

25 July 2019

ASX: GAL

Corporate Directory

Directors

Non-Executive Chairman

Simon Jenkins

Managing Director

Brad Underwood

Technical Director

Noel O'Brien

Projects

Norseman Project
Cobalt-Nickel-Copper

Fraser Range Project
Nickel-Copper-Gold



Contact Details

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QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

Highlights

Fraser Range Project (JV with Creasy Group)

- Maiden diamond core drilling at the Empire Rose Prospect intersects anomalous gold within sulphide mineralisation
 - 1m @ 0.25 g/t gold and 0.8 g/t silver from 420m in ER001
 - 1.05m @ 0.18 g/t gold and 0.9 g/t silver from 220m in ER003
- Electro-magnetic geophysical survey results received post period end from the Lantern Prospect identifies large-scale target proximate to anomalous aircore drilling results

Norseman Project (100% owned)

- High-grade copper prospect Subzero delivers best result of 19.9% Cu from surface sampling
- Electro-magnetic geophysical survey results received post period end define conductive drill targets beneath copper gossan

Corporate

- Strong cash position of \$7.1 million at the end of the June Quarter 2019

Galileo Mining Ltd (ASX: GAL, "Galileo" or the "Company") is pleased to provide a summary of activities for the quarter ending 30 June 2019.

During the quarter the Company progressed its Fraser Range project through a series of drilling campaigns as well as improving the commodity profile of the Norseman project through the identification of high-grade copper samples.

Commenting on the results, Galileo Managing Director Brad Underwood said:

"It has been an exciting period for Galileo which has seen the Company continue to put its resources towards making an economic discovery. Galileo is progressing its exploration programs both in the Fraser Range and at Norseman. The Company has completed its maiden diamond drilling campaign in the Fraser Range at the Empire Rose and Yardilla South prospects. Meanwhile at the Lantern prospect, initial aircore drilling results have been analysed and, following the end of the period, combined

with EM survey results to create a series of prospective targets. These targets will be followed up with additional aircore drilling. While drilling has occurred at the Fraser Range project the Company has continued to upgrade the Norseman project with the discovery of high-grade copper samples at the Subzero Prospect. This area contains significant potential for the discovery of a copper deposit in an infrastructure rich region of Western Australia and drilling is scheduled to begin in August.”

Fraser Range Project, WA

Analysis of first pass drilling at Lantern was completed during the quarter with the Company receiving promising results. Prior to the commencement of the quarter the Company had received assays which included:

- 27m @ 0.18% nickel and 0.17% copper from 47m (drill hole LAAC041)
- 8m @ 0.21% nickel and 0.03% copper from 45m (drill hole LAAC042)
- Maximum copper value 0.36% from LAAC041 (47-48m)
- Maximum nickel value 0.34% from LAAC042 (50-51m)

Additional assays received during the period continue to boost the Company's confidence in the Lantern Prospect with a best result of:

- 7m @ 0.18% nickel from 45m (drill hole LAAC075).

Encouragingly, the Company has intersected prospective rock units which include gabbro, gabbro-norite, pyroxenite, peridotite, and mafic cumulates. These rock types are frequently found in association with magmatic nickel mineralisation and are a part of the host rock sequence at the Fraser Range Nova and Silver Knight deposits.

Prospective rock units occur over a significant distance indicating the area has a suitable scale to potentially host an economic mineralised system.

The drilling at Lantern concluded with 76 drill holes completed for a total of 4,451 metres.

As a result of these strong results detailed moving loop electro-magnetic (MLEM) and gravity surveys were undertaken. Following quarter-end the Company released the results of these surveys which successfully identified a large-scale conductive target (see Figure 1).

The MLEM survey was conducted over 54 line-km covering approximately 60% of the target area. The peak of the conductor observed in the MLEM data occurs within a broad 1500-metre-long conductive trend with the top of the source estimated to be 340 metres below surface. In addition, the conductive trend is aligned with anomalous nickel identified during aircore drilling, which occur on the margin of the large MLEM target.

