



DEVELOPING HIGH- GRADE LITHIUM BRINE PROJECTS IN ARGENTINA

Investor presentation

September 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

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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\$378M

Shares on issue

304.5M

Net cash position

A\$54M

Unquoted securities

7M Options

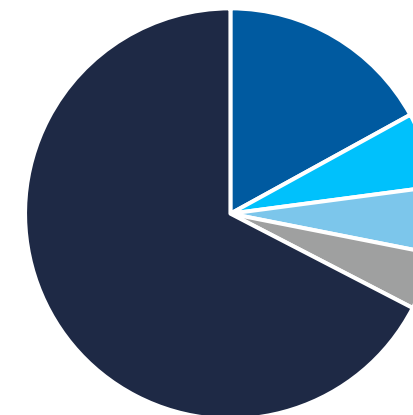
16M Performance Shares and Rights

Share price

A\$1.24



Major shareholders

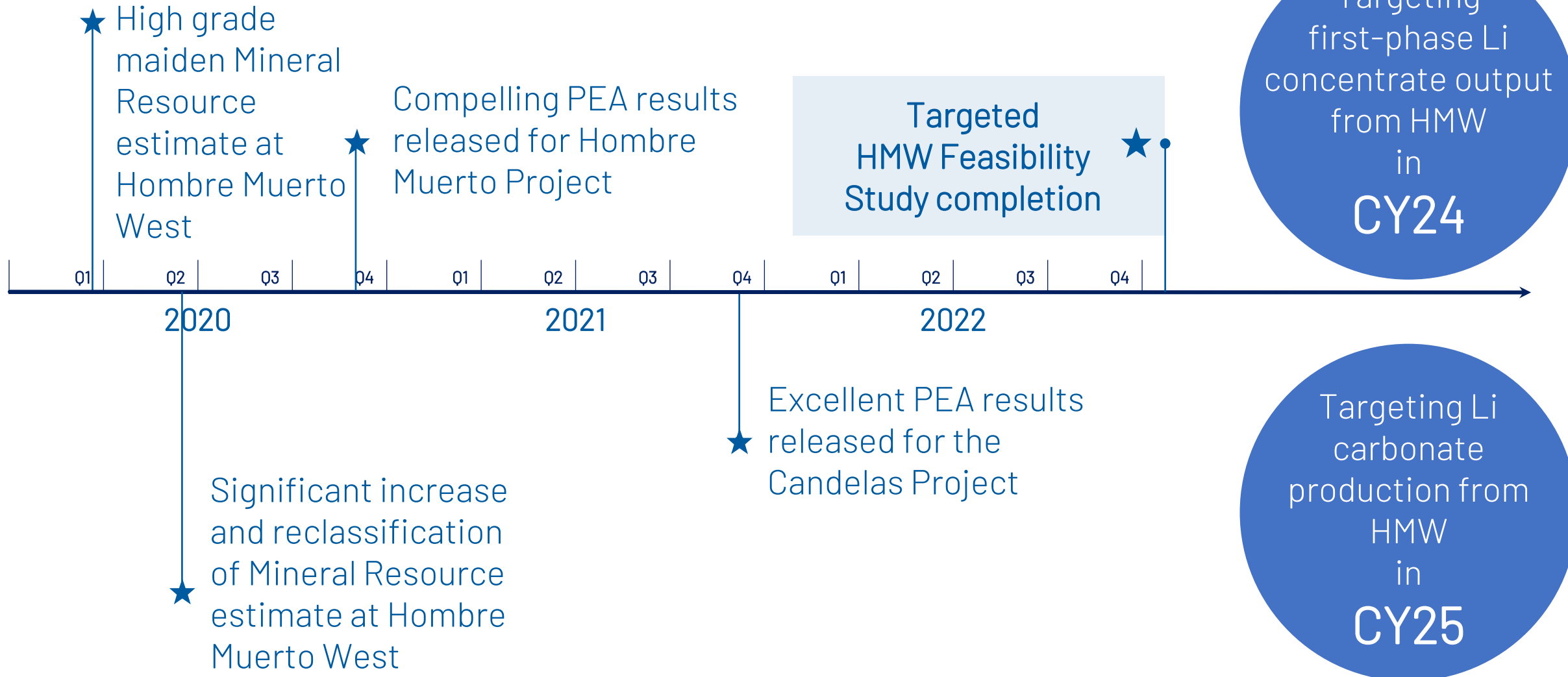


- Board and management
- CS Third Nominees (L1 Capital)
- Havelock Mining (90% Ganfeng)
- BNP Paribas DRP (Thematica)
- Other

