

ABRA PRODUCTION AND OPERATIONS UPDATE

GALENA MINING LTD. (“Galena” or the “Company”) (ASX: G1A) is pleased to announce that production numbers achieved in October (subject to final reconciliation) show continual improvement and ramp-up progress at its Abra Base Metals Mine (“Abra”). In October, Abra achieved new record highs for overall mining and processing rates, and successful despatch of the mine’s seventh high-grade lead-silver concentrate shipment.

HIGHLIGHTS

- October concentrate shipment was largest high-grade lead-silver concentrate shipment to date of ~10kt generating ~A\$19.0 million revenue (loaded and despatched 5-7 November).
- The following has been achieved in October (subject to final reconciliation):
 - New monthly record total ore milled of over 117kt (i.e., >1.4Mtpa implied annualised production rate compared to previous steady-state guidance of 1.3Mtpa).
 - New monthly record total material movement with ore and waste mined of over 150kt (high grade ore 105kt including 71kt from stope production).
 - During October the mine set multiple daily production records, including 4,593t of ore processed (~1.7Mtpa rate compared to previous steady-state guidance of 1.3Mtpa), 383t of concentrate produced (~140ktpa rate), 36m of development (~1,080m per month rate), 3,844t stoping production (~115kt per month rate) and 4,650t of total ore mined (~1.7Mtpa rate compared to previous steady-state guidance of 1.3Mtpa).
 - Underground development of ~750m (compared to September 2023 quarter monthly average of 713m) showing continued progress to our near-term 800-850m per month target.
- December quarter mining and processing plans reaffirmed following October’s mining and production performance:
 - Processing over 320,000t of ore.
 - Lead concentrate shipments of approximately 25-30kt.
 - Mining over 2,400m of development and over 260,000t of stope ore.
 - Forecast group cash balance as at 31 December 2023 of A\$15-25 million (after first Taurus debt repayment of ~A\$7.0 million in December and finance costs), i.e., forecast positive all-in cash flow of A\$8-18 million before taking into account the ~A\$7.0 million debt repayment.
- Detailed technical work is currently underway to look at 2024 production targets, with strong confidence based on ongoing ramp-up that Abra can comfortably exceed the previous mature steady-state target of 1.3Mtpa without material incremental capital expenditure. Planning underway to continue ramp-up towards 1.5Mtpa steady-state level.

Managing Director, Tony James commented, “*Abra continues to set new monthly production records as ramp-up continues. Following October’s mining and processing performance we are well on track to meet our guidance for the December quarter. This will allow us to achieve our 31 December 2023 forecast group cash balance of A\$15-25 million after accounting for the first Taurus debt repayment.*”

More importantly, we continue to see scope for continued ramp-up beyond the original 1.3Mtpa target without material capital expenditure and planning is underway to continue ramping-up towards a production running rate in the order of 1.5Mtpa, which we expect to be achieved during 2024.



Figure 1 – Vessel “CORETALENT OL” containing Abra’s seventh lead-silver concentrate shipment at Geraldton Port bound for Qinzhou, China (photo 7 November 2023).



Figure 2 – Qube Logistics Services transferring the Rotabox™ containers to the ship for unloading. Once inside the ship’s hold, the lifting mechanism rotates the container to place the concentrate in the hold (photo 7 November 2023).

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

Galena Mining Ltd.

Anthony (Tony) James
Managing Director

FORWARD LOOKING STATEMENTS

This document contains certain forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “predict”, “foresee”, “proposed”, “aim”, “target”, “opportunity”, “could”, “nominal”, “conceptual” and similar expressions.

Forward-looking statements, opinions and estimates included in this document are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. There can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets and financial estimates, based on the information contained in this announcement. Reference is made to the Abra Base Metals Mine (“**Abra**” or the “**Project**”) Feasibility Study (“**FS**”) (ASX: 22 July 2019), Updated Mine Plan (ASX: 25 July 2022) and Revised Production Guidance (ASX: 11 April 2023). A summary of the FS and Updated Mine Plan material assumptions was published by Galena Mining Limited (“**Galena**”) on the 22 July 2019 and 25 July 2022, respectively. All material assumptions underpinning the production target, or the forecast financial information continue to apply and have not materially changed.

