

ASX ANNOUNCEMENT

25 August 2025

SUCCESSFUL DUE DILIGENCE COMPLETED - \$20M PLACEMENT TO PROCEED

Highlights:

- All conditions in relation to the \$20 million placement to Clean Elements Fund have been satisfied.
- Due diligence undertaken by Clean Elements Fund validates the standing of Hombre Muerto West (**HMW**) as a world class lithium project, offering exceptional scale and grade.
- Galan is now fully funded to complete the construction of Phase 1 at HMW (at 4ktpa LCE) with first production of lithium chloride concentrate planned during H1 2026.

Galan Lithium Limited (ASX:GLN) (**Galan** or the **Company**) is pleased to announce that all conditions relating to the \$20 million share placement (**Placement**) to the Clean Elements Fund (**Clean Elements**) have now been completed.

The Placement, which was undertaken at a significant premium to the prevailing share price when originally announced, was subject to certain conditions including shareholder approvals (received at a General Meeting held on Friday, 22 August 2025) as well as the satisfactory completion by Clean Elements of technical and legal due diligence in respect of the Company and HMW in Argentina.

Clean Elements has advised that all conditions to the Placement have been satisfied. As such, the Placement will now proceed to settlement, providing Galan with the funding required for the finalisation of the HMW Phase 1 construction over the remainder of the 2025 calendar year, with first production of lithium chloride concentrate scheduled for H1 2026.

Settlement will take place in two equal tranches of \$10 million. Tranche 1 settlement will occur within the next 5 business days and Tranche 2 of the Placement will settle no later than 22 November 2025, in line with the timing set out in the relevant shareholder approval.

Managing Director, Juan Pablo Vargas de la Vega, commented: *“With the support of Clean Elements, Galan now has the funding certainty to complete Phase 1 construction at HMW and is firmly on track to deliver first lithium chloride concentrate production in H1 2026.*

The due diligence undertaken by Clean Elements Fund has confirmed, what we at Galan already know – HMW is an exceptional lithium project, combining substantial scale and grade with execution capability that places it among the best globally.

The team at Galan remains focussed on advancing project delivery at HMW and we look forward to creating significant long-term value for shareholders as we progress towards production.

Clean Element’s Chairman, Ofer Amir, commented: *“We are thrilled to confirm a binding and unconditional commitment to complete both tranches of the placement—an outcome that underscores strong confidence in Galan’s strategic direction.*

Our specialist lithium brine adviser highlighted that HMW is the premier lithium brine resource globally. HMW’s brine is the highest grade in Argentina with the lowest impurity profile. It also contains significantly less magnesium and calcium than the levels found in the Salar de Atacama in Chile which, when combined with HMW’s high lithium grades, gives rise to the highest lithium recoveries in the lithium brine sector to date.

This exceptional resource quality enables a low-cost, evaporation process—positioning Galan to become a high-margin, globally competitive lithium producer. In our view, Galan will not just be participating in the lithium market; it will be setting a new benchmark.”

The Galan Board has authorised this release.

For further information contact:

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About Galan

Galan Lithium Limited (ASX:GLN) is an ASX-listed lithium exploration and development business. Galan's flagship assets comprise two world-class lithium brine projects, HMW and Candelas, located on the Hombre Muerto Salar in Argentina, within South America's 'lithium triangle'. Hombre Muerto is proven to host lithium brine deposition of the highest grade and lowest impurity levels within Argentina. It is home to the established El Fenix lithium operation, Sal de Vida (both projects are operated by Rio Tinto) and Sal de Oro (POSCO) lithium projects. Galan also has exploration licences at Greenbushes South in Western Australia, just south of the Tier 1 Greenbushes Lithium Mine.

Mineral Resource Statement for Hombre Muerto West and Candelas (January 2025)

Resource Category	Brine Vol (Mm ³)	In Situ Li (Kt)	Avg Li (mg/L)	LCE (Kt)	In Situ K (Kt)	Avg K (mg/L)	KCl Equiv. (Kt)
Hombre Muerto West:							
Measured	1,028	890	866	4,738	7,714	7,505	14,711
Indicated	347	310	894	1,649	2,717	7,837	5,181
Inferred	300	278	926	1,480	2,464	8,210	4,700
HMW Total	1,675	1,478	883	7,867	12,895	7,700	24,591
Candelas:							
Indicated	350	242	689	1,284	2,406	6,870	4,588
Inferred	100	65	661	350	649	6,520	1,238
Subtotal	450	307	683	1,634	3,055	6,792	5,826
Galan's Total Resource Inventory							
Total	2,125	1,785	841	9,501	15,950	7,508	30,417

Refer to announcement dated 29 January 2025 "Galan's Mineral Resources grow to 9.5Mt LCE". The Company 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 estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed.

Competent Persons Statements

The information contained herein that relates to the latest Mineral Resource estimation approach at Hombre Muerto West was compiled by Mr. Carlos Eduardo Descourvieres. Mr. Descourvieres is an employee of WSP Chile and a Member of the Australian Institute of Mining and Metallurgy. He has sufficient experience relevant to the assessment 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)'. Mr. Descourvieres 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 latest Mineral Resource estimation approach at Candelas was compiled by Dr Michael Cunningham, GradDip, (Geostatistics) BSc honours (Geoscience), PhD, MAusIMM. Dr Cunningham is a Principal Consultant and full-time employee 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". 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.