ASX ANNOUNCEMENT

Galena Mining Limited

ASX : G1A

Shares on Issue
55,600,000 (pre 1:5 share split)

Cash (Dec Qtr)
$3.1m

Directors & Management

Non-Executive Chairman
Adrian Byass

CEO
Edward Turner

COO
Troy Flannery

Non-Executive Directors
Jonathan Downes
Oliver Cairns
Tim Morrison

Company Secretary
Stephen Brockhurst

Registered Office
Level 11, 216 St Georges Tce
Perth WA 6000
T 08 9481 0389

Contact
5/245 Churchill Ave, Subiaco
WA 6008

T 08 6166 3750
E admin@galenamining.com.au
W www.galenamining.com.au

15 March 2018

HIGH GRADE MINERALISATION IDENTIFIED OUTSIDE THE ABRA RESOURCE

Highlights

- **High-grade drill intersection of 6m @ 9.9% Pb at Hyperion 1.4km to west of Abra with no drilling in between**
- **New modelling confirms the high grade is within the same strata bound horizon as the apron at Abra**
- **Strong potential for further economic grade mineralisation within Galena's tenements surrounding Abra**

Following its new high grade JORC 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 (using a 7.5% Pb cut-off*) for a combined

11.2Mt @ 10.1% lead and 28g/t silver

within an

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 (using a 5.0% Pb cut-off) for a combined

36.6Mt @ 7.3% lead and 18g/t silver

(ASX announcement 14 March 2018) Galena Mining Limited (ASX: G1A) ("Galena" or the "Company") is pleased to announce that it has commenced a work plan at its other lead prospect, Hyperion, ~1.4km west of Abra and 100% owned by Galena.

Upside potential at Abra and Hyperion

The technical work and 3D modelling done to date at Abra has highlighted the potential that the deposit may extend west towards Hyperion and beyond (Figure 1). Hyperion, which is located ~1.4km to the west of Abra, has a historic high grade drill results of 6m @ 9.9% Pb from 548.2m in HY1 and 2.5m @ 9.2% Pb from 572.4m. These are the only drill holes drilled into the Hyperion Prospect. The work and modelling undertaken to date suggests that the ore body within the Abra Apron is not closed off and thus further work here is warranted (see Figure 1). This work will include additional drilling between Abra and Hyperion as well as to the west of Hyperion where the prospective horizon is closer to surface.

The Company believes that any positives results from Hyperion will only add to the longer term Galena story and could add significant additional tonnage and grade to the operation. This would tie in well with the global outlook for lead where stockpiles are diminishing and consumption is growing over the long term.

Galena CEO Ed Turner commented:

"From our work to date it does look as though economic grade mineralisation may extend to Hyperion. It's therefore exciting for the Company that Hyperion may add significant tonnage and upside to Abra as a project and that significant tonnage upside potentially exists in and around where we have drilled to date. Our intention is to be continually exploring and unlocking the significant upside of this already world class lead silver project."

