

Galaxy Resources Limited

ACN 071 976 442

Retail Entitlement Offer Information Booklet

Details of a fully underwritten 1 for 14 accelerated non-renounceable pro rata entitlement offer of fully paid ordinary shares in Galaxy Resources Limited at an offer price of \$1.70 per New Share.

The equity raising is fully underwritten.

The offer closes at 5:00 pm (Sydney time) on Thursday, 10 December 2020.

This is an important document which is accompanied by a personalised Entitlement and Acceptance Form. Both should be read in their entirety. This document is not a prospectus under the Corporations Act and has not been lodged with ASIC.

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser, or call the Entitlement Offer Information Line on 1300 208 485 (from within Australia) or +61 3 9415 4197 (from outside Australia) at any time between 8:30 am and 5:00 pm (Sydney time) on Monday to Friday during the Retail Entitlement Offer period.

Not for distribution or release in the United States

IMPORTANT NOTICES

This Information Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide whether to participate in the Retail Entitlement Offer. In particular, the Investor Presentation details important factors and risks that could affect the financial and operating performance of Galaxy Resources Limited (ACN 071 976 442) (**Galaxy** or the **Company**). Please refer to the "Key risks" section of the Investor Presentation for details. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues.

NOT A PROSPECTUS, NOT INVESTMENT ADVICE OR FINANCIAL PRODUCT ADVICE

The Entitlement Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*. All references in this Information Booklet to the Corporations Act are references to the Corporations Act as modified by the ASIC Instruments.

The information in this Information Booklet is not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC.

This Information Booklet does not contain all the information which a prospective investor may require to make an informed decision in relation to the application for New Shares, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act (or any other law). It should be read in conjunction with Galaxy's other periodic statements and continuous disclosure announcements lodged with ASX.

It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Galaxy is not licensed to provide financial product advice in respect of the New Shares. Neither ASIC nor ASX takes responsibility for the contents of this Information Booklet.

FUTURE PERFORMANCE

This Information Booklet contains certain forward looking statements and comments about future events, including of Galaxy's expectations about the performance of its business and the effect of the proceeds raised under the Equity Financing on that business. Forward looking statements can generally be identified by the use of forward looking words such as, "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "guidance", "plan", and other similar expressions, and include, but are not limited to, statements regarding the outcome and effects of the Retail Entitlement Offer. Indications of, and guidance or

outlook on, future earnings or financial position or performance are also forward looking statements and include statements in this Information Booklet regarding the conduct and outcome of the Equity Financing and the use of proceeds.

You are cautioned not to place undue reliance on any forward looking statement. While due care and attention has been used in the preparation of forward looking statements, forward looking statements, opinions and estimates provided in this Information Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Galaxy, its directors and management. A number of important factors could cause Galaxy's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements, including the risk factors set out in the "Key risks" sections of the Investor Presentation. Actual results, performance or achievements may vary materially from any forward looking statements and the assumptions on which statements are based. Subject to any continuing obligations under applicable law or any relevant Listing Rules, Galaxy disclaims any intent or obligation to update any forward looking statements, whether as a result of new information, future events or results or otherwise.

PAST PERFORMANCE

Investors should note that any reference to Galaxy's past performance in this Information Booklet is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) Galaxy's future financial position, operating or financial performance, or share price performance. The historical information (including any pro forma historical financial information) is not represented as being indicative of Galaxy's views on its future financial condition and/or performance.

DISCLAIMER OF REPRESENTATIONS

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information Booklet. Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by Galaxy, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Galaxy, or any other person, warrants or guarantees the future performance of Galaxy or any return on any investment made in connection with this Information Booklet.

FOREIGN JURISDICTIONS

This Information Booklet, including the ASX Offer Announcements reproduced in it and the Entitlement and Acceptance Form, do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the New Shares or otherwise permit a public offering of the New Shares, in any jurisdiction outside of Australia unless otherwise specified.

The distribution of this Information Booklet (including an electronic copy) outside Australia may be restricted by law. In particular, this Information Booklet, any ASX Offer Announcements reproduced in it and the Entitlement and Acceptance Form may not be distributed in the United States or elsewhere outside Australia and New Zealand. If you come into possession of the information in this Information Booklet, you should observe such restrictions.

See section 3.9 for further information on foreign offer restrictions.

UNITED STATES

None of the information in this Information Booklet or the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Information Booklet (or any part of it), any accompanying ASX announcements, nor the accompanying Entitlement and Acceptance Form may be released or distributed, directly or indirectly, in the United States.

