Galena Mining Limited

ASX : G1A

Share Price (09/01/2018)
$0.71

Shares on Issue
55,600,000

Cash (end Dec Qtr)
$3.1m

Directors & Management

Non-Executive Chairman
Adrian Byass

CEO
Edward Turner

Non-Executive Director
Jonathan Downes

Non-Executive Director
Oliver Cairns

Non-Executive Director
Tim Morrison

Company Secretary
Stephen Brockhurst

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10th January 2018
ASX via Electronic Lodgement

Abra Drilling Completed - High Grade Mineralisation in Every Hole

Highlights from latest drill holes include:

- **31.7m @ 13.5% lead, 27ppm silver from 542.3m within**
  53.3m @ 10.9% lead, 20ppm silver from 521.1m in AB77
- **13.8m @ 13.5% lead, 42ppm silver from 596.7m in AB73A**
- **22.2m @ 9.5% lead, 20ppm silver from 516.8m in AB75**
- **7.6m @ 10.2% lead, 9ppm silver from 398.5m in AB77**
- **6.8m @ 8.1% lead, 8ppm silver from 554.2m in AB75**
- **6.2m @ 8.9% lead, 26ppm silver from 402.2m in AB76**
- **18.3m @ 6.6% lead, 21ppm silver from 616.0m in AB73A**
- **6.0m @ 12.8% lead, 20ppm silver from 450.0m in AB73A**
- **Mineralisation not yet closed off**

Galena Mining Limited (ASX: G1A) ("Galena" or the "Company") is pleased to announce further broad and high-grade lead (Pb) and silver (Ag) intersections have been received from drill holes AB73A, AB75, AB76 and AB77 (Appendix 1). To date, assays have been received for eight of the twelve drill holes completed and all show excellent, high-grade, consistent lead+silver mineralisation.

These latest four drill holes deliver numerous high-grade Pb + Ag intersections and support the revised geological interpretation and model. This high-grade focus at Abra has been deliberately applied by Galena.

CEO Ed Turner commented: *'We continue to be very happy with the consistent high grade results seen from our maiden drilling program at Abra, none more so than 53.3 meters at 10.9% Pb which includes 31.7m at 13.5% Pb. This is an exceptional result and is one of numerous results that have exceeded expectations. The success encountered in targeting and intersecting the high grade zones in* *every drill hole to date validates the concept that Abra includes extensive high grade mineralisation within a huge lower grade system. With another 40% of assays still pending we look forward to reporting the rest of the holes when available. Work is already underway putting together a new high grade 2012 JORC resource which we anticipate will be available in February following which we will move immediately to a Pre-feasibility Study. These are exciting times for Galena and its shareholders.'*

Galena has now completed the 2017 planned program with twelve holes for 8,022m drilled in total (see Appendix 2 for drill hole survey details). To date, results have been received for approximately 60% of the samples taken. All core has been logged and sampled and samples despatched to SGS Laboratories in Perth. Upon receipt of remaining assays the Company will produce a JORC Mineral Resource estimate in February 2018.

Galena's Model and Explanation of Results

Galena has a geologically controlled, high-grade model for Abra which is being supported by the results of wide-spread, targeted drilling. Drill results continue to define both large stratabound shallow dipping zones of high grade mineralisation as well as sub vertical vein hosted high grade mineralisation within the feeder zone/core (see Figure 1 for a plan view of the relative positions of the core and apron and Figures 2 and 3 for cross section views). The position of the 660,575E (A' – A) and 660,375E (B' – B) cross sections that include AB76, AB70, AB77, AB73A, AB75 and AB79 are also shown on the plan. In Figure 1 the labelled drill holes represent the pierce point that each drill hole intersected the top of the stratabound zone.

High-grade, sub-vertical 'feeder' veining is not restricted to the core although the core contains the highest concentration of the mineralised veins and those with the greatest widths and this is represented by the inner core in Figures 1 and 2. The veins are located below, and act as feeders to, the stratabound zone. Figure 1 also shows the best high grade core intersections for Galena's drill holes. Significant historic high grade core intersections are not included in Figure 1 but are tabulated in Appendix 3. Previously modelled and widespread lower-grade lead+silver mineralisation has not been targeted by Galena but represents a huge accumulation of metal between the high grade mineralised zones.

Figures 2 and 3 show the best lead intersections within the 660,575E and 660,375E cross sections respectively that include both the high grade core/feeder zone and high grade stratabound/apron zones. Note these diagrams do not include all significant intersections, some have been removed for clarity purposes. All red zones represent >5% Pb assays.

