



GALAN
LITHIUM LIMITED

ASX ANNOUNCEMENT

1 November 2021

GALAN RECEIVES CRITICAL PILOT PLANT AND CAMP PERMITS FOR HMW PROJECT IN ARGENTINA

Galan Lithium Limited (ASX:GLN) (**Galan** or **the Company**) is very pleased to announce that it has received the essential government permits from the Ministra - Ministerio de Minería (Mine Minister) in Catamarca to build its Stage 1 pilot plant and new camp accommodation at its flagship Hombre Muerto West ("HMW") lithium brine project located in the Hombre Muerto West salt flat in the South American Lithium Triangle.

The Managing Director, Juan Pablo ("JP") Vargas de la Vega said "These permits were critical path items for the robustness of the HMW feasibility study and the pace at which it now moves forward. Galan wishes to extend its heartfelt thanks to the Minister and the Government for the grant of the permits in these trying times. Our Company is entering an exciting new phase as we cement the development phase of our flagship project in Argentina."

As an update to the recently lodged quarterly, the Company has now completed the first of its small scale evaporation ponds (see figure 1) at HMW and is measuring evaporation rates, which are essential for the feasibility study. Now that permits have been granted and the entire Galan project team has mobilised to Argentina, pilot plant and new camp construction activities will be expedited. The current high grade Indicated Resource for the HMW Project is 2,267Kt @ 946 mg/l Li.

The scoping study for the Candelas Project (Indicated Resources of 685Kt @ 672 mg/l Li) is also progressing well with study results expected to be finalised during Q4 2021.

