GALAN LITHIUM LIMITED

NEW HIGH-GRADE LITHIUM BRINE DISCOVERY IN SOUTH AMERICA'S LITHIUM TRIANGLE

July 2019

ASX:GLN

DISCLAIMER AND IMPORTANT INFORMATION

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Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves nor recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

The Company has not fully completed feasibility studies on all its projects. Accordingly, there is no certainty that such projects will be economically successful. Resources that are not reserves do not have demonstrated economic viability.

The information contained herein that relates to Exploration Results 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.

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GALAN LITHIUM LIMITED: INVESTMENT FOUNDATIONS.

- ✓ **WORLD CLASS LOCATION:** Big neighbours
- ✓ **STAND OUT QUALITY:** proven high grade, low impurity setting
- ✓ **HIGHLY ACTIVE:** project commenced mid-2018
- ✓ **RIGHT PERSONNEL:** experienced board & in-country
- ✓ **BUSY TIMES:** to continue…
  - ✓ Maiden JORC Resource expected Q3 2019
  - ✓ PFS to commence thereafter in Q4 2019
  - ✓ New project areas to be drilled
- ✓ Well connected & experienced in-country team

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A SIGNIFICANT INVESTMENT OPPORTUNITY – THE RIGHT PLACE.

Hombre Muerto Salar located in the world-renowned Lithium Triangle in Argentina

- **WORLD'S LARGEST** reserves of lithium found in the Lithium Triangle
  60 percent of the world's annual production of lithium comes from brines from the Atacama and Hombre Muerto salars
- The **HIGHEST** grade & **LOWEST** impurities in country
- **GOOD NEIGHBOURHOOD** with much recent corporate activity:
  - Livent Corp (ex-FMC, NYSE: LTHM):
    Recently listed on the New York Stock Exchange, Fenix operation at Hombre Muerto in production for >27 years
  - Galaxy Resources:
    Sourcing funding to develop the Sal de Vida deposit
  - POSCO:
    Purchased part of GXY's Sal de Vida project for US$280m

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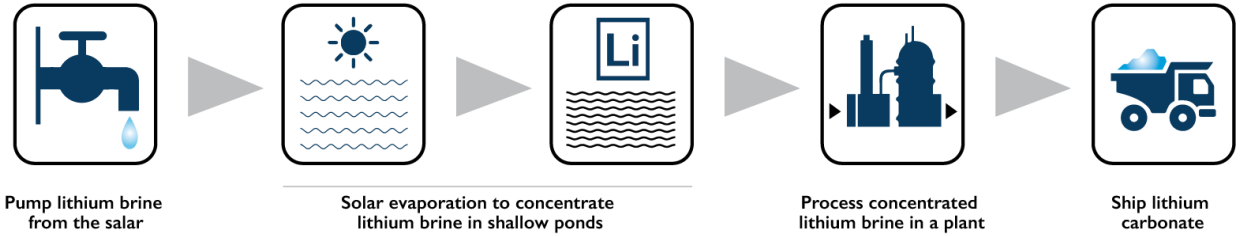
A SIGNIFICANT INVESTMENT OPPORTUNITY – THE RIGHT COMMODITY.

Lithium Brine over Hard Rock Lithium

- Capex / Opex lower than conventional hard rock mining
- Operations simple compared to hard rock - small number of steps to produce Li Carbonate Equivalent (LCE)
- New processing options being assessed - dramatically reduce time to produce LCE
- Lower Brine impurities = Lower LCE production cost
- Livent's Fenix operation at Hombre Muerto has the lowest impurity levels of any operating brine mine in the world

Lithium Carbonate Production Process



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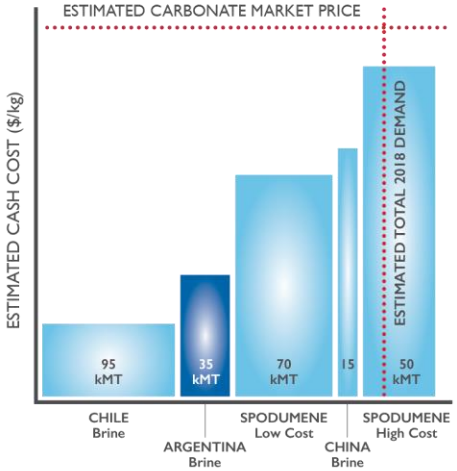
A SIGNIFICANT INVESTMENT OPPORTUNITY – THE RIGHT TIME.

