



GALAN'S PLAN FOR ARGENTINA LITHIUM PRODUCTION IN H1 2025 DE- RISKED. PHASE 1 CONSTRUCTION PERMITS GRANTED

Diggers and Dealers

August 2023

ASX:GLN | FSX:9CH

Disclaimers & Important Information

This presentation has been prepared by Galan Lithium Limited.

Competent Persons

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.

The information contained herein that relates to project background, brine extraction method, recovery method, project layout and infrastructure, capex estimate, opex estimate and economic evaluation have been directed by Mr. Marcelo Bravo. Mr. Bravo is Chemical Engineer and managing partner of Ad-Infinitem Spa. with over 25 years of working experience and he is a Member of the Chilean Mining Commission and has sufficient experience which is relevant 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'. Mr. Bravo consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

The information contained herein 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 information contained herein that relates to the Ore Reserves estimation approach at Hombre Muerto West was compiled by Dr Brian Luinstra. Dr Luinstra is a 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 Luinstra consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information contained herein that relates to the project infrastructure was reviewed by John Woodson, PE SME-RM as senior vice president of M3 Engineering and Technology Corporation. He has sufficient experience relevant to the activity which they are undertaking to qualify as a Competent Persons as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves - The JORC Code (2012)". Mr Woodson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Cautionary Statements

The Definitive Feasibility Study (DFS) referred to in this presentation was announced on 3 July 2023 (ASX: "Phase 1 of Hombre Muerto West (HMW) DFS Delivers Compelling Economic Results for Accelerated Production") and is based upon a JORC Code Compliant Mineral Resource Estimate announced 1 May 2023 (ASX: "Galan's 100% Owned HMW Project Resource Increases to 6.6Mt LCE @ 880mg/l Li (72% in Measured Category)")(inclusive of the updated Proven and Probable Ore Reserve referred to in the DFS announcement). Galan confirms that there are no Inferred Resources included in the DFS production schedule and that the schedule is comprised 100% of Ore Reserves.

The Mineral Resources underpinning the Ore Reserve and production target in the DFS have been prepared by a competent person in accordance with the requirements of the JORC Code (2012). For full details of the Mineral Resources and Ore Reserve estimates, please refer to the body of the DFS announcement on 3 July 2023 and the Resource Estimate announcement dated 1 May 2023. Galan confirms that it is not aware of any new information or data that materially affects the information included in these announcements. All material assumptions and technical parameters underpinning the estimates in the ASX releases continue to apply and have not materially changed.

Process and engineering designs for the DFS were developed to support capital and operating estimates to an accuracy of -10% to +15%. Key assumptions that the DFS was based on (including those defined as Material Assumptions under ASX Listing Rule 5.9.1) are outlined in the body of the DFS announcement (and Appendix 1) dated 3 July 2023. Galan believes the production target, forecast financial information derived from that target and other forward-looking statements included in the DFS announcement dated 3 July 2023 are based on reasonable grounds.

Several key steps need to be completed in order to bring the Hombre Muerto West Project into production. Many of these steps are referred to in the DFS announcement dated 3 July 2023. Investors should note that if there are delays associated with completion of those steps, outcomes may not yield the expected results (including the timing and quantum of estimated revenues and cash flows). The economic outcomes associated with the DFS are based on certain assumptions made for commodity prices, exchange rates and other economic variables, which are not within the Company's control and subject to change. Changes in such assumptions may have a material impact on the economic outcomes.

To achieve the range of outcomes indicated in the DFS, funding will likely be required. There is no certainty that Galan will be able to source the amount of funding when required. 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 shares. It is also possible that Galan could pursue other value realisation strategies such as an off-take with prepayment, sale, partial sale or joint venture of the Hombre Muerto West Project.

Forward-Looking Statements

Some of the statements appearing in this presentation may be in the nature of forward-looking statements. Such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Galan Lithium Limited operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by several factors and subject to various uncertainties and contingencies, many of which will be outside Galan Lithium Limited's control. Galan Lithium Limited does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this presentation. To the maximum extent permitted by law, none of Galan Lithium Limited, its directors, employees, advisors, or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this presentation. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this presentation reflect views held only as at the date of this presentation.

