

ASX ANNOUNCEMENT

12 August 2024

Company Update

Galan Lithium Limited (ASX:GLN) (**Galan** or **the Company**) wishes to provide the following Company update on its 100% owned Hombre Muerto West (**HMW**) lithium brine project in Argentina.

HMW Project

With lithium inventories continuing to increase in the HMW Phase 1 ponds, currently at 3,200t LCE, the Company has further advanced its financing process. The Company is pleased to advise it has now shortlisted partners and financiers in order to conclude a definitive sales agreement and financing in the near term, inclusive of non-dilutive options. Galan notes its ability to export lithium chloride concentrate has enabled access to a broader range of options.

Importantly, new piping from the central northern part of the HMW project has now been connected, increasing pond flow by up to 50%. In addition, the latest batch of liners have arrived on site for the installation process for Pond 4 and Pond 5 earthworks are now 80% complete.

Furthermore, Galan is very pleased to advise that the permitting for HMW Phase 2 production continues to advance with strong provincial government support. The granting of these permits is another key milestone for Galan as it proceeds with the four stage development of its HMW and Candelas projects.

Corporate

The Company refers to the unsolicited, conditional, non-binding indicative proposal regarding a potential acquisition of Galan's Argentinian lithium assets referred to in the Company's ASX release on 6 August 2024. Galan advises that it will not proceed any further with the proposal.

The Board remains confident and enthused by the interest shown for the development of its 100% owned HMW and Candelas projects and looks forward to providing further updates on its world class lithium brine projects.

The Galan Board has authorised this release.

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