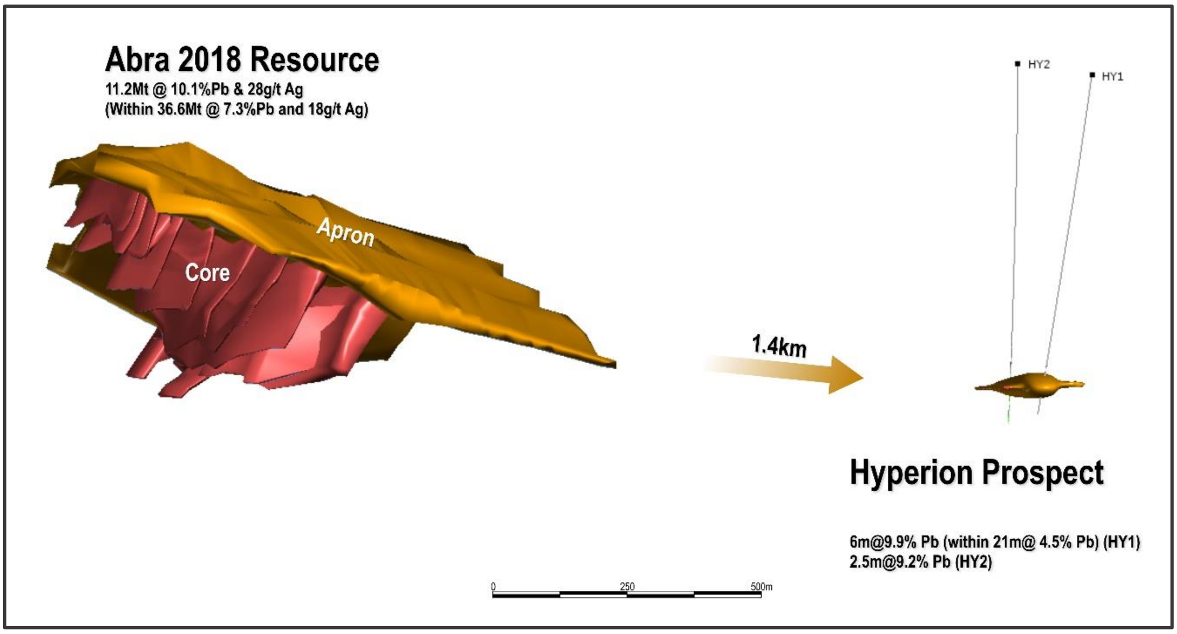


Figure 1: 3D model of Hyperion Prospect and its relationship to Abra looking south east

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 Degrussa copper mine, is well serviced by infrastructure and located approximately halfway between Mt Newman and Meekatharra (see Figure 2).

Figure 2: Abra Project location

For more information visit www.galenamining.com.au

Contact

Ed Turner
CEO
Galena Mining Limited
eturner@galenamining.com.au
08 6461 6350

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, 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.

APPENDIX 1: JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Mineralised intervals were drilled with NQ diamond core and sampled by cutting the core with a diamond saw and the half core submitted for assay.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Sample intervals varied from 0.5m to 1.5m depending on geological intervals with the vast majority 1m in length. Sampling is continuous throughout the mineralised intervals with no gaps.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	Prior to cutting, the core was marked up by a geologist, orienting the core to ensure the relative orientation of consecutive pieces of core, always taking the left hand half of the core looking down the hole.
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	All core photographed for reference and sample intervals and can be compared with assays. Samples are taken according to geological controls on mineralisation. This includes larger sample intervals representative of the wide mineralised intervals. All aspects of the determination of mineralisation are described in this table, but of particular materiality to this Public report is the high quality and completeness of core. The core sampling method is considered appropriate for the Hyperion mineralisation.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling type was HQ and NQ diamond core. The core holes were not oriented.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	All core was measured for recovery by Abra Mining Limited (AML) staff and recovery % recorded. Overall recovery was excellent due to the silicified nature of the rock, which resulted in 100% or close to 100% for a majority of the holes. Photographic evidence of all core supports this.

