



GALAN
LITHIUM LIMITED

ASX ANNOUNCEMENT

3 May 2022

Presentation at RIU Sydney Resources Round-Up

Galan Lithium Limited (**ASX: GLN**) is pleased to advise that its Managing Director, JP Vargas de la Vega, will be presenting today at the RIU Sydney Resources Round-Up Conference.

Time: Noon AEST (10am AWST) Tuesday 3 May 2022.

A copy of Galan's updated presentation is attached.

The Board has authorised this release.

For further information contact:

Juan Pablo ("JP") Vargas de la Vega
Managing Director
Email: jp@galanlithium.com.au
Tel: +61 8 9322 6283

Terry Gardiner
Non-Executive Director
Email: TGardiner@galanlithium.com.au
Tel: + 61 400900377

About Galan

Galan Lithium Limited (ASX:GLN) is an ASX-listed lithium exploration and development business. Galan's flagship assets comprise two world-class lithium brine projects, HMW and Candelas, located on the Hombre Muerto salar in Argentina, within South America's 'lithium triangle'. Hombre Muerto is proven to host lithium brine deposition of the highest grade and lowest impurity levels within Argentina. It is home to the established El Fenix lithium operation (Livent Corporation) and the Sal de Vida (Allkem) and Sal de Oro (POSCO) lithium projects. Galan is also exploring at Greenbushes South in Western Australia, located just south of the Tier 1 Greenbushes Lithium Mine.



DEVELOPING HIGH- GRADE LITHIUM BRINE PROJECTS IN ARGENTINA

Investor presentation

May 2022

ASX : GLN
FSX : 9CH

Disclaimer and important information

This presentation has been prepared by Galan Lithium Limited.

The Preliminary Economic Assessments (PEA's) are preliminary technical and economic studies (equivalent to a JORC Scoping Study) of the potential viability of the Hombre Muerto West (HMW) and Candelas Lithium Brine Projects, required to reach a decision to proceed with more definitive studies. They are based on preliminary/low-level technical and economic assessments that are not sufficient to support the estimation of Ore Reserves or provide certainty that the conclusions/results of the PEA will be realised. Further exploration and evaluation work and appropriate studies are required before Galan will be in a position to estimate any Ore Reserves or to provide any assurance of an economic development case.

The economic analysis results should be treated as preliminary in nature and caution should be exercised in their use as a basis for assessing a project's feasibility. The HMW and Candelas PEA's were based on material assumptions including assumptions about the availability of funding. While Galan considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the PEA's will be achieved.

To achieve the range of proposed feasibility studies and potential mine development outcomes indicated in the PEA's, additional funding will be required. Investors should note that there is no certainty that Galan will be able to raise funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Galan's existing shares. It is also possible that Galan could pursue other 'value realisation' strategies such as a sale, partial sale or joint venture of the project. If it does, this could materially reduce Galan's proportionate ownership of its projects.

All of the material included in the mining schedules used in both PEA's are within Galan's Indicated Mineral Resources. Process and engineering works for both PEA's were developed to support capital and operating estimates (and following AUSIMM Guidelines for this study level), and given the preliminary and confidential nature of the plant information, the capital cost margin of error is $\pm 30\%$ on the 'factored cases' estimated figures and operating cost is $\pm 30\%$. Key assumptions used in the PEA's are outlined in the ASX announcements dated 30 November 2021 (Candelas) and 21 December 2020 (HMW). An updated HMW economic study was released to the market, entitled "Updated HMW Economic Study - NPV Increases to US\$2.2b", on 9 December 2021 where apart from a change to the average long term lithium price assumption (2024-2040) of US\$18,594/t LCE, all other original PEA assumptions were the same as those contained in the ASX announcement dated 21 December 2020. Galan has concluded it has a reasonable basis for providing the forward-looking statements in those announcements and this presentation. The Mineral Resources information in these PEA reports were extracted from the ASX announcements entitled "Huge Increase in Hombre Muerto West (HMW) Indicated Resource - Now Over 2 Million Tonnes" dated 17 November 2020 and "High Grade Maiden Lithium Resource Exceeds Expectations" dated 1 October 2019 available at www.galanlithium.com.au and www.asx.com. Galan confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Galan confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Given the uncertainties involved, all figures, costs and estimates quoted are approximate values and within the margin of error range expressed in the relevant sections throughout the ASX announcements dated 9 December 2021, 30 November 2021 and 21 December 2020 and this presentation. Investors should not make any investment decisions based solely on the results of the PEA's.

Cautionary Statement

The Preliminary Economic Assessments (PEA's) are preliminary technical and economic studies (equivalent to a JORC Scoping Study) of the potential viability of the Hombre Muerto West (HMW) and Candelas Lithium Brine Projects, required to reach a decision to proceed with more definitive studies. They are based on preliminary/low-level technical and economic assessments that are not sufficient to support the estimation of Ore Reserves or provide certainty that the conclusions/results of the PEA will be realised. Further exploration and evaluation work and appropriate studies are required before Galan will be in a position to estimate any Ore Reserves or to provide any assurance of an economic development case.

The economic analysis results should be treated as preliminary in nature and caution should be exercised in their use as a basis for assessing a project's feasibility. The HMW and Candelas PEA's were based on material assumptions including assumptions about the availability of funding. While Galan considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the PEA's will be achieved.

To achieve the range of proposed feasibility studies and potential mine development outcomes indicated in the PEA's, additional funding will be required. Investors should note that there is no certainty that Galan will be able to raise funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Galan's existing shares. It is also possible that Galan could pursue other 'value realisation' strategies such as a sale, partial sale or joint venture of the project. If it does, this could materially reduce Galan's proportionate ownership of its projects.