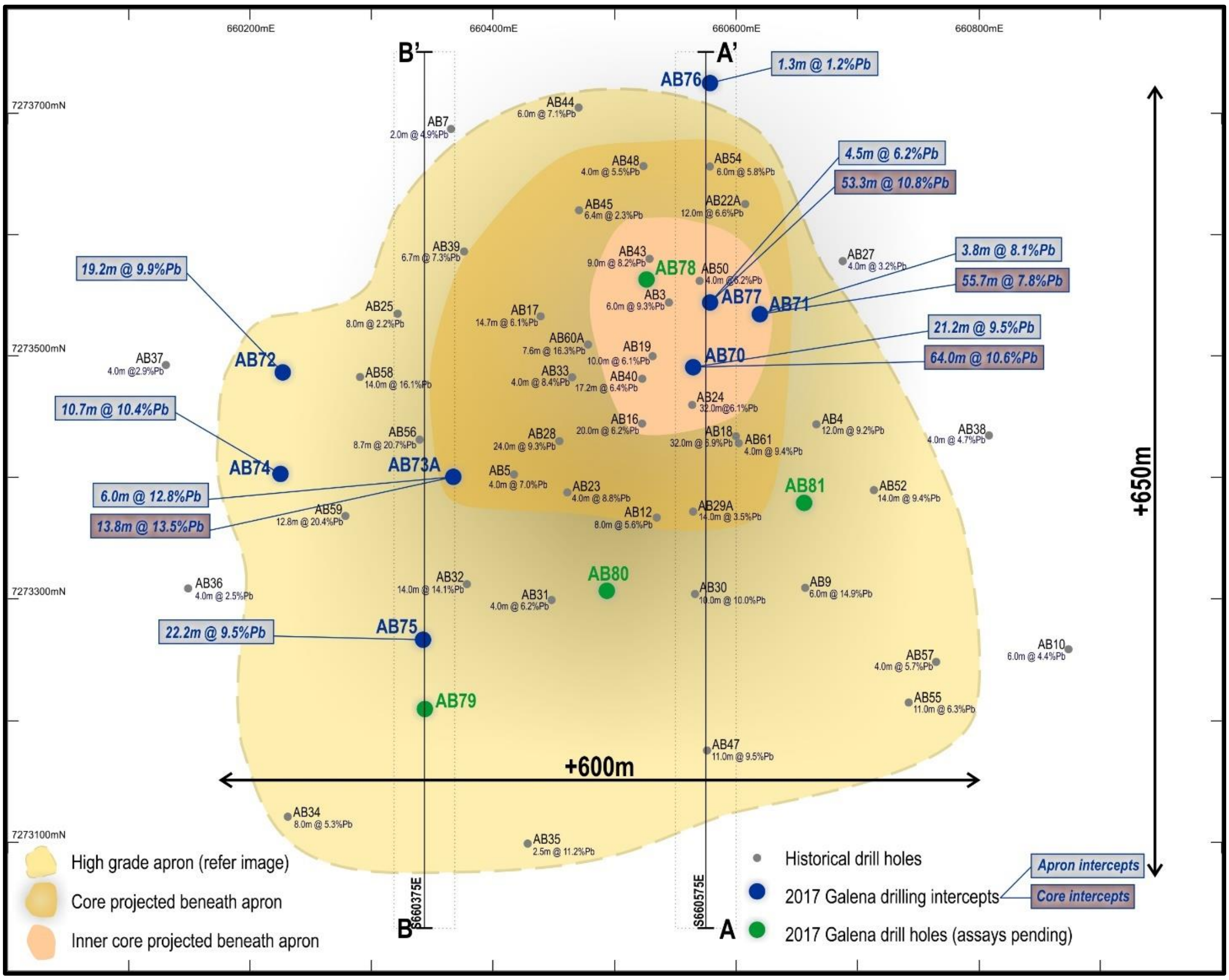

Figure 1: Plan view of the best intersections from both Galena and historic drill holes within the high grade stratabound apron, the projected position of the high grade feeder zone/core beneath the apron and the inner core.