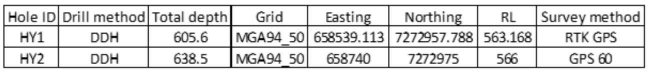
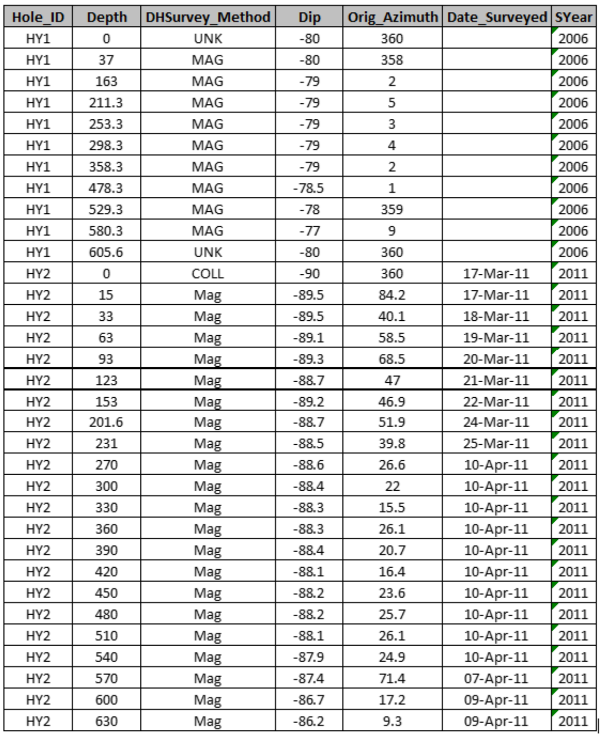
Criteria	**JORC Code explanation**	**Commentary**
	- *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	No additional measures were required during drilling to maximize recovery due to the silicified nature of the host rock and mineralised zones.
	- *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Sample recovery was excellent within unmineralised and mineralised zones.
Logging	- *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All core was logged geologically and geotechnically in detail sufficient to support Mineral Resource estimates, mining and metallurgical studies.
	- *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Logging included lithology, texture, veining, grain size, structure, alteration, hardness, fracture density, RQD, alteration and mineralisation. Core logging was qualitative and quantitative. Lithological observations were qualitative. All geotechnical observations and core photographs were quantitative.
	- *The total length and percentage of the relevant intersections logged.*	100% of all core which included all mineralised intervals was logged.
Sub-sampling techniques and sample preparation	- *If core, whether cut or sawn and whether quarter, half or all core taken.*	All cut core was initially sampled as half core for assaying.
	- *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	N/A
	- *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	All core was appropriately oriented and marked up for sampling by company geologists prior to core cutting.
	- *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	No sub sampling was completed.
	- *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling*	
	- *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sample sizes are considered appropriate to the fine – medium grained grain size common in the host rock and galena mineralisation.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	- *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Assaying was completed using fire assay for Au. Pb, Ag, Cu, Zn, Fe were assayed using 4 acid digest method followed with ICP-OES finish. These methods are considered appropriate for ore grade analysis and are considered total analysis.
	- *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	
	- *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	AML quality control procedures included the following: **Blank samples** – submitted at selected points within mineralised intersections at a nominal rate of 2 per 100 samples. The blank material is Bunbury basalt certified as a blank. **Reference Standard samples** – submitted at a rate of 1 in 20 in sequence with the original core samples. Three different certified standards are being used. **Duplicates** – to be routinely taken by the laboratory at a rate of 1 in 20 through a second split of the crushed core. They were submitted with the next sample number after the primary sample as part of a continuous sample stream. These are considered as true duplicates and can be used for assessing laboratory precision.
Verification of sampling and assaying	- *The verification of significant intersections by either independent or alternative company personnel.*	All significant intersections were verified by alternative company geologists.
	- *The use of twinned holes.*	Due to the depth of the mineralisation below surface this is not practical.
	- *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	All primary data was firstly recorded on either paper or in a Toughbook computer according to company procedures and then entered into an electronic database files onsite. Electronic copies are backed up onsite and routinely transferred to the Perth head office where the master database was administered. All paper documents were scanned onsite and electronic copies kept. Duplicates of the data are kept onsite and in Perth office after validation.
	- *Discuss any adjustment to assay data.*	There were no adjustments made to assay data.
Location of data points	- *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Down hole surveys are completed every 15-30m during the drilling with a magnetic tool.