All of the material included in the mining schedules used in both PEA's are within Galan's Indicated Mineral Resources. Process and engineering works for both PEA's were developed to support capital and operating estimates (and following AUSIMM Guidelines for this study level), and given the preliminary and confidential nature of the plant information, the capital cost margin of error is $\pm 30\%$ on the 'factored cases' estimated figures and operating cost is $\pm 30\%$. Key assumptions used in the PEA's are outlined in the ASX announcements dated 30 November 2021 (Candelas) and 21 December 2020 (HMW). An updated HMW economic study was released to the market, entitled "Updated HMW Economic Study - NPV Increases to US\$2.2b", on 9 December 2021 where apart from a change to the average long term lithium price assumption (2024-2040) of US\$18,594/t LCE, all other original PEA assumptions were the same as those contained in the ASX announcement dated 21 December 2020. Galan has concluded it has a reasonable basis for providing the forward-looking statements in those announcements and this presentation. The Mineral Resources information in these PEA reports were extracted from the ASX announcements entitled "Huge Increase in Hombre Muerto West (HMW) Indicated Resource - Now Over 2 Million Tonnes" dated 17 November 2020 and "High Grade Maiden Lithium Resource Exceeds Expectations" dated 1 October 2019 available at www.galanlithium.com.au and www.asx.com. Galan confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Galan confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Given the uncertainties involved, all figures, costs and estimates quoted are approximate values and within the margin of error range expressed in the relevant sections throughout the ASX announcements dated 9 December 2021, 30 November 2021 and 21 December 2020 and this presentation. Investors should not make any investment decisions based solely on the results of the PEA's.

Rapidly advancing our leading Hombre Muerto Projects to production

The highest grade and lowest
impurity lithium brine assets
in Argentina



Corporate snapshot

Strong cash liquidity, tight share register

Market capitalisation
A\$511M

Shares on issue
304M

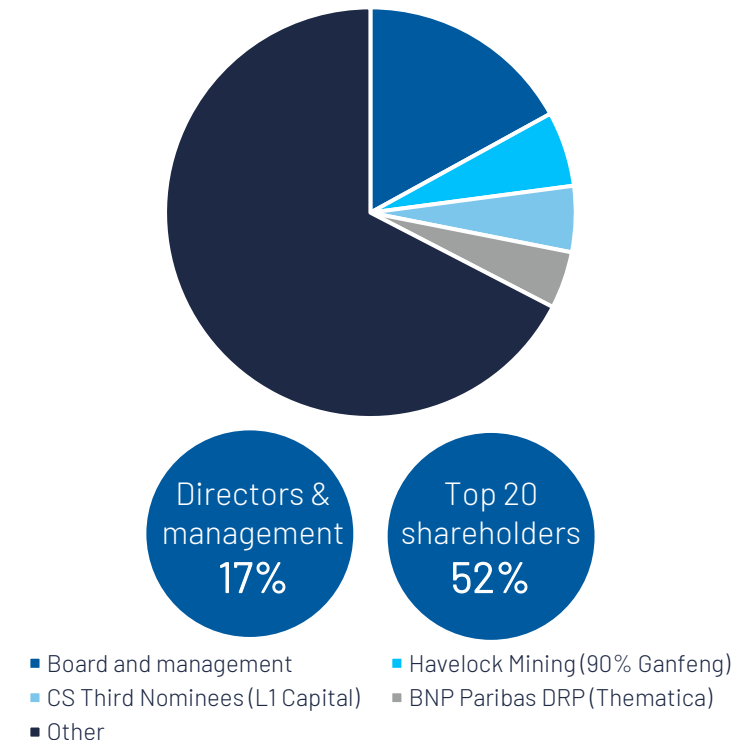
Net cash position
A\$59M

Unquoted Options
7M

Share price
A\$1.68



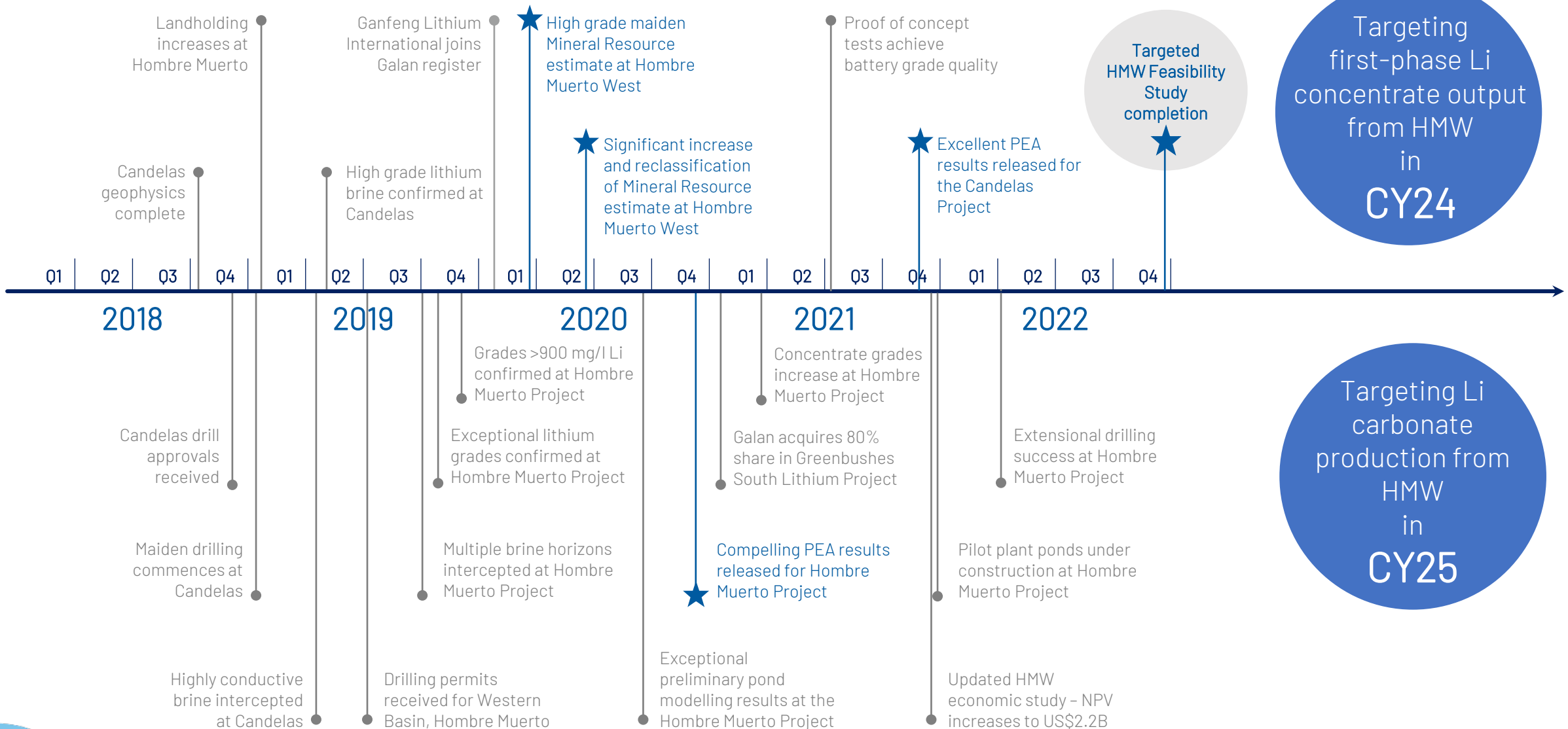
Major shareholders



Note: Net cash at 31 March 2022 shares on issue as at 19 April 2022, share price and undiluted market capitalisation as at 2 May 2022. Unquoted securities include 5,970,950 options exercisable at A\$0.21 expiring 7 October 2023, 500,000 options exercisable at A\$0.65 expiring 4 February 2024 and 500,000 options exercisable at A\$1.30 expiring 24 December 2024