The Premier Lithium Developer



Corporate Snapshot

Strong cash liquidity, tight share register

Market Capitalisation

A\$270.4m

Shares on Issue

346.7m

Cash/Investments

A\$45m

Unquoted Securities

6.94m Options

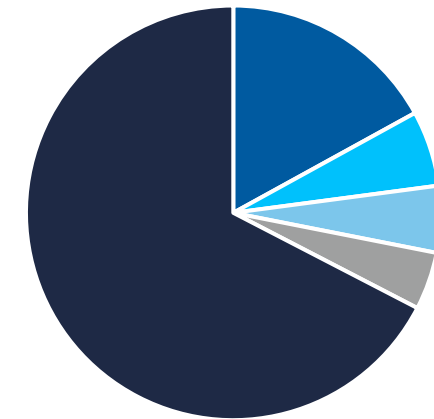
23.85m Performance Shares and Rights

Share Price (7 August '23)

A\$0.78



Major Shareholders



Directors & Management
13%

Top 20 Shareholders
52%

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

Note: Cash @ 30 June 2023. Shares on issue as at 7 August 2023. Share price and undiluted market capitalisation as at 7 August 2023. Unquoted securities include 6.94m options (various strike prices and expiry dates), 16.5m Directors Performance Rights (various price hurdles), 5m Performance Shares and 2.35m Performance Rights (various price hurdles).

