



**GALAN**  
LITHIUM LIMITED

## ASX ANNOUNCEMENT

24 July 2020

### **GALAN COMMENCES PRELIMINARY ECONOMIC ASSESSMENT OF HMW PROJECT**

Galan Lithium Limited (ASX:GLN) (**Galan** or **the Company**) is pleased to announce the commencement of a Preliminary Economic Assessment (**PEA**) which will be undertaken by Worley Chile. The PEA will generate the development of the engineering, operating cost and capital cost estimates required for an economic scoping study assessment to produce battery and/or technical grade lithium carbonate from its Hombre Muerto West (**HMW**) Project located in the Salar de Hombre Muerto in Argentina.

The specific scope is the preparation of a report that, as a minimum, complies with the Canadian NI 43-101 regulation known as a PEA. Galan's volume of work to date will be the cornerstone of the PEA process.

Galan's Managing Director, J P Vargas de la Vega, said,

*"Galan has successfully proven that our 2.1Mt LCE combined resource has a substantial high grade and low impurity setting. Our next step is to mature the project by economically assessing the strength of HMW's push towards the production of lithium carbonate. This appointment and subsequent commencement of the PEA is another significant step forward for Galan. At the completion of the PEA, we aim to have a high-level blueprint to production from a company with one of the most experienced lithium brine project teams in the world. The Company have come a long way in a short time, in perspective and despite constraints, it has been less than 18 months since the first hole was drilled in Argentina. We continue to methodically move Galan ahead while aiming to benefit from the electrifying future market changes expected in the battery sector"*

**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 a combined Indicated resource of 2.1Mt LCE (JORC 2012 compliant) with 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)(upgraded to Indicated in June 2020). 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 Inferred 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.*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the GLN market announcement dated 22 June 2020, and that all material assumptions and technical parameters have not changed. The Company also confirms that the form and context in which the Competent Person's findings have been presented have not been modified from the original market announcements.

