

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Galileo Resources plc, please forward this document and the accompanying Form of Proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

GALILEO RESOURCES PLC

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

NOTICE OF GENERAL MEETING

AND

PROPOSED REORGANISATION OF SHARE CAPITAL

The General Meeting will be held at the offices of Fasken Martineau LLP, Third Floor, 17 Hanover Square, London, W1S 1HU on Friday 13 February 2015 at 11.30 am. A Form of Proxy for the General Meeting is enclosed and should be completed and returned as soon as possible. To be valid, it must reach the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA no later than 48 hours before the meeting, being 11.30 am on 11 February 2015. Completion and return of the Form of Proxy will not prevent you from attending and voting at the General Meeting in person, should you so wish.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Date</i>
Latest time and date for receipt of Forms of Proxy for the General Meeting	11.30 am 11 February 2015
Time and date of General Meeting	11.30 am 13 February 2015
Latest time and date for dealings on AIM in Existing Ordinary Shares	5.00 pm 13 February 2015
Record Date for the Proposed Reorganisation	5.00 pm 13 February 2015
Expected date of Admission of New Ordinary Shares	16 February 2015

Notes

- 1 Each of the times and dates in the above timetable is based on current expectations and is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a Regulatory Information Service.
- 2 All references in this document to times are to London times.

DEFINITIONS

In this document, the following expressions shall have the following meanings, unless the context otherwise requires:

“Admission”	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“Articles ”	the articles of association of the Company;
“AIM”	the market operated by the London Stock Exchange;
“AIM Rules”	the rules for AIM companies as issued by the London Stock Exchange, from time to time;
“General Meeting”	the general meeting of the Company to be held at the offices of Fasken Martineau LLP, Third floor, 17 Hanover Square, London, W1S 1HU at 11.30 am on Friday 13 February 2015, or any adjournment thereof, notice of which is on pages 7 to 12 of this document;
“Board”	the board of directors of the Company;
“Company”	Galileo Resources Plc;
“Deferred Shares”	the Deferred Shares of 4.9 pence each arising from the Proposed Reorganisation;
“Directors”	the directors of the Company;
“Existing Ordinary Shares”	the existing issued ordinary shares of 5 pence each in the capital of the Company;
“Form of Proxy”	the form of proxy for use by holders of Existing Ordinary Shares

accompanying this document for use in connection with the General Meeting;

“New Ordinary Shares”	the proposed new ordinary shares of 0.1 pence each in the share capital of the Company resulting from the Reorganisation;
“Ordinary Shares”	prior to the Reorganisation, the Existing Ordinary Shares and, thereafter, the New Ordinary Shares;
“Proposed Reorganisation”	the proposed reorganisation to be effected by dividing each Existing Ordinary Share in issue into one New Ordinary Share and one Deferred Share;
“Record Date”	5.00 pm on the day of the General Meeting;
“Resolution”	the special resolution to be proposed at the General Meeting in order to give effect to the Proposed Reorganisation;
“Shareholders”	the holders of Ordinary Shares at the Record Date.

GALILEO RESOURCES PLC

(Incorporated in England and Wales with Registered Number 5679987)

Directors:

Colin Bird *(Chairman and Chief Executive Officer)*
Andrew Francis Sarosi *(Finance and Corporate Development Director)*
John Richard Wollenberg *(Non-Executive Director)*
Christopher Molefe *(Non-Executive Director)*

Registered Office:

4th Floor
2 Cromwell Place
London
SW7 2JE

28 January 2015

Dear Shareholder

General Meeting – 13 February 2015

This General Meeting will be held at the offices of Fasken Martineau LLP, Third Floor, 17 Hanover Square, London, W1S 1HU at 11.30 am. Full details of the meeting and the proposed Resolution that will be put to shareholders are set out in the enclosed Notice of Meeting.

If you cannot come to the meeting in person, your vote is still important and I would urge you to complete, sign and return the enclosed proxy card to be received by 11.30 am on Wednesday 11 February 2015 by Neville Registrars. The result of the voting on the Resolution will be posted on the Company's website after the meeting.

The Resolution

We are asking shareholders to approve the Proposed Reorganisation and set out in the Resolution, to be considered at this General Meeting.

The Resolution is being proposed as a special resolution, which means that for the Resolution to be passed, at least three-quarters of the votes cast must be cast in favour of the Resolution.

Proposed Reorganisation

The Ordinary Shares have in recent months frequently been trading on AIM at a price below their nominal value of 5 pence per share. The issue of new shares by an English company at a price below their nominal value is prohibited by English company law and accordingly the ability of the Company to raise funds by way of the issue of further equity has been inhibited.