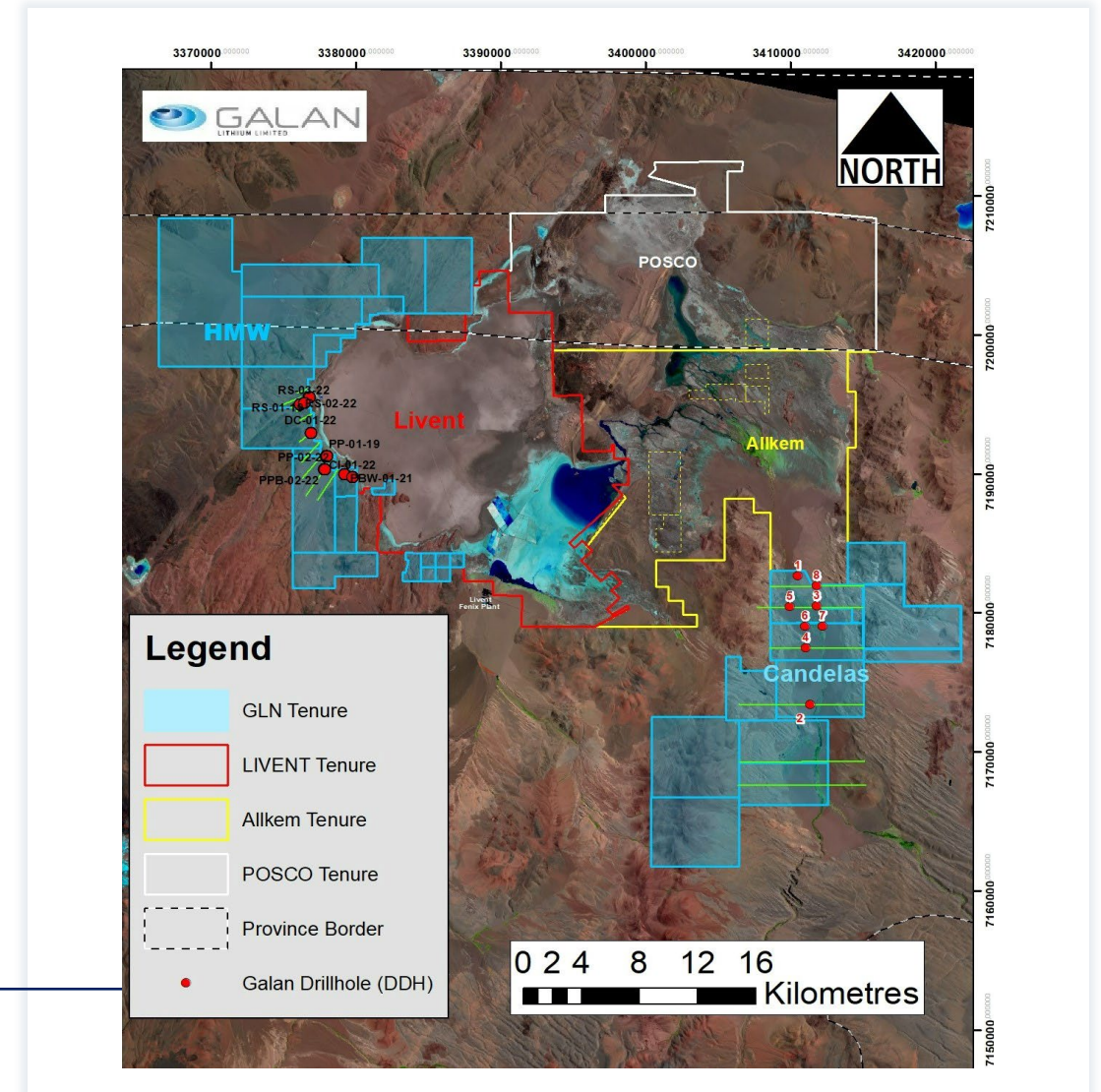
World-Class Location

Highly strategic positioning

25+ year history of production within salar

- ✔ Significant regional infrastructure and investment with excellent government and community support
- ✔ Hombre Muerto West (HMW) and Candelas projects – highest grade, lowest impurity lithium brine assets in Argentina
- ✔ 7.3Mt total resource @ 852 mg/l Li
- ✔ Staged production plan up to 60ktpa LCE
- ✔ Newly consolidated Catalina tenure provides foundation for potential increase in HMW resource*

Our 100% owned HMW and Candelas projects are within a 20km radius of Livent, Allkem and POSCO tenure







* Refer ASX Announcement 2 August 2023

Low Risk – Staged, Flexible Production Plan

Fast track route to Li production

Targeting first-phase HMW Li concentrate production in H1 2025

	Phase 1 – >5ktpa LCE	Phase 2 – 20ktpa LCE	Phase 3 – 40ktpa LCE	Phase 4 – 60ktpa LCE
Status 	DFS delivered and full construction permits granted	DFS and permits expected Sep'23	Evaluating stage (permitting and DFS commences after phase 2)	Evaluating stage (permitting and DFS commences after phase 3)
Project 	HMW	HMW	HMW	HMW & Candelas
Product 	Li chloride concentrate 6% (H1 2025)	High grade, low impurity Li chloride concentrate 6% (2026)	High grade, low impurity Li chloride/carbonate concentrate (2028)	High grade, low impurity Li chloride/carbonate concentrate (2030)
Benefits 	Accelerated construction path, lower project capex and opex costs (incl power/water), opens up offtake opportunities and pre-payments, project cashflows 2 years earlier	Staged construction on back of phase 1, current production ponds included in phase 2 requirements, offtake opportunities and pre-payments	Modular expansion, less infrastructure investment required, lower opex and capex costs	Modular expansion, less infrastructure investment required, lower opex and capex costs

Low Risk - Staged, Flexible Production Plan

Phase 1 DFS Delivered and Full Construction Permits Granted



DFS announced 3 July 2023; compelling economics for 5.37ktpa LCE production



Pilot plant achieved a high end, 6% concentrated lithium chloride product (equivalent to 12.9% Li₂O or 31.9% LCE) in H1, 2025⁽²⁾



Up to 2 years earlier cashflow facilitating further expansions



Opens up early offtake and material pre-payment opportunities



Full Phase 1 construction permits granted⁽¹⁾



Top-soil removal for pond construction commenced



Procurement of long lead construction items underway

1. Refer ASX announcement 8 August 2023

2. Refer ASX announcement 24 July 2023

Construction Permits Granted – Works Commenced

Full Phase 1 HMW construction permits granted *



Phase 1 preparation works commenced with engineering and long lead on track for delivering lithium chloride production of 5.37ktpa LCE in H1, 2025