Note: Net cash at 30 June 2022 shares on issue as at 26 August 2022, share price and undiluted market capitalisation as at 7 September 2022. Unquoted securities include 6,970,950 options with various strikes and expires, 9,000,000 Directors Performance Rights, 5,000,000 Performance Shares and 2,350,000 Performance Rights.

Delivering on our commitments

Rapid dual-track project advancement



The premier lithium developer

01

World-class location

High grade, low impurity brine assets

02

Compelling economics

Study work supports high return projects

03

Sustainable supply

Low energy, low carbon production footprint

04

Rapid project delivery

Fast track route to carbonate production

05

Best in-class team

Highly experienced 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

- World's largest lithium reserves
- ~40% total annual lithium production is from the Atacama and Hombre Muerto salars
- Lithium 'elephant' country



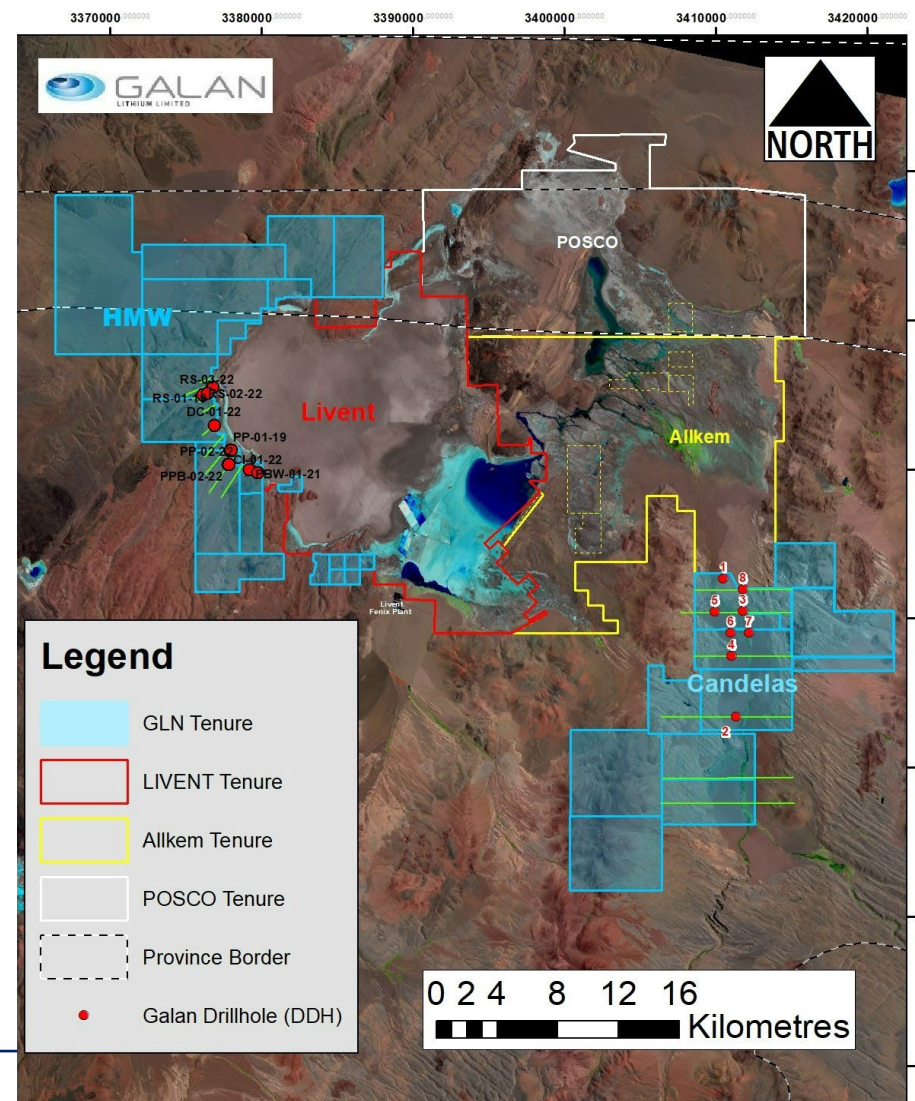
01 World-class location

Highly strategic positioning

25+ year history of production - further development underway

- Substantial investment
- Significant infrastructure
- Excellent governmental and community support
- Highly strategic positioning

