

ASX ANNOUNCEMENT

4 November 2020

GALAN COMPLETES 100% ACQUISITION OF IMPORTANT STRATEGIC PROJECTS AT HOMBRE MUERTO, ARGENTINA

- **Final acquisition of adjacent concessions, strengthens and consolidates Galan as key player in the region**
- **Hombre Muerto West (HMW) Project is now expected to be a continuous polygon of 7.5km strike, up to 2.5km in width and up to 718m in depth**
- **HMW is one of the highest-grade low impurity projects in Argentina**
- **SRK appointed to quantify and update new resources at HMW**
- **Exploration upside identified with several open areas at HMW. New geophysics survey planned for Q1 2021.**
- **PEA/Scoping study remains on track for Q4 2020**

Galan Lithium Limited (ASX:GLN) (**Galan or the Company**) is pleased to announce that it has completed the purchase of the 100% interest in the *Del Condor* and *Pucara* lithium brine salar projects that abut Galan's Hombre Muerto West tenements in Argentina (Figure 1).

The *Del Condor* and *Pucara* comprise two claim blocks totalling 1,804-hectares. They are located within the world-class, Salar del Hombre Muerto, where Livent Corporation (NYSE:LTHM) is currently producing lithium carbonate and Galaxy Resources Limited (ASX:GXY) and South Korea's POSCO are currently developing their independent Sal de Vida projects.

HMW is now consolidated and expected to host a resource with a continuous polygon of ~7.5km strike, up to ~2.5km in width and up to 718m in depth as recorded at Pata Pila (ASX announcement dated 12 March 2020). More importantly, the projects abut Galan's Pata Pila, Deceo III and Rana de Sal interests, which currently house an indicated resource of 1.37 Mt LCE @ 946Mg/L Li (ASX announcement 22 June 2020).

Next Steps:

- The Company has again engaged SRK Consulting to commence an updated resource estimate on the Hombre Muerto West region, including the *Del Condor* and *Pucara* concessions.
- A geophysical survey is also expected to be undertaken in the first quarter of 2021 to investigate further exploration upside.

JP Vargas de la Vega, the Galan Managing Director said, 'Once again this a great team effort, and despite COVID-19 constraints, the team in Argentina has delivered on our original vision from 2017. HMW is now a significant polygon, the acquisition and the annex of these new tenements consolidates the project as a genuine lithium development in Argentina. We look forward to receiving the Resource Update from SRK and including the new data into our PEA/Scoping Study due in Q4 2020.'

Transaction Details

Galan will pay the Concession Holder a total of CDN\$100,000 in cash (inclusive of a USD\$10,000 deposit that has already been paid) and the issue 650,000 fully paid Galan shares for the 100% interest in the Del Condor and Pucara lithium brine projects.

The Galan Board has authorised this release.

