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ASX ANNOUNCEMENT

20 January 2026

QUARTERLY ACTIVITIES REPORT
DECEMBER 2025

Highlights

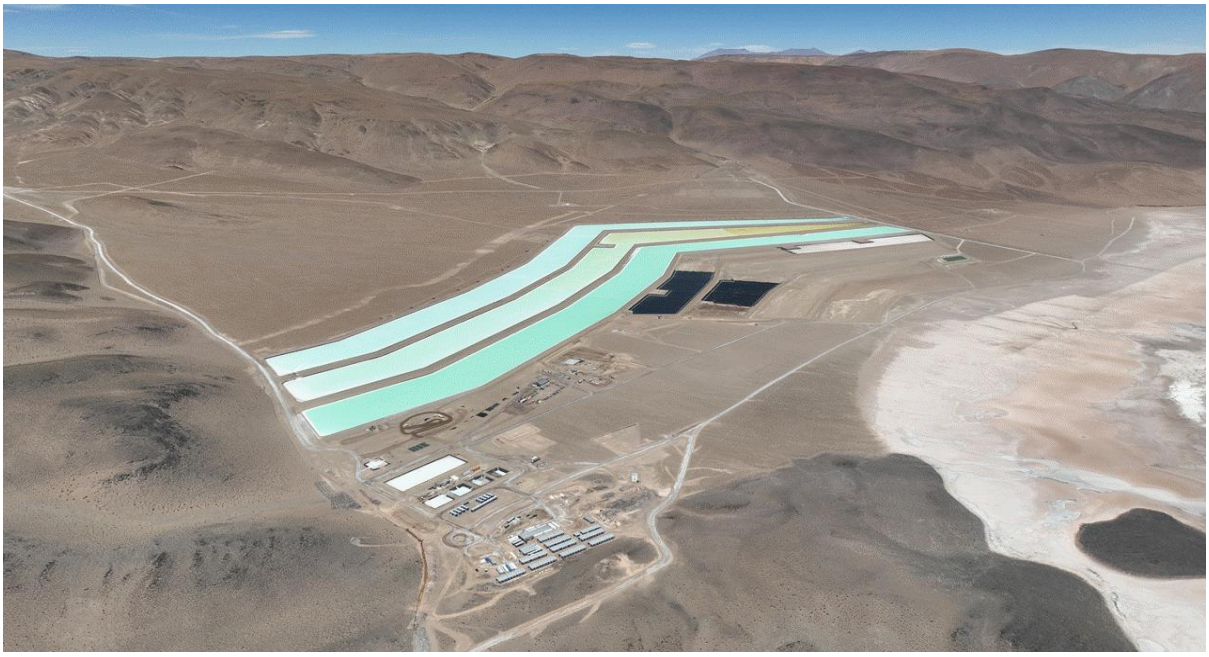
- **Phase 1 construction at Hombre Muerto West (HMW) on track for first production in H1 2026, well timed to take advantage of a lithium market recovery**
- **Strategic expansion of Greenbushes South tenure**
- **Early completion of the second tranche of the Clean Elements leading to a strong financial position with cash of $15 M. (as at 31 December 2025), no debt and an undrawn US$ 6 M. prepayment facility**

Galan Lithium Limited (**Galan** or the **Company**) presents its Quarterly Activities Report for the quarter ended 31 December 2025, along with activities up to the date of this release.

During the quarter, Galan continued to focus on the construction of Phase 1 at its 100% owned HMW lithium brine project in Argentina. Galan delivered a series of material advancements at HMW that firmly position it to transition from developer to producer in H1 2026.

In addition, Galan strategically expanded its footprint in the highly prospective Greenbushes region of Western Australia providing the opportunity to test the geological continuity between the Greenbushes Mine and Galan's tenure at Greenbushes South, 2 kilometres along strike.