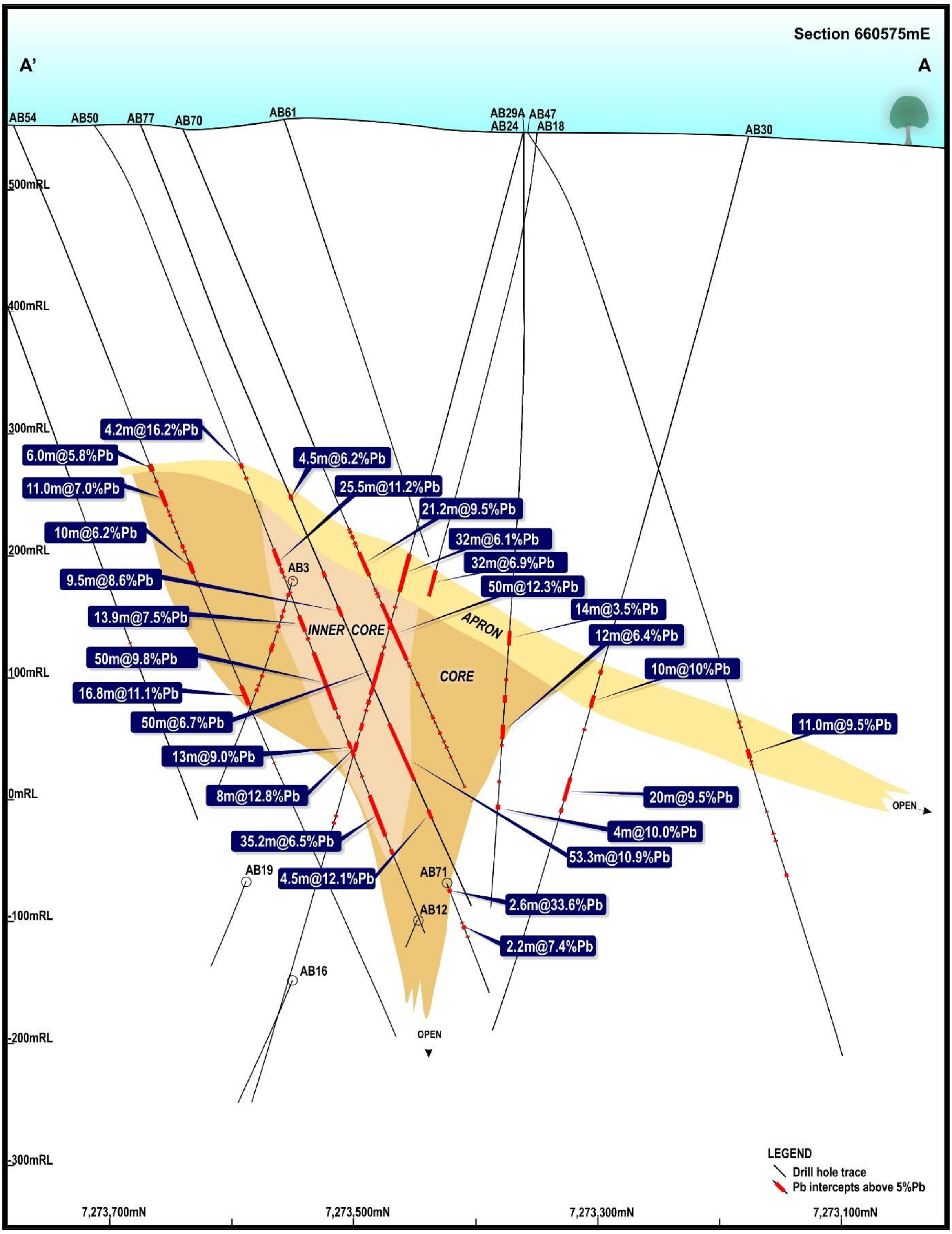

Figure 2: 660,575E (A' – A) cross section that includes AB76, AB70 and AB77. The high grade core/feeder zone sits beneath the high grade stratabound apron zone. The inner core represents the thickest continuous Pb mineralised zone.