Spike in Li demand from EV Batteries

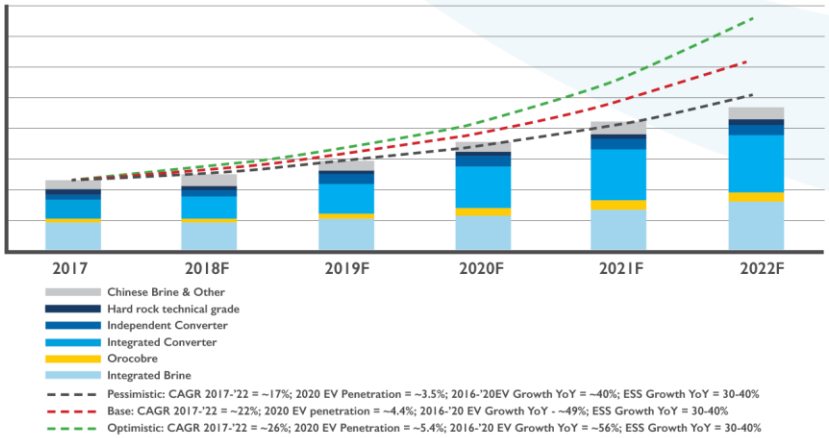
- The lithium price has risen significantly in the past two years with unprecedented prices - current prices are ~US$10,900/t LCE.
- Price rise primarily due to the demand for lithium batteries in electric vehicles
- Lithium demand is expected to further increase which should place further upward pressure on prices
- Lowest cost producers at <US$5,000/t

2018 Lithium Carbonate Cost Curve



Source: FMC Corp.

Orocobre Forecasted Lithium Market Supply & Demand (LCE t)



Source: Orocobre Ltd, Nov. 2018

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CORPORATE STRUCTURE.

Capital Structure	
Shares on Issue	129,334,278
Options (Listed: GLNOA)	2,825,000 Options exercisable $0.15, 29 Nov. 2019 23,941,178 Options exercisable $0.14, 31 Dec. 2019 5,350,000 Options exercisable $0.60, 31 Aug. 2020 4,000,000 Options exercisable $0.3438, 11 June 2021
Share Price	$0.19
Cash end March 19 Qtr	$4.65 million
Market Cap	~$25 million

Shareholders	
Directors and Management	30%
Top 20 Shareholders	49%

Performance Shares	GLN Shares
Vendor Class A Shares Upon delineating a JORC compliant resource of at least 80,000t contained LCE	15,000,000
Vendor Class B Shares Upon the commencement of commercial production from a pilot plant	10,000,000
MD Performance Shares i) Upon JORC Indicated/Measured Resource of 1Mt+ LCE ii) Upon financial close for a commercial scale lithium production facility	5,000,000 5,000,000

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HIGHLY EXPERIENCED BOARD.

Nathan McMahon
Non-executive Chairman

Has provided tenement management and corporate advice to the mining industry for +25 years.
Specialised in native title negotiations, joint venture negotiations and project acquisition due diligence. Joint Managing Director of Cazaly Resources.

Juan Pablo('JP') Vargas de la Vega
Managing Director

A Chilean/Australian mineral industry professional with 15 years' broad experience in ASX listed mining companies, stockbroking and private equity firms. JP has been a specialist lithium analyst in Australia, has also operated a private copper business in Chile and has worked for BHP, Rio Tinto and Codelco.
Founder of Blue Sky Lithium, vendor of the Argentinian assets.

Christopher Chalwell
Non-executive Director

Previously COO SKILLED Workforce Services Western Mining Region. Has been involved in the gas to coal conversion of the Mica Creek Power station in Mt Isa and the Pasminco Century Mine in north Queensland.
Extensive experience with feasibility studies, commercial reviews for project funding, contract appraisal and award.

Terry Gardiner
Non-executive Director

+20 years' experience in capital markets, stockbroking & derivatives trading and prior to that had many years trading in equities & derivatives for his family accounts. Currently a Director of stockbroking firm Barclay Wells Limited and a Non-executive Director of Cazaly Resources.