Accordingly the Directors are seeking Shareholders' authority to implement the Proposed Reorganisation to create a differential between the nominal value of the Ordinary Shares and their market price to facilitate future share issues.

To give effect to the Proposed Reorganisation the Articles will need to be amended to make changes to allow the creation of the Deferred Shares. These amendments will also require Shareholders' approval at the General Meeting.

Details of the Proposed Reorganisation and the proposed amendments to the Articles are set out below.

Share Capital Reorganisation

As at 27 January 2015, being the latest practicable date prior to the publication of this document, the total issued share capital of the Company was £5,725,136.05 divided into 114,502,721 Existing Ordinary Shares.

It is proposed that in relation to the Company's share capital to effect the Reorganisation, that each of the 114,502,721 Existing Ordinary Share will be subdivided and converted into one New Ordinary Share of 0.1 pence and one Deferred Share of 4.9 pence each.

Ordinary Shares

As a consequence of, and immediately following, the Proposed Reorganisation becoming effective each Shareholder's holding of New Ordinary Shares will be the same as the number of Existing Ordinary Shares held by them on the Record Date. Therefore, each Shareholder's proportionate interest in the Company's issued ordinary share capital will, and thus the aggregate value of their holding should, remain unchanged as a result of the Proposed Reorganisation.

The New Ordinary Shares will continue to carry the same rights as attached to the Existing Ordinary Shares. The Deferred Shares will carry the rights as set out in the Articles and as summarised below.

The last day of trading on AIM in the Existing Ordinary Shares is expected to be 13 February 2015.

If approved, following the Proposed Reorganisation becoming effective taking into account Admission as set out above, and assuming no shares are issued between 27 January 2015 (being the latest practicable date prior to the printing of this document) and the date the Proposed Reorganisation becomes effective (expected to be 8.30 am 16 February 2015), the Company's issued ordinary share capital will still comprise 114,502,721 New Ordinary Shares.

If the Proposed Reorganisation is approved, the New Ordinary Shares will be admitted to trading on AIM.

No new share certificates representing the New Ordinary Shares will be sent to Shareholders who hold Existing Ordinary Shares in certificated form. Accordingly, share certificates for the Existing Ordinary Shares will remain valid, and will only be replaced by share certificates for New Ordinary Shares when the old share certificates are surrendered for cancellation following the transfer, transmission or other disposal of New Ordinary Shares.

Shareholders who hold their Existing Ordinary Shares in uncertificated form through CREST should expect to see the security description updated for the existing ISIN number (**GB00B115T142**), in order to reflect their holding in New Ordinary Shares on 16 February 2015.

Deferred Shares

The Deferred Shares created will be effectively valueless as they will not carry any rights to vote or dividend rights. In addition, holders of Deferred Shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of Ordinary Shares have received a payment of £1,000,000 on each such share. The Deferred Shares will not be traded on AIM or listed and will not be transferable without the prior written consent of the Board. **No share certificates will be issued in respect of the Deferred Shares, nor will CREST accounts of shareholders be credited in respect of any entitlement to Deferred Shares.**

Changes to the Articles

In connection with the Proposed Reorganisation the Company also proposes to amend the Articles to include the rights and restrictions attaching to the Deferred Shares, as set out above.

Deferred Share Rights

The Resolution amends the articles by including a new Article setting out the rights of the Deferred Shares as summarised under the heading “*Deferred Shares*” on this page 6.

Recommendation

The Directors unanimously recommend that you vote in favour of the proposed Resolution, as they propose to do in respect of their own respective holdings in the ordinary share capital of the Company.

Your sincerely

Colin Bird
Chairman

GALILEO RESOURCES PLC

(Company Number 5679987)

Notice of General Meeting

Notice is hereby given that a General Meeting of Galileo Resources plc (the “**Company**”) will be held at the offices of Fasken Martineau LLP at Third Floor, 17 Hanover Square, London, W1S 1HU on Friday 13 February 2015 at 11.30 am to consider and, if thought fit, pass the following Resolution, and the Resolution will be proposed as a Special Resolution:

THAT, subject to and conditional on the admission of the New Ordinary Shares (as defined below) to trading on the AIM Market of the London Stock Exchange becoming effective and on the Resolution set out in the notice of General Meeting being passed as a Special Resolution without amendment:

