ("REE") and phosphorus (as phosphate). The prices of these elements have decreased during the year but nevertheless remain in general viable. The 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, the Group relies on the issue of equity share capital to finance its activities. Galileo secured additional funds by way of a placing during the year under review to advance exploration activities in order to further develop a mineral resource estimate, advance metallurgical test work and continue with a Preliminary Economic Assessment ("PEA") of the Company's Glenover project.

The Group finances its overseas operations by purchasing South African Rand with Pound Sterling in the United Kingdom and transferring it to meet local operating costs. The Group does not hedge its exposure and is therefore exposed to currency fluctuations between these two 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, thereby ensuring the Company remains a going concern until such time that it enters into an off-take 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 involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able adequately to 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.

Processing risk

REEs are relatively difficult to process and as such require complex chemistry solutions to gain satisfactory recovery and quality. The recovery of one element may be at the sacrifice of another rare-earth element and no assurance can be given that the ultimate suite of elements that can be recovered can be done so economically. Should the Company elect to progress to recovery only to concentrate, then there is no assurance that a global market exists for the concentrate. Shareholders and investors should be aware that the cost of building a rare-earth processing plant is considerably higher than other mineral processing plants and that the Company may not be able to raise sufficient finance to build such a plant.

Political stability

The Group is conducting its activities in South Africa and in the United States of America. 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.

Glenover licence

Glenover has six new order prospecting rights covering a surface area of 15,802 hectares. These mineral assets are located primarily on the farm Glenover 371 LQ, but are also spread across other farms. The prospecting right to Glenover 371 LQ expired on 30 October 2012 while the other five prospecting rights expired on 31 October 2012. Glenover has submitted applications to the DMR to renew these prospecting rights. While the directors believe that the renewal of these prospecting rights will be granted there is no guarantee that this will be the case. Failure to do so would have a material effect on the business of Glenover and the value of the Company's investment in Glenover.

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. Rare earths are often associated with radioactivity and the Glenover project has amongst other minerals, radioactive thorium present in the ore. The directors have considered the significance of this and what potential problems may be presented due to the presence of radioactive minerals. They have concluded that the potential radioactivity will not prevent operations but no assurance can be given that the presence of radioactivity will impact on either capital or operating cost or both. In addition, the Group will also be subjected to, where appropriate, clean-up costs and for any toxic or hazardous substances, which may be produced as a result of its operation. 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 of Glenover 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.

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 directors have further reviewed the Group's cash flow forecast. In the light of this review and the current financial position, 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 Operations Report and the transactions described below, the directors are not aware of any matter or circumstances arising that should be disclosed since the end of the financial year. Refer to note 36 for details on subsequent events.

4. DIRECTORS' SHAREHOLDING ANALYSIS

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

	At 31 March 2015		At 31 March 2014	
Beneficial owner	Shares	% holding	Shares	% holding
Colin Bird	43,185,000	34.69	42,200,000	47.79
Andrew Sarosi	10,000	0.01	–	–
John Richard Wollenberg	2,800,000	2.25	2,800,000	3.17
The Cardiff Property plc*	900,000	0.72	900,000	1.02

**John Richard Wollenberg and his family are 43.86% shareholders in the Cardiff Property plc*

Colin Bird holds 43,185,000 ordinary shares of 1 pence each or 34.69% of the Company's issued share capital. This makes him a majority shareholder in Galileo with potentially significant influence over the affairs of the Company.

Refer to note 31 for directors' emoluments and options granted to the directors.

5. CAPITAL STRUCTURE AND SHARE ISSUE

On 13 February 2015, the Company implemented a reorganisation of its share capital, by way of a special resolution approved by shareholders at general meeting, whereby each of the 114,502,721 existing Ordinary Shares were subdivided into one New Ordinary Share of 0.1 pence and one Deferred Share of 4.9 pence each, in order to create a differential between the nominal value of the Ordinary Share and the New Ordinary Share and so facilitate the raising of funds by way of share issues.

The rationale for this reorganisation of capital was that the value of the ordinary shares were trading for some months below their nominal value of 5 pence per ordinary share. English company law prohibits the issue of new shares by an English company at a price below their nominal value and accordingly the ability of the Company to raise funds by way of the issue of further equity was inhibited.

At the same time, also by way of special resolution, shareholders approved at the general meeting, amendment to the Articles to make changes to allow the creation of the Deferred Shares.

On 19 February 2015, the Company raised £300,000 in cash by way of a placing for 10,000,000 new Ordinary Shares of 0.1 pence at a placing price of 3 pence.

On 2 May 2014, the Company sold its entire holding of 4 million ordinary shares of nil par value in JSE-listed Praetorian Resources Limited ("Praetorian Shares") at 8 pence per share for gross proceeds of £320,000. The Praetorian Shares were acquired in July 2012 in return for the issue of 5 million ordinary shares of 5 pence each in Galileo issued at a price of 40 pence per share and at the same time, Praetorian subscribed £1 million in cash for 2.5 million Galileo Shares at 40 pence per share. The net proceeds of the sale were added to the Company's working capital resources.

During the period under review the Company issued 36,195,538 new ordinary shares as follows:

Date	Number of ordinary shares	Purpose of issue
28 April 2014	26,195,538	Acquisition
29 January 2015	10,000,000	Issue for cash

Subsequent to the period under review the Company issued 31,250,000 new ordinary shares as follows:

Date	Number of ordinary shares	Purpose of issue
19 August 2015	31,250,000	Issue for cash

Allotment of shares

As special business at the annual general meeting, 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 £155,753. 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, 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 £155,753.

6. DIVIDENDS

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

7. DIRECTORS

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 Capita Asset Services, a division of Capita Registrars Ltd with address; 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

9. AUDITORS

A resolution proposing the appointment of the auditors, Chapman Davis LLP, will be put to vote at the 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. 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 present 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 International Financial Reporting Standards (IFRS) 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 control 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 endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour 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.

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.

12. RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in note 29.

13. 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 32.

14. POLITICAL AND CHARITABLE CONTRIBUTIONS

The Group made no charitable donations (2014: £Nil) and no political donations (2014: £Nil) during the year.

The Company's independent auditors, Chapman Davis LLP, audited the Group's consolidated annual financial statement, and their report is presented on pages 18 to 19.

