



**GALAN**  
LITHIUM LIMITED

## ASX ANNOUNCEMENT

7 January 2022

### GALAN LITHIUM LIMITED FULLY FUNDED

Galan Lithium Limited (ASX:GLN) (**Galan** or **the Company**) is pleased to confirm that it is fully funded to meet its present objectives and beyond.

Due to the significant increase in Galan's market capitalisation (currently \$546 million), it is no longer eligible to procure and utilise the additional 10% placement capacity, afforded to ASX listed companies with a market capitalisation of \$300 million or less, under ASX Listing Rule 7.1A. A special resolution is required to be approved by shareholders for this additional capacity at the earlier of 12 months from the date of AGM or date of next AGM.

Furthermore, given the rapidly evolving and increasing sentiment and acquisition activity in the lithium sector, the Company considered it prudent to seek shareholder approval for additional capacity to issue potential shares at its upcoming AGM under ASX Listing Rule 7.1 (refer Resolution 4 of the Annual General Meeting Notice of Meeting). If approved, the additional capacity to issue shares, only has a currency of 3 months.

In view of the positive outlook for lithium and the Company's strengthening position to assess additional value accretive investment opportunities, the flexibility and convenience sought by obtaining this shareholder approval positions the Company well to move quickly and secure a possible transaction, should any such opportunity emerge within this ASX mandated 3-month window. If the Company pursues a transaction outside this time period shareholder approval may be required to issue additional capital, in which case it will be sought by the Company. The shareholder approval sought at the AGM is only a matter of convenience and flexibility available for 3 months. It should not be considered as certain to be utilised (in whole or in part) or as limiting the Company to evaluate opportunities only within this time period.

Galan continues to rapidly advance its current projects in Argentina and Australia with a strong focus on the DFS at HMW. Current activities include drilling, in readiness for a resource update, construction of its pilot plant and recently awarded Hatch contract to perform the Study during 2022. In particular the engineering work pursuant to the DFS has now commenced and Galan's Managing Director, JP Vargas de la Vega is in transit to the HMW project site.

#### For further information contact:

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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 three projects:*

*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.*

*Hombre Muerto West (HMW): a ~14km 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 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). That resource now sits at 2.3Mt of LCE with exploration upside remaining for the rest of the HMW concessions not included in the current indicated resource.*

*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 NL 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.*

