



## ASX ANNOUNCEMENT

24 October 2022

### **SPECTACULAR 2.5x INCREASE IN HMW RESOURCE – NOW 5.8MT LCE @ 866 mg/l Li (76% IN MEASURED CATEGORY)**

#### Highlights:

- **HMW Mineral Resource increases 2.5 times to 5.8Mt contained lithium carbonate equivalent (LCE) @ 866 mg/l Li**
- **HMW retains its high grade, low impurity profile**
- **First time inclusion of a Measured Resource of 4.4Mt @ 883 mg/l Li**
- **Enlarged and upgraded resource is driven by increased tenure scale and further drilling delivering increased aquifer size and porosity assays**
- **Results to be incorporated into DFS, on track for delivery in Q1 2023 – potential production increase being explored**
- **Total Galan Resource (including Candelas) is 6.5Mt @ 839 mg/l Li**

Galan Lithium Limited (ASX: GLN) (**Galan** or **the Company**) is pleased to announce a substantial increase in its JORC (2012) reported Mineral Resource estimate for the Hombre Muerto West Project (**HMW Project**) located in Catamarca Province, Argentina. The revised Mineral Resource estimate was completed by the Australian based team of leading independent geological consultants, SRK Consulting (Australasia) (**SRK**).

The initial HMW Project Mineral Resource Estimate (refer Galan ASX release dated 12 March 2020) was prepared by SRK and further updated by them on 17 November 2020. Subsequently, SRK incorporated new data gathered during exploration campaigns completed in 2021-2022 and also considered the acquisition of the Casa del Inca I tenement (now formally Casa del Inca III, see Figure 1 for location).

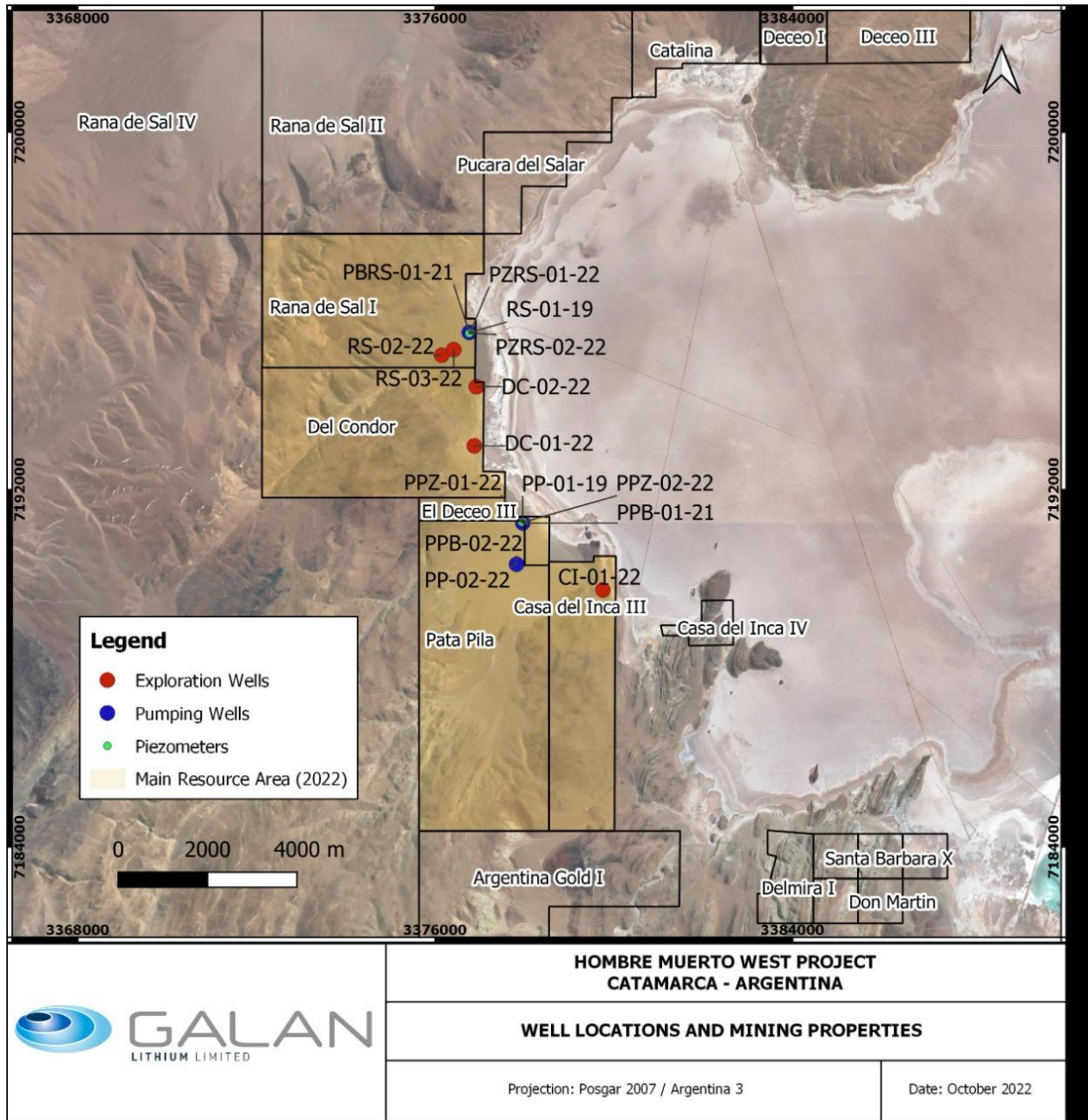
#### **Galan's Managing Director, Juan Pablo (JP) Vargas de la Vega, said:**

*"Even the Galan team has been amazed by the scale of this updated Resource for Hombre Muerto West. The outcome is game changing in terms of the step-up in the overall technical and economic potential of this world-class lithium brine asset. This is a function not only of the size of the increase in resource, but also the big step-up in confidence classification that has been achieved. This potential is now set to be incorporated into our ongoing Definitive Feasibility Study (DFS) work, which is on track for completion during Q1 2023.*

