

ASX ANNOUNCEMENT

15 March 2022

ASX: G1A

ABRA CONSTRUCTION 52% COMPLETE

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 52% complete on 28 February 2022. Construction milestones achieved during the month include the raise drilling of the first 4.5-meter diameter primary ventilation shaft (80m) and the commencement of the civil works associated with the LNG/Solar power station.

Managing Director, Tony James commented, *“It’s a great milestone to go past the 50% mark for the overall construction progress at Abra. Steady progress has been made in the processing plant construction with a total of 766m³ of concrete poured project to date.*

Underground development has reached 880m since commencement against a plan of 815m. By the end of February, the decline has reached 1,422mRL which is 128m below the surface and 109m above the orebody. The successful drilling of the first 4.5m primary ventilation shaft also represents a critical reduction in mining risk as the mine will be able to establish the first leg of the ventilation following installation of the primary ventilation fan that was acquired in 2019.”

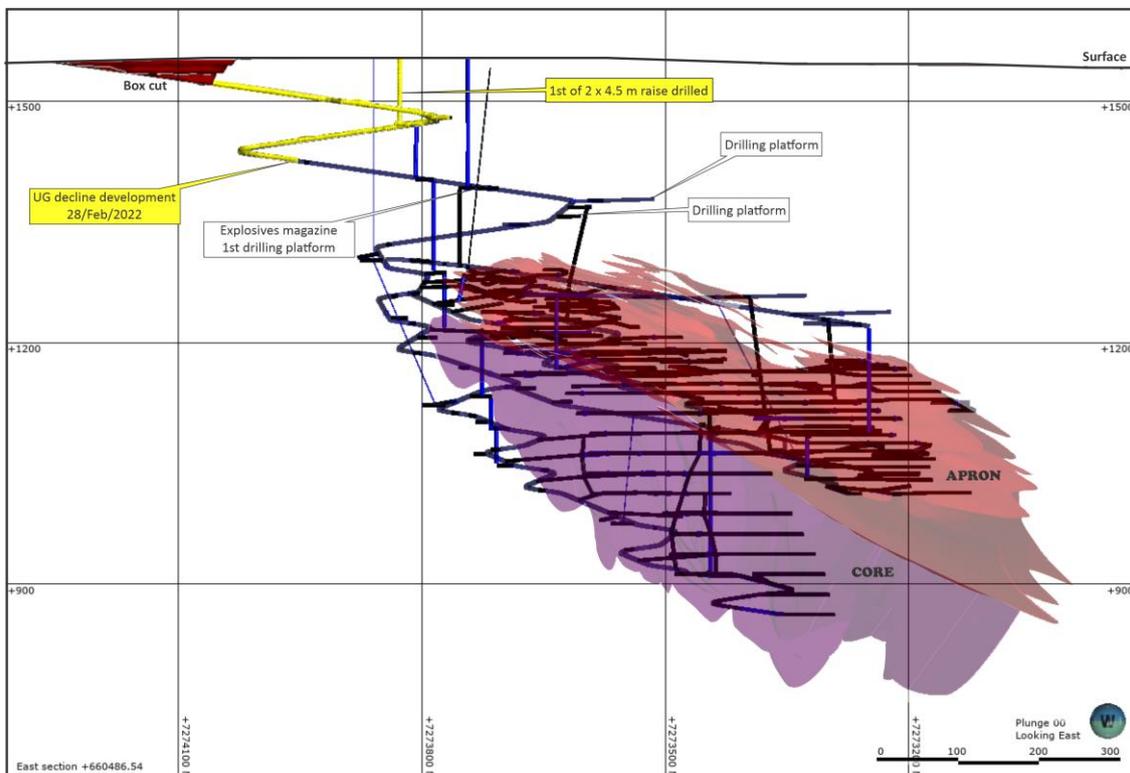


Figure 1 – Long section showing the completed mine development location by 28th February.

Update on Abra Project progress

Overall project progress remains on track in the key areas of mining and processing. In bulk earthworks the Tailings Storage Facility (TSF) work stopped whilst a technical review is being completed on how best to utilise the underground waste available to build the TSF walls. The construction work will be completed in the cooler months of the year well prior to plant commissioning. The remaining non-processing infrastructure which is not production critical is being finalised prior to the completion of that work. This includes some buildings and the new drill-core processing and storage facility.