Our projects are within a 20km radius of Livent, Alkem and POSCO tenure



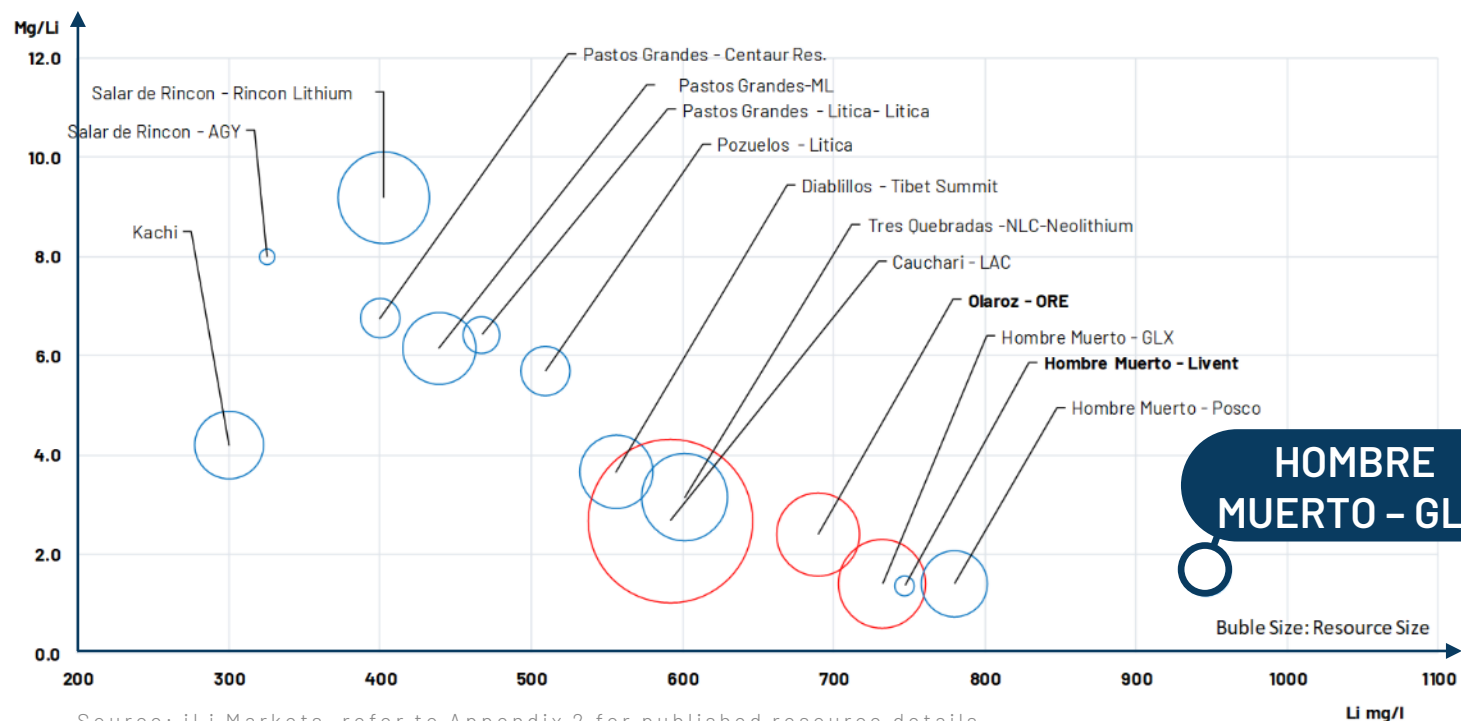
01 World-class location

High grade, low impurity brine assets

Our Hombre Muerto assets are amongst the very best brine projects

- Leading lithium grades
- Low potassium and magnesium
- Substantial exploration upside remains

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



Source: iLi Markets, refer to Appendix 2 for published resource details.

