

ASX ANNOUNCEMENT

16 September 2022

ASX: G1A

ABRA CONSTRUCTION 83% COMPLETE AT END OF AUGUST

GALENA MINING LTD. (“Galena” or the “Company”) (ASX: G1A) is pleased to announce that the construction progress at its Abra Base Metals Mine (“Abra” or the “Project”) has reached 83% complete as of 31 August 2022. The arrival of the flotation cells and regrind mill to Australia completes the arrival of all the key construction equipment coming from overseas suppliers.

Managing Director, Tony James commented, *“With the flotation cells and the regrind mill landing in Australia, all the key pieces of equipment required for Abra processing facility have arrived. On site, construction activities have now past 83% with focus at the plant shifting to installation of the remaining mechanical items, piping and electrical installation. Operational readiness activities continue as the site prepares to start some early dry commissioning activities. It’s also pleasing to see the TSF earthworks essentially completed and the power station reaching 94% completion”.*



Figure 1 – Abra plant screening and materials handling (photo: 9 September).

Update on Abra Project progress

Overall progress continues to remain in line for Project completion, with first commercial production expected in Q1 CY2023. The processing plant engineering, procurement and construction has reached 90% complete. All key overseas supplied equipment itemised in the regular project updates shown in table 1 below have arrived in Australia. All the items in table 1 are shown as “strike-out” for completion purposes.

Description	Manufacturer	Source Country	Order Date	Completion Date	Forecast On Site Date
Jaw Crushers	Metso-Outotec	China	19-Aug-21	10-Jan-22	On-Site
Cone Crushers	Metso-Outotec	France	19-Aug-21	16-Mar-22	On-Site
Flotation Cells	Metso-Outotec	China	18-Aug-21	1-Jul-22	Perth
Thickener	Metso-Outotec	China	18-Aug-21	25-Mar-22	On-Site
Slurry Analyser	Metso-Outotec	Finland	18-Aug-21	10-Jan-22	On-Site
Grinding Mill	CITIC-HIC	China	23-Jul-21	20-Jun-22	On-Site
Filter	Ishigaki	Japan	26-Jul-21	28-Apr-22	On-Site
Regrind Mill	Glencore	Germany	23-Sep-21	15-Jun-22	Melbourne
LNG Storage Tanks	AMG Cryogenics	China	15-Jun-21	28-Apr-22	On-Site

Table Notes – All items presented in the above table are key overseas supply items required for Abra. All this listed equipment has now arrived in Australia.

Table 1 – Key equipment order and delivery schedule from overseas suppliers.

Mine decline development continued in the East Decline during August. A total of 242 metres was developed with the decline reaching 1,337mRL. The decline location is 213m vertically below the surface and approximately 24m vertically above the orebody.

During August the primary ventilation raise drill pilot hole reached the 1,390mRL and back-reaming of the 6m diameter hole commenced.

In August, 15 new underground diamond drill grade control holes were completed (2,141m). Assays from the holes drilled in July are expected to be returned in September for evaluation. The second underground drill is also scheduled to commence drilling in early September, following installation of the required power services.

