

POSITIVE OPERATING CASH FLOWS ACHIEVED FOR SEPTEMBER QUARTER

GALENA MINING LTD. (“Galena” or the “Company”) (**ASX: G1A**) advises that the Abra mine has generated positive operating cash flows for the quarter ended 30 September 2023 (the “Quarter”) and has achieved new quarter production highs as the mine continues to ramp-up. Subject to September end of month reconciliation the following key operation highlights and significant milestones were achieved.

HIGHLIGHTS

- Three lead concentrate shipments totalling ~22kt were completed, more than doubling revenue from the previous quarter to ~A\$45 million and generating positive operating cash flows.
- New quarterly mining and production records:
 - Total ore milled of ~283kt (~49% increase from previous quarter);
 - Lead concentrate production of ~19kt (~50% increase from previous quarter);
 - Total ore mined of ~292kt (~50% increase from previous quarter), with underground stope production of ~202kt;
 - Mining of first core vein stope commenced and paste-fill plant commissioned; and
 - Underground development of ~2,100m, including a new monthly record of ~800m in September.
- Lead grade continues to improve as new work areas are established and the ratio of stoping ore to development ore continues to increase.
- The official Abra mine opening ceremony was held on 13 September 2023. The mine was officially opened by the President of Toho Zinc (Mr. Masahito Ito) and the Galena/Abra Chairman (Mr. Adrian Byass).

Managing Director, Tony James commented, *“The Abra mine was able to achieve new quarterly production highs as we continue to move through the ramp-up process. During this time, we continued to improve the mine’s production levels as we endeavour to become more consistent with our mining and processing. The result was positive operating cash flows for the Quarter.*

The mine delivered 202kt of stope ore for the Quarter. Operational and technical issues associated with mining two stopes in September and the commissioning of the paste-fill plant generated stope production delays which were resolved. The plant processed 283kt of stoping and development ore during the Quarter. Ore processed was ~5% less than target due to 13 days of non-processing time over the Quarter, mainly associated with some unplanned and planned maintenance work. Unplanned maintenance included conveyor replacement following rockbolt damage and a primary crusher blockage. Planned maintenance included the mine’s first shutdown for various maintenance activities including the first mill reline.

Achieving higher development rates in the mine of 2,100m (target 2,000m) is significant as it enables us to continue to open new work areas which will allow access to multiple higher-grade stoping blocks. With this, we expect grades to continue to improve as mining progresses and we are very pleased with the strong correlation between the stope grades and the processing reconciliation for the stopes. In steady-state, stoping is expected to account for 80% of the feed

stocks which allows the mine to be less reliant on the generally lower grade ore development which is associated with the ramp-up period of operations.

The Abra team continues to be resilient and busy during the mine's ramp-up and it's nice to see everyone being rewarded with the continuous improvement we are achieving. We look forward to taking the next ramp-up step in the December quarter, which should see Abra reaching close to its full potential."

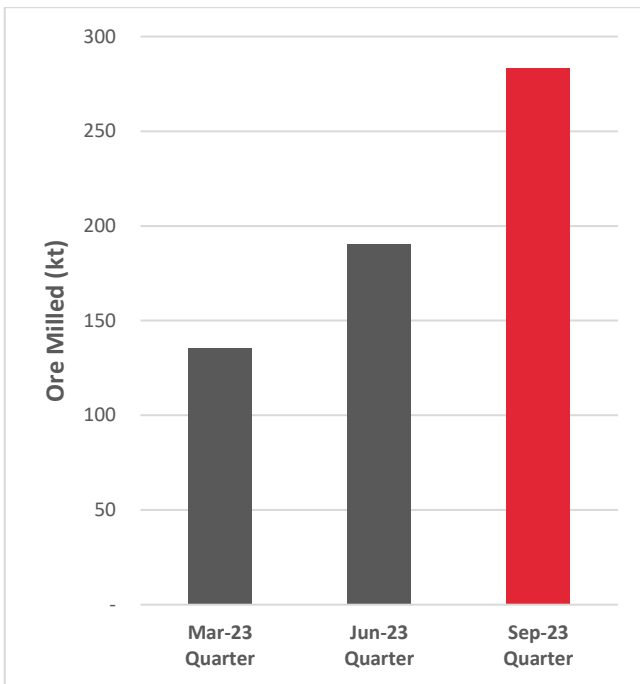


Figure 1 – Abra ore milled.