Figure 1. HMW site looking north



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Speaking on the progress achieved this quarter, Managing Director Juan Pablo ("JP") Vargas de la Vega said:

"*This was a strong quarter for Galan, marked by meaningful progress in construction activities at Hombre Muerto West. With construction funding for Phase 1 secured and workstreams well advanced, we remain firmly on track for first production in H1 2026. Importantly, we continue to assess the opportunity to expand Phase 1 capacity from 4,000 tpa LCE to a capacity above 5,000 tpa LCE by leveraging existing infrastructure and improving project scale.*

2026 will be a transformative year for Galan and its shareholders, as we move toward production and cash flow at a time of vastly improved sentiment and market conditions for the lithium sector."

Project Execution – Hombre Muerto West

Execution of Phase 1 at HMW advanced materially during the quarter, with construction progressing in line with schedule toward first production in H1 2026.

The Phase 1 nano-filtration plant was assembled and tested in Sydney, confirming performance in accordance with design parameters. Following testing, the plant was containerised and dispatched for shipment to site, with delivery expected in early 2026 and commissioning to follow.

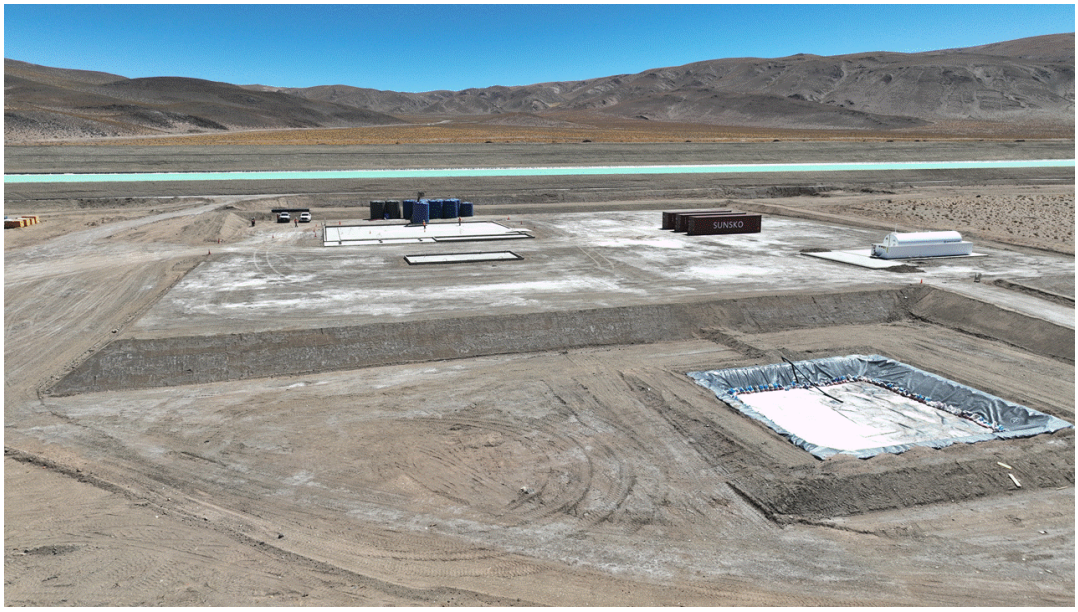
Figure 2. Load out of nano-filtration plant



On site, substantial progress was made across evaporation ponds and plant infrastructure. Ponds 4 and 5 were redesigned and constructed to support the 4,000 tpa LCE Phase 1 production rate. Earthworks for the process plant were completed and the concrete foundation slab poured. Engineering and procurement activities remained focused on integrating the nano-filtration facility with the pond system. The majority of long-lead items are now on site or in transit.

