GALAN LITHIUM LIMITED

ASX ANNOUNCEMENT

1 August 2025

Strategic Investor Subscription Agreement Executed

Aas announced on 20 June 2025, Galan Lithium Limited (**ASX:GLN**) (**Galan** or the **Company**) secured a binding commitment for a $20 million placement, from an existing shareholder, The Clean Elements Fund (**Clean Elements**).

A definitive subscription agreement, which contains customary provisions, has now been executed. The issue of the above equity to Clean Elements is subject to their satisfactory completion of due diligence with full completion requiring shareholder approval at a Galan general meeting being held on 22 August 2025.

The subscription agreement also provides Clean Elements with the right to appoint a non-executive director to the Board of Galan, once the entire proceeds of $20 million is received by the Company.

The Placement provides the final construction funding solution for Phase 1 (at 4ktpa LCE), of the Company's world class Hombre Muerto West project (**HMW**) in Argentina, which will see production of lithium chloride concentrate in H1 2026.

About Hombre Muerto West

HMW is a multi-decade, lithium brine project in Argentina with compelling economics. Phase 1 provides for a 4ktpa LCE operation, producing a 6% LiCl concentrate product over a projected 40-year life [(1)]. Finalisation of Phase 1 and commencement of production is the key focus Galan. Beyond Phase 1, the Company will undertake a phased scaling approach, eventually ramping up to 60ktpa at the conclusion of Phase 4. This approach mitigates funding and execution risk and will allow for continuous process improvement.

With a world class resource and a cost profile within the first quartile globally, HMW is a clear demonstration of the benefits of a high-quality lithium brine asset. These benefits are allowing Galan to progress through development and into production with a lower capital intensity and lower risk profile when compared to hard rock lithium (spodumene) projects.

As importantly, lithium chloride is a key component for lithium iron phosphate (LFP) batteries, which have become the dominant battery product globally. With the ability to be cost effectively converted into a lithium dihydrogen phosphate or lithium carbonate, lithium chloride, as will be produced at HMW, is an ideal source for LFP batteries.

Please refer to Mineral Resource Table for Galan's Total Resources of 9.5Mt LCE.

[(1)] *Please refer to the announcement dated 3 July 2023 (ASX: Phase 1 of Hombre Muerto West (DFS Delivers Compelling Economic Results for Accelerated Production). The Company confirms that all material assumptions underpinning the production target continue to apply and have not materially changed.*

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.

About Clean Elements

Clean Elements is a private holding company specifically founded to pursue the development of high performing lithium assets in Argentina and globally. Clean Elements has a successful track record in investing in lithium brine assets, notably completing a financing transaction with NOA Lithium in 2024 (TSXV.NOAL). Clean Elements is partnered with Swiss financial expert firm ISP Securities Ltd., part of the ISP Group, who is a leading Swiss financial service provider specializing in wealth management, asset management, securitisation and trading services. ISP Group has companies in Switzerland (Zurich and Geneva), Dubai, Hong Kong, and Israel.

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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.