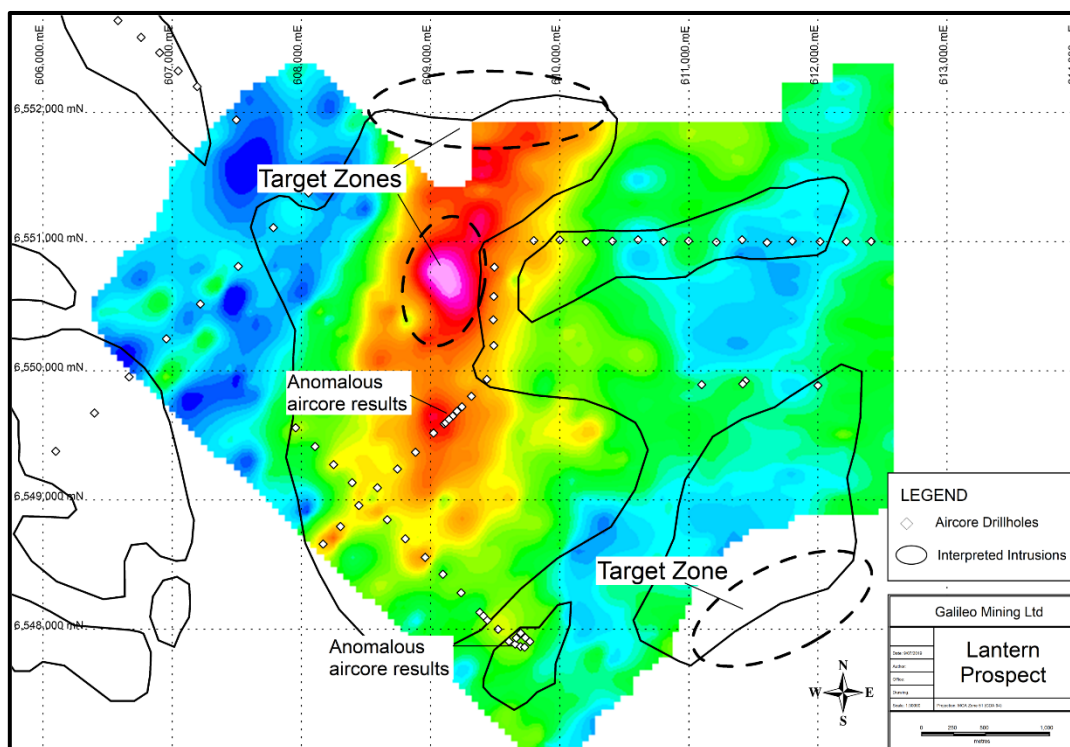


Figure 1: Lantern MLEM data with interpreted intrusions and completed aircore drilling collars

Detailed gravity survey data and magnetic inversion modelling have been used in conjunction with aircore drilling data to better interpret the area and the Company has identified three priority areas for immediate aircore drill testing based on the upgraded interpretation (see Figure 2).

