

ABRA CASH FLOW POSITIVE

GALENA MINING LTD. (“Galena” or the “Company”) (ASX: G1A) advises that in July Abra achieved its first positive monthly cash flows as it continues to ramp-up to steady state production. Subject to end of month reconciliation the following has been achieved in July:

- Concentrate shipment of 9,254t generating approximately A\$17.0 million revenue.
- Processing plant milled over 105kt.
- New mining monthly records with total ore and waste 144kt (high grade ore 100kt including 70kt from stope production).
- Mining and processing plans reaffirmed for remainder of 2023, with September quarter set to generate between 25-30kt concentrate for estimated A\$50-60 million revenue and positive operating cash flows.

Managing Director, Tony James commented, “*Abra has always had a target of reaching positive cash flows in the second half of 2023 following commissioning and ramp-up in the first six months of the year. Looking forward at our mining and processing plans for the remainder of 2023 we have over 90% of the ore planned to be mined drilled out to a 12m x 12m spacing.*”



Figure 1 – Underground trucks hauling ore out of Abra decline (Photo 13 July 2023).

Ramp-up and infrastructure installation continued during the month. The installation of the second primary ventilation fans (Figure 2) is in line with project planning and will service the expanding underground production profile and increasing work areas.



Figure 2 – Successful installation of the second primary ventilation fan at Abra during July on the mine’s primary 6m diameter exhaust rise (Photo 25 July 2023).

As infrastructure has been put in place to allow expansion of ore production, underground contractor Byrncut have mobilised additional equipment and manning resources to planned levels to achieve steady state production. Areas currently being accessed, and future plans are shown in Figures 3,4,5 below.

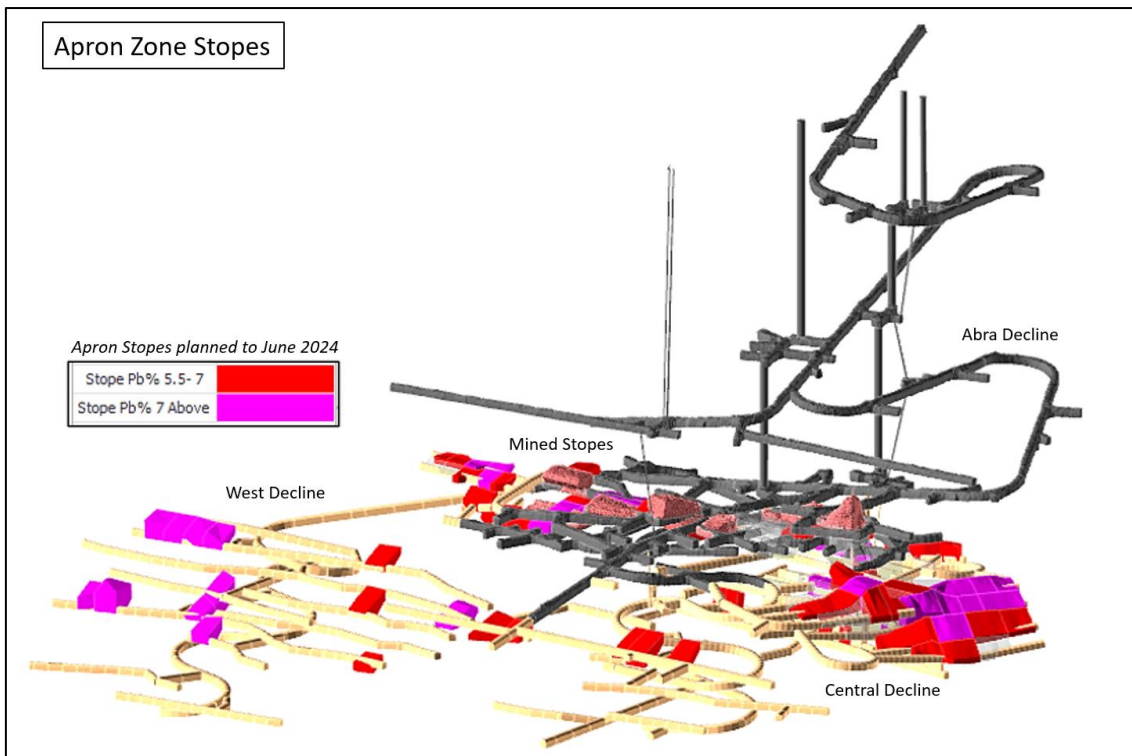


Figure 3 – Schematic view looking north-west showing the stoping plans currently scheduled to be mined out to June 2024. Feature is HG apron stopes to the eastern end of the mine currently being developed.

