10 August 2018

ASX: GAL

Corporate Directory

Directors

Non-Executive Chairman
Simon Jenkins

Managing Director
Brad Underwood

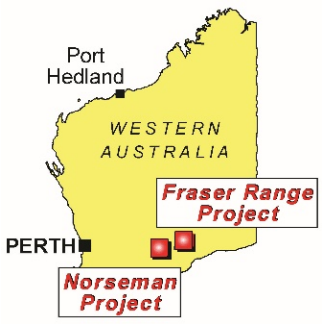
Technical Director
Noel O'Brien

Fast Facts

Issued Capital	120.4m
Share Price	$0.305
Market Cap	$36.7m
Cash (30/06/18)	$11.3m
Enterprise Value	$25.4m

Projects

Norseman Cobalt Project
Fraser Range Nickel Project



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Metallurgical Test Results Support Significant Cobalt Upgrade

Highlights

- **Test work on Galileo drill core samples demonstrates close to three times cobalt upgrade using conventional, commercially available, concentration techniques**
- **Cobalt grade increased from 0.1% to 0.28% in a coarse grade concentrate with high acid consuming minerals largely rejected**
- **Ongoing focus is on the ore beneficiation potential with two tonnes of diamond drill core available for detailed test work**

Galileo Mining Ltd (ASX:GAL, "Galileo" or the "Company") is pleased to announce that preliminary laboratory scale metallurgical test work has been completed on existing sonic drill core samples from the Norseman Cobalt Project, located in the goldfields region of Western Australia.

Metallurgist and Galileo Technical Director Noel O'Brien commented that "These initial results are highly significant in terms of better metal recoveries from the orebody and indicate the possibility to reduce capital and operating costs. Conventional and commercially available technology has been used to complete the beneficiation and this improves the overall risk profile of the project."

Galileo Managing Director Brad Underwood said the early stage metallurgical results suggested an improved business case for the Norseman Cobalt Project.

"This early success in our first attempt to concentrate the cobalt ore implies that the Norseman Cobalt Project could be amenable to large scale beneficiation prior to extraction of the contained metals. Such an outcome could lead to considerably improved economics for a mining operation and open up new opportunities for the development of Galileo's cobalt resources."

"We are now in a strong position to undertake the more detailed metallurgical test work required for the completion of our scoping study," Mr Underwood said.

The samples were from the Dragon platinum/palladium prospect which falls within the bounds of the Mission Sill cobalt resource (Figure 1). The objective was to test the potential to beneficiate the ore and to concentrate cobalt and other contained metals. Successfully concentrating the ore would lead to an increase in grade, and a higher contained metal value per tonne of material. Other potential benefits include the reduction in both operating and capital costs due to a smaller volume of higher quality ore being processed.

Using conventional sizing techniques an increase in cobalt grade from 0.1% to 0.28% was achieved with 75% of the overall contained cobalt collected into a coarse concentrate representing just 28% of the total mass. In addition to this concentration most of the potentially high acid consuming minerals, such as iron (Fe_2O_3) and alumina (Al_2O_3), were rejected to the finer fraction. The cobalt to iron ratio and the cobalt to alumina ratio were both substantially increased in the coarse concentrate.

Ongoing test work on the Dragon samples includes flotation with a view to recover platinum, palladium and copper metals. The bulk of the metallurgical test work focussing on cobalt, and leading into the scoping study, will be conducted on recently drilled diamond core. Up to two tonnes of sample is available for test work with initial drill assay results expected to be announced shortly.

Sonic drillhole MSSD001 was drilled in July 2017 as a twin hole of Reverse Circulation drillhole MTRC112. MTRC112 had previously encountered anomalous platinum and palladium mineralisation associated with cobalt enrichment. The drillholes fall within the Mission Sill cobalt resource and were used in the estimation of the JORC resource (see "About Galileo Mining" on page 4 for details). The anomalous platinum and palladium values have not yet been followed up and the area is believed to be prospective for additional mineralisation. Follow up drilling is scheduled for September.

Drill hole results for MSSD001 and MTRC112 were reported in the CSA Independent Technical Report contained within the Galileo Mining Ltd Prospectus available at https://www.asx.com.au/asxpdf/20180525/pdf/43v9b2cxrhqmqk.pdf

Table 1 below displays significant assays returned from drillhole MSSD001. The samples used for beneficiation test work were from the 4-metre interval between 32 and 36 metres downhole. Whole sonic drill core pulp residues from the interval were used to provide a 13kg composite sample for test work. The sample was then split into coarse (3.57kg) and fine (9.43kg) fractions using conventional concentration techniques with the results as shown in Table 2.