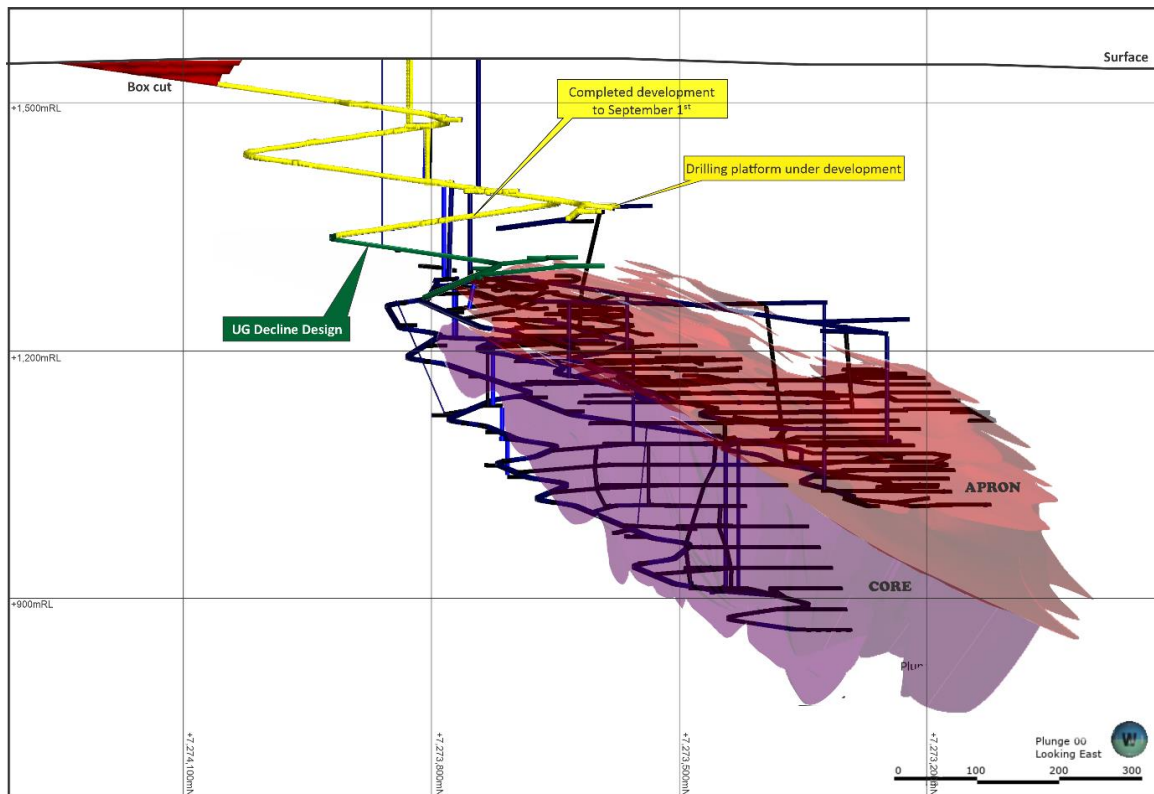


Figure 2 - Progress of the Abra underground mine development to end of August (yellow).

In surface bulk earthworks, good progress continued with the tailing's storage facility ("TSF") earthworks nearing completion. The site power station is 94% complete.

Figure 3 below shows the Abra construction progress as at 31 August 2022. Total Project construction capital expenditure remains within budget. The key remaining focus is completion of the processing facility and the underground development of the mine. These two areas account for \$25.2M of the remaining Project construction spend forecast of \$40.3M and are on schedule to commence commissioning this year, with first concentrate production as planned in Q1, 2023.

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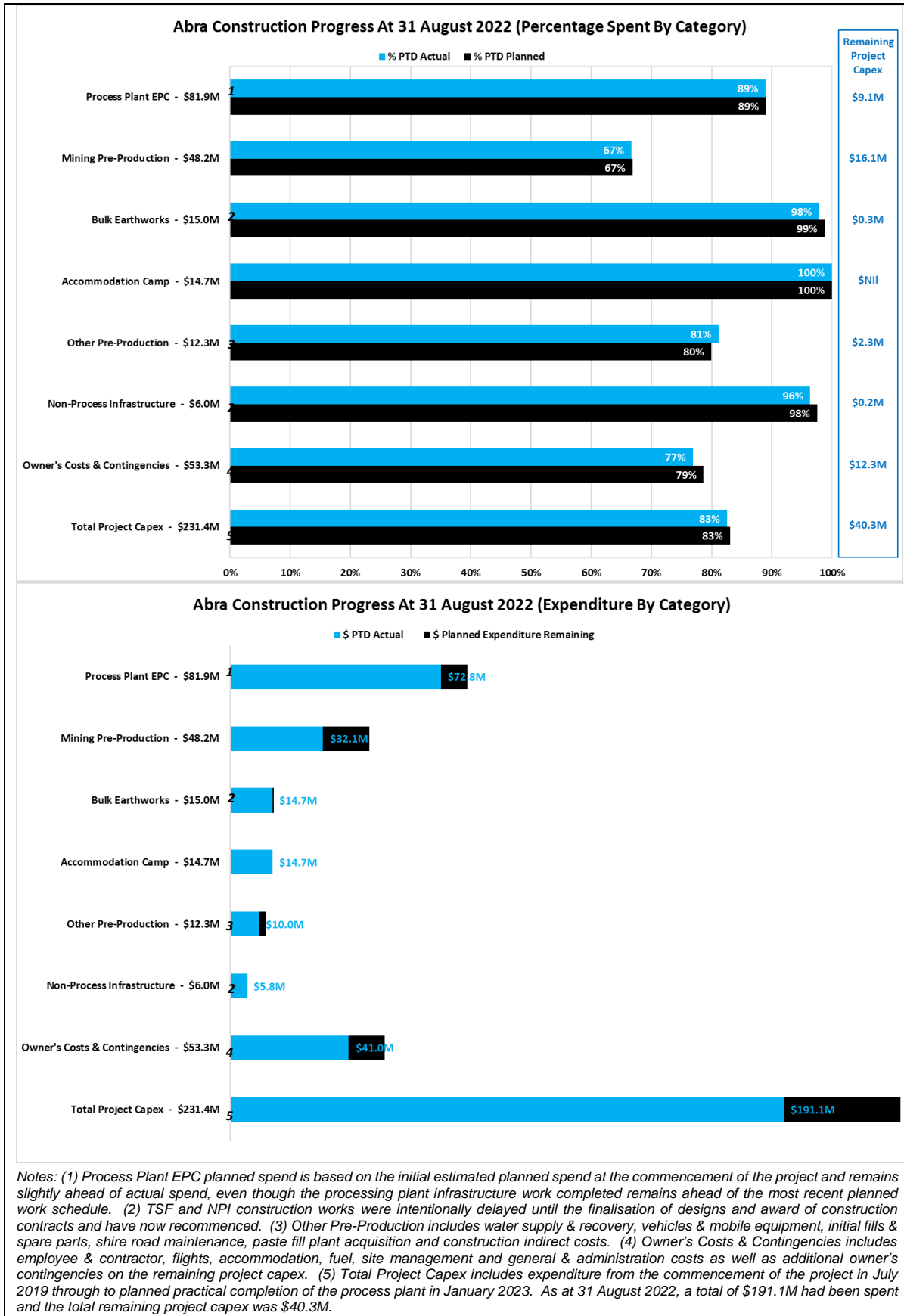


Figure 3 - Progress of various Abra construction packages by % and \$ spend.



