ANNUAL REPORT

2020

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

Directors	Colin Bird – *Chairman and CEO* Edward P Slowey – *Technical Director (Appointed 4 September 2020)* Joel M Silberstein – *Finance Director (Appointed 7 October 2020)* Christopher Molefe – *Non-Executive Director* John Richard Wollenberg – *Non-Executive Director*		
Secretarial Services	Link Company Matters Limited 34 Beckenham Road Beckenham, Kent, BR3 4TU	**Registrars**	Neville Registrars Neville House, Steelpark Road Halesowen, West Midlands, B62 8HD
Registered Office	**United Kingdom** 7/8 Kendrick Mews London, SW7 3HG	**Banker**	National Westminster Bank Plc 186 Brompton Road London, SW3 1XJ
Auditors	PKF Littlejohn LLP 15 Westferry Circus London, E14 4HD United Kingdom	**Nominated Advisor**	Beaumont Cornish Limited Building 3 566 Chiswick High Road London, W4 5YA
Joint Broker	Novum Securities Limited 8-10 Grosvenor Gardens London, SW1W 0DH	**UK Solicitors to the Company**	Fladgate LLP 16 Great Queen Street London, WC2B 5DG
Joint Broker	Shard Capital Partners LLP 23rd Floor, 20 Fenchurch St London, EC3M 3BY		
Incorporation No:	05679987		

Strategic Report –
Chairman's Report

Colin Bird
Chairman

Dear Shareholder

The year under review has been about consolidation and, like most of the companies, managing a company largely remotely through a pandemic which started in earnest towards the end of the financial year and continued unabated up to the present. I am pleased to say that none of our assets were adversely affected by the COVID-19 outbreak, nor was our ability to progress matters in a positive way. Whilst director and senior management visits were very restricted, the Company managed to progress all of its obligations and maintain its rights during the period and up to the time of writing this report.

The Glenover Project has attracted some interest for both its rare-earth and phosphate potential. In some cases, the interest co-joined the commodities. One company in particular has shown interest in the overall Glenover Project, but requires comprehensive test work to decide which or any development plan it elects to progress. We continue to assist with test work and the provision of samples, large and small, where necessary. This test work is likely to continue for the remainder of this year and into early next year.

Our Star Zinc Project in Zambia has been fully evaluated and is now ready to commence production as a small mining operation. Whilst small, the zinc, silver and germanium metal content make the project a very valuable, potentially 5-year duration, cash flow supplier. The willemite ore occurs from surface to just 60m depth, making open pit mining a relatively simple operation. We are currently finalising our plans to bring this project into production during the first quarter of 2021.

We have maintained the Ferber Project in Nevada, USA in good standing and the fundamentals for copper and gold makes the project potentially interesting to a number of would be suitors. We are progressing the various approaches and will decide whether to undertake exploration ourselves or to joint venture the property.

Post period under review the Company made a major acquisition in the Kalahari Copper Belt, acquiring 19 exploration licences, which amounts to 14,875 km². At the same time, two other licences were acquired in the Limpopo Mobile Belt, which is prospective for nickel, platinum and copper.

A number of the licences are in the midst of previous discoveries by competitors and have the potential to add significant value to those discoveries as they progress into mining operations. It is our opinion that the Kalahari Copper Belt will emerge as one of the new global regional copper suppliers, with two deposits already having completed feasibility study and one in the course of construction.

Recent discovery of the high grade A4 Dome project by Sandfire Resources Australia, who are a successful globally emerging copper producer, has shown some extremely good results and the project is likely to provide additional high-grade ore to their planned T3 Project development. We announced on 17 September 2020 that we were preparing to conduct a helicopter borne high resolution electromagnetic ("EM") survey over various areas within our tenure package. That exercise has been completed and at the time of writing, we are working with independent geophysicists to assess the results and identify immediate drilling targets.

We made a further acquisition, as was announced 16 October 2020, of Kalahari Copper Belt interest. The exploration concessions contained in the acquisition are some 15km from the Boseto Copper Project operated by Cupric Canyon Capital and are generally on trend with other known discoveries in the vicinity. This acquisition provided the Company with concessions which have already demonstrated copper content from limited exploration drilling to date. We intend to drill the projected strike and rank its potential post the helicopter geophysical data assessment and consequent recommendations.

We are extremely excited with this Kalahari acquisition and feel that we are in the midst of an exciting copper belt, extremely well positioned in relation to current planned mines and have the possibility to generate completely new mine projects within our property portfolio.

The directors are very confident for the future of the copper price and support the view that copper prices will be strong in 2021 and even stronger for the next 3 years. Forecasters are predicting that the copper supply will need to be doubled by 2030, should normal consumption trends and growth develop. The traditional copper regions around the world, particularly Chile, have their problems with generating new mine capacity with diminishing resources at existing mines. The supply issues, against rising demand, should produce a disconnect which, will result in much merger and acquisition activity between the juniors and the majors.

The year has been operationally difficult, but extremely positive, with Galileo being better placed currently than it was at the start of the period.

I would like to thank all of my fellow directors and staff for their support during the period under review. I would like to give particular thanks to Andrew Sarosi, our former technical director, who retired at the end of August 2020. Andrew is a metallurgist by training, but contributed across the board, developing strong corporate and contract skills during his employment with the Company. We have welcomed on board, since Andrew's retirement, Ed Slowey, who is a seasoned geologist, whose skills will greatly assist our Kalahari development. We also welcome Joel Silberstein, as the finance director for the Company.

I believe the Company is well positioned for the coming year and look forward to providing our shareholders with value enhancement that they certainly deserve.

Colin Bird
Chairman
23 December 2020

Strategic Report –
Operations Report

Edward P Slowey
Technical Director

Highlights
ZAMBIA
Period under review
Star Zinc Project

- The Company completed an independent JORC 2012 Technical Report and Resource Estimation ("RE") for the project.
- The RE reported inferred zinc resources with reasonable prospects of future economic extraction of approximately **500,000 tonnes at 16% Zn for 77,000 tonnes of contained metal** above a cutoff grade of **2% Zn**, including approximately **340,000 tonnes at 21% Zn for 72,000 tonnes of metal** above a cutoff grade of **8% Zn**.
- Negotiations commenced for an off-take agreement with Jubilee Metals Group plc ("JMG" or "Jubilee") to supply its Kabwe project with future ore from Star Zinc.
- The Company raised £500,000 before expenses by way of a placing to advance Star Zinc (18 October 2019: AIM RNS Number 6452K).
- The Company acquired unconditionally from BMR Group plc ("BMR"), the remaining 15% of the shares that the Company did not hold in Enviro Zambia Ltd, thereby increasing the Company's ownership in the Star Zinc Project to 95%, with the Zambian government holding the other 5%[(1)].

Kashitu Zinc (willemite) Prospect ("Kashitu")

- The Company acquired unconditionally from BMR the Kabwe Residual Rights which, includes Kashitu[(1)].

Post Period under Review
Star Zinc & Kashitu

- Galileo agreed an optimal arrangement ("Arrangement") with BMR to assume the rights to BMR's Mauritian subsidiary, Enviro Mining Limited ("EML") and its wholly-owned Zambian subsidiaries, which latter, include, amongst other things the title to licences for Star Zinc and Kashitu (zinc willemite) projects. The Arrangement, which is subject to Zambian Ministry ("ZM") approval, is for nil consideration since the Company has earned-in 100% rights to the two projects.
- On 25 November 2020 Galileo announced that it had signed a marketing agreement with Zopco S.A. ("ZopCo") in relation to the potential sale of zinc willemite ore from the group's 95% owned Star Zinc project. Zopco is a Geneva based independent trading company focussed on non-ferrous metals and concentrates.

SOUTH AFRICA
Glenover Phosphate Project ("Glenover")
Period under review

- Operations in Glenover were limited to basic care and maintenance of the site.
- Glenover's majority shareholder Fer-Min-Ore (Pty) Ltd obtained regulatory authorisation to remove its fertilizer process plant from the Glenover site.
- Glenover continued to progress DMR approval of its application for a mining right, for which the only outstanding matter remains a Record of Decision ("RoD") from the Department of Water and Sanitation ("DWS") on Glenover's proposed Tailings Storage Facility (TSF) design[(2)]. The DWS expressed some reservations with respect to Glenover's proposed TSF design, including the choice of lining materials proposed for the TSF.
- Glenover appointed South African based consultants Golder and Associates (Pty) Ltd ("Golder") to modify the TSF design in order to address the DWS reservations.
- Glenover compiled marketing documentation and initiated preliminary enquiries with potential strategic investors with a view to sale or as funding partners.

Post Period under review

- The final TSF design report was completed by Golder in November 2020 and has been submitted to the DWS for its RoD, with a decision expected shortly.
- Glenover continued to identify potential investors in the Glenover project and initiated preliminary discussions, which are ongoing.

Notes

(1) Galileo unconditionally acquired the Kabwe Residual Rights, which includes Kashitu, and the Sale Shares; being the 15% of the shares in Galileo's subsidiary Enviro Zambia Limited that it previously did not own, by way of issue of 24,615,385 Galileo ordinary shares of par 0.1p ("Ordinary Share") at a price of 0.52p. The Sale Shares increased the Company's beneficial interest in the Star Zinc project to 95% (from previous 80.75%) with the Zambian government holding 5% (AIM 24 June 2019 RNS number 0926D).

(2) The RoD remains the outstanding issue for the DMR's decision to grant Glenover a mining right.

BOTSWANA

Acquisition of Exploration Assets in Botswana

Post Period under review

- Galileo acquired 100% of Botswana-incorporated Crocus-Serv (Pty) Ltd ("Crocus"), whose assets comprise 21 copper and nickel-PGE (Platinum Group Elements) exploration Prospecting Licences ("PLs") in the highly prospective Kalahari Copper Belt ("KCB") and the Limpopo Mobile Belt ("LMB") in western and eastern Botswana respectively. The consideration of £163,020 for the acquisition comprised the issue of a total 38,814,246 new Galileo ordinary shares of 0.1p at 0.42p each and a separate cash payment of £10,828.
- The Company commenced development of an exploration programme for the KCB properties.
- The Company's subsidiary, Crocus, submitted, in terms of the Botswana Environmental Assessment Act (2011), a draft environmental management plan (EMP) for the KCB project to the Department of Environmental Affairs (DEA) Botswana for review.
- In September 2020 Galileo announced a further agreement to acquire 100% of Africibum Co (Pty) Ltd, and its interest in five prospecting licences and two prospecting licence applications in the Kalahari Copper Belt in Botswana.
- The Africibum licences include the Quirinus copper-silver prospect with historic shallow drill intercepts in a three-hole RC drilling programme which include 4m @ 1.7% Cu, 13g/t Ag and 6m @ 0.9% Cu, 14g/t Ag. The intercepts occur within a series of copper-in-soil anomalies that extend for 13.4km in total, much of it untested.
- The Quirinus prospect lies within 15km of major copper-silver discoveries, part of Cupric Canyon Capital's Khoemacau Project.

FINANCIALS

Loss per share 0.14 pence compared to 0.14 pence (loss) for the comparative period (2019). Operating expenses for the period under review of £630,384 compared £404,303 (2019).

Fundraising

Period under review

In April 2019, the Company raised £500,000 before expenses (17 April 2019: AIM-RNS number 4095W) by way of a placing of 100,000,000 ordinary shares of 0.1p each at a 13.8% discounted placing price of 0.50 p) (the "Placing Price"). The proceeds were for general working capital and towards advancing its Star Zinc project in Zambia, including producing an independent ore resource estimate, block modelling/preliminary pit design, and application for a small-scale mining permit.

In October 2019, the Company raised £500,000 before expenses (18 October 2019: AIM-RNS number 6452K) by way of a placing of 125,000,000 ordinary shares of 0.1p each at an 8% discounted placing price of 0.40p) and 125,000,000 Warrants to subscribe for ordinary shares at an exercise price of 0.60p per share. The proceeds were for general working capital towards advancing its Zambian Star Zinc and Kashitu projects including, an application and related environmental and licence transfer activities for a small-scale mining permit for Star Zinc.

Post Period under review

In June 2020, the Company raised £900,000 before expenses (1 June 2020: AIM – RNS number 45490) by way of a placing of 112,500,000 Galileo ordinary 0.1p shares at a 14% discounted price of 0.8 p per share. The Company intends to use the proceeds of the placing for general working capital towards exploration on its newly acquired copper and copper-nickel-platinum group metals licences in Botswana and progressing its two Zambian zinc projects.

OPERATIONS

ZAMBIA

Star Zinc Project ("Star Zinc")

The Star Zinc deposit is located approximately 20km NNW of the Zambian capital Lusaka. The project is accessible via the tarred Great North road with a journey time of approximately 30 minutes.

The project was discovered and explored historically in the 1960s by Chartered Exploration Ltd. Fifty-nine diamond drill holes totaling 2,578.5m were drilled. Historic small-scale mining was reported, from a small apparent open pit working present on site. The Company believes this open pit may be a collapsed dome.

To date the Company's exploration on the deposit comprises a two phase 56-hole diamond core drilling programme (total 2,220 metres) to depths of 60 m. The Company has executed two independent conceptual tonnage grade ("CGT") models of the drilling results and completed an independent initial inferred resource estimate. ("IRE"). The IRE showed **500,000 tonnes gross**, grading **16% Zn** at 2% Zn cut-off and hosting **77,000 t Zn**. The IRE at similar grade and cut-off, attributable to Galileo is **475,000 t** and **73,150 t Zn**.

The local geology of Star Zinc is complex and forms a varied stratigraphic sequence of argillite, limestone, massive willemite (zinc silicate mineral) zinc ore, massive limestone and dolomites (Cheta and Lusaka Formations). A broad west-east trending mineralised dome is the main structural feature of Star Zinc.

Period under review

The Company and independent consulting group Addison Mining Services Ltd ("AMS") completed – 18 August 2019 – a JORC 2012 Technical Report and Resource Estimation ("RE") on Star Zinc. The RE report is posted on Galileo's website www.galileoresources.com. The drillhole database used for estimation included 52 drill holes for 2,220m of drilling, of which 1,412m were assayed generating 1,433 samples. All drill core was logged for geology, core recovery and rock quality designation.

