

# ASX ANNOUNCEMENT



Galena Mining Limited

ASX : G1A

Shares on Issue  
278,500,000

Cash (31 Mar 18)  
\$2.1m

## Directors & Management

**Non-Executive Chairman**  
Adrian Byass

**CEO**  
Edward Turner

**COO**  
Troy Flannery

**Non-Executive Directors**  
Jonathan Downes  
Oliver Cairns  
Tim Morrison

**Company Secretary**  
Stephen Brockhurst

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10 April 2018

## ABRA PRE-FEASIBILITY STUDY UPDATE

### Highlights

- **All key study content providers appointed**
- **All studies and related matters progressing well and are continuing on time and on budget**

Galena Mining Limited (ASX: G1A) ("Galena" or "the Company") is pleased to provide an update on the ongoing Pre-Feasibility Study ("PFS") at its 100% owned Abra base metals deposit ("Abra", or "the Project"). The PFS is due for completion in September 2018, is fully funded and remains on schedule.

The delivery of a maiden, high-grade JORC 2012 resource in March 2018 has allowed a range of additional tasks to begin and expert mining, engineering and metallurgical consultants for example have been appointed. Galena is targeting a high-grade, low capex model for a potential development of Abra which already sits on a granted mining licence. The 2018 resource estimate was;

11.2Mt @ 10.1% lead and 28g/t silver\*

within

36.6Mt @ 7.3% lead and 18g/t silver\*\*

\*Indicated Resource of 5.3 Mt at 10.6% lead & 28 g/t silver and an Inferred Resource of 5.9 Mt at 9.7% Pb & 29 g/t silver (at a 7.5% Pb cut-off) using ID2 interpolation.

\*\*Indicated Resource of 13.2 Mt at 7.9% lead & 19g/t silver and an Inferred Resource of 23.5 Mt at 6.9% Pb & 17 g/t silver (at a 5.0% Pb cut-off) using ID2 interpolation. ASX release 14<sup>th</sup> March 2018, see appendices for more detail.

### Key appointments and work progressing

Leading engineering & construction company **GR Engineering Services Limited** ("GRES") has been appointed to design a conventional crush, grind and flotation processing plant. GRES's scope also includes Abra's site infrastructure including; the Tailings Storage Facility (TFS), Run of Mine (ROM), PowerStation, Site Buildings, Airstrip, Roads, Village, & Bore field.

Metallurgical testwork has shown that Abra mineralisation is amenable to producing a high-grade lead-silver sulphide concentrate with very high recovery (+90%). Additional conformational testwork required for a PFS that

is representative of Abra's JORC resource is well advanced. This is being conducted by **ALS Global**.

**AMC Consultants** ("AMC") is performing the underground mining study work on Abra. AMC are well advanced on developing a mine plan that includes life of mine schedules, equipment lists & cost estimates for conventional underground mining methods being contemplated for inclusion in the PFS.

On other key matters, environmental baseline studies are underway under the guidance of **Stantec Australia** ("Stantec") to and hydrogeological studies are also progressing well.

Discussions with port authorities at Geraldton have also commenced who have confirmed preliminary ability and capacity for concentrate export. Geraldton has been safely exporting lead concentrate for more than 20 years.

Galena CEO Ed Turner commented:

*"We are very pleased with the progress being made on the PFS and the top tier appointments that reflect the world class nature of Abra. Work to date has been very encouraging and we are confident of producing a robust and high margin PFS in September. We look forward to providing any material developments during this time."*

For more information visit [www.galenamining.com.au](http://www.galenamining.com.au)

