18 September 2024

Dear Shareholder

Galan Lithium Limited – Offer to Participate in Entitlement Offer

On Tuesday, 10 September 2024, Galan Lithium Limited (ASX: GLN) (**Galan** or **the Company**) announced that it had received firm commitments for an equity raising to institutional, sophisticated and professional investors (**Placement**) and intended to conduct a pro-rata non-renounceable entitlement offer of fully paid ordinary shares in the Company to eligible shareholders (**Entitlement Offer**) to raise up to approximately $25 million (before costs).

Our intention through launching the Entitlement Offer is to provide existing shareholders the opportunity to participate on the same terms as the institutional, sophisticated and professional investors in the Placement. The issue price for the New Shares to be issued under the Placement and Entitlement Offer is $0.105.

The Entitlement Offer opens on Wednesday, 18 September 2024 (**Opening Date**) and is expected to close at 5.00 pm (Perth time) on Thursday, 3 October 2024 (**Closing Date**).

About the Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders will have the opportunity to subscribe for new fully paid ordinary shares in Galan (**New Shares**) on the basis of one (1) New Share for every four (4) existing ordinary shares in Galan (**Shares**) held, at an issue price of $0.105 per New Share. The Entitlement Offer is being made to all Eligible Shareholders who hold Shares as at 5.00 pm (Perth time) on Friday, 13 September 2024 (**Record Date**).

Eligible Shareholders are shareholders whose details appear on the Company's register of shareholders as at the Record Date whose registered address is in Australia, New Zealand or an approved foreign jurisdiction (includes Singapore and Hong Kong).

The Entitlement Offer is non-renounceable and therefore your entitlements will not be tradeable on the ASX or otherwise transferable. If you do not take up your entitlement in full, you will not receive any value in respect of that part of the entitlement that you do not take up.

The Entitlement Offer will be made pursuant to an Entitlement Offer Booklet (**Offer Booklet**) and if you are eligible and wish to participate in the Entitlement Offer, you will need to follow the payment instructions on your personalised Entitlement and Acceptance Form that will accompany that Offer Booklet.

The Entitlement Offer is not underwritten.

Eligible Shareholders may also apply for more than their entitlement from any pool of New Shares not taken up under the Entitlement Offer pursuant to an offer of shortfall Shares (**Shortfall Offer**), subject to such applications being received by the Closing Date. The issue price for New Shares to be issued under the Shortfall Offer will be $0.105, being the price at which New Shares have been offered under the Entitlement Offer.

The Shortfall Offer will be open to existing Eligible Shareholders and, at the invitation of the Company, to new external investors to the Company. The directors have reserved the right to issue any shortfall within 3 months after the close of the Entitlement Offer. Details regarding the allocation policy in relation to the Shortfall Offer will be set out in the Entitlement Offer Booklet.

A copy of the Offer Booklet is expected to be lodged with ASX on or about Wednesday, 18 September 2024. Galan will not be printing or despatching hard copies of the Offer Booklet or Entitlement and Acceptance Forms, except in response to a specified request by a Shareholder. Instead, an electronic copy of the Offer Booklet and your personalised entitlement and acceptance form (**Entitlement and Acceptance Form**) is accessible (using your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) from your latest Holding Statement and your post code) at the following link: https://investor.automic.com.au. Shareholders should read the Offer Booklet in full prior to making an application under the Entitlement Offer.

Your application under the Entitlement Offer must be made by making payment in accordance with the personalised payment instructions on your Entitlement and Acceptance Form. Your acceptance of the Entitlement Offer should be made using this electronic service.