The inferred estimated grade tonnage curves and tabulations and curves for the in-pit material are shown in Table 1 and in Figure 1. Material below a 2% cut-off grade is not considered to have a reasonable prospect of economic extraction and is not considered part of the Resource.

The Inferred Resource block model ranges from surface to approximately 40m below surface over a length of approximately 300m from east to west and 20 to 100m from north to south. Thickness is typically between 5 and 25m. Figures 2 and 3, show the Inferred Resource blocks, respectively in cross section and in plan view.

Table 1: Gross grade tonnage tables for material inside conceptual pit shell.

Star Zinc Gross Inferred Resource Grade Tonnage Table

Cut-off grade*	Volume m^3	Tonnes t	Density t/m^3	Av Grade % Zn	Contained Zn t
15	73,000	250,000	3.5	24	61,000
12	91,000	310,000	3.4	22	69,000
10	98,000	330,000	3.4	22	72,000
8	99,000	340,000	3.4	21	72,000
7	100,000	340,000	3.4	21	72,000
6	100,000	340,000	3.4	21	72,000
5	100,000	340,000	3.4	21	72,000
4	110,000	370,000	3.3	20	73,000
3	120,000	400,000	3.3	19	75,000
2	**160,000**	**500,000**	**3.2**	**16**	**77,000**
1	170,000	540,000	3.1	14	78,000
0	170,000	550,000	3.1	14	78,000

* *Material below a cut-off grade of 2% is not considered to have a reasonable prospect of economic extraction and is not considered part of the Resource. See notes below for further explanation.*

1. *All material is classified as Inferred Category. Numbers are rounded to reflect that fact that an estimate has been made, and as such totals may vary.*
2. *Zn grades are in situ grades, no estimation of reserves have been made, resources which are not reserves do not have demonstrated economic viability.*

Star Zinc – Grade Tonnage Curves

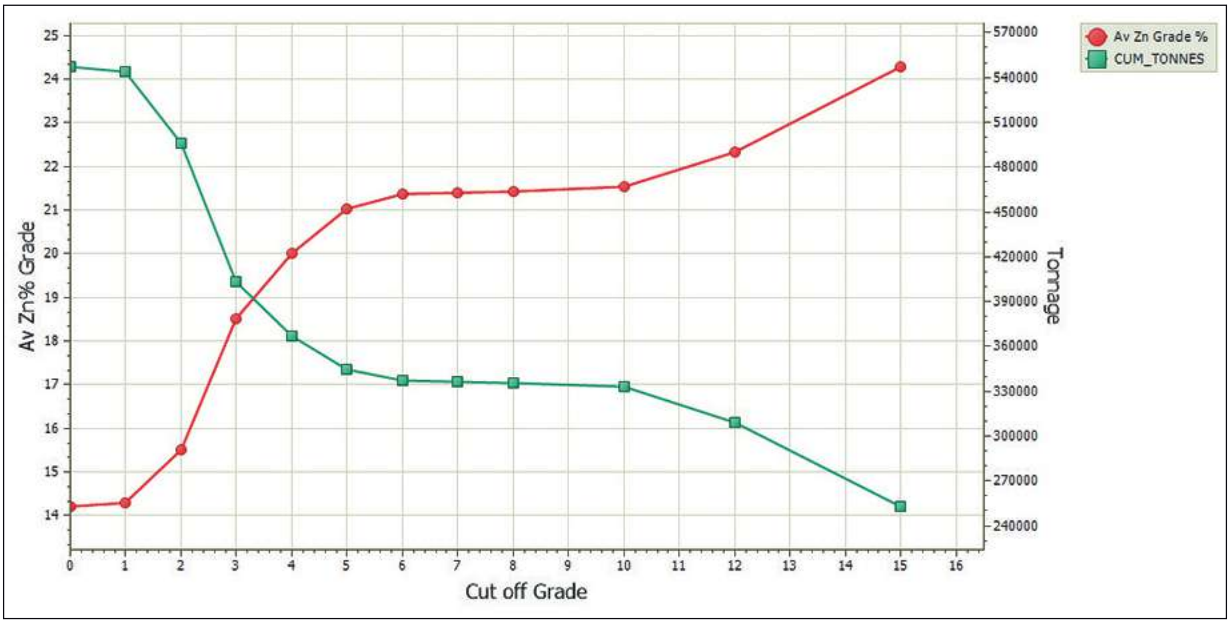


Figure 1: Star Zinc, estimated grade tonnage curves for material inside conceptual pit shell

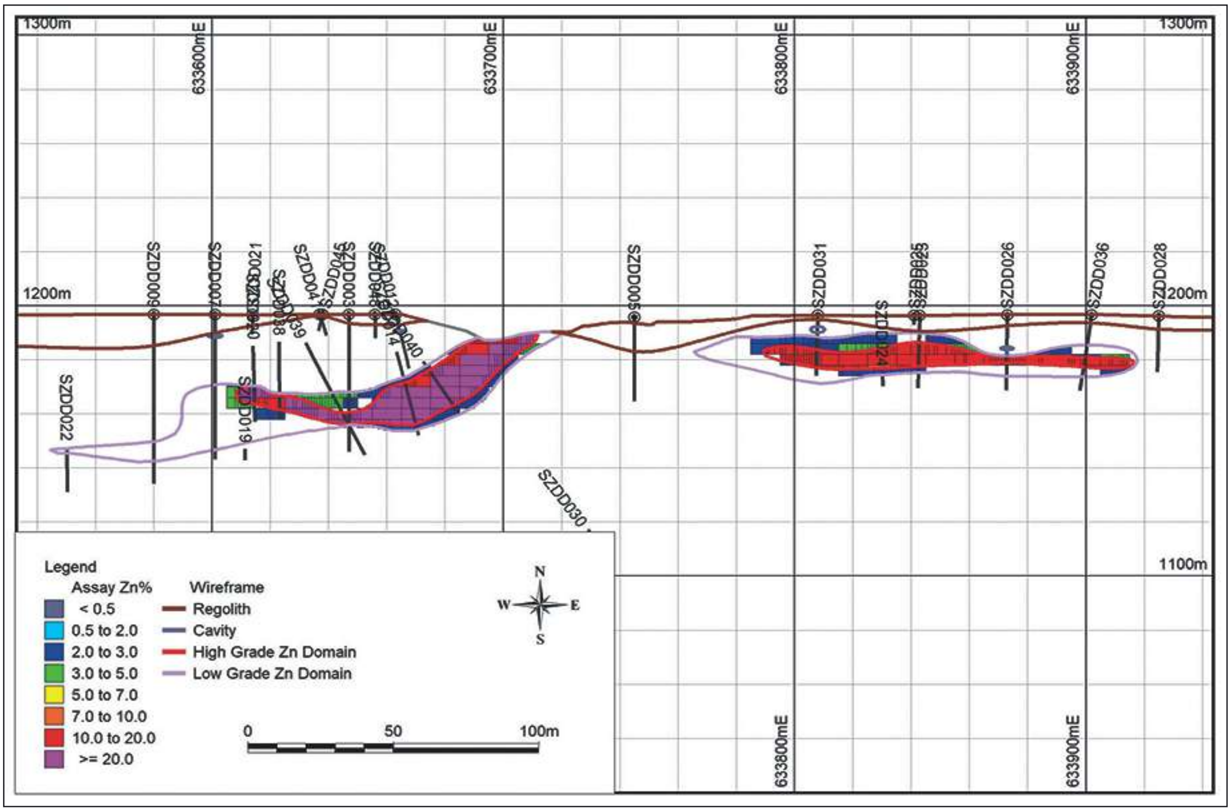


Figure 2: Inferred Resource blocks, cross section looking north

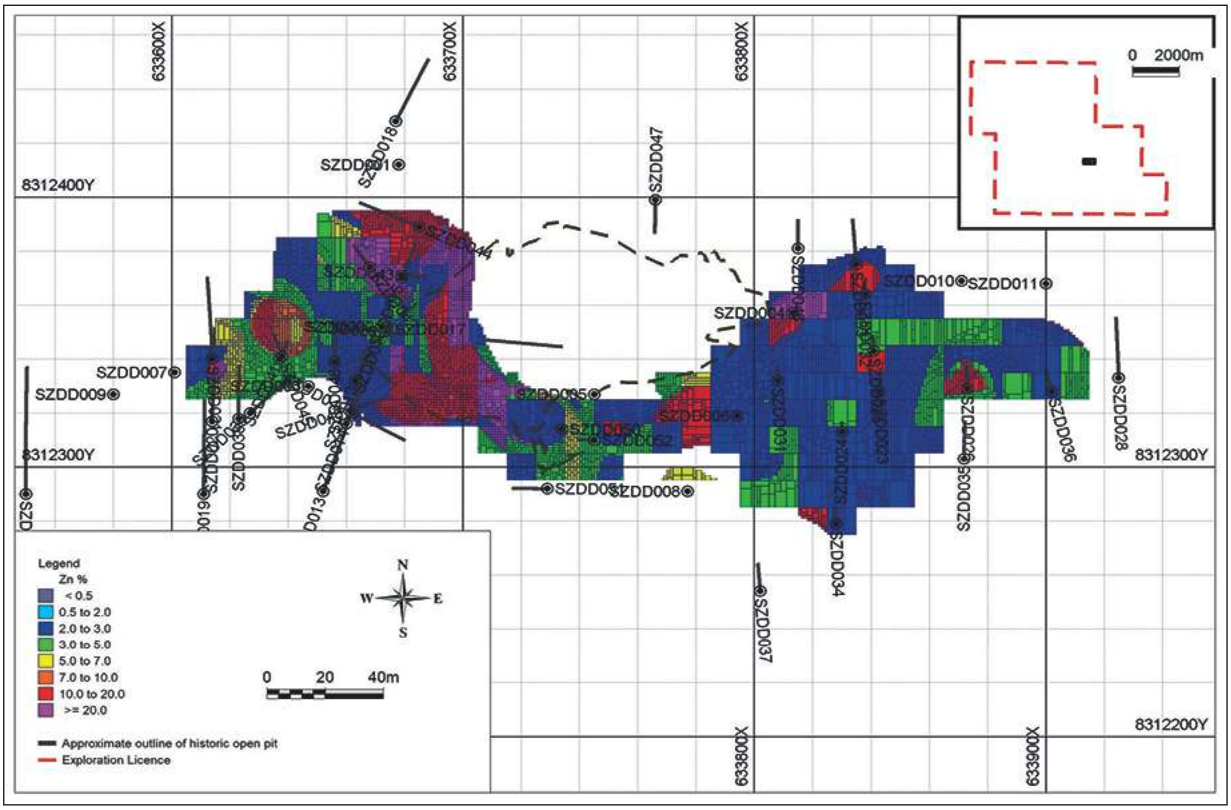


Figure 3: Inferred Resource blocks, plan view

The estimate, using a preliminary open-pit optimisation method, highlighted a high-grade hypogene Inferred Zn Resource with reasonable prospects of economic extraction of approximately **500,000 tonnes at 16% zinc for 77,000 tonnes of contained metal above a cut-off grade of 2% Zinc. This included approximately 340,000 tonnes at 21% zinc for 72,000 tonnes of metal above a cutoff grade of 8%**. The Company believes the resource of **500,000 tonnes at 16% zinc**, is potentially suitable for direct shipping material as Run-of-Mine ore to the zinc process/refinery facility at Kabwe, located approximately 120km north of the Project.

The resource model defined a clear boundary between a high-grade (>8% Zn) domain and a low-grade (<8% Zn) zone (see Figure 4). All of the +8% Zn high grade resource blocks, fell within the preliminary pit shell generated for the purpose of outlining resources with reasonable prospects of economic extraction.

This clear division of high-grade and low-grade domains confirmed previous indications of the occurrence of a distinct core of high-grade massive willemite (zinc silicate) mineralisation in both the eastern and western limbs of the deposit.

Mineralised hypogene material outside of the preliminary pit shell remains an Exploration Target estimated as being **between approximately 85,000 and 180,000 tonnes with an estimated average grade of 3 to 5% Zn**.

Similarly, a portion of the mineralised near surface secondary supergene material remains an Exploration Target estimated as being **between approximately 13,000 and 77,000 tonnes with an estimated average grade of 3 to 5% Zn**.

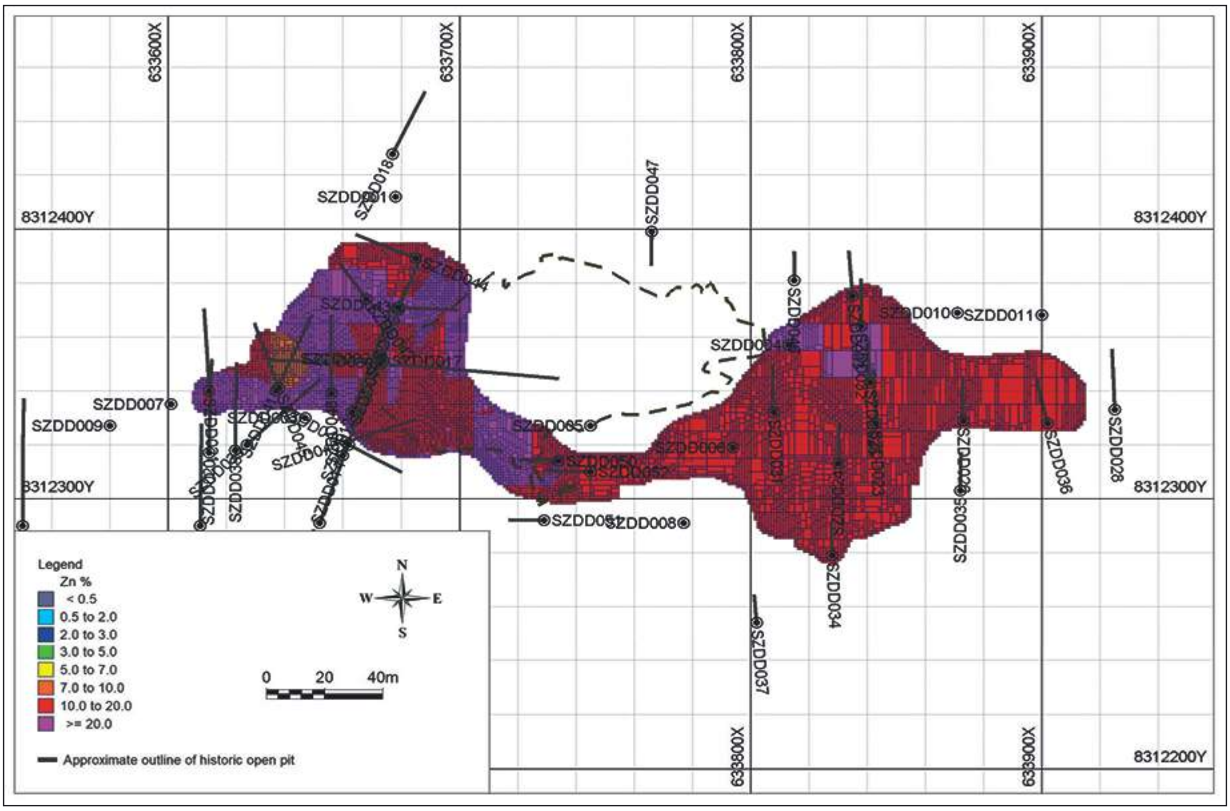


Figure 4: Inferred Resource blocks >8%, plan view.