The Group and Company annual financial statements set out on pages 20 to 50, which have been prepared on the going-concern basis, were approved by the Board on 4 September 2015 and were signed on its behalf by:

Colin Bird
Chairman

4 September 2015

Independent Auditors’ Report

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GALILEO RESOURCES PLC

We have audited the financial statements of Galileo Resources PLC for the year ended 31 March 2015 which comprise the Group and Company Statements of Financial Position, Statements of Comprehensive Income, Statements of Changes in Equity, Statements of Cash Flows and the related notes 1 to 35. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors’ Responsibilities set out in the Directors’ Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group’s and the parent company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group’s and the parent company’s affairs as at 31 March 2015 and of the Group’s and the parent company’s loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 required for our audit.

We have nothing to report by exception.

Rowan J Palmer
(Senior Statutory Auditor)

For and on behalf of Chapman Davis LLP
Chartered Accountants and Statutory Auditors
London
United Kingdom

4 September 2015

Statements of Financial Position

as at 31 March 2015

		Group		Company	
Figures in Pound Sterling	Note(s)	2015	2014	2015	2014
Assets					
Non-current assets					
Property, plant and equipment	3	–	282	–	282
Intangible assets	4	2,487,111	6,635,128	–	–
Investments in subsidiaries	5	–	–	2,357,599	10,166,000
Investment in joint ventures	6	2,257,137	2,313,663	–	–
Loans to joint ventures	7	94,412	79,804	5,192,559	4,886,486
Other financial assets	8	369,543	328,202	–	–
		5,208,203	9,357,079	7,550,158	15,052,768
Current assets					
Other financial assets	8	–	399,926	–	399,926
Trade and other receivables	10	20,321	568	–	–
Cash and cash equivalents	11	180,871	324,819	173,042	310,837
		201,192	725,313	173,042	710,763
Total assets		5,409,395	10,082,392	7,723,200	15,763,531
Equity and liabilities					
Equity					
Share capital	12	23,153,707	21,603,932	23,153,707	21,603,932
Reserves		520,256	(3,736,063)	1,834,960	787,139
Accumulated loss		(18,557,622)	(7,830,837)	(17,330,857)	(6,659,509)
		5,116,341	10,037,032	7,657,810	15,731,562
Liabilities					
Non-current liabilities					
Other financial liabilities	15	2,675	6	–	–
Current liabilities					
Trade and other payables	16	290,379	45,354	65,390	31,969
Total liabilities		293,054	45,360	65,390	31,969
Total equity and liabilities		5,409,395	10,082,392	7,723,200	15,765,531

These financial statements were approved by the directors and authorised for issue on 4 September 2015 and are signed on their behalf by:

Colin Bird **Andrew Sarosi**

Company number: 05679987

Statements of Comprehensive Income

for the year ended 31 March 2015

Figures in Pound Sterling	Note(s)	Group 2015	Group 2014	Company 2015	Company 2014
Revenue		–	–	–	–
Operating expenses	18	**(10,772,494)**	(2,991,626)	**(10,680,523)**	(2,772,682)
Operating loss		**(10,772,494)**	(2,991,626)	**(10,680,523)**	(2,772,682)
Investment revenue	19	**1,420**	55,975	**778**	6,031
Fair value adjustments	20	**56,092**	(1,190,000)	**8,394**	(1,190,000)
Loss from equity accounted investments	6	**(11,803)**	(38,843)	–	–
Loss for the year		**(10,726,785)**	(4,164,494)	**(10,671,351)**	(3,956,651)
Other comprehensive income:					
Exchange differences on translating foreign operations	24	**3,208,498**	(2,331,109)	–	–
Total comprehensive loss for the year		**(7,518,287)**	(6,495,603)	**(10,671,351)**	(3,956,651)
Loss per share in pence (basic)	25	**(9.4)**	(4.7)		

All operating expenses and operating losses relate to continuing activities.

Statements of Changes in Equity

As at 31 March 2015

Figures in Pound Sterling	Share capital	Share premium	Total share capital
Group			
Balance at 1 April 2013	4,415,359	17,188,573	21,603,932
Loss for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	–	–	–
Balance at 1 April 2014	4,415,359	17,188,573	21,603,932
Loss for the year			
Other comprehensive income			
Total comprehensive loss for the year			
Issue of shares	1,319,778	229,997	1,549,775
Total contributions by and distributions to owners of Company recognised directly in equity	1,319,778	229,997	1,549,775
Balance at 31 March 2015	5,735,137	17,418,570	23,153,707
Note(s)	12	12	12
Company			
Balance at 1 April 2013	4,415,359	17,188,573	21,603,932
Loss for the year	–	–	–
Total comprehensive loss for the year	–	–	–
Balance at 1 April 2014	4,415,359	17,188,573	21,603,932
Loss for the year			
Total comprehensive loss for the year			
Issue of shares	1,319,778	229,997	1,549,775
Total contributions by and distributions to owners of the company recognised directly In equity	1,319,778	229,997	1,549,775
Balance at 31 March 2015	5,735,137	17,418,570	23,153,707
Note(s)	12	12	12

	Merger reserve	Foreign currency translation reserve	Share based payment reserve	Total reserves	Accumulated loss	Total equity
		(2,192,093)	787,139	(1,404,954)	(3,666,343)	16,532,635
		–	–	–	(4,164,494)	(4,164,494)
		(2,331,109)	–	(2,331,109)	–	(2,331,109)
		(2,331,109)	–	(2,331,109)	(4,164,494)	(6,495,603)
		(4,523,202)	787,139	(3,736,063)	(7,830,837)	10,037,032
					(10,726,785)	**(10,726,785)**
		3,208,498	**–**	**3,208,498**	**–**	**3,208,498**
		3,208,498	**–**	**3,208,498**	**(10,726,785)**	**(7,518,287)**
	1,047,821	**–**	**–**	**1,047,821**	**–**	**2,597,596**
	1,047,821	**–**	**787,139**	**1,047,821**	**–**	**2,597,596**
	1,047,821	**(1,314,704)**	**787,139**	**520,256**	**(18,557,622)**	**5,116,341**
		14				
		–	787,139	787,139	(2,702,855)	19,688,216
		–	–	–	(3,956,651)	(3,956,651)
		–	–	–	–	–
		–	787,139	787,139	(6,659,506)	15,731,565
					(10,671,351)	**(10,671,351)**
					(10,671,351)	**(10,671,351)**
	1,047,821	**–**	**–**	**1,047,821**	**–**	**2,597,596**
	1,047,821	**–**	**–**	**1,047,821**	**–**	**2,597,596**
	1,047,821	**–**	**787,139**	**1,834,960**	**(17,330,857)**	**7,657,810**

