



ASX ANNOUNCEMENT

02 November 2022

Application to Scale Up Piloting Stage of HMW Project

Highlights:

- Galan submits application to scale up HMW Project piloting stage to 4ktpa lithium carbonate equivalent (LCE), including construction of 120 Ha of evaporation ponds
- Increased piloting scale designed to de-risk pond construction methodology and evaporation path and deliver accelerated, first-phase 6% Li concentrate
- Larger pilot pond system may be included in total ponds design of full-scale HMW Project, significantly shortening construction and production timelines
- Full-scale HMW production profile permitting (20ktpa+ LCE) on track to be lodged in Q1 2023
- Assuming typical approval timeframes, 4ktpa LCE HMW pilot plant construction could commence in H2 2023

Galan Lithium Limited (ASX: GLN) (**Galan or the Company**) is pleased to announce the submission of an application to significantly increase the scope of the piloting stage for its 100%-owned Hombre Muerto West Project (**HMW Project**) in Catamarca Province, Argentina.

If the application is successful, the construction of the expanded pilot pond system could commence in mid-2023, allowing Galan to accelerate the ramp up of brine evaporation at the HMW Project. The scaled-up piloting to 4ktpa LCE is expected to deliver targeted first-phase, high-quality 6% Li concentrate on a semi-commercial scale. It is also designed to de-risk the targeted full-scale pond construction methodology and evaporation path, as well as provide better defined cost information for final HMW Project capital and operating estimates.

Along with the additional 120 Ha of evaporation ponds, the scaled up pilot plant application includes reagents treatment area, administration and warehouse facilities, laboratory, power supply (including solar plant) and the original small pilot facility to trial production of lithium carbonate.

If the extended brine evaporation piloting is successful, and subject to the approval of the exploitation permit of the HMW Project, the concentrated brine from the piloting stage could be added into the HMW Project production scale-up (currently under evaluation), effectively shortening the overall ramp up timeframe of the full-scale HMW Project development.

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Galan's Managing Director, JP Vargas de la Vega, said: *"The key drivers of this expanded pilot permit application fit our steady and staged approach, but also the team's progressive thinking around alternatives to fast-track lithium production from the HMW Project. The scaling to semi-commercial pilot plant testing delivers significant ancillary and de-risking benefits, including the construction of larger ponds which are similar to those planned to be utilised during HMW's full-scale production stage."*

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
Tel: +61 8 9322 6283

Terry Gardiner
Non-Executive Director
Email: TGardiner@galanlithium.com.au
Tel: + 61 400900377

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 km². It is approximately 15kms to the south of the Greenbushes mine. In January 2021, Galan entered into a sale and joint venture with Lithium Australia 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 km², the project was originally acquired by Lithium Australia NL due to its proximity to the Greenbushes Lithium Mine ('Greenbushes'), given that the project covers the southern strike projection of the geological structure that hosts Greenbushes. The project area commences about 3km south of the current Greenbushes open pit mining operations.

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.

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