



ASX ANNOUNCEMENT

25 June 2021

ASX: G1A

GALENA COMPLETES FIRST US\$30M DRAWDOWN UNDER ABRA DEBT FACILITIES

GALENA MINING LTD. (“Galena” or the “Company”) (**ASX: G1A**) announces that Abra Mining Pty Limited (“**AMPL**”), the joint-venture company for the Abra Base Metals Project (“**Abra**” or the “**Project**”) has received US\$30 million following completion of the first drawdown of the Taurus Debt Facilities (see *Galena ASX announcements of 12 November 2020 and 15 June 2021 for more information on the terms of the Taurus Debt Facilities*).

Managing Director, Tony James commented, “***The receipt of the first US\$30 million drawdown from Taurus is an important milestone on our pathway to first production of high-value, high-grade lead-silver concentrate from Abra in the first quarter of 2023. We appreciate the great relationship we have with Taurus as a funding partner.***”

Following this initial US\$30 million received, US\$80 million of funding remains under the Taurus Debt Facilities (equivalent to A\$105 million at current exchange rates), made up of:

- US\$70 million Project Finance Facility; and
- US\$10 million Cost Overrun Facility.

The Taurus Debt Facilities are secured against Abra Project assets and over the shares that each of Galena and Toho own in AMPL, and additional drawdowns remain subject to satisfaction of customary conditions precedent.

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

For further information contact:

Galena Mining Ltd.

Anthony (Tony) James
Managing Director

About Abra Base Metals Project

77.28% 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 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	16.9	7.4	17
Inferred	17.5	7.0	15
Total	34.5	7.2	16

Notes: 1. See Galena ASX announcement of 28 April 2021. Galena confirms that it not aware of any new information or data that materially affects the information included in Galena’s ASX announcement of 28 April 2021 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