Kashitu Prospect ("Kashitu")

Kashitu is located in the SE corner of BMR's 100% owned Kabwe ML site in Zambia. The area is considered prospective, due to elevated zinc-in-soil values, which could be amenable to zinc extraction via leaching technologies, similar to that proposed for Kabwe Tailings Recovery Project. Historical soil sampling by Billiton (now BHP) has recorded zinc values greater than 15,000 ppm Zn (1.5% Zn) over a 1.2km by 0.3km NW verging area, which is in close proximity to historical workings. Reportedly high-grade surficial willemite was extracted from the historical workings and fed in to the main historical Kabwe Mine plant, during its operation.

An interpretation of existing RAB (rotary air blasting), RC (reverse circulation) and diamond drilling has refined the area of potential interest and is likely associated with an ENE-trending structure containing steeply dipping, high-grade willemite veins.

The Company entered into a binding and exclusive Heads of Terms ("**Kashitu Agreement**")[a], to acquire, conditionally, from BMR: 1) the **Kabwe Residual Rights**, which includes Kabwe Mining Licence (6990-HQ-LML) ("**Kabwe ML**") but excludes BMR's small-scale licence 7081-HQ-SML ("Kabwe Tailings Recovery Project") situated within Kabwe ML, and 2) the remaining 15% of the shares, that Galileo currently did not hold in BMR's subsidiary Enviro Zambia Ltd ("EZL"). EZL owns 95% of Enviro Processing Zambia Ltd, the entity to which the Star Zinc project licence is still to be transferred from the holder, BMR's subsidiary Enviro Processing Limited (the "**Acquisition**"). The Kabwe Residual Rights include the **Kashitu Zinc willemite** exploration prospect ("**Kashitu**").

Pursuant to the **Kashitu Agreement** above, the Company, on 24 June 2019, served a Notice of Completion of the Conditions Precedent to Complete the Acquisition ("Completion") and issued 9,615,385 Galileo ordinary shares at 0.52p, in lieu of the cash consideration of £50,000 payable on Completion.

a *Shareholders are referred to the Company's RNS of 13 September 2018 number 6156A for details of the Kashitu Agreement*

Post Period Under Review

In April 2020, Galileo agreed with BMR an optimal arrangement ("Arrangement") for executing the conditions in the Binding Heads of Terms (announced 13 September 2018) with BMR's Mauritian subsidiary, Enviro Mining Limited ("EML"), particularly in respect of the transfer of licences for the Star Zinc and Kashitu zinc projects ('the Licences") in Zambia.

The Arrangement, involves Galileo assuming the rights to EML's wholly-owned Zambian subsidiary, which, with the exception of the Kabwe small scale mining licence 7083-HQ-SML and associated rights to property and plant held by Jubilee Metals Group plc in relation to its integrated Kabwe Project, is the named title holder of the Licences. The Arrangement is for nil consideration since the Company has already earned-in the rights to the Star Zinc and Kashitu projects.

On completion of the Arrangement, which is subject to Zambian Ministry ("ZM") approval, the Company expects it will obviate the need to change title holder of the Star Zinc and Kabwe Project (including Kashitu) exploration and mining rights. This will enable and facilitate the Company to apply in due course for a mining permit to include among other things, undertaking requisite economic and engineering studies for a shallow open-pit mining operation, to finalise third-party offtake agreements for direct shipping Star Zinc and continue its exploration activities on the Kashitu (zinc willemite) prospect.

In November 2020, Galileo announced that it had signed a marketing agreement with Zopco S.A. ("ZopCo") a Geneva based independent trading company, in relation to the potential sale of zinc willemite ore from the Star Zinc project.

South Africa

Glenover Project (or "Project")

The Glenover Project is situated in the Limpopo Province of the Republic of South Africa. The Project deposit is a complex circular carbonatite/pyroxenite plug intruded into sedimentary shale and arenite rocks of the Waterberg Group and is prominently visible as a major circular feature on satellite images of the area. The majority of the mineral assets are located on the farm Glenover 371 LQ. This includes a large open pit mine and various stockpiles of high, medium, and low-grade phosphate-bearing material. Historical exploitation of the phosphate content in the Glenover deposit resulted in the formation of a series of stockpiles, which contain high levels of phosphate and varying amounts of rare earth elements ("REEs").

Period Under Review

Glenover's majority shareholder Fer-min-ore progressed and completed obtaining regulatory authorisations to scrap and remove its fertilizer process plant from the Glenover site.

Glenover progressed obtaining DMR approval of its application for a mining right. The only outstanding related matter remains the receipt of a Record of Decision ("RoD") from the Department of Water and Sanitization ("DWS") in respect of the project's proposed Tailings Storage Facility ("TSF").

Following a review of the TSF proposal and extensive engagement with Glenover, the DWS concluded the TSF design did not fully meet their criteria for waste management in this case, more specifically the linings proposed, considering the waste characterisation of the materials to be stored. The DWS recommended that Glenover resubmit a revised TSF proposal.

Glenover initiated a sale or funding partner engagement in order to commercialise the project. To this end, it compiled suitable marketing documentation to engage with potential strategic investors in Glenover. Various potential investors have been identified and an engagement process is underway.

Post period under review

Glenover appointed a new environmental consultant, namely internationally recognised Golder with a mandate to redesign the waste facilities at Glenover to comply with DWS requirements. To date, Golder has produced a Basis of Design document and a site layout that was pre-approved by DWS. The final TSF design report was completed by Golder in November 2020 and has been submitted to the DWS for its RoD, with a decision expected shortly. Engagement with potential strategic investors continues.

Concordia Copper Project ("Concordia" or "Project")

Period Under Review

No exploration was carried out on the Project.

The Company retains a 15% interest in the Project though conversion of its previous exploration expenditure into equity in SHIP Copper (Pty) Ltd ("SHIP"), the majority owner and operator of the Project.

The physical issue of the 15% equity to the Company by SHIP, remains outstanding, pending approval from the SA Reserve Bank ("SARB") on receipt of financial information from SHIP on which the SARB can assess fair market value of the conversion in accordance with SARB regulations.

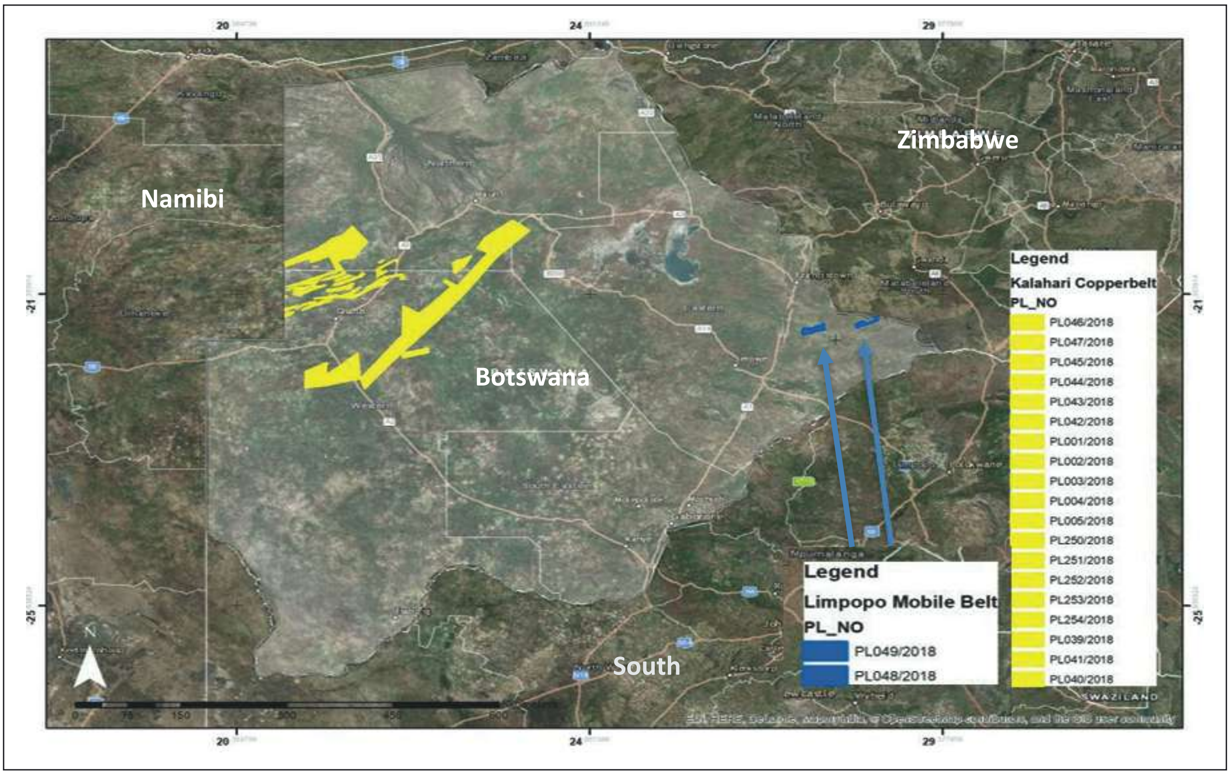
In the prior year, this financial asset was classified as a loan to associate (refer to note 6) which at the time represented loan funding towards the project. Galileo funded an initial committed amount and had the option to elect to earn a further interest into the project. In the current year management reclassified the loan to associate to other financial assets at fair value through profit or loss given that the nature of the asset changed to that of a financial asset at fair value through profit or loss.

BOTSWANA

Post Period Under Review

Galileo completed the acquisition of 100% of Botswana-incorporated Crocus-Serv (Pty) Ltd ("Crocus") having satisfied the Conditions Precedent in terms of the Heads of Agreement ("HoA") (as announced 7 May 2020 – RNS number 3266M). Crocus's assets include 21 exploration Prospecting Licences ("PLs") of which 19 are in the highly prospective Kalahari Copper Belt ("KCB") and 2 are in the Limpopo Mobile Belt ("LMB") in the western and north eastern Botswana respectively. The PLs cover a total 14,875 square kilometres.

Location of Botswana Kalahari Copper Belt ("KCB") & Limpopo Mobile Belt ("LMB") Projects



Location of Prospecting Licenses in Botswana (Kalahari Copper Belt -Yellow & Limpopo Mobile Belt – Blue)

In terms of the HoA, the Company has issued as consideration a total 38,814,246 new Galileo ordinary shares of 0.1p at 0.42p each to Crocus (the Consideration Shares) and has made a cash payment of £10,828 (Vendor Cash Consideration).

The Department of Environmental Affairs ("DEA"), advised the Company to undertake an Environmental Management Plan ("EMP") for the project following its review of a regulatory Project Brief submitted by licence holder, under section 6 (5) of the Environmental Assessment Act 2011 ("EA"). The Company completed and submitted the EMP to the DEA for their review.

Galileo commenced development of an exploration programme focusing on the Kalahari Belt licences to include soil sampling and an airborne EM geophysical survey to highlight structural and mineralisation targets for drill testing.

The Company also entered into a Share Purchase Agreement dated 14 September 2020 to acquire 100% of Africibum Co (Pty) Ltd, incorporated in Botswana ("Africibum") and its interest in five prospecting licences PL366/2018, PL367/2018, PL368/2018, PL122/2020, PL123/2020 and two prospecting licence applications in Botswana within the North East Kalahari Copper Belt. The consideration payable by Galileo was a total of 42,000,000 fully paid ordinary shares in the Company at a price of 0.779 pence per ordinary share ("Galileo Shares") comprising i) 35,000,000 Galileo Shares to be issued to Africibum's ordinary shareholders, and ii) 7,000,000 Galileo Shares to be issued to one of the Sellers in relation to the reimbursement of costs incurred by Africibum to date at the same price ; and iii) 10,000,000 warrants, with an expiry date two years from the Completion Date of the Acquisition, to acquire Galileo Shares at an exercise price of 2 pence per share which was an approximate 150 % premium to 0.785 pence being the mid-market closing share price of Galileo Shares on 14 September 2020.

The Africibum licences include PL 366/2018 which covers a significant portion of the Quirinus Copper Silver Prospect, which was discovered in 2007 by ASX-listed Discovery Metals. Quirinus was found through soil sampling, which identified copper-in-soil anomalies over a total strike length of 13.4km. Three reverse circulation (RC) holes were drilled at Quirinus in December 2007. The holes investigated a 600-metre section of the geochemical anomaly and all three holes intersected shallow copper silver mineralisation, including QRC166: 4m @ 1.7% Cu and 13g/t Ag from 38m and QRC164: 6m @ 0.9% Cu and 14g/t Ag from 62m. Mineralisation is reportedly similar in nature to that occurring at Cupric Canyon Capital's Khoemacau Project, comprising the Zone 5, Zone 5 north, Zeta and Plutus deposits, part of which lies just 15km from PL 366/2018. Zone 5 alone has a JORC-compliant Measured, Indicated and Inferred Resource of 91.7 million tonnes @ 2.13% Cu and 22g/t Ag. The Quirinus intercepts would appear to be significantly under-investigated. This will be a primary focus for Galileo.