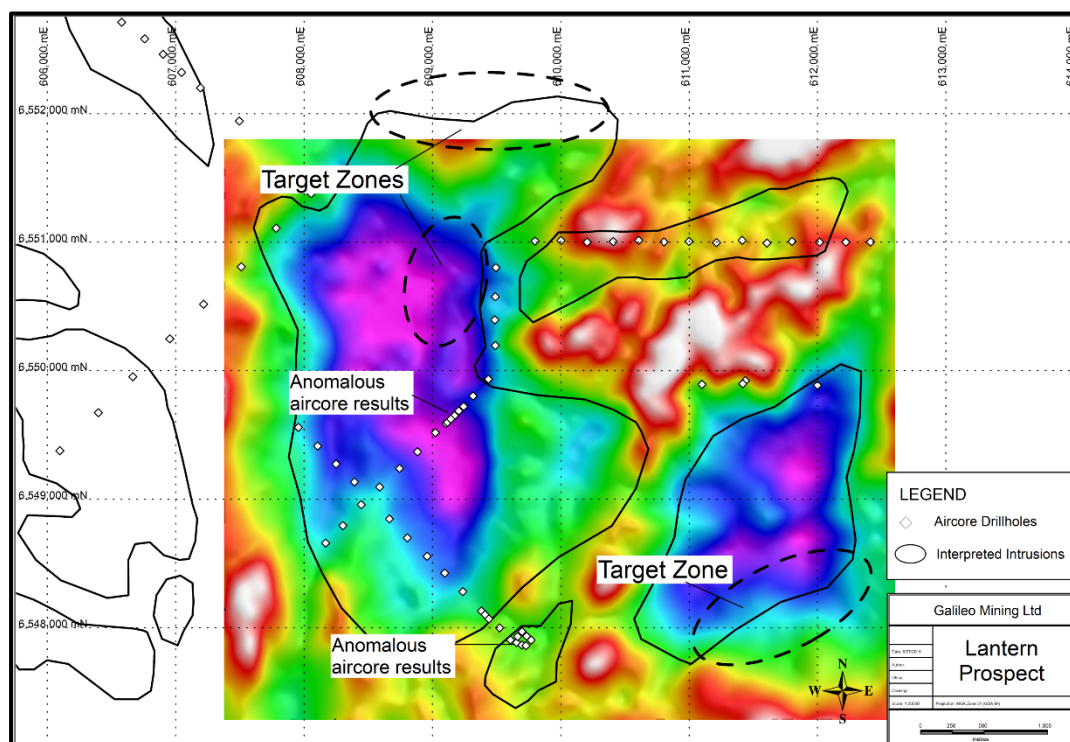


Figure 2: Lantern Prospect residual Bouguer gravity image with interpreted intrusions and completed aircore

At Empire Rose, located in the southern area of the Fraser Range project, the Company conducted its maiden diamond drilling program testing a coincident conductive and chargeable target identified by separate MLEM and Induced Polarisation (IP) surveys. The drilling program consisted of 467m of RC pre-collars and 662m of diamond core tails. The drilling also targeted a recently interpreted gold target, Yardilla South, located 2km from Empire Rose.

Following the end of the quarter, the Company received assays which confirmed the presence of anomalous gold associated with sulphide mineralisation at Empire Rose.

Best gold intercepts included:

- 1m @ 0.25 g/t gold and 0.8 g/t silver from 420m in ER001, and
- 1.05m @ 0.18 g/t gold and 0.9 g/t silver from 220m in ER003



Figure 3: Sulphide stringers and veins with quartz in ER001 at 407m (field of view approximately 15cm across)

Following the end of the quarter the Company received the remaining assays for the Empire Rose and Yardilla South prospects. The banded iron formation geology intercepted at Yardilla South contained only trace amounts of gold and base metals and the focus for the future will be on the sulphide mineralised rock units at Empire Rose which appear to be more prospective for economic mineralisation.

Sulphide levels in the diamond core at Empire Rose vary between three and fifteen per cent through mineralised zones up to 20 metres thick. Electro-magnetic (EM) surveying has proven to be an effective tool in defining sulphide mineralisation and additional EM surveys are being planned to locate new drill targets along strike. Significant potential exists at the Empire Rose prospect for higher grade gold mineralisation associated with sulphides along strike of the recent drilling (see Figure 4).

