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## **GALENA MINING LIMITED**

**ABN 63 616 317 778**

## **NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT**

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Notice is given that the Meeting will be held at:

**TIME:** 11.00am WST

**DATE:** Friday, 8 June 2018

**PLACE:** Level 11, London House  
216 St Georges Terrace,  
PERTH WA 6000

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

**The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 5:00pm (WST) on 6 June 2018.**

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.***

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## BUSINESS OF THE GENERAL MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 500,000 Shares to Edward Turner on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Edward Turner or any associates of Edward Turner. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 30,264,520 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – SHARES – LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 27,800,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Dated: 1 May 2018**

**By order of the Board**

A handwritten signature in black ink, appearing to read 'S Brockhurst', with a long horizontal stroke extending to the right.

**STEPHEN BROCKHURST  
COMPANY SECRETARY  
GALENA MINING LIMITED**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information, which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES

#### 1.1 General

On 3 April 2018, the Company issued 500,000 Shares to Edward Turner as part of conversion of cash bonus, as a result of bonus scheme component which was part of Mr Turner's employment package prior to the successful initial public listing in September 2017. The Shares were issued as part of conversion of cash bonus for the delivery of a Resource within two years of the Company listing on ASX. Full details are contained in Company's Prospectus dated 12 May 2017.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (i) 500,000 Shares were issued;
- (ii) the Shares were issued at a five-day VWAP price being \$0.2594 as calculated on 22 March 2018;
- (iii) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (iv) the Shares were issued to Edward Turner, who is not a related party of the Company; and
- (v) no funds were raised from this issue as the Shares were issued as part consideration for the services provided by Edward Turner in his role as Chief Executive Officer of the Company.

### 1.3 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to refresh its placement capacity under ASX Listing Rule 7.1.

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## 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES

### 2.1 General

On 26 April 2018, the Company issued a total of 58,064,520 Shares to various unrelated parties who participated in a placement conducted by the Company.

Of the 58,064,520 Shares issued, 30,264,520 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (i) 30,264,520 Shares were issued;
- (ii) the Shares were issued at \$0.155 per Share, for a total value of \$4,691,000;
- (iii) the Shares were issued to various who participated in the placement conducted by the Company, none of which are related parties of the Company;
- (iv) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (v) the funds raised from this issue were used for;
  - Further infill and expansion drilling at the Abra Lead-Silver Project ("Abra") – starting imminently;
  - Completion of a Pre-Feasibility Study on Abra, targeted for September 2018;
  - Advancing a Bankable Feasibility Study on Abra, targeted for completion mid CY2019;
  - Further exploration at regional exploration targets including the Woodlands Prospect (50km west of Abra) – starting imminently; and for

- General working capital purposes.

### 2.3 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to refresh its placement capacity under ASX Listing Rule 7.1.

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## 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – SHARES – LISTING RULE 7.1A

### 3.1 General

On 26 April 2018, the Company issued a total of 58,064,520 Shares to various unrelated parties who participated in a placement conducted by the Company.

Of the 58,064,520 Shares issued, 27,800,000 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 24 November 2017.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 3, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

### 3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- 27,800,000 Shares were issued;
- the Shares were issued at \$0.155 per Share, for a total value of \$4,309,000;

- (iii) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (iv) the Shares were issued to various who participated in the placement conducted by the Company, none of which are related parties of the Company; and
- (v) the funds raised from this issue were used for;
  - Further infill and expansion drilling at the Abra Lead-Silver Project ("Abra") – starting imminently;
  - Completion of a Pre-Feasibility Study on Abra, targeted for September 2018;
  - Advancing a Bankable Feasibility Study on Abra, targeted for completion mid CY2019;
  - Further exploration at regional exploration targets including the Woodlands Prospect (50km west of Abra) – starting imminently; and for
  - General working capital purposes.

### **3.3 Directors' Recommendation**

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to refresh its placement capacity under ASX Listing Rule 7.1A.

## **VOTING IN PERSON**

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To vote in person, attend the General Meeting on the date and at the place set out above.

## **VOTING BY PROXY**

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To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the Proxy Form by post to Galena Mining Limited, GPO Box 2517, Perth WA 6831;
- (b) send the Proxy Form by e-mail to [steve@miningcorporate.com.au](mailto:steve@miningcorporate.com.au); or
- (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,

so that it is received not less than 48 hours prior to commencement of the Meeting.

### **Proxy forms received later than this time will be invalid.**

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

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## GLOSSARY

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**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of Directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Company** or **Galena Mining** means Galena Mining Limited (ABN 63 616 317 778).

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Notice** or **Notice of Meeting** means this Notice of the General Meeting including the Explanatory Statement and Proxy Form.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**WST** means Western Standard Time, as observed in Western Australia.

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## APPOINTMENT OF PROXY FORM

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**GALENA MINING LIMITED**  
**ABN 63 616 317 778**

### GENERAL MEETING

I /We

of:

being a Shareholder of Galena Mining Limited entitled to attend and vote at the General Meeting, hereby appoint:

Name:

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit at the General Meeting to be held at Level 11, London House, 216 St Georges Terrace, Perth WA 6000 at 11am WST on Friday, 8 June 2018 and at any adjournment thereof.

### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

**The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.**

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### Voting on Business of the Annual General Meeting

|              |   | FOR                      | AGAINST                  | ABSTAIN                  |
|--------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Ratification of Prior Issue –Shares                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Ratification of Prior Issue –Shares                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Ratification of Prior Issue –Shares – Listing Rule 7.1A | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

### Signature of Shareholder(s):

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact telephone (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail in relation to this Proxy Form:**

YES  NO

**GALENA MINING LIMITED**  
**ABN 63 616 317 778**  
**Instructions for Completing "Appointment of Proxy" Form**

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) send the Proxy Form by post to Galena Mining Limited, GPO Box 2517, PERTH WA 6831;
  - (b) send the Proxy Form by e-mail to [steve@miningcorporate.com.au](mailto:steve@miningcorporate.com.au); or
  - (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy forms received later than this time will be invalid.**