Raymond Liu
Non-executive Director

A qualified mining engineer with a commercial background, Mr Liu is the founding Managing Partner of Havelock Mining Investment, a Hong Kong investment company and has been involved with numerous investments in ASX listed companies. Currently a Director of Okapi Resources Ltd. Previously, held technical roles at Rio Tinto, KCGM and Mt Gibson Iron.

Mike Robbins
CFO/Company Secretary

+20 years' resource industry experience gathered at both operational and corporate levels, both within Australia and overseas. Has held numerous project level management positions as well as CFO and Company Secretarial roles with Cazaly Resources, Bannerman Resources, and Blackham Resources.

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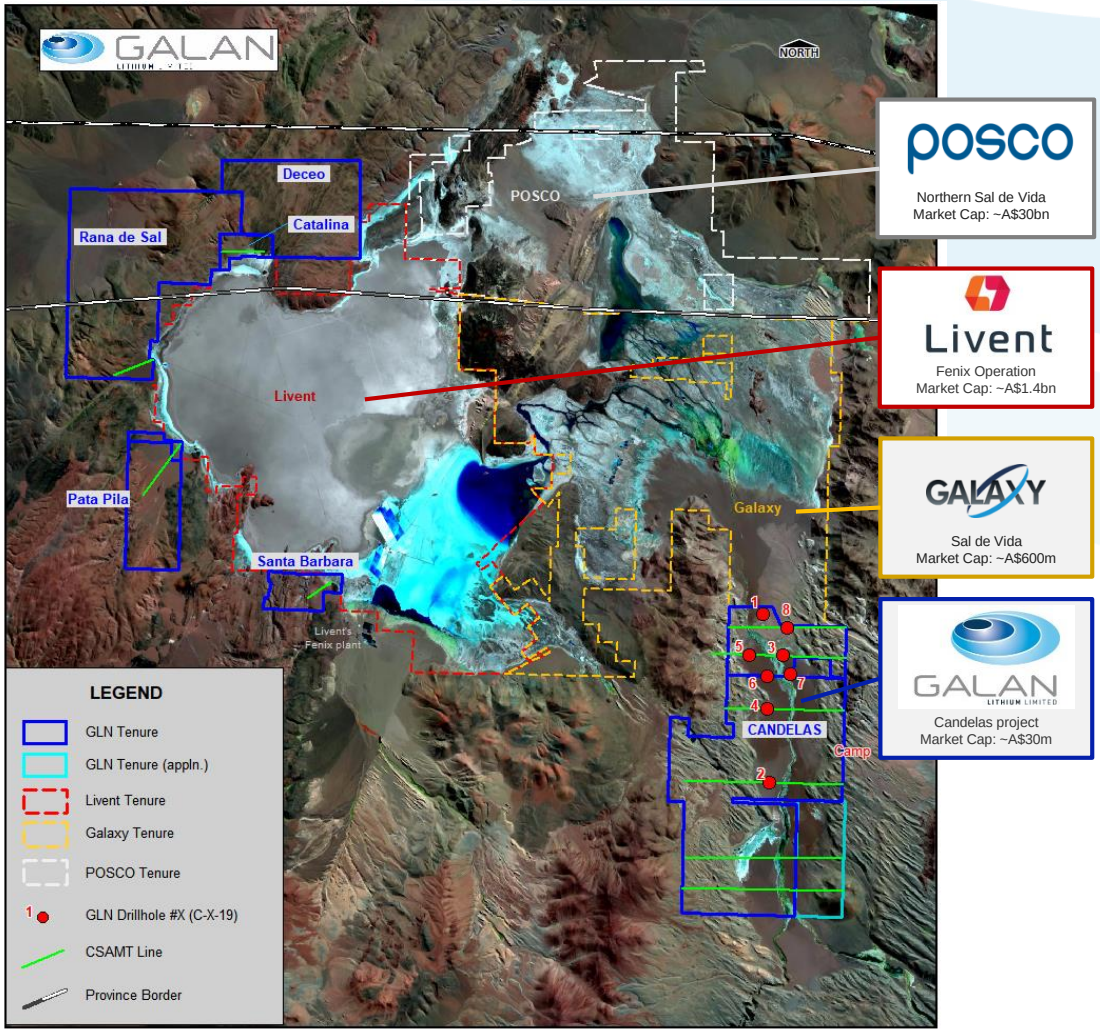
HOMBRE MUERTO:
TIER 1 LOCATION WORLDWIDE FOR Li BRINES