Statements of Cash Flows

for the year ended 31 March 2015

Figures in Pound Sterling	Note(s)	Group 2015	Group 2014	Company 2015	Company 2014
Cash flows from operating activities					
Cash used in operations	26	**(622,455)**	(809,433)	**(480,817)**	(467,642)
Interest income	19	**1,420**	6,032	**778**	6,031
Net cash from operating activities		**(621,035)**	(803,401)	**(480,039)**	(461,611)
Cash flows from investing activities					
Disposal of property, plant and equipment	3	**–**	544	**–**	–
Additions to intangible assets	4	**(139,520)**	–	**–**	–
Loans advanced	7	**(14,608)**	(79,804)	**(306,073)**	(673,846)
Purchase/(sale) of financial assets		**366,433**	(84,554)	**408,320**	(134,497)
Net cash flows from investing activities		**212,305**	(163,814)	**102,247**	(808,343)
Cash flows from financing activities					
Proceeds on share issue		**239,997**	–	**239,997**	–
Repayment of other financial liabilities		**2,615**	–	**–**	–
Net cash flows from financing activities		**242,612**	–	**239,997**	–
Total cash movement for the year		**(166,118)**	(1,853,295)	**(137,795)**	(1,269,954)
Cash acquired	27	**22,170**	(443,040)	**–**	–
Cash at the beginning of the year		**324,819**	1,735,074	**310,837**	1,580,791
Total cash at end of the year	**11**	**180,871**	324,819	**173,042**	310,837

Accounting Policies

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards IFRIC interpretations issued by the International Accounting Standards Board and the Companies Act 2006. The consolidated annual financial statements have been prepared on the historical cost basis, except for certain financial instruments 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.

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 the fair value of the identifiable assets and liabilities of the acquiree.

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 used the ABC model to determine the value of the options issued at listing date and will use the Black Scholes Formula for subsequent options being granted. Additional details regarding the estimates are included in note 13 – share-based payments.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) 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 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Furniture and fixtures	5 years
Computer equipment	3 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 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.

1.5 Investments in subsidiaries

Company annual financial statements

In the Company's separate annual financial statements, investments in subsidiaries are carried at:

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.

1.6 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.

1.7 Investments in associates

Company annual financial statements

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

1.8 Financial instruments

Classification

The Group classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through profit or loss designated
- Loans and receivables
- Financial liabilities measured at amortised cost

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.

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, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

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.

Loans and receivables 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 Ventures

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

Loans to Group companies are classified as loans and receivables.

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

Inter-company loans bear no interest.

Trade and other receivables

Trade 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 when there is objective evidence that the asset is impaired.

Trade and other receivables are classified as loans and receivables.

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.

1.9 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.

1.10 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.11 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.

1.12 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.

1.13 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.

1.14 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.15 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 functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in South African Rand, by applying to the foreign currency amount 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 by applying to the foreign currency amount the exchange rate between the Rand 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.

1.16 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

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The most recently issued standards and interpretations from the IASB and IFRIC are:

- Amendment to IAS 1, 'Presentation of financial statements – Presentation of items of other comprehensive income' – Effective 1 July 2012
- IFRS 13, 'Fair value measurement' – Effective 1 January 2013
- IAS 19 (revised), 'Employee benefits' – Effective 1 January 2013
- Amendment to IFRS 1, 'First-time adoption of International Financial Reporting Standards – government loans – Effective 1 January 2013
- Amendment to IFRS 7, 'Financial instruments: Disclosures – Offsetting financial assets and financial liabilities' - Effective 1 January 2013
- IFRIC 20, 'Stripping costs in the production phase of a surface mine' – Effective 1 January 2013
- Annual Improvements 2011 – Effective 1 January 2013
- IFRS 10, 'Consolidated financial statements' – 1 January 2014
- IFRS 11, 'Joint arrangements' – 1 January 2014
- IFRS 12, 'Disclosure of interests in other entities' – 1 January 2014

3. PROPERTY, PLANT AND EQUIPMENT

Figures in Pound Sterling	2015 Cost/ Valuation	2015 Impairment loss	2015 Carrying value	2014 Cost/ Valuation	2014 Accumulated depreciation	2014 Carrying value
Group						
Furniture and fixtures	282	(282)	–	282	–	282
Total	282	(282)	–	282	–	282

Company	2015 Cost/ Valuation	2015 Impairment loss	2015 Carrying value	2014 Cost/ Valuation	2014 Accumulated depreciation	2014 Carrying value
Furniture and fixtures	282	(282)	–	282	–	282

Reconciliation of property, plant and equipment

Figures in Pound Sterling	Group – 2015 Opening balance	Group – 2015 Impairment loss	Group – 2015 Total	Group – 2014 Opening balance	Group – 2014 Foreign exchange movements	Group – 2014 Total
Furniture and fixtures	282	(282)	–	282	–	282
Computer software	–	–	–	544	(544)	–
	282	(282)	–	826	(544)	282

Reconciliation of property, plant and equipment

Figures in Pound Sterling	Company – 2015 Opening balance	Company – 2015 Impairment loss	Company – 2015 Total	Company – 2014 Opening balance	Company – 2014 Total
Furniture and fixtures	282	(282)	–	282	282

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the Company.

4. INTANGIBLE ASSETS

Figures in Pound Sterling	2015 Cost/ Valuation	2015 Accumulated depreciation	2015 Carrying value	2014 Cost/ Valuation	2014 Accumulated depreciation	2014 Carrying value
Group						
Exploration and evaluation asset	2,487,111	–	2,487,111	6,635,128	–	6,635,128

4. INTANGIBLE ASSETS (continued)

Reconciliation of intangible assets

Figures in Pound Sterling	Group – 2015 Opening balance	Additions through business combi-nations	Additions	Impairment loss	Foreign exchange movements	Total	Group – 2014 Opening balance	Foreign exchange movements	Total
Exploration and evaluation asset	**6,635,128**	**2,638,849**	**139,520**	**(6,635,128)**	(291,258)	2,487,111	8,305,592	(1,670,464)	6,635,128

The exploration and evaluation asset is a South African Rand denominated asset. It is carried at cost adjusted for any foreign currency movements during the period under review.

Galileo agreed to a request from joint venture partner Fer-Min-Ore to extend the completion of a conditional sale agreement until 28 February 2016. The commercial terms of the extended sale agreement, pursuant to which the Company has offered to dispose of all the Company's rights, title, interest and shares in the capital of Glenover for a purchase consideration of US$4 million, subject to financing, are unchanged. The Company impaired the value of the exploration and evaluation asset with the remaining value residing in the investment in joint venture as fully described in note 6.