Delivering on our commitments

Rapid dual-track project advancement (HMW and Candelas Projects)



The premier lithium developer

01

World-class location

Leading high grade, low impurity brine assets in Tier 1 lithium setting

02

Compelling economics

Detailed study work supports delivery of high return, low process risk projects

03

Sustainable supply

Low energy and low carbon lithium brine production footprint

04

Rapid project delivery

Fast track route to 34 ktpa base lithium carbonate production

05

Best in-class team

Highly experienced Board, management and in-country team

06

Further project pipeline

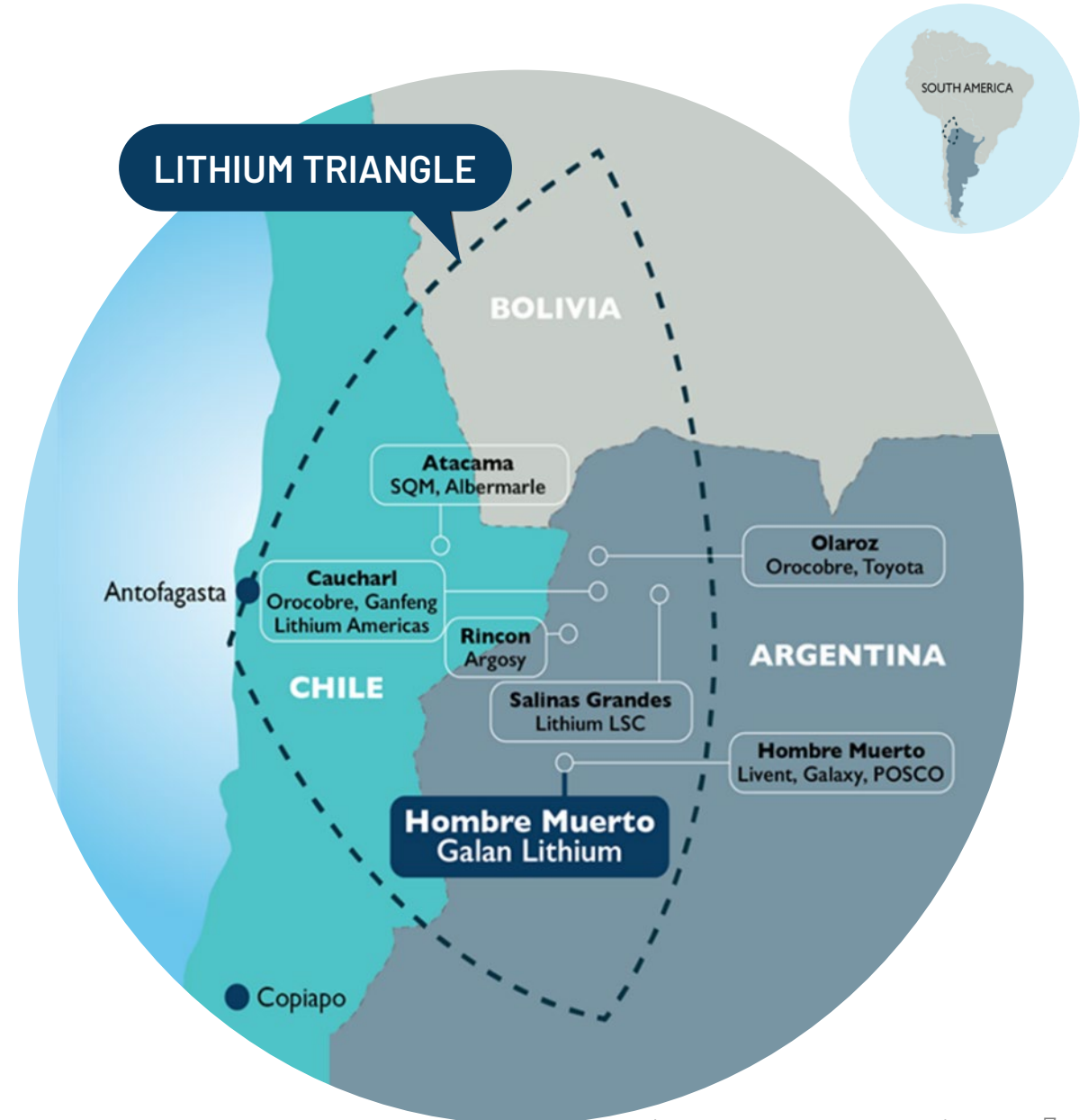
Hard rock lithium exploration upside

01 World-class location

Tier 1 geological endowment

Hombre Muerto Salar is perfectly positioned in Argentina's prolific Lithium Triangle

- Host to the world's largest lithium reserves
- Approx. 40% of total annual lithium production is from the Atacama (No. 1 globally) and Hombre Muerto (No. 2) salars
- Lithium 'elephant' country



01 World-class location

Highly strategic positioning

25+ year history of large-scale production from Livent with further development underway

- Substantial international investment in rapid development of new projects
- Significant infrastructure in place
- Excellent governmental and community support
- Both Galan projects completely unburdened by existing offtake, joint venture or royalty agreements – *highly strategic positioning*

Our projects border, or lie within a 20km radius of Livent, Allkem and POSCO tenure