- Second best salar in the world for production of lithium from brines (after the Atacama, Fenix in operation since 1992)
- Galan holds six projects totalling ~25,000hHa with potential brine coverage conservatively comprising ~7,800Ha
- Rich setting for lithium brine development
  - ground waters sourcing volcanic rocks
  - hydrothermal activity
  - closed basin
  - arid climate
  - faulted environment
- Best grades & lowest impurities in Argentina
- Infrastructure including sealed roads, processing water, power already in place



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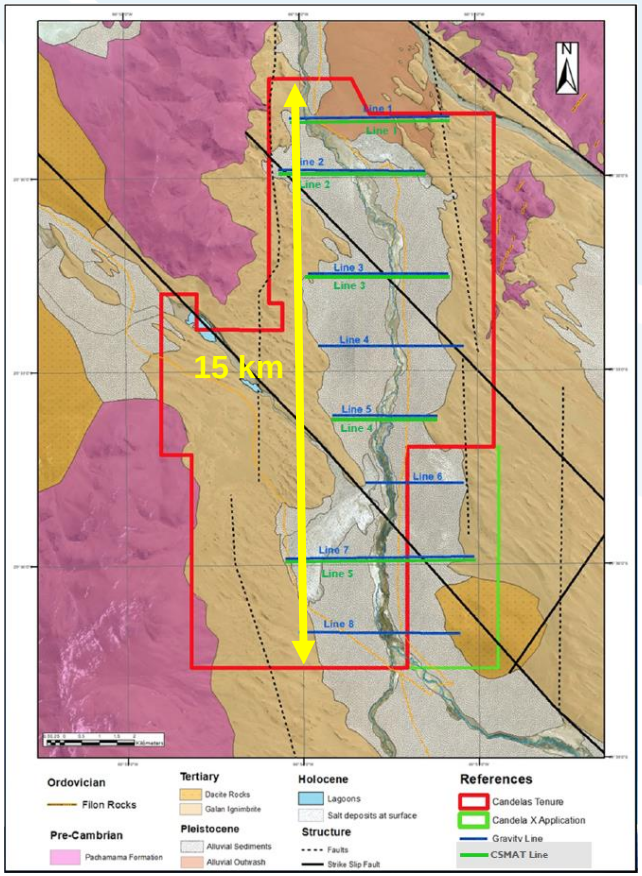
CANDELAS

MAIN EXPLORATION FOCUS

- Encompasses the 15km x 3-5km Los Patos channel
- Extensive exploration potential, adjacent to Galaxy's Sal de Vida project (1.14 Mt LCE Reserve)
- Sufficient area for evaporation ponds, processing infrastructure & great fresh, process water
- Rio Los Patos accounts for ~79% of incoming waters & lithium into the salar. Likely Li source rocks from the Cerro Galan volcano (associated fumaroles noted in the channel)