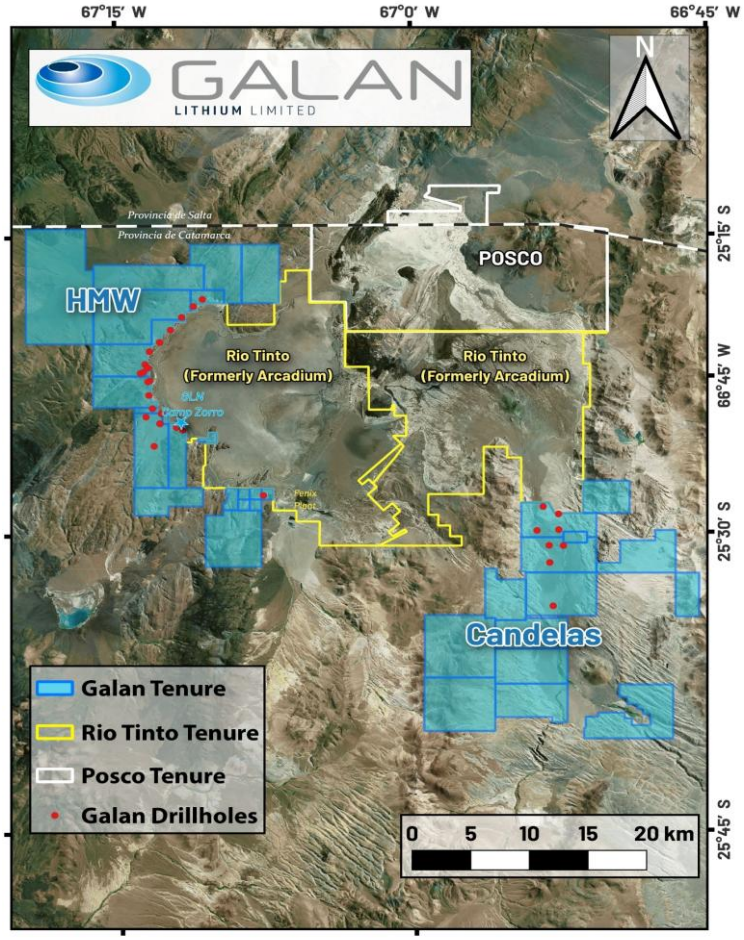
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Figure 3. Completed earthworks and concrete foundations at HMW plant site



The Company maintained a strong safety and environmental record during the quarter, with no lost time injuries and continued compliance with regulatory approvals and community engagement commitments. Overall, Phase 1 execution at HMW continues to progress as planned, supported by strong coordination between Galan, its contractors and strategic partners.

Figure 4: Location of Galan's 100% owned HMW and Candelas Projects in Argentina



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Greenbushes South (WA)

Strategic tenure expansion

In October 2025, Galan was granted exploration licence E70/4889 and prospecting licences P70/1702, P70/1703 and P70/1704 by the Western Australian Department of Mines, Industry Regulation and Safety. The new tenure is located approximately two kilometres south of, and along strike from, the Tier 1 Greenbushes lithium mine.

Figure 5. Drone photo showing new tenements relative to the Greenbushes Mine



Importantly, the licences cover the interpreted continuation of the primary mineralising structure associated with Greenbushes, including the Donnybrook–Bridgetown Shear Zone. This significantly enhances Galan's strategic landholding in one of the world's most prospective lithium districts and increases exposure to the structural corridor believed to control pegmatite emplacement.

The licences provide an opportunity to test geological continuity between the Greenbushes system and Galan's existing tenure. Exploration planning is underway, building on previous airborne geophysical surveys, with initial work expected to commence in the second half of FY2026, subject to permitting and conditions. Further details will be provided once programs and budgets are finalised.

Early completion of Clean Elements Placement

In November 2025 Galan announced it had received the second and final A$10 million tranche of the A$20 million placement from the Clean Elements Fund. The accelerated completion of the placement reflected Clean Elements' confidence in HMW and provided the final equity piece required to fund Phase 1 construction.

Completion of the placement followed a significant period of due diligence by the Clean Elements Fund which further validated HMW's world-class status.

Financial Position

Cash outflows during the quarter were primarily directed to construction activities at HMW (evaporation ponds, nano-filtration plant fabrication, site works) and corporate overheads. Net cash used in investing activities reflected capital expenditures on plant equipment and infrastructure. Payments to related parties during the quarter totalled approximately $0.32 million for director and consulting fees.

The Galan Board has authorised the release of this December 2025 Quarterly Activities Report.