*This amazing result could not have been achieved without the concerted efforts of our tireless and loyal teams in South America and Australia, who continue to deliver outstanding exploration and evaluation results, and savvy tenement acquisitions. Thank you to all. We look forward to continuing to advance the HMW Project rapidly towards its development and production of critical lithium supply. The entire Galan team is aligned towards maximising the future benefits of this flagship asset, and our broader portfolio."*

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**Figure 1: Galan Lithium Limited's Western Basin tenure, Hombre Muerto Salar Argentina (shaded area shows resource related tenements)**

The revised Mineral Resource estimate incorporates geological and geochemical information obtained from fifteen (15) drillholes totalling 4,384 metres within the Pata Pila, Rana de Sal, Casa del Inca and Del Condor tenements. A total of 236 brine assays were used as a foundation of the estimation, all of which were analysed at Alex Stewart International laboratory (Jujuy). An improved QA/QC program was implemented, including duplicates, triplicates, and standards. In total, 98 QA/QC samples were considered using Alex Stewart (duplicates) and SGS in Argentina (triplicates) as the umpired laboratory. New porosity data was obtained from 131 core samples derived from five (5) drillholes located in the Pata Pila (2) and Rana de Sal (3) tenements in support of the HMW Mineral Resource Estimate. Porosity analysis was undertaken at SGS in Argentina and Daniel B. Stephens & Associates (DBS&A) in New Mexico (United States). To complement directly obtained brine samples and core, approximately 51 km of total surface resistivity (CSAMT and TEM) have been completed since the start of the project. Furthermore, Zelandez has conducted 1,766 metres of downhole geophysical logging in 5 (five) drillholes located in the Pata Pila (2) and Rana de Sal (3) tenements.

Mineral Resources have also been reclassified based on the new data, resulting in the Measured Resource now exceeding 4.4 million tonnes of contained lithium carbonate equivalent (LCE) product grading 883 mg/L Li. The total Mineral Resource (Measured + Indicated + Inferred) has increased by approximately 158% to now sit at over 5.8 million tonnes of contained LCE grading at 866 mg/L Li. A summary of the updated HMW Mineral Resource is provided in the Mineral Resource Statement (Table 1). No cut-off grade has been applied to the updated Mineral Resource estimate as minimum block grades of 620 mg/L Li exceeded the anticipated economic threshold. This exceptional characteristic of the HMW reservoir reflects the highly homogenous brine quality throughout the tenements which permits the aggregation of the complete ore body and simplifies future operational, and process constrains.

### Summary of Resource Estimate and Reporting Criteria

The original Mineral Resource Estimate (MRE) was completed by SRK Consulting (Australasia) (SRK) in March 2020 (ASX: GLN 12 March 2020) and was based upon results from 1,054 metres of drilling within the Pata Pila, Rana de Sal and Casa del Inca tenement holdings at Hombre Muerto West. The hydrogeologic domains were constrained to logged units within the drillholes and supported by interpretation Controlled Source Audio-Frequency Magnetotellurics (CSMAT) and Transient Electromagnetic (TEM) geophysical profiles. Mineral Resource Estimates for lithium (reported as Li<sub>2</sub>CO<sub>3</sub> equivalent) and potassium (KCl equivalent) were completed by SRK.

Table 1 provides a summary of the updated MRE, incorporating the results of the 2021-2022 exploration campaign and reported in accordance with the JORC Code guidelines. According to SRK, the Hombre Muerto West MRE is hosted within geologically well-defined zones of high-grade lithium mineralisation including significant mineralised hydrogeologic domains. The units within the domains show some variation in thickness along strike and depth, refer Figure 2.

**Table 1: Mineral Resource Statement for Hombre Muerto West and Candelas (October 2022)**

Resource Category	Brine Vol. (Mm <sup>3</sup> )	In situ Li (Kt)	Avg. Li (mg/l)	LCE (Kt)	Avg. K	In situ K (Kt)	KCl Equiv. (Kt)
					(mg/l)		
<b>Hombre Muerto West:</b>							
Measured	933	833	883	4,435	7,777	7,331	13,980
Indicated	151	125	820	663	6,993	1,101	2,099
Inferred	174	140	811	748	7,170	1,241	2,367
<b>HMW Total</b>	<b>1,258</b>	<b>1,098</b>	<b>866</b>	<b>5,846</b>	<b>7,599</b>	<b>9,733</b>	<b>18,561</b>
<b>Candelas North (*)</b>							
Indicated	196	129	672	685	5,193	1,734	3,307
<b>Galan's Total Resource Inventory</b>							
<b>Grand Total</b>	<b>1,454</b>	<b>1,227</b>	<b>839</b>	<b>6,531</b>	<b>7,274</b>	<b>11,467</b>	<b>21,868</b>

NB.; no cut-off grade applied to the updated Mineral Resource Estimate as minimum values are above expected economic values (620 mg/L); Specific yield (SY) values used are as follows: Sand – 23.9%, Gravel – 21.7%, Breccia – 8% and Halite – 3%. There may be minor discrepancies in the above table due to rounding. The conversion for LCE = Li x 5.3228, KCl = K x 1.907.

(\*) The Candelas North Mineral Resource Statement was originally announced by Galan on 1 October 2019. There may be minor discrepancies in the above table due to rounding.