## Contact

### Ed Turner

CEO

Galena Mining Limited

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## Appendices

**Table 1: Abra March 2018 JORC Resource Estimate (Inverse Distance interpolation)**

INDICATED RESOURCE				
<i>Pb% Cut off</i>	<i>Vol m<sup>3</sup></i>	<i>Tonnes</i>	<i>Pb%</i>	<i>Ag g/t</i>
5.0*	3,800,000	13,200,000	7.9	19
6.0	2,700,000	9,300,000	8.9	22
7.0	1,800,000	6,300,000	10.1	26
7.5*	1,500,000	5,300,000	10.6	28
8.0	1,300,000	4,500,000	11.1	30
9.0	900,000	3,200,000	12.2	35
10.0	700,000	2,300,000	13.2	42
INFERRED RESOURCE				
<i>Pb% Cut off</i>	<i>Vol m<sup>3</sup></i>	<i>Tonnes</i>	<i>Pb%</i>	<i>Ag g/t</i>
5.0*	6,900,000	23,500,000	6.9	17
6.0	4,000,000	13,400,000	8.0	21
7.0	2,300,000	7,800,000	9.1	26
7.5*	1,700,000	5,900,000	9.7	29
8.0	1,300,000	4,600,000	10.2	32
9.0	900,000	3,000,000	11.2	39
10.0	600,000	2,000,000	12.0	46
TOTAL RESOURCE (INFERRED AND INDICATED COMBINED)				
<i>Pb% Cut off</i>	<i>Vol m<sup>3</sup></i>	<i>Tonnes</i>	<i>Pb%</i>	<i>Ag g/t</i>
5.0*	10,700,000	36,600,000	7.3	18
6.0	6,600,000	22,700,000	8.4	21
7.0	4,100,000	14,100,000	9.5	26
7.5*	3,300,000	11,200,000	10.1	28
8.0	2,700,000	9,100,000	10.7	31
9.0	1,800,000	6,300,000	11.7	37
10.0	1,300,000	4,300,000	12.7	44

\* denotes preferred cut-offs for resource reporting

Nb 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.

**Table 2: Abra March 2018 JORC Resource Estimate (Ordinary kriged interpolation).**

INDICATED RESOURCE				
<i>Pb% Cut off</i>	<i>Vol m<sup>3</sup></i>	<i>Tonnes</i>	<i>Pb%</i>	<i>Ag g/t</i>
5.0*	3,900,000	13,600,000	7.6	18
6.0	2,800,000	9,600,000	8.5	21
7.0	1,900,000	6,400,000	9.5	26
7.5*	1,600,000	5,400,000	10.0	28
8.0	1,300,000	4,400,000	10.4	30
9.0	900,000	2,900,000	11.5	37
10.0	500,000	1,800,000	12.8	48
INFERRED RESOURCE				
<i>Pb% Cut off</i>	<i>Vol m<sup>3</sup></i>	<i>Tonnes</i>	<i>Pb%</i>	<i>Ag g/t</i>

5.0*	6,800,000	23,200,000	6.7	17
6.0	3,800,000	12,800,000	7.6	21
7.0	1,900,000	6,600,000	8.8	27
<b>7.5*</b>	<b>1,400,000</b>	<b>4,900,000</b>	<b>9.3</b>	<b>31</b>
8.0	1,100,000	3,600,000	9.9	36
9.0	600,000	2,100,000	10.9	45
10.0	400,000	1,400,000	11.6	53
<b>TOTAL RESOURCE (INFERRED AND INDICATED COMBINED)</b>				
<b>Pb% Cut off</b>	<b>Vol m<sup>3</sup></b>	<b>Tonnes</b>	<b>Pb%</b>	<b>Ag g/t</b>
5.0*	10,700,000	36,800,000	7.0	17
6.0	6,500,000	22,300,000	8.0	21
7.0	3,800,000	13,000,000	9.1	26
<b>7.5*</b>	<b>3,000,000</b>	<b>10,300,000</b>	<b>9.7</b>	<b>29</b>
8.0	2,300,000	8,000,000	10.2	33
9.0	1,500,000	5,000,000	11.2	40
10.0	900,000	3,200,000	12.3	51

\* denotes preferred cut-offs for resource reporting

Nb 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.