Diamond drilling at Candelas



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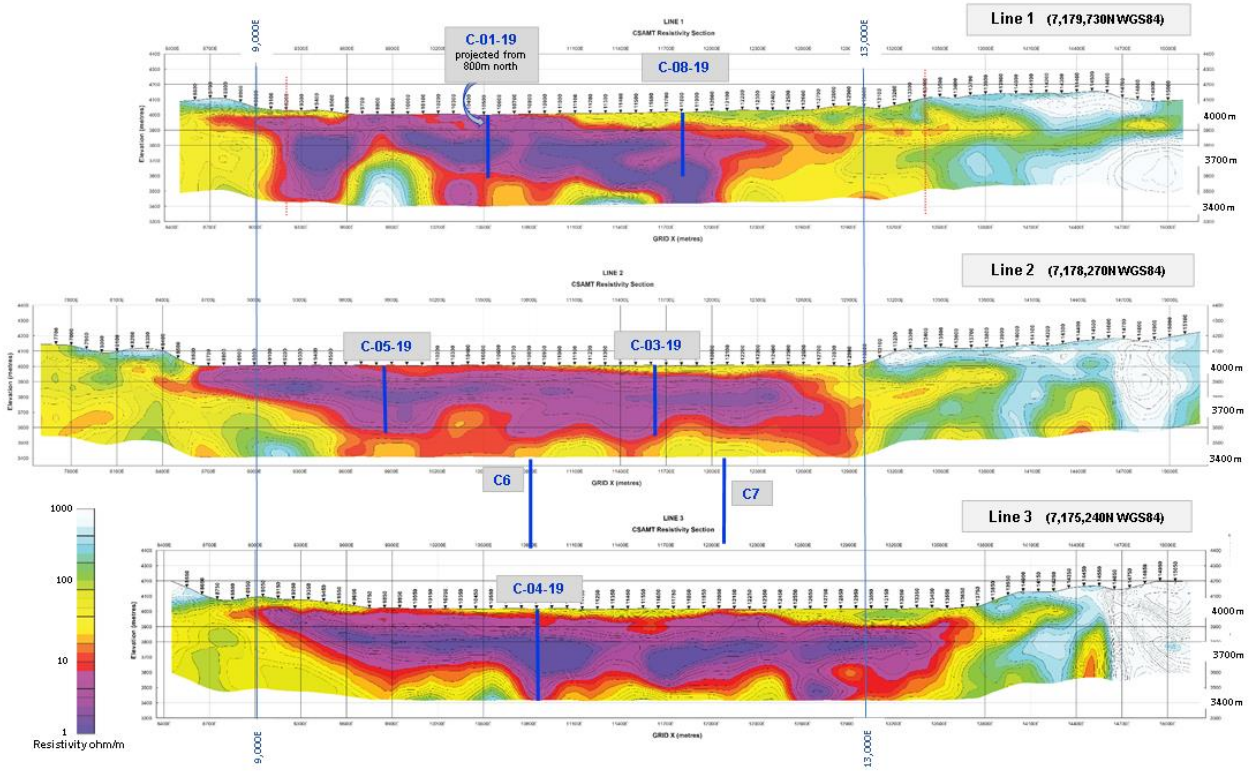
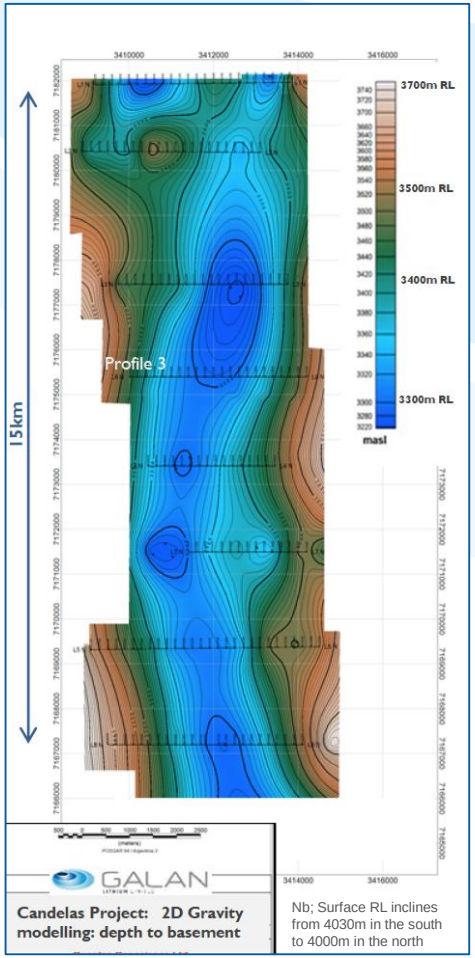
CANDELAS – GEOPHYSICS

- Channel lies within a structurally controlled graben formed into basement Pre-cambrian metamorphic rocks
- Extends for the length of the project, over 15km
- Channel filled with Tertiary ignimbrites, sourced from the nearby Cerro Galan volcano, and more recent Pleistocene sediments (alluvial fan, channel and salar sediments)
- Brine thicknesses of high grade encountered to range from up to 200~m+
- Results far exceeded Company expectations



CSAMT Profiles 1-3 - Interpreted model showing lowly resistive brine saturated materials (in purple/blue) with possible dry materials (yellow) & location of drillholes C1 - 8



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CANDELAS DISCOVERY

February 2019

"Preliminary field measurements and laboratory analyses on brine suggests that the Candelas Project has the potential to become a world-class soluble lithium deposit hosted in a unique geological setting".