For further information contact:

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About Galan

Galan Lithium Limited (ASX:GLN) is an ASX-listed lithium exploration and development business. Galan's flagship assets comprise two world-class lithium brine projects, HMW and Candelas, located on the Hombre Muerto Salar in Argentina, within South America's 'lithium triangle'. Galan is distinguished by:

- The size of its mineral resource. HMW is placed within the top 10 producing or development lithium projects globally,[1]
- The purity of its mineral resource. The HMW mineral resource has the lowest impurity profile of any published lithium brine resource in Argentina,
- Positioning on the cost curve. When in production, HMW is profiled to be in the first quartile of the industry cost curve,[2]
- Near term production with permitted expansion. Galan is on track for first lithium chloride production in 2026 and has the construction permits to expand HMW to 21 ktpa LCE,
- The RIGI. The RIGI is a large scale investment framework in Argentina which provides income tax benefits, 30 years of fiscal stability and a range of other financial benefits. Galan and Rio Tinto are the only recipients of the RIGI within the lithium industry in Argentina, and
- Exploration licences at Greenbushes South in Western Australia, close to and just south of the Tier 1 Greenbushes Lithium Mine.

Forward-Looking Statements
Some of the statements appearing in this announcement may be forward-looking in nature. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Galan Lithium Limited operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by several factors and subject to various uncertainties and contingencies, many of which will be outside Galan Lithium Limited's control. Galan Lithium Limited does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, neither Galan Lithium Limited, its directors, employees, advisors, or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements reflect views held only as at the date of this announcement.

[1] S&P Global Metals & Mining.
[2] Wood Mackenzie, iLi Markets

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Mineral Resource Statement for Hombre Muerto West and Candelas (January 2025)

Resource Category	Brine Vol (Mm^3)	In Situ Li (Kt)	Avg Li (mg/L)	LCE (Kt)	In Situ K (Kt)	Avg K (mg/L)	KCl Equiv. (Kt)
Hombre Muerto West:							
Measured	1,028	890	866	4,738	7,714	7,505	14,711
Indicated	347	310	894	1,649	2,717	7,837	5,181
Inferred	300	278	926	1,480	2,464	8,210	4,700
HMW Total	1,675	1,478	883	7,867	12,895	7,700	24,591
Candelas:							
Indicated	350	242	689	1,284	2,406	6,870	4,588
Inferred	100	65	661	350	649	6,520	1,238
Subtotal	450	307	683	1,634	3,055	6,792	5,826
Galan's Total Resource Inventory							
Total	**2,125**	**1,785**	**841**	**9,501**	**15,950**	**7,508**	**30,417**

Notes:

1. A cut-off grade of 500 mg/L updated Mineral Resource Estimate for Candelas.
2. The Mineral Resource Estimate for Hombre Muerto West is unchanged from 27 March 2024. 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 changed.
3. There may be minor discrepancies in the above table due to rounding.
4. The conversion for LCE = Li x 5.3228, KCl = K x 1.907.

For detailed technical information please refer to GLN ASX announcements dated 1 October 2019, 27 March 2024, 4 April 2024 and 29 January 2025.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed.

Competent Persons Statements

The information contained herein that relates to the latest Mineral Resource estimation approach at Hombre Muerto West was compiled by Mr. Carlos Eduardo Descourvieres. Mr. Descourvieres is an employee of WSP Chile and a Member of the Australian Institute of Mining and Metallurgy. He has sufficient experience relevant to the assessment 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)'. Mr. Descourvieres consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information contained herein that relates to the latest Mineral Resource estimation approach at Candelas was compiled by Dr Michael Cunningham, GradDip, (Geostatistics) BSc honours (Geoscience), PhD, MAusIMM. Dr Cunningham is a Principal Consultant and full-time employee of SRK Consulting (Australasia) Pty Ltd. He has sufficient experience relevant to the assessment and of this style of mineralisation to qualify as a Competent Person as defined by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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 information contained herein that relates to exploration results and geology is based on information compiled or reviewed by Dr Luke Milan, who has consulted to the Company. Dr Milan is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Milan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Conversion Factors