Criteria	**JORC Code explanation**	**Commentary**
	- *Specification of the grid system used.*	Data captured in Map Grid of Australia GDA 94, Zone 50.
	- *Quality and adequacy of topographic control.*	The RL of previous drill collars was measured by both DGPS surveys to an accuracy of 0.02m which gives us with a satisfactory control over the topography.
Data spacing and distribution	- *Data spacing for reporting of Exploration Results.*	Only two holes have been drilled to date at Hyperion spaced 200 metres apart.
	- *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	Data spacing is not yet sufficient to establish geological and grade continuity to establish a mineral resource estimate.
	- *Whether sample compositing has been applied.*	No sample compositing has been applied.
Orientation of data in relation to geological structure	- *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The drilling was orientated at approximate right angles to the flat lying stratigraphy which hosts the stratabound mineralisation and is therefore considered unbiased.
	- *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	It is not considered that there is a sampling bias.
Sample security	- *The measures taken to ensure sample security.*	All sampled core will be transmitted from site to Perth assay laboratories either by company personnel or by courier. All remaining core is stored on site.
Audits or reviews	- *The results of any audits or reviews of sampling techniques and data.*	No audits have been conducted to date.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	· *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* · *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Galena Mining holds 100% interest in the Mulgul Project, consisting of Mining Lease M52/0776 and Exploration Lease E52/1455. A 2.5% Net Smelter Royalty exists over leases M52/0776 and E52/1455. Miscellaneous licences G52/286 and L52/021 are also held 100% by AML and these fall within E52/1455. Within the adjoining Jillawarra Project Abra Mining holds 100% of E52/1413 and E52/3575. All tenements are in good standing and have existing Aboriginal Heritage Access Agreements in place. No mining agreement has been negotiated.
Exploration done by other parties	· *Acknowledgment and appraisal of exploration by other parties.*	Historical exploration commenced around the Abra deposit by Amoco Minerals in 1974 but failed to discover the Abra deposit when testing the significant magnetic anomaly associated with the mineralisation. Geopeko Limited entered into a JV with Amoco in 1980 and drilled the discovery hole in 1981. 8 diamond core holes (AB1-11) were drilled before takeover by North Limited which did not complete any exploration. In 1995 RGC Exploration joint ventured in and drilled another deep diamond core hole (AB22A) with a daughter hole wedged from it (AB22B). Both North and RGC were subject to takeovers and the tenement was relinquished in 1999. Old City Nominees Pty Ltd, a private company, the acquired the ground and subsequently vended the project into Abra Mining Limited (AML). Abra resumed drilling in 2005 and has completed all holes between and including AB23-61. All diamond core drilling completed by all parties was completed to a high standard and contributed towards defining the extent and limits of the mineralisation Further extensive regional exploration within the Mulgul and Jillawarra Projects has been completed within this time by these companies and delineated many geophysical and surface geochemical anomalies and targets however no other potentially economic deposits have been discovered.
Geology	· *Deposit type, geological setting and style of mineralisation.*	The Abra deposit lies within sediments of the Proterozoic Edmund Group. There are two styles of mineralisation within the Abra deposit; the upper mineralisation is strata-bound massive and disseminated sulphides associated with lead and silver mineralisation (dominantly galena), and the lower mineralisation consists of sulphide-rich hydrothermal veins that transported the mineralisation to the upper zone. This zone contains the copper and gold mineralisation as well as lead and silver.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr>
<td>Drill hole Information</td>
<td>· A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
o easting and northing of the drill hole collar
o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
o dip and azimuth of the hole
o down hole length and interception depth
o hole length.
· If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td>
<td>The survey collar, survey method, depth, drill method and downhole surveys follow. Downhole surveying was done with Eastman magnetic cameras. Sample intervals were between 0.5m and 1.5m with the vast majority being 1m in length.

<table>
<tr><th>Hole ID</th><th>Drill method</th><th>Total depth</th><th>Grid</th><th>Easting</th><th>Northing</th><th>RL</th><th>Survey method</th></tr>
<tr><td>HY1</td><td>DDH</td><td>605.6</td><td>MGA94_50</td><td>658539.113</td><td>7272957.788</td><td>563.168</td><td>RTK GPS</td></tr>
<tr><td>HY2</td><td>DDH</td><td>638.5</td><td>MGA94_50</td><td>658740</td><td>7272975</td><td>566</td><td>GPS 60</td></tr>
</table>