To download your Entitlement and Acceptance Form you have the following three choices:

I already have an online account with Automic share registry	I don’t have an online account with Automic – but wish to register for one	I don’t have an online account with Automic – but want to use Automic for this Entitlement Offer only
https://investor.automic.com.au Select: “Existing Users Sign In” Once you have successfully signed in, click on “Documents and Statements” Click on “Other Documents” on the left Download the Offer Booklet and Entitlement and Acceptance Form	https://investor.automic.com.au/#/signup Select: **Galan Lithium Limited** from the dropdown list in the **ISSUER** field Enter your holder number SRN / HIN (from your latest Holding Statement) Enter a partial holder name per the instructions Enter Postcode (Aust only) or Country of Residence (if not Australia) Tick box “I am not a robot”, then **Next** Complete prompts Once you have successfully signed in, click on “Documents and Statements” Click on “Other Documents” on the left Download the Offer Booklet and Entitlement and Acceptance Form	https://investor.automic.com.au/#/loginsah Select: **Galan Lithium Limited** from the dropdown list in the **ISSUER** field Enter your holder number SRN / HIN (from your latest Holding Statement) Enter a partial holder name per the instructions Enter Postcode (Aust only) or Country of Residence (if not Australia) Tick box “I am not a robot”, then **Access** Once you have successfully signed in, click on “Documents and Statements” Click on “Other Documents” on the left Download the Offer Booklet and Entitlement and Acceptance Form

If you are unable to access https://investor.automic.com.au online, you can obtain a copy of the Offer Booklet and your Entitlement and Acceptance Form by calling Automic Group on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) or by emailing corporate.actions@automicgroup.com.au and requesting them to mail a paper copy of the Offer Booklet and your Entitlement and Acceptance Form to you (free of charge). You will need your SRN or HIN and full registered name and address to make this request. To accept the Entitlement Offer using these paper copy documents, you will still need to make payment via BPAY or via Electronic Funds Transfer (**EFT**).

The price of the Placement and Entitlement Offer represents a discount of:

- 8.7% to the price of Shares as at the close of trading on Thursday, 5 September 2024, being the last day of trading of Shares before the Placement and Entitlement Offer were announced; and
- 16.1% to the 5-trading day VWAP of Shares prior to the announcement of the Placement and Entitlement Offer.

All New Shares issued under the Entitlement Offer will rank equally with existing Shares on issue.

The proceeds raised from the Placement and the Entitlement Offer will be put towards the further development of the Hombre Muerto West lithium brine project in Argentina, corporate overheads, costs of the Entitlement Offer and working capital.

Key Dates of the Entitlement Offer

Event	Date
Record Date	5.00 pm (Perth time) on Friday, 13 September 2024
Entitlement Offer Opening Date and Offer Booklet made available	Wednesday, 18 September 2024
Entitlement Offer Closing Date	5.00 pm (Perth time) on Thursday, 3 October 2024
Announcement of results of Entitlement Offer and issue of New Shares	Thursday, 10 October 2024

* The above timetable is indicative only and subject to change. The quotation of New Shares is subject to ASX approval. Subject to the ASX Listing Rules and Corporations Act and other applicable laws, the Company reserves the right to vary these dates, without notice. Any extension of the Entitlement Offer will have a consequential effect on the issue date of the New Shares.

Actions Available to Eligible Shareholders Prior to the Closing Date

As an Eligible Shareholder, you may:

- Apply for some or all of your entitlement under the Entitlement Offer;
- Apply for all of your entitlement under the Entitlement Offer, and apply for additional New Shares under the Shortfall Offer; or
- If you do not wish to accept any part of your entitlement under the Entitlement Offer, you should not do nothing.

Further details concerning the Entitlement Offer are contained in the Offer Booklet. If you have any questions about the Entitlement Offer, please contact Automic Group on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) or by email to corporate.actions@automicgroup.com.au.

On behalf of the Board, I invite you to consider this opportunity to participate in the Entitlement Offer.

Yours faithfully

Richard Homsany
Chairman
Galan Lithium Limited

IMPORTANT INFORMATION

This letter is issued by Galan Lithium Limited. This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any entitlements or securities in Galan in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of Galan shares.

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this letter have not been, nor will be, registered under the U.S. Securities Act of 1933 as amended (U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States and may not be issued to, purchased or traded by, or taken up or exercised by, any person in the United States or any person acting for the account or benefit of a person in the United States.