

ASX ANNOUNCEMENT

17 November 2022

ASX: G1A

ABRA CONSTRUCTION AT 92% COMPLETE – REACHES FIRST ORE UNDERGROUND

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 92% complete as of 31 October 2022. Underground mine has reached the first ore (see ASX announcement 14 November 2022) and plant commissioning continues in several key areas with the project focussed on achieving first concentrate production in Q1 2023.

Managing Director, Tony James commented, *“Reaching first ore underground is extremely rewarding for everyone involved in the project. To see for the first time what we have predicted and interpreted as the Abra orebody delivers a significant step forward for the project. Record development metres in October has taken the mine to the ore and we continue to establish key underground infrastructure with the completion of the 6m diameter surface rise that will be the primary return airway.”*



Figure 1 – Crushing and screening section energised for dry commissioning (Photo 9 November).

GALENA MINING LTD.

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Figure 2 – Ore face underground in 1300 mRL access drive (Photo 13 November).

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 97% complete. Structural steel has been completed in October and mechanical installations are at 96% complete. Piping at 80% and electrical at 71% complete continue to progress quickly.

Pacific Energy's Hybrid 10MW LNG/solar power station completed full integration with the solar power supply, dry commissioning of the crushing and screening areas was completed in early November and first rock crushing is scheduled for late November. Grinding section dry and wet commissioning will commence in the second half of November and is planned for completion by mid-December. The remaining commissioning schedule is unchanged from the last update and is shown below in Table 1.

Plant Section	October 2022	November 2022	December 2022	January 2023
Crushing & Screening	Dry	Wet & Ore		
Grinding			Dry & Wet	Ore
Flotation & Re-grind		Dry	Dry & Wet	Ore
Concentrate Filtering & Storage			Dry & Wet	Ore

Table Notes – Commissioning stages defined as: Dry – Initial energisation, individual component testing and process flow alignment, Wet – Individual component and sub section testing with test material and liquids, Ore – Sub section testing with ore and total process flow sheet integration.

Table 1 – High level commissioning plan for the Abra processing plant.

Mine decline development continued during October. A total of 311m was developed with the decline reaching 1,284mRL. October represents the highest individual development month since the first cut was fired in the portal in October 2021. The decline location is 266m vertically below the surface and is 29m vertically below the original top of the orebody (1313mRL). Underground drilling has now identified mineralisation as high as 1330mRL which is currently being reviewed for potential extraction. The 1300mRL ore access drive reached first ore in early November (See ASX announcement 14 November 2022).

The 1290mRL horizon is a significant work area for development as underground infrastructure for pumping, ventilation, second means of egress and power are all distributed from this level outwards into the development network. All this infrastructure is currently being established and will result in an increased focus on lateral development and lower decline development in the short term.

