

ASX ANNOUNCEMENT

10 September 2024

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Galan Lithium Limited (ASX:GLN) (**Galan or the Company**) under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) (the **Act**).

Galan has today announced that it intends to raise up to \$25 million (before costs) by undertaking a strategic placement of fully paid ordinary shares and a non-renounceable entitlement offer of fully paid ordinary shares to existing eligible shareholders (**Entitlement Offer**).

The Entitlement Offer consists of an offer of one (1) new fully paid ordinary share in the Company (**New Share**) for every four (4) shares held by eligible Galan shareholders as at 5.00 pm (Perth time) on Friday 13 September 2024 (**Eligible Shareholders**) at an issue price of \$0.105 per New Share.

For the purposes of section 708AA(7) of the Act, the Company hereby notifies ASX that:

- a) the New Shares to be issued pursuant to the Entitlement Offer will be offered without disclosure to Eligible Shareholders under Part 6D.2 of the Act;
- b) this notice is given under section 708AA(2)(f) of the Act;
- c) as at the date of this notice, the Company has complied with: i. the provisions of Chapter 2M of the Act as they apply to the Company; and ii. section 674 of the Act;
- d) as at the date of this notice, there is no other information that is 'excluded information' of the type referred to in sections 708AA(8) and 708AA(9) of the Act, which is required to be disclosed pursuant to section 708AA(7)(d) of the Act; and
- e) the potential effect of the Entitlement Offer on the control of the Company will depend on a number of factors, including existing shareholdings, investor demand and the allocation of any shortfall under the Entitlement Offer (**Shortfall**). If all Eligible Shareholders subscribe for their entitlements, then they will retain their percentage ownership in the Company, and the issue of New Shares under the Entitlement Offer is not expected to have any material effect on the control of the Company. In the more likely event that there is a Shortfall, Eligible Shareholders who do not subscribe for their full entitlement under the Entitlement Offer will be diluted relative to those Eligible Shareholders who subscribe for some or all of their entitlement and those persons who subscribe for the Shortfall. However, having regard to the structure of the Entitlement Offer being structured as a pro-rata issue, and the current level of holdings of substantial holders (based on the substantial holding notices that have been provided to Galan and lodged with the ASX on, or before, the date of this notice), the Company does not currently expect the issue of New Shares under the Entitlement Offer to have a material effect on the control of the Company. Furthermore, any issue of New Shares under the Shortfall will be subject to section 606 of the Act which prohibits a person from acquiring Shortfall shares if such issue will result in their voting power in the Company increasing beyond that allowed by the takeovers prohibition in section 606 of the Act.

The Galan Board has authorised this release.

Mike Robbins
Company Secretary