



## ASX ANNOUNCEMENT

12 October 2020

### GALAN SUCCESSFULLY RAISES \$3 MILLION

- **Firm Commitments** from institutional and sophisticated investors received for an over-bid private placement of \$3 million (before costs)
- **Includes continued support and participation** by Luxembourg green energy fund, Thematica Future Mobility
- **Funds will be used for the continued PEA, Scoping and Pre-Feasibility studies (PFS), continued investigation of alternative product market routes and working capital**

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Galan Lithium Limited (**ASX:GLN**) (**Galan** or the **Company**) is very pleased to announce it has successfully received firm commitments for a placement of approximately 23.1 million shares (**New Shares**) at a price of A\$0.13 per share to raise \$3 million (before costs) (**Placement**). The placement was very well supported by domestic and international investors which resulted in bids exceeding the original placement goal by 50%.

The proceeds of the Placement, together with the Company's existing cash resources will be applied towards the continued advancement of its 100% owned Hombre Muerto West (**HMW**) lithium project located within the South American Lithium Triangle in Argentina. Funds will be primarily allocated towards progressing Scoping and Pre-Feasibility Studies at HMW, completing lab testing to support the development of a high-grade lithium concentrate and/or lithium carbonate product and general working capital purposes.

**Managing Director, Juan Pablo Vargas de le Vega, said, "We are delighted with the strong support received from existing shareholders and several new sophisticated institutional investors. This Placement enables us to further strengthen our share register and our balance sheet which will enable Galan to continue to execute its Hombre Muerto West development strategy with vigour and unencumbered."**

Under the Placement, the Company will issue 23,076,924 New Shares pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1. The Placement pricing represents a discount of 13.3% to Galan's last close (7 October 2020) of \$0.15 per share, a 12.8% discount to the 5-day VWAP of \$0.149 per share and a 14.6% discount to the 15-day VWAP of \$0.152 per share.

Argonaut Securities Pty Limited were engaged as Lead Manager with Barclay Wells Limited appointed as Co-Lead Manager in respect of the Placement.

**The Galan Board has authorised this release.**

**For further information contact:**

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#### About Thematica:

Thematica Future Mobility is a Luxembourg based UCITS fund, with exposure to companies that are focused or will substantially benefit from the transition to clean and sustainable transportation and energy storage solutions. The fund invests in companies globally and across all market caps. For more information please go to [www.thematicafunds.com](http://www.thematicafunds.com)

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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 two projects:*

*Candelas: a ~15km long by 3-5km wide valley filled channel which project geophysics and drilling indicated the potential to host a substantial volume of brine and over which a maiden Inferred resource estimated of 685kt LCE was announced in October 2019 (resources status was upgraded to Indicated in June 2020). 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 wide of the west coast of Hombre Muerto salar neighbouring Livent Corp to the east. HMW is currently comprised of four concessions and an additional two concessions under an option agreement from Portofino Resources Inc (TSX-V). 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), In June 2020, the resource was upgraded to 1.4Mt of LCE (Indicated) with exploration upside remaining for other concessions in the area.*



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LITHIUM LIMITED

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