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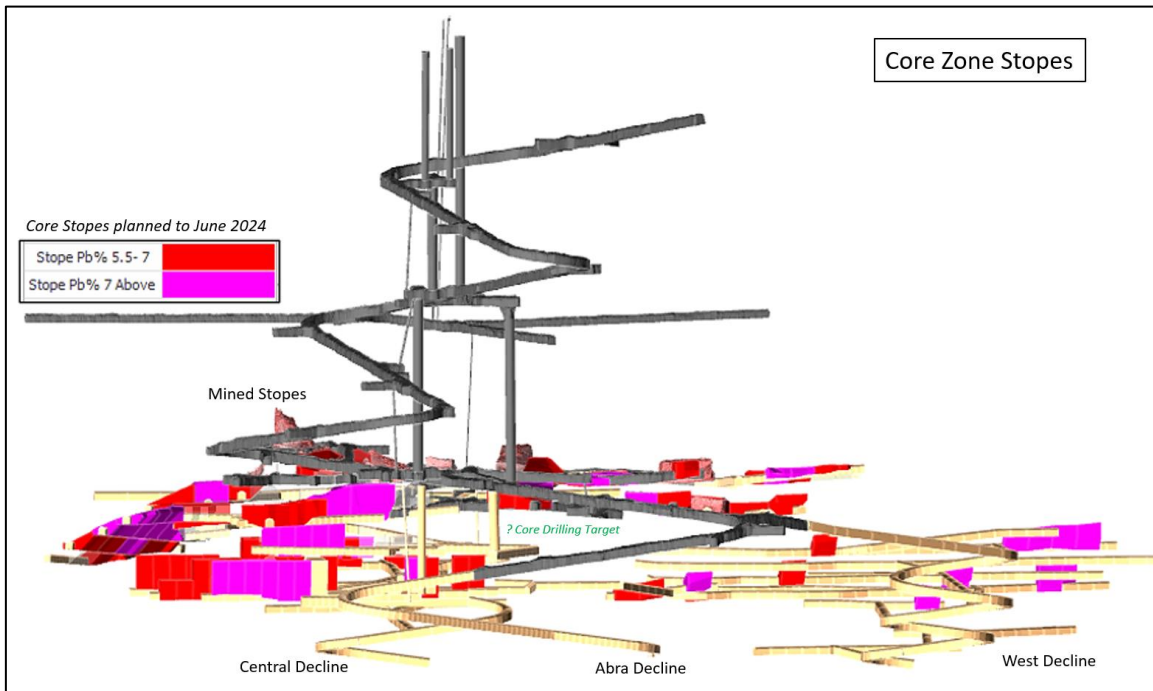


Figure 4 – Long section looking south showing the stoping plans currently scheduled out to June 2024. This view shows the Core stopes predominately at the eastern end of the mine and it also shows a large section of core area that has little drilling with drilling set to commence from the Abra decline.

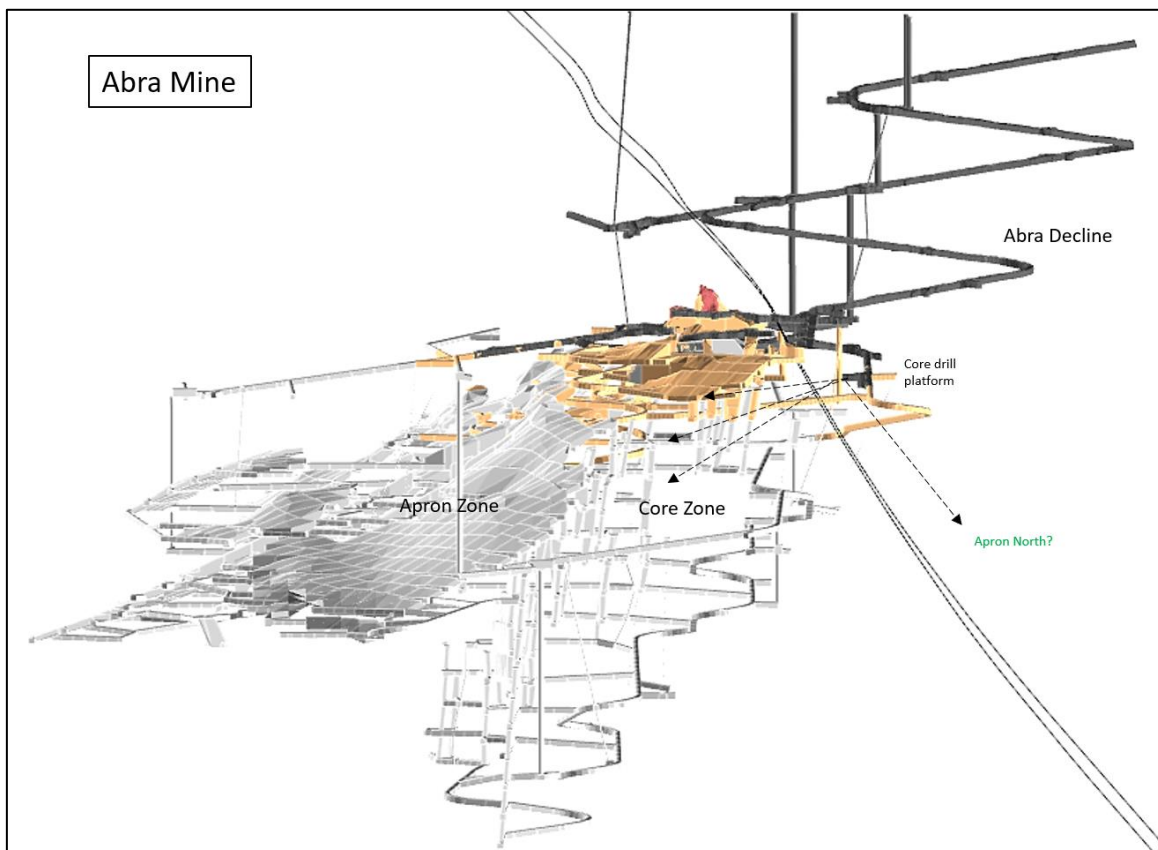


Figure 5 – Schematic of the Abra mine looking west showing the work planned out to June 2024 (light brown) in relation to the current life of mine plan (grey). Also shown is location of new drilling platforms for Core zone and Apron North targets (for Apron north information see Galena ASX announcement of 9 February 2023).

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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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ABOUT ABRA BASE METALS MINE & 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 was completed in December 2022, with first concentrate produced 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.

