



ASX ANNOUNCEMENT
26 July 2022

ASX: G1A

GALENA SUCCESSFULLY RAISES \$17 MILLION

HIGHLIGHTS

- Placement was well oversubscribed
- Strong support from existing key stakeholders:
 - Existing largest strategic investor, Tim Roberts subscribed for ~\$4.4M
 - Project financing debt provider, Taurus subscribed for ~\$3.8M
 - Directors subscribed for ~\$0.6M
- Galena to use placement proceeds to provide Abra a funding buffer during the critical initial commissioning and ramp-up stages of the project
- Abra remains on-target for Q1 2023 production and for total Project capital expenditure to be on budget as per regular monthly updates

GALENA MINING LTD. ("Galena" or the "Company") (ASX: G1A) is pleased to announce it has accepted binding commitments for a placement of 136,000,000 new shares at an issue price of \$0.125 per share ("Placement Shares"), to raise \$17 million before costs ("Placement").

Managing Director, Tony James commented, *"With first concentrate production coming in early 2023, we felt it critical to ensure our Abra Project has an adequate funding buffer to deal with any unforeseen circumstances during the commissioning and ramp-up phase of the mine. It's very pleasing to see the ongoing strong support from our key stakeholders who continue to support us in the development of our world-class lead-silver mine."*

The Placement was significantly oversubscribed and well supported mainly by existing stakeholders. The Company's largest shareholder and strategic investor Mr Timothy Andrew Roberts, subscribed for 35,318,665 Placement Shares for ~A\$4.41 million.

Taurus Mining Finance Fund No 2 LP ("Taurus"), the provider of the Taurus Debt Facilities to the Abra Base Metals Mine and a key stakeholder in the ongoing success of the Project, subscribed for 30,007,862 Placement Shares for ~A\$3.75 million (see Galena ASX announcements of 12 November 2020 and 15 June 2021 for more information on the Taurus Debt Facilities).

The Company's Directors subscribed for 4,880,000 Placement shares for ~A\$0.61 million, subject to shareholder approval.

Proceeds from the Placement (net of expenses) will be used to provide Abra Mining Pty. Ltd. (“**AMPL**”, the Abra Project joint-venture entity) a temporary unsecured reserve facility (“**URF**”). The URF will be \$30 million, contributed \$18 million by Galena and \$12 million by the Company’s joint-venture partner Toho Zinc Co., Ltd. (“**Toho Zinc**”). The URF will be made available during the critical commissioning and initial ramp-up stages of the Abra Base Metals Mine (“**Abra**” or the “**Project**”), up until the Project Completion tests are satisfied under the Taurus Debt Facilities (anticipated to be 2H CY2023). Its purpose will be to provide a working capital and cost buffer for AMPL to draw in the event of unforeseen circumstances and costs such as weather-related road or port closures or other events. Any drawn amounts will become unsecured shareholder loans to AMPL whilst undrawn amounts will be returned to each of Galena and Toho in their respective 60:40 share.

Euroz Hartleys Limited and Petra Capital Pty Ltd acted as Joint Lead Managers and Joint Bookrunners to the Placement and will receive 6.0% capital raising fees on funds raised.

FURTHER PLACEMENT DETAILS

71,400,000 of the shares issued under the Placement will fall within the Company’s 15% placement capacity under ASX Listing Rule 7.1, with settlement scheduled to occur on Tuesday, 2 August 2022. The remaining 64,600,000 shares to be issued under the Placement are subject to shareholder approval with the general meeting anticipated to be held mid-September. All subscriptions by the Company’s Directors require shareholder approval and will be included in the second tranche of the Placement Shares for approval at the mid-September general meeting.

The Board of Directors of Galena authorised this announcement for release to the market.

For further information contact:

Galena Mining Limited

Anthony (Tony) James
Managing Director

About Abra Base Metals Project & Location

60% owned by Galena, the Abra Base Metals Mine (“**Abra**” or the “**Project**”) is a globally significant lead-silver project located in the Gascoyne region of Western Australia (between the towns of Newman and Meekatharra, approximately 110 kilometres from Sandfire’s DeGrussa Project).