Permits include ponds, plant, onsite laboratory, 200-man camp, power and other required infrastructure plus six (6) additional production wells



Appointment of Phase 1 contractor imminent; full phase 1 pond construction to commence within 2 weeks



* Refer ASX Announcement 8 August 2023

Low Risk – Staged, Flexible Production Plan

Compelling Phase 1 DFS Economic Outcomes

Flagship HMW Project 100% ownership

- ✔ Proven processing route
- ✔ Production of 5.37ktpa Li₂CO₃
- ✔ +40 yr life
- ✔ Unlevered post-tax NPV8% of US\$460m
- ✔ Post-tax IRR of 36%, approx. 2 year payback
- ✔ Free annual cashflow US\$54m
- ✔ Sunk costs to reduce Phase 2 capex

Definitive Feasibility Study – July 2023 ⁽¹⁾	UoM	Result
Project life	Years	40
Steady state lithium carbonate production	Tonnes/year	5,367
Long term lithium carbonate price	US\$/tonne	28,000
Steady state average cash cost of production	US\$/tonne	3,963
Initial capital cost (excluding contingency)	US\$M	104
Steady state average annual EBITDA	US\$M	83
Average Annual Free Cash Flow	US\$M	54
NPV8% (after tax)	US\$M	460
IRR (after tax)	%	36
Payback from start of operations	Years	2.2

Highly Experienced Team

With a proven track record



Richard Homsany
Non-Executive Chairman

- Experienced corporate lawyer with 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 Mega Uranium Ltd (TSX:MGA), Chairman of Health Insurance Fund of Australia Ltd.
- Principal of Cardinals Lawyers and Consultants, a boutique corporate and energy & resources law firm.



JP Vargas de la Vega
Founder & Managing Director

- Chilean/Australian mineral industry professional with 20 years' broad experience in ASX mining companies, stockbroking and private equity firms.
- Specialist lithium analyst in Australia, operated a private copper business in Chile and has worked for BHP, Rio Tinto and Codelco.
- Founder of and vendor of the original Argentinian assets.
- Galan's Managing Director since mid 2018.



Daniel Jimenez
Non-Executive Director

- Civil industrial engineer having worked for world leader in the lithium industry Sociedad Química y Minera de Chile (SQM) for 28 years based in Santiago, Chile.
- Most recent position was as Vice President of Sales of Lithium, Iodine & Industrial Chemicals where he formulated the commercial strategy and marketing of SQM's industrial products and was responsible for over US\$900 million worth of estimated sales in 2018.



Terry Gardiner
Non-Executive Director

- Over 25 years experience in corporate finance, capital markets, stock broking & derivatives trading.
- Executive Director of boutique stockbroking firm Barclay Wells Limited.
- Non-Executive Director of Cazaly Resources Ltd and Charger Metals NL plus non-executive positions with other ASX listed entities.



Claudia Pohl
Non-Executive Director

- Civil industrial engineer with over 23 years' senior executive experience at Sociedad Química y Minera de Chile (SQM) a world leader in the lithium industry.
- Since leaving SQM, she has been Managing Partner and General Manager of Chilean based Ad-Infinity, a process engineering consultancy, with specific focus on lithium brine projects under study and development, and the associated project evaluations.

Highly Experienced Team

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

Juan Carlos Barerra

Project & Board Consultant

- Over 33 years mining experience in Chile, Argentina and Australia incl 28 years working for SQM and two for Exxon

Boris Caro

Project Advisor/Director

- 20 years project management experience including senior roles with Orocobre (now Allkem) and BHP

Alvaro Henriquez

Group Geology Manager

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

Francisco Lopez

Exploration Manager

- 15 years exclusively in lithium exploration in Argentina including Orocobre (now Allkem), 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

