



Australia
4 April 2019

APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER

Galaxy Resources Ltd (ASX:GXY) ("Galaxy" or "the Company") is pleased to announce the appointment of Mr Simon Hay as its new Chief Executive Officer with effect from 1 July 2019.

Simon's previous experience includes senior positions at major Australian mining companies including BHP Billiton, WMC Resources and Iluka Resources. Currently Simon is Head of Resource Development at Iluka, with accountability for exploration & geology, mine planning & development, major projects & engineering and technology & innovation. Simon has also spent five years in Asia leading Iluka's Asia-Pacific and then global zircon marketing activities and has over ten years operational experience at assets located across Australia.

Galaxy Chairman Martin Rowley stated that he was delighted to be able to appoint someone of Simon's caliber to be the new CEO of Galaxy:

"Simon has the ideal blend of skills and experience in operational, development and marketing roles to be able to lead Galaxy through its next phase of growth. Simon's recent success in guiding the development of greenfield projects in jurisdictions such as Sri Lanka and Sierra Leone convinced me that he is the best man to lead Galaxy's growth plans for the development of its two world class international assets at Sal de Vida in Argentina and James Bay in Canada. His operational expertise can also be applied to optimizing and extending the life of the Company's existing operations at Mt Cattlin in Western Australia. Simon has been appointed after an extensive international search which resulted in a short list of outstanding candidates. After an exhaustive interview process Simon stood out as the individual most capable of delivering our strategy. I am very pleased that Simon has decided to join Galaxy and look forward to working closely with him. Simon will be based in Perth. Anthony Tse will transition from his current CEO and Managing Director position to an Executive Director focusing on corporate development and marketing."

Simon said, *"I am very pleased to be joining Galaxy Resources at this exciting time in the Company's evolution. Galaxy has an established and profitable operation at Mt Cattlin and an excellent balance sheet with no debt and cash of almost A\$400m providing a strong platform as it enters a major growth phase. I look forward to working with Martin, the Board, the Galaxy management team and staff and other stake holders from mid-year to apply my expertise in improving asset performance and developing assets. I am excited for the opportunity to be able to lead the development of Galaxy's world class assets at Sal de Vida and James Bay."*

Experience and qualifications

Simon has spent the past 10 years working in a number of senior roles at Iluka Resources Limited. These include his current role as Head of Resource Development, as well as roles including General Manager Zircon Marketing (based in Shanghai and Singapore), Vice President – Sales, Asia Pacific (based in Shanghai) and Southwest Operations Manager. Prior to his time at Iluka, Simon worked in operational, maintenance and general manager roles for Norilsk Nickel Australia, BHP Billiton and WMC Resources.

In these roles Simon has been accountable for:

- the execution of capital projects with an annual capital budget of over \$300 million, including capacity expansions and new mine development in Sierra Leone and the study phase and government engagement for a greenfields project in Sri Lanka;
- the construction of a new \$275 million mine in Western Australia, mine development studies and the expansion of existing operating facilities in Australia;
- marketing and sales activity throughout Asia; and
- the management of mining and processing businesses, including the restructuring and optimizing of those businesses to enhance profitability and efficiency.

Simon's qualifications include a Bachelor of Science with Honours (Chemistry), a Masters of Applied Science (Metallurgy) and a Graduate Diploma in Management. Simon is also a member of the Australian Institute of Company Directors.



Material terms of employment agreement

1. Commencement Date: 1 July 2019.
2. Role: Chief Executive Officer
3. Term: Until terminated in accordance with the terms of the employment agreement.
4. Probation Period: 6 months.
5. Total Fixed Remuneration: A\$650,000 per annum inclusive of superannuation.
6. Commencement rights in recognition of incentives forgone: A total of 150,000 performance rights (convertible into one ordinary Galaxy share per right), with 50,000 performance rights vesting on each of 30 June 2020, 2021 and 2022 subject to ongoing employment at the time of vesting.
7. At Risk Incentives:
 - Short term incentives (**STI**) representing up to 75% of fixed remuneration, payable in cash. STI's subject to financial (60%), non-financial (30%) and behavioural (10%) performance conditions to be determined by the Board. STI's lapse on cessation of employment (other than in the event of retirement, redundancy, disability or death).
 - Long term incentives (**LTI**) representing up to 75% of fixed remuneration, payable in performance rights. LTI's subject to vesting conditions linked to Relative Total Shareholder Return (**TSR**) (50%) and operational and project based milestones (50%) to be determined by the Board. Performance rights are subject to the terms of the Company's Incentive Awards Plan.
 - LTI performance rights will be subject to a 3 year vesting or disposal restriction period. TSR linked performance rights will vest according to a sliding scale, with 50% vesting where TSR performance is at the 50th percentile and 100% vesting where TSR performance is at or above the 75th percentile.
 - Unvested performance rights lapse upon cessation of employment (subject to Board discretion) and vested performance rights lapse if not exercised within 6 months of departure.
8. Post-employment restraint in the lithium industry for 6 months following cessation of employment.
9. Notice period: 6 months by either party. Termination without notice by the Company in the event of serious misconduct or breach of law or the employment agreement.

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About Galaxy (ASX: GXY)

Galaxy Resources Limited ("**Galaxy**") is an international S&P / ASX 200 Index company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It wholly owns and operates the Mt Cattlin mine in Ravensthorpe Western Australia, which is currently producing spodumene and tantalum concentrate 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.

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