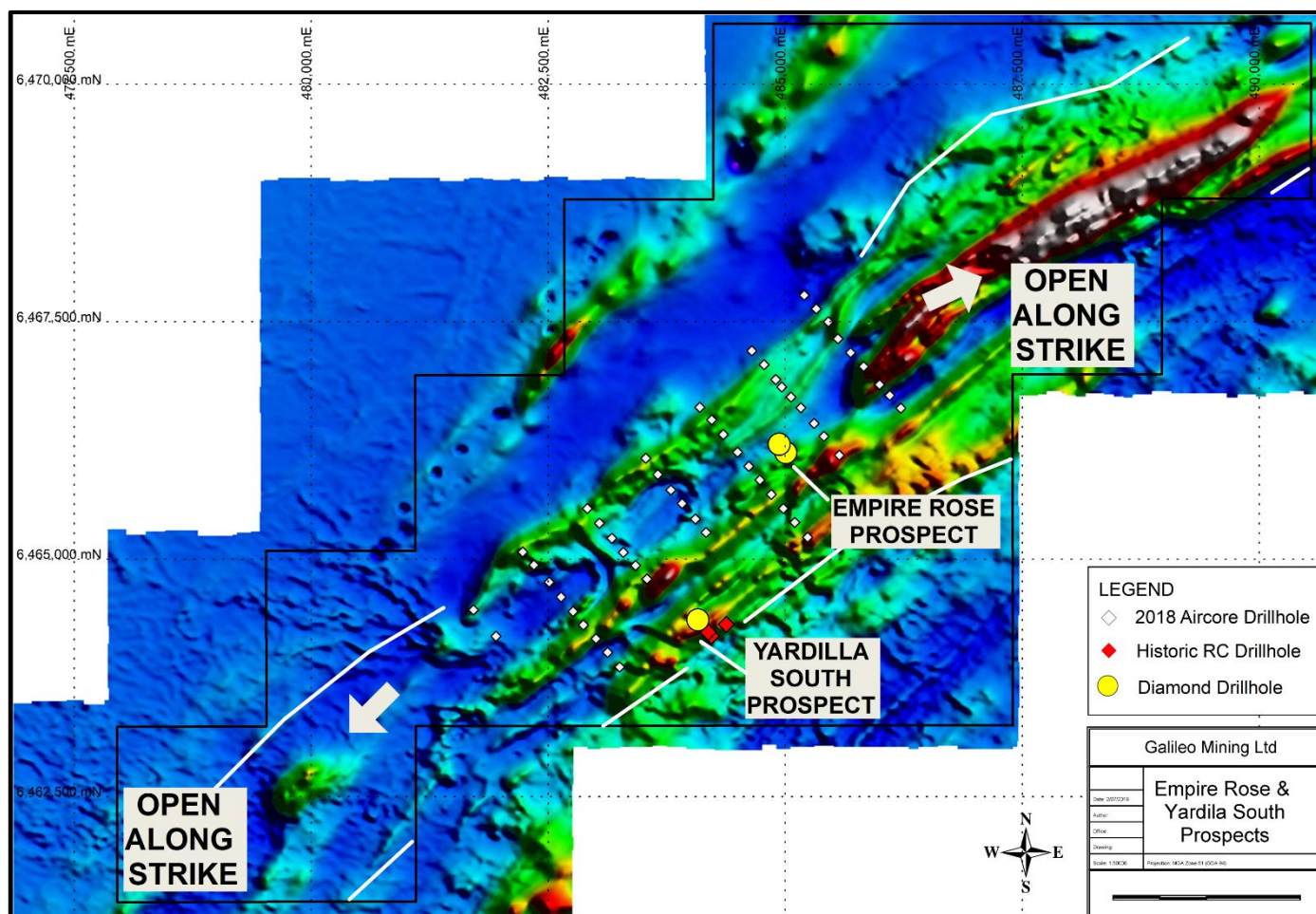


Figure 4: Empire Rose and Yardilla South prospects over TMI magnetic image. Untested gold prospective ground exists over five kilometres along strike to the north east and along four kilometres of strike to the southwest.

Norseman Project, WA

During the quarter Galileo successfully conducted surface sampling at the Subzero copper prospect with values including 6.5% and 19.9% copper from oxide breccia rocks adjacent to historic prospectors' workings (see Figure 5). Sampling of multiple iron rich gossan samples in the same area recorded up to 1.1% copper.

The surface samples were taken from a volcanic-sedimentary rock unit where it outcrops. This rock unit can be traced for over two kilometres along strike. During the quarter an extensive MLEM survey was completed at Subzero with the results received after the end of the period. Highly conductive targets were recorded over a strike length of 2.1km matching the prospective volcanic rock units mapped in the field (see Figure 6 below).



Figure 5: Oxide breccia sample with 6.5% copper & 0.8 ppm gold (CWRK013)