### Location & Tenure

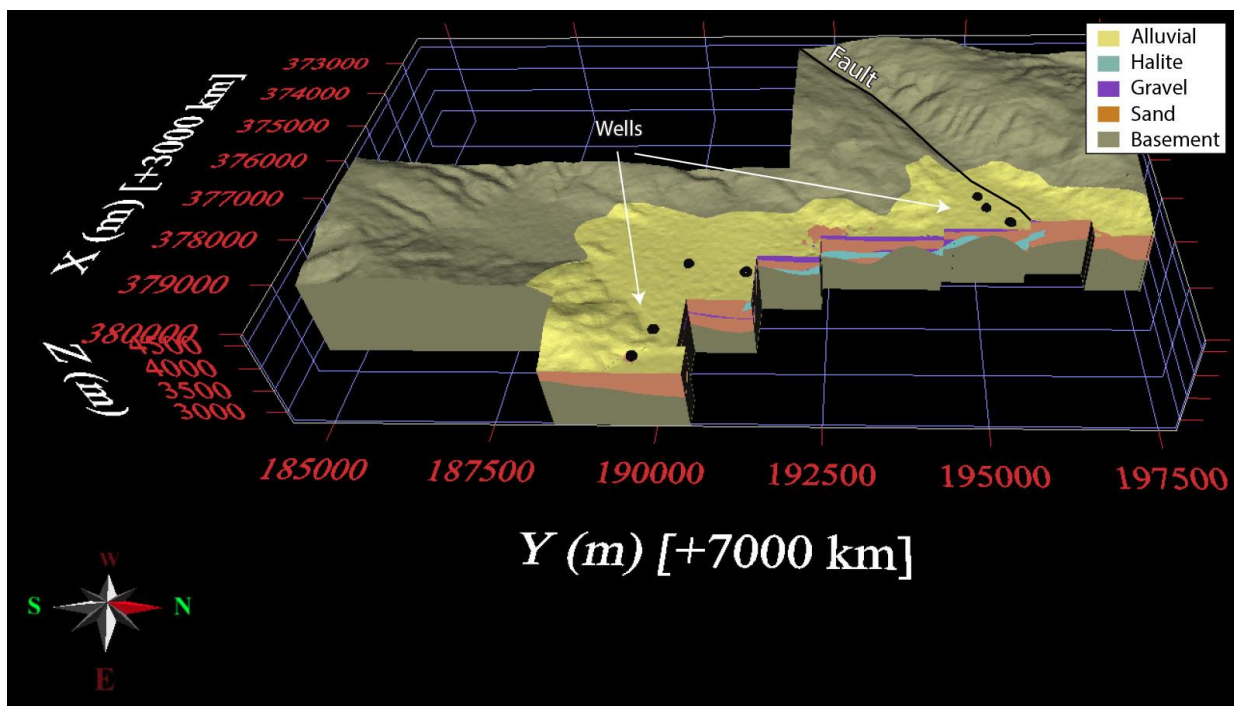
The HMW Project is located on the western shore of the Hombre Muerto Salar, a world-renowned lithium bearing salar located in the Argentinean Puna plateau region of the high Andes at an elevation of approximately 4,000m above sea-level. The HMW Project comprises various exploration areas (note that the Catalina and Pucara tenements are not included in the HMW resource), covering a total estimated polygon area of 7.5km strike, up to 2.5km in width and up to 718m in depth. It lies adjacent to Livent Corporation, Allkem Limited and POSCO's Sal de Vida projects. It is approximately 1,400 km northwest of the capital of Buenos Aires and 170 km west-southwest of the city of Salta.

### Geological Model

As part of the mineral resource estimation process, SRK modelled the hydrogeologic domains (Figure 2) of HMW using Paradigm's SKUA-GOCAD™ geological modelling software package. The contiguous geology enabled all the concessions to be evaluated as a whole and a model was produced based on the lithologies.

The model utilised the following datasets:

- Resistivity and Conductivity profiles (10 CSMAT lines);
- Resistivity and Conductivity profiles (7 TEM lines);
- Downhole geophysics (particularly gamma);
- Assays obtained from Alex Stewart International laboratory;
- Zelandez downhole data including total porosity and specific yield;
- Specific yield measurements from SGS; and
- Lithological logs.



**Figure 2: The geological model for Hombre Muerto West produced by SRK (from Rana de Sal I to Casa del Inca III). Note specific yields are: Sand (23.9%), Gravels (21.7%), Breccia (8%) and Halite (3%)**

HMW Project areas are located along the western shores of the Salar, a closed drainage basin, structurally controlled and bounded by normal faults. The drill holes were located upon alluvial fans that have prograded eastward out onto the Salar. The younger alluvial fan deposits rest conformably upon the salar.

All borehole drilling was by the diamond drill method, with an internal triple tube for core recovery. Core was sampled in 1.5m lengths and logged by a geologist. Brine samples were taken from multiple target intervals using packer, bailer and airlift tests (refer Annexure 1, Table 1). Downhole geophysics were employed, including downhole geophysical profiling and borehole magnetic resonance. Geochemical analyses of brine were undertaken by ICP-MS in two independent accredited laboratories (refer Annexure 1, Table 1).

The resource boundaries of the hydrogeologic wireframes were determined as follows:

- Vertical limits are constrained between top of basement and top of sand / base of alluvial cover;
- The western margin is limited where the sand unit pinches out against basement;
- The eastern margin is constrained by the tenement boundary;
- The northern margin is constrained by the tenement boundary of Rana de Sal I; and
- The southern margin is constrained where the sand unit pinches out on shallow basement.

In general, the style of geology has been assumed to be relatively flat to gentle basinward dipping stratigraphy with no preferred direction of mineralisation continuity.

A proportional block model was created to cover the extent of the relevant tenement areas and was confined by a wireframe model based upon the various lithologies. When choosing appropriate model cell dimensions of 100m (easting) by 500m (northing) by 20m (elevation), consideration was given to drill spacing, sample interval, the interpreted geometry and thickness of the hydrogeologic domains and the style of mineralisation.

Blocks were selected by tenement and then by hydrogeologic domains (refer Figure 3). The following tenements form the Mineral Resource estimates:

- Rana de Sal I;
- Del Condor;
- Deceo III;
- Pata Pila; and
- Casa del Inca III.

Several assay intervals overlap as a result of different tests performed. Depth specific packer samples were prioritised over pumping tests and airlift samples (given the latter samples are more representative of composite value over the entire screened interval). Where sample segments overlap, a mean value was calculated. A single well per platform was taken to avoid conflict of different values in close proximity.