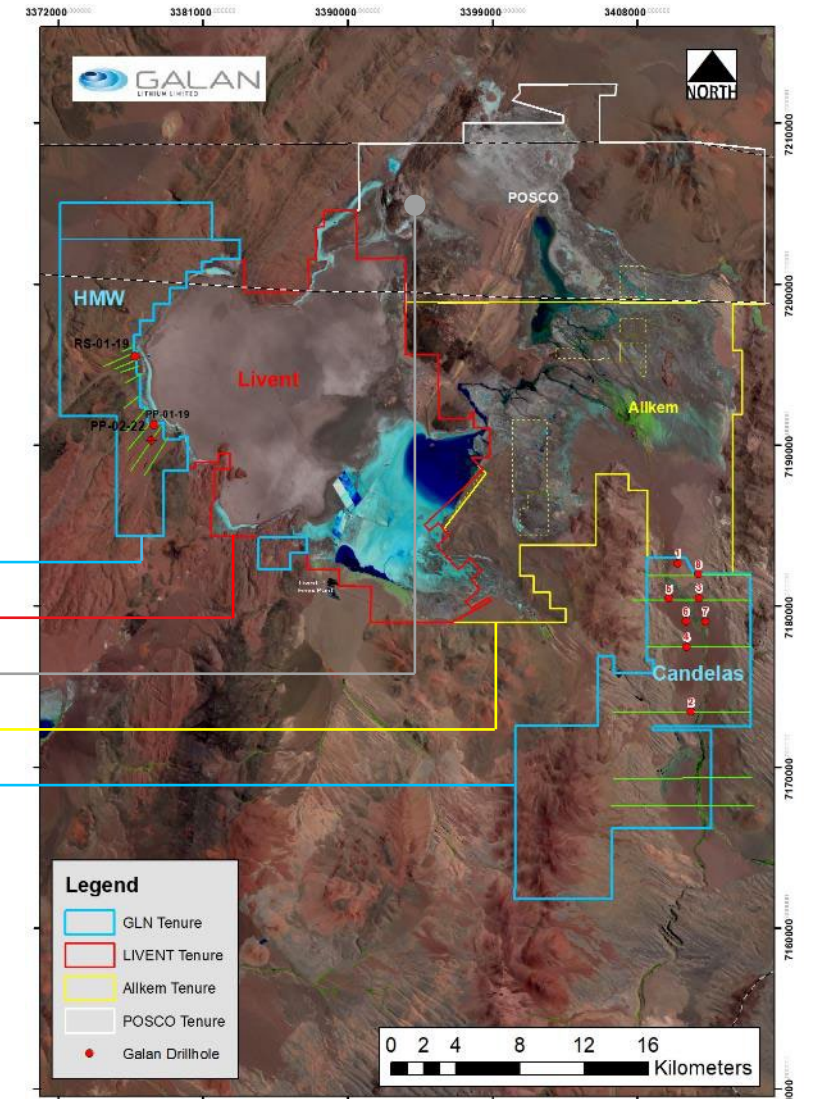
Galan HMW

Livent

POSCO

Allkem

Galan Candelas



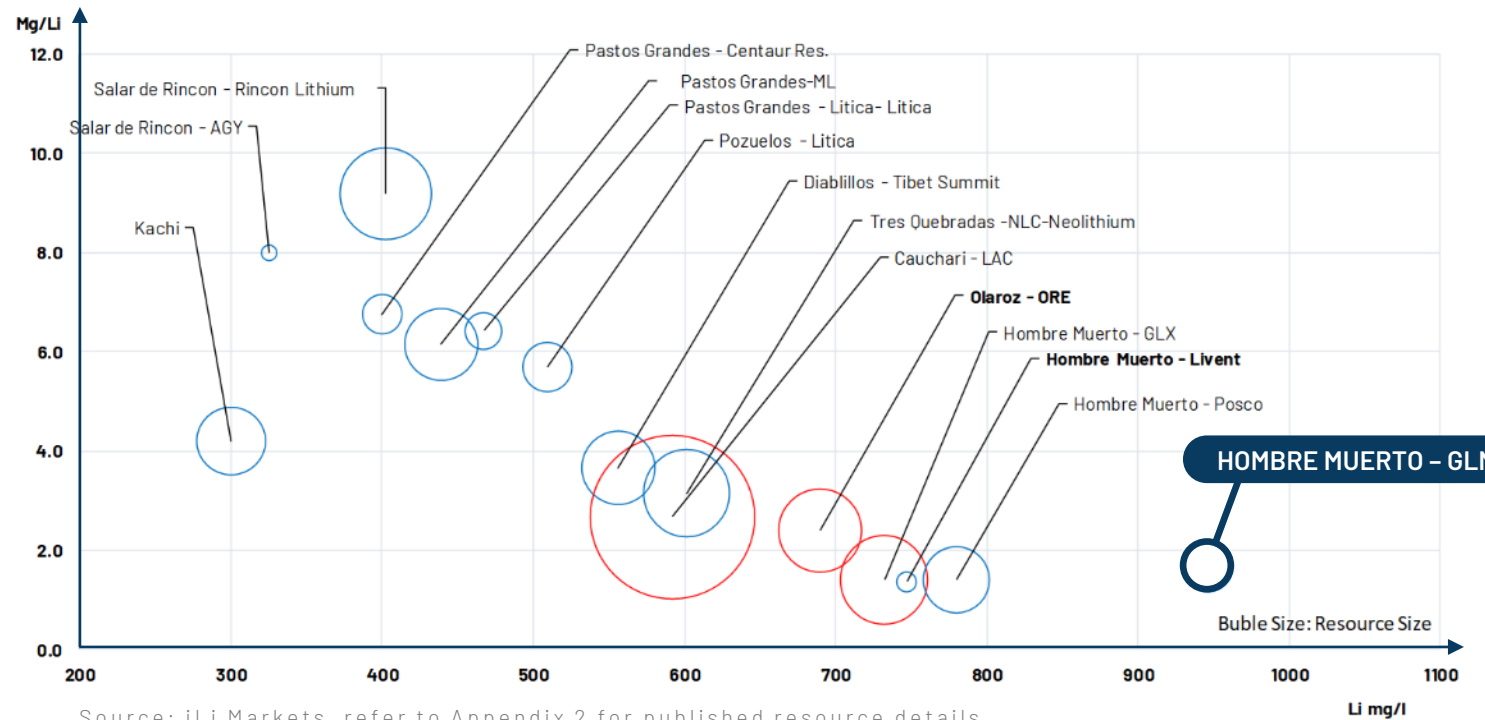
01 World-class location

High grade, low impurity brine assets

Our Hombre Muerto assets are amongst the very best brine projects

- Leading lithium grades matched with low potassium and magnesium concentrations
- Substantial exploration upside remains across Galan's tenure
- Current aggressive drilling program to grow resources further at HMW