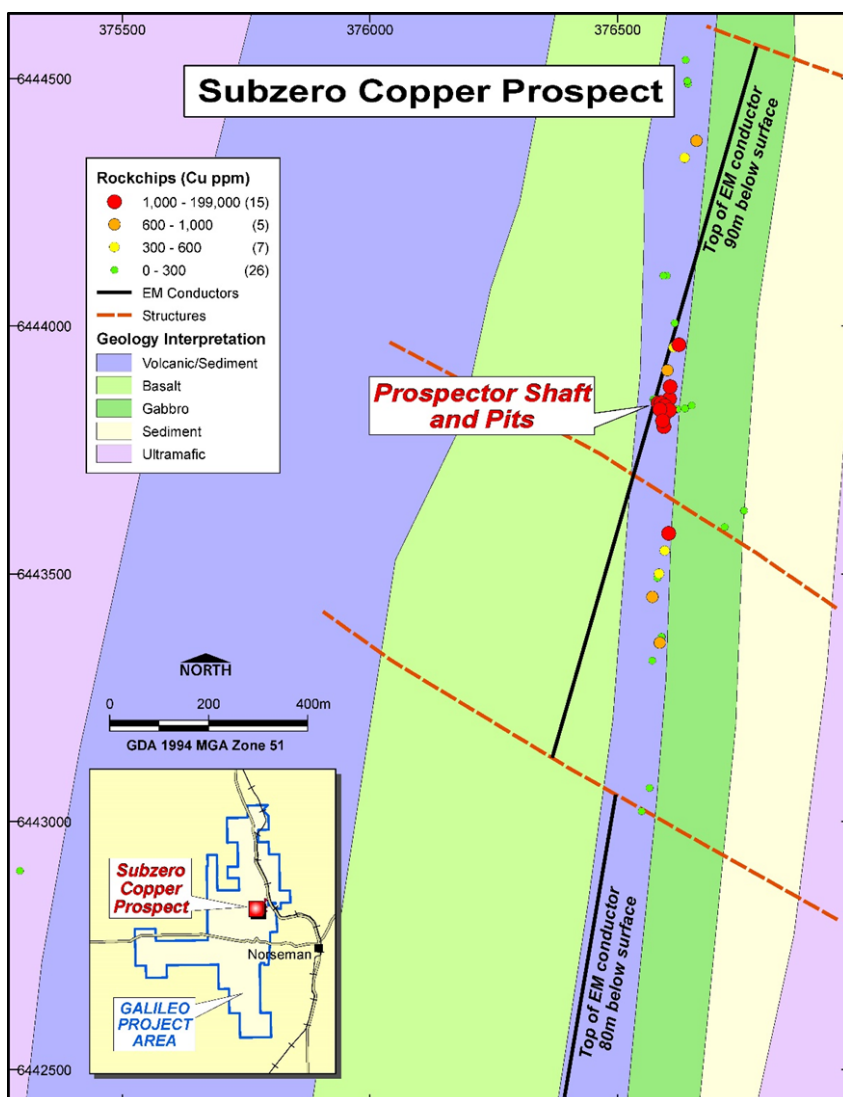


Figure 6: Subzero geology map of prospective volcanic rock units, copper sampling, and EM conductors

Pillow basalts have been mapped to the west of the copper outcrop which is hosted in a silicified volcanic sediment. To the east a gabbro appears to have intruded the volcanic sequence. Cross structures have been interpreted from a recently flown detailed 50m magnetic survey and may represent zones of fluid flow.

Modelling of EM data shows two strongly conductive zones with depth to top of source estimated to be 80 to 90 metres. An RC drilling program has been planned for the coming quarter with initial testing to focus on the potential for copper mineralisation beneath the gossan and on the EM conductor along the prospective contact (see Figure 7).

