



ASX ANNOUNCEMENT

9 September 2019

ASX: G1A

ROBERTS / WARBURTON INCREASE STAKE IN GALENA TO 14.7%

GALENA MINING LTD. (“Galena” or the “Company”) (**ASX: G1A**) announces a secondary acquisition of shares by Warburton Portfolio Pty Ltd (“Warburton”), an associated entity of Mr Timothy Andrew Roberts, having the effect of increasing Mr Roberts’ relevant interest in the company to 14.7%.

Managing Director, Alex Molyneux commented, *“Its very pleasing to see a strategic investor continue to see such solid value in our shares and want to grow their exposure to Galena as we embark on the construction phase of our Abra Base Metals Project.”*

Warburton today acquired 30,400,000 fully paid ordinary shares in Galena (“Shares”) via an off-market purchase which, aggregated with Mr Roberts’ pre-existing interest of 25,000,000 Shares, gives him a total current shareholding of 14.7%.

Warburton acquired the Shares from certain of the individual holders of the 105,500,000 Shares that were released from escrow on 7 September 2019, including entities associated with three of the Company’s directors: Mr Adrian Byass; Mr Jonathan Downes; and Mr Timothy Morrison. All previously escrowed Shares that have not been acquired by Warburton (ie, 75,100,000 Shares) have been voluntarily escrowed for a further 12 months until 9 September 2020 by each individual holder entering into a Restriction Deed with the Company.

In addition, two of the Company’s directors (Mr Adrian Byass and Mr Jonathan Downes) have today exercised in aggregate 10,100,000 options in order to maintain their overall pro-rata shareholding levels in Galena. The Company has received \$708,000 in option exercise proceeds as a result.

Galena Mining Ltd.,

A handwritten signature in blue ink, appearing to read 'Alex Molyneux'.

Alex Molyneux
Managing Director

Forward-looking statements

The contents of this announcement reflect various technical and economic conditions at the time of writing. Given the nature of the resources industry, these conditions can change significantly over relatively short periods of time. Consequently, actual results may vary from those in this announcement.

Some statements in this announcement regarding estimates or future events are 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 announcement 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. So there can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

About Abra Base Metals Project

86.67% owned by Galena, the Abra Base Metals Project (“**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 a mine and processing facility with a 16-year life producing a high-value, high-grade lead-silver concentrate containing approximately 95kt of lead and 805koz of silver per year after ramp-up. Based on a pre-development capital expenditure estimate of A\$170 million, the FS modelled a pre-tax net present value for Abra (at an 8% discount rate) of A\$553 million and an internal rate of return of 39%.¹

Note: 1. Information relating to the production target and financial information derived from the production target is extracted from the ASX announcement of 22 July 2019. Galena confirms that that all material assumptions underpinning the production target, or forecast financial information derived from a production target, in that announcement continue to apply and have not materially changed.

Abra JORC Mineral Resource estimate^{1, 2}

Resource classification	Tonnes (Mt)	Lead grade (%)	Silver grade (g/t)
Measured	-	-	-
Indicated	15.0	8.7	22
Inferred	22.4	6.7	15
Total	37.4	7.5	18

Notes: 1. See Galena ASX announcement of 18 December 2018. Galena confirms that it not aware of any new information or data that materially affects the information included in Galena's ASX announcement of 18 December 2018 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 JORC Ore Reserve statement^{1, 2}

Reserve classification	Tonnes (Mt)	Lead grade (%)	Silver grade (g/t)
Proved	-	-	-
Probable	10.3	8.8	24
Total	10.3	8.8	24

Notes: 1. See Galena ASX announcement of 18 December 2018. Galena confirms that it not aware of any new information or data that materially affects the information included in Galena's ASX announcement of 18 December 2018 and confirms that all material assumptions and technical parameters underpinning the ore reserve estimates continue to apply and have not materially changed. 2. 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

