



ASX ANNOUNCEMENT

23 June 2020

GALAN RAISES A TOTAL OF \$1.6 MILLION

- **Commitments sought and received for a private placement of \$1.25 million (before costs) at 14 cents per share**
- **Includes participation by Luxembourg green energy fund, Thematica Future Mobility**
- **Acuity line raises an additional \$350,000**
- **Funds will be used for the continued scoping and Pre-Feasibility studies (PFS), finalising the Del Condor and Pucara de Salar tenement acquisition and working capital**
- **COVID-19 has had minimal impact on Galan's scoping and PFS with work crew back on site**

Galan Lithium Limited (ASX:GLN) (**Galan** or **the Company**) is pleased to announce the successful completion of a two-pronged capital raising for total gross proceeds of \$1,600,000 through a fully subscribed private placement and the utilisation of the Acuity controlled placement facility.

The Company confirms that it has received firm commitments from professional and sophisticated investors, through a share placement at 14 cents per share plus one free unquoted option (exercisable on or before 31 March 2022 at \$0.25) also being issued on a one for one basis. The placement shares (8,928,572) and unquoted options (8,928,572) are planned to be issued on or about Monday 29 June 2020 under the Company's existing placement capacity under ASX Listing Rules 7.1A and 7.1 respectively.

During the months of May and June 2020, the Company utilised the Controlled Placement Agreement (CPA) entered into with Acuity Capital (per ASX release on 31 January 2019). The Company wishes to also announce that it will issue 2,500,000 GLN Shares to Acuity Capital at an issue price of \$0.14 per Share for total proceeds of \$350,000 (inclusive of costs). The Shares will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1A.

The funds raised will, during these challenging times, enable Galan to continue its scoping and PFS studies, finalise the Del Condor and Pucara de Salar tenement acquisitions and for working capital.

About Thematica:

Thematica Future Mobility is a Luxembourg based UCITS fund, with exposure to companies that are focused or will substantially benefit from the transition to clean and sustainable transportation and energy storage solutions. The fund invests in companies globally and across all market caps. For more information please go to www.thematicafunds.com

Galan's Chairman, Richard Homsany, said,

"The success of Galan's work to significantly increase and upgrade its lithium resource, along with these fund raisings, is evidence of the successful execution of Galan's robust strategy to progress the development of the Company's assets. We were pleased to update our shareholders with news of Galan's increased and reclassified JORC Resource and to continue with work programmes that advance HMW's value despite the unprecedented challenging times. We appreciate the confidence and support shown by new and existing investors who participated in this fully subscribed fundraising and sincerely welcome Thematica Future Mobility to our register. We also thank our Board and quality management team led by Juan Pablo Vargas de la Vega who remain committed to continuing to deliver results that will benefit our shareholders. Galan looks forward with enthusiasm to advancing the next work programmes at HMW to enhance its potential feasibility."

The Galan Board has authorised this release.

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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 two 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 wide of the west coast of Hombre Muerto salar neighbouring Livent Corp to the east. HMW is currently comprised of four concessions and an additional two concessions under an option agreement from Portofino Resources Inc (TSX-V). 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), In June 2020, the resource was upgraded to 1.4Mt of LCE (Indicated) with exploration upside remaining for other concessions in the area.



GALAN
LITHIUM LIMITED