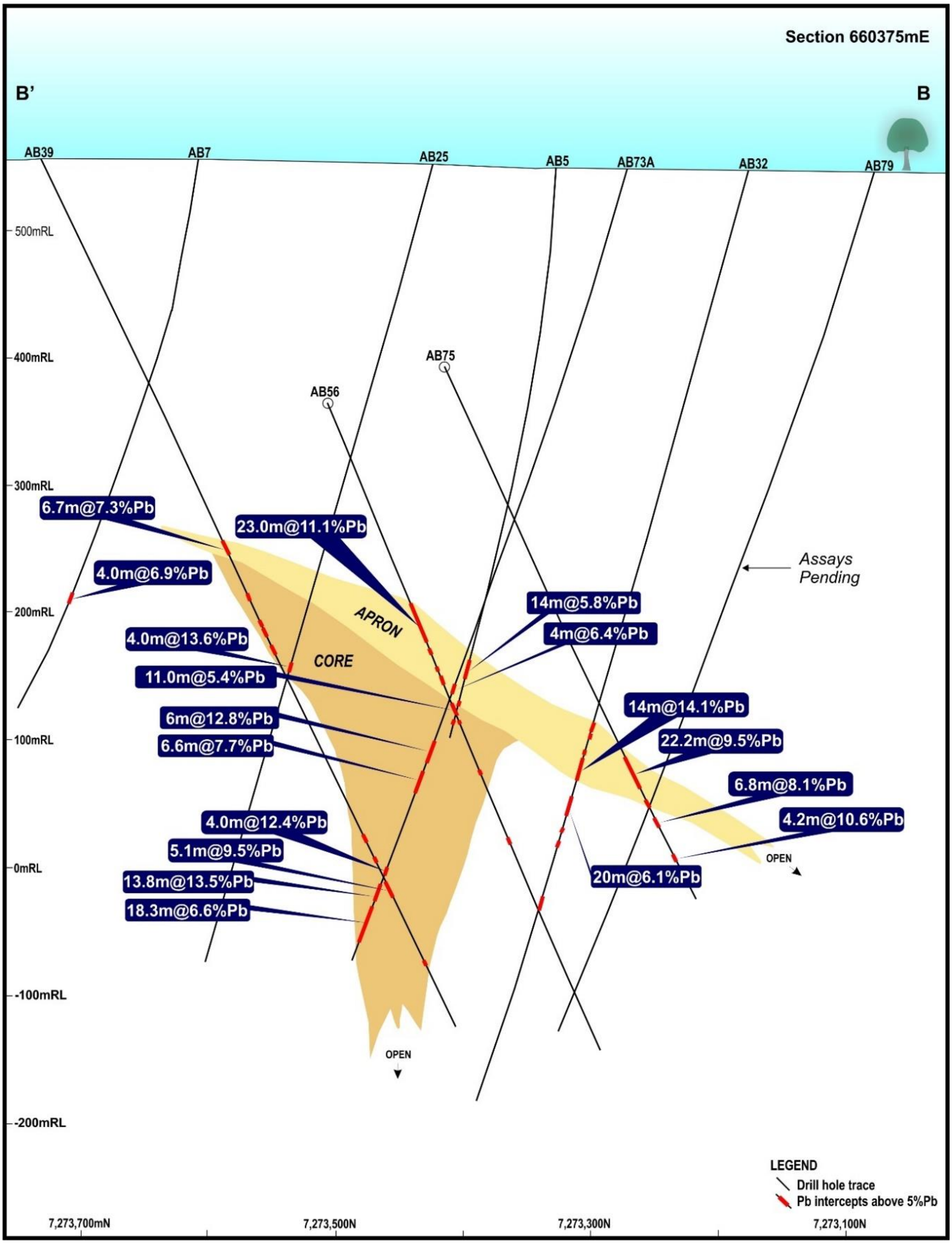

Figure 3: 660,375E (B' – B) cross section that includes AB73A, AB75 and AB79. The high grade core/feeder zone sits beneath the high grade stratabound apron zone.

Assays are pending for completed holes AB78-81. Galena geologists visually identified multiple zones of disseminated and massive galena (lead sulphide) mineralisation in each of these holes.

Lead Market Update

Demand for lead continues to rise with the price jumping a further 2.6% on Monday 8th January to US$2611.75/t, its highest point since 2011. The lead price has increased by more than US$1,000/t in the last two years, a 60% increase. Figure 4 shows the LME cash sale prices during this period.

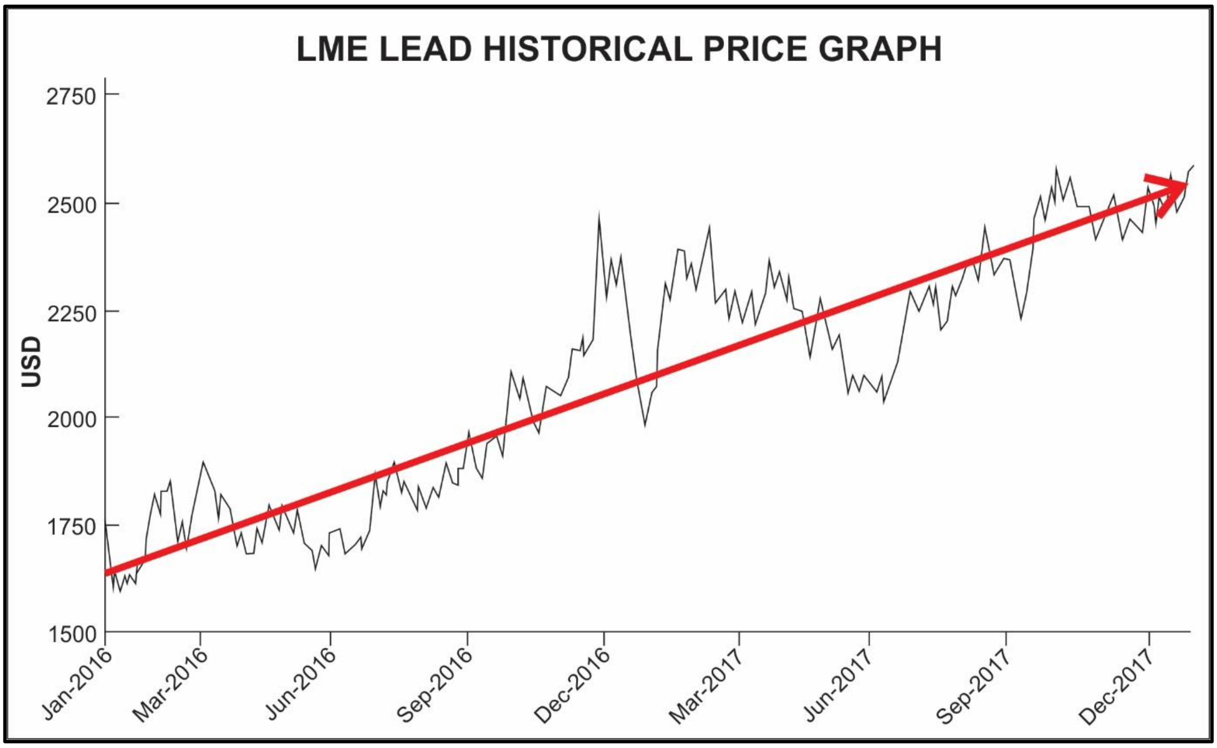

Figure 4: LME cash sale lead prices for the last two years.

About Abra

Abra is a world class 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 Degrussa copper mine, is well serviced by infrastructure and located approximately halfway between Mt Newman and Meekatharra.