02 Compelling economics

Strong, PEA outcomes for 20 ktpa LCE at HMW

Flagship HMW Project 100% ownership

- Low-risk, proven processing
- Expected 20 ktpa Li_2CO_3
- +40 yr life
- Unlevered pre-tax $\text{NPV}_{8\%}$ of US\$2,193M
- IRR of 37.5% with <3 yr payback
- 60% of Indicated Resource utilised in PEA – substantial output and life upside

Preliminary Economic Assessment (December 2021) ¹	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
$\text{NPV}_{8\%}$ (after tax)	US\$M	1,388
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

HMW Pilot Plant operations commenced

- 5,000m² evaporation pond complete
- Pond filling complete and evaporation testing commenced
- High-flow, high grade long-term pumping tests results achieved
- De-risking an already highly established, proven process flow sheet



02 Compelling economics

Attractive Candelas growth project (+14 ktpa LCE)

Highly complementary Candelas Project 100% ownership

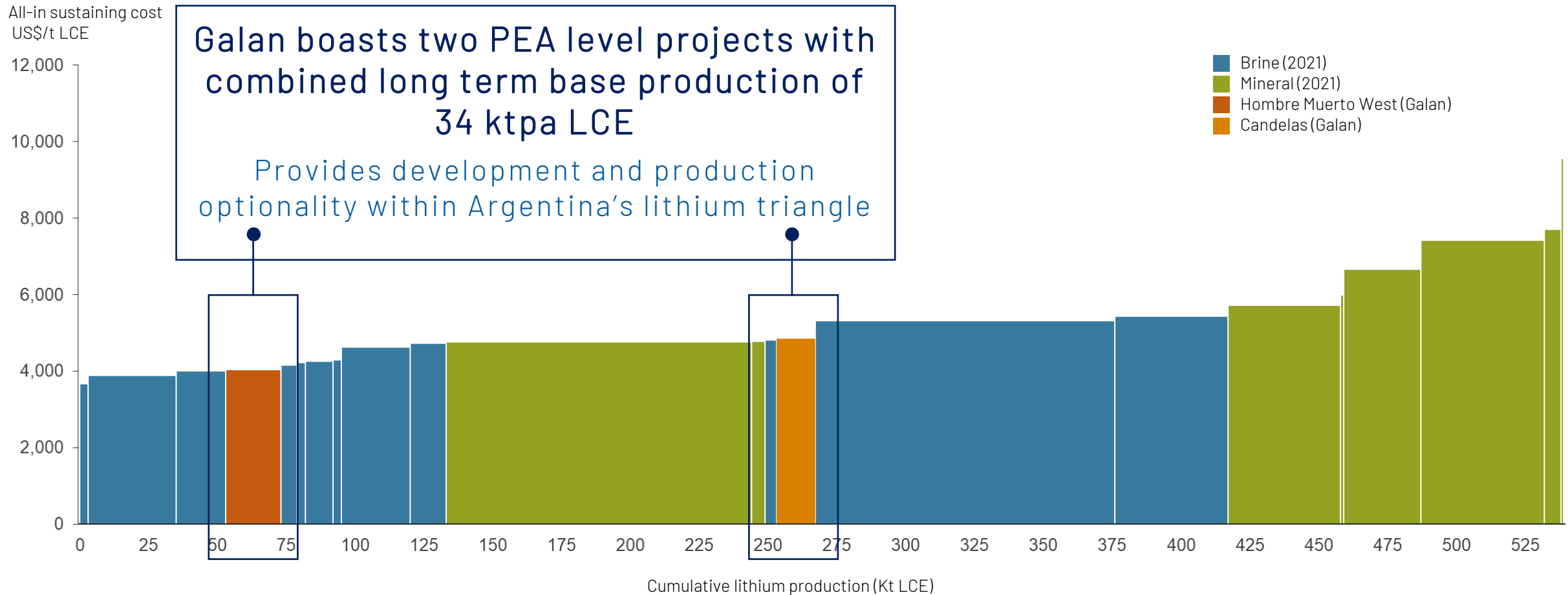
- Expected 14 ktpa Li_2CO_3
- +25 yr life
- Unlevered pre-tax $\text{NPV}_{8\%}$ of US\$1,225M
- IRR of 27.9% with 4 yr payback
- Significant potential cost synergies