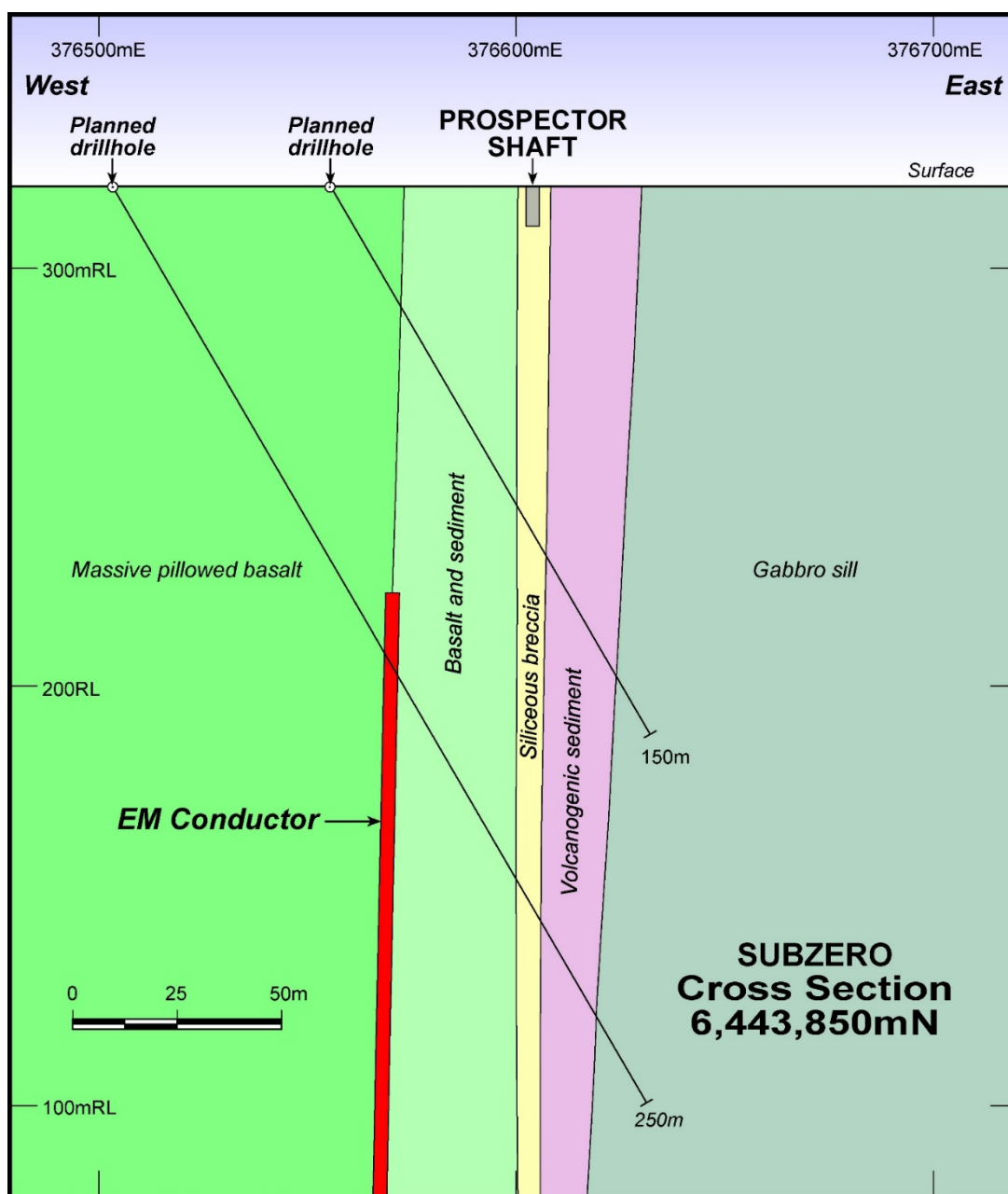


Figure 7: Subzero Prospect cross section with interpreted geology, modelled EM conductor at approximately 90 metres depth, and planned drill holes.

Ongoing review of the mineral prospectivity at the Norseman Project has demonstrated the potential for lithium rich pegmatites in the area. Field mapping has delineated zones of pegmatites at a number of prospects (see Figure 8). Soil and rock chip sampling programs have been undertaken and Lithium-Caesium-Tantalum (LCT) pegmatites have been successfully identified however no lithium-spodumene samples have yet been recorded. Work will continue on the lithium potential at Norseman with a small number of scout drill holes planned to test pegmatites for possible lithium rich zones at shallow depths.

Since flying a detailed 50 metre line spaced aeromagnetic survey the Company has reviewed the regional stratigraphy of the Norseman Project to better understand mineral potential. As well as defining the basalt units which host the Subzero copper prospect, the magnetic survey has outlined in more detail the mapped komatiite unit southwest of the Goblin cobalt resource (see Figure 8). A possible embayment in the komatiite flow has been recognised and will be the subject of a scout drill hole to test for nickel sulphide mineralisation. An EM survey over the Goblin Prospect showed a conductive unit in the area which will also be drill tested to determine its relationship to sulphide mineralisation.

