



11 March 2019

Wade Baggot  
Australian Securities Exchange Limited  
Level 40 Central Park  
152-158 St Georges Tce  
Perth WA 6000

Dear Wade

We refer to your query dated 4 March 2019 regarding the increase in the price of GLN securities being traded and comment as follows:

1. Is GLN aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

No. The Company moved its drill rig and commenced drilling on the second hole at the Candelas Lithium Brine Project in Argentina. At the time of the price increases referred to, the Company was not aware of any information which may or may not reflect the recent trading in the securities of the Company.

It should be noted that the Company released a drilling update announcement on 11 March 2019 as stated in its trading halt request on 4 March 2019 and the following voluntary suspension requests.

2. If the answer to question 1 is "yes".

- (a) Is GLN relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in GLN's securities would suggest to ASX that such information may have ceased to be confidential and therefore GLN may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
- (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
- (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

Not applicable

3. If the answer to question 1 is "no", is there any other explanation that GLN may have for the recent trading in its securities?

The Company is not able to offer any other explanation for the price changes in the securities of the Company apart from speculation that has arisen since the Company announcement dated 13 February 2019, titled “New High-Grade Lithium Discovery” and the subsequent commencement of drilling on the second hole at the Candelas Lithium Brine Project.

The price increase in GLN securities may also have been a reflection of the positive lithium market outlook, experienced across larger Australian lithium producers, over the period from 19 February to 4 March 2019. Additionally, we note the announcement by the Company’s project neighbours, Galaxy Resources Ltd (ASX:GXY) confirming the completion of the part sale of their project for US\$280m to POSCO on 25 February 2019.

4. Please confirm that GLN is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Galan considers that all material price sensitive information has been announced and that it is in compliance with the Listing rules and, in particular, Listing Rule 3.1

5. Please confirm that GLN’s responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of GLN with delegated authority from the board to respond to ASX on disclosure matters.

Galan’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of Galan with delegated authority from the board to respond to ASX on disclosure matters.

Yours faithfully

**Mike Robbins**  
**Company Secretary**



4 March 2019

Mr Mike Robbins  
Galan Lithium Limited  
Level 2, 38 Richardson Street  
WEST PERTH WA 6005

By email

Dear Mr Robbins

### **Galan Lithium Limited ('GLN'): Price Query**

We note the change in the price of GLN's securities from a low of \$0.51 on Friday, 1 March 2019 to an intra-day high of \$0.67 at the time of writing today, Monday, 4 March 2019.

### **Request for Information**

In light of this, ASX asks GLN to respond separately to each of the following questions and requests for information:

1. Is GLN aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is GLN relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in GLN's securities would suggest to ASX that such information may have ceased to be confidential and therefore GLN may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that GLN may have for the recent trading in its securities?
4. Please confirm that GLN is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that GLN's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of GLN with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, **by no later than 6.30 AM AWST tomorrow, Tuesday, 5 March 2019**. If we do not have your response by then, ASX will likely suspend trading in GLN's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, GLN's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

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ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent **to me by e-mail at [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)**. **It should not be sent directly to the ASX Market Announcements Office.** This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to GLN's obligations under Listing Rules 3.1 and 3.1A and also to Guidance *Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that GLN's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in GLN's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in GLN's securities under Listing Rule 17.3.

### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Ben Secrett**  
Principal Adviser, Listings Compliance (Perth)