For more information visit www.galenamining.com.au

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Competent Person Statement: The information in this report related to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr E Turner B.App Sc, MAIG, and Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG both an employee and a Director of Galena Mining Limited. Mr Turner and Mr Byass 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 Turner and Mr Byass consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

APPENDIX 1: Galena Mining Significant Assay Results

Minimum Pb intersection: 4m@5.0% Pb. Maximum internal dilution 4m@<5.0% Pb.
Minimum Cu intersection: 2m@1.0% Cu. Minimum Au intersection: 2m@1.0ppm Au.

HOLE ID	FROM (m)	TO (m)	INTERVAL (m downhole)	GRADE Pb (%)	GRADE Ag (ppm)	GRADE Cu (%)	GRADE Au (ppm)
AB73A	425.80	429.79	3.99	6.07	10.0		
AB73A	449.98	456.00	6.02	12.77	20.3		
AB73A	504.60	511.24	6.64	7.70	22.4		
AB73A	586.70	590.67	3.97	12.38	19.5		
AB73A	596.67	610.41	13.75	13.54	41.5		
AB73A	616.00	634.26	18.28	6.58	21.2		
AB73A	600.80	610.41	10.41			0.14	1.14
AB75	516.85	539.00	22.15	9.49	19.5		
Inc.	**516.85**	**523.19**	**6.34**	**12.60**	**43.2**		
Inc.	**528.57**	**536.00**	**7.43**	**12.50**	**14.7**		
AB75	554.23	561.00	6.77	8.12	7.7		
AB75	601.00	605.20	4.20	10.62	24.8		
AB76	402.25	408.45	6.21	8.87	25.9		
AB76	355.60	357.75	2.15			1.12	0.20
AB76	498.80	501.86	3.06			2.23	0.20
AB76	568.00	570.30	2.30			1.38	0.25
AB77	309.84	314.18	4.34	6.88	30.4		
AB77	332.64	337.13	4.49	6.16	35.4		
AB77	359.56	363.83	4.27	5.12	11.9		
AB77	385.65	390.40	4.75	4.99	5.1		
AB77	398.51	406.14	7.63	10.16	9.4		
AB77	432.77	442.33	9.56	8.62	7.8		
AB77	479.54	483.83	4.29	5.70	13.0		
AB77	499.71	507.00	7.29	7.97	11.4		
AB77	521.12	574.44	53.32	10.80	19.7		
Inc.	**542.33**	**574.44**	**31.67**	**13.49**	**26.9**		
AB77	606.54	611.00	4.46	12.06	12.3		

APPENDIX 2: Galena Mining completed diamond core drill holes and their locations

Hole ID	E	N	Dip	Azi	Depth
AB70	7273641	660573	-68	180	**649.28**
AB71	7273648	660623	-70	180	**757.20**
AB72	7273356	660228	-70	360	**582.92**
AB73A	7273272	660379	-70	360	**655.85**
AB74	7273255	660223	-70	360	**577.21**
AB75	7273492	660325	-66	180	**640.40**
AB76	7273838	660572	-70	180	**609.17**
AB77	7273674	660575	-67	180	**732.70**
AB78	7273668	660523	-70	180	**695.00**
AB79	7273078	660358	-75	360	**719.45**
AB80	7273126	660494	-70	360	**706.70**
AB81	7273226	660663	-70	360	**696.00**

APPENDIX 3: Selected Historic Abra Significant Assay Results

Minimum Pb intersection: 4m@5.0% Pb. Maximum internal dilution 4m@<5.0% Pb.

HOLE ID	FROM (m)	TO (m)	INTERVAL (m downhole)	GRADE Pb (%)	GRADE Ag (ppm)
AB03	272.00	285.00	**13.00**	**10.68**	15.2
AB03	356.00	381.00	25.00	5.95	8.4
AB03	412.00	419.00	7.00	6.37	10.9
AB03	442.00	449.00	**7.00**	**10.47**	16.3
AB03	478.00	486.00	8.00	5.64	17.5

AB04	368.00	400.00	32.00	6.32	13.3
AB05	414.00	426.00	12.00	5.47	8.8
AB05	536.00	550.00	14.00	5.81	9.0
AB06	328.00	334.00	**6.00**	**13.47**	23.5
AB09	488.00	494.00	**6.00**	**14.88**	24.8
AB09	514.00	522.00	8.00	7.44	22.8
AB09	578.00	592.00	14.00	6.35	8.6
AB10	726.00	746.00	20.00	5.95	14.4
AB10	760.00	764.00	**4.00**	**10.08**	15.3
AB12	442.00	450.00	8.00	5.64	8.0
AB12	516.00	522.00	6.00	7.73	13.2
AB12	660.00	666.00	**6.00**	**20.33**	45.8
AB16	383.00	397.00	14.00	6.85	9.9
AB16	435.00	441.00	6.00	7.20	10.8
AB16	457.00	467.00	10.00	6.27	9.0
AB16	497.00	541.00	**44.00**	**25.32**	42.9
AB16	561.00	573.00	12.00	5.79	21.3
AB17	335.00	349.70	14.70	6.12	14.8
AB18	370.00	402.00	32.00	6.95	12.1
AB18	412.00	446.00	34.00	5.73	6.6
AB18	534.00	540.00	6.00	9.93	23.7
AB19	370.00	380.00	10.00	6.11	7.6
AB19	450.00	460.00	10.00	5.72	12.6
AB19	524.00	530.00	**6.00**	**34.27**	80.7