The Premier Lithium Developer



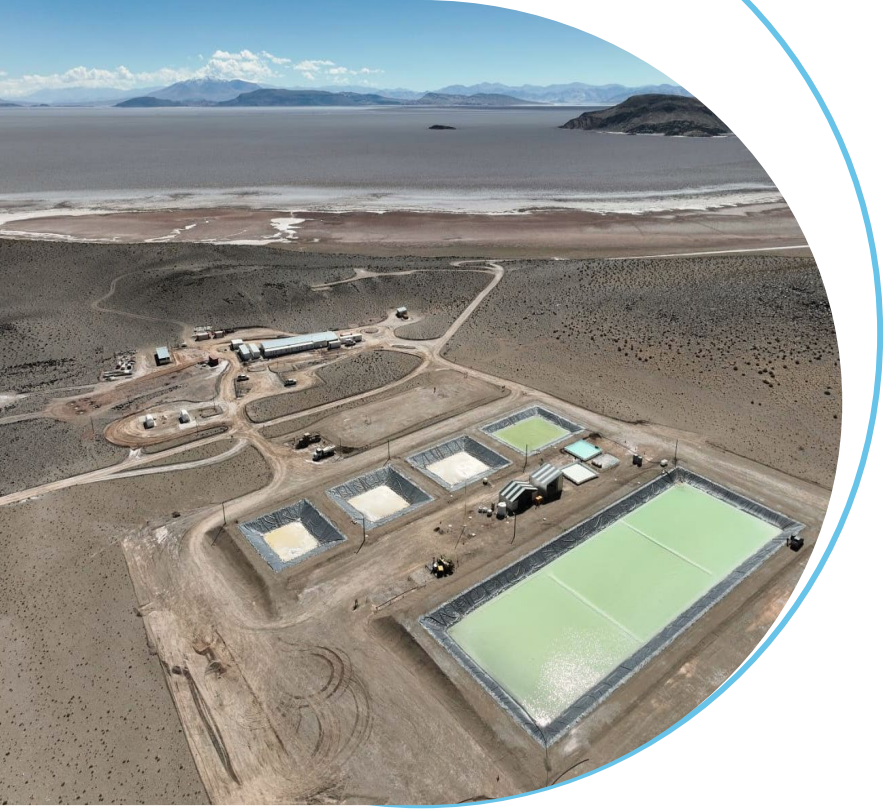
Strong local community and government support, evidenced by recent grant of full Phase 1 construction permits



Strong local team, including ex SQM team, experienced in Lithium project execution and marketing in the region



The best Lithium project in Argentina (high grade, low impurities) – and the funding, initial permits and confidence to progress it towards production in H1, 2025, with a growth pathway to 60ktpa LCE



Contact

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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)	KCl Equiv. (kt)
Indicated	129	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, KCl = K x 1.907

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)	KCl Equiv. (kt)
Measured	890	873	4,737	7,638	7,782	14,841
Indicated	185	904	986	7,733	1,585	3,022
Inferred	161	887	859	7,644	1,391	2,653
NMW total	1,237	880	6,582	7,653	10,758	20,516

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

- Sand: 23.9%
- Gravel: 21.7%;
- Breccia: 8% and
- Halite: 4%

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

The above resource does not include the Catalina, Santa Barbara or Pucara concessions

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 "Galan's 100% Owned HMW Project Resource Increases to 6.6Mt LCE @ 880 mg/l Li (72% in Measured Category)", dated 1 May 2023

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.

Appendix 2: Ore Reserve Statement

Ore Reserve Statement for Hombre Muerto West (effective date 3 July 2023)

Reserve Category	Production Period (years)	Pumped Brine Vol. (Mm ³)	Recovered Li Metal (Kt)	Avg. Li Grade (mg/l)	LCE (Kt)
Proven	1-10	19.7	17.8	901.6	53.7
Probable	11-40	59.1	52.4	886.9	158.7
HMW total	1-40	78.8	70.2	890.6	212.5

Notes:

- Ore Reserves are included in the Mineral Resources
- No cut-off grade applied for HMW Ore Reserve.
- A combined recovery factor of 57% applied accounting for: ponds and processing (66%); 90% efficiency assumed for lithium chloride to LCE process conversion. Additional 4% allowance applied for transport and operational losses.
- "Li Metal" and "LCE" are expressed as total contained metals.
- Lithium carbonate equivalent ("LCE") calculated using mass of LCE = 5.3228 multiplied by the mass of lithium metal.
- There may be minor discrepancies in the above table due to rounding