



ASX ANNOUNCEMENT

26 June 2023

HMW PHASE 1 DEVELOPMENT PERMITS GRANTED – WORKS COMMENCED

Highlights:

- Initial Phase 1 HMW development permits granted last Friday, Argentina time
- Top-soil removal for pond construction commenced
- Permit includes all earthworks required for ground pond testing
- Camp extension permit approved; most accommodation modules (for 250 personnel) on site
- Full construction permits and commencement of Phase 1 pond construction expected during Q3 CY 2023
- Phase 1 DFS results expected shortly

Galan Lithium Limited (**ASX:GLN**) (**Galan** or the **Company**) is very pleased to announce that on Friday 23 June 2023, the Catamarca Ministro – Ministerio de Minería (Mines Department Minister) granted Galan the initial permits for the Phase 1 development of the Hombre Muerto West lithium brine project. The permit allows the development of the pre-construction activities, such as the commissioning of the new camp, removal of top-soil and preliminary testing activities for securing the ground quality. Upon the completion of these activities, Galan will be ready to accelerate the construction of the ponds of the Phase 1.

As previously announced, the HMW DFS was separated into two phases. This initial Phase 1 of the DFS focuses on the production of a lithium chloride concentrate, as governed by the production permits just approved. The optimisation work continues and will culminate in the release of a Phase 2 DFS in August/September 2023, addressing a full 20ktpa LCE production rate.

Galan's Managing Director, Juan Pablo (**JP**) Vargas de la Vega, commented: "Galan would firstly like to acknowledge and sincerely thank the Government of the Catamarca Province in Argentina for their continued support in walking with us to bring about this first major approval in the development of the initial production phase for the HMW Project. They have been both professional and committed through the whole approval process.

This next development phase of the HMW Project will also continue Galan's proud engagement of local contractors and communities within the Catamarca province. These are exciting times for Galan and its shareholders as we strive to get the HMW Project into its initial production phase."



New camp expansion at HMW



Commencement of top-soil removal at HMW

The Galan Board has authorised this release.

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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'. 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 May 2023 an updated Mineral Resource estimate was delivered totalling 6.6Mt of LCE. There still remains exploration upside for other areas of the HMW concessions that have not been 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 now owns 100% of the tenement package that makes up the Greenbushes South Project that covers a total area of approximately 315 km². The project is located ~250 km south of Perth in Western Australia. These tenements are located along the trace of the geologic structure, the Donnybrook-Bridgetown Shear Zone, that hosts the emplacement of the lithium-bearing pegmatite at Greenbushes. In March 2022 airborne geophysics was flown to develop pegmatite targets for all of Galan's tenements. Following on, in August 2022, a pegmatite associated with spodumene-bearing rocks was discovered at E70/4790. This tenement is approximately 3 km to the south of the Greenbushes mine. In early March 2023, drilling commenced within E70/4790.