

22 August 2018

ASX: GAL

Corporate Directory

Directors

Non-Executive Chairman
Simon Jenkins

Managing Director
Brad Underwood

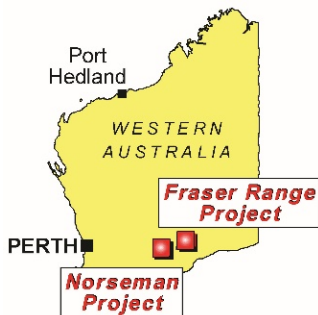
Technical Director
Noel O'Brien

Fast Facts

Issued Capital	120.4m
Share Price	\$0.235
Market Cap	\$28.3m
Cash (30/06/18)	\$11.3m
Enterprise Value	\$17.0m

Projects

Norseman Cobalt Project
Fraser Range Nickel Project



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NOVA STYLE NI-CU-CO TARGETS IDENTIFIED AT THE FRASER RANGE PROJECT

Highlights

- Gravity surveying highlights significant targets at the Nightmarch Fraser Range prospect
- Coincident magnetic and gravity anomalies suggest potential for intrusive rocks similar to the world-class Nova and Silver Knight Ni-Cu-Co deposits
- Magnetic modelling indicates shallow targets 40 metres under cover
- Upcoming work includes obtaining permitting approvals for first pass drilling at the Nightmarch prospect and electro-magnetic surveying at the Empire Rose prospect

Galileo Mining (ASX: GAL, "Galileo" or the "Company") is pleased to advise gravity surveying at the Fraser Range project in Western Australia has identified two circular anomalies coincident with magnetic signatures similar to the intrusive rocks that host the world-class Nova nickel-copper-cobalt ore body.

Detailed gravity surveying was undertaken at the Nightmarch prospect 60km along strike of the Creasy Group's Silver Knight discovery (refer Figure 3 below). Results show the area is highly prospective at shallow depths with modelling indicating target rocks from just 36 metres below surface.

Galileo Managing Director Brad Underwood said the gravity results were a successful first step in progressing the Company's Fraser Range project where no nickel exploration drilling has ever been completed.

"The shallow cover over the Nightmarch prospect area means that no exploration for base metals has ever been completed on the tenement."

"Using modern high-quality gravity and magnetic surveying has allowed us to see below the cover rocks with great results. With next generation mineral deposits more likely to be discovered in areas that have been traditionally overlooked we are very encouraged that our first program has yielded such good results."

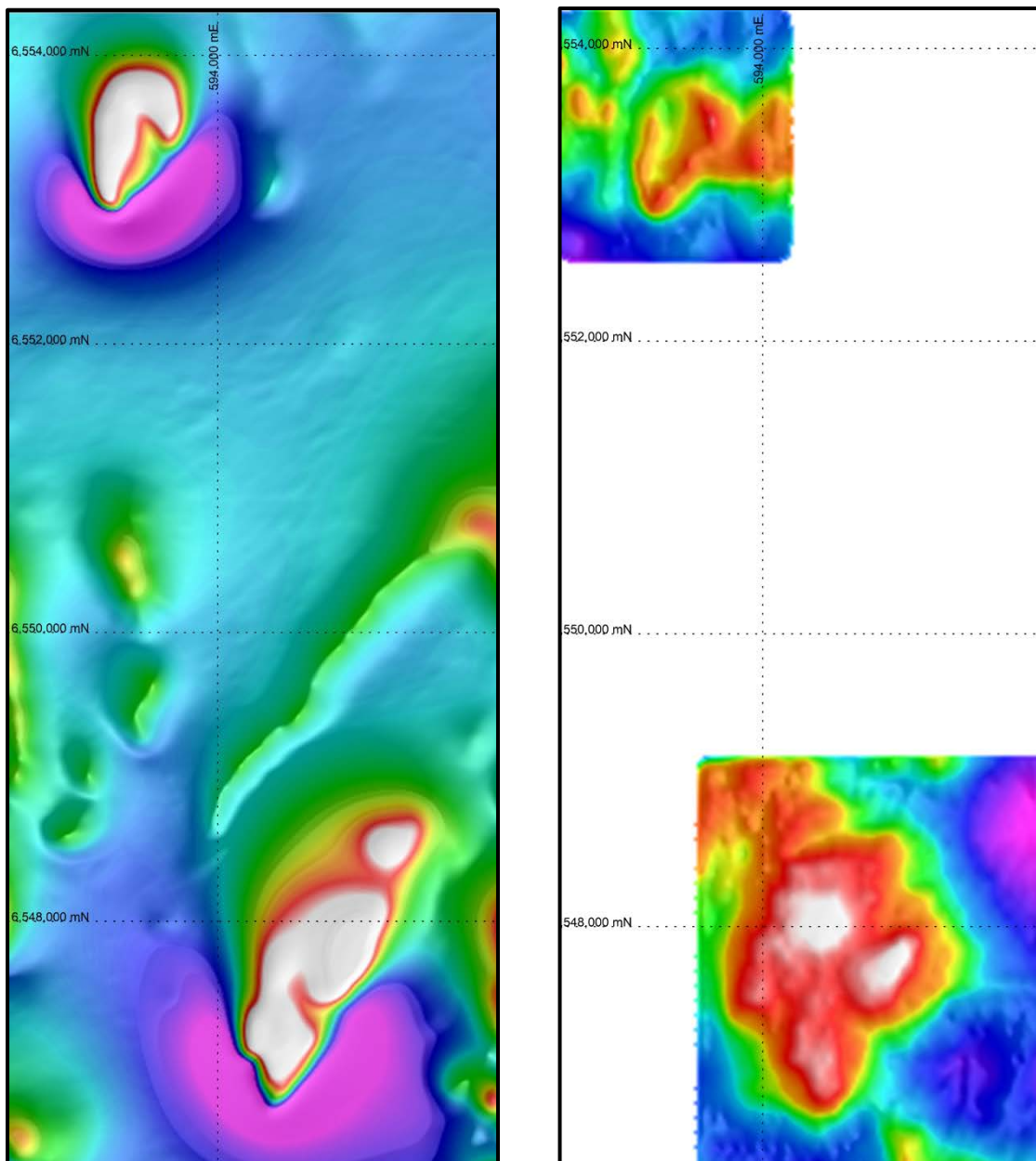
"The Fraser Range is developing into a significant mineralised province with two confirmed discoveries at Nova and at Silver Knight. Galileo is very optimistic that further discoveries will be made in the Fraser Range and we will be pursuing an aggressive exploration program to create value for our shareholders," Mr Underwood said.