COMPETENT PERSONS STATEMENTS

The information in this report related to the Abra July 2023 Mineral Resource is based on work completed by Mr Angelo Scopel BSc (Geol), MAIG, an employee of Abra Mining Pty Ltd and Ms Lisa Bascombe BSc (Geol), MAIG, an employee of Abra Mining Pty Ltd. Mr Scopel is responsible for data review, QAQC, and the geological model. Ms Bascombe is responsible for the resource estimation, classification, and reporting.

Mr. Scopel and Ms. Bascombe have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Scopel and Ms Bascombe consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report to which this statement is attached that relates to exploration results and drilling data is based upon information compiled by Mr Angelo Scopel BSc (Geol), MAIG, a fulltime employee of Galena Mining. Mr Scopel has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Scopel consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

ABOUT ABRA BASE METALS MINE

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 110km 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 shipped in the first quarter of 2023 calendar year.

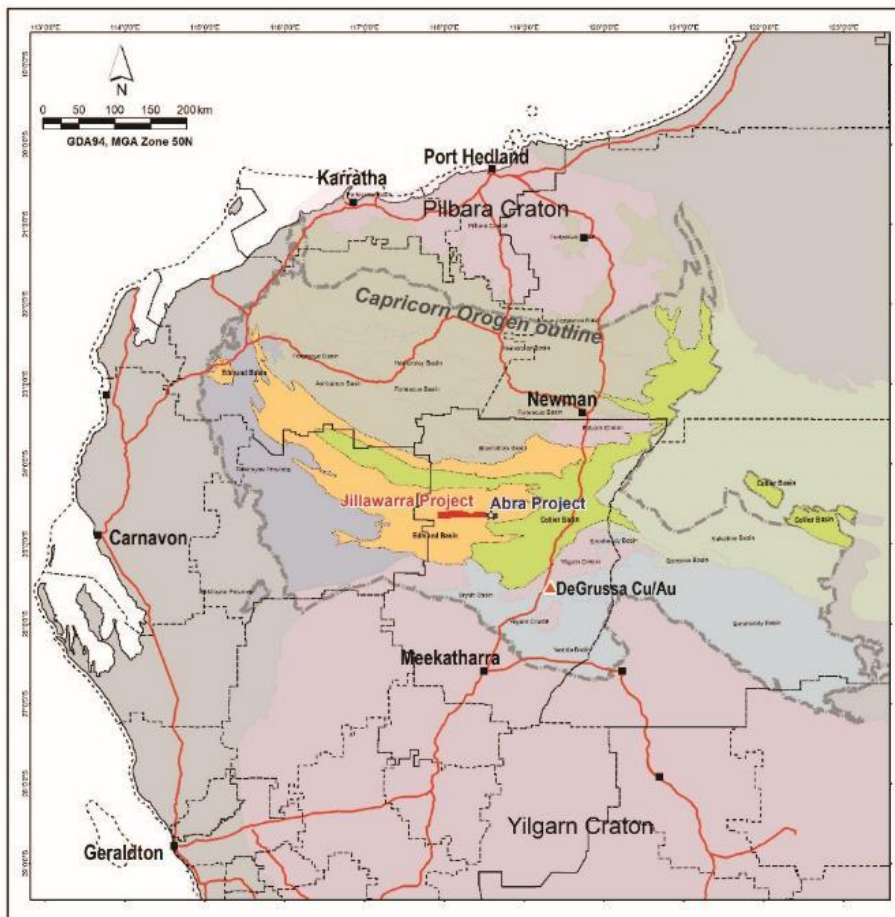
2023 Mineral Resource Update (July 2023 MRE) (see Galena ASX announcement of 7 August 2023)

Abra JORC Mineral Resource estimate at 5% Pb cut-off grade (July 2023 MRE)^{1, 2}

Resource classification	Tonnes (Mt)	Lead grade (%)	Silver grade (g/t)
Measured	0.3	7.3	32
Indicated	16.2	7.3	19
Inferred	16.9	6.9	15
Total	33.4	7.1	17

Notes: 1. See Galena ASX announcement of 7 August 2023. Galena confirms that it not aware of any new information or data that materially affects the information included in Galena’s ASX announcement of 7 August 2023 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.

ABRA LOCATION



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