Brine Resources Li (mg/l) vs Mg/Li ratio



02 Compelling economics

Strong, conservative PEA outcomes for 20 ktpa LCE development at HMW

Flagship HMW Project 100% ownership

- Low-risk, proven process technology
- Expected 20 ktpa Li_2CO_3 over +40 year life
- Updated PEA (Dec 2021) delivered compelling outcomes¹
- Unlevered pre-tax NPV_{8%} of US\$2,193M
- IRR of 37.5% with <3 year payback period
- Only 60% of Indicated Resource utilised in PEA – substantial output and life upside
- Feasibility Study (led by Hatch) on track for late Q4 CY22 delivery

Preliminary Economic Assessment (December 2021)	UoM	Result
Project life	Years	40
Steady state lithium carbonate production	Tonnes/year	20,000
Long term lithium carbonate price	US\$/tonne	18,594
Steady state average cash cost of production	US\$/tonne	3,518
Initial capital cost (including contingency)	US\$M	439
Steady state average annual EBITDA	US\$M	287
NPV _{8%} (after tax)	US\$M	1,338
IRR (after tax)	%	33.1
Payback from start of operations	Years	2.75

1. Refer ASX announcements dated 21 December 2020 and 9 December 2021

02 Compelling economics

Piloting work to further de-risk HMW development and operation

HMW Pilot Plant operations commenced

- Construction of initial 3,000m² evaporation pond completed in April 2022
- Brine filling of pond complete and evaporation testing commenced
- Set to further de-risk an already highly established, proven process flow sheet



02 Compelling economics

Attractive Candelas growth project (+14 ktpa LCE)

Highly complementary Candelas Project 100% ownership

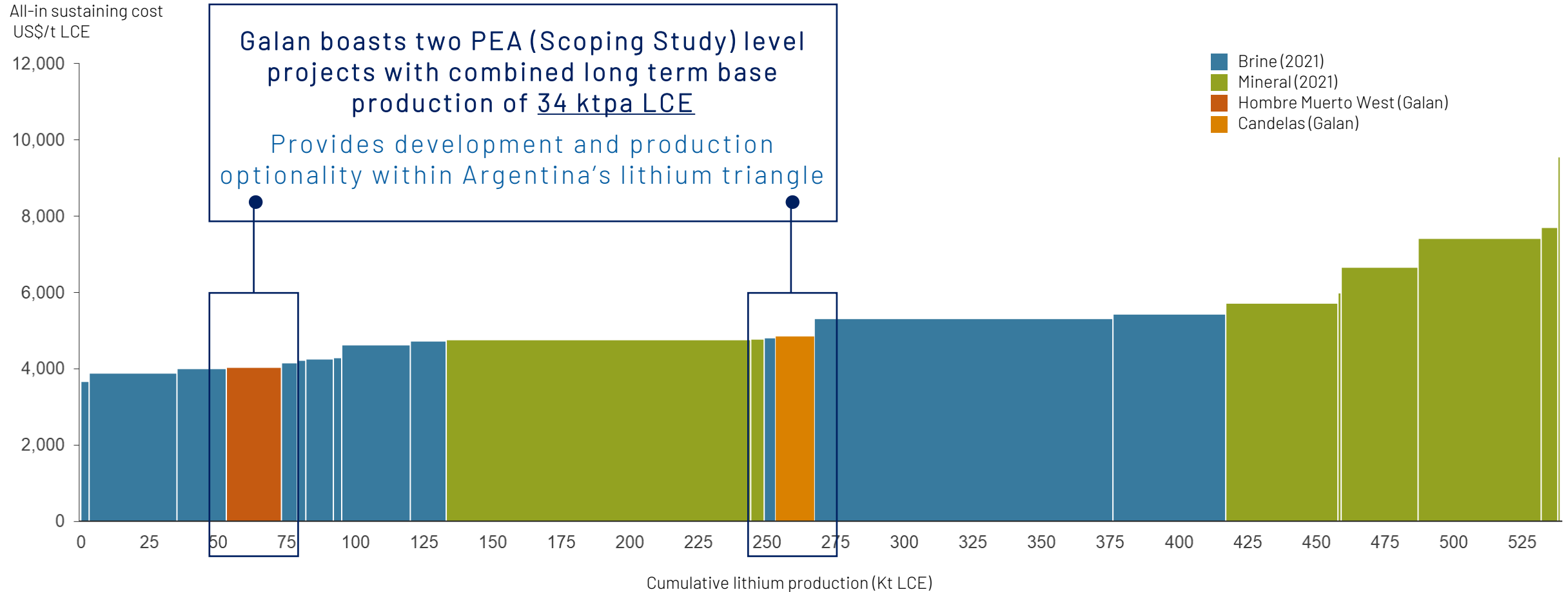
- Also low-risk, proven process technology
- Expected 14 ktpa Li_2CO_3 over +25 year life
- Strong PEA (Nov 2021) outcomes¹
- Unlevered pre-tax NPV_{8%} of US\$1,225M
- IRR of 27.9% with 4 year payback period
- Significant potential cost synergies and value enhancements available from integrated development; not captured in PEA
- Further detailed study work from Q4 CY22

Preliminary Economic Assessment (November 2021)	UoM	Result
Project life	Years	25
Steady state lithium carbonate production	Tonnes/year	14,000
Long term lithium carbonate price	US\$/tonne	18,594
Steady state average cash cost of production	US\$/tonne	4,277
Initial capital cost (including contingency)	US\$M	408
Steady state average annual EBITDA	US\$M	188
NPV _{8%} (after tax)	US\$M	660
IRR (after tax)	%	20.9
Payback from start of operations	Years	4.75

1. Refer ASX announcement dated 30 November 2021

02 Compelling economics

Low-cost 34 ktpa base lithium carbonate output projected



Source: 2021 Lithium Production Cost Curve (source: Roskill - Lithium Cost Model Service)