5. INVESTMENTS IN SUBSIDIARIES

Name of company	% voting power 2015	% voting power 2014	Carrying amount 2015	Carrying amount 2014
Skiptons Global Investments Ltd – Incorporated in British Virgin Islands	**100.00**	100.00	**10,166,000**	10,166,000
Galileo Resources SA (Proprietary) Limited – Incorporated in the Republic of South Africa	**100.00**	100.00	**–**	–
St Vincent Minerals	**100.00**	–	**2,357,599**	–
			12,523,599	10,166,000
Impairment of investment – Skiptons			**(10,166,000)**	–
			2,357,599	10,166,000

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 fully owned subsidiary, Skiptons Global Investment Ltd (BVI).

The principal activity of Galileo Resources SA (Proprietary) Limited is the same as that of Galileo Resources Plc.

On 15 May 2014, the Company, completed the acquisition of the entire issued share capital of St Vincent Minerals Inc. ("SVM"). Refer to the Strategic Report on pages 3 to 10 for more detail on the acquisition.

6. INVESTMENT IN JOINT VENTURES

Name of company	% holding 2015	% holding 2014	Carrying amount 2015	Carrying amount 2014
Glenover	33.99	33.99	2,257,259	2,313,663

Glenover – Incorporated in the Republic of South Africa

Galagen – Incorporated in the Republic of South Africa

Galileo's direct investment in Glenover is 29% and it also has an indirect investment in Glenover through its shareholding in Galagen of 4.99% resulting in a total economic interest in Glenover of 33.99%. Galileo is currently carrying the BEE in terms of its interest in Glenover. The shareholders are currently reviewing the funding of the BEE interest in the project.

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.

Summary of Groups interest in joint venture

	Group	
Figures in Pound Sterling	2015	2014
Carrying value at the beginning of the year	2,313,663	2,385,759
Additional investment	–	443,040
Effect of change in translation currency	(44,723)	(476,293)
Equity accounted loss for the year	(11,803)	(38,843)
Carrying value at year end	2,257,137	2,313,663
The Group's share of the Joint Venture investment in Glenover		
Summary of the Group's interests in the Joint Venture.		
Current assets	1,238	21,184
Non-current assets	782,789	724,791
Current liabilities	(33,150)	(12,373)
Non-current liabilities	(54,962)	(26,438)
Net assets	695,915	707,164
Income	860	526
Interest received	24,127	–
Expenses	(51,212)	(39,369)
Taxation	14,422	–
Equity accounted loss for the year	(11,803)	(38,843)

7. LOANS TO JOINT VENTURES

	Group		Company	
Figures in Pound Sterling	**2015**	2014	**2015**	2014
Loans to subsidiaries				
Galileo Resources SA (Proprietary) Limited			**4,934,842**	4,884,842
Skiptons Global Investment Ltd			**2,472**	1,644
St Vincent Minerals			**255,245**	–
			5,192,559	4,886,486
Loans to Joint Ventures				
Glenover	**94,412**	79,804	–	–

8. OTHER FINANCIAL ASSETS

	Group		Company	
Figures in Pound Sterling	**2015**	2014	**2015**	2014
At fair value through profit or loss – designated				
Praetorian Resources Ltd incorporated in Guernsey	–	310,000	–	310,000
The listed investment in Praetorian was liquidated during the period under review. The profit on the sale of the investment was recognised through profit and loss.				
Galagen – Ordinary shares	**9**	10	–	–
Galagen – B Preference shares	**365,673**	324,255	–	–
	365,682	634,265	–	310,000

The investment in Praetorian Resources Ltd was reclassified as a current asset as the investment disposed subsequent to the period under review.

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

Preference share dividends are not receivable as the share are represented by zero percent coupon rate and are only redeemable after three years.

8. OTHER FINANCIAL ASSETS (continued)

	Group		Company	
Figures in Pound Sterling	**2015**	2014	**2015**	2014
Loans and receivables				
Galagen	**3,861**	93,863	–	89,926
This loan bears no interest and has no fixed terms of repayment.				
Total other financial assets	**369,543**	728,128	–	399,926
Non-current assets				
At fair value through profit or loss – designated	**365,682**	324,265	–	–
Loans and receivables	**3,861**	3,937	–	–
	369,543	328,202	–	–
Current assets				
At fair value through profit and loss	–	310,000	–	310,000
Loans and receivables	–	89,926	–	89,926
		399,926		399,926
	369,543	728,128	–	399,926

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	
Figures in Pound Sterling	**2015**	2014	**2015**	2014
Level 1 – Listed shares	–	310,000	–	310,000
Level 3 – Class 1 Unlisted ordinary shares	**9**	10	–	–
Class 2 Unlisted preference shares	**365,673**	324,265	–	–
	365,682	324,275	–	–
	365,682	634,275	–	310,000

8. OTHER FINANCIAL ASSETS (continued)

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

Group – 2015

Figures in Pound Sterling	Opening balance	Foreign exchange movement	Gains or losses in profit or loss	Total
Class 1 – Unlisted ordinary shares	10	(1)	–	9
Class 2 – Unlisted preference shares	324,265	(6,290)	47,698	365,673
	324,275	(6,291)	47,698	365,682

Group – 2014

	Opening balance	Foreign exchange movement	Gains or losses in profit or loss	Total
Class 1 – Unlisted ordinary shares	12	(2)	–	10
Class 2 – Unlisted preference shares	352,958	(75,233)	46,540	324,265
	352,970	(75,235)	46,540	324,275

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.

9. FINANCIAL ASSETS BY CATEGORY

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

	Group – 2015			Group – 2014		
Figures in Pound Sterling	Loans and receivables	Fair value through profit or loss – designated	Total	Loans and receivables	Fair value through profit or loss – designated	Total
Other financial assets	3,861	365,682	369,543	93,863	634,265	728,128
Trade and other receivables	20,321	–	20,321	568	–	568
Cash and cash equivalents	180,809	–	180,809	324,819	–	324,819
	204,991	365,682	570,673	419,250	634,265	1,053,515

9. FINANCIAL ASSETS BY CATEGORY (continued)

Figures in Pound Sterling	Company – 2015 Loans and receivables	Company – 2015 Fair value through profit or loss – designated	Company – 2015 Total	Company – 2014 Loans and receivables	Company – 2014 Fair value through profit or loss – designated	Company – 2014 Total
Loans to Group companies	5,192,559	–	5,192,559	4,886,486	–	4,886,486
Other financial assets	–	–	–	89,926	310,000	399,926
Cash and cash equivalents	173,042	–	173,042	310,837	–	310,837
	5,365,601	–	5,365,601	5,287,249	310,000	5,597,249

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014

10. TRADE AND OTHER RECEIVABLES

	Group 2015	Group 2014	Company 2015	Company 2014
Prepayments	15,454	568	–	–
Other receivables	4,867	–	–	–
	20,321	568	–	–

The directors consider that the carrying amount of trade and other receivables approximates to fair value.