SRK Consulting (Argentina)
ASX:GLN release 13 February, 2019

Discovery Highlights…

Focus on Northern Candelas Channel Area

- Discovery hole returns; **192 metres @ 802 mg/l Li**
- VERY LOW Impurity levels; **Mg/Li ratio ~2.70**
- Sediment package includes **perfect permeable hosts**; coarse sands/gravels, breccia and conglomerate
- **SRK (Australia)** overseeing resource definition, QA/QC controls deem this a **potential world class deposit**

Candelas Drillhole	Results	Mg:Li	
C-01-19	**192m @ 802 mg/l Li**	**2.65**	**Candelas North**
C-02-19	192m @ 121 mg/l Li	3.04	Central
C-03-19	**143m @ 784 mg/l Li**	**2.73**	**Candelas North**
C-04-19	58m @ 203 mg/l Li	4.47	Central
C-05-19	**124m @ 680 mg/l Li**	**2.53**	**Candelas North**
C-06-19	**54m @ 508 mg/l Li**	**2.68**	**Candelas North**
C-07-19	181m @ 99 mg/l Li	1.27	Central
C-08-19	**70m @ >500 mg/l Li *** (* assays pending, estimate from field testing)		**Candelas North**

CONFIRMS CONSISTENT BRINE COVERAGE

over at least ~3.5km strike extent

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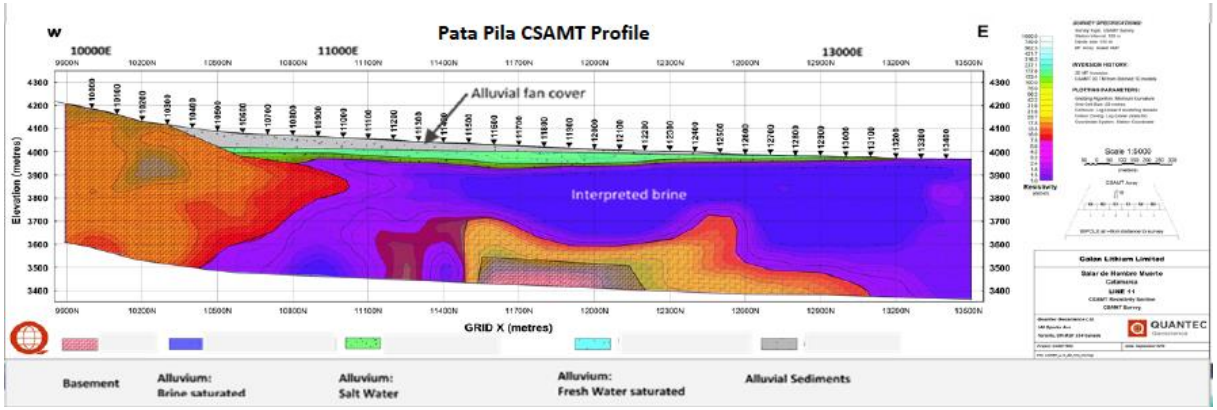
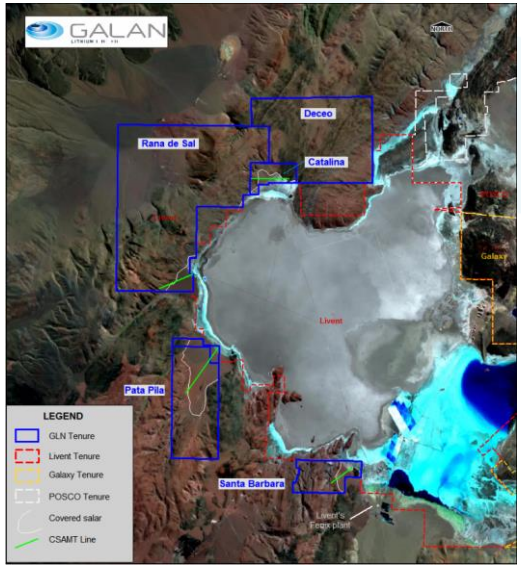
WESTERN BASIN PROJECTS.

