

## ASX ANNOUNCEMENT

24 July 2019

# GALAN RECEIVES WESTERN BASIN DRILLING PERMITS

## HOMBRE MUERTO LITHIUM BRINE PROJECT, 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 over its Western Basin projects located on the Hombre Muerto salar in Argentina.

This follows the recent completion of its initial resource drilling phase over the Candelas project located in the south-east region at Hombre Muerto (see ASX: GLN release, 22 July 2019). The Company has been granted permits to drill a total of 14 drillholes plus 5 water bores within 18 months.

Work to enable access in preparation for drilling is now underway with drilling to commence thereafter. Initial exploratory drilling is planned within the *Pata Pila* and *Rana del Sal* project areas. The drilling will target highly conductive anomalies recorded from CSAMT (Controlled Source Audio-frequency Magnetotellurics) surveys previously completed in late September last year (see ASX:GLN 18th October 2018). These were the first surveys ever conducted over these targets with cover alluvial fans interpreted by the Company to overlie prospective salar (Figures 1, 2).

### Pata Pila

Pata Pila covers a large alluvial fan along the western margin of the salar with the geophysical profile showing an upper, horizontal conductive layer over ~2km being compatible with geological units interpreted to contain brines (Figure 1). The south-west extreme of the line shows the limit of the conductive materials which is more transitional and may be due to mixing of fresh/salty water content with brines in the area between stations 10400E and 10800E. To the west, the resistive materials are interpreted as metamorphic basement.

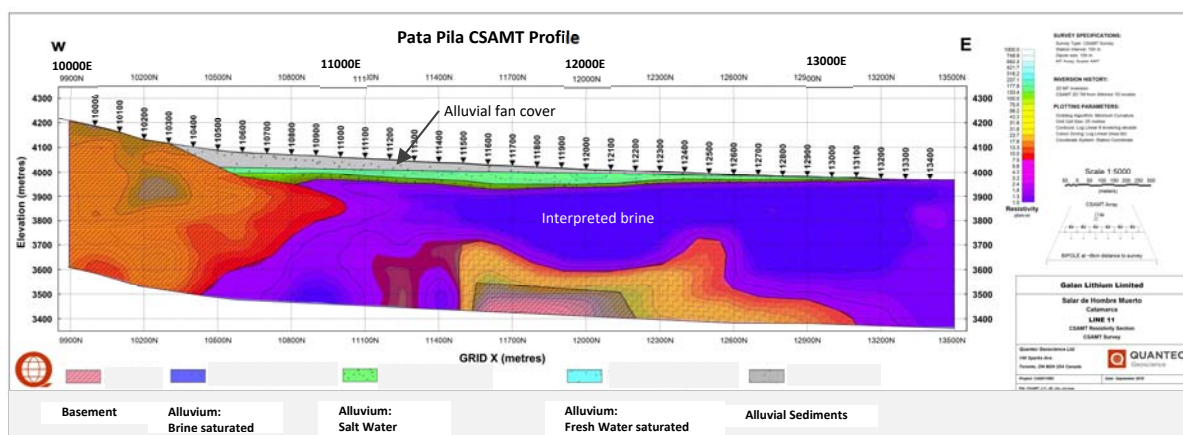


Figure 1: Pata Pila - Interpreted CSAMT model showing lowly resistive brine saturated materials (in purple/blue)



## Rana del Sal

The Rana de Sal profile covers an alluvial fan area interpreted to overlie the salar. The geophysical profile shows a highly conductive response over ~1.5km that are compatible with units interpreted to contain brines (Figure 2). The eastern end shows the conductive anomaly remaining open, as expected, as the line enters the salar in the area where Livent has its operations. Towards the west a more resistive unit is interpreted as basement. Between stations 10700E and 11900E, the overlying materials are interpreted as alluvial fan sediments saturated with fresh or salty water.

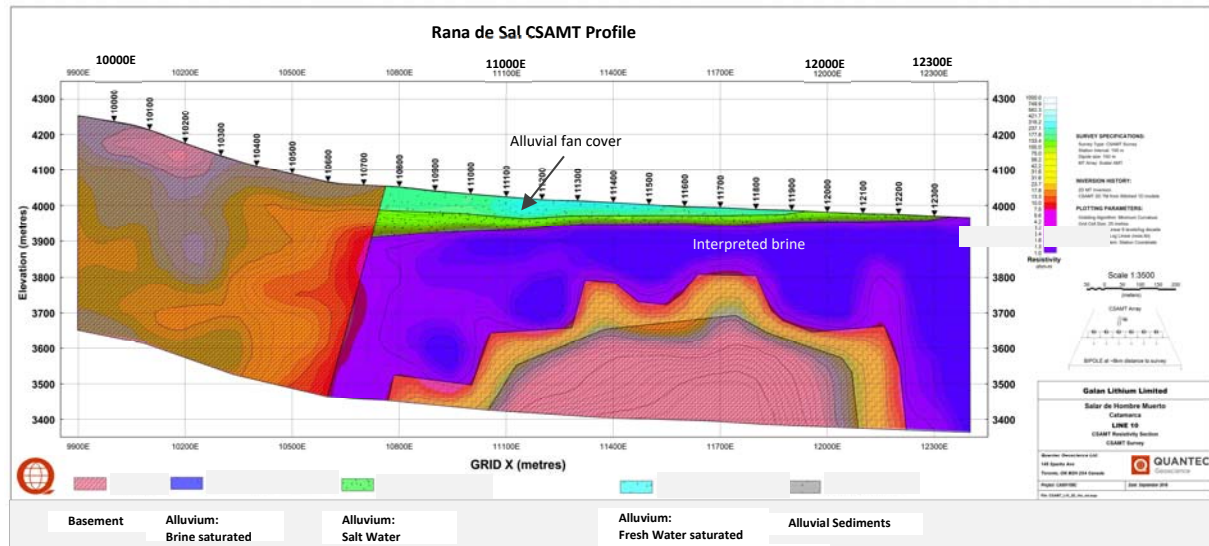


Figure 2: Rana del Sal - Interpreted CSAMT model showing lowly resistive brine saturated materials