Table 1: MSSD001 Sonic Drillhole Assay Summary

Hole #	From	To	Interval	Co	Ni	Cu	Pt	Pd
MSSD001	27	49	22m	0.10%	0.46%	0.16%	0.64 g/t	0.84 g/t
includes	28	31	3m	0.14%	0.45%	0.05%	0.28 g/t	0.32 g/t
includes	32	36	4m	0.10%	0.34%	0.27%	1.50 g/t	1.80 g/t
includes	41	49	8m	0.11%	0.54%	0.18%	0.54 g/t	0.94 g/t

1. Table shows anomalous values of Co >0.1%, maximum internal dilution of 3m
2. MSSD001 was drilled vertically through an interpreted horizontal blanket of cobalt enrichment in regolith. No quantitative structural information exists and all drillhole intercepts are reported as downhole length

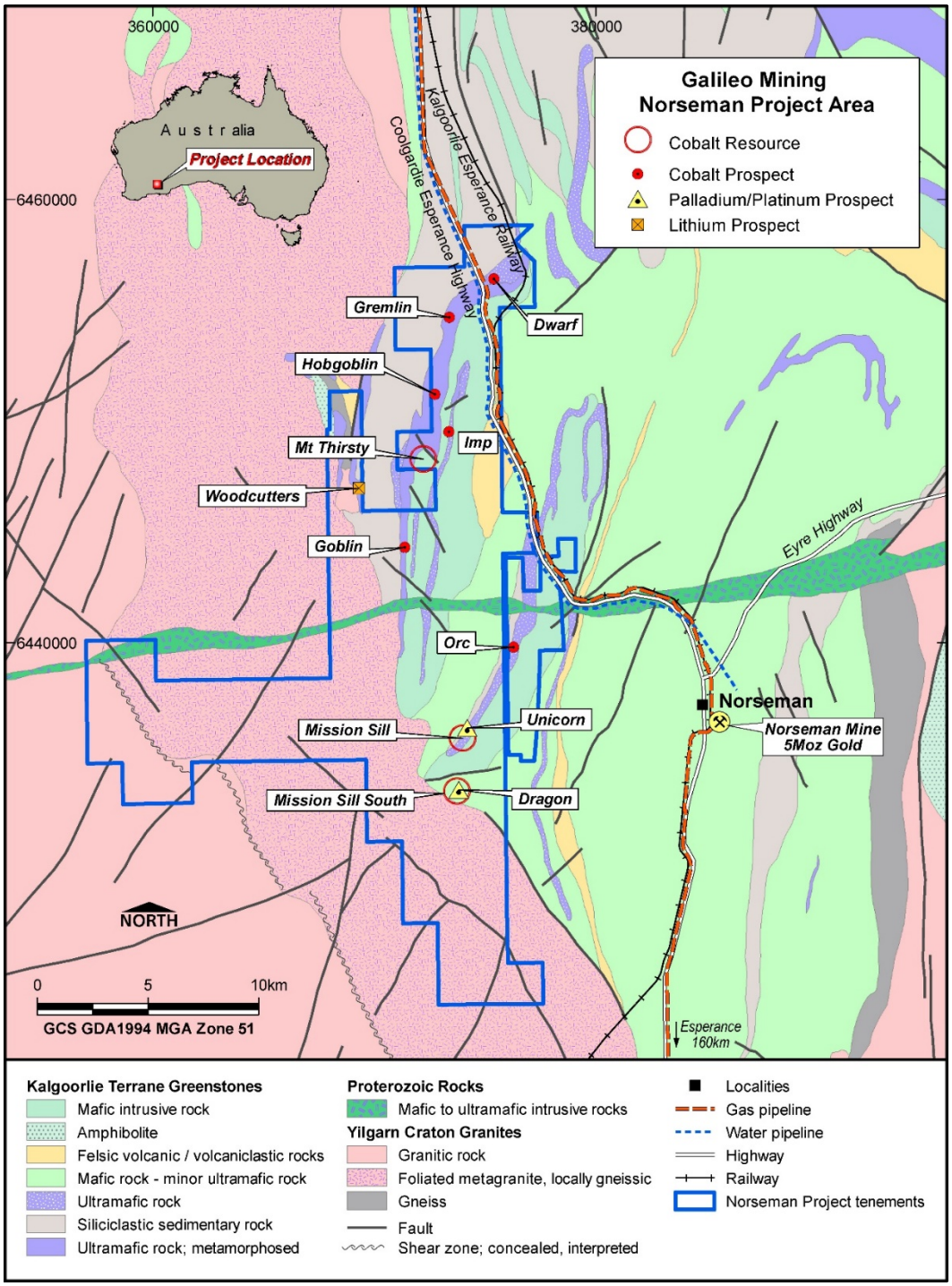
Table 2: Beneficiation results from MSSD001 composite sample (whole core composite from 32 to 36 metres downhole)