Project Descriptions

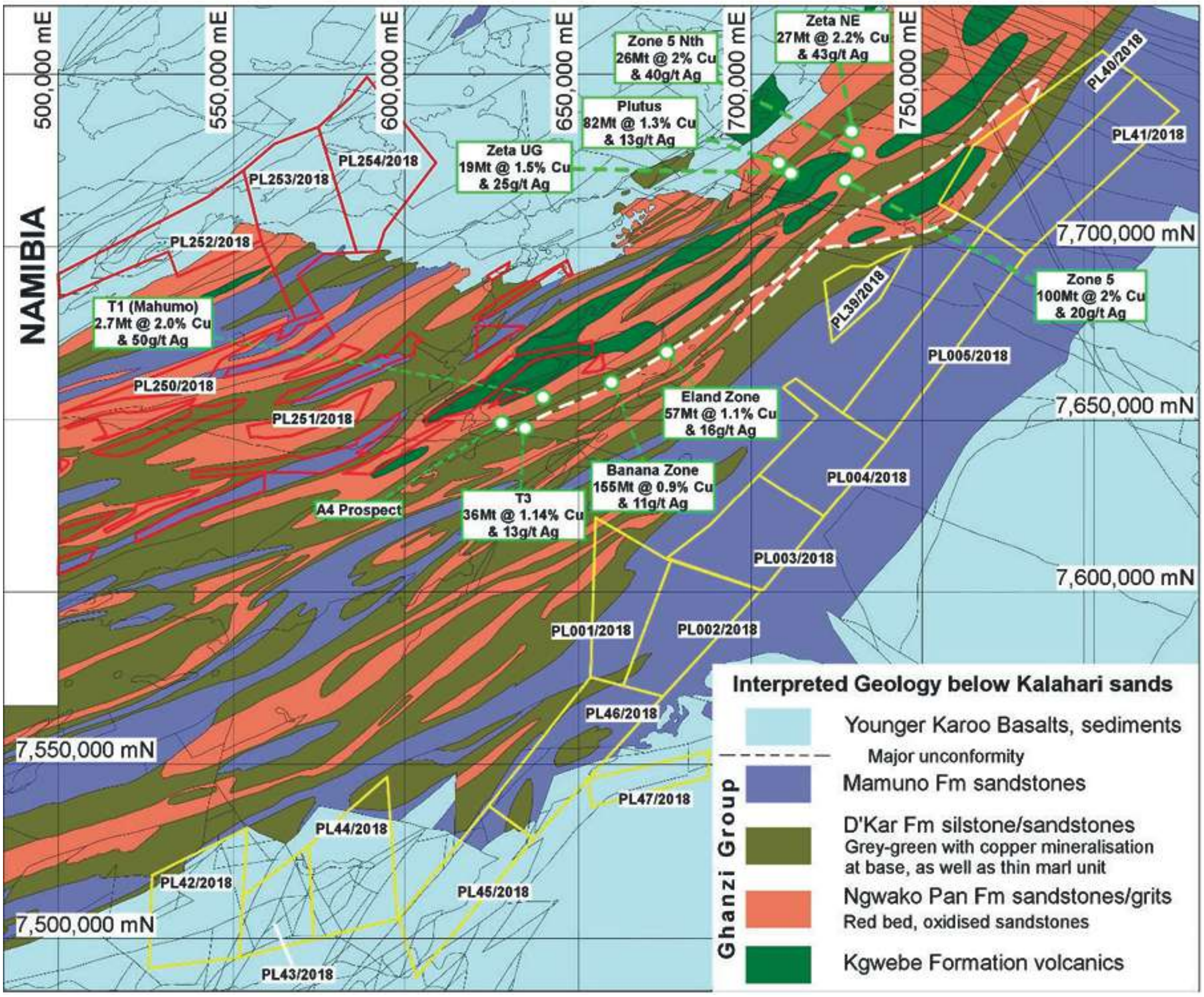
Botswana

Kalahari Copper Belt (KCB)

The KCB, approximately 800km long by up to 250km wide, is a northeast-trending Meso-to Neoproterozoic belt that occurs discontinuously from western Namibia and stretches into northern Botswana along the northwestern edge of the Paleoproterozoic Kalahari Craton.

The belt contains copper-silver mineralisation, which is generally strata-bound and hosted in metasedimentary rocks of the D'Kar Formation near the contact with the underlying Ngwako Pan Formation. The hanging wall-footwall redox contact is a distinctive target horizon that consistently hosts copper-silver mineralisation in fold-hinge settings.

Stratigraphic units and mineralisation generally dip at 30-70 degrees and ore zones range from 2m to >30m in width. The geological setting is similar to that of the major Central African Copper Belt and Kupferschiefer in Poland.



Prospecting Licences ("PLs") (Outlined Yellow and Red) in the KCB and Geology

Most of the Botswana KCB is covered by 2m to 60m of Tertiary age Kalahari Group sands. The sand cover impacts general surface geological mapping and geochemistry and most information is obtained from soil geochemistry, trenching and especially geophysical surveys and drilling.

Known deposits generally occur at the contact of the low and medium intensity magnetic features and are spatially associated with elongated, magnetic dome features. Magnetic domes represent volcanic basement rocks interpreted to be the source of copper mineralisation.

While stratigraphic mapping is regarded as difficult in areas of no outcrop, the KCB has been investigated in detail by a number of companies over recent years, which has resulted in the discovery of several copper-silver prospects and deposits. Larger prospects have been identified by Cupric Canyon Capital ("Cupric") and Sandfire Resources ("Sandfire") by acquisition of MOD Resources.

Cupric's Khoemacau-Boseto Project comprises several zones of copper-silver mineralisation over a 4km strike and extending to greater than 1,200m depth. A JORC-compliant sulphide resource has been established at a 1.0% Cu cut-off totalling 91.7Mt @ 2.13% Cu and 21.9g/t Ag. The mineralisation comprises predominantly bornite, chalcocite, and chalcopyrite.

Discovery Metals Limited's Boseto mine closed in 2015 and was purchased by Cupric to be amalgamated with that company's adjacent Khoemacau property. In total, the Khoemacau and Boseto assets combined are reported to have 500Mt of resources grading 1.4% Cu and 17g/t Ag. Cupric is currently planning development of an underground mine at the project and, in July 2019, announced signing of a US$650 million project funding package.

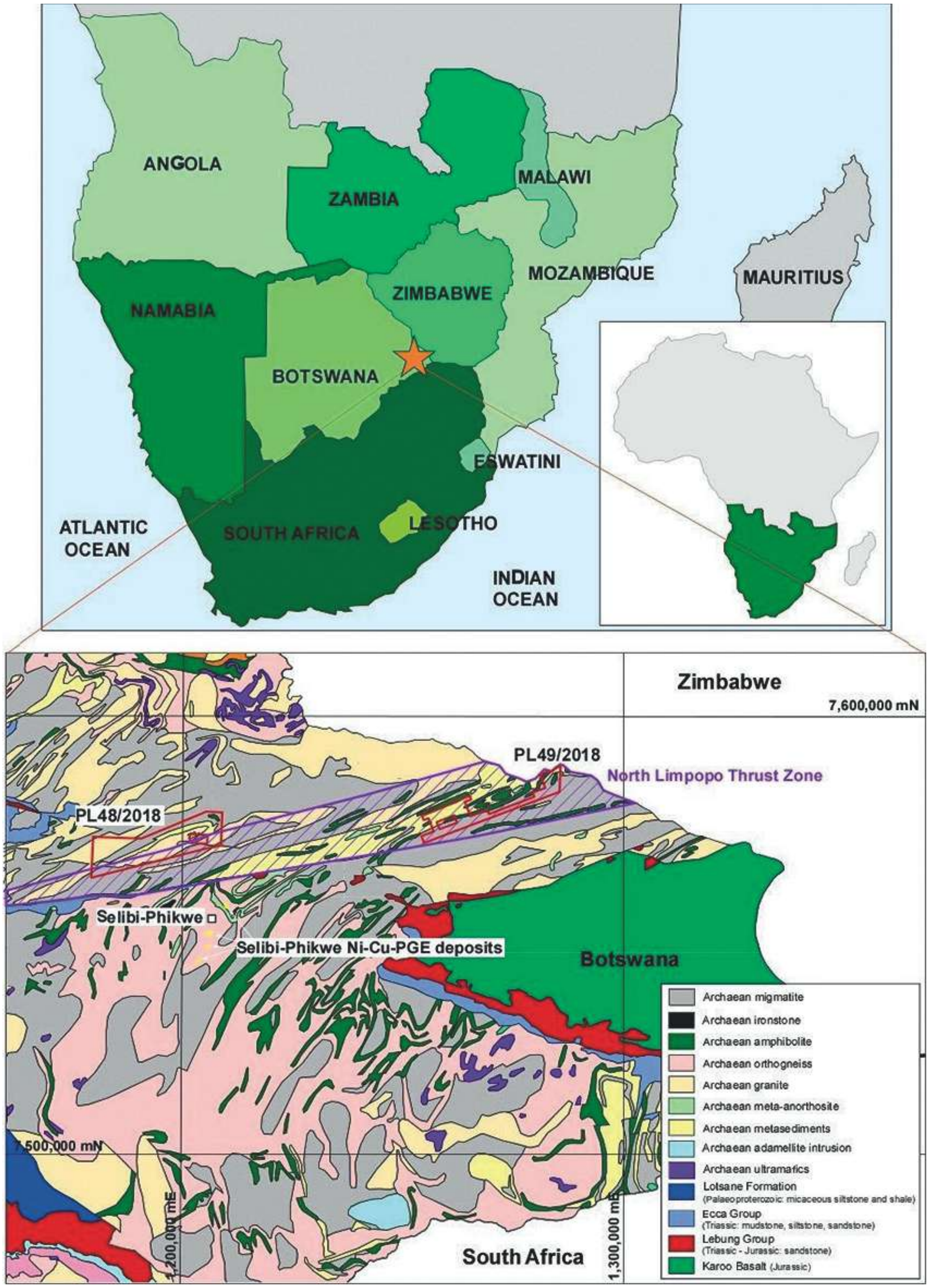
Sandfire's licences are located southwest of the Khoemacau Project in the central portion of the KCB. Their T3 deposit has previously reported Indicated and Inferred resources of 60.2Mt @ 0.98% Cu & 14g/t Ag and an optimised feasibility study is in progress which is looking at the development of a production hub. A maiden Inferred Mineral Resource at the Sandfire A4 Dome (Tshukudu) project, 8km from the T3 deposit, was recently announced of 6.5Mt @ 1.5% Cu and 24g/t Ag. Ongoing drilling at the prospect has returned exceptional intercepts up to 35.7m @ 7.1% Cu and 116g/t Ag, including 12.4m @ 13.3% Cu and 232.8g/t Ag. The latest drilling has increased the known strike length of the vein-hosted mineralisation to approximately 1km. Apart from the discoveries in Botswana, the Kalahari Copper Belt extends south-westwards into Namibia where previous mining has included the Klein Aub deposit – 7.5Mt @ 2% Cu, 45g/t Ag.

Limpopo Mobile Belt

The LMB straddles eastern Botswana, southwest Zimbabwe and northern South Africa. It comprises a complex assembly of Archaean rocks along steeply dipping shear zones separating terranes that are tens of kilometres wide with gradational contacts. The Belt has been explored historically, primarily for nickel-copper-PGEs in mafic and ultramafic intrusions, and also for shear-hosted gold.

The PLs lie within the Northern Marginal Zone of the Belt, which is dominated by gneisses, with mafic/ultramafic intrusive bodies and limited granitic rocks. This Zone hosts a number of magmatic Ni–Cu–PGE sulphide deposits and prospects, several of which are of considerable economic interest. The prospects are of variable size and include:

- Selebi Phikwe mine (150Mt @ 1.0% Ni, 0.9% Cu)
- Dikoloti deposit (4.1Mt @ 0.7% Ni, 0.5% Cu)
- Phoenix, Selkirk and Tekwane deposits – small deposits with historic resources up to 4.5Mt @ 2.05% Ni and 0.85% Cu



Limpopo Mobile Belt Geology and Prospecting Licences PL048 and PL049 (Red outlines)

Some of the prospects also contain significant concentrations of Platinum Group Elements ("PGEs").

The major Selebi Phikwe nickel-copper mine comprises three folded tabular orebodies spread over a 15km strike interval within a single continuous mafic band. The ore bearing band is up to 45m thick and includes mineralisation styles ranging from disseminated through to massive pyrrhotite with associated pentlandite and chalcopyrite.

At the Sampowane licence (PL048/2018), four diamond holes drilled by Falconbridge in the 1990's all returned narrow intervals of massive sulphide containing Ni + Cu + PGE.

Botswana Minerals later followed up with EM surveying, extending the target zone for a strike length of over 1km. A subsequent programme of nine reverse circulation RC holes for a total of 871m were completed in 2009/2010 to test these extensions, seven of which intersected semi-massive sulphides. Best of these was hole SARC0001, which intersected 0.47% Ni, 0.20% Cu, 0.43g/t Pd over 4.0m from 48m downhole depth. No further follow-up was carried out.

In the vicinity of PL049/2018, considerable exploration work was previously undertaken in the surrounding region on ground held by Botswana Metals including geophysical surveys, soil sampling, mapping, trenching, drilling and underground exploration by shafts and drives.

Numerous geophysical targets were identified, some of these closely adjoining PL049/2018. The Maibele North project lies less than 1km from the licence boundary. It hosts a JORC Resource of 2.38Mt @ 0.72% Ni, 0.21% Cu and 0.63g/t PGE, plus cobalt and gold in a strata-bound zone up to 25-30m wide that plunges southwards towards the Virgo property.