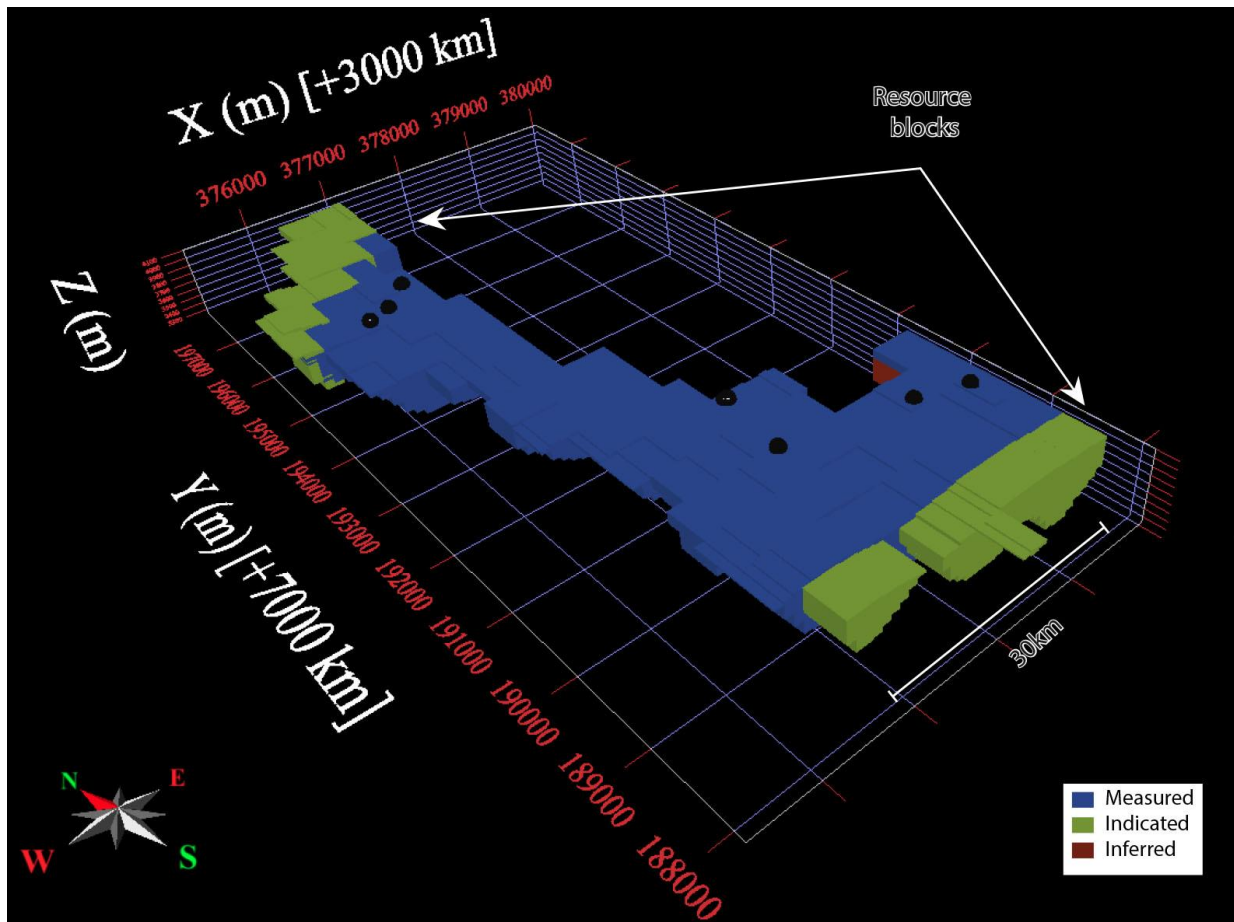


Figure 3: Extent of Resource model for Hombre Muerto West produced by SRK.

Brine samples were obtained from intervals as follows:

- CI-01-22: 39m to 151m;
- PP-01-19: 40 to 718m;
- PPB-02-22: 102 to 385m;
- RS-01-19: 32 to 433m;
- RS-02-22: 55 to 260m; and
- RS-03-22: 96 to 340m.

A simple inverse distance-weighted extrapolation (power value 2) was carried out, using an isotropic search that allowed all blocks coded with Sand, Gravel, Breccia or Halite to be interpolated. The search ellipse used a first pass radius of 2.5 by 2.5 by 0.2km. A second and third pass used a ratio of 2 and 3.5 respectively.

#### Resource Classification

The MRE for the HMW Project has been classified in accordance with the JORC Code (2012). This classification also conforms to the AMEC Guidelines for Resource and Reserve Estimation for Brines (2017). Numerous factors were taken into consideration when assigning the classification applied to the Mineral Resource estimate.

Of these factors, it is considered that the classification has been primarily influenced by the drill coverage, availability of long-term pumping data, geological complexity and data quality as described below:

Specific Yield: Specific Yields (Sy) incorporated into the updated MRE were derived from laboratory measured values from the SGS laboratory in Salta using methodology in accordance with standard ISO 5636-5. Direct Specific Yield measurements were augmented by Scanning Electron Microscopy (SEM) to which indicated minimal presence of clay minerals within the sand and gravel materials and supporting higher Sy values for these lithologies. To maintain conservatism, SRK utilised minimum measured Specific Yield values for the respective lithologies in the updated MRE. Specific yield values used in the MRE update (in order of abundance) were:

- Sand: 23.9%
- Gravel: 21.7%
- Breccia: 8.0%
- Halite: 3.0%.

The AMEC guidelines recommend specific yield be verified by independent methodologies. Due to the presence of significant residual stabilising fluid (used during drilling to maintain hole integrity) the HMW Project was unable to obtain representative samples for measurement of specific yield by Relative Brine Release Capacity (RBRC). Samples submitted for RBRC produced anomalous and non-reproducible results and were therefore not considered as part of the updated MRE by SRK.

Zelandez Limited were contracted to obtain measurements of total porosity, pore-size distribution and specific yield by downhole Borehole Nuclear Magnetic Resonance (BNMR) technology profiling. Results of the BNMR analyses were complicated both by the presence of drilling fluids, borehole construction and the inherent control of fractures on BNMR results. A geostatistical analysis of the Zelandez results comparing numerous existing porosity and specific yield studies of salars in the region (including Hombre Muerto) undertaken by other companies was completed. This review found the Zelandez derived results to be highly variable within similar lithologies, with numerous zero reading intervals resulting in anomalously low averaged values when compared to similar salar settings and sedimentology. Notably, non-zero BNMR results for sand and gravel units correspond well with laboratory derived specific yield values.