Preliminary Economic Assessment (November 2021) ¹	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
$\text{NPV}_{8\%}$ (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)

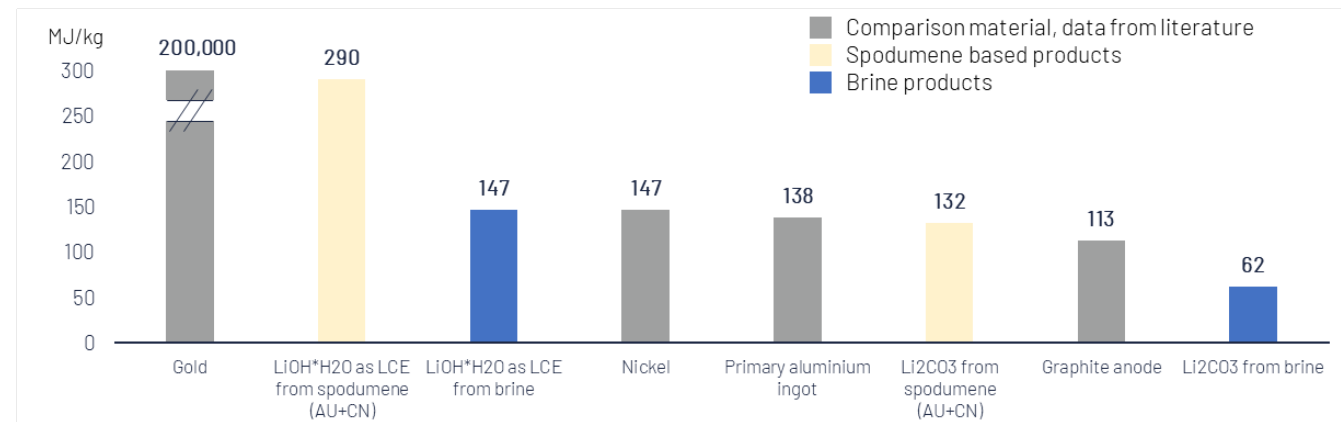
03 Sustainable supply

Low energy and low carbon lithium brine production

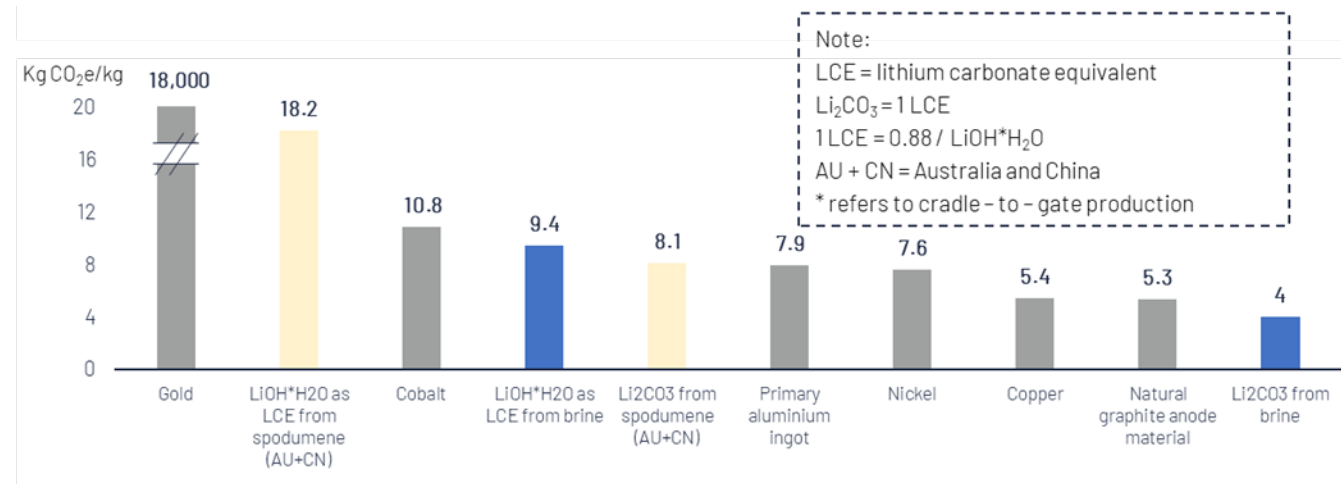
Attractive relative environmental footprint – low impact production