The Dibete Prospect occurring in a small window within the PL licences was tested by 93 RC holes, which located cross-cutting copper mineralisation on two northwest-southeast structures. Intercepts reported included 11m @ 4.5% Cu, 229g/t Ag and 17m @ 2.7% Cu, 41g/t Ag. No mineral resource estimate has been completed here.

In contrast to the adjoining ground, work on PL049/2018 was restricted to geophysical surveys, with no drilling completed. The delineation of these deposits immediately adjacent to PLs, along with apparent linear geophysical targets on strike with these occurrences within Galileo's ground supports the potential for discovery of significant Ni-Cu-PGE deposits within the licence holding.

USA Nevada

Ferber Property

The Ferber property is a historic producer of gold and copper. It hosts widespread gold and copper mineralisation. The Ferber intrusion-centered gold system is broadly similar to productive gold deposits elsewhere in north-central Nevada, where Carlin-style gold mineralisation and gold skarn mineralisation are genetically related to Late Eocene intrusions similar in age to the Ferber stock. This large district requires a broad approach aimed at recognizing geochemical zoning, delineating district-scale structure and understanding the stratigraphy. Integrating these three components should serve as a vector to quality exploration targets.

Period under review

The Company's US subsidiary St Vincent Minerals US Inc ("SVMUS") carried out no exploration on the property and continued to seek JV/farm-out partners or sale for the project.

SVMUS renewed its 343 patented and unpatented claims on Ferber for the period under review at a cost of USD60,345.

Post Period under review

SVMUS renewed its 343 patented and unpatented claims on Ferber for the year 2020/2021 at a cost of USD64,548.

Project Descriptions

Shareholders are referred to the 2019 Annual Report for more detailed descriptions of the Projects in Zambia, South Africa and USA.

Edward P Slowey
Technical Director

23 December 2020

Glossary

Craton	An old and stable part of the continental crust that has survived the merging and splitting of continents and supercontinents for at least 500 million years.
Mesoproterozoic (Era)	a geologic era that occurred from 1,600 to 1,000 million years ago.
Paleoproterozoic	spanning a time period from 2,500 to 1,600 million years ago.
Redox (or oxidation–reduction) reaction	a type of chemical reaction that involves a transfer of electrons between two species.
Hanging wall and footwall	The two sides of a non-vertical fault are known as the **hanging wall** and **footwall**. The **hanging wall** occurs above the fault plane and the **footwall** occurs below it.
JORC	Joint Ore Reserves Committee – a member of the Committee for Mineral Reserves International Reporting Standards.
The JORC Code	Australian-adopted Code for Public Reporting that regulates the manner in which a Competent Person estimates Mineral Resources or Ore Reserves.

Directors' Report

1. REVIEW OF ACTIVITIES

Principal activities

Galileo Resources Plc (AIM: GLR) is an opportunity driven company seeking opportunities for projects that potential value has not been realised. The current focus is on the Star Zinc project in Zambia and the Kalahari Copper belt in Botswana.

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 32 to 36.

A review of the Group's operations during the year ended 31 March 2020 and future developments are contained in the Strategic Report on pages 3 to 17.

Financial review

The Group reported a net loss of £642,188 (2019: loss of £416,784) before and after taxation. Basic loss is 0.14 pence (2019: loss of 0.14 pence) per share.

Risk review

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

Political risk

Political risk is the risk that assets will be lost through expropriation and unrest or war. The Group minimises political risk by operating in countries with relatively stable political systems, established fiscal and mining codes and a respect for the rule of law. 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, rare earth elements (REEs) and phosphorus (as phosphate). The prices of these elements have been volatile during the year but an uptrend is in place. However, commodity prices are cyclical and prices are subject to fluctuations. These fluctuations could adversely affect the Group's operations. The potential economics of all the Group's projects are kept under close review on a regular basis.

Financial risk

The three main types of financial risk faced by the Group are credit risk, liquidity risk and currency risk. Liquidity risk is the risk of insufficient working and investment capital. The Group's goal is to finance its exploration and activities from operational cash flow from operations but in the absence of such cash flow, the Group relies on the issue of equity share capital to finance its activities. Galileo secured additional funds by way of placings 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 and US Dollar 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 three currencies and local currencies but this policy will be reviewed from time to time. The Group maintains tight financial and budgetary control to keep its operations cost effective to mitigate these financial risks.

Strategic risk

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

Funding risk

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

Exploration risk

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

Operational risk

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

Mining risk

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

Processing risk

REEs are relatively difficult to process and 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, Botswana, Zambia and 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. Zambia boasts 10% of the world's copper reserves, is the second largest copper producer in Africa and the eighth globally, remains one of the world's largest cobalt producers, and has the world's largest emerald mine. The mining industry is an important pillar of the economy contributing about 12% and 75% of GDP and exports, respectively. The government is reliant on the mining industry. Any changes in policy affecting ownership of assets, taxation, and exchange controls may affect the Group's ability to continue with the projects in Zambia.

Uninsurable risks

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

Security of tenure

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

Market perception

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

Environmental factors

All mining operations have some degree of an environmental risk. Although the directors have made reasonable assessment, no assurance can be given that no outstanding or intended claims against disturbance of the environment exist. 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.

COVID-19 risk

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

2. GOING CONCERN

The Group has sufficient financial resources to enable it to continue in operational existence for the foreseeable future, to continue the current development programme and meet its liabilities as they fall due. Since the year end up to the date of this report the Group raised c. £1 million before expenses and the Company has no external debt or overdrafts. The directors have further reviewed the Group's cash flow forecast, and in light of this review and the financial position at the date of this report, they are satisfied that the Company and Group have access to adequate resources to continue in operational existence for the foreseeable future. The directors have also satisfied themselves that the Group has adequate measures in place to monitor and manage the risks that the COVID-19 pandemic poses.

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. The Company's auditors have referenced a material uncertainty within the audit report to highlight the Group's dependence on future funding.

3. EVENTS AFTER THE REPORTING PERIOD

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

4. DIRECTORS' SHAREHOLDING ANALYSIS

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

	At 31 March 2020		At 31 March 2019	
Beneficial owner	Shares	%	Shares	%
Colin Bird	60,435,000	10.83	49,435,000	16.23
Andrew Sarosi (Resigned 4 September 2020)	10,000	0.00	10,000	0.00
John Richard Wollenberg	6,321,341	1.13	5,221,341	1.71
The Cardiff Property Plc*	900,000	0.16	900,000	0.30
	67,666,341	**12.13**	**55,566,341**	**18.24**

**John Richard Wollenberg and his family are 45.94% shareholders in the Cardiff Property Plc*

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

Beneficial owner	Shares	% holding
Colin Bird	63,035,000	7.70
Andrew Sarosi (Resigned 4 September 2020)	10,000	0.00
John Richard Wollenberg	6,321,341	0.77
The Cardiff Property Plc*	900,000	0.11
	70,266,341	**8.59**

Colin Bird holds 63 035 000 ordinary shares of 0.1 pence each or 7.70% of the Company's issued share capital. This makes him a shareholder in Galileo with potentially significant influence over the affairs of the Company.

Directors' interests in the Company's share option scheme at the date of this report were as follows:

	At 31 March 2020	At 31 March 2019
Beneficial owner		
Colin Bird	20,000,000	5,000,000
Andrew Sarosi (Resigned 4 September 2020)	11,000,000	3,000,000
John Richard Wollenberg	2,250,000	750,000
Chris Molefe	1,250,000	250,000
	34,500,000	**9,000,000**

Refer to note 27 for directors' emoluments.

5. CAPITAL STRUCTURE AND SHARE ISSUE

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

Date	Number of ordinary shares	Issue price	Purpose of issue
Opening balance	**304,596,562**		
17 April 2019	100,000,000	0.50p	Placing for cash
27 June 2019	15,000,000	1.15p	Acquisition
27 June 2019	9,615,385	0.52p	Acquisition
27 June 2019	3,600,000	0.50p	Settlement of debt
01 November 2019	125,000,000	0.40p	Placing for cash
Closing balance	**557,811,947**		

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

Date	Number of ordinary shares	Issue price	Purpose of issue
28 May 2020	38,814,246	0.40p	Acquisition
28 May 2020	26,505,000	0.60p	Warrants exercised
2 Jun 2020	18,625,000	0.60p	Warrants exercised
4 Jun 2020	11,820,000	0.60p	Warrants exercised
12-Jun-2020	54,562,500	0.80p	Placing for cash
24-Jun-2020	57,937,500	0.80p	Placing for cash
28-Aug-2020	1,200,000	0.60p	Warrants exercised
14-Sep-2020	1,250,000	0.60p	Warrants exercised
22-Sep-2020	6,250,000	0.60p	Warrants exercised
22-Oct-2020	42,000,000	0.70p	Acquisition
18-Nov-2020	300,000	0.60p	Warrants exercised
27-Nov-2020	1,125,000	0.60p	Warrants exercised
07-Dec-2020	12,500,000	0.60p	Warrants exercised
14-Dec-2020	1,000,000	0.60p	Warrants exercised

The total shares in issue at the date of this report were 831,701,193 ordinary shares.

Allotment of shares

As ordinary business at the annual general meeting held on 28 September 2020, a resolution was proposed and approved 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 £767,276 . 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 held on 28 September 2020, 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 £767,276.

Major Shareholders

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

Name of Holder	No. of Ordinary Shares	% of Voting Rights
Hargreaves Lansdown Asset Mgt	143,707,034	17.59
Jarvis Investment Mgt	71,029,788	8.70
Interactive Investor Trading	64,625,443	7.91
Mr Colin Bird	63,035,000	7.72
Barclays Wealth	42,685,859	5.23
Halifax Share Dealing	37,836,991	4.63
Raymond James Financial	33,012,113	4.04
M & A Wealth Pty Ltd	32,445,285	3.97
Dr Emyr Griffiths	29,398,264	3.60
Mr Christian Cordier	28,667,794	3.51

6. DIVIDENDS

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

7. BOARD OF DIRECTORS

There were no changes to the board during the period under review. On 4 September 2020 Andrew Sarosi tendered his resignation as Financial and Technical Director. On 4 September 2020 Edward Patrick Slowey was appointed Technical Director of the Company. On 7 October 2020 Joel Silberstein was appointed Finance Director. The directors of the Company during the year and to the date of this report are disclosed under Corporate Information on page 2 of this report.

8. SECRETARY

The secretary of the Company is Link Company Matters Limited, a division of Link Asset Services with address; 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

9. AUDITORS

On 28 September 2020, a resolution proposing the appointment of, PKF Littlejohn LLP, was duly passed at the Company's annual general meeting.

10. DISCLOSURE OF INFORMATION TO AUDITORS

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

11. CORPORATE GOVERNANCE

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

11.1 Principle One – Business Model and Strategy

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

11.2 Principle Two – Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company keeps its private shareholders and institutional investors informed with regular RNS statements and its executive directors meet with shareholders during the year with opportunities to discuss issues and provide feedback. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting (Subject to COVID-19 restrictions). Investors also have access to current information on the Company through its website, www.galileoresources.com and via Colin Bird, Chairman/CEO who is available to answer investor relations enquiries.

11.3 Principle Three – Considering wider stakeholder and social responsibilities

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

11.4 Principle Four – Risk Management

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

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

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

11.5 Principle Five – A Well-Functioning Board of Directors

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

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

Attendance at Board and Committee Meetings

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

11.6 Principle Six – Appropriate Skills and Experience of the Directors

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

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

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

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

Colin Bird – Executive Chairman & Chief Executive Officer

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

Edward (Ed) Slowey – Executive Technical Director

Ed Slowey holds a BSc degree in Geology from the National University of Ireland and is a founder member of The Institute of Geology of Ireland. He has more than

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

Joel Silberstein – Executive Finance Director

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

J Richard Wollenberg – Non-Executive Director

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

Christopher (Chris) Molefe – Non-Executive Director

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

11.7 Principle Seven – Evaluation of Board Performance

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

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

11.8 Principle Eight – Corporate Culture

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

Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company successfully to achieve its corporate objectives. The Board places great import on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted, with effect from the date on which its shares were admitted to

AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

11.9 Principle Nine – Maintenance of Governance Structures and Processes

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

Audit and Compliance Committee

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

Remuneration Committee

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

Nominations Committee

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

Non-Executive Directors

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

11.10 Principle Ten – Shareholder Communication

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

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

12. DIRECTORS' s172 STATEMENT

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

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

The Board has always recognised the relationships with key stakeholders as being central to the long-term success of the business and therefore seeks active engagement with all stakeholder groups, to understand and respect their views, in particular of those with the communities in which it operates, its host governments, employees and suppliers.

Details of the Board's decisions for the year ending 31 March 2020 to promote long-term success, and how it engaged with stakeholders and considered their interests when making those decisions, can be found throughout the Strategic Report, Directors' and Corporate Governance reports.

13. DIRECTORS' RESPONSIBILITIES AND APPROVAL

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

The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") endorsed by the EU and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong controlled environment. To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints. The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

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

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

The going-concern basis has been adopted in preparing the consolidated annual financial statements. The directors have no reason to believe that the Group will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These consolidated annual financial statements support the viability of the Company. The directors have reviewed the Group's financial position at the balance sheet date and for the period ending on the anniversary of the date of approval of these financial statements and they are satisfied that the Group has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

14. RELATED PARTY TRANSACTIONS

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

15. FINANCIAL INSTRUMENTS

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

16. POLITICAL AND CHARITABLE CONTRIBUTIONS

The Group made no charitable donations (2019: £Nil) and no political donations (2019: £Nil) during the year. The Company's independent auditors, PKF Littlejohn LLP, audited the Group's consolidated annual financial statement, and their report is presented on pages 29 to 31. The Group and Company annual financial statements set out on pages 32 to 36, which have been prepared on the going-concern basis, were approved by the Board and signed on its behalf by:

Colin Bird
Chairman

23 December 2020

Independent Auditors' Report

TO THE MEMBERS OF GALILEO RESOURCES PLC

Opinion

We have audited the financial statements of Galileo Resources plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Group and Parent Company Statements of Financial Position, the Group and Parent Company Statements of Comprehensive Income, the Group and Parent Company Statements of Financial Position, the Group and Parent Company Statements of Changes in Equity, the Group and Parent Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2 within the Directors' Report to the financial statements, which indicates that further financing will be required within the next 12 months in order for the Group and Company to continue in operation and meet its working capital requirements. As stated in note 2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Our application of materiality

We apply the concept of materiality in both planning and performing the audit, and in evaluating the effect of misstatements. At the planning stage, materiality is used to determine the financial statements areas that are included within the scope of the audit and the extent of the sample sized during the audit.

