

Australia
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GALAXY NOMINATES FIRST VESSEL

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

Production Update

With commissioning of Mt Cattlin progressing as planned, trucking of lithium concentrate production to Esperance port is expected to commence by the end of this week with the first shipment to customers anticipated by the end of December 2016.

Galaxy has given formal instruction to Mitsubishi Corporation to nominate the vessel, for its first shipment of final product from the port of Esperance.

Modifications to the Mt Cattlin plant were engineered to produce a lithium concentrate of at least 5.5% Li₂O with a mica concentration of no greater than 5%. First production has easily met these specifications. The first five composite samples of lithium concentrate production have produced results better than expected, with Li₂O grades ranging from 5.8% to 6.4%, a mica concentration no higher than 4.7% and as low as 1.7%. These sample results have been achieved as a result of the design changes made to the processing plant flowsheet and represent a significant improvement in product quality over what the Mt Cattlin operations had previously been able to produce - mica and moisture levels attained in sampled product are well below the contract specification thresholds.

On Friday 25th November, representatives from Esperance Port Authority and Qube Logistics were on site at Mt Cattlin to inspect the lithium concentrate product, which was being prepared for trucking to Esperance port. The Port Authority confirmed they were satisfied with the results of mica concentrations and moisture content and trucking of production to the port could commence.



Stockpile of Lithium Concentrate ready for trucking to Esperance port



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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.

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