11. CASH AND CASH EQUIVALENTS

	Group 2015	Group 2014	Company 2015	Company 2014
Cash and cash equivalents consist of:				
Cash on hand	62	62	–	–
Bank balances	180,809	324,757	–	310,837
	180,871	324,819	–	310,837

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	Group 2015	Group 2014	Company 2015	Company 2014
F1 + (ZAF)	180,809	324,757	–	–
Other	62	62	–	–
	180,871	324,819	–	–

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014
12. SHARE CAPITAL				
Authorised share capital				
Unlimited ordinary shares of 0.01 pence (2014: 0.05 pence)				
Issued share capital				
Reported as at 1 April 2014	**88,307,183**	88,307,183	**88,307,183**	88,307,183
Acquisitions	**26,195,538**	–	**26,195,538**	–
Issues for cash	**10,000,000**	–	**10,000,000**	–
Reported as at 31 March 2015	**124,502,721**	88,307,183	**124,502,721**	88,307,183
Reconciliation of share capital:				
Ordinary shares of 0.1p	**124,503**	4,415,359	**124,503**	4,415,359
Deferred shares of 4.9p	**5,610,634**	–	**5,610,634**	–
Share premium	**17,418,570**	17,188,573	**17,418,570**	17,188,573
	23,153,707	21,603,932	**23,153,707**	21,603,932

On 13 February 2015, the Company implemented a reorganisation of its share capital, by way of a special resolution approved by shareholders at general meeting, whereby each of the 114,502,721 existing Ordinary Shares were subdivided into one New Ordinary Share of 0.1 pence and one Deferred Share of 4.9 pence each, in order to create a differential between the nominal value of the Ordinary Share and the New Ordinary Share and so facilitate the raising of funds by way of share issues.

The rationale for this reorganisation of capital was that the value of the ordinary shares were trading for some months below their nominal value of 5 pence per ordinary share. English company law prohibits the issue of new shares by an English company at a price below their nominal value and accordingly the ability of the Company to raise funds by way of the issue of further equity was inhibited.

At the same time, also by way of special resolution, shareholders approved at the general meeting, amendment to the Articles to make changes to allow the creation of the Deferred Shares.

On 19 February 2015, the Company raised £300,000 in cash by way of a placing for 10,000,000 new Ordinary Shares of 0.1 pence at a placing price of 3 pence.

During the period under review the Company issued 36,195,538 new ordinary shares as follows:

Date	Number of ordinary shares	Purpose of Issue
28 April 2014	26,195,538	Acquisition
29 January 2015	10,000,000	Issue for cash

Subsequent to the period under review the Company issued 31,250,000 new ordinary shares as follows:

Date	Number of ordinary shares	Purpose of Issue
19 August 2015	31,250,000	Issue for cash

13. SHARE-BASED PAYMENTS

Share option group	Number
Outstanding at the beginning of the year	4,495,000
Outstanding at the end of the year	4,495,000

No options were granted during the financial period under review.

Outstanding options	Exercise from grant date
Options exercisable at ₤0.23 on or before 01/09/2016	3,850,000
Options exercisable at ₤0.23 on or before 19/01/2017	1,095,000

A summary of options held by directors at year-end are given below.

Name	Number of options
Colin Bird	500,000
Chris Molefe	250,000
Richard Wollenberg	2,500,000
Andrew Sarosi	250,000

The above options were granted to the directors on 1 October 2011 at a strike price of ₤0.23 per share.

The options are exercisable at any time during a five-year period from the date of grant. The holders of options may exercise them at any time up to 1 September 2016. Options 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 are all taken into consideration when the options are valued:

- Weighted average share price
- Expected volatility
- Expected dividends
- Stock price
- Exercise price
- Option life
- Risk free interest rate

The above model applies to all grants made after 1 October 2011. No new grants were made during the period under review. Share-based payments represent the value of unexercised share options to directors and employees. The charge for share options to profit and loss amounted to ₤nil (2014: ₤nil).

14. 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		Company	
Figures in Pound Sterling	**2015**	2014	**2015**	2014
Exchange differences on consolidation of foreign subsidiaries	**361,620**	(354,286)	–	–
Foreign exchange profits or losses on inter-company loan accounts	**(1,461,873)**	(629,386)	–	–
Foreign intangibles recognised as part of a business combination	**(214,451)**	(3,539,530)	–	–
	(1,314,704)	(4,523,202)	–	–

15. OTHER FINANCIAL LIABILITIES

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014
Held at amortised cost				
Fer-Min-Ore	6	6	–	–
Loans	2,669	–	–	–
Non-current liabilities				
At amortised cost	2,675	6		–
Current liabilities	2,675	6		–

16. TRADE AND OTHER PAYABLES

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014
Trade and other payables	246,547	19,009	21,559	7,504
Accrued expense	43,831	26,345	43,831	24,465
	290,378	45,354	65,390	31,969

17. FINANCIAL LIABILITIES BY CATEGORY

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

Figures in Pound Sterling	Group – 2015 Financial liabilities at amortised cost	Group – 2015 Total	Group – 2014 Financial liabilities at amortised cost	Group – 2014 Total
Other financial liabilities	2,675	2,675	6	6
Trade and other payables	282,892	282,892	45,354	45,354
	285,567	285,567	45,360	45,360
Trade and other payables	65,390	65,390	31,969	31,969

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014
18. OPERATING LOSS				
Operating loss for the year is stated after accounting for the following:				
Operating lease charges				
Premises contractual amounts	**94,926**	35,682	**78,475**	16,855
Motor vehicles – Contractual amounts	**–**	657	**–**	–
Equipment – Contractual amounts	**–**	26,401	**–**	–
	94,926	62,740	**78,475**	16,855
Impairment of subsidiaries	**–**	(37)	**(10,166,000)**	–
Impairment of exploration and evaluation assets	**(10,166,000)**	2,334,705	**–**	2,297,540
Loss on exchange differences	**715**	2,255	**319**	2,255
Employee costs – including management	**191,293**	178,912	**170,700**	126,918
19. INVESTMENT REVENUE				
Interest revenue				
Bank interest	**1,420**	6,031	**778**	6,031
	1,420	6,031	**778**	6,031
20. FAIR VALUE ADJUSTMENTS				
Other financial assets	**56,092**	(1,190,000)	**8,394**	(1,190,000)

Fair value adjustments represents the profit made on the sale of the Company's investment in Praetorian Resources Ltd, in an amount of 8,394 and a fair value adjustment to the Group's interest in Galagen B preference shares in an amount of 47,698.