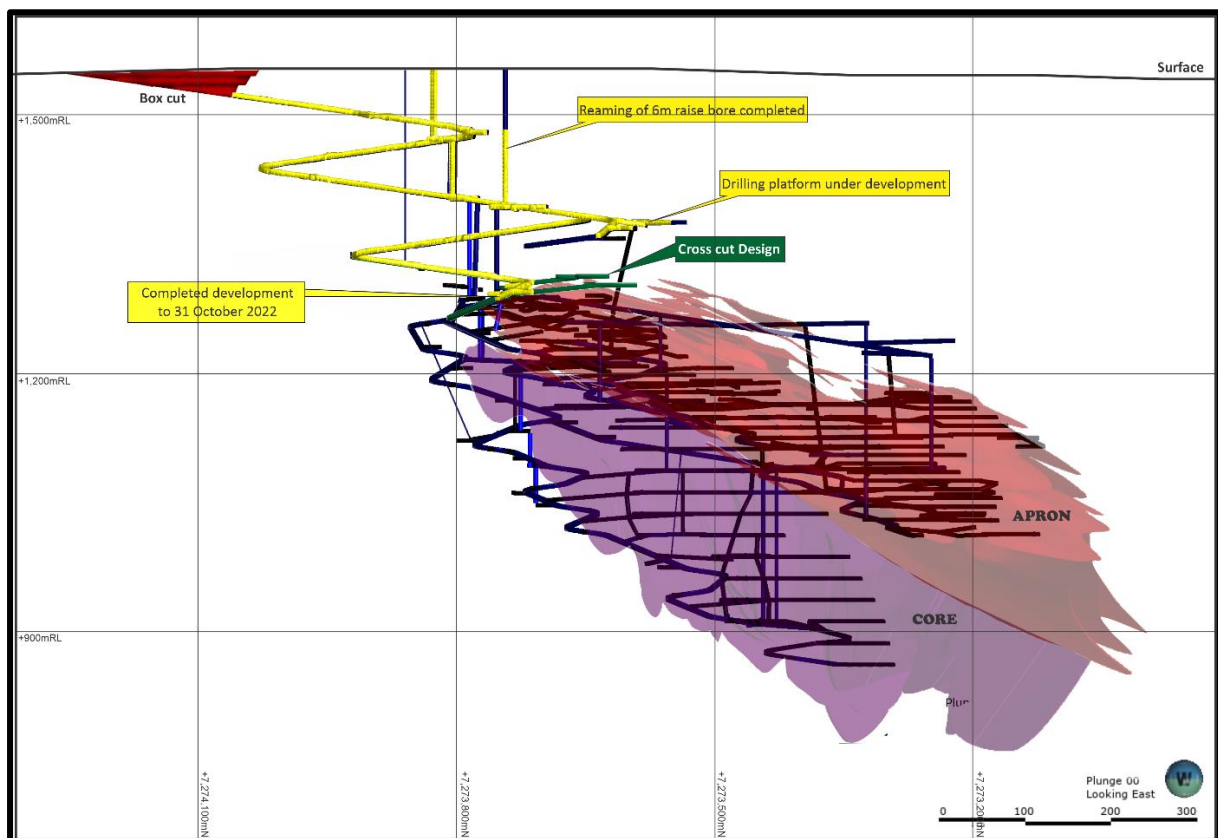


Figure 3 – Progress of the Abra underground mine development to 31 October (yellow).

Grade control and infill diamond drilling continued during October and 24 new holes were completed for a total of 3,629m. Underground drilling completed to date is 11,905m. Assays received in October continue to consolidate the confidence in the previous geological interpretation determined from all underground and surface drilling. Work continues with the evaluation of the results and mine plans and designs are being continually reviewed and optimised for execution.



Figure 4 – Image of some of the spectacular drill core being seen in the underground grade control and infill drilling program.

Figure 5 below shows the Abra construction progress as at 31 October 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 \$10.5M of the remaining Project construction spend forecast of \$18.2M and are on schedule to commence commissioning this year, with first concentrate production as planned in Q1, 2023.