Specific yield values were also benchmarked projects within the area. The specific yield of sand, silt, and clay units within other Salars have a wide range of between 8% and 15% (e.g. Sulfa Mina on Salar de Pular, PNN's ASX release dated 4 January 2019; Hombre Muerto Norte Project, NRG Metals Inc. dated 7 August 2019). The ranges tend to be a function of the coarseness of sand grains and proportion of clay. The higher clay content tends to result in a reduction in the porosity and hence specific yield. The sandy units at HMW are a mix of silts and sands and notably contain very little clay. As a result of the relative abundance of coarse sands and lack of clays within the sand hydrogeologic domain, SRK applied the minimum laboratory average specific yield for sand samples of 23.9% into the updated MRE.

The specific yield of gravels, channel deposits, flanglomerate sequences has been benchmarked to other projects, with typical values ranging around 11% (e.g. 3Q Project, NEO Lithium Corp, NI 43-101 dated 7 May 2019; Rincon Lithium project, AGY's ASX release dated 13 November 2018). As a result of the lack of clays within the gravel hydrogeologic domain, SRK applied the minimum laboratory average specific yield for gravel samples of 21.7% into the updated MRE.

Breccia and halite lithologies are relatively rare in the HMW Project area, and SRK applied conservative specific yield values of 8% and 3%, respectively for these hydrogeologic domains.

**Data quality:** The datasets comprise a mix of sample data which were provided to SRK in numerous separate editable files. QAQC for Galan's data was acceptable for brine chemistry. Geochemical results from Alex Stewart International laboratory were preferred for resource estimation. The brine occurrence and chemistry, the relative consistency of the data and confidence in the drilling and sampling results is good.

**Geological complexity:** The general orientation of the major defined hydrogeologic domains / horizons appears to be consistent and predictable. Thickness is variable for each hydrogeologic domain. The lower boundary of sand and gravels is reasonably constrained from geophysics. However, one well had logged basement well within a highly conductive zone and may actually represent a lava flow. Classification of blocks in the vicinity of the log are Inferred. Overall, there is reasonable understanding of the stratigraphy of the basin with excellent correlation of units between most areas.

**Data coverage:** The data coverage reflects the 2019 to 2022 drilling (15 holes) and all geophysical surveys conducted to date. The drillhole spacing varies between 0.5km to 4.5 km and all holes are vertical.

A study by Houston et al., (2011)<sup>1</sup> showed that drill spacing of between 7km and 10km should be sufficient for Inferred resource definition. Therefore, the distance of 4.5 km between the two holes and maximum extrapolation distances of around 2.6km are considered reasonable for Indicated classification. Within a 1.5km extrapolation distance from pumping wells, Measured classification is adequate.

1. "The Evaluation of Brine Prospects and the Requirement for Modifications to Filing Standards" by John Houston, Andrew Butcher, Peter Ehren, Keith Evans and Linda Godfrey (October 2011)

**Validation results:** The model validation checks show a reasonable match between the input data and estimated grades, indicating that the estimation procedures have performed as intended.

**Potential economic viability:** The deposit is in a well-known area of brine lithium with good existing infrastructure and nearby plants available for ore processing.

The minimum interpolated grade is around 620 Li mg/l, which is considered to be a relative high grade, and above what has been deemed in similar projects as an economic cut-off grade. For example, a 500 Li mg/l cut off was used for <sup>2</sup>NRG Metals Inc's Hombre Muerto North project that has a combined Measured/Indicated resource.

<sup>2</sup>NRG Metals, NI 43-101 Preliminary Economic Assessment Report for the Hombre Muerto Norte Project Salta Province, Argentina. Effective Date 3<sup>rd</sup> June 2019

## **Next Steps**

Delivery of the HMW Project DFS is now planned for release in Q1 2023. The updated HMW Resource Estimate has resulted in the exploration of potential increases to the original envisaged production parameters.

A numerical groundwater model is being prepared by SRK as a basis for the declaration of an Ore Reserve as part of this process. Exploration, including drilling and pumping tests will continue during Q4 2022 to improve geological and hydrogeological understanding of the indicated resource areas and extend the resource to unexplored tenements (Santa Bárbara, Pucará del Salar and Catalina; see Figure 1). An updated Mineral Resource Estimate and Ore Reserve will be declared as part of the DFS, to account for exploration progress made during this period.



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

For further information contact:

Juan Pablo (“JP”) Vargas de la Vega  
Managing Director  
Email: [jp@galanlithium.com.au](mailto:jp@galanlithium.com.au)  
Tel: +61 8 9322 6283

Terry Gardiner  
Non-Executive Director  
Email: [TGardiner@galanlithium.com.au](mailto:TGardiner@galanlithium.com.au)  
Tel: + 61 4000900377

### **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’. Hombre Muerto is proven to host lithium brine deposition of the highest grade and lowest impurity levels within Argentina. It is home to the established El Fenix lithium operation (Livent Corporation) and the Sal de Vida (Allkem) and Sal de Oro (POSCO) lithium projects. Galan is also exploring at Greenbushes South in Western Australia, approximately 3km south of the Tier 1 Greenbushes Lithium Mine.

**Hombre Muerto West (HMW):** A ~16km 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 significant potential of a deep basin. In October 2022, an updated Mineral Resource estimate was delivered totalling 5.8Mt of LCE for the largest concessions (including Pata Pila, Casa del Inca and Rana de Sal). Exploration upside remains for the rest of the HMW concessions not included in the current resource estimate.

**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.

**Greenbushes South Lithium Project:** Galan has an Exploration Licence application (E70/4629) covering a total area of approximately 43 km<sup>2</sup>. 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 Ltd 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 km<sup>2</sup>, 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.



**Figure 4: HMW Project looking north from Pata Pila**

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## **Competent Persons Statements**

### **Competent Persons Statement 1**

*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 of his name in the matters based on the information in the form and context in which it appears.*

### **Competent Persons Statement 2**

*The information relating to the Exploration Results and integrity of the database was compiled by Mr Alvaro Henriquez. Mr Henriquez is a full-time employee of Galan Lithium Limited and has been engaged by Galan as their Exploration 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. Review of the hydrogeological aspects of the exploration program and a site inspection was completed by Dr Brian Luinstra, BSc honours (Geology), PhD (Earth Sciences), MAIG, PGeo (Ontario). Dr Luinstra is a Principal Consultant of SRK Consulting (Australasia) Pty Ltd.*

### **Competent Persons Statement 3**

*The information in this report that relates to the Mineral Resources estimation approach at Hombre Muerto West was compiled by Dr Cunningham. Dr Cunningham is an Associate Principal Consultant 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 "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.