AB22A	304.00	328.00	24.00	5.19	23.8
AB23	416.00	424.00	8.00	5.84	5.5
AB23	430.00	446.00	16.00	5.27	5.4
AB23	562.00	576.00	14.00	6.19	16.1
AB23	634.00	638.00	**4.00**	**13.18**	84.5
AB24	358.00	390.00	32.00	6.10	12.9
AB24	416.00	422.00	**6.00**	**14.22**	22.0
AB24	442.00	492.00	50.00	6.75	15.0
AB24	502.00	508.00	**6.00**	**10.28**	11.3
AB24	518.00	526.00	**8.00**	**12.80**	30.2
AB24	580.00	588.00	8.00	5.38	28.0
AB25	408.00	412.00	**4.00**	**13.61**	27.5
AB28	404.00	458.00	54.00	7.31	11.3
AB28	484.00	508.00	24.00	7.41	12.6
AB29A	462.00	468.00	6.00	6.70	10.0
AB29A	486.00	498.00	12.00	6.38	9.7
AB29A	552.00	556.00	**4.00**	**10.03**	16.0
AB30	476.00	486.00	**10.00**	**9.99**	19.8
AB30	546.00	576.00	30.00	7.68	26.3
AB31	378.00	416.00	38.00	5.66	21.7
AB31	518.00	536.00	18.00	5.28	5.4
AB31	596.00	604.00	8.00	6.45	13.0
AB32	494.00	508.00	**14.00**	**14.12**	23.4
AB32	518.00	538.00	20.00	6.14	10.3

AB33	440.00	444.00	**4.00**	**11.69**	20.5
AB33	510.00	518.00	**8.00**	**19.02**	21.8
AB34	548.00	556.00	8.00	5.29	11.2
AB35	646.00	650.00	**4.00**	**15.05**	18.5
AB39	334.30	341.00	6.70	7.27	35.0
AB39	635.10	640.20	5.10	9.54	20.6
AB40	384.90	398.00	13.10	6.91	11.1
AB40	436.00	442.45	6.45	6.70	14.8
AB40	458.20	486.65	28.45	5.60	7.4
AB40	506.80	537.05	30.25	5.30	10.6
AB43	326.00	375.50	49.50	5.13	12.5
AB43	399.20	421.50	22.30	6.80	10.1
AB43	476.50	485.00	8.50	5.57	8.6
AB43	510.00	535.00	25.00	9.74	16.1
AB43	544.00	562.00	18.00	8.07	11.3
AB43	570.30	581.00	10.70	7.85	23.6
AB43	612.00	620.50	8.50	5.83	14.4
AB44	314.00	320.00	6.00	7.14	8.8
AB44	389.00	398.00	**9.00**	**10.07**	21.4
AB44	416.00	420.00	**4.00**	**13.23**	26.6
AB45	513.00	521.00	8.00	5.43	19.2
AB45	638.00	644.00	6.00	8.53	28.1
AB47	402.50	409.00	**6.50**	**13.09**	47.0
AB47	539.00	552.20	13.20	7.18	7.6

AB48	266.00	297.00	31.00	7.48	55.6
AB48	361.00	373.80	12.80	8.95	14.9
AB48	511.70	515.70	**4.00**	**19.02**	28.2
AB50	303.00	307.20	**4.20**	**16.24**	81.5
AB50	378.00	403.50	**25.50**	**11.20**	21.1
AB50	437.00	450.90	13.90	7.47	13.7
AB50	469.50	527.50	58.00	9.13	10.6
AB50	548.00	561.00	13.00	9.03	9.3
AB50	595.80	631.00	35.20	6.50	7.3
AB50	643.00	647.30	**4.30**	**12.51**	110.0
AB52	424.00	438.00	14.00	9.43	15.0
AB52	534.70	543.00	8.30	8.72	13.8
AB52	644.00	649.00	5.00	9.80	14.3
AB54	326.00	351.60	25.60	5.53	9.8
AB54	386.00	396.20	10.20	6.19	13.6
AB54	403.00	408.00	**5.00**	**11.59**	16.0
AB54	496.40	513.20	**16.80**	**11.08**	21.6
AB55	563.00	574.00	11.00	6.26	12.1
AB55	624.80	630.10	5.30	9.09	11.7
AB56	386.80	410.00	**23.20**	**11.08**	59.4
AB56	433.60	445.00	11.40	5.41	6.1
AB57	615.10	620.80	**5.70**	**15.63**	46.3
AB57	636.00	642.00	6.00	6.76	18.5
AB58	406.00	420.00	**14.00**	**16.12**	37.7