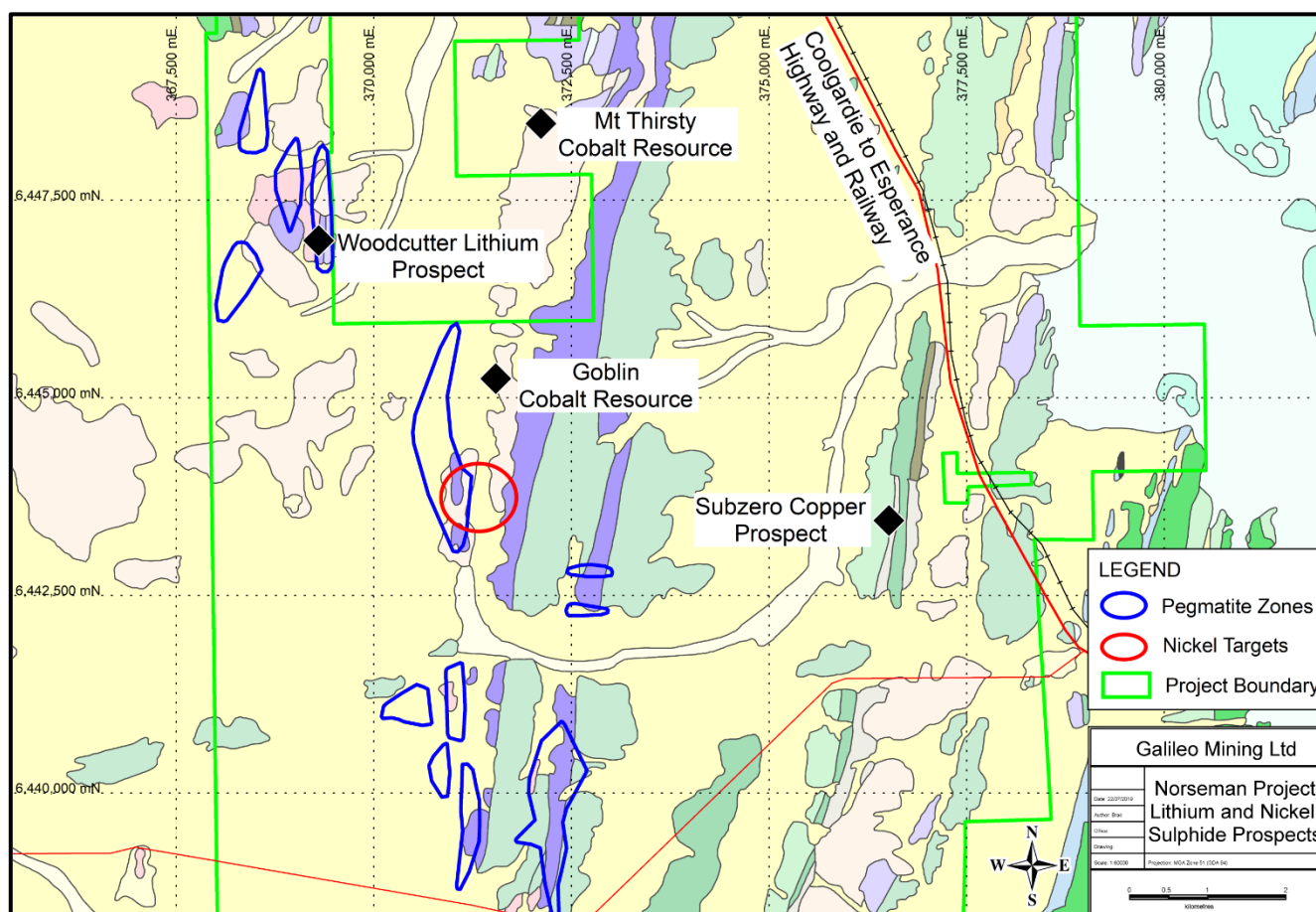


Figure 8: Location of pegmatite outcrop and nickel sulphide targets within the Norseman Project area. Background image is GSWA 100k mapping.

Norseman Cobalt Project, WA

Work over the quarter on the Norseman Cobalt Project remained focussed on permitting with the Mine Lease and Miscellaneous License applications continuing to make their way through the approvals process. A detailed flora survey has been completed over the main resource area at Norseman with the remainder of the Mine Lease application surveyed at a reconnaissance level. A Level 1 terrestrial fauna survey has also been completed over the entirety of the Mine Lease application.

Since listing, the Company has experienced a substantial reduction in the cobalt price which has impacted on its immediate plans for the Norseman Cobalt Project. It is expected that if cobalt prices improve in the future then the Norseman Cobalt Project may again become a significant focus of the Company's exploration and development program. Project permit approvals will be a considerable value-add to the asset base at Norseman in the event that cobalt prices recover sufficiently.

Corporate

As at 30 June 2019, the Company had cash of approximately \$7.1 million.

During the quarter the most significant costs incurred were related to exploration and evaluation with 79% of operating expenditure falling into this category. Funds received over the quarter included interest of \$77,000.

Estimated expenditure for the September 2019 Quarter is approximately \$1.0 million.

Please refer to the attached Appendix 5B report for the period ended 30 June 2019 for further information.

Capital Structure

As at the date of this report the Company's capital structure is as follows:

Quoted Securities:

Number	Class
92,279,037	Ordinary Fully Paid Shares (Shares)

Un-Quoted Securities

Number	Class
28,094,895	Shares- held in escrow for 24 months from 29 May 2018
15,000,000	Class A Options Ex @\$0.20 Exp 31/1/2023- held in escrow for 24 months from 29/5/2018 Vesting condition 60-day VWAP > \$0.60
2,200,000	Performance Rights Vesting @ \$1.00/ Exp 31/1/2023 Vesting condition 10-day VWAP > \$1.00

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 26,000 tonnes of contained cobalt, and 122,000 tonnes of contained nickel, in JORC compliant resources (see Figure 9 below). GAL also has Joint Ventures with the Creasy Group over tenements in the Fraser Range which are highly prospective for nickel-copper-cobalt sulphide deposits.