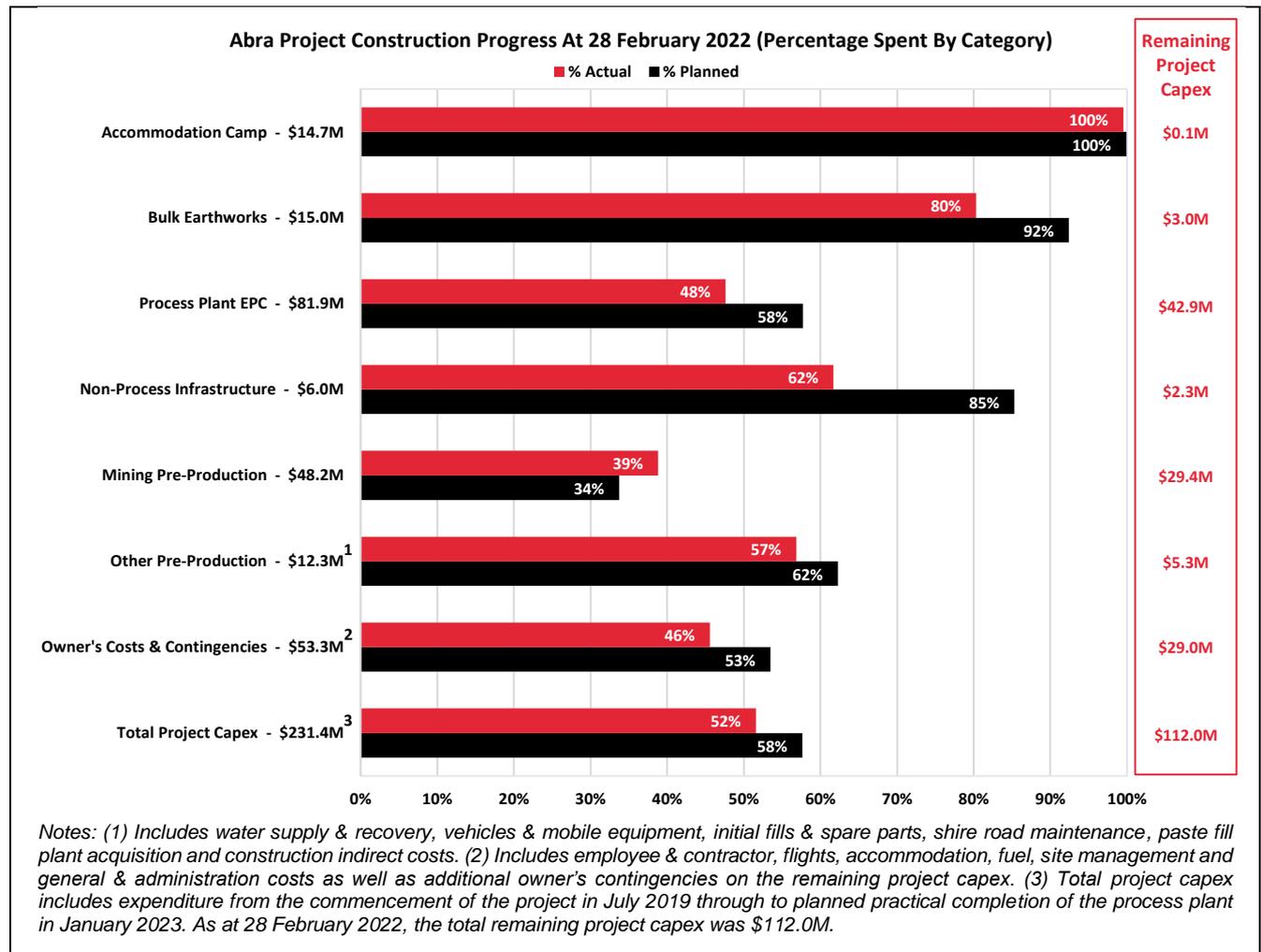


Figure 2 - Shows the progress of the various Abra construction packages.

Abra has been advised of five new delivery times for the overseas equipment deliveries. The new delivery times are not expected to alter the plant construction program with work programs being modified to accommodate the changes. During January the manufacturer of the Mill equipment reported that one of the girth gear halves was damaged during the tooth cutting machining process. To ensure the girth gear is made correctly with no inherent defects the supplier decided to re-cast a new gear and start over. The original three shipments for the mill equipment were then changed to include a 4th shipment for the new girth gear and pinion. Shipments 1 (sole plates), 2 (lube system), and 3 (shell, gearbox, and motor) are all proceeding as originally planned. The girth gear and pinion are now scheduled to arrive on

the 7th of July completing the mill shipments. None of these changes are expected to cause any delays in the processing plant building schedule.