- (a) each of the issued 114,502,721 existing ordinary shares of 5 pence each (each an “**Existing Ordinary Share**”) that are in issue as at 5.00 pm on 13 February 2015 (or such other time as the Directors may determine) (the “**Record Date**”) be and are subdivided and converted into one ordinary share of 0.1 pence in the capital of the Company, having the same rights and being subject to the same restrictions and ranking on the same basis as the Existing Ordinary Shares (each a “**New Ordinary Share**”), and one deferred share of 4.9 pence (each a “**Deferred Share**”), having the rights and being subject to the restrictions attaching to Deferred Shares in accordance with the amendments to the Articles of Association of the Company as set out in the Resolution and as set out in sub-paragraph (b) below; and
- (b) the Articles of Association of the Company be and are amended by deleting Article 4 in its entirety and substituting the following in its place:

“4. Deferred Shares

*4.1 The Company may from time to time create deferred shares (“**Deferred Shares**” which shall confer upon the holders thereof the rights, and be subject to the restrictions, set out below:*

4.2 the Deferred Shares shall confer no right to participate in the profits of the Company;

4.2.1 on a winding-up or a return of capital, the assets of the Company available for distribution following the distribution of assets shall be applied in paying to the holders of the Deferred Shares the nominal capital paid up or credited as paid up on such Deferred Shares only after paying to the holders of the ordinary shares the nominal capital paid up or credited as paid up on the ordinary shares held by them respectively, together with the sum of £1,000,000 on each ordinary share;

4.2.2 the holders of the Deferred Shares shall not be entitled to any further right of participation in the assets of the Company;

- 4.2.3 *the holders of the Deferred Shares shall not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting;*
- 4.2.4 *the Deferred Shares shall not be listed or admitted to trade on any stock exchange nor shall any share certificate be issued in respect of such shares. The Deferred Shares shall not be transferable except in accordance with Article 4.2.7.2 below or with the written consent of the Board;*
- 4.2.5 *the Company may from time to time create, allot and issue further shares, whether ranking pari passu with or in priority to the Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares;*
- 4.2.6 *the reduction by the Company of the capital paid up on the Deferred Shares and the cancellation of such shares shall be in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (subject to the confirmation of the court in accordance with the Act) without obtaining the consent of the holders of the Deferred Shares;*
- 4.2.7 *the Company has the irrevocable authority at any time to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares:*
- 4.2.7.1 *to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any part thereof and/or an agreement to transfer the same (without making any payment therefor) to such person as the directors may determine (whether or not an officer of the Company) and who is willing to accept the same;*
- 4.2.7.2 *to purchase all or any of the Deferred Shares in accordance with the Act without obtaining the consent of the holders thereof and in consideration of the payment to each of the holders whose shares are purchased of an amount equal to one penny in respect of all the Deferred Shares then being purchased by the Company;*
- 4.2.7.3 *for the purposes of any such purchase under Article 4.2.7.2 above, to appoint any person to execute, as his or its attorney and agent, on behalf of any holder of Deferred Shares a contract for the sale to the Company of any such Deferred Shares held by him or it; and*
- 4.2.7.4 *to cancel all or any of the same so purchased under Article 4.2.7.2 above in accordance with the Act."*

BY ORDER OF THE BOARD
Company Secretary

28 January 2015

Registered Office:
4th Floor
2 Cromwell Place
London
SW7 2JE

EXPLANATORY NOTES

1. ENTITLEMENT TO ATTEND AND VOTE

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:

- 6.00 pm on 11 February 2015; or,
- if this General Meeting is adjourned, at 6.00 pm on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.

2. APPOINTMENT OF PROXIES

If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the proxy form provided and submit all such forms to Neville Registrars.

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

3. APPOINTMENT OF PROXY USING HARD COPY PROXY FORM

The notes to the proxy form explain how to direct your proxy how to vote on the Resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA; and
- received by Neville Registrars no later than 11.30 am on 11 February 2015.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

4. APPOINTMENT OF PROXY BY JOINT MEMBERS

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

5. CHANGING PROXY INSTRUCTIONS

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

6. TERMINATION OF PROXY APPOINTMENTS

In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment as above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Neville Registrars no later than 11.30 am on 11 February 2015. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

7. ISSUED SHARES AND TOTAL VOTING RIGHTS

As at 6.00 pm on 27 January 2015, the Company's issued share capital comprised 114,502,721 ordinary shares of 5 pence each. Each ordinary share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 pm on 27 January 2015 is 114,502,721.

8. COMMUNICATION

Except as provided above, members who have general queries about the Meeting should call the shareholder helpline of Neville Registrars on +44 (0) 121 585 1131. Callsextras are charged at your standard network rate. Lines are open 9.00 am to 5.00 pm, Monday to Friday.

You may not use any electronic address provided either in this Notice of General Meeting or any related documents to communicate with the Company for any purposes other than those expressly stated.