

## MINING FLASHNOTE

# Galena Mining Limited (ASX G1A)

08 July 2020

### Stock Data

Share Price:	A\$0.225
Market Cap (M):	A\$96.77
EV (M):	A\$74.47

### Price Chart



### 52 Week Range

A\$0.41		A\$0.225
A\$0.15		

### Company Summary

Galena Mining is focusing on bringing its 60% owned Abra lead-silver mine into production in late 2022.

### MAIN SHAREHOLDERS

MAIN SHAREHOLDERS	HOLDING
Bloomberg Res PL	17.18%
Roberts Timothy Andrew	14.37%
Warburton Por PTY	7.88%
UBS AG	7.72%

Source: Galena Mining

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## Galena Mining successfully raises A\$12M to advance Abra

### The Event

Galena Mining ("Galena") has announced that it has accepted binding commitments for a placement of 57,150,000 new shares at an issue price of A\$0.21/share to raise A\$12M before costs.

### Highlights

The highlights of the press release are:

- The placement was well oversubscribed
- Participation by existing and a number of new high-quality institutional investors
- Existing strategic investor, Tim Roberts, subscribed for ~20%
- Provides a strong financial platform on which to complete the Abra debt financing process, undertake optimisation drilling on the Abra project and drill the newly interpreted target for gold and copper mineralisation.

### Comment

Galena was always going to have to raise some equity to complete the financing package for the Abra development. Originally this was planned to come after the bank financing had been agreed, but the onset of Covid-19 has caused a change in plans and brought the equity component forward.

At site, very little is currently happening. With the completion of site preparation works, the current spend is minimal. However, once the bank finance is finalised, Galena is in a strong position to commence the construction of the decline and the plant procurement.

The announcement mentions that some of the money raised will be used for infill and optimisation drilling. BHC understands that recent drilling has delineated some metal rich zones which need further exploration work and have the potential to allow for bigger stopes which would further improve the economics of the Abra mine. It will also enable further work on the newly interpreted gold and copper zone.

## Research Disclosures

### **Peter Rose**

Peter has 34 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 13 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Research disclosure as of 08 July 2020

<u>Company Name</u>	<u>Disclosure</u>
Galena Mining Ltd (ASX G1A)	2, 7

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