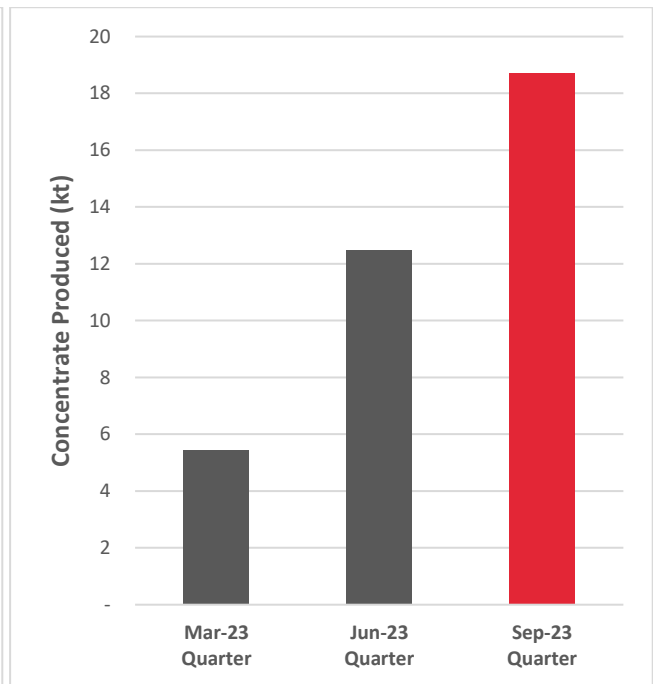


Figure 2 – Abra concentrate produced.

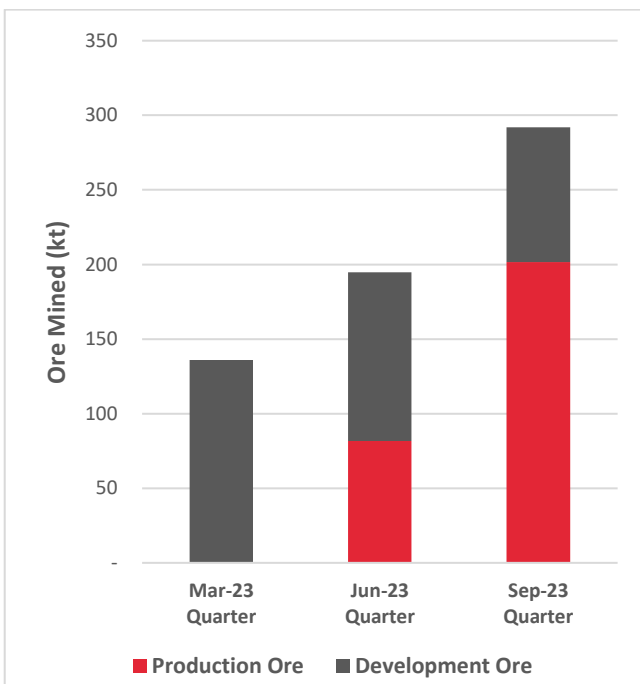


Figure 3 – Abra underground mine production.

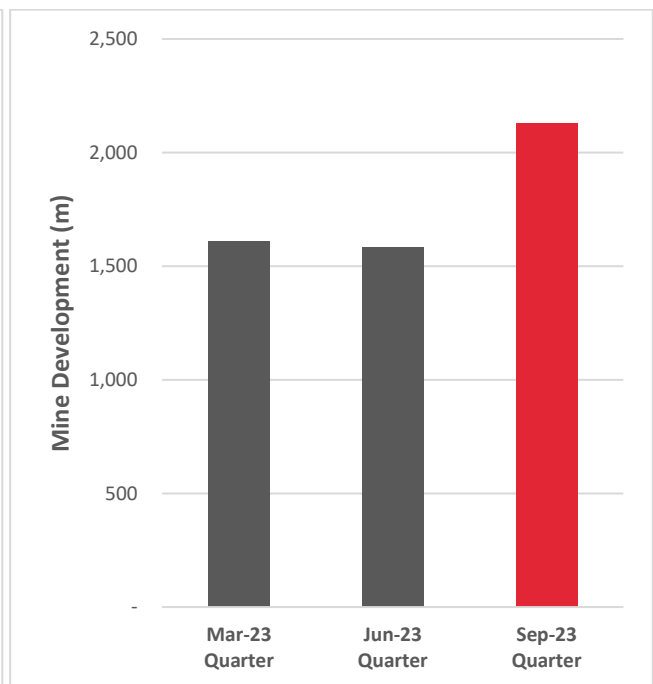


Figure 4 – Abra underground mine development.