#### Competent Person Statement

The information in this report related to the Abra Mineral Resource estimate is based on work completed by Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG a Director of Galena Mining Limited and Mr Don Maclean MSc (Geol), MAIG and RP Geo (Exploration and Mining), MSEG, a consultant to Galena Mining. Mr Byass was responsible for technical oversight and reporting of the estimate. Mr Maclean was responsible for data review, QAQC, development of the geological model and resource estimation. Mr Byass and Mr Maclean 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 Byass and Mr Maclean 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 E Turner B.App Sc, MAIG who is an employee of Galena Mining. Mr Turner 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 Turner consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

#### Compliance Statements

Information in this announcement relating to Mineral Resources has previously been reported in the Company's ASX announcement entitled "World Class Lead-Silver Resource Exceeds Expectation" dated 14 March 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of the Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirmed that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

### About Abra

Abra is a world class, high-grade lead-silver-copper-gold-zinc deposit, wholly owned by Galena on a granted mining licence and located in the Gascoyne region of Western Australia. The sediment hosted polymetallic deposit is broadly zoned into an upper level of lead+silver overlying copper+gold mineralisation. Abra is located approximately 110km from Sandfire Resources high-grade Degrudda copper mine, is well serviced by infrastructure and located approximately halfway between Mt Newman and Meekatharra (see Figure 1).

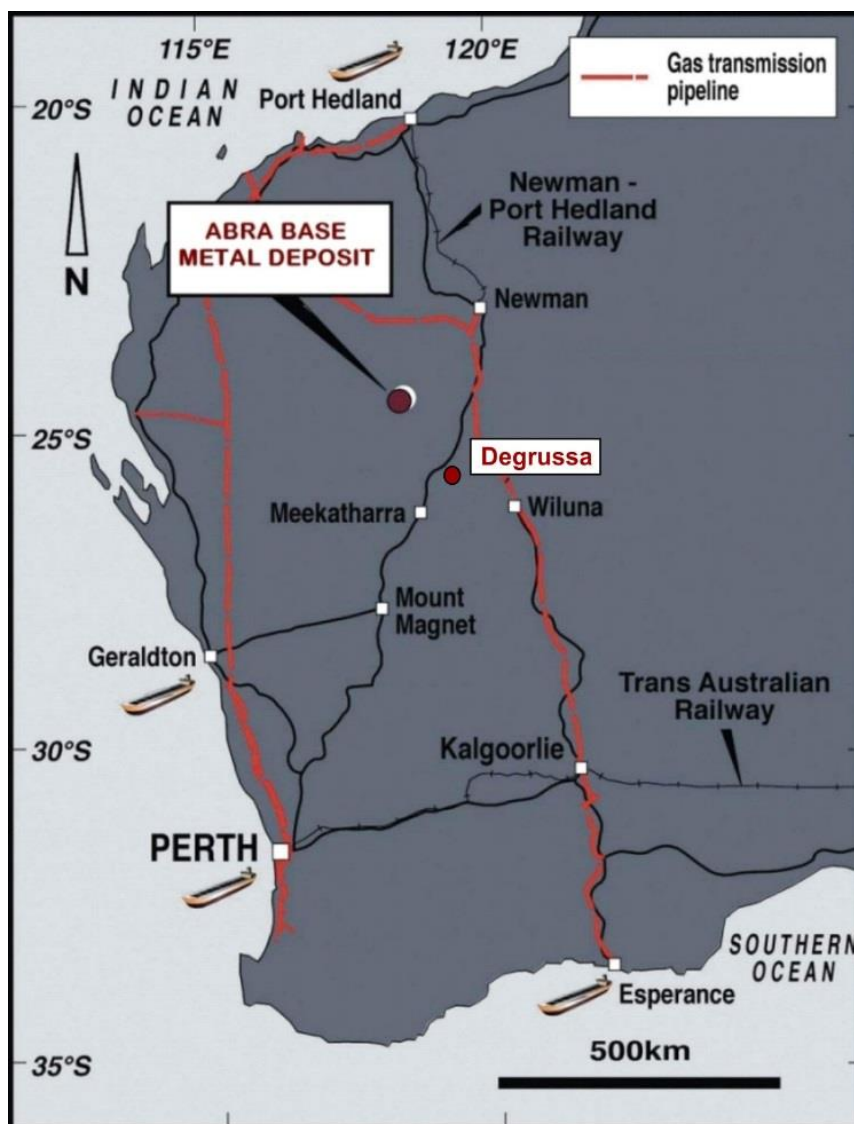


Figure 1: Abra Project location