	Mass	Co	Ni	Cu	Pt	Pd	Fe_2O_3	Al_2O_3
Head Grades		0.10%	0.39%	0.29%	1.55 g/t	1.96 g/t	45.6%	18.4%
Coarse Deportment	27.5%	75.0%	41.0%	26.9%	40.5%	22.6%	31.2%	20.9%
Coarse Grade		0.28%	0.58%	0.28%	2.29 g/t	1.62 g/t	51.9%	13.9%
Fines Deportment	72.5%	25.0%	59.0%	73.1%	59.5%	77.4%	68.8%	79.1%
Fines grade		0.04%	0.32%	0.29%	1.28 g/t	2.10 g/t	43.3%	20.1%

Table 3: MSSD001 Sonic Drillhole Summary (Coordinates in MGA94 zone 51)

Hole #	Easting	Northing	RL	Dip	Azimuth	Depth
MSSD001	373,821	6,433,358	310	-90º	000º	57

Figure 1: Galileo Mining's Norseman Cobalt Project Area with the Mission Sill Cobalt Resource and the Dragon Platinum/Palladium Prospect shown in the South of the Map



Competent Person Statement

The information in this release that relates to Metallurgy and metallurgical test work has been reviewed by Mr Noel O'Brien, FAusIMM , MBA, B. Met Eng. Mr O'Brien is a Director of the company and is employed as a contract consultant. Mr O'Brien is a Fellow of the Australasian Institute of Mining and Metallurgy, he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr O'Brien consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this report that relates to Exploration Results is based on information compiled by Mr Brad Underwood, a Member of the Australasian Institute of Mining and Metallurgy, and a full time employee of Galileo Mining Ltd. Mr Underwood has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Underwood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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About Galileo Mining:

Galileo Mining Ltd (ASX: GAL) is focussed on the exploration and development of cobalt and nickel resources in Western Australia. GAL holds tenements near Norseman with over 22,000 tonnes of contained cobalt, and 106,000 tonnes of contained nickel, in JORC compliant resources (see Figure 5 below). GAL also has Joint Ventures with the Creasy Group over tenements in the Fraser Range which are prospective for nickel-copper-cobalt deposits.

Figure 2: JORC Mineral Resource Estimates for the Norseman Cobalt Project ("Estimates") (refer to ASX "Prospectus" announcement dated May 25th 2018 and accessible at http://www.galileomining.com.au/investors/asx-announcements/). Galileo confirms that all material assumptions and technical parameters underpinning the Estimates continue to apply and have not materially changed).

Cut-off Co, ppm	Class	Tonnes Mt	Co %	Co Kt	Ni %	Ni Kt	Mn %
MT THIRSTY SILL							
600	Indicated	10.5	0.12	12.1	0.58	60.8	0.71
	Inferred	2.0	0.11	2.2	0.51	10.2	0.71
	Total	**12.5**	**0.11**	**14.3**	**0.57**	**71.1**	**0.71**
1,000	Indicated	5.2	0.15	8.0	0.64	32.9	1.01
	Inferred	0.8	0.15	1.2	0.52	4.1	1.09
	Total	**6.0**	**0.15**	**9.2**	**0.62**	**37.0**	**1.02**
MISSION SILL							
600	Inferred	**7.7**	**0.11**	**8.2**	**0.45**	**35.0**	**0.80**
1,000	Inferred	**2.8**	**0.15**	**4.4**	**0.47**	**13.4**	**1.20**
TOTAL JORC COMPLIANT RESOURCES							
600		**20.2**	**0.11**	**22.5**	**0.53**	**106.1**	**0.74**
1000		**8.8**	**0.15**	**13.6**	**0.57**	**50.4**	**1.08**

Appendix 1:

Galileo Mining Ltd – Norseman Cobalt Project

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Sonic drilling was used to obtain core samples generally on 1 metre intervals, with some samples being up to 1.5 metres in length • Each interval drilled was collected in a plastic sleeve with the entire interval sent to the laboratory for analyses after onsite logging • QAQC standards and duplicate samples were routinely included with 1 per 20 samples being a standard or duplicate • Samples were sent to an independent commercial assay laboratory • A fire assay was used for Au, Pt and Pd analyses (by ICP-MS) • A four acid digest was used for a multi-element suite including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr (by ICP-MS or ICP-OES)
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Sonic Drilling was undertaken by Numac Drilling Services using a 4" bit
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sonic drilling recoveries were estimated for each interval by logging the length of the sample recovered • Each sample was collected individually and sent to the laboratory in its entirety • No relationship has been determined between sample recoveries and grade and there is insufficient data to determine if there is a sample bias
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in*	• Geological logging of drillholes included lithology, grainsize, mineralogy, colour and weathering • Logging of sonic core is qualitative and based on the in-situ presentation of the core sample