Figures 5-11 (below) show recent photographs of the Abra mine.



Figure 5 – Traditional Japanese opening ceremony conducted on site on 13 September. Participants left to right included, Ms. Belinda Riley (Jidi Jidi Corporation), Mr. Steve Coughlan (Executive Chairman Byrnescut Group), Mr. Masahito Ito (President Toho Zinc), Mr. Adrian Byass (Galena/Abra Chairman) and Mr. Charles Loxton (Taurus Funds Management).



Figure 6 – Abra mine opening ceremony (photo 13 September 2023).



Figure 7 – Abra paste-fill plant.



Figure 8 – Disc filters at Abra paste-fill plant dewatering the tailings prior to the paste mixing process (Photo 5 September 2023).



Figure 9 – Filtered tailings at Abra entering paste mixer prior to piping underground (Photo 5 September 2023).



Figure 10 – Internal view of the paste mixer used for mixing paste (tailings and cement and water) at Abra (Photo 5 September 2023).



Figure 11 – Picture showing large underground stope at Abra on the 1280mRL level which will be paste filled in October after completion of mining (Photo 5 September 2023).

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

Galena Mining Ltd.

Anthony (Tony) James
Managing Director

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.

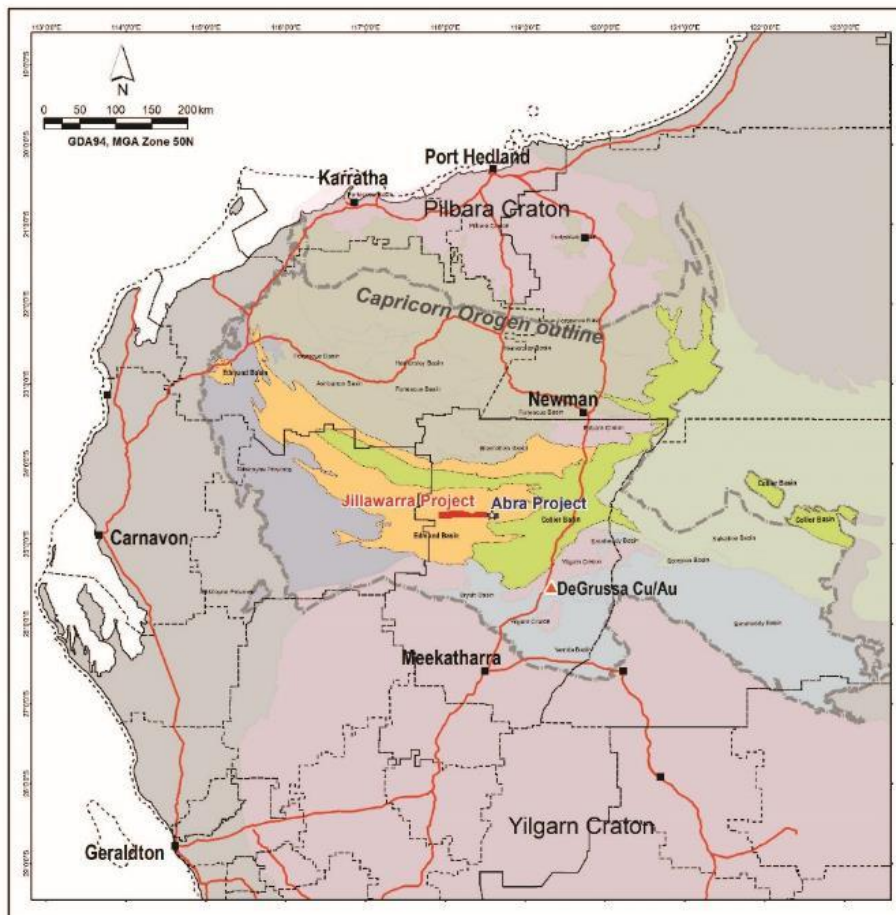
2023 Mineral Resource Update (July 2023 MRE) (see Galena ASX announcement of 7 August 2023)

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



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 statement 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 announcement related to the Abra Ore Reserve is based on work completed by Mr Roger Bryant, BEng (Mining, Member AUSIMM). Mr Bryant was an employee of Galena Mining Ltd at the time the Ore Reserve was prepared. Mr Bryant has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Bryant consents 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 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.