

ASX ANNOUNCEMENT

13 December 2018

GALAN RECEIVES DRILLING APPROVALS FOR CANDELAS LITHIUM BRINE PROJECT, HOMBRE MUERTO, ARGENTINA

Galan Lithium Limited (ASX:GLN) (**Galan** or **the Company**) is pleased to announce it has received permits from the Secretaria de Estado de Minería - Gobierno de Catamarca (the authority that approves drilling permits in Catamarca, Argentina) to conduct its maiden drill programme at the Candelas Lithium Brine Project located on the Hombre Muerto salar in Argentina.

Field activities have already commenced in preparation for drilling, which is due to start in early January 2019. A series of local contracts for drilling, camp establishment, OH&S, catering and technical assistance will now be awarded. Galan is committed to sourcing, contracting and training local people from the Catamarca Province for its operations.

The initial drillhole will aim to test the geophysical model (see Galan ASX release dated 4 October 2018) and provide detailed data on the stratigraphy within the Candelas channel to over 400 metres deep. The results from this initial hole will also assist in the planning of subsequent drilling. This maiden drill programme will comprise five holes to be drilled over ~12-15km along the extent of the Candelas channel.

Commenting, Galan's Managing Director, Juan Pablo ("JP") Vargas de la Vega said, *"This is a significant step forward for Galan in Argentina. Obtaining the drilling permits for our maiden campaign is a reflection of the Company's teamwork and experience in Argentina and Australia. The Company is fully committed to swiftly unlocking the significant lithium potential at Candelas and we are now focused on finalising all the required activities needed to prepare for drilling which will start early in the New Year"*.

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's primary target is the adjoining Candelas channel target, a ~15km long by 3-5km wide valley filled channel which recent geophysics has indicated has the potential to host a substantial volume of brine.

For further information contact:

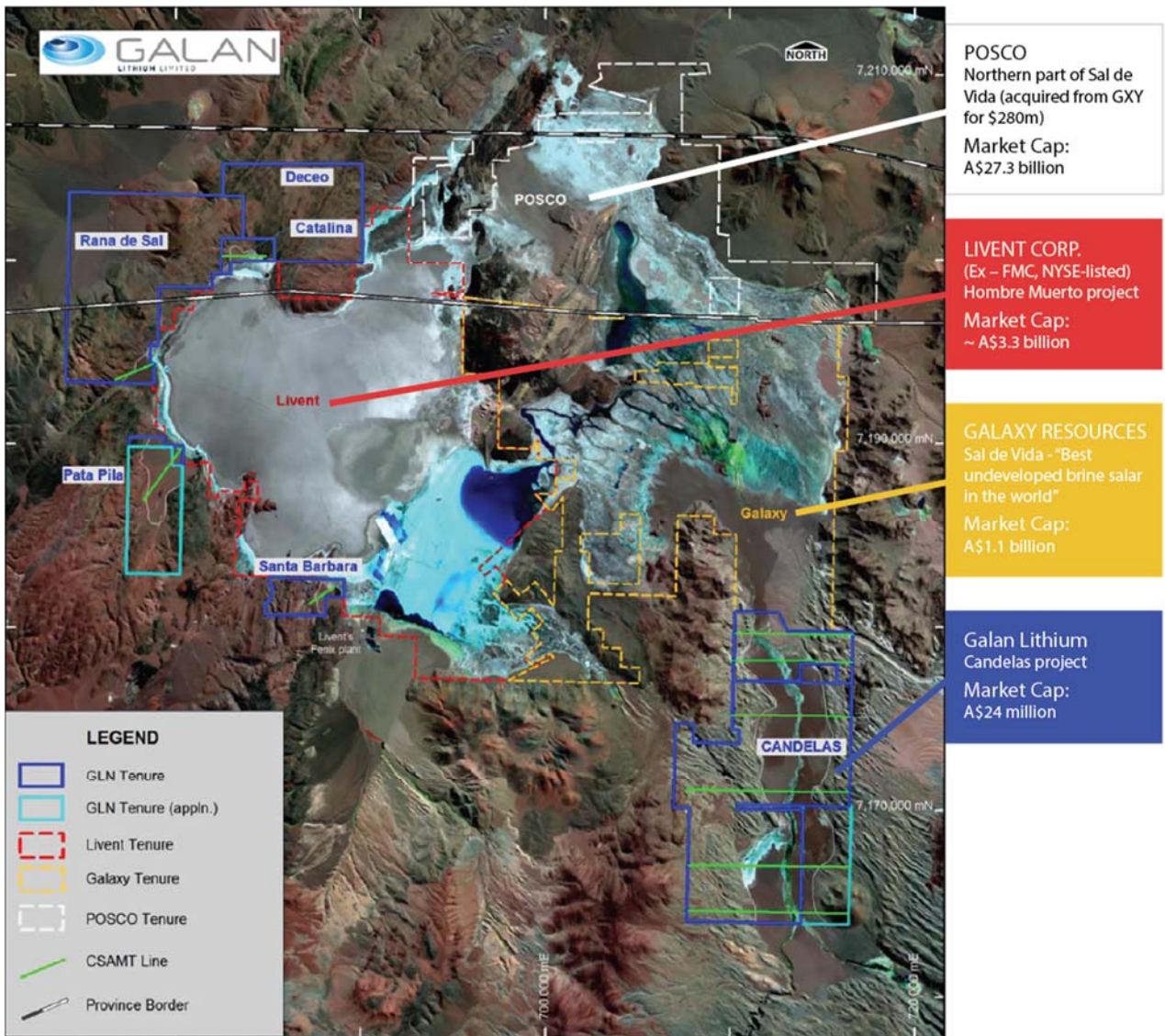
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Galan Lithium's Hombre Muerto Projects