Upcoming work at the Fraser Range project includes obtaining permitting approvals for first pass drilling at the Nightmarch prospect and an electro-magnetic survey at the Empire Rose prospect designed to detect conductive nickel-copper-cobalt ore bodies.

Technical Discussion

Gravity surveying was undertaken on a 100m by 50m grid pattern spacing over two areas at the Nightmarch prospect. Scintrex CG-5 gravity meters were used in conjunction with location data provided by Leica System GX1230 dual frequency DGPS receivers. The data was processed by an independent Galileo geophysical contractor with Bouguer anomaly, residual and first vertical derivative imagery produced.

The residual imagery shows the gravity features close to surface with the coincident magnetic and gravity targets displayed in Figures 1 and 2 below. Two stand out gravity anomalies are associated with prospective magnetic signatures. Forward magnetic modelling indicates a depth to top of source for the southern target of just 36 metres with the northern target modelled slightly deeper at 83 metres below surface. Modelled magnetic susceptibilities range between 0.6 and 1.0 SI units and both targets are interpreted as having vertical geometries extending to at least 500 metres depth.



Figures 1 and 2 –Nightmarch Total Magnetic Intensity image on left with Residual Gravity image on right, using the same 2 km scale bars. Both intense magnetic anomalies are linked to gravity features, consistent with magmatic intrusions prospective for nickel-copper-cobalt mineralisation.