### **Forward-Looking Statements**

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. 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'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, none of 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 in this announcement reflect views held only as at the date of this announcement.

# ANNEXURE 1

## JORC CODE, 2012 EDITION – TABLE 1

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Drill core was recovered in 1.5 m length core runs in core split tubes to minimise sample disturbance. Core recovery was carefully measured by comparing the measured core to the core runs.</li> <li>Drill core was obtained with representative samples of the stratigraphy and sediments.</li> <li>Water/brine samples were collected by purging the brine section of the hole of all fluid over an approximate 72-hour period. The hole was then allowed to re-fill with ground water and the purged sample was collected for lab analysis</li> <li>Samples were taken from the relevant section based upon geological logging and conductivity testing of water.</li> <li>Water/brine samples were collected as listed in table 1.</li> <li>Conductivity tests are taken on site with a field portable Hanna Ph/EC/DO multiparameter.</li> <li>Density measurements were undertaken on site with a field portable Atmospheric Mud Balance, made by OFI testing equipment.</li> <li>For pumping wells, brine samples were collected in different times during the pumping period, ensuring enough brine is pumped to renew the well storage volume several times.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling with internal (triple) tube was used for drilling. The drilling produced core with variable core recovery based on the amount of unconsolidated material. Recovery of the more friable sediments was difficult, however core recovery by industry standards was very good.</li> <li>Brine was used as base for drilling fluid/lubrication during drilling.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drill core was recovered in 1.5m length intervals in triple (split) tubes. Appropriate additives were used for hole stability to maximize core recovery. The core recoveries were measured from the core and were compared to the length of each run to calculate the recovery.</li> <li>Brine samples were collected over relevant sections based upon the encountered lithology and groundwater representation.</li> <li>Brine quality is not directly related to core recovery and is largely independent of the quality of core samples. However, the porosity and permeability of the lithologies where samples were taken is related to the rate of brine inflow.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)</li> </ul>	<ul style="list-style-type: none"> <li>The core was logged by a senior geologist and contract geologists (who were overseen by the senior geologist). The senior geologist also supervised the collection of samples for laboratory analysis.</li> <li>Logging is both qualitative and quantitative in nature. The relative proportions of different lithologies which have a direct bearing on the</li> </ul>

	<p>photography.</p> <ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p>overall porosity, contained and potentially extractable brine were noted, as with more qualitative characteristics such as the sedimentary facies. Cores were split for sampling and were photographed.</p> <ul style="list-style-type: none"> <li>All core was logged by a geologist.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Water/brine samples were collected by purging the hole of all fluid in the hole, to minimise the possibility of contamination. Subsequently the hole was allowed to re-fill with groundwater. Samples were then taken from the relevant section.</li> <li>Duplicate sampling is undertaken for quality control purposes.</li> <li>131 Core samples for Relative Brine Release Capacity (RBRC) and specific yield (Sy) tests were collected and shipped in sealed plastic sleeves in 30 – 40 cm lengths. Approximately 10 litres of brine were also provided.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>The Alex Stewart laboratory located in Jujuy, Argentina, was used as the primary laboratory to conduct the assaying of collected brine samples.</li> <li>The Alex Stewart laboratory is ISO 9001 and ISO 14001 certified and is specialized in the chemical analysis of brines and inorganic salts, with considerable experience in this field.</li> <li>The SGS laboratory was used for duplicate analyses and is also certified for ISO 9001 and ISO 14001.</li> <li>Relative Brine Release Capacity tests were conducted by the Daniel B. Stephens &amp; Associates (DBS&amp;A) in Albuquerque, New Mexico. Specific yield tests were conducted by SGS in Argentina.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Field duplicates, standards and blanks were used to monitor potential contamination of samples and the repeatability of analyses.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The survey locations were located using modern Garmin handheld GPS with an accuracy of +/- 5m.</li> <li>The grid System used: POSGAR 2007, Argentina Zone 3</li> <li>Topographic control was obtained by handheld GPS, and the topography is mostly flat with very little relief.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been</li> </ul>	<ul style="list-style-type: none"> <li>Water/brine samples were collected within isolated sections of the hole based upon the results of geological logging.</li> <li>More than 130 core samples were taken from representative lithologies throughout the brine-bearing aquifer.</li> </ul>

Orientation of data in relation to geological structure	<p><i>applied.</i></p> <ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>• The brine concentrations being explored generally occur as sub-horizontal layer, in lenses hosted by conglomerate, gravel, sand, salt, silt and/or clay. Vertical diamond drilling is ideal for understanding this horizontal stratigraphy as well as the nature of the sub-surface brine-bearing aquifers.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• Data was recorded and processed by trusted employees, consultants and contractors to the Company and overseen by senior management to ensure that the data was not manipulated or altered.</li> <li>• Samples were transported from the drill site to secure storage at the camp on a daily basis.</li> <li>• Samples were checked by laboratories for damage upon receipt.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>• SRK conducted audits related to the core logging, sampling and pumping procedures.</li> <li>• WSP (Chile) reviewed field procedures during exploration.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>• The Hombre Muerto Lithium Project consists of numerous licences located in the Catamarca Province, Argentina. The tenements are owned by Blue Sky Lithium Pty Ltd ('Blue Sky') or the Company. The Company and Blue Sky executed a Share Sale Agreement whereby Galan Lithium Limited purchased 100% of the issued share capital of Blue Sky.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>• Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>No historical exploration has been undertaken on this licence area. All drill holes completed by Galan (see below in drill hole information) are west of the adjacent licence area of Livent Corporation (NYSE:LVHM)</p> <ul style="list-style-type: none"> <li>•</li> </ul>
Geology	<ul style="list-style-type: none"> <li>• Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Both the Pata Pila and Rana De Sal licence areas cover sections of alluvial fans located on the western margin of the Hombre Muerto salar proper. The salar hosts a world-renowned lithium brine deposit. The lithium is sourced locally from weathered and altered felsic ignimbrites and is concentrated in brines hosted within basin fill alluvial sediments and evaporites.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Drillhole ID: PPB-01-21</li> <li>• Easting: 3377959 E (POSGAR 2007 Zone 3)</li> <li>• Northing: 7191250 N (POSGAR 2007 Zone 3)</li> <li>• Vertical hole</li> <li>• Hole Depth: 220m</li> <li>• Drillhole ID: PP-01-19</li> </ul>