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014
21. IMPAIRMENT OF ASSETS				
Rare Earth International incorporated in the British Virgin Islands	–	2,297,540	–	–
Skiptons incorporated in the British Virgin Islands				
Galileo agreed to a request from joint venture partner Fer-Min-Ore, to extend the completion of a conditional sale agreement until 28 February 2016. The commercial terms of the extended sale agreement, pursuant to which the Company has offered to dispose of all the Company's rights, title, interest and shares in the capital of Glenover for a purchase consideration of US$4 million, subject to financing, are unchanged.	**10,166,000**	–	**10,166,000**	–
	10,166,000	–	**10,166,000**	–

22. TAXATION

	Group 2015	Group 2014	Company 2015	Company 2014
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting loss	**(10,726,785)**	(4,164,494)	**(10,671,351)**	(3,956,651)
Tax at the applicable tax rate of 20% (2014: 20%)	**(2,145,357)**	(832,899)	**(2,134,270)**	(791,330)
Tax effect of adjustments on taxable income				
Expenses not allowed for tax purposes	**2,033,200**	704,969	**2,033,200**	704,969
Tax losses carried forward	**112,157**	127,930	**101,070**	86,361
	–	–	–	–

No provision has been made for 2015 tax as the Group has no taxable income. The estimated tax loss available for set off against future taxable income is £1,518,390 (2014: £1,406,233). 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.

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014

23. AUDITORS' REMUNERATION

Current year – parent	**15,996**	15,950	**12,500**	15,950
Prior year underprovision – parent	–	20,706	–	20,706
Current year – subsidiaries	–	3,450	–	–
Total fees	**15,996**	40,106	**12,500**	36,656

24. OTHER COMPREHENSIVE INCOME

Components of other comprehensive income	Group – 2015			Group – 2014		
Figures in Pound Sterling	Gross	Tax	Net	Gross	Tax	Net
Exchange differences through other comprehensive income	**3,208,498**	–	**3,208,498**	(2,331,109)	–	(2,331,109)

25. 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.

Where there is a discontinued operation, earnings per share is determined for both continuing and discontinued operations.

Basic earnings per share was based on a loss of £10,726,785 (2014: loss of £4,164,494) and a weighted average number of ordinary shares of 114,164,433 (2014: 88,307,183).

Figures in Pound Sterling	Group 2015	Group 2014
Reconciliation of loss attributable to equity holders of the parent to loss for the year		
Profit or loss for the year attributable to equity holders of the parent	**(7,518,287)**	(6,495,603)
Adjusted for:		
Foreign exchange movements during the year	**(3,208,498)**	2,331,109
Loss for the year	**(10,726,785)**	(4,164,494)
Loss per share		
Basic loss per share (pence)	**(9.4)**	(4.7)
Diluted loss per share (pence)	**(9.4)**	(4.7)

Diluted earnings per share

In the determination of diluted earnings per share, profit or loss attributable to the equity holders of the parent and the weighted average number of ordinary shares are adjusted for the effects of all dilutive potential ordinary shares.

Where there is a discontinued operation, diluted earnings per share is determined for both continuing and discontinued operations.

Diluted earnings per share are equal to earnings per share because there are no dilutive potential ordinary shares in issue.

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014

26. CASH USED IN OPERATIONS

	Group 2015	Group 2014	Company 2015	Company 2014
Loss before taxation	(10,726,785)	(4,164,494)	(10,671,351)	(3,956,651)
Adjustments for:				
Income from equity accounted investments	11,803	38,843	–	–
Interest received	(1,420)	(55,975)	(778)	(6,031)
Fair value adjustments	(56,092)	1,190,000	(8,394)	1,190,000
Impairment loss	10,166,000	2,334,668	10,166,282	2,297,540
Other non-cash items	(29,374)	(175,501)	–	–
Changes in working capital:				
Trade and other receivables	2,908	10,884	–	–
Trade and other payables	10,223	12,142	33,424	7,500
	(622,455)	(809,433)	(480,817)	(467,642)

27. MOVEMENT IN INVESTMENTS (INCL SUBS, JVS & ASSOC)

	Group 2015	Group 2014	Company 2015	Company 2014
Fair value of assets acquired through business combination				
Intangible assets	2,638,849	–	–	–
Trade and other receivables	22,661	–	–	–
Trade and other payables	(234,802)	–	–	–
Cash	22,170	–	–	–
Other financial liabilities	(91,279)	–	–	–
	2,357,599	–	–	–
Consideration paid				
Issue of equity – 26,195,538 ordinary shares in Galileo	2,357,599	–	–	–
	2,357,599	–	–	–

28. COMMITMENTS

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

Figures in Pound Sterling	Group 2015	Group 2014	Company 2015	Company 2014
29. RELATED PARTY BALANCES AND TRANSACTIONS				
Loan accounts – owed by related parties				
Glenover	**94,412**	78,118	**–**	–
Amounts paid – to related parties				
Lion Mining Finance Ltd ("LMF"). Galileo paid rent and administrative service cost to LMF. Colin Bird is a director of both Galileo and LMF.	**72,264**	52,855		
Jubilee Platinum Plc.	**2,805**	16,748	**–**	–
Galileo paid rent to Jubilee Plc for their South African office. Colin Bird is Chairman of both Galileo and Jubilee Platinum Plc.				
30. EMPLOYEE COST				
Salaries and wages	**21,718**	56,960	**6,960**	6,960
Social securities	**2,459**	2,793	**2,459**	2,793
Total	**24,177**	59,753	**9,419**	9,753
Average number of employees	**1**	3	**1**	1

31. DIRECTORS' AND PRESCRIBED OFFICER'S EMOLUMENTS

Figures in Pound Sterling	Directors' fees
Executive	
2015	
Colin Bird	**25,000**
Andrew Sarosi	**25,000**
	50,000
2014	
Colin Bird	25,000
Andrew Sarosi	25,000
	50,000
Non-executive	
2015	
Christopher Molefe	**15,000**
Richard Wollenberg	**15,000**
	30,000
2014	
Christopher Molefe	15,000
Richard Wollenberg	11,250
	26,250

31. DIRECTORS' AND PRESCRIBED OFFICER'S EMOLUMENTS (continued)

Figures in Pound Sterling	Emoluments
2015	
Executive management	78,000
2014	
Executive management	74,625

32. 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 debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in note 12 cash and cash equivalents disclosed in note 11, 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.