The materiality applied to the group financial statements was £127,500, based on a percentage of gross assets, as it is from these assets that the group seeks to deliver returns for shareholders, in particular the value of exploration and development projects the group is interested in. Performance materiality has been set at 70% of headline materiality, and the threshold for which we communicate errors to management has been set at 5%. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds. Materiality for the company financial statements was set at £100,000, using loss before tax and gross assets bases.

Materiality has been reassessed at the closing stages of the audit, taking into consideration new information which arose. No alterations were made to materiality either during or at the conclusion of the audit.

An overview of the scope of our audit

In designing our audit, we looked at areas which deemed to involve significant judgement and estimation by the directors, such as the key audit matter surrounding the carrying value of intangible assets. Other judgemental areas are the accounting treatment and valuation of investments in associates and subsidiaries, and receivables from other group entities. We also addressed the risk of management override of controls, including consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Work on all significant components of the group has been performed by us as group auditor.

Key audit matters

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

Key Audit Matter	How the scope of our audit responded to the key audit matter
Carrying value and appropriate capitalisation of Intangible Assets (GROUP) – Note 3 The group has intangible assets being capitalised exploration costs in respect of its Exploration and evaluation in the USA and Zambia. There is the risk that these assets have been incorrectly capitalised in accordance with IFRS 6 and that there are indicators of impairment as at 31 March 2020. Particularly for early stage exploration projects where the calculation of recoverable amount via value in use calculations is not possible, management's assessment of impairment under IFRS 6 requires estimation and judgement based on the costs that are being capitalised and whether they meet the criteria stipulated in IFRS 6.	Our audit work included: • Confirmation that the Group has good title to the applicable exploration licences; • Review of capitalised costs including consideration of appropriateness for capitalisation under IFRS 6; • Assessment of progress at the individual projects during the year and post year-end; and • Consideration of management's impairment assessment, including challenge to all key assumptions and sensitivity to reasonably possible changes.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Eric Hindson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

23 December 2020

Group and Company Statements of Financial Position

as at 31 March 2020

Figures in Pound Sterling

		Group		Company	
	Note(s)	**31 March 2020**	31 March 2019	**31 March 2020**	31 March 2019
Assets					
Non-current assets					
Intangible assets	3	**3,348,019**	2,855,856	**–**	–
Investment in subsidiaries	4	**–**	–	**3,931,759**	3,630,567
Investment in joint ventures	5	**1,834,710**	2,156,507	**–**	–
Loans to joint ventures, associates, and subsidiaries	6	**291,442**	444,004	**5,330,856**	5,388,512
Other financial assets	7	**344,523**	402,751	**–**	–
		5,818,694	5,859,118	**9,262,615**	9,019,079
Current assets					
Trade and other receivables	9	**2,228**	42,920	**–**	10,624
Cash and cash equivalents	10	**356,485**	1,075	**352,110**	2,804
		358,713	43,995	**352,110**	13,428
Total assets		**6,177,407**	5,903,113	**9,614,725**	9,032,507
Equity and liabilities					
Equity					
Share capital	11	**26,469,319**	25,440,319	**26,469,319**	25,440,319
Reserves		**621,131**	461,554	**1,331,113**	1,197,614
Accumulated loss		**(21,222,788)**	(20,580,601)	**(19,216,867)**	(18,685,660)
		5,867,662	5,321,272	**8,583,565**	7,952,273
Liabilities					
Non-current liabilities					
Loans from subsidiaries	5	**–**	–	**751,145**	856,081
Other financial liabilities	14	**5**	3,846	**–**	–
		5	3,846	**751,145**	856,081
Current liabilities					
Trade and other payables	15	**309,740**	577,995	**280,015**	224,153
Total liabilities		**309,745**	581,841	**1,031,160**	1,080,234
Total equity and liabilities		**6,177,407**	5,903,113	**9,614,725**	9,032,507

These financial statements were approved by the directors and authorised for issue on 23 December and are signed on their behalf by:

Colin Bird **Joel Silberstein**

Company number: 05679987

Group and Company Statements of Comprehensive Income

for the year ended 31 March 2020

Figures in Pound Sterling

		Group		Company	
	Note(s)	**31 March 2020**	31 March 2019	**31 March 2020**	31 March 2019
Operating expenses	17	**(630,384)**	(404,303)	**(531,210)**	(329,705)
Operating loss		**(630,384)**	(404,303)	**(531,210)**	(329,705)
Investment revenue	18	**2**	3,993	**2**	149
Loss from equity accounted investments	5	**(11,806)**	(16,474)	**–**	–
Loss for the year		**(642,188)**	(416,784)	**(531,208)**	(329,556)
Other comprehensive income:					
Exchange differences on translating foreign operations	21	**26,078**	(268,218)	**–**	–
Total comprehensive loss for the year		**(616,110)**	(685,002)	**(531,208)**	(329,556)
Loss per share in pence (basic)	22	**(0.14)**	(0.14)		

All operating expenses and operating losses relate to continuing activities.

Group and Company Statements of Changes in Equity

as at 31 March 2020

Figures in Pound Sterling

	Share capital	Share premium	Total share capital
Group			
Balance at 1 April 2018	**5,865,231**	**19,080,088**	**24,945,319**
Loss for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	50,000	445,000	495,000
Total contributions by and distributions to owners of Company recognised directly in equity	**50,000**	**445,000**	**495,000**
Balance at 1 April 2019	**5,915,231**	**19,525,088**	**25,440,319**
Loss for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	253,215	909,284	1,162,499
Warrants issued	–	(133,499)	(133,499)
Total contributions by and distributions to owners of Company recognised directly in equity	**253,215**	**775,785**	**1,029,000**
Balance at 31 March 2020	**6,168,446**	**20,300,873**	**26,469,319**
Note(s)	11	11	11

	Share capital	Share premium	Total share capital
Company			
Balance at 1 April 2018	**5,865,231**	**19,080,088**	**24,945,319**
Loss for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	50,000	445,000	495,000
Total contributions by and distributions to owners of Company recognised directly in equity	**50,000**	**445,000**	**495,000**
Balance at 1 April 2019	**5,915,231**	**19,525,088**	**25,440,319**
Loss for the year	–	–	–
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**–**	**–**	**–**
Issue of shares net of issue costs	253,215	909,284	1,162,499
Warrants issued	–	(133,499)	(133,499)
Total contributions by and distributions to owners of Company recognised directly in equity	**253,215**	**775,785**	**1,029,000**
Balance at 31 March 2020	**6,168,446**	**20,300,873**	**26,469,319**
Note(s)	11	11	11

(1) Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.
(2) Merger reserve comprises the difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange.
(3) Share based payment reserve comprises the fair value of an equity-settled share based payment.

Figures in Pound Sterling

Foreign currency transaction reserve[(1)]	Merger reserve[(2)]	Share based payment reserve[(3)]	Total reserves	Accumulated loss	Total equity
(467,842)	**1,047,821**	**149,793**	**729,772**	**(20,163,817)**	**5,551,274**
–	–	–	–	(416,784)	(416,784)
(268,218)	–	–	(268,218)	–	(268,218)
(268,218)	**–**	**–**	**(268,218)**	**(416,784)**	**(685,002)**
–	–	–	–	–	495,000
–	**–**	**–**	**–**	**–**	**495,000**
(736,060)	**1,047,821**	**149,793**	**461,554**	**(20,580,600)**	**5,321,273**
–	–	–	–	(642,188)	(642,188)
26,078	–	–	26,078	–	26,078
26,078	**–**	**–**	**26,078**	**(642,188)**	**(616,110)**
–	–	–	–	–	1,162,499
–	–	133,499	133,499	–	–
–	**–**	**133,499**	**133,499**		**1,162,499**
(709,982)	**1,047,821**	**283,292**	**621,131**	**(21,222,788)**	**5,867,662**
13		12			

Foreign currency transaction reserve[(1)]	Merger reserve[(2)]	Share based payment reserve[(3)]	Total reserves	Accumulated loss	Total equity
–	**1,047,821**	**149,793**	**1,197,614**	**(18,356,103)**	**7,786,830**
–	–	–	–	(329,556)	(329,556)
–	–	–	–	–	–
–	**–**	**–**	**–**	**(329,556)**	**(329,556)**
–	–	–	–	–	495,000
–	**–**	**–**	**–**	**–**	**495,000**
–	**1,047,821**	**149,793**	**1,197,614**	**(18,685,659)**	**7,952,274**
–	–	–	–	(531,208)	(531,208)
–	–	–	–	–	–
–	**–**	**–**	**–**	**(531,208)**	**(531,208)**
–	–	–	–	–	1,162,499
–	–	133,499	133,499	–	–
–	**–**	**133,499**	**133,499**	**–**	**1,162,499**
–	**1,047,821**	**283,292**	**1,331,113**	**(19,216,867)**	**8,583,565**
		12			

Group and Company Statements of Cash Flows

for the year ended 31 March 2020

Figures in Pound Sterling

		Group		Company	
	Note(s)	**31 March 2020**	31 March 2019	**31 March 2020**	31 March 2019
Cash flows from operating activities					
Cash used in operations	23	**(331,288)**	(302,518)	**(315,783)**	(262,670)
Investment Revenue	18	**2**	3,993	**2**	149
Net cash from operating activities		**(331,286)**	(298,525)	**(315,781)**	(262,521)
Cash flows from investing activities					
Additions to intangible assets	3	**(290,232)**	(575,093)	**–**	–
Joint ventures acquired		**–**	–	**(301,192)**	(475,631)
Net movement on group company loans	6	**(13,072)**	(159,608)	**(196,220)**	(179,134)
Net cash flows from investing activities		**(303,304)**	(734,701)	**(497,412)**	(654,765)
Cash flows from financing activities					
Proceeds from share issues	11	**990,000**	495,000	**1,162,499**	495,000
Total cash movement for the year		**355,410**	(538,226)	**349,306**	(422,286)
Cash at the beginning of the year		**1,075**	539,301	**2,804**	425,089
Total cash at end of the year	10	**356,485**	1,075	**352,110**	2,803

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

Galileo Resources PLC is a public company listed on AIM of the LSE, incorporated and existing under the laws of England and Wales, having its registered office at 1st Floor, 7/8 Kendrick Mews, London, SW7 3HG, United Kingdom. The consolidated annual financial statements have been prepared in accordance with 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. These annual financial statements were approved by the board of directors on 23 December 2020.

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

Recoverability of exploration and evaluation costs

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

Receivables from Group entities

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

Fair value estimation

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

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

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

Write back of historic balances

During the year the Company wrote off historic balances of $20,193 held in St Vincent Minerals US Inc (SVMUS) on the basis that there has been no movement on these balances since 2015, and the Group has not been chased for payment. Included in the net balance of £20,193 were payables in an amount of £335,806. These balances were legacy balances dating to the time of acquisition of SVM. The statute of limitations on collecting debt relating to written contracts is 6 years in the state of Nevada, where the Company is registered. As the time limit is nearly exceeded, the Company does not consider these balances to be payable at the balance sheet date, nor has anything arisen since the year end to indicate they will become payable.

1.3 Exploration and evaluation costs

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

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

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

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

Exploration and evaluation assets are assessed for impairment if:

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

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

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

1.4 Investment in subsidiaries

Company annual financial statements

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

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

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

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

1.5 Investment in joint ventures

Company annual financial statements

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

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

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

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

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

1.6 Investments in associates

Company annual financial statements

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

1.7 Financial instruments

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

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

Classification

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

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

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

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

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

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

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

Loans to/(from) Group companies and Joint Arrangements

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

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

Inter-company loans bear no interest.

Trade and other receivables

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

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

Trade and other payables

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

Cash and cash equivalents

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

1.8 Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

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

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

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

Tax expenses

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

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

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

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

1.9 Share-capital and equity

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

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

1.10 Share-based payments

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

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

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

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

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

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

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

1.11 Employee benefits

Short-term employee benefits

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

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

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

1.12 Translation of foreign currencies

Functional and presentation currency

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

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

Foreign currency transactions

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

At the end of the reporting period:

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

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

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

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

Investments in subsidiaries, joint ventures and associates

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

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

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

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

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

1.13 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. The Company's auditors have referenced a material uncertainty within the audit report to highlight the Group's dependence on future funding.

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.

Adoption of new and revised standards

During the financial year, the Group has adopted the following new IFRSs (including amendments thereto) and IFRIC interpretations that became effective for the first time.

Standard	Effective date, annual period beginning on or after
IFRS 16 *Leases*	1 January 2019
IFRIC Interpretation 23 – *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to IFRS 9 – *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to IAS 28 – *Long-term Interests in Associates and Joint Ventures*	1 January 2019
Annual improvements 2015-2017 cycle	1 January 2019
Amendments to IAS 19 – *Plan amendment, Curtailment or Settlement*	1 January 2019

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements.

Figures in Pound Sterling

2. NEW STANDARDS AND INTERPRETATIONS (continued)

Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective.