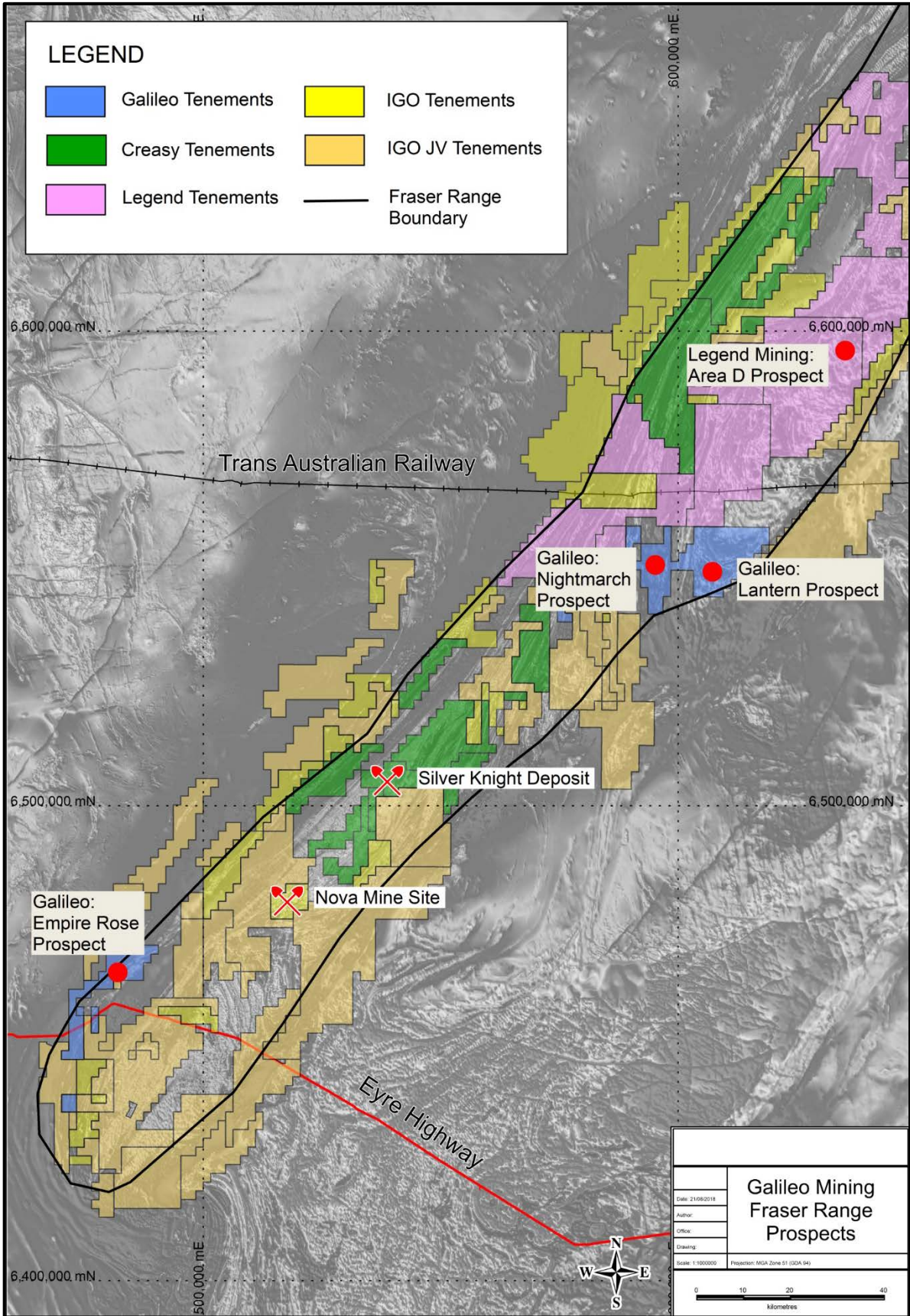


Figure 3 – Galileo’s Fraser Range tenement holdings (blue) with Empire Rose, Nightmarch and Lantern prospect locations as marked. Nightmarch is 60km along strike of the Silver Knight deposit. Empire Rose is 40 km from the Nova mine site.

Competent Person Statement

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 4: 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		Ni		Mn
			%	Kt	%	Kt	%
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 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • The Fraser Range Project comprises four granted exploration licenses, covering 492km² • Kitchener JV tenement E28/2064 (67% NSZ Resources Pty Ltd, 33% Great Southern Nickel Pty Ltd). • Yardilla JV tenements: E63/1539, E63/1623, E63/1624 (67% FSZ Resources Pty Ltd, 33% Dunstan Holdings Pty Ltd) • NSZ Resources Pty Ltd & FSZ Resources Pty Ltd are wholly owned subsidiaries of Galileo Mining Ltd. • Great Southern Nickel Pty Ltd and Dunstan Holdings Pty Ltd are entities of Mark Creasy • The Kitchener Area is approximately 250km east of Kalgoorlie on vacant crown land and on the Boonderoo Pastoral Station. • The Yardilla Area is approximately 90km east of Norseman on vacant crown land and on the Fraser Range Pastoral Station. • Both the Kitchener Area and the Yardilla Area are 100% covered by the Ngadju Native Title Determined Claim. • The tenements are in good standing and there are no known impediments.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • NA
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The target geology is magmatic sulphide mineralisation hosted in mafic-ultramafic intrusions within the Fraser Complex of the Albany-Fraser Orogeny.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and</i> 	<ul style="list-style-type: none"> • NA

Criteria	JORC Code explanation	Commentary
	<p><i>interception depth</i></p> <ul style="list-style-type: none"> ○ <i>hole length.</i> ● <i>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.</i> 	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> ● <i>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.</i> ● <i>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.</i> ● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> ● NA
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> ● <i>These relationships are particularly important in the reporting of Exploration Results.</i> ● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> ● <i>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').</i> 	<ul style="list-style-type: none"> ● NA
<i>Diagrams</i>	<ul style="list-style-type: none"> ● <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> ● NA
<i>Balanced reporting</i>	<ul style="list-style-type: none"> ● <i>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.</i> 	<ul style="list-style-type: none"> ● All available relevant information is presented.

Criteria	JORC Code explanation	Commentary
<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical 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.</i> 	<ul style="list-style-type: none"> Detailed 50m line spaced aeromagnetic data has been used for interpretation of underlying geology. Data was collected using a Geometrics G-823 cesium vapor magnetometer at an average flying height of 30m. Magnetic forward modelling was completed at the Nightmarch prospect utilising the Potent software. Detailed 100m by 50m gravity data was collected using Scintrex CG-5 gravity meters with Leica System GX1230 dual frequency DGPS receivers used for location control. Gravity data was processed by Spinifex-GPX using the Windisp software and standard gravity correction parameters.
<p><i>Further work</i></p>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Program of Work applications for first pass drilling at the Nightmarch prospect will be submitted to DMIRS for approval prior to drilling commencing. Detailed electro-magnetic surveying is planned at the Yardilla Area, aimed at identifying conductive bodies prospective for nickel-copper-cobalt mineralisation. First pass drilling is also planned to determine lithologies at interface.