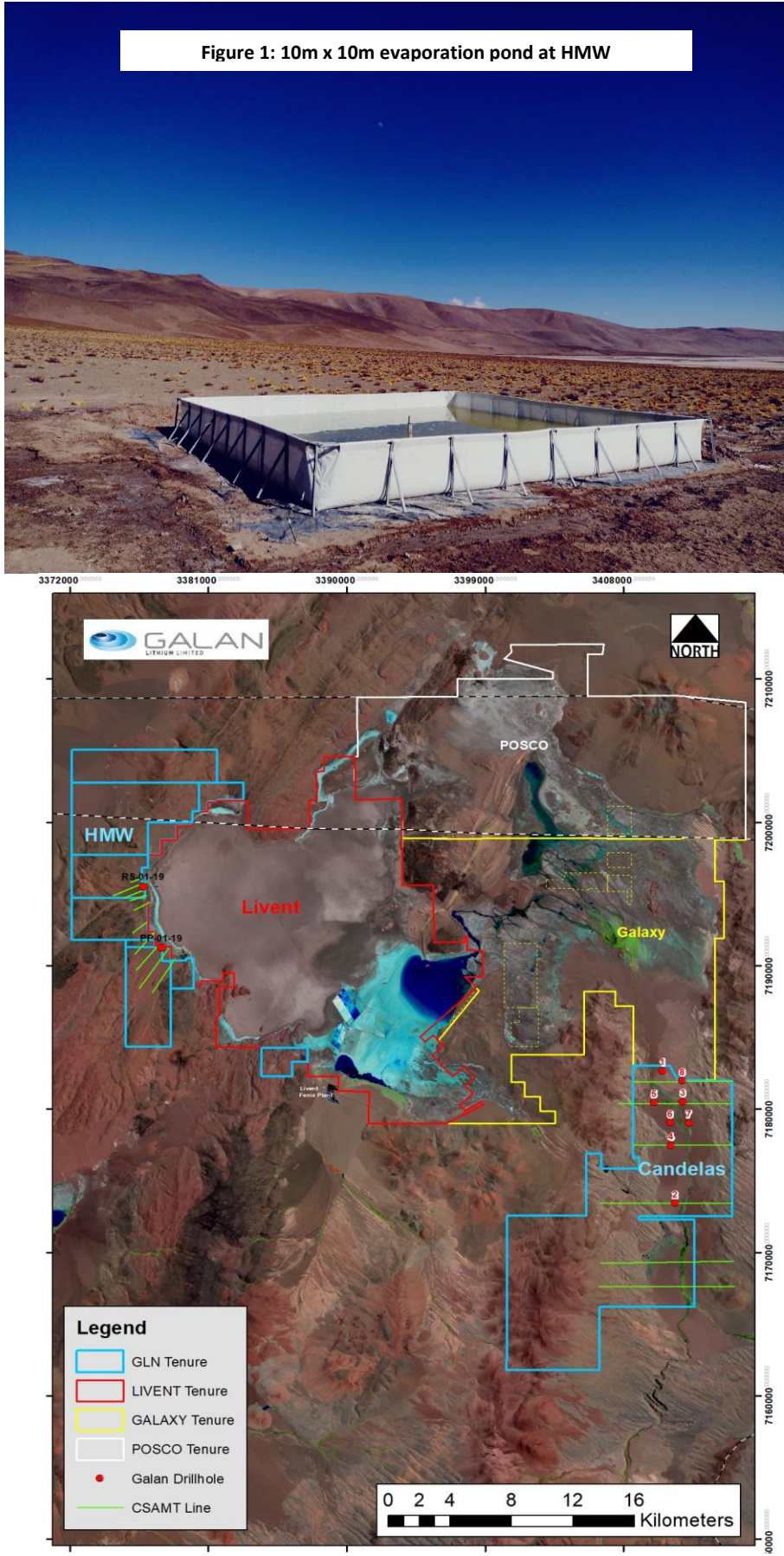


Figure 2: Location of 100% owned Galan concessions (in blue). The HMW Project hosts an Indicated Resource of ~ 2.3Mt LCE @ 946mg/l Li.

The Galan Board authorises this ASX release.

For further information contact:

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About Galan

Galan is an ASX listed company exploring for lithium brines within South America's Lithium Triangle on the Hombre Muerto salar in Argentina. Hombre Muerto is proven to host the highest grade and lowest impurity levels within Argentina and is home to Livent Corporation's El Fenix operation and Galaxy Resources and POSCO's Sal de Vida projects.

Galan has three projects:

Candelas: a ~15km long by 3-5km wide valley filled channel which project geophysics and drilling have indicated the potential to host a substantial volume of brine and over which a maiden resource estimated 685kt LCE (Oct 2019). Furthermore, Candelas has the potential to provide a substantial amount of processing water by treating its low-grade brines with reverse osmosis, this is without using surface river water from Los Patos River.

Hombre Muerto West (HMW): a ~14km by 1-5km region on the west coast of Hombre Muerto salar neighbouring Livent Corp to the east. HMW is currently comprised of seven concessions – Pata Pila, Rana de Sal, Deceo III, Del Condor, Pucara, Catalina and Santa Barbara. Geophysics and drilling at HMW demonstrated a significant potential of a deep basin. In March 2020, a maiden resource estimate delivered 1.1Mt of LCE for two of the largest concessions (Pata Pila and Rana de Sal). That resource now sits at 2.3Mt of LCE with exploration upside remaining for the rest of the HMW concessions not included in the current indicated resource.

Greenbushes South Lithium Project: Galan has an Exploration Licence application (E70/4629) covering a total area of approximately 43 km². It is approximately 15kms to the south of the Greenbushes mine. In January 2021, Galan entered into a sale and joint venture with Lithium Australia NL for an 80% interest in the Greenbushes South Lithium project, which is located 200 km south of Perth, the capital of Western Australia. With an area of 353 km², the project was originally acquired by Lithium Australia NL due to its proximity to the Greenbushes Lithium Mine ('Greenbushes'), given that the project covers the southern strike projection of the geological structure that hosts Greenbushes. The project area commences about 3km south of the current Greenbushes open pit mining operations.

Competent Persons Statement

The information relating to the Exploration Results and integrity of the database was compiled by Mr Francisco Lopez (Geology). Mr Lopez is a full-time employee of Galan Lithium Limited and has been engaged by Galan as their Geology Manager. The integrity of the database and site inspection was done by Dr Michael Cunningham, GradDip, (Geostatistics) BSc honours (Geoscience), PhD, MAusIMM, MAIG, MGSA, FGSL. Dr Cunningham is an Associate Principal Consultant of SRK Consulting (Australasia) Pty Ltd.

The information in this report that relates to the Mineral Resources estimation approach at Candelas and Hombre Muerto West was compiled by Dr Cunningham. He has sufficient experience relevant to the assessment and of this style of mineralisation to qualify as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2012)". Dr Cunningham consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters have not materially changed. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.