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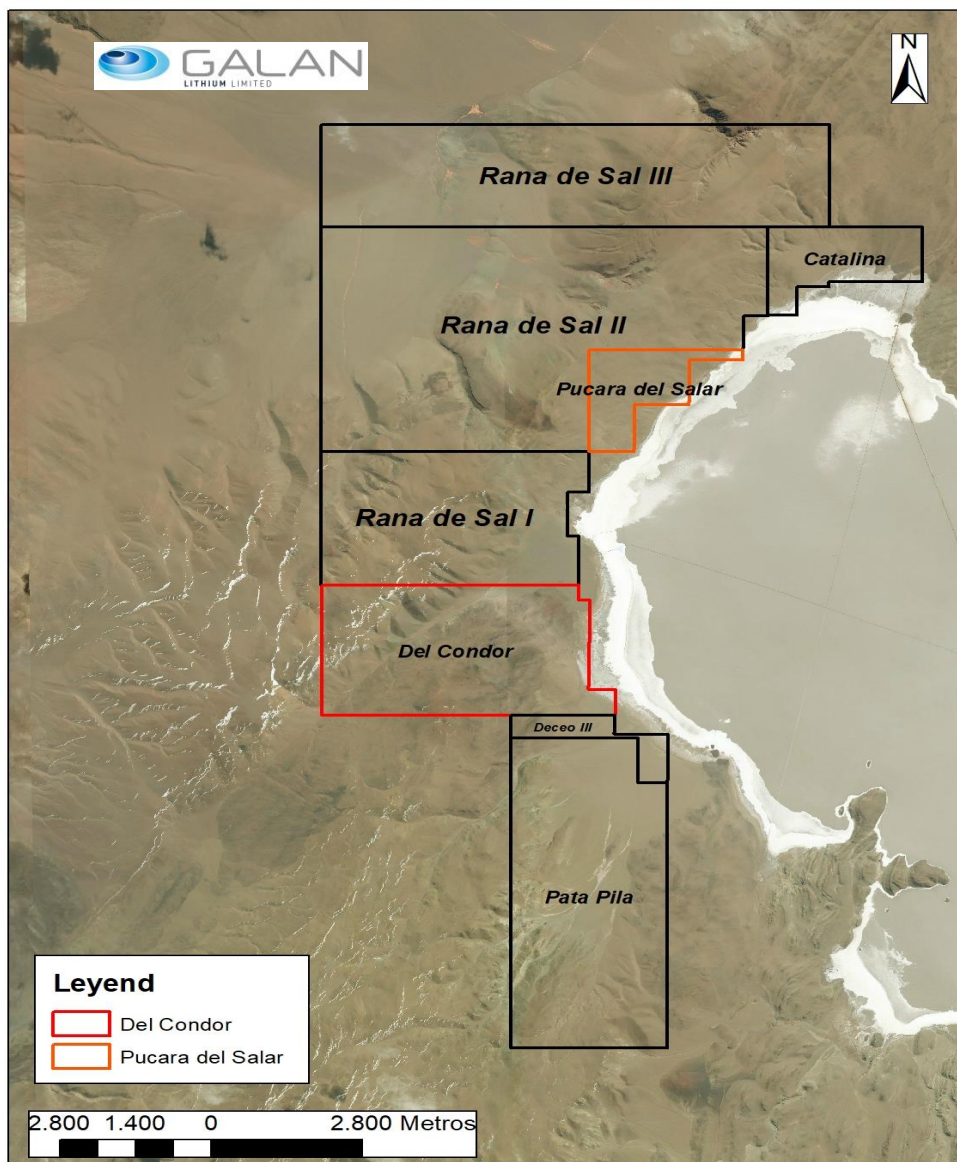


Figure 1: Del Condor and Pucara del Salar concessions (in red) and GLN's concessions (in black)

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) with exploration upside remaining for the rest of the concessions.

Competent Persons Statements

Competent Persons Statement 1

The information contained herein that relates to exploration results and geology is based on information compiled or reviewed by Dr Luke Milan, who has consulted to the Company. Dr Milan is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Milan consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

Competent Persons Statement 2

The information relating to the Exploration Results and integrity of the database was compiled by Mr Francisco Lopez (Geology). Mr Lopez is a full-time employee of Galan Lithium Limited and has been engaged by Galan as their Geology Manager. The integrity of the database and site inspection was done by Dr Michael Cunningham, GradDip, (Geostatistics) BSc honours (Geoscience), PhD, MAusIMM, MAIG, MGSA, FGSL. Dr Cunningham is an Associate Principal Consultant of SRK Consulting (Australasia) Pty Ltd.

The information in this report that relates to the Mineral Resources estimation approach at Candelas and Hombre Muerto West was compiled by Dr Cunningham. Dr Cunningham is an Associate Principal Consultant of SRK Consulting (Australasia) Pty Ltd. He has sufficient experience relevant to the assessment and of this style of mineralisation to qualify as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2012)". Dr Cunningham consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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

Information within this report that relates to Resources for the Candelas project have previously been released in ASX:GLN announcements dated 1/10/19 and 22/6/20. Information within this report that relates to Exploration Results for the HMW projects have previously been released in ASX:GLN announcements dated 9/10/19, 15/11/19, 19/12/19, 13/1/20 and 15/1/20. Information within this report that relates to Resources for the HMW projects have previously been released in ASX:GLN announcements dated 12/3/20 and 22/6/20.