Description	Manufacturer	Source Country	Order Date	Completion Date	Forecast On Site Date
Jaw Crushers	Metso Outotec	China	19 Aug 21	10 Jan 22	17 Mar 22 ¹
Cone Crushers	Metso Outotec	Finland	19 Aug 21	16 Mar 22	27 Apr 22
Flotation Cells	Metso Outotec	China	18 Aug 21	01 Jul 22	12 Aug 22
Thickener	Metso Outotec	China	18 Aug 21	31 Mar 22	12 May 22 ²
Slurry Analyser	Metso Outotec	Finland	18 Aug 21	10 Jan 22	30 Apr 22 ³
Grinding Mill	CITIC HIC	China	23 Jul 21	30 Jun 22	07 Jul 22 ⁴
Filter	Ishigaki	Japan	26 Jul 21	28 Apr 22	09 Jun 22 ⁵
Regrind Mill	Glencore	Germany	23 Sep 21	29 Jun 22	03 Aug 22
LNG Storage Tanks	AMG Cryogenics	China	15 Jun 21	28 Apr 22	05 Jul 22

Table Notes – (1) Jaw crusher originally scheduled to arrive on site on 21st February has landed in Perth on weekend of 12th March. (2) Thickener originally scheduled to arrive on site on 27th April has been delayed waiting for electrical components and is now scheduled to arrive on site on 12th May. (3) Slurry analyser is in shipping and now due in Perth in early April. (4) Girth gear issue at the factory has forced the shipping schedule for the mill equipment to have 4 shipments now instead of 3 shipments. The new 4th shipment containing the girth gear and pinion is now scheduled to arrive on 7th July. (5) Filter is progressing ahead of schedule and is now expected on the 9th of June ahead of the originally planned 12th July.

Table 1 – Key equipment order and delivery schedule from overseas suppliers.



Figure 3 – February progress on crusher concrete and 2nd lift formwork in the foreground and the mill concrete formwork in the background.



Figure 4 – Crusher chutes and bins on site ready for installation.



Figure 5 – Concentrate shed foundations.



Figure 6 – Mill area foundations.



Figure 7 – ROM bin fabrication in Perth.



Figure 8 – 1st of 3, LNG tank shipping from Shanghai.



Figure 9 – Power station generation units in Perth ready for transport to site.