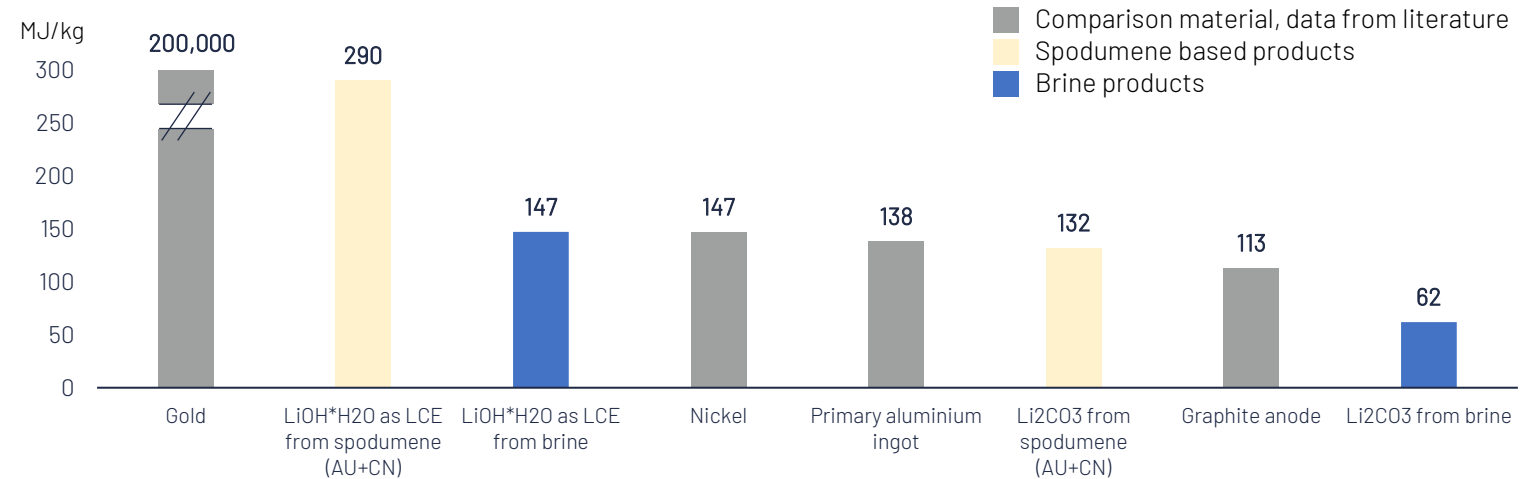
03 Sustainable supply

Low energy and low carbon lithium brine production footprint

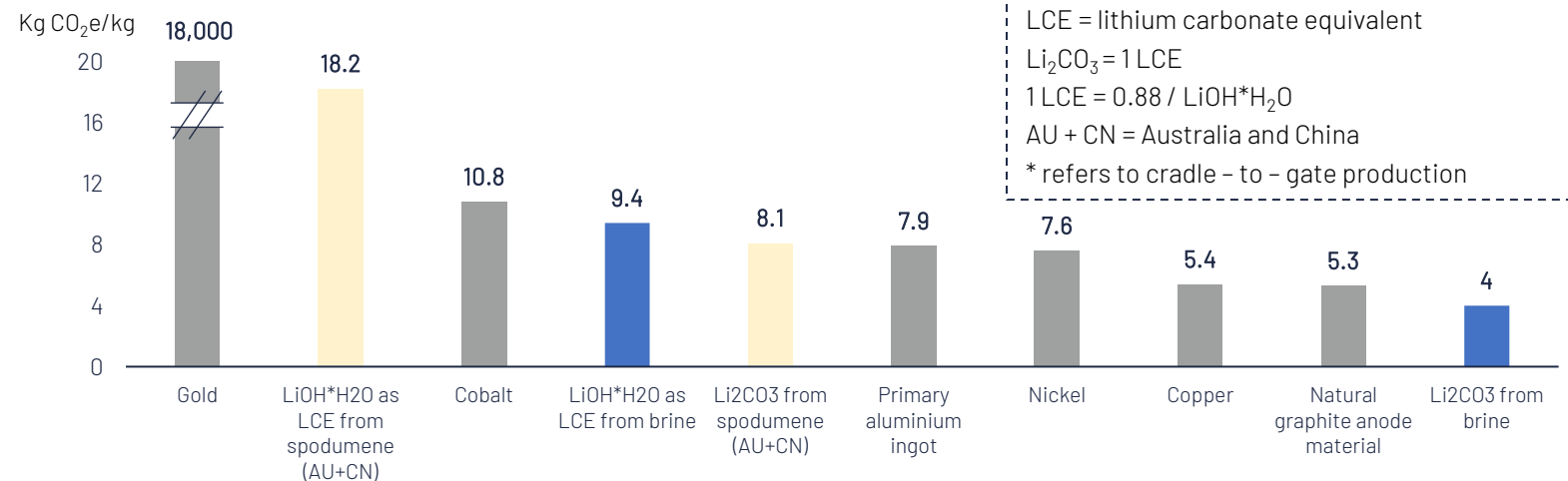
Attractive relative environmental footprint – low impact production

- Brine-based lithium production has superior environmental credentials than other critical materials
- Lower energy and carbon equivalent emissions compared to spodumene based lithium products

Comparison of energy consumption



Comparison of CO₂e emissions



Source: Charts adapted from information contained within SQM Benchmark World Tour West June 2020 publication

04 Rapid project delivery

Fast track route to lithium production and long-term 34 ktpa base LCE output

Targeting first-phase Li concentrate production from HMW in CY24 and Li_2CO_3 from CY25

- HMW Mineral Resource estimate upgrade on track for Q3 CY22
- HMW Feasibility Study on schedule for late Q4 CY22
- Aggressive drilling of potential Mineral Resource expansion zones at HMW through H2 CY22
- Combined HMW and Candelas development targeting 34 ktpa LCE base long-term output



Key business activities	Q3 CY22	Q4 CY22	Q1 CY23	Q2 CY23	Q3 CY23	Q4 CY23
Hombre Muerto West						
Mineral Resource update	X					
Pilot plant operations	X	X	X			
Feasibility Study	X	X				
Final Investment Decision (FID)				X		
Offtake and project financing			X	X	X	X
Construction commences						X →

05 Best in-class team

Highly experienced Board, management and in-country team



**Richard
Homsany**

**Non-Executive
Chairman**

- Experienced corporate lawyer
- Extensive board and operational experience in the resources and energy sectors
- Executive Chairman of ASX listed Toro Energy Limited (ASX:TOE), Executive Vice President, Australia of TSX listed Meg Uranium Ltd (TSX:MGA), Chairman of Health Insurance Fund of Australia Ltd and the principal of Cardinals Lawyers and Consultants



**Juan Pablo (JP)
Vargas de la Vega**

**Managing
Director**

- Chilean/Australian mineral economist professional with nearly 20 years' broad experience in ASX listed mining companies, stockbroking and private equity firms
- Previously a specialist lithium analyst in Australia and private Chilean copper business operator
- Experience with BHP, Rio Tinto and Codelco.
- Founder of Blue Sky Lithium, the vendor of Galan's Argentinian assets