Lithium grades are normally presented in mass percentages or milligrams per litre (or parts per million (ppm)). Grades of deposits are also expressed as lithium compounds in percentages, for example as a percentage of lithium oxide (Li_2O) content or percentage of lithium carbonate (Li_2CO_3) content. Lithium carbonate equivalent (LCE) is the industry standard terminology and is equivalent to Li_2CO_3. Use of LCE provides data comparable with industry reports and is the total equivalent amount of lithium carbonate, assuming the lithium content in the deposit is converted to lithium carbonate, using the conversion rates in the table included below to get an equivalent Li_2CO_3 value in per cent. Use of LCE assumes 100% recovery and no process losses in the extraction of Li_2CO_3.

Table 3. Conversion Factors for Lithium Compounds and Minerals

Convert from		**Convert to Li**	**Convert to Li_2O**	**Convert to Li_2CO_3**
Lithium	Li	1.000	2.153	5.323
Lithium Oxide	Li_2O	0.464	1.000	2.473
Lithium Carbonate	Li_2CO_3	0.188	0.404	1.000
Lithium Chloride	LiCl	0.871		

Potassium is converted to potassium chloride (KCl) with a conversion factor of 1.907.

INTEREST IN MINING TENEMENTS AT 31.12.25

Argentina (HMW & Candelas projects) - 100% interest

Argentina Gold I
Candela I – IX, XI-XV
Casa Del Inca III & IV
Catalina
Deceo I, II & III
Del Condor
Delmira, Demira I
Don Martin
Pata Pila
Pucara del Salar
Rana de Sal I, II, III & IV
Salinas I-IV
Santa Barbara VII, VIII, X, XXIV

Australia (Greenbushes South project) – 100% interest

E70/4629
E70/4777
E70/4790
E70/4889
E70/5680
E70/1702 – P70/1704
P70/1698-P70/1701 (pending)

Canada (James Bay project) – 50% interest

James Bay – Claim Nos

CDC2853347 – CDC2853343
CDC2854016 – CDC2854046
CDC28556534 – CDC2855554
CDC22857416 – CDC2857423
CDC2857933 – CDC2857964
CDC2858465 – CDC2858484
CDC2866786 – CDC2866789

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GALAN LITHIUM LIMITED

ABN	Quarter ended ("current quarter")
87 149 349 646	31 December 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	5	135
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(1,096)	(2,031)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	41	108
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	10
1.9	**Net cash from / (used in) operating activities**	**(1,050)**	**(1,778)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(4,485)	(10,246)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	200
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(4,485)**	**(10,046)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,122	22,617
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(27)	23
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**10,095**	**22,639**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	10,583	4,448
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,050)	(1,778)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,485)	(10,046)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	10,095	22,639

Consolidated statement of cash flows		Current quarter $A'000	Year to date $A'000
4.5	Effect of movement in exchange rates on cash held	(235)	(355)
4.6	**Cash and cash equivalents at end of period**	**14,908**	**14,908**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	654	1,893
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) USD bank acc	14,254	8,690
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**14,908**	**10,583**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	151
6.2	Aggregate amount of payments to related parties and their associates included in item 2	171

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Includes MD salary, NED salaries and professional fees and commissions plus legal fees paid to an associate of a NED.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**		
7.5	**Unused financing facilities available at quarter end**		

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Galan is currently in negotiations to finalise funding sources to support its Hombre Muerto West, Phase 1 project in Argentina. Funding is expected to include a combination of equity funding, secured and unsecured debt, prepayment funding to fund the balance of Galan's cash requirements for the year.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,050)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(4,485)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(5,535)
8.4	Cash and cash equivalents at quarter end (item 4.6)	14,908
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	14,908
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.7

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not Applicable

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not Applicable.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not Applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 20 January 2026

Authorised by: **The Board of Galan Lithium Limited**

Juan Pablo Vargas de la Vega (Managing Director)
(Name of body or officer authorising release – see note 4)

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Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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