Resistivity surveys show similar readings to Candelas channel for Li Brine

- Several areas covering margins of the Hombre Muerto salar, includes alluvial fan covered salar targets
- Recent resistivity surveys completed over 4 new targets at Hombre Muerto salar;
- Initial near surface water sampling is highly encouraging, several samples >1,000 mg/l Li
- Follow up CSAMT resistivity survey confirms “very conductive and shallow horizons that are consistent with geological units saturated with brine”
- Resistivity values from the targets, which lie adjacent to Livent’s operations, are similar to Candelas - positive implications for lithium grade potential
- Drilling permits expected shortly with drilling at Pata Pila expected in Q3 2019





Example profile, Pata Pila - Interpreted CSAMT model showing lowly resistive brine saturated materials (in purple/blue)

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COMPANY COMPARISONS

LITHIUM BRINES COMPARATIVE TABLE (ASX Co.s)				
Company	**Resource LCE**	**Average grade (mg/l Li)**	**Project Status**	**Preferred Processing Route**
GLN	N/A	~700 - 802	JORC resource estimate due Q3 2019	Under study, PFS commencing Q4 2019
AGY	245kt	325	PEA completed, targeting industrial production	Conventional
LKE	4.4Mt	211	PFS	Ion Exchange
ASN	N/A	140 - 500	Pilot Plant – Final Design	Ion Exchange

nb; Information from public company reports

ASX ANNOUNCEMENT

3 July 2019

Technical processing review leads to preliminary examination of ion-exchange technology ahead of Pre-Feasibility Study

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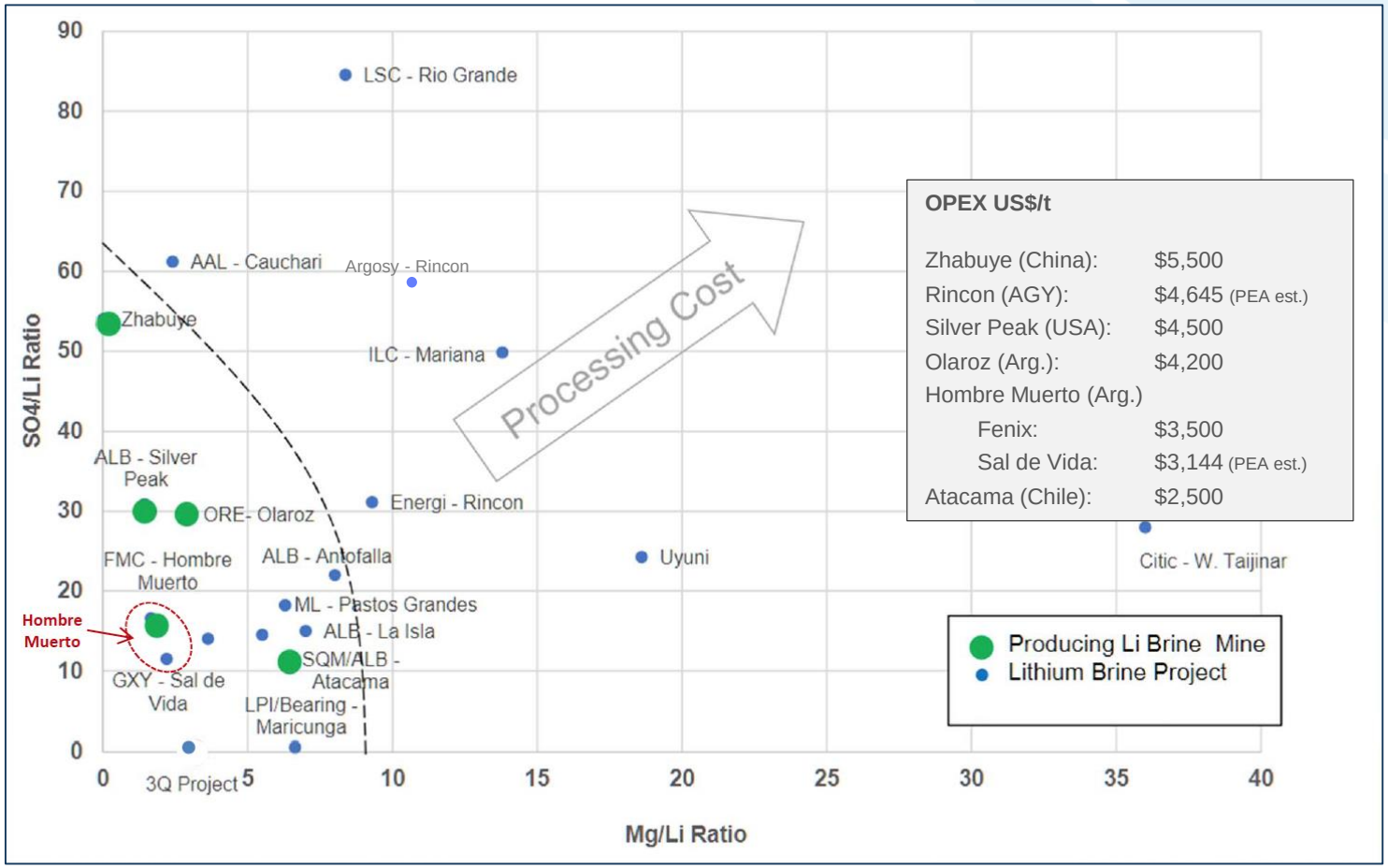
IMPURITIES – PROJECT COMPARISONS.