**Daniel
Jimenez**

**Non-Executive
Director**

- A civil industrial engineer and MBA with more than 28 years experience in the Lithium industry
- Previously Senior Vice President Commercial Lithium, Iodine and Industrial Chemicals at Sociedad Quimica y Minera de Chile (NYSE:SQM) based in Chile, Belgium and the USA
- Directly responsible for the commercial strategy and marketing of industrial products



**Christopher
Chalwell**

**Non-Executive
Director**

- Experienced commercial and feasibility study expert with experience in project funding and commercial contract appraisal, award and management
- Previously COO SKILLED Workforce Services Western Mining Region
- Critical involvement in the gas to coal conversion of the Mica Creek Power station in Mt Isa and the Pasmenco Century Mine in north Queensland



**Terry
Gardiner**

**Non-Executive
Director**

- Highly experienced executive with more than 20 years' experience in capital markets, stockbroking and derivatives trading
- Executive Director of stockbroking firm Barclay Wells Limited and also a Non-Executive Director of Cazaly Resources Ltd (ASX:CAZ) and Non-Executive Chairman of Charger Metals NL (ASX:CHR)



**Raymond
Liu**

**Non-Executive
Director**

- Mining executive with extensive experience in mineral project development and investment
- Current director of Heritage Minerals Pty Ltd and the founding Partner of Havelock Mining Investment
- Previous involvement with numerous investments in ASX listed companies and direct experience at Fosun Group, Rio Tinto, KCGM and Mt Gibson Iron

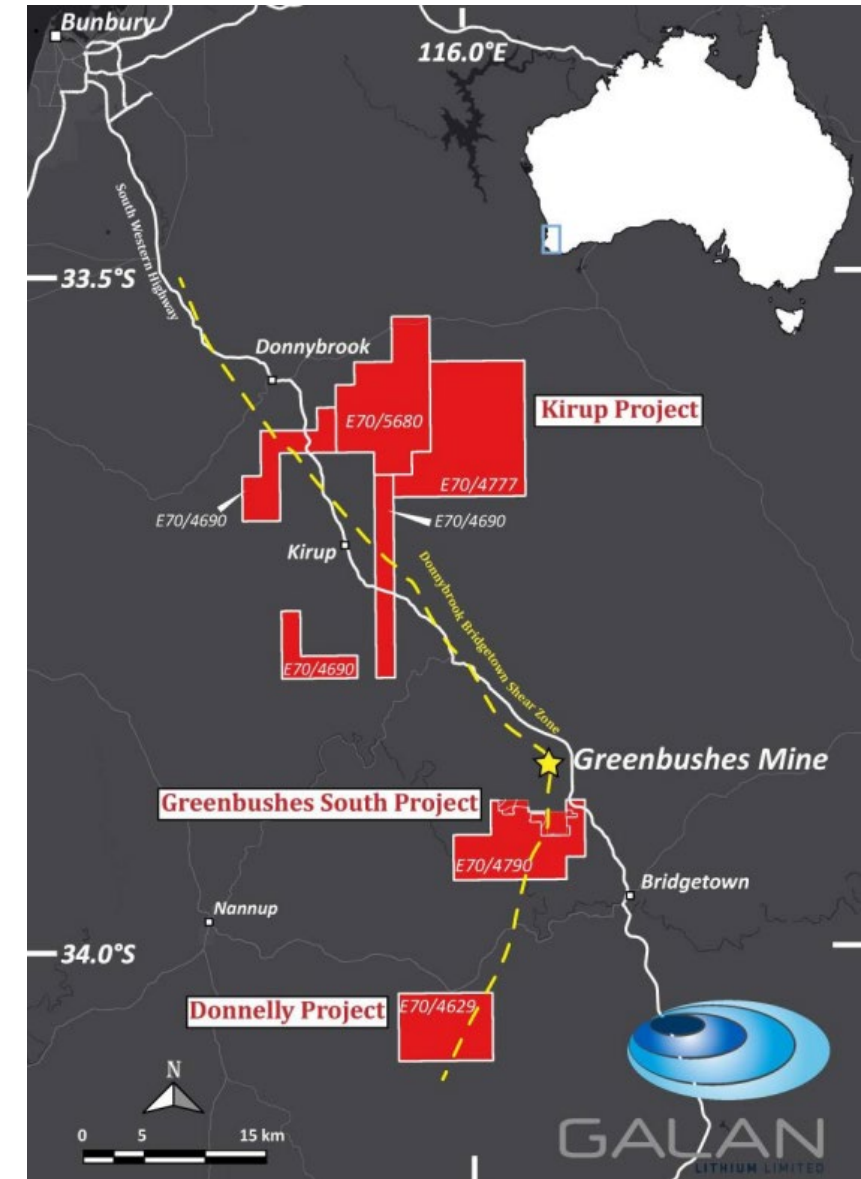
06 Further project pipeline

Hardrock lithium exploration upside

Greenbushes South Lithium Project Joint Venture 80% ownership¹

- Located 3km south of world-class Greenbushes Lithium mine, one of the world's largest, highest grade hard rock spodumene deposits
- Tenements intersect the Donnybrook-Bridgetown Shear Zone which hosts the lithium bearing pegmatites found at Greenbushes
- Recent soil sample results, plus extensive airborne magnetic and radiometric geophysics, provide **strong indication of prospective lithium bearing pegmatites**
- Conservation Management Plans submitted for further exploration activity, **targeting drilling from late CY22**