Figure 4 – Abra processing plant construction, workshops, and offices.



Figure 5 – Abra surface infrastructure showing core processing (foreground), mining workshops (left side), change-house (dark building), offices, and processing facility (background).

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Figure 6 – Abra TSF construction with preparation for liner installation (photo 9 September).



Figure 7 – Abra crushing section conveyor alignment work.

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Figure 8 – Abra mill Flotation and concentrate areas (photo 9 September).



Figure 9 – Mill installation (photo 13 September).



Figure 10 – Primary cyclone cluster (Photo 9 September).



Figure 11– Concentrate shed construction.

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Figure 12 – Flotation section waiting arrival of flotation cells (photo 9 September).



Figure 13 – Flotation cells transport leaving Fremantle port for Abra.

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Figure 14 – Underground grade-control diamond core processing.



Figure 15 – Abra decline (photo 9 September).

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

For further information contact:

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Anthony (Tony) James
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About Abra Base Metals Project & Location

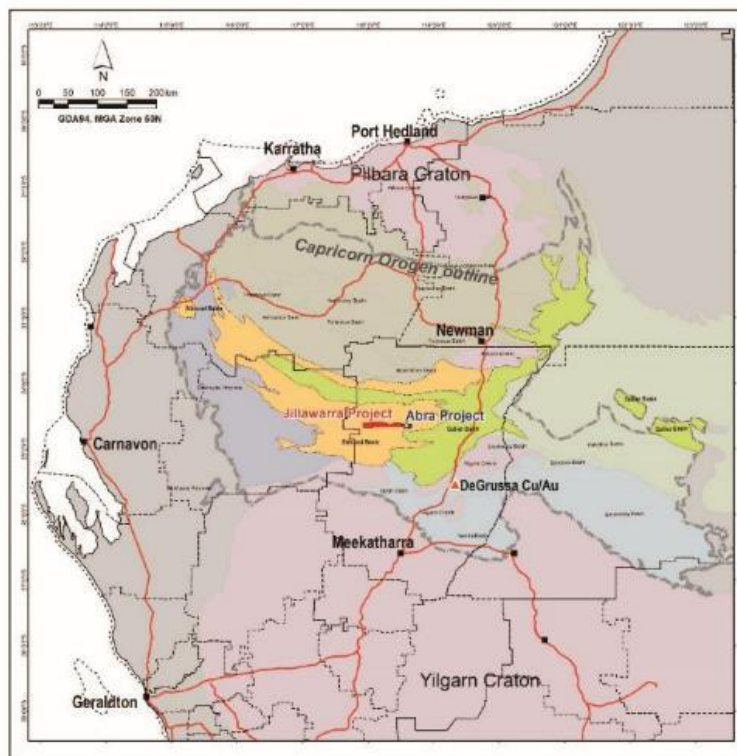
60% owned by Galena, the Abra Base Metals Mine (“**Abra**” or the “**Project**”) is a globally significant lead-silver project located in the Gascoyne region of Western Australia (between the towns of Newman and Meekatharra, approximately 110 kilometres from Sandfire’s DeGrussa Project).

Galena completed an outstanding definitive / bankable feasibility study (“**FS**”) (see Galena ASX announcement of 22 July 2019) for development of an underground mine and processing facility to produce a high-value, high-grade lead-silver concentrate. A ‘final investment decision’ to complete the Project was made in June 2021 and construction is ongoing to reach first commercial production in the first quarter of 2023 calendar year.

Abra JORC Mineral Resource estimate^{1,2}

Resource classification	Tonnes (Mt)	Lead grade (%)	Silver grade (g/t)
Measured	-	-	-
Indicated	16.9	7.4	17
Inferred	17.5	7.0	15
Total	34.5	7.2	16

Notes: 1. See Galena ASX announcement of 28 April 2021. Galena confirms that it not aware of any new information or data that materially affects the information included in Galena’s ASX announcement of 28 April 2021 and confirms that all material assumptions and technical parameters underpinning the resource estimates continue to apply and have not materially changed. 2. Calculated using ordinary kriging method and a 5.0% lead cut-off grade. Tonnages are rounded to the nearest 100,000t, lead grades to one decimal place and silver to the nearest gram. Rounding errors may occur when using the above figures.



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