AB58	449.40	459.70	10.30	7.58	13.4
AB59	431.00	443.80	**12.80**	**20.40**	182.6
AB59	494.00	502.00	8.00	6.70	15.1
AB59	584.00	588.20	**4.20**	**13.14**	18.0
AB60A	380.70	388.70	7.90	7.53	11.8
AB60A	412.45	419.00	**6.55**	**18.35**	20.5
AB60A	514.00	518.00	**4.00**	**11.88**	15.1
AB61	399.05	417.00	17.95	6.04	10.4
AB61	529.00	539.60	10.60	5.17	6.4

APPENDIX 4: JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Mineralised intervals were drilled with NQ diamond core and sampled by cutting the core with a diamond saw and the half core submitted for assay.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Sample intervals vary depending on geological contacts and are generally between 0.5m and 1.5m, averaging 1.0m in length. Sampling is continuous throughout the mineralised intervals with no gaps.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	Prior to cutting, the core was marked up by a geologist, orienting the core to ensure the relative orientation of consecutive pieces of core, always taking the left hand half of the core looking down the hole.
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	All core photographed for reference and sample intervals and can be compared with assays. Samples are taken according to geological controls on mineralisation. This includes larger sample intervals representative of the wide mineralised intervals. All aspects of the determination of mineralisation are described in this table, but of particular materiality to this Public report is the high quality and completeness of core. The core sampling method is considered appropriate for the Abra mineralisation.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	HQ core intervals were drilled as pre-collars within the non-mineralised overburden before converting to NQ diamond core standard tube drilling for the remainder of each hole. HQ and NQ core holes were systematically oriented using either a Reflex ACT Mk.3 or TrueCore core orientation system. The bottom of hole was marked on the core as a reference for structural measurements.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	All core was measured for recovery by Galena staff and recovery % recorded. Overall recovery was excellent due to the silicified and massive nature of the rock, which resulted in 100% or close to 100% for a majority of the holes. Photographic evidence of all core supports this.

Criteria	JORC Code explanation	Commentary
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	No additional measures were required during drilling to maximize recovery due to the silicified nature of the host rock and mineralised zones. Sample recovery was excellent within unmineralised and mineralised zones. There is no relationship between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All core was logged geologically and geotechnically in detail sufficient to support Mineral Resource estimates, mining and metallurgical studies. Logging included lithology, texture, veining, grain size, structure, alteration, hardness, fracture density, RQD, alteration and mineralisation. Core logging was both qualitative and quantitative. Lithological observations were qualitative. All geotechnical observations and core photographs were quantitative. 100% of all core which included all mineralised intervals was logged. All core was photographed both wet and dry.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	All cut core was initially sampled as half core for assaying. N/A All core was appropriately oriented and marked up for sampling by company geologists prior to core cutting. No sub sampling was completed. Duplicates (secondary splits of the primary sample) were systematically taken throughout the program and show an excellent correlation with the original samples. Sample sizes are considered appropriate to the fine – medium grained grain size common in the host rock and galena mineralisation.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Assaying was completed by SGS Laboratories in Perth. Au was assayed using fire assay. Pb, Ag, Cu, Zn, Fe were assayed using 4 acid digest method DIG40Q followed with ICP-OES finish. Over limit samples undergo further assaying using DIG43B with an AAS finish. This digest is similar to the DIG40Q, being a HF mixed acid digest, but is specifically designed to cope with large concentrations of the elements of interest. These methods are considered appropriate for ore grade analysis and are considered total analysis. However high Ba content can effect total dissolution. In this case additional acid may be used in order to get total digestion.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Galena quality control procedures include the following: **Blank samples** – submitted at selected points within mineralised intersections at a nominal rate of 2 per 100 samples. The blank material is Bunbury basalt certified as a blank. **Reference Standard samples** – submitted at a rate of 1 in 20 in sequence with the original core samples. Three different certified standards are being used. **Duplicates** – to be routinely taken by the laboratory at a rate of 1 in 20 through a second split of the crushed core. They were submitted with the next sample number after the primary sample as part of a continuous sample stream. These are considered as true duplicates and can be used for assessing laboratory precision.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	All significant intersections are verified by alternative company geologists.
	• *The use of twinned holes.*	Due to the depth of the mineralisation below surface this is not practical.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	All primary data was firstly recorded on either paper or in a Toughbook computer according to company procedures and then entered into an electronic database files onsite. Electronic copies are backed up onsite and routinely transferred to the Perth head office where the master database is administered. All paper documents are scanned onsite and electronic copies kept. Duplicates of the data are kept onsite and in Perth office after validation.
	• *Discuss any adjustment to assay data.*	There were no adjustments made to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Down hole surveys are completed every 15-30m during the drilling using either a Ranger or Reflex EZ-shot magnetic digital survey tool. A north seeking gyroscopic instrument was then used for a continuous downhole survey of each hole following completion of drilling. Galt Mining Solutions completed A Real Time Kinematic (RTK) GPS pickup of drill hole collars to enhance the precision of the survey, providing centimetre-level accuracy. A