1. 20% Lithium Australia NL



The premier lithium developer

01 World-class location

Leading high grade, low impurity brine assets in Tier 1 lithium setting

02 Compelling economics

Detailed study work supports delivery of high return, low process risk projects

03 Sustainable supply

Low energy and low carbon lithium brine production footprint

04 Rapid project delivery

Fast track route to 34 ktpa base lithium carbonate production

05 Best-in class team

Highly experienced Board, management and in-country team

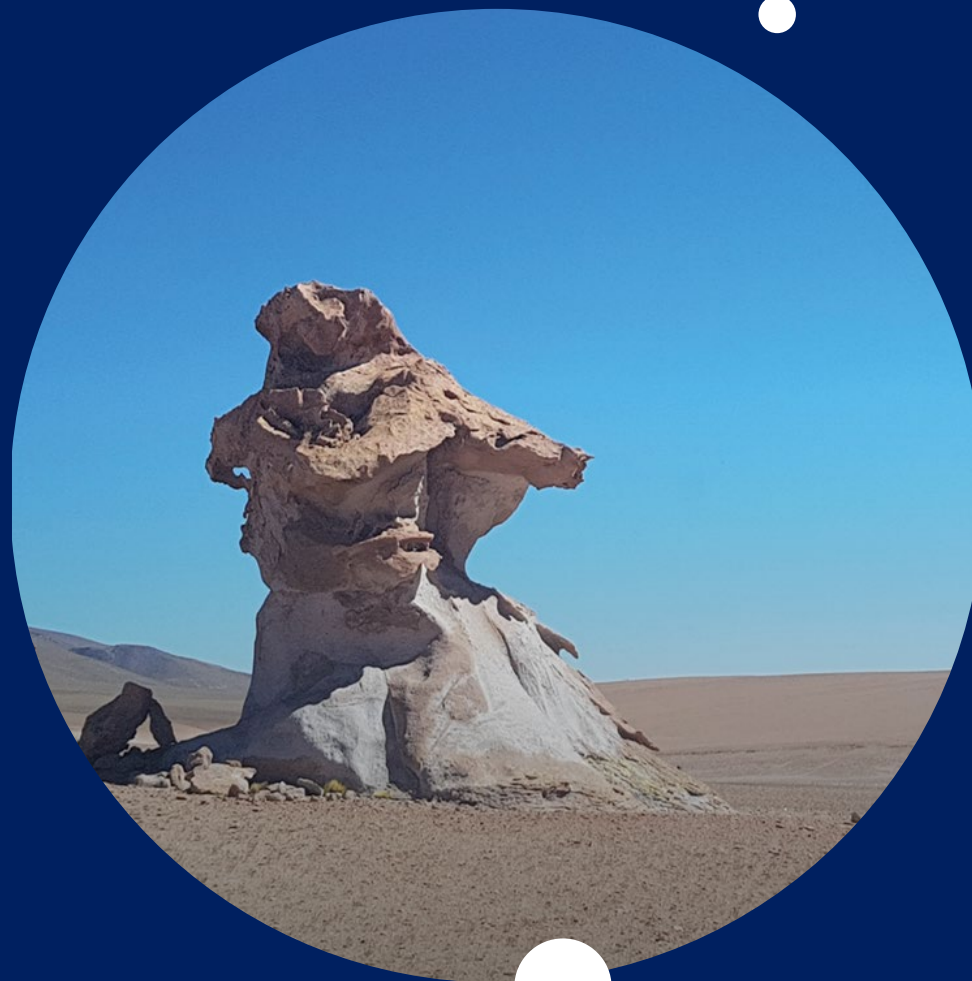
06 Further project pipeline

Hard rock lithium exploration upside



On the fast track to lithium carbonate production

With our flagship HMW Project and highly complementary Candelas Project in South America's lithium triangle



Appendix 1: Mineral Resource estimate

Mineral Resource Statement for Candelas¹

Category	In situ Li (kt)	Avg. Li (mg/l)	LCE (kt)	Avg. K (mg/l)	In situ K (kt)	KCI Equiv. (kt)
Indicated	167	672	685	5,193	1,734	3,307

Note: 500mg/l Li cut-off grade for Candelas. These results refer to the drainable porosity, the specific yield (SY) values used are as follows;

- Sand: 12.5%
- Gravel: 6%; and
- Halite: 4%

There may be minor discrepancies in the above table due to rounding. The conversion for LCE = Li x 5.3228, KCI = K x 1.907

1. The Mineral Resource information in this presentation is extracted from the ASX announcement entitled "Excellent PEA Results for Candelas Project", dated 30 November 2021
2. The Mineral Resource information in this presentation is extracted from the ASX announcement entitled "Updated Economic Study for Flagship HMW Project - NPV Increases to US\$2.2B on Revised Lithium Price", dated 9 December 2021

Galan confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Galan confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Mineral Resource Statement for Hombre Muerto West²

Category	In situ Li (kt)	Avg. Li (mg/l)	LCE (kt)	Avg. K (mg/l)	In situ K (kt)	KCI Equiv. (kt)
Hombre Muerto West: Sand Domain						
Indicated	407	945	2,166	8,720	3,753	7,157
Hombre Muerto West: Gravel Domain						
Indicated	12	947	61	8,804	107	204
Hombre Muerto West: Halite Domain						
Indicated	8	946	40	8,846	70	134
NMW total	426	946	2,267	8,725	3,931	7,496

Note: No cut-off grade for HMW. These results refer to the drainable porosity, the specific yield (SY) values used are as follows;

- Sand: 12.5%
- Gravel: 6%; and
- Halite: 4%

There may be minor discrepancies in the above table due to rounding. The conversion for LCE = Li x 5.3228, KCI = K x 1.907

The above resource does not include the Catalina and Santa Barbara concessions

Appendix 2: Peer brine resource table

Salt lake	Company	Code	Li (ml/L)	Measured kt LCE	Indicated kt LCE	Inferred kt LCE	Total kt LCE
Salar de Rincon	Rincon Lithium	JORC	403	3,600		4,300	7,900
Salar de Rincon	Argosy	JORC	325		245		245
Pozuelos y Pastos Grandes	Litica Pluspetrol LSC	NI 43-101	509	958	719	631	2,308
Pastos Grandes	Millennial Lithium	NI 43-101	452	1,277	854	878	3,009
Diablilos	Tibet Summit	NI 43-101	556			4,950	4,950
Hombre Muerto	Galaxy	JORC	732	3,005	2,665	1,562	7,232
Hombre Muerto	POSCO	JORC	780	1,580	1,580	940	4,100
Hombre Muerto	Livent	N/A	747	4,200			4,200
Hombre Muerto (Candelas)	Galan Lithium	JORC	672		685		685
Hombre Muerto (HMW)	Galan Lithium	JORC	946		2,267		2,267
Cauchari	LAC	NI 43-101	592	3,555	16,298	4,723	24,576
Olaroz	Orocobre	JORC	690	6,400			6,400
Tres Quebradas	Neolithium	NI 43-101	601	569	3,436	2,917	6,922

Source: iLi Markets

GALAN

LITHIUM LIMITED

Level 3, 30 Richardson Street
West Perth, WA 6005

PO Box 396
West Perth, WA, 6872

Phone: +61 8 9322 6283

Fax: +61 8 9322 6398

Email: jp@galanlithium.com.au