

ASX ANNOUNCEMENT



Galena Mining Limited

ASX : G1A

Directors & Management

Non-Executive Chairman

Adrian Byass

CEO

Edward Turner

COO

Troy Flannery

Non-Executive Directors

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17 April 2018

OVERSUBSCRIBED PLACEMENT RAISES \$9 MILLION

Galena Mining Limited (ASX: G1A) ("Galena" or the "Company") is pleased to announce that it has successfully completed a bookbuild to place approximately 58 million new shares at an issue price of 15.5c per share to raise up to A\$9 million (before costs) ("Placement").

The Placement was oversubscribed, with strong support received from domestic and international institutions and sophisticated investors, as well as a number of existing shareholders.

Funds raised pursuant to the Placement will be 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.

Galena is rapidly progressing the Pre-Feasibility Study (PFS) at Abra, targeted for completion in September 2018. The PFS continues on time and on budget and management expect to provide a progress update during May. In addition, given the speed at which Abra and Galena as a whole is moving the Board and management will also be looking to strengthen key areas of the Company with further appointments in due course, like it did with the appointment of COO Troy Flannery, earlier in the year.

Galena Chairman, Adrian Byass commented on the placement;

"We are pleased by the significant interest levels for investment into Galena and we are delighted to have attracted institutions from around the world to the register. We believe this is an endorsement of the high-grade strategy and a great testament to the global significance of Abra. Work underway will enhance Abra and highlight the Company's potential as a new and upcoming base metals producer."

With a pro forma cash position of circa \$11 million following this Placement, the Company is now well funded through the PFS and to advance into Feasibility Study. The next 12-18 months are going to be an exciting period for Galena and its shareholders."

Placement Details

Hartleys Limited (Hartleys) acted as Sole Lead Broker to the Placement.

The Placing was significantly oversubscribed and will result in the issue of 58,064,520 new ordinary shares.

The shares issued under the Placement will fall within the Company's 15% placement capacity under ASX LR 7.1 and additional 10% placement capacity under ASX LR7.1A. A total of 30,264,520 shares will be issued pursuant to Listing Rule 7.1 and 27,800,000 shares will be issued pursuant to Listing Rule 7.1A. Settlement is scheduled to occur on 26 April 2018

For further information, please refer to the Company's website or contact the Company directly.

This ASX announcement is to release the Company from its current trading halt.

For more information visit www.galenamining.com.au

Contact

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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, Mr D Maclean B.Sc (Hons) and 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 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.

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 Degrudda copper mine, is well serviced by infrastructure and located approximately halfway between Mt Newman and Meekatharra (see Figure 1).

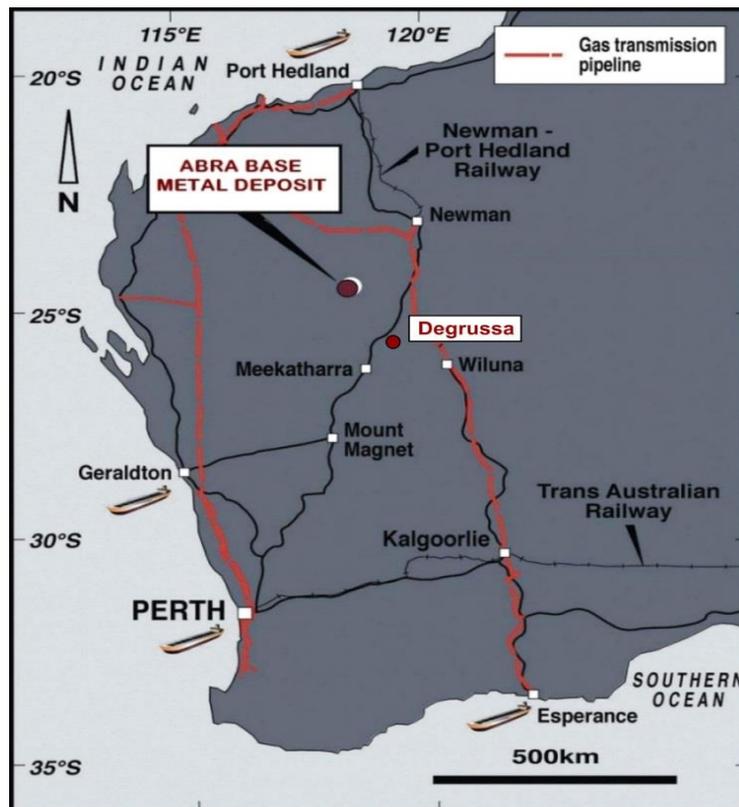


Figure 1: Abra Project location

Galena is focussed on the high-grade lead-silver component of Abra. Drilling completed by Galena has validated a high-grade model and a JORC resource was estimated in March 2018. 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 14th March 2018, see ASX announcement 14th March 2018 for more detail.