Figure 9: JORC Mineral Resource Estimates for the Norseman Cobalt Project ("Estimates") (refer to ASX "Prospectus" announcement dated May 25th 2018 and ASX announcement dated 11th December 2018, 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 Cobalt %	Class	Tonnes Mt	Co		Ni	
			%	Tonnes	%	Tonnes
MT THIRSTY SILL						
0.06 %	Indicated	10.5	0.12	12,100	0.58	60,800
	Inferred	2.0	0.11	2,200	0.51	10,200
	Total	12.5	0.11	14,300	0.57	71,100
MISSION SILL						
0.06 %	Inferred	7.7	0.11	8,200	0.45	35,000
GOBLIN						
0.06 %	Inferred	4.9	0.08	4,100	0.36	16,400
TOTAL JORC COMPLIANT RESOURCES						
0.06 %	Total	25.1	0.11	26,600	0.49	122,500

Appendix 1: Galileo Mining Tenement Schedule as at 30 June 2019

Project	Tenement reference & Location	Interest at beginning of Quarter	Interest at end of Quarter	Nature of Interest As at end of Quarter
NORSEMAN PROJECT	All tenements are in Western Australia			
	E63/1041	100%	100%	Active
	E63/1764	100%	100%	Active
	P63/2053	100%	100%	Active
	P63/2105	100%	100%	Active
	P63/2106	100%	100%	Active
	P63/2107	100%	100%	Active
	P63/2108	100%	100%	Active
	P63/2109	100%	100%	Active
	P63/2110	100%	100%	Active
	P63/2111	100%	100%	Active
	P63/2112	100%	100%	Active
	P63/2113	100%	100%	Active
	P63/2114	100%	100%	Active
	P63/2115	0%	100%	Active
	P63/2116	100%	100%	Active
	P63/2117	100%	100%	Active
	P63/2118	100%	100%	Active
	P63/2123	0%	100%	Active
	P63/2136	100%	100%	Active
	P63/2137	100%	100%	Active
FRASER RANGE PROJECT	All tenements are in Western Australia			
	E28/2064	67%	67% NSZ ⁽¹⁾	Active
	E63/1539	67%	67% FSZ ⁽²⁾	Active
	E63/1623	67%	67% FSZ ⁽²⁾	Active
	E63/1624	67%	67% FSZ ⁽²⁾	Active

⁽¹⁾ 67% owned by NSZ Resources Pty Ltd a wholly owned subsidiary of Galileo Mining, 33% Great Southern Nickel Pty Ltd (a Creasy Group Company).

⁽²⁾ 67% owned by FSZ Resources Pty Ltd a wholly owned subsidiary of Galileo Mining, 33% Dunstan Holdings Pty Ltd (a Creasy Group Company).

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

GALILEO MINING LTD

ABN

70 104 114 132

Quarter ended ("current quarter")

30 JUNE 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(817)	(3,709)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(58)	(200)
	(e) administration and corporate costs	(146)	(545)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	77	207
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other - Net GST (paid)/refunded	(9)	146
1.9	Net cash from / (used in) operating activities	(953)	(4,101)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(19)
	(b) tenements (see item 10)	-	(63)
	(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Security Deposit refunded/(paid))	-	(17)
2.6	Net cash from / (used in) investing activities	-	(99)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(5)	(5)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(5)	(5)

4.	Net increase / (decrease) in cash and cash equivalents for the period	(958)	(4,205)
4.1	Cash and cash equivalents at beginning of period	8,028	11,275
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(953)	(4,101)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(99)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5)	(5)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,070	7,070

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	31	46
5.2	Call deposits	7,039	7,982
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,070	8,028

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
125
-

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	763
9.2 Development	-
9.3 Production	-
9.4 Staff costs	93
9.5 Administration and corporate costs	185
9.6 Other (provide details if material)	(26) ¹
9.7 Total estimated cash outflows	1,015

¹Includes forecast interest income

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	*			
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

*Refer to Quarterly Activities Report for Schedule of Tenements.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



25 July 2019

Sign here:
(Company secretary)

Date:

Print name:
Mathew Whyte

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.