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.

32. RISK MANAGEMENT (continued)

Group

At 31 March 2015	Less than 1 year	Between 2 and 5 years
Trade and other payables	290,378	2,675

At 31 March 2014	Less than 1 year
Trade and other payables	19,009
Accrued expenses	24,465

Company

At 31 March 2015	Less than 1 year
Trade and other payables	65,390

At 31 March 2014	Less than 1 year
Trade and other payables	24,465

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 rate 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.

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

	Group		Company	
Financial instrument	**2015**	2014	**2015**	2014
Trade and other receivables	20,321	568	–	–
Cash and cash equivalents	180,871	324,819	173,042	310,837
Other financial assets	369,543	728,128	–	399,926
Loans to Group companies and other related entities	–	–	5,192,559	4,886,486

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 CAD, the USD 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).

Profit is less sensitive to movement in Pound Sterling exchange rates in 2015 than 2014 hence the significant adjustment to the fair value of the intangible assets.

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 re valued 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.

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 : 0.0561	(2014: 1 : 0.0625)
ZAR : £ (Spot)	1 : 0.0557	(2014: 1 : 0.0568)
USD : £ (Average)	1 : 0.6209	–
USD : £ (Spot)	1 : 0.6740	–

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

33. 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 is 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 required funding requirements of each project to ensure that the Group remains a going concern.

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

The Companys investments in subsidiaries and associates, that were operational at year-end, operate in two geographical locations being South Africa and USA, and are organised into two business units 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. Following the acquisition of the Gabbs project the Group has another segment to report on, that being gold and copper.

Business segments

The Group's business is the exploration and development of gold, copper, rare-earth aggregates and potentially iron ore and manganese.

Geographical segments

An analysis of the loss on ordinary activities before taxation and net assets is given below:

	2015 Loss from operating activities (£)	2015 Country of operations	2014 Loss from operating activities (£)	2014 Country of operations
Rare earths, aggregates and iron ore and manganese	(11,803)	South Africa,	(38, 843)	South Africa
Gold, Copper	(47,805)	USA	–	
Corporate costs and impairments	(10,667,177)	South Africa, USA and United Kingdom	(4,125,657)	South Africa, and United Kingdom
Total	(10,726,785)		(4,164,494)	

35 SUBSEQUENT EVENTS

35.1 Issue of shares for cash

The Company completed a placing of 31,250,000 new ordinary shares of 0.1 pence each in Galileo to raise £375,000 before expenses at a placing price of 1.2 pence per share. The net proceeds of the Placing will be utilised towards working capital, including payment of annual licence fees on its properties in Nevada USA.

35.2 Extension of agreement in respect of potential sale of interest in joint venture

On 28 August 2015, the Company has agreed to a request from joint venture partner Fer-Min-Ore, to extend the completion of the conditional sale agreement until 28 February 2016. The commercial terms of the extended sale agreement (Proposed Transaction), pursuant to which the Company has offered to sell and Fer-Min-Ore has offered to purchase all the Company's rights, title, interest and shares in the capital of Glenover for a purchase consideration of US$4 million, subject to financing, are unchanged (as originally announced on 28 January 2015 and further extended on 11 May 2015).

The Offer remains subject to:

(a) The Proposed Transaction being completed within six months of the granting of this extension commencing on the 29 August 2015; and

(b) To the extent required, approval of the Proposed Transaction by relevant regulatory bodies, including, but not limited to, any approvals required from the Department of Minerals and Energy (South Africa) or other relevant regulatory authority in terms of section 11 of the Mineral and Petroleum Resources Development Act 28 of 2002.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Galileo Resources Plc will be held at The Pelham Hotel, 15 Cromwell Place, London, SW7 2LA, on 30 September 2015 at 11:00, for the following purposes:

To consider and, if deemed fit, to pass the following resolutions.

ORDINARY BUSINESS

Ordinary resolution number 1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

To receive the reports of the directors and auditors and the financial statements for the year ended 31 March 2015 for the Group and the Company.

Ordinary resolution number 2

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

To re-elect Richard Wollenberg as a Director of the Company

Ordinary resolution number 3

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

To confirm the re-election of Colin Bird as Director of the Company

Ordinary resolution number 4

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

To confirm the appointment of Chapman David LLP as statutory auditor of the Company from the conclusion of this meeting to the conclusion of the next shareholder meeting, at which the reports of the directors and auditors and the financial statements are laid before the Company

Ordinary resolution number 5

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

To authorise the Directors to determine auditors' remuneration for the year ended 31 March 2015.

Ordinary resolution number 6

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

That the Directors be generally and unconditionally authorised, pursuant to and in accordance with section 551 of the Companies Act 2006 of the United Kingdom ('the Act'), in substitution for all previous powers granted to them thereunder, (but without prejudice to the continuing power of the directors):

(i) to allot shares in the Company or grant rights, warrants or options to subscribe for, or convert any relevant security into shares in the Company (together "Relevant Securities") pursuant to an offer or agreement made by the Company before the date that this resolution is passed; and

(ii) to exercise all the powers of the Company to allot and make offers to allot relevant securities up to an aggregate nominal amount £51,398 (representing approximately 33% of the total issued share capital of the Company, as at the last practicable date prior to the publication of the Notice of meeting);

such authority shall, unless previously renewed, extended, revoked or varied by the Company in general meeting, expire on the conclusion of the next Annual General Meeting of the Company or 30 September 2016 (whichever is earlier) provided that the Company may, at any time before such expiry, make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to any such offer or agreement; as if the authority conferred hereby had not expired.