### For further information contact:

Juan Pablo ("JP") Vargas de la Vega  
Managing Director, Galan Lithium Limited  
Email: [jp@galanlithium.com.au](mailto:jp@galanlithium.com.au)  
Tel: +61 8 9322 6283

Nathan McMahon  
Non-Executive Chairman, Galan Lithium Limited  
Email: [nathan@galanlithium.com.au](mailto:nathan@galanlithium.com.au)  
Tel: +61 8 9322 6283

### Media

David Tasker  
Chapter One Advisors  
E: [dtasker@chapteroneadvisors.com.au](mailto:dtasker@chapteroneadvisors.com.au)  
Tel: +61 433 112 936

Colin Jacoby  
Chapter One Advisors  
E: [cjacoby@chapteroneadvisors.com.au](mailto:cjacoby@chapteroneadvisors.com.au)  
Tel: +61 439 980 359

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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's primary target is the adjoining Candelas channel target, 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 estimate is currently being conducted.



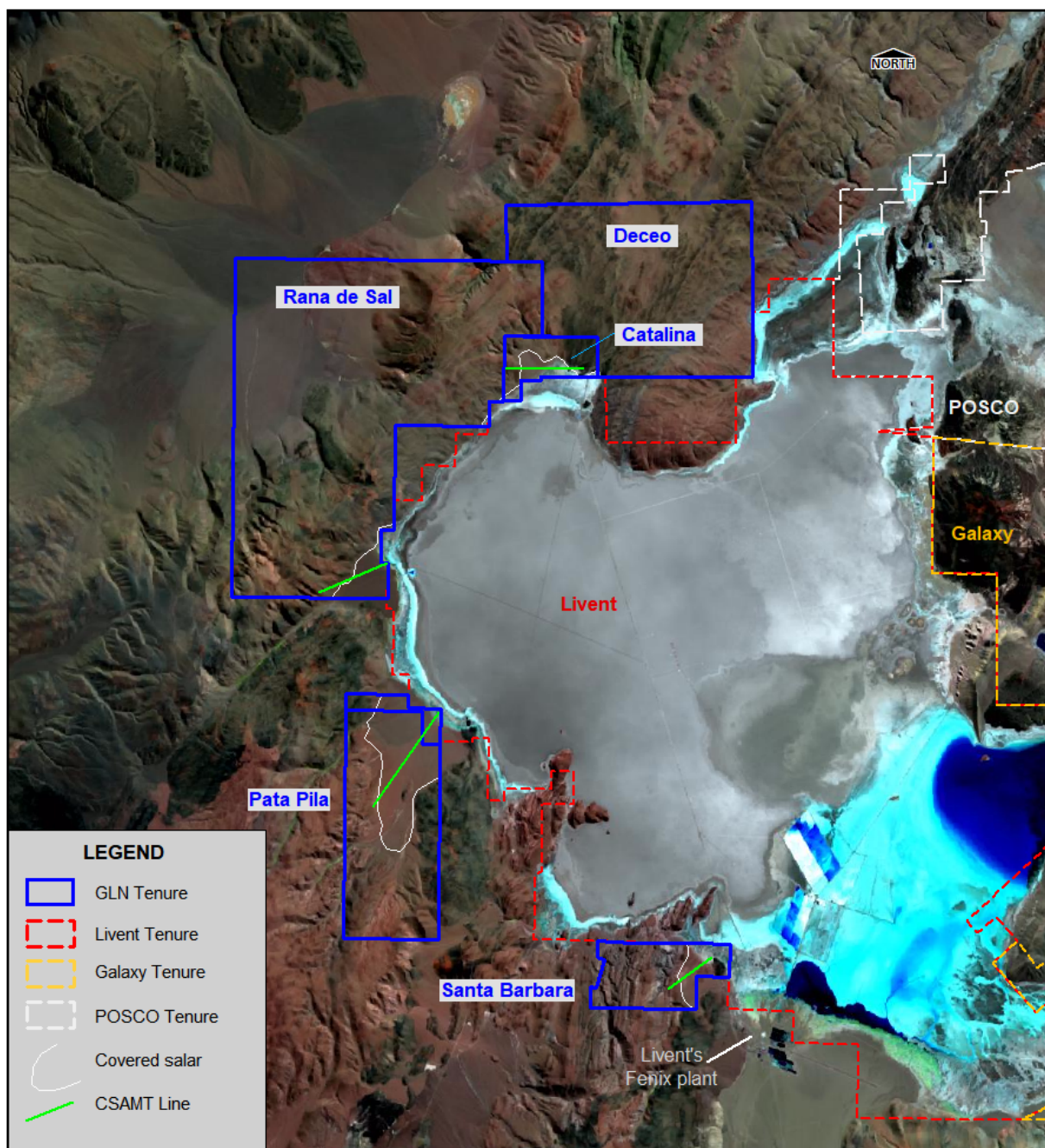


Figure 3: Galan Lithium's Western Basin Projects, Hombre Muerto salar, Argentina



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