Criteria	JORC Code explanation	Commentary
	nature. Core (or costean, channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	• All drillholes were logged in their entirety
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The entire sonic core drillhole was sent to the laboratory for whole core analysis • The samples were dried and pulverised before analysis • QAQC reference samples and duplicates were routinely submitted with each batch • Each sample consisted of the entire core from the sample interval, and the sample size is considered appropriate for the mineralisation style and the analytical techniques used • Metallurgical analyses were performed on a composite sample created from the pulp residues of the initial laboratory analysis program • The composite sample was stage crushed, subject to an RSD blend and then split • A sub-sample of the composite was taken to establish a head grade of the composite prior to concentration test work • Coarse grained and fine-grained products of the test work were dried, split and analysed • Sample sizes for the composite head grade, coarse grained product and fine grained product are appropriate for the level of test work being undertaken
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Core samples were analysed for Au, Pt, Pd by 50 g fire assay with an ICP-MS finish and for a multi-element suite by ICP-MS or ICP-OES following a four-acid digest. The assay methods used are considered appropriate • QAQC standards and duplicates were routinely included at a rate of 1 per 20 samples • Further internal laboratory QAQC procedures included internal batch standards and blanks • Original sonic core samples were analysed by Intertek Genalyis Laboratory Services (Perth) using 50g fire assay for Au, Pt, Pd (FA50/MS) and by four acid (4A/OM10) for multi-element • Metallurgical test work and laboratory

Criteria	JORC Code explanation	Commentary
		analyses were performed by Nagrom Metallurgical in Perth • Laboratory analyses by Nagrom utilised a 50g fire assay for Au, Pt, Pd and a four acid digest for multi-element • Internal Nagrom laboratory QAQC included a minimum of 1 CRD standard and 1 replicate assay per 20 samples. For each batch a minimum of 2 CRM standards were used to account for any variability
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Field data was collected on site using a standard set of logging templates entered directly into a laptop. Data was then sent to the Galileo database manager for validation and upload into the database • Assays have not been adjusted in any way
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole collars are surveyed with a handheld GPS with an accuracy of 5m which is considered sufficient for drillhole location accuracy • Co-ordinates are in MGA94 datum, zone 51 • Topographic control has an accuracy of 2m based on detailed satellite imagery
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drillhole spacing for the individual sonic drillhole was not grid based with the hole being placed to target mineralisation. The sonic drillhole was part of a larger RC drillhole data set which was used to estimate a previously reported JORC resource at an inferred level (Mission Sill resource) • The entire sonic drillhole was sent to the laboratory for analyses • Sample compositing was applied to the pulp residues used for the metallurgical testwork
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• It is unknown whether the orientation of sampling achieves unbiased sampling of possible structures as the mineralisation is hosted in soft regolith material with no measurable structures recorded in drill core
Sample security	• *The measures taken to ensure sample security.*	• Each sample was put into large sealed plastic bag and then into a second

Criteria	JORC Code explanation	Commentary
		plastic bag to ensure no loss of material • Samples were delivered directly to the laboratory in Kalgoorlie by Galileo's freight contractor • Pulp residues from the initial sonic drilling samples were returned from Intertek Genalysis and stored in a warehouse owned by Galileo • Pulp residues were collected from the warehouse with each sample being placed into a second plastic bag prior to being taken by contract courier to Nagrom
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Continuous improvement reviews of sampling techniques and procedures are ongoing. No external audits have been performed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Norseman Cobalt Project comprises two granted exploration licenses and one granted prospecting license covering 257km^2, and 17 prospecting license applications covering 20.7 km^2 • All tenements within the Norseman cobalt Project are 100% owned by Galileo • The Norseman Cobalt Project is centred around a location approximately 10km west of Norseman on vacant crown land • All tenements in the Norseman cobalt Project are 100% covered by the Ngadju Native Title Determined Claim. • The tenements are in good standing and there are no known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• NA
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The target geology is supergene cobalt-nickel-platinum-palladium mineralisation occurring within a highly weathered regolith environment
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following*	• Refer to drillhole collar table in the body of the report

Criteria	JORC Code explanation	Commentary
	information for all Material drill holes: o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Weighted averaging has been used, based on the sample interval, for the reporting of drilling results • Aggregation procedures are described in the footnotes to the drillhole intercept table in the body of the report
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The mineralisation occurs in highly weathered regolith material and no structures have been recorded from drill core • Given the nature of mineralisation it is thought that the geometry is best described as horizontal or sub-horizontal however no quantitative measurements exist and all drill intercepts are reported as down hole length, true width unknown
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Project location map has been included along with accurate GPS drillhole collar location
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All significant results are reported
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical*	• All meaningful and material results have been reported

Criteria	JORC Code explanation	Commentary
exploration data	*survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Flotation tests on the current sonic drill samples are being undertaken to assess potential recoverability and concentration of other elements • Further metallurgical testwork will be undertaken utilising new diamond core drill samples from the Norseman Cobalt Project