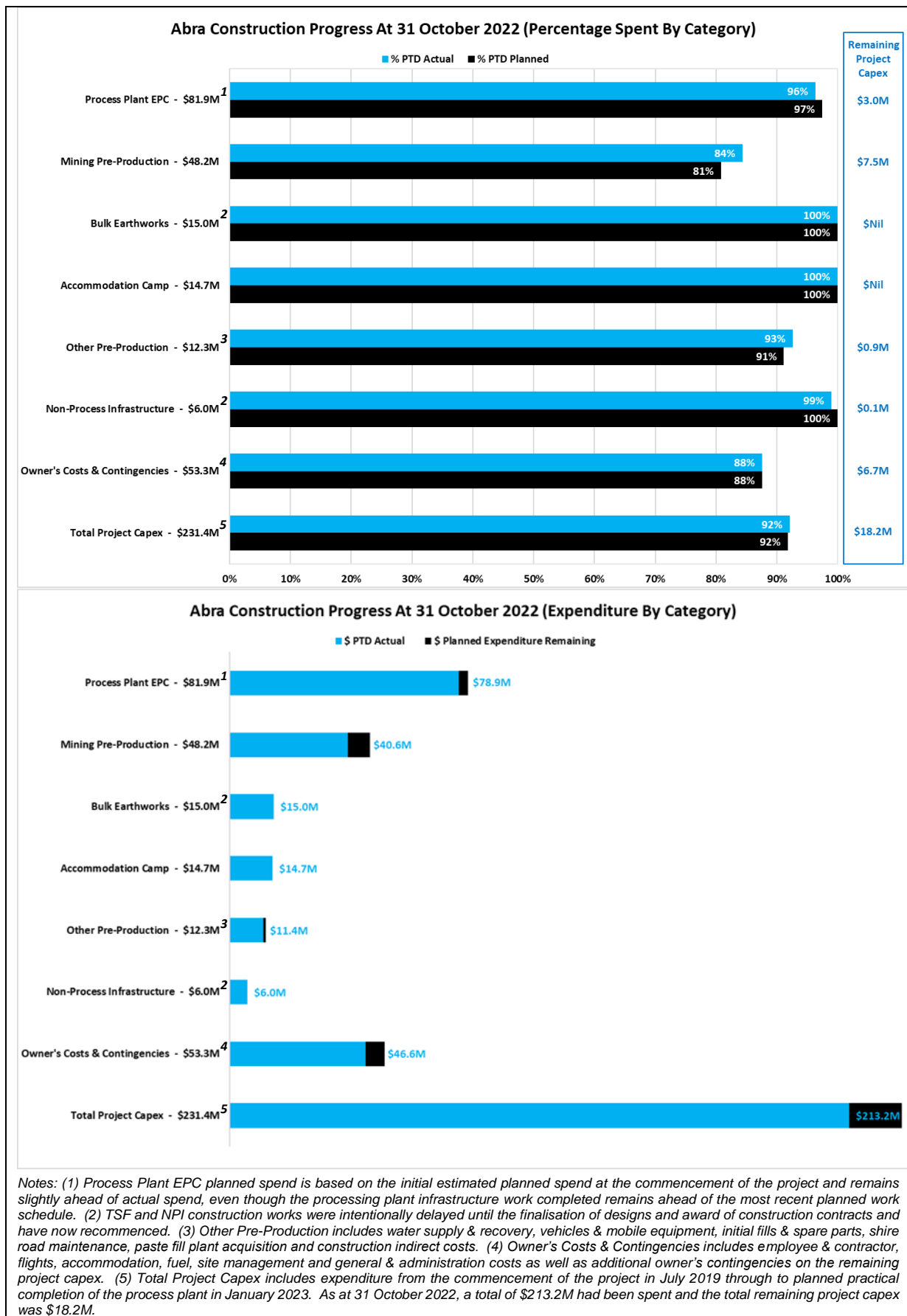


Figure 5 - Progress of various Abra construction packages by % and \$ spend.



Figure 6 – Aerial photo of the Abra project (Photo 11 November).



Figure 7 – Abra solar farm has been fully integrated into mines mains power supply (Pacific Energy)



Figure 8 – Abra plant flotation, thickeners and concentrate shed with camp in the distance
(Photo 11 November).



Figure 9 – Ball mill circuit with crushing circuit in the background (Photo 11 November).



Figure 10 – Mill control above flotation circuit (Photo 11 November).



Figure 11 – Inside of concentrate storage shed (Photo 11 November).



Figure 12 – Plant reagents area with adjacent workshops(right) and laboratory (left) (Photo 11 November).



Figure 13 – Concentrate shed filter press.



Figure 14 – Water services area pump installation.



Figure 15 – TSF piping installation.



Figure 16– Installation of processing plant buildings.



Figure 17 – Surface stores installation.



Figure 18 – Underground decline (Photo 11 November).

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).

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.