OPEX US$/t

Zhabuye (China):	$5,500
Rincon (AGY):	$4,645 (PEA est.)
Silver Peak (USA):	$4,500
Olaroz (Arg.):	$4,200
Hombre Muerto (Arg.)	
Fenix:	$3,500
Sal de Vida:	$3,144 (PEA est.)
Atacama (Chile):	$2,500

Source: Neo Lithium Corp. & other company reports * excludes by-products

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ACHIEVEMENTS AND INDICATIVE NEXT STEPS

- ✓ GLN's option agreements were negotiated and signed in Q4 2017
- ✓ Initial surface samples and geological mapping completed Q1-Q2 2018
- ✓ Re-badged as GLN, officially listed on the ASX in Q2 2018
- ✓ Geophysics performed during Q2-Q3 2018
- ✓ Candelas' Stage 1 drilling permits approved in Q4 2018 and in Q2 2019 for Stage 2 drilling
- ✓ Drilled 8 holes since late January 2019
- ❑ Candelas' maiden JORC compliant resource estimate by SRK expected in Q3 2019
- ❑ Drilling permits and drilling at the Western Tenements anticipated shortly
- ❑ Focus on delivering a Pre-Feasibility Study (PFS) on Candelas evaluating the production of lithium carbonate by:
  - Testing conventional lithium extraction with ponds
  - Investigating new ion exchange processing alternatives, and
  - Other studies in hydrology, environmental, logistics, marketing etc...
- ❑ A pilot plant is planned to be operating during 2020 targeting the production of battery grade lithium carbonate

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ACHIEVEMENTS AND INDICATIVE NEXT STEPS

Tasks	CY 2018				CY 2019				CY 2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CANDELAS												
Geophysics & mapping												
Drilling Permits												
Drilling												
JORC Resource												
Pre-Feasibility Study												
Pilot Plant												
WESTERN TENEMENTS												
Drilling Permits												
Drilling												
JORC Resource												

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ARGENTINA – A PRO-MINING & INVESTMENT DESTINATION.

- The province of Catamarca, Argentina has been very supporting of lithium exploration to foreign junior explorers.
- President Mauricio Macri has championed the opening up of the Argentinian economy to international investment
- Fixed exchange rate between the US$ and Argentinian Peso has been removed and capital controls are no longer in place
- Majority of export duties and trade controls have been removed. Consistent royalty regime for all minerals across most of the country introduced in 2017
- FMC recently listed their lithium business on the NYSE as Livent Corporation (NYSE: LTHM) raising US$340M – FMC have been successfully producing lithium carbonate and lithium hydroxide in Argentina for +20 years
- Other major lithium project investments in-country continue
  - POSCO purchase of SDV North (US$280M)
  - Ganfeng purchases 50% of Cauchari-Olaroz (US$87.5M)

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GALAN LITHIUM LIMITED INVESTMENT FOUNDATIONS.

- ✓ World class location
- ✓ Simple, proven chemistry at adjacent operations
- ✓ Proven high grade, low impurity setting
- ✓ Large resource potential
- ✓ Company's geological model proven
- ✓ Well experienced local in-country team and highly experienced Board
- ✓ Maiden JORC Resource expected Q3 2019
- ✓ PFS planned for Q4 2019
- ✓ Project potential yet to be fully appreciated

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FAST TRACKING TO LITHIUM CARBONATE PRODUCTION IN SOUTH AMERICA'S LITHIUM TRIANGLE

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