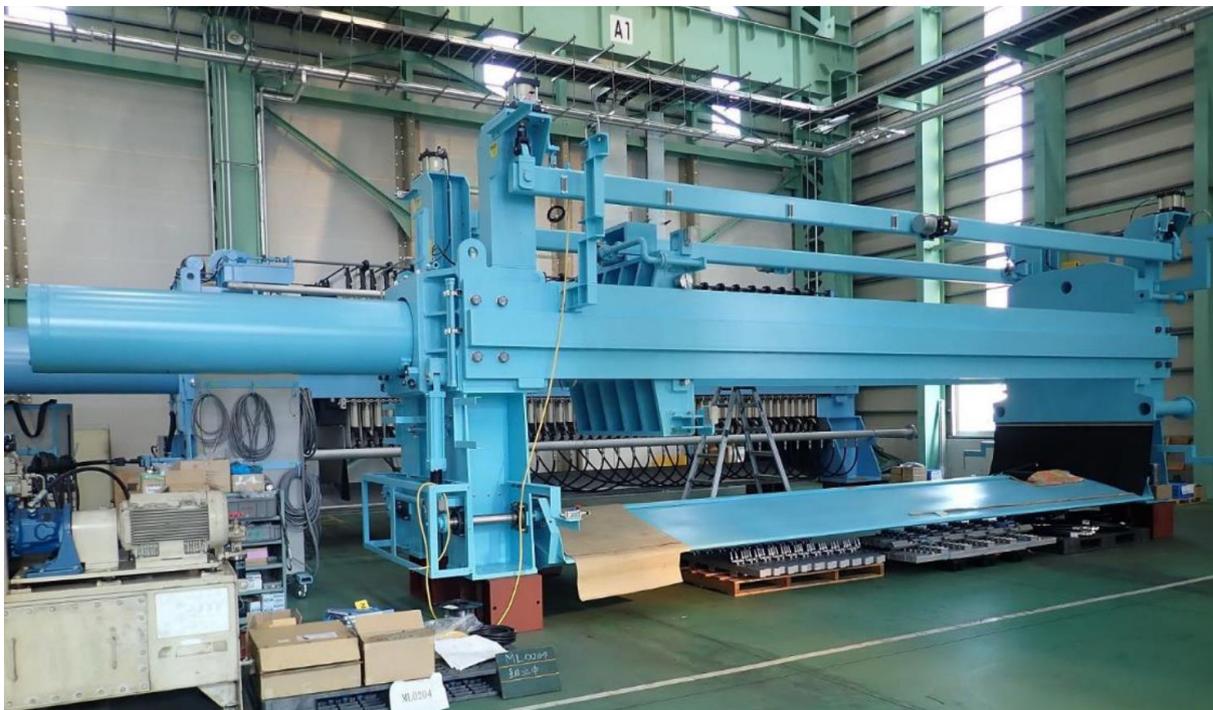


Figure 10 – Plate filter (Ishigaki) ready for shipping from Japan.



Figure 11 – Damaged girth gear requiring replacement.

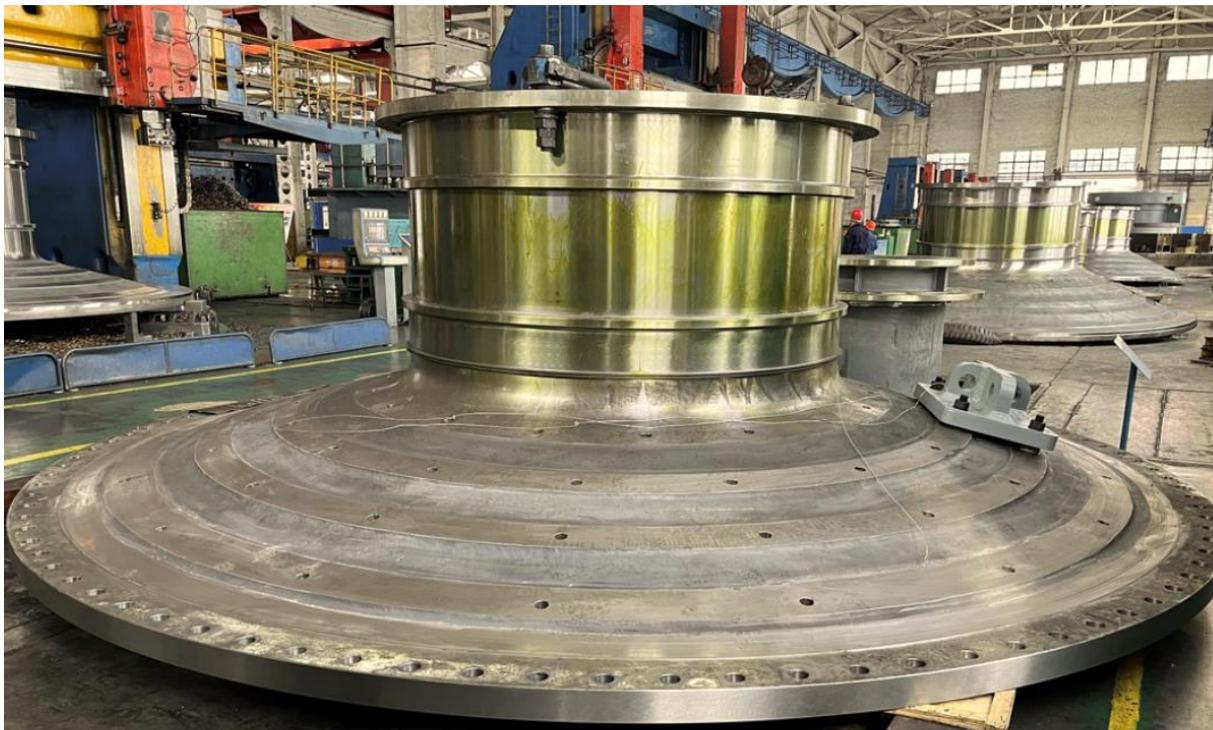


Figure 12 – Ball mill end piece.



Figure 13 – Drilling complete of first 4.5m diameter primary ventilation hole looking down from the surface.



Figure 14 – Abra surface infrastructure February 2022.

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.