<table>
<tr><th>Hole_ID</th><th>Depth</th><th>DHSurvey_Method</th><th>Dip</th><th>Orig_Azimuth</th><th>Date_Surveyed</th><th>SYear</th></tr>
<tr><td>HY1</td><td>0</td><td>UNK</td><td>-80</td><td>360</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>37</td><td>MAG</td><td>-80</td><td>358</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>163</td><td>MAG</td><td>-79</td><td>2</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>211.3</td><td>MAG</td><td>-79</td><td>5</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>253.3</td><td>MAG</td><td>-79</td><td>3</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>298.3</td><td>MAG</td><td>-79</td><td>4</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>358.3</td><td>MAG</td><td>-79</td><td>2</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>478.3</td><td>MAG</td><td>-78.5</td><td>1</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>529.3</td><td>MAG</td><td>-78</td><td>359</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>580.3</td><td>MAG</td><td>-77</td><td>9</td><td></td><td>2006</td></tr>
<tr><td>HY1</td><td>605.6</td><td>UNK</td><td>-80</td><td>360</td><td></td><td>2006</td></tr>
<tr><td>HY2</td><td>0</td><td>COLL</td><td>-90</td><td>360</td><td>17-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>15</td><td>Mag</td><td>-89.5</td><td>84.2</td><td>17-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>33</td><td>Mag</td><td>-89.5</td><td>40.1</td><td>18-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>63</td><td>Mag</td><td>-89.1</td><td>58.5</td><td>19-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>93</td><td>Mag</td><td>-89.3</td><td>68.5</td><td>20-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>123</td><td>Mag</td><td>-88.7</td><td>47</td><td>21-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>153</td><td>Mag</td><td>-89.2</td><td>46.9</td><td>22-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>201.6</td><td>Mag</td><td>-88.7</td><td>51.9</td><td>24-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>231</td><td>Mag</td><td>-88.5</td><td>39.8</td><td>25-Mar-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>270</td><td>Mag</td><td>-88.6</td><td>26.6</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>300</td><td>Mag</td><td>-88.4</td><td>22</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>330</td><td>Mag</td><td>-88.3</td><td>15.5</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>360</td><td>Mag</td><td>-88.3</td><td>26.1</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>390</td><td>Mag</td><td>-88.4</td><td>20.7</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>420</td><td>Mag</td><td>-88.1</td><td>16.4</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>450</td><td>Mag</td><td>-88.2</td><td>23.6</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>480</td><td>Mag</td><td>-88.2</td><td>25.7</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>510</td><td>Mag</td><td>-88.1</td><td>26.1</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>540</td><td>Mag</td><td>-87.9</td><td>24.9</td><td>10-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>570</td><td>Mag</td><td>-87.4</td><td>71.4</td><td>07-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>600</td><td>Mag</td><td>-86.7</td><td>17.2</td><td>09-Apr-11</td><td>2011</td></tr>
<tr><td>HY2</td><td>630</td><td>Mag</td><td>-86.2</td><td>9.3</td><td>09-Apr-11</td><td>2011</td></tr>
</table>
</td>
</tr>
<tr>
<td>Data aggregation methods</td>
<td>· In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.
· Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
· The assumptions used for any reporting of metal equivalent values should be clearly stated.</td>
<td>Significant intersections are calculated as weighted average means for downhole intervals greater than 1m@5% Pb. There was no cutting of high grades.
A maximum internal dilution interval of 1m@ <5% Pb was applied.
No metal equivalent calculations were made.</td>
</tr>
<tr>
<td>Relationship between mineralisation widths and intercept lengths</td>
<td>· These relationships are particularly important in the reporting of Exploration Results.</td>
<td>The strata-bound mineralisation drill intercepts are interpreted as being close to true width.</td>
</tr>
</table>

Criteria	JORC Code explanation	Commentary
	· *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* · *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	
Diagrams	· *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	A plan showing the relative location of the Hyperion holes in relation to the Abra Deposit is included in the report.
Balanced reporting	· *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The quantity of drill results is limited given there are only two holes being reported on. It is considered that this reporting is balanced and representative.
Other substantive exploration data	· *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Other historic exploration data has been previously announced by AML and is also summarised in the IGR within Galena's Prospectus.
Further work	· *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* · *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Future work is still in the process of being planned.