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> <li>● <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>● Easting: 3377957 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7191255 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 720m</li>   <li>● Drillhole ID: PBRs-01-21</li> <li>● Easting: 3376761 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7195517 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 220m</li>   <li>● Drillhole ID: RS-01-19</li> <li>● Easting: 3376769 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7195514 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 480m</li>   <li>● Drillhole ID: PPB-02-22</li> <li>● Easting: 3377820 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7190325 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 385.5m</li>   <li>● Drillhole ID: PP-02-22</li> <li>● Easting: 3377800 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7190338 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 458m</li>   <li>● Drillhole ID: RS-02-22</li> <li>● Easting: 3376143 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7195004 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 380m</li>   <li>● Drillhole ID: RS-03-22</li> <li>● Easting: 3376414 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7195130 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 410m</li>   <li>● Drillhole ID: PPZ-02-22</li> <li>● Easting: 3377967 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7191268 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 220m</li>   <li>● Drillhole ID: PZRS-01-22</li> <li>● Easting: 3376778 E (POSGAR 2007 Zone 3)</li> <li>● Northing: 7195512 N (POSGAR 2007 Zone 3)</li> <li>● Vertical hole</li> <li>● Hole Depth: 210m</li>   <li>● Drillhole ID: CI-01-22</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• Easting: 3379754 E (POSGAR 2007 Zone 3)</li> <li>• Northing: 7189751 N (POSGAR 2007 Zone 3)</li> <li>• Vertical hole</li> <li>• Hole Depth: 155m</li> </ul> <ul style="list-style-type: none"> <li>• Drillhole ID: DC-01-22</li> <li>• Easting: 3376860 E (POSGAR 2007 Zone 3)</li> <li>• Northing: 7192962 N (POSGAR 2007 Zone 3)</li> <li>• Vertical hole</li> <li>• Hole Depth: 361m</li> </ul> <ul style="list-style-type: none"> <li>• Drillhole ID: DC-02-22</li> <li>• Easting: 3376919 E (POSGAR 2007 Zone 3)</li> <li>• Northing: 7194299 N (POSGAR 2007 Zone 3)</li> <li>• Vertical hole</li> <li>• Hole Depth: 552m</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>• <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No weighting or cut off grades have been applied to the assay results</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• It is fairly assumed that the brine layers lie sub-horizontal and, given that the drillhole is vertical, that any intercepted thicknesses of brine layers would be of true thickness.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Provided, refer to figures and tables in the document</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• These results are from the first wells at Pata Pila, Casa del Inca and Rana de Sal licence areas.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,</i></li> </ul>	<ul style="list-style-type: none"> <li>• All meaningful and material information is reported</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	
Further work	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg; tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>New exploration wells to be completed in Pucará del Salar, Santa Barbara and Catalina tenement by the end of Q1 2023. Preliminary depth estimated is 400m each.</li> <li>3 new pumping wells to be constructed, including hydraulic testing and sampling as part of the Ore Reserve development.</li> </ul>

### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li><i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i></li> <li><i>Data validation procedures used.</i></li> </ul>	<ul style="list-style-type: none"> <li>All logs provided to SRK were imported and validated in Postgres SQL database server.</li> <li>Boreholes are plotted in ArcGIS for plan generation.</li> <li>All data is checked for accuracy.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li><i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>The CP visited the site from 22 to 26 July 2019 (Candelas and Hombre Muerto West), and 2 to 3 June 2022 (Hombre Muerto West only).</li> <li>The CP reviewed core and cuttings for Hombre Muerto West. The CP consulted with exploration manager regarding details of the descriptions and lithologies.</li> <li>The CP reviewed locations and drilling and sampling practices whilst at site.</li> </ul>
Geological interpretation	<ul style="list-style-type: none"> <li><i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></li> <li><i>Nature of the data used and of any assumptions made.</i></li> <li><i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> <li><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li><i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<ul style="list-style-type: none"> <li>The spacing of drill holes various between 0.5 and ~4.5 km. There is also extensive coverage of conductivity surveys (17 lines) spaced on average 0.5km, giving a moderate degree of confidence in the geological model.</li> <li>The brine level is horizontal and physical parameters of density, temperature and pH along with time and depth were recorded during drilling to identify any variation and assist in sampling.</li> </ul>
Dimensions	<ul style="list-style-type: none"> <li><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>	<ul style="list-style-type: none"> <li>The extents of the resource are approximately 0.6 km to 3.4 km (easting) by 9.5 km (northing) by 1.2 m (vertical), giving a total volume of interest of ~93 km<sup>3</sup>.</li> <li>Downhole geophysics and depth-specific data (i.e. specific yield and brine chemistry) were used to estimate the resource. Priority was given to depth-specific packer samples.</li> <li>Grades are relatively uniform with depth and lateral extent within hydrogeologic domains.</li> </ul>
Estimation and modelling techniques	<ul style="list-style-type: none"> <li><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen, include a</i></li> </ul>	<ul style="list-style-type: none"> <li>Due to the nature of the mineralisation style, the long sample intervals, and the need for some averaging of overlapping samples, an Inverse Distance interpolation (using power 2) was deemed most appropriate at this stage.</li> <li>The search ellipse was spheroidal. The search distances were at a distance to ensure all blocks</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>description of computer software and parameters used.</i></p> <ul style="list-style-type: none"> <li><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li><i>The assumptions made regarding recovery of by-products.</i></li> <li><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></li> <li><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li><i>Any assumptions behind modelling of selective mining units.</i></li> <li><i>Any assumptions about correlation between variables.</i></li> <li><i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li><i>Discussion of basis for using or not using grade cutting or capping.</i></li> <li><i>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</i></li> </ul>	<p>within the hydrogeologic domains were estimated, up to a maximum of 2.7 km.</p> <ul style="list-style-type: none"> <li>Downhole measurements of specific yield (SY) (drainable porosity) were obtained using a number methods including: <ul style="list-style-type: none"> <li>Zelandez using Borehole Magnetic Resonance technology;</li> <li>Rapid Brine Release but were not used due to uncertainty in sample integrity; and</li> <li>Direct measurements derived from SGS laboratory.</li> </ul> </li> <li>SY values were also benchmarked against other similar deposits. The values assigned to each hydrogeologic unit are as follows: <ul style="list-style-type: none"> <li>Sand – 23.9%</li> <li>Gravel – 21.7%</li> <li>Breccia – 8%</li> <li>Halite – 3%</li> </ul> </li> <li>Total volumes of the hydrogeologic domains used for flagging the resource model are: <ul style="list-style-type: none"> <li>Sand – 5.12 km<sup>3</sup></li> <li>Gravel – 0.31 km<sup>3</sup></li> <li>Breccia – 0.009 km<sup>3</sup></li> <li>Halite – 0.10 km<sup>3</sup></li> </ul> </li> <li>Lithium and potassium content were estimated into a proportional block model based on 20m composites for each domain using soft boundaries. The composite length was chosen to account for the lenses of halite and gravel.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<ul style="list-style-type: none"> <li>Lithium brine is a liquid resource, moisture content is not relevant to resource calculations</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li><i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The minimum interpolated grade is around 620 mg/l Li, which is considered a relative high grade, and above what has been deemed in similar projects as an economic cut-off grade. For example, a 500 mg/l Li cut-off was used for NRG Metals' Hombre Muerto North project, a combined Measured/Indicated resource. Hence, no cut-off grade was applied but the upper fresh and brackish water units are assumed to have zero grade.</li> <li>Based on observations that the brine density and chemistry is relatively consistent below a depth of about 80 metres, it was assumed that with depth, all parts of the deposit between this depth and base (as defined by geophysics interpretation), will have saturated brine.</li> <li>The geophysics has shown that the basement topography is irregular and may result in some parts of the system being shallower towards the western margins of the resource domain. This has been taken into account in Resource classification.</li> </ul>
Mining factors or assumptions	<ul style="list-style-type: none"> <li><i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for</i></li> </ul>	<ul style="list-style-type: none"> <li>Potential brine abstraction is considered to involve pumping via a series of production wells.</li> <li>The thick and mostly unconsolidated sand units dominate the drainable brine resource. Pumping tests have proven that the transmissivity of gravel and sands is favourable for brine production.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></p>	
<p><i>Metallurgical factors or assumptions</i></p>	<ul style="list-style-type: none"> <li><i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>The production of lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>) from lithium brine has been demonstrated by a number of companies with projects in Argentina in close proximity to Hombre Muerto West, for example Livent Corporation's El Fenix, and Galaxy's Hombre de Muerto. It is assumed Galan would use similar methods to enrich brine to 99.6% lithium and produce lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>).</li> </ul>
<p><i>Environmental factors or assumptions</i></p>	<ul style="list-style-type: none"> <li><i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></li> </ul>	<ul style="list-style-type: none"> <li>No factors or assumptions are made at this time. However, an environmental assessment (EIA) is currently in progress by Ausenco Limited.</li> <li>Environmental monitoring and reporting are ongoing</li> </ul>
<p><i>Bulk density</i></p>	<ul style="list-style-type: none"> <li><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.</i></li> <li><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>	<ul style="list-style-type: none"> <li>Bulk density determination is not relevant for brine resource calculations as the drainable porosity or specific yield of the hydrogeologic units is the relevant factor for brine resource calculations.</li> <li>Synthetic values of drainable porosity and specific yield values are obtained from downhole geophysics and includes all aquifer material. The CP did a comparison of similar aquifer material from other nearby projects as a check on the results, and where necessary modified accordingly.</li> <li>A summary of samples including specific yield and modifications to the synthetic measurements per hydrogeological domain is provided in the main body of the report.</li> <li>Specific yields for each domain are: <ul style="list-style-type: none"> <li>Sand 23.9%</li> <li>Gravel 21.7%</li> <li>Breccia 8%</li> <li>Halite 3%</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
Classification	<ul style="list-style-type: none"> <li><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li><i>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>Most of the estimated Resource is assigned as Measured based on drill hole coverage, pumping tests and good constraints of the hydrogeologic domains. This is consistent with recommendations by Houston et al., (2011) where they suggest that well spacing required to estimate a Measured Resource be no farther than 3-4 kilometres apart from each other. The high quality of geophysical survey data also demonstrates the continuity, and geometry of the brine aquifers at depth.</li> <li>One log shows basement much shallower than indicated by geophysics. The CP has discussed this with site geologists who will check the log is basement and not actually a lava flow. As a result, all blocks beneath this depth have been classified as Inferred.</li> <li>Numerous factors were taken into consideration when assigning the classification applied to the Mineral Resource estimate. Of these factors, it is considered that the classification has been primarily influenced by the drill coverage, pumping tests, geological complexity and data quality as described in the main announcement above. When assessing these criteria, SRK considers the greatest source of uncertainty to be the large sample intervals, which have resulted in some data aggregation. The large intervals have also resulted in some degree of smearing of high grades within the modelled domains.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Resource estimate was subject to internal peer review by SRK Consulting (Australasia) and Galan.</li> </ul>
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> <li><i>Where appropriate, a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>Brine samples were analysed by two separate laboratories and included duplicate brine samples submitted to both laboratories to confirm repeatability as part of the Quality Assurance/ Quality Control (QA/QC) procedure. Alex Stewart was consistently lower than SGS and was chosen as conservative values over SGS. The brine standards are made by Alex Stewart and was also considered in the selection of samples to use for brine estimation.</li> <li>The sandy units that dominate the drainable brine resource have demonstrated transmissivity of brine and shown the resource is favourable for extracting brine.</li> </ul>