- Brine-based lithium has superior environmental credentials
- Lower energy and CO₂ equivalent emissions

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 production and long-term 34 ktpa base LCE output

Targeting first-phase lithium 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 and associated work progressing well



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	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



**JP Vargas de
la Vega**

Company
Founder &
Managing
Director



**Daniel
Jimenez**

Non-Executive
Director



**Christopher
Chalwell**

Non-Executive
Director



**Terry
Gardiner**

Non-Executive
Director



**Raymond
Liu**

Non-Executive
Director

05 Strong Operational team in Argentina

A talented group of professionals with world class knowledge and extensive local experience

Boris Caro

Project Director

20 years project management experience including senior roles with Orocobre and BHP

Alvaro Henriquez

GLN -Geology Manager

20 years applied geology and hydrogeology experience including senior roles with SQM & WSP

Francisco Lopez

Exploration Manager - Argentina

15 years exclusively in lithium exploration in Argentina including Orocobre, Neolithium and Lake Resources

Pablo Sanz

Business Development & Permitting

25 years of prospecting in Argentina and tenement management



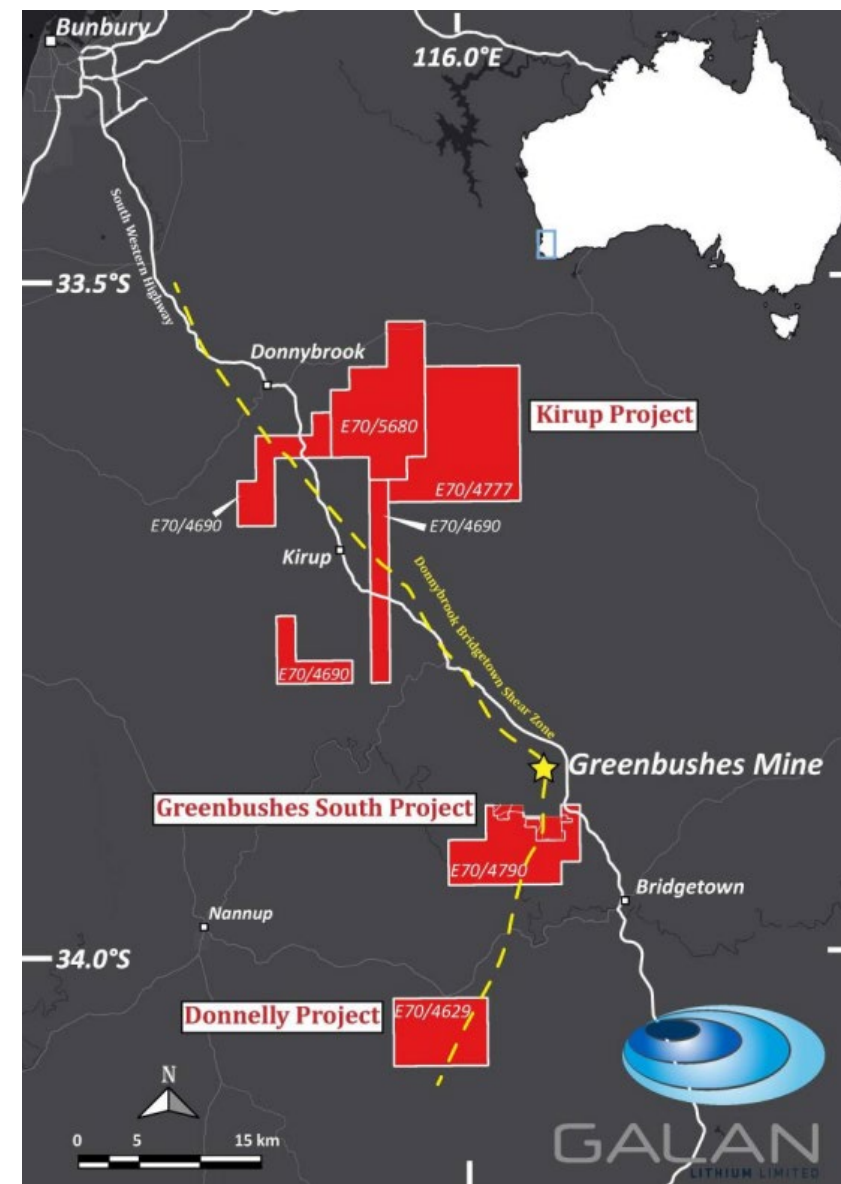
Supported by a professional and dedicated team of staff and contractors, working towards a common goal