Standard	Effective date, annual period beginning on or after
Conceptual Framework and Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IFRS 3 *Business Combinations*	1 January 2020
Amendments to IAS 1 and IAS 8: *Definition of Material*	1 January 2020
Reference to the Conceptual Framework (Amendments to IFRS 3 *Business Combinations*)	1 January 2022*
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022*
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*)	1 January 2022*
Annual improvements 2018-2020 cycle	1 January 2022*
Classification of Liabilities as Current or Non-Current: *Amendments to IAS 1*	1 January 2023*

**Not been endorsed for use in the European Union*

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

3. INTANGIBLE ASSETS

	31 March 2020 Cost/ Valuation	31 March 2019 Cost/ Valuation
Group		
Exploration and evaluation asset – U.S.A.	**1,773,859**	1,582,888
Exploration and evaluation asset – Zambia	**1,574,160**	1,272,968
	3,348,019	2,855,856

Reconciliation of intangible assets – Group

	Opening	Additions	Foreign Exchange	Total
2020				
Exploration and evaluation asset – U.S.A.	**1,582,888**	**161,539**	**29,432**	**1,773,859**
Exploration and evaluation asset – Zambia	**1,272,968**	**301,192**	**–**	**1,574,160**
	2,855,856	**462,731**	**29,432**	**3,348,019**
2019				
Exploration and evaluation asset – U.S.A.	1,380,085	99,642	103,341	1,582,888
Exploration and evaluation asset – Zambia	–	1,272,968	–	1,272,968
	1,380,085	1,372,430	103,341	2,855,856

The exploration and evaluation asset based in the U.S.A. is a USD denominated asset and the exploration and evaluation asset based in Zambia is a ZMW denominated asset. Both assets are carried at cost adjusted for any foreign currency movements during the period under review.

Figures in Pound Sterling

3. INTANGIBLE ASSETS (continued)

The Company's intangible in the U.S.A. is greenfield Ferber copper/gold property in Nevada.

The Company's intangible in Zambia is its Star Zinc Project. The Star Zinc deposit is located approximately 20 km NNW of the Zambian capital Lusaka. The project is accessible via the tarred Great North road with a journey time of approximately 30 minutes. The project was discovered and explored historically in the 1960s by Chartered Exploration Ltd. Fifty nine diamond drill holes totaling 2 578.5m were drilled. Historic small-scale mining was reported, from a small apparent open pit working present on site. The Company believes this open pit may be a collapsed dome. The local geology of Star Zinc is complex and forms a varied stratigraphic sequence of argillite, limestone, massive willemite (zinc silicate mineral) zinc ore, massive limestone and dolomites (Cheta and Lusaka Formations). A broad west-east trending mineralised dome is the main structural feature of Star Zinc.

4. INVESTMENTS IN SUBSIDIARIES

Name of Company	**31 March 2020 % voting power**	31 March 2019 % voting power	**31 March 2020 Carrying amount**	31 March 2019 Carrying amount
Skiptons Global Investments Limited – Incorporated in British Virgin Islands	**100**	100	**–**	–
Galileo Resources SA Proprietary Limited – Incorporated in the Republic of South Africa	**100**	100	**–**	–
St Vincent Minerals Incorporated – Incorporated in the United States	**100**	100	**2,357,599**	2,357,599
Enviro Zambia Limited (Star Zinc Project) – Incorporated in Zambia	**100**	85	**1,574,160**	1,272,968
			3,931,759	3,630,567

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

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

As previously announced on 28 February 2018, Galileo, on having spent a further USD250 000 on the Star Zinc Project, earned in an additional 34% beneficial interest to take its aggregate interest to 85% in Star Zinc, which is to be realised by way of an 85% equity stake in Enviro Zambia Limited ("EZL"), a joint venture company incorporated between BMR and Galileo. Following Galileo's increased interest in EZL, Galileo's investment in EZL is accounted for as a subsidiary. During the period under review and on 27 June 2019, Galileo acquired the remaining share capital of EZL.

The registered addresses of the subsidiaries are as follows:

- British Virgin Islands –C/O FGL, 7B Wing Sing Commercial Centre, 12 Wing Lok Street, Sheung Wan, Hong Kong
- South Africa – Ground Floor, Support Services Place, Jigsaw Office Park, 7 Einstein Street, Highveld Techno Park, Centurion, Gauteng, 0157
- Zambia – C/O CGCS, 1st Floor, Holy Cross House, Stand No 6149/A, Suez Road, Cathedral Hill, Lusaka, Zambia
- United States – C/O Thomas P Erwin, 241 Ridge St Ste 210, Reno, NV 89501, USA

Figures in Pound Sterling

5. INVESTMENT IN JOINT VENTURES AND ASSOCIATES

Name of Company	31 March 2020 % holding	31 March 2019 % holding	31 March 2020 Carrying amount	31 March 2019 Carrying amount
Joint Venture – Glenover Phosphate (Pty) Limited – ordinary shares	33.99	33.99	**1,834,710**	2,156,507
			1,834,710	2,156,507

Glenover Phosphate (Pty) Ltd

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

Galileo's direct investment in Glenover is 29% and it also has an indirect investment in Glenover through its shareholding in Galagen Proprietary Limited, a special purpose vehicle incorporated to hold the BEE shareholding in the Glenover project, of 4.99% resulting in a total interest in Glenover of 33.99%. The carrying amounts of Joint Ventures are shown net of impairment losses. Galileo's share of the equity accounted profit/loss for the Joint Venture is recognised from the date of acquisition on 4 July 2011. Refer to page 10 of the Integrated Report for details of the Glenover project.

The table below presents the Group's share in the assets and liabilities of its joint venture investment in Glenover.

	Group	
	31 March 2020	31 March 2019
Carrying value at the beginning of the year	**2,156,507**	2,470,898
Effect of change in translation currency	**(309,991)**	(297,917)
Equity accounted loss for the year	**(11,806)**	(16,474)
Carrying value at year end	**1,834,710**	2,156,507
Current assets	**41**	516
Non-current assets	**596,905**	697,658
Current liabilities	**(7,298)**	(8,888)
Non-current liabilities	**(86,100)**	(92,369)
Net assets	**503,548**	596,917
Income	**–**	93
Interest paid	**(5,988)**	(340)
Expenses	**(5,818)**	(16,227)
Taxation	**–**	–
Equity accounted loss for the year	**(11,806)**	(16,474)

Figures in Pound Sterling

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

	Group		Company	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Loans to/(from) subsidiaries				
Galileo Resources SA Proprietary Limited	**–**	–	**5,130,463**	5,051,102
Skiptons Global Investment Limited	**–**	–	**8,673**	7,374
St Vincent Minerals	**–**	–	**(751,145)**	(856,081)
	–	–	**4,387,991**	4,202,395
Loans to subsidiaries are interest free, unsecured and has no repayment terms.				
Loans to joint ventures and associates				
Glenover Phosphate (Pty) Ltd	**281,947**	294,588	**191,720**	191,720
SHIP – Concordia	**9,495**	149,416	**–**	138,316
	291,442	444,004	**191,720**	330,036
Non-current assets	**291,442**	444,004	**5,330,856**	5,388,512
Non-current liabilities	**–**	–	**(751,145)**	(856,081)
	291,442	444,004	**4,579,711**	4,532,431

7. OTHER FINANCIAL ASSETS

Fair value through profit or loss				
Galagen – Ordinary shares	**8**	9	**–**	–
Galagen – B Preference shares	**341,360**	399,054	**–**	–
SHIP Copper (Pty) Ltd	**148,940**	–	**148,940**	–
Provision for impairment	**(148,940)**	–	**(148,940)**	–
	341,368	399,063	**–**	–

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

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

SHIP – Concordia

The Company elected to retain a 15% interest in the Project which will be accomplished through a conversion of its previous exploration expenditure into equity in SHIP Copper (Pty) Ltd ("SHIP"), the majority owner and operator of the Project.

In the prior year, this financial asset was classified as a loan to associate (refer to note 6) which at the time represented loan funding towards the project. Galileo funded an initial committed amount and had the option to elect to earn a further interest into the project. In the current year management reclassified the loan to associate to other financial assets at fair value through profit or loss given that the nature of the asset changed to that of a financial asset at fair value through profit or loss. Galileo elected not to fund the project beyond the committed amount which will ultimately result in a 15% equity interest.

The physical issue of the 15% equity to the Company by SHIP, however remains outstanding, pending approval from the SA Reserve Bank ("SARB") on receipt of financial information from SHIP on which the SARB can assess fair market value of the conversion in accordance with SARB regulations.

Management assessed the carrying value of the asset at the period end and given the uncertainties around the SARB approval process it was decided to make a provision for impairment against the carrying value of the investment in an amount of £148,940 through profit or loss.

Figures in Pound Sterling

7. OTHER FINANCIAL ASSETS (continued)

	Group		Company	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Financial assets at amortised cost				
Galagen	**3,155**	3,688	**–**	–
This loan bears no interest and has no fixed terms of repayment.				
	3,155	3,688	**–**	–
Non-current assets				
At fair value through profit or loss	**341,368**	399,063	**–**	–
At amortised cost	**3,155**	3,688	**–**	–
Total other financial assets	**344,523**	402,751	**–**	–

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

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

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

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

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

	Group		Company	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Level 3				
Galagen – Ordinary shares	**8**	9	**–**	–
Galagen – B Preference shares	**341,360**	399,054	**–**	–
	341,368	399,063	**–**	–

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

Group – 31 March 2020

	Opening balance	**Foreign exchange movement**	**Gains or losses in profit or loss**	**Total**
Galagen – Ordinary shares	**9**	**(1)**	**–**	**8**
Galagen – B Preference shares	**399,054**	**(58,144)**	**–**	**341,360**
	399,063	**(58,144)**	**–**	**341,368**

Group – 31 March 2019

	Opening balance	Foreign exchange movement	Gains or losses in profit or loss	Total
Galagen – Ordinary shares	10	(1)	–	9
Galagen – B Preference shares	453,476	(54,422)	–	399,054
	453,486	(54,423)	–	399,063

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

Figures in Pound Sterling

8. FINANCIAL ASSETS BY CATEGORY

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

	31 March 2020 Loans and receivables	31 March 2020 Fair value through profit or loss	31 March 2020 Total	31 March 2019 Loans and receivables	31 March 2019 Fair value through profit or loss	31 March 2019 Total
GROUP						
Other financial assets	**3,155**	**341,368**	**344,523**	3,688	399,054	402,742
Trade and other receivables	**2,228**	**–**	**2,228**	42,920	–	42,920
Cash and cash equivalents	**356,485**	**–**	**356,485**	1,075	–	1,075
	361,868	**341,368**	**703,236**	47,683	399,054	446,737

	31 March 2020 Loans and receivables	31 March 2020 Fair value through profit or loss	31 March 2020 Total	31 March 2019 Loans and receivables	31 March 2019 Fair value through profit or loss	31 March 2019 Total
COMPANY						
Loans to Group Companies	**5,330,856**	**–**	**5,330,856**	5,388,512	–	5,388,512
Other financial assets	**–**	**–**	–	10,624	–	10,624
Cash and cash equivalents	**136,781**	**–**	**136,781**	2,804	–	2,804
	5,467,637	**–**	**5,467,637**	5,401,940	–	5,401,940

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
9. TRADE AND OTHER RECEIVABLES				
Prepayments	**–**	23,205	**–**	–
Trade receivables	**2,228**	2,090	**–**	–
Other receivables	**–**	17,625	**–**	10,624
	2,228	42,920	**–**	10,624

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

10. CASH AND CASH EQUIVALENTS

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
Cash and cash equivalents consist of:				
Bank balances	**356,485**	1,075	**136,781**	2,804
	356,485	1,075	**136,781**	2,804

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:

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
Credit rating				
F1 + (ZAF)	**356,485**	1,075	**136,781**	2,804
	356,485	1,075	**136,781**	2,804

Figures in Pound Sterling

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
11. SHARE CAPITAL				
Authorised share capital				
Unlimited ordinary shares of 0.01 pence (2019: 0.01 pence)				
Issued share capital				
Reported as at 1 April 2019	**304,596,562**	254,596,562	**304,596,562**	254,596,562
Share issues	**253,215,385**	50,000,000	**253,215,385**	50,000,000
Reported as at 31 March 2020	**557,811,947**	304,596,562	**557,811,947**	304,596,562
Reconciliation of share capital:				
Ordinary shares of 0.1p	**557,812**	304,597	**557,812**	304,597
Deferred shares of 4.9p	**5,610,634**	5,610,634	**5,610,634**	5,610,634
Share premium	**20,300,873**	19,525,088	**20,300,873**	19,525,088
	26,469,319	25,440,319	**26,469,319**	25,440,319

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

Date	Number of ordinary shares	Issue price	Purpose of issue
Opening balance	**304,596,562**		
17 April 2019	100,000,000	0.50p	Placing for cash
27 June 2019	15,000,000	1.15p	Placing for cash
27 June 2019	9,615,385	0.52p	Acquisition
27 June 2019	3,600,000	0.50p	Settlement of debt
01 November 2019	125,000,000	0.40p	Placing for cash
Closing balance	**557,811,947**		

During the period under review the Company issued 234,615,385 ordinary shares to raise £990,000 net of costs of £60,000.

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

Date	Number of ordinary shares	Issue price	Purpose of issue
28-May-20	38,814,246	0.40p	Acquisition
28-May-20	26,505,000	0.60p	Warrants exercised
2-Jun-20	18,625,000	0.60p	Warrants exercised
4-Jun-20	11,820,000	0.60p	Warrants exercised
12-Jun-20	54,562,500	0.80p	Placing for cash
24-Jun-20	57,937,500	0.80p	Placing for cash
28-Aug-20	1,200,000	0.60p	Warrants exercised
14-Sep-20	1,250,000	0.60p	Warrants exercised
22-Sep-20	6,250,000	0.60p	Warrants exercised
22-Oct-20	42,000,000	0.78p	Acquisition
18-Nov-2020	300,000	0.60p	Warrants exercised
26-Nov-2020	1,125,000	0.60p	Warrants exercised
07-Dec-2020	12,500,000	0.60p	Warrants exercised
14-Dec-2020	1,000,000	0.60p	Warrants exercised

Figures in Pound Sterling

12. SHARE-BASED PAYMENTS

Share option group	Number
Outstanding at the beginning of the year	9,700,000
Granted during the year	–
Outstanding and exercisable at the end of the year	9,700,000

The options were granted on 27 January 2017. On 18 May 2020 the Company announced that the strike price of these options changed to 1.85 pence per option.

The options are exercisable at any time during a five-year period from the date of grant. The remaining option life is 3 years and the exercise price of the remaining options is 1.85 pence.

