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ASX ANNOUNCEMENT / MEDIA RELEASE

Australia
22 February 2017

MT CATTLIN UPDATE - PRODUCT HAULAGE RESUMED TO ESPERANCE PORT

Galaxy Resources Limited (ASX: GXY) ("Galaxy" or the "Company") is pleased to provide the following update for its Mt Cattlin project in Ravensthorpe, Western Australia.

Product Haulage Resumed

Galaxy (ASX:GXY) advises that it has resumed hauling concentrate from its Mt Cattlin Operation to the Port of Esperance in time for the next shipment scheduled in the following week. Vessel Loading is expected to commence on 27 February, subject to local Port operational requirements. Product loading at site recommenced in the early hours of this morning and was transported to the port of Esperance along alternate temporary routes, with the South Coast Highway anticipated to be fully reopened later today. Galaxy is confident that it will be able to fully meet the shipment target of 15,000 dry metric tonnes (plus/minus 10%) and is in line with the previous guidance to the market on 15 February 2017.

Current Spodumene Concentrate Stockpile – Mt Cattlin, Ravensthorpe

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For more information, please contact:

Corporate

Nick Rowley
Director – Corporate Development
+61 (8) 9215 1700
nick.rowley@galaxylithium.com

Media Enquiries (Australia)

John Gardner
Citadel-MAGNUS
+61 413 355 997 or +61 (8) 6160 4901
jgardner@citadelmagnus.com

Media Enquiries (International)

Heidi So
Strategic Financial Relations Ltd
+852 2864 4826
heidi.so@sprg.com.hk

About Galaxy (ASX: GXY)

Galaxy Resources Limited ("Galaxy") is a global lithium company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It owns the Mt Cattlin spodumene and tantalum project near Ravensthorpe in Western Australia and the James Bay lithium pegmatite project in Quebec, Canada.

Galaxy is advancing plans to develop the Sal de Vida lithium and potash brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of 60% of global lithium production. Sal de Vida has excellent potential as a low cost brine-based lithium carbonate production facility.

Lithium compounds are used in the manufacture of ceramics, glass, and consumer electronics and are an essential cathode material for long life lithium-ion batteries used in hybrid and electric vehicles, as well as mass energy storage systems. Galaxy is bullish about the global lithium demand outlook and is aiming to become a major producer of lithium products.

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Galaxy.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on Galaxy's beliefs, opinions and estimates of Galaxy as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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