Criteria	JORC Code explanation	Commentary
		Department of Land Administration (DOLA) State Survey Mark (SSM) was used for the base station, the coordinates are provided in GDA94 using vertical datum AHD71.
	• *Specification of the grid system used.*	Data captured in Map Grid of Australia GDA 94, Zone 50.
	• *Quality and adequacy of topographic control.*	The RL of previous drill collars was measured by both DGPS surveys to an accuracy of 0.02m which gives us with a satisfactory control over the topography. AB70-72, 73A, 74-81 are located between previous drill holes.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	Drill holes in the current round of drilling is infill drilling and will improve the spacing to approximately 50m x 50m or 50m x 100m centres east – west and 50m x 100m centres north – south over the high grade part of the mineralized body which extends over approximately 600m east – west and 600m north – south.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	Data spacing is sufficient to establish geological and grade continuity to establish a mineral resource estimate.
	• *Whether sample compositing has been applied.*	No sample compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Some drilling may be drilled sub-parallel to mineralised structures as there are multiple mineralised directions. The upper sections of the mineralisation are relatively shallow dipping to the south and can therefore be drilled in either direction.
	• *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	It is not considered that there is a sampling bias.
Sample security	• *The measures taken to ensure sample security.*	All sampled core will be transmitted from site to Perth assay laboratories either by company personnel or by courier. All remaining core is stored on site.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits have been conducted to date.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	· *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* · *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Galena Mining holds 100% interest in the Mulgul Project, consisting of Mining Lease M52/0776 and Exploration Lease E52/1455. A 2.5% Net Smelter Royalty exists over leases M52/0776 and E52/1455. Miscellaneous licences G52/286 and L52/021 are also held 100% by AML and these fall within E52/1455. Within the adjoining Jillawarra Project Abra Mining holds 100% of E52/1413 and E52/3575. All tenements are in good standing and have existing Aboriginal Heritage Access Agreements in place. No mining agreement has been negotiated.
Exploration done by other parties	· *Acknowledgment and appraisal of exploration by other parties.*	Historical exploration commenced around the Abra deposit by Amoco Minerals in 1974 but failed to discover the Abra deposit when testing the significant magnetic anomaly associated with the mineralisation. Geopeko Limited entered into a JV with Amoco in 1980 and drilled the discovery hole in 1981. 8 diamond core holes (AB1-11) were drilled before takeover by North Limited which did not complete any exploration. In 1995 RGC Exploration joint ventured in and drilled another deep diamond core hole (AB22A) with a daughter hole wedged from it (AB22B). Both North and RGC were subject to takeovers and the tenement was relinquished in 1999. Old City Nominees Pty Ltd, a private company, the acquired the ground and subsequently vended the project into Abra Mining Limited (AML). Abra resumed drilling in 2005 and has completed all holes between and including AB23-61. All diamond core drilling completed by all parties was completed to a high standard and contributed towards defining the extent and limits of the mineralisation Further extensive regional exploration within the Mulgul and Jillawarra Projects has been completed within this time by these companies and delineated many geophysical and surface geochemical anomalies and targets however no other potentially economic deposits have been discovered.
Geology	· *Deposit type, geological setting and style of mineralisation.*	The Abra deposit lies within sediments of the Proterozoic Edmund Group. There are two styles of mineralisation within the Abra deposit; the upper mineralisation is strata-bound massive and disseminated sulphides associated with lead and silver mineralisation (dominantly galena), and the lower mineralisation consists of sulphide-rich hydrothermal veins that transported the mineralisation to the upper zone. This zone contains the copper and gold mineralisation as well as lead and silver.

Criteria	JORC Code explanation	Commentary
Drill hole Information	· *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* · *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Historic drill hole information has previously been reported and is included in a table within appendices of the Galena's IPO Prospectus. Coordinates, dip, depth and azimuth of Galena's 2017 completed holes AB70-72, 73A, 74-81 are listed in TABLE 1 within the body of the report.
Data aggregation methods	· *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* · *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* · *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Significant intersections are calculated as weighted average means for downhole intervals greater than 4m@5% Pb. There was no cutting of high grades. A maximum internal dilution interval of 4m@ <5% Pb was applied. No metal equivalent calculations were made.
Relationship between mineralisation widths and intercept lengths	· *These relationships are particularly important in the reporting of Exploration Results.* · *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* · *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	All intersection widths reported are downhole widths. The upper strata-bound mineralisation drill intercepts are interpreted as being close to true width. The lower vein-hosted mineralisation has drill intercepts that, depending on drillhole orientation, may not be close to true width (true width not known).

Criteria	JORC Code explanation	Commentary
Diagrams	· *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	A plan is included in the report.
Balanced reporting	· *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The focus of this drilling program is to delineate high grade mineralisation within the deposit and therefore reporting of the high grade intersections is considered appropriate rather than all of the lower grade zones that have largely been reported by previous explorers including Abra Mining Limited.
Other substantive exploration data	· *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Other historic exploration data has been previously announced by Abra Mining and is also summarised in the IGR within Galena's Prospectus.
Further work	· *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* · *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Future work will focus on infill drilling within the high grade core of the Abra deposit.