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

The following inputs were used:

Average spot at grant date (pence)	2.38p
Expected volatility	77%
Expected option life	5 years
Expected dividends	–
The risk free interest rate	0.50%

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

Director	Strike Pence 1.85	Total
Colin Bird	5,000,000	5,000,000
Andrew Sarosi	3,000,000	3,000,000
Richard Wollenberg	750,000	750,000
Chris Molefe	250,000	250,000
	9,000,000	9,000,000

Warrants

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

Issue date	Number of warrants	Subscription price (pence)	Expiry date	Share price at issue date (pence)
02/05/2019	3,000,000	0.75p	02/05/2021	0.45p
01/11/2019	128,750,000	0.60p	18/10/2021	0.52p

	Group 31 March 2020	31 March 2019
Reconciliation of the number of warrants in issue		
Opening balance	**–**	–
Issued during the year	**131,750,000**	–
Closing balance	**131,750,000**	–

Figures in Pound Sterling

12. SHARE-BASED PAYMENTS (continued)

New options and warrants granted are valued using the Black Scholes model, a commonly used option-pricing model. The calculation of volatility used in the model is based upon the share price and equity instrument movements during the financial period. The following factors 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 inputs used to value new warrants issued during the period under review are as follows:

Fair value was determined by using the Black-Scholes Valuation Model.

The following inputs were used for new warrants issued during the period under review:

Average spot at grant date (pence)	0.49p
Expected volatility	45.66%
Expected option life	2 years
Expected dividends	–
The risk free interest rate	0.23%

13. FOREIGN CURRENCY TRANSLATION RESERVE

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

	Group		Company	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Exchange differences on consolidation of foreign subsidiaries	**1,233,763**	554,297	**–**	–
Foreign exchange profits or losses on inter-company loan accounts	**(2,083,139)**	(1,402,733)	**–**	–
Foreign intangibles recognised as part of a business combination	**139,394**	112,376	**–**	–
	(709,982)	(736,060)	**–**	–

14. OTHER FINANCIAL LIABILITIES

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
Held at amortised cost				
Fer-Min-Ore	**5**	6	**–**	–
Loans	**–**	3,840	**–**	–
	5	3,846	**–**	–
Non- current liabilities				
At amortised cost	**5**	3,846	**–**	–

15. TRADE AND OTHER PAYABLES

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
Trade and other payables	**42,763**	408,411	**32,932**	54,569
Accrued expense	**266,977**	169,583	**247,083**	169,583
	309,740	577,994	**280,015**	224,152

Figures in Pound Sterling

16. FINANCIAL LIABILITIES BY CATEGORY

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

	Group – 31 March 2020		Group – 31 March 2019	
	Financial liabilities at amortised cost	Total	Financial liabilities at amortised cost	Total
Other financial liabilities	5	5	3,846	3,846
Trade and other payables	309,740	309,740	577,995	577,995
	309,745	309,745	581,841	581,841

	Company – 2020		Company – 2019	
	Financial liabilities at amortised cost	Total	Financial liabilities at amortised cost	Total
Trade and other payables	280,015	280,015	224,153	224,153
Loans from group companies	751,145	751,145	856,081	856,081
	1,031,160	1,031,160	1,080,234	1,080,234

	Group		Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
17. OPERATING LOSS				
Operating loss for the year is stated after accounting for the following:				
Premises – contractual amounts	25,200	25,200	25,200	25,200
Employee costs – including management	71,916	113,252	71,650	113,141
Profit on exchange differences	4,488	5,847	4,488	5,847
18. INVESTMENT REVENUE				
Interest revenueBank interest	2	3,993	2	149
	2	3,993	2	149
19. TAXATION				
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.	(642,186)	(416,784)	(531,207)	(329,556)
Accounting loss				
Tax at the applicable tax rate	(138,584)	(79,189)	(100,929)	(62,616)
Tax effect of adjustments on taxable income				
Expenses not allowed for tax purposes	38,572	5,373	33,200	4,352
Tax on equity accounted (losses)/profits	2,548	(3,130)	–	–
Tax losses carried forward	97,464	76,946	67,729	58,264
	–	–	–	–

The applicable tax rate is calculated with reference to the weighted average tax rate across the reporting jurisdictions for the period under review. The rate for the year under review was 22% (2019:19%). No provision has been made for 2020 tax as the Group has no taxable income. The estimated Group tax losses available for set off against future taxable income is £6,051,322 (2019: £5,599,648). 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 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
20. AUDITORS' REMUNERATION				
Current year	**30,858**	20,455	**18,000**	6,500

21. OTHER COMPREHENSIVE INCOME

Components of other comprehensive income	Group – 31 March 2020 Gross	Group – 31 March 2020 Tax	Group – 31 March 2020 Net	Group – 31 March 2019 Gross	Group – 31 March 2019 Tax	Group – 31 March 2019 Net
Exchange differences through other comprehensive income	**26,078**	**–**	**26,078**	(268,218)	–	(268,218)

22. EARNINGS PER SHARE

Basic earnings per share

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

Basic earnings per share was based on a loss of £642,188 (2019: loss of £416,784) and a weighted average number of ordinary shares of 484,524,276 (2019: 302,952,726).

	Group 31 March 2020	Group 31 March 2019
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	**(616,110)**	(685,002)
Adjusted for:		
Foreign exchange differences on translation of foreign operations during the year	**26,078**	268,218
Loss for the year	**(642,188)**	(416,784)
Loss per share:		
Basic loss per share (pence)	**(0.14)**	(0.14)

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
23. CASH USED IN OPERATIONS				
Loss before taxation	**(642,188)**	(416,784)	**(309,268)**	(329,556)
Adjustments for:				
Loss from equity accounted investments	**11,806**	16,474	**–**	–
Investment revenue	**(2)**	(3,993)	**(2)**	(149)
Impairment of loans to group companies and associates	**148,940**	–	**–**	–
Other non-cash items	**97,682**	(17,994)	**–**	–
Changes in working capital:				
Trade and other receivables	**11,463**	(1,702)	**10,624**	–
Trade and other payables	**(32,169)**	121,481	**(17,137)**	67,035
	(331,288)	(302,518)	**(315,783)**	(262,670)

Figures in Pound Sterling

24. COMMITMENTS

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

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
25. RELATED PARTY BALANCES AND TRANSACTIONS				
Loan accounts – owed by related parties				
Glenover	**298,641**	294,587	**208,414**	191,720
SHIP – Concordia	**158,435**	149,416	**148,940**	138,316
Amounts paid – to related parties				
Lion Mining Finance Limited (“LMF”).	**37,800**	30,240	**37,800**	30,240

Galileo paid rent and administrative service cost to LMF. Colin Bird is a director of both Galileo and LMF.

During the period under review Galileo reimbursed C. Bird for expenses incurred in an amount of £10,698 (2019: Nil).

	Group 31 March 2020	Group 31 March 2019	Company 31 March 2020	Company 31 March 2019
26. EMPLOYEE COST				
Salaries and wages	**8,900**	8,400	**8,900**	8,400
Average number of employees	**1**	1		

27. DIRECTORS’ AND PRESCRIBED OFFICER’S EMOLUMENTS

	Group and Company Short term benefits – salaries and fees
2020	
Executive	
Colin Bird	32,500
Andrew Sarosi	30,000
Subtotal	**62,500**
Non-executive	
Christopher Molefe	15,000
Richard Wollenberg	15,000
Subtotal	**30,000**
Total	**92,500**
2019	
Executive	
Colin Bird	35,000
Andrew Sarosi	32,500
Subtotal	**67,500**
Christopher Molefe	15,000
Richard Wollenberg	15,000
Subtotal	**30,000**
Total	**97,500**

Figures in Pound Sterling

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

At year end an amount of £214,583 (2019: £137,083) was accrued towards outstanding director fees payable as follows:

	At 31 March 2020	At 31 March 2019
Colin Bird	80,833	48,333
Andrew Sarosi	77,500	47,500
Richard Wollenberg	52,500	37,500
Chris Molefe	3,750	3,750
Total	**214,583**	**137,083**

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

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

	At 31 March 2020	At 31 March 2019
Beneficial owner		
Colin Bird	5,000,000	5,000,000
Andrew Sarosi	3,000,000	3,000,000
John Richard Wollenberg	750,000	750,000
Chris Molefe	250,000	250,000

	Group		Company	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Executive management	**84,287**	77,958	**84,287**	56,155

28. RISK MANAGEMENT

Capital risk management

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

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

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

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

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.

Figures in Pound Sterling

28. RISK MANAGEMENT (continued)

Liquidity risk

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

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

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

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

Group

At 31 March 2020	Less than 1 year	Between 2 and 5 years
Trade and other payables	**309,740**	**–**
Other financial liabilities	**–**	**5**

At 31 March 2019	Less than 1 year	Between 2 and 5 years
Trade and other payables	577,995	–
Other financial liabilities	–	3,846

Company

At 31 March 2020	Less than 1 year
Trade and other payables	**280,015**

At 31 March 2019	Less than 1 year
Trade and other payables	224,152

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	**31 March 2020**	31 March 2019	**31 March 2020**	31 March 2019
Trade and other receivables	**2,228**	42,920		10,624
Cash and cash equivalents	**356,485**	1,075	**352,110**	2,804
Other financial assets	**341,368**	402,751	**–**	–
Loans to Group companies and other related entities	**—**	–	**5,479,796**	5,388,512

Figures in Pound Sterling

28. RISK MANAGEMENT (continued)

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

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

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. This minimises the sensitivity to the exchange risk.

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

ZAR : £ (Average)	1 : 0.0533	(2019: 1 : 0.0555)
ZAR : £ (Spot)	1 : 0.0452	(2019: 1 : 0.0529)
USD : £ (Average)	1 : 0.7865	(2019: 1 : 0.7288)
USD : £ (Spot)	1 : 0.8082	(2019: 1 : 0.6893)

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

29. GOING CONCERN

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

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

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

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

Business unit

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

The Company's investment in Zambia is not yet operational and does not form part of the segmental reporting for the period under review.

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

Geographical segments

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

		31 March 2020	31 March 2019
Rare earths, aggregates and iron ore and manganese	**South Africa**	**(11,806)**	(16,474)
Gold, Copper	**USA**	**(23,187)**	(793)
Corporate costs	**South Africa and United Kingdom**	**(385,255)**	(399,517)
Total		**(420,248)**	(416,784)

31. SUBSEQUENT EVENTS

31.1 Issue of shares

- On 27 May 2020, the Company announced that it had issued a total of 18,625,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 28 May 2020, the Company announced that it had issued a total of 11,820,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 1 June 2020, the Company announced a partially conditional placing to raise £900,000 (before expenses) through the issuance of 112,500,000 new ordinary shares at a placing price of 0.8p per share, with the issue of 57,937,500 of the placing shares being a conditional upon shareholder approval which was given at the General Meeting on 18 June 2020.
- On 26 August 2020, the Company announced that it had issued a total of 1,200,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 8 September 2020, the Company announced that it had issued a total of 1,250,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 17 September 2020, the Company announced that it had issued a total of 6,250,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 18 November 2020, the Company announced that it had issued a total of 300,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 27 November 2020, the Company announced that it had issued a total of 1,125,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 7 December 2020 the Company announced that it had issued a total of 12,500,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.
- On 14 December 2020 the Company announced that it had issued a total of 1,000,000 fully paid ordinary shares in the Company, pursuant to the exercise of warrants in terms of the Placing Agreement dated 17 October 2019.

31.2 Issue of options

- On 18 May 2020 the Company announced that it had granted to the directors of the Company, key officers and employees options to subscribe for 35,100,000 new ordinary shares of the Company in two tranches of 17,550,000 Ordinary Shares each. The options were granted at an exercise price of 1.30 pence and 1.80 pence per Ordinary Share respectively, all of which vest immediately. The options have a term of five years and any unexercised options will expire at midnight 10 May 2025.
- On 4 November 2020 the Company announced that it had granted to the directors of the Company, key officers and employees options to subscribe for 23,600,000 new ordinary shares of the Company in two tranches of 11,800,000 Ordinary Shares each. The first tranche of Options have an exercise price of 1.45 pence and vest immediately whilst the second tranche have an exercise price of 1.85 pence and vest on 1 March 2021. The Options have a term of five years and any unexercised options will expire at midnight 3 November 2025.

31. SUBSEQUENT EVENTS (continued)

31.3 Acquisitions

- On 7 May 2020 the Company announced that it had entered into an exclusive and binding conditional Heads of Agreement with Botswana-incorporated Crocus-Serv (Pty) Ltd ("Crocus") to acquire 100% of Crocus' issued share capital (the "Acquisition") for the issue to Crocus of an aggregate 38,814,246 Galileo ordinary shares (equivalent to £163,020 at a deemed price of 0.42p) and a cash consideration of £10,828. Crocus assets include 21 exploration tenements in the prospective Kalahari Copper Belt and Limpopo Mobile Belt of Botswana, Southern Africa. The Acquisition was completed on 21 May 2020.

- On 15 September 2020 the Company announced the conditional acquisition of 100% of Africibum Co (Pty) Ltd's interest in its North East Kalahari corporate belt project in Botswana for the issue of 42,000,000 shares in the Company at a deemed price of 0.779p per share and 10,000,000 warrants with an exercise price of 2 pence per share and an expiry date of 2 years from the Completion Date. The Acquisition was completed on 16 October 2020.

At the date of this report, the initial accounting for the acquisitions was not complete and an allocation of purchase prices and determination of the fair values of assets and liabilities acquired have not been completed. Since the date that the Acquisitions became unconditional, Galileo has embarked on a process of determining the fair values of the assets acquired and the liabilities assumed and this process involves a number of steps including a valuation of the assets on site as well as a valuation of the different components of the property, plant and equipment and other assets and liabilities.

As a result Galileo is not able to disclose the requisite disclosure information as required by IFRS including:

- The fair value at acquisition date of the total consideration transferred and the acquisition date fair value of each class of assets and liabilities acquired;

- Any gain on bargain purchase or any goodwill that may arise as a result of determining the fair values as described above, including any amounts of goodwill that may be deductible for tax purposes; and

- Any amounts to be recognised as of the acquisition date for each major class of assets acquired and liabilities assumed.

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