06 Further project pipeline

Hardrock lithium exploration upside

Greenbushes South Lithium Project Joint Venture 80% ownership

- 3km south of Greenbushes Lithium mine
- Tenements intersect the Donnybrook-Bridgetown Shear Zone
- Discovery of lithium bearing pegmatites with 500m+ strike length
- Initial geochemical results; anomalous Li concentrations up to 215ppm
- Targeting drilling from late CY22



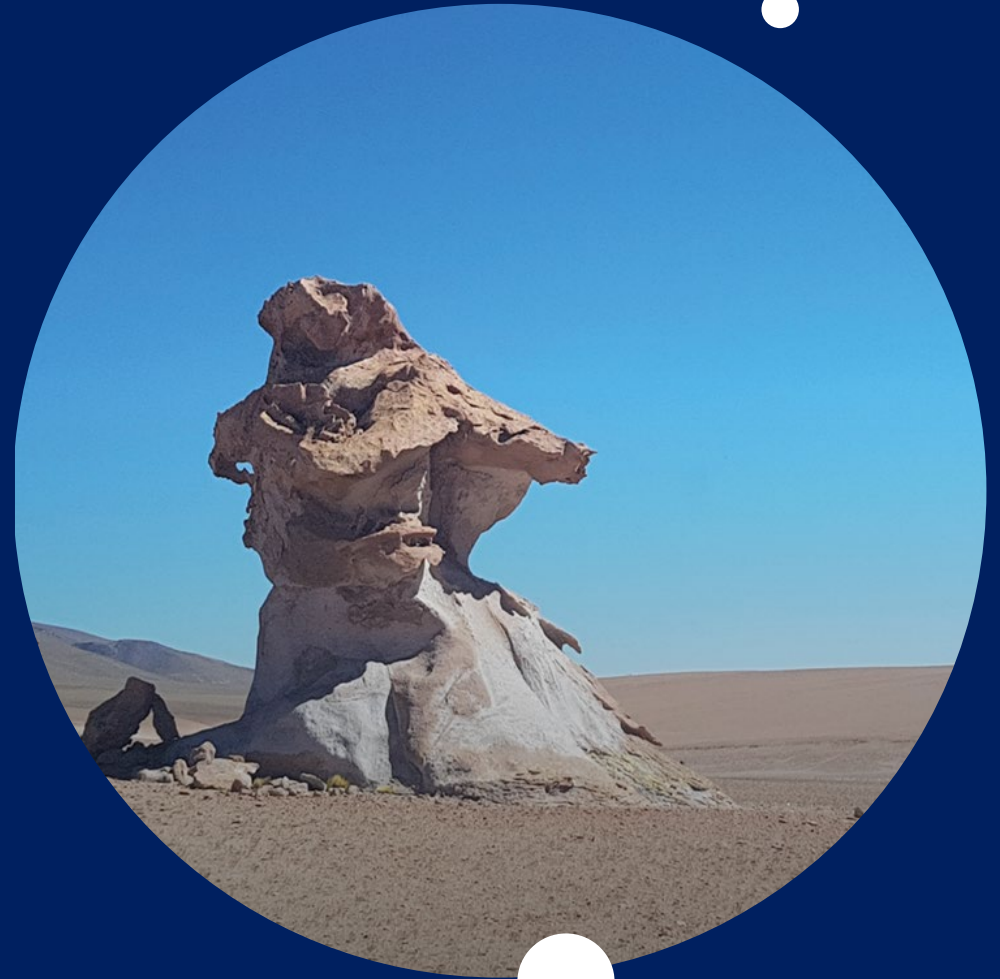
The premier lithium developer

- 01 World-class location
- 02 Compelling economics
- 03 Sustainable supply
- 04 Rapid project delivery
- 05 Best-in class team
- 06 Further project pipeline



On the fast track to lithium carbonate production

With flagship HMW and Candelas Projects 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

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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

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