SPECIAL BUSINESS

Special resolution number 1

Resolved that, subject to the passing of resolution 6, the directors be and they are hereby empowered in substitution for any such power previously granted pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) for cash pursuant to the authority referred to in resolution 6 above, as if section 561(1) of that Act or any pre-emption provisions contained in the articles of association of the Company or otherwise did not apply to any such allotment, provided that this power:

(a) shall be limited to the allotment of equity securities up to an aggregate nominal amount of £155,753 representing 100% of the Company's issued share capital; and

(b) shall expire on the date of the next Annual General Meeting of the Company or 15 months from the passing of this resolution, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

Special resolution number 2

Pursuant to the Company's articles of association that the Company be and is hereby unconditionally and generally authorised to make market purchases (as defined in section 693(4) of the Companies Act 2006) of ordinary shares of 0.1 pence each in the capital of the Company, provided that :

(a) the maximum number of ordinary shares hereby authorised to be acquired is 23,362,908, representing 15% of the present issued share capital of the Company as at 3 September 2015;

(b) the minimum price which may be paid for such shares is 0.1 pence per share, being the nominal value, which shall be exclusive of expenses;

(c) the maximum price which may be paid for such shares is, in respect of a share contracted to be purchased on any day, an amount (exclusive of expenses) equal to 105% of the middle market quotations for an ordinary share of the Company obtained from The London Stock Exchange for the five business days immediately preceding the day on which the share is contracted to be purchased;

(d) unless previously renewed, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting or 12 months from the date of passing this resolution, if earlier; and

(e) the Company may enter into a contract or contracts to purchase its own shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract.

Special resolution number 3

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

This resolution seeks Shareholder approval to authorise the Company to, at its discretion, issue shares to directors in lieu of directors' deferred remuneration and allowances over the period to 30 September 2016.

Shares issued in lieu of directors' remuneration will be issued on a quarterly basis for services that have been provided to the Company during that quarter (payment in arrears). The share shall be issued at a price representing the quarterly average weighted share price.

If Shareholder approval is not obtained, directors' remuneration will accrue on a non-cash basis to the directors. The shares will be issued at the average share price over the quarter during which the services have been rendered.

By order of the board

Registered office:
4th Floor
2 Cromwell Place
London, SW7 2JE
4 September 2015

NOTES

(1) A member of the Company may appoint one or more proxies to attend, speak and vote instead of the member. A proxy of a member need not also be a member. A member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share.

(2) The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must be deposited with the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA no less than 48 hours before the time for holding the meeting. A Form of Proxy accompanies this document for use by members.

(3) Completion of the Form of Proxy will not preclude a member from attending and voting in person.

(4) A corporation which is a member of the Company may authorise a person (who need not be a member of the Company) to act as its representative to attend, speak and vote (on a show of hands or a poll) on its behalf. Holders of ordinary shares are entitled to attend and vote at General Meetings of the Company. On a vote by a show of hands, every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote, unless the proxy has been appointed by more than one member and has been instructed by more than one member to vote for the resolution and by one or more members to vote against the resolution, in which case the proxy has one vote for and one against. On a poll vote, every member who is present in person or by proxy has one vote for every ordinary share of which he/she is the holder.

(5) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 as amended the Company specifies that only those shareholders registered in the Register of Members of the Company as at 11:00 on 28 September 2015 (the "Specified Time") shall be entitled to attend or vote at the Annual General Meeting in respect of the number of shares registered in their names at that time. Changes to entries on the relevant register of members (the "Register") for certificated or uncertificated shares of the Company after the Specified Time shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting. Should the Annual General Meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of shareholders to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Annual General Meeting. Should the Annual General Meeting be adjourned for a longer period, to be so entitled, shareholders must have been entered on the Register at the time which is 48 hours before the time fixed for the adjourned Annual General Meeting or, if the Company gives notice of the adjourned Annual General Meeting, at the time specified in the Notice.

(6) There are no Directors' service contracts of more than one year's duration.

(7) Copies of Contracts of Service and letters of appointment (including indemnities) between any director and the Company or its subsidiaries are available for inspection at the registered office of the Company during normal business hours and will also be available for inspection at the place of the Annual General Meeting until the conclusion of the Annual General Meeting.

(8) CREST members who wish to appoint a Proxy or Proxies through the CREST electronic Proxy appointment service may do so for the Annual General Meeting and any adjournment thereof by using the procedures described in the CREST manual. CREST personal members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a Proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with CRESTCO's specifications and must contain the information required for such instructions, as described in the CREST manual. All messages relating to the appointment of a Proxy or an instruction to a previously appointed proxy must be transmitted so as to be received by Neville Registrars Limited (**ID: 7RA11**) no later than 11:00 on 28 September 2015. Normal system timings and limitations will apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable their CREST sponsor(s) or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 as amended.

(9) As at 3 September 2015, being the last practicable date before the date of this Notice there were 155,752,721 ordinary shares in issue, each with equal voting rights. The total number of voting rights in the Company as at 3 September 2015, being the last practicable date before the date of this Notice is 155,752,721. Holders of ordinary shares are entitled to attend, speak and vote, either in person or by proxy, at General Meetings of the Company.

Form of Proxy

(Incorporated and Registered in England and Wales with Registered Number 5679987)

I/We being (a) member(s) of the Company and entitled to vote at the Annual General Meeting hereby appoint the chairman of the meeting

or

(see note 1 below) as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting to be held at The Pelham Hotel, 15 Cromwell Place, London, SW7 2LA on 30 September 2015 at 11:00 am and at any adjournment thereof, as indicated below:

	Resolutions (*Special Resolutions)	FOR	AGAINST	WITHHELD
1	To receive the reports of the directors and auditors and the financial statements for the year ended 31 March 2015 for the Group and the Company.			
2	To re-elect Richard Wollenberg as a Director of the Company.			
3	To re-elect Colin Bird as Director of the Company.			
4	To confirm the appointment of Chapman Davis LLP as statutory auditor of the Company.			
5	To authorise the directors to determine auditors' remuneration for the year ended 31 March 2015.			
6	To authorise the directors to allot and grant options over shares in accordance with section 551 of the Companies Act 2006.			
7*	To empower the directors to allot equity securities			
8*	To authorise the Company to make market purchases			
9*	To authorise the Company to, at its discretion, issue shares to directors in lieu of remuneration			

Signed .... Date ....

Name(s) ....

Notes:

1. Should a member wish to nominate any other person, strike out "the chairman of the meeting or" and insert the name of the alternative proxy who need not be a member of the Company.
2. Please indicate with an X in the boxes above how you wish your votes to be cast. In the absence of any specific direction, the proxy will vote or abstain as he/she thinks fit.
3. An appointment by a corporation must be under the common seal (if any) or, if none, under the hand of a duly authorised officer.
4. Any one of the joint holders may attend or appoint a proxy to attend at the meeting but the vote of the senior present, in person or by proxy, will be accepted to the exclusion of the other. Seniority shall be determined by the order in which the names stand in the register of shareholders in respect of the joint holding.
5. To be valid this proxy must be deposited at the registered office of Neville Registrars Ltd at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA at least 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be).