The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered, or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. In particular, the New Shares to be offered and sold in the Retail Entitlement Offer will only be offered and sold outside the United States in "offshore transactions", as defined in Rule 902(h) under the U.S. Securities Act in reliance on Regulation S under the U.S. Securities Act.

JOINT LEAD MANAGERS

The Joint Lead Managers have acted as joint lead managers and underwriters to the Entitlement Offer (including the Retail Entitlement Offer). Neither the Joint Lead Managers, nor any of their respective affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants, advisers or intermediaries (together the **Joint Lead Manager Parties**), nor the advisers to the Company or any other person including clients named in this document, have authorised, permitted or caused the issue or lodgement,

submission, dispatch or provision of this Information Booklet (or any other materials released by the Company) and, except to the extent expressly referred to in this Information Booklet, none of them makes or purports to make any statement in this Information Booklet and there is no statement in this Information Booklet which is based on any statement by any of them.

The Joint Lead Manager Parties take no responsibility for any part of this Information Booklet or any action taken by you on the basis of that information. To the maximum extent permitted by law, each of the Joint Lead Managers exclude and disclaim all liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Information Booklet or otherwise arising in connection with it.

The Joint Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and, by returning your personalised Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on your personalised Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Joint Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally and you further expressly disclaim that you are in a fiduciary relationship with any of them.

Each of the Joint Lead Managers is a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, research, principal investment, hedging, market making, brokerage and other financial and non-financial activities including for which they have received or may receive customary fees and expenses.

Each of the Joint Lead Managers is acting for and providing services to the Company in relation to the Entitlement Offer and will not be acting for or providing services to Shareholders or potential investors. Each of the Joint Lead Managers has been engaged solely as an independent contractor and is acting solely in a contractual relationship on an arm's length basis with the Company. The engagement of each of the Joint Lead Managers is not intended to create any fiduciary obligations, agency or other relationship between the Joint Lead Managers and the Company, Shareholders or potential investors.

Each of the Joint Lead Managers will receive fees and expenses for acting as joint lead managers and underwriters to the Entitlement Offer. The Joint Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees

or other benefits from the Company and may in the future be lenders to the Company or its affiliates.

DEFINITIONS, TIME AND CURRENCY

Defined terms used in this Information Booklet are contained in section 4. All references to time are to Sydney time, unless otherwise indicated.

All references to dollars (\$) or cents (¢) in this Information Booklet are to Australian currency unless otherwise indicated.

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A ASX OFFER ANNOUNCEMENTS

CHAIRMAN'S LETTER

1 December 2020

Dear Shareholder,

On behalf of the directors of Galaxy Resources Limited (**Galaxy** or the **Company**), I am pleased to invite you to participate in a 1 for 14 accelerated pro rata non-renounceable entitlement offer of new fully paid ordinary shares in Galaxy (**New Shares**) at an offer price of \$1.70 (**Offer Price**) per New Share (**Entitlement Offer**).

On Wednesday, 25 November 2020, Galaxy announced its intention to raise up to \$161 million through the Entitlement Offer and a placement to certain existing and new institutional investors (**Placement**).

Together, the Entitlement Offer and Placement are the **Equity Financing** or the **Offer**.

The Equity Financing

The Entitlement Offer will be conducted in two stages:

- an accelerated non-renounceable institutional entitlement offer of New Shares to eligible institutional shareholders (**Institutional Entitlement Offer**), which is already complete and was conducted in conjunction with the Placement; and
- a non-renounceable retail entitlement offer of New Shares to eligible retail shareholders (**Retail Entitlement Offer**), which will be conducted in accordance with the Key Dates for the Entitlement Offer set out below.

This information booklet relates to the Retail Entitlement Offer (**Information Booklet**). Under the Retail Entitlement Offer, eligible retail shareholders are entitled to subscribe for 1 New Share for every 14 existing fully paid ordinary shares in Galaxy (**Shares**) held at 7:00 pm (Sydney time) on Friday, 27 November 2020 (**Record Date**), at the Offer Price of \$1.70 per New Share. This is the same price that was offered to institutional investors who participated in the Institutional Entitlement Offer and the Placement.

The Offer Price represents:

- a 15.0% discount to the last traded price of Shares prior to announcement of the Equity Financing (\$2.00 per Share);
- a 12.5% discount to TERP, calculated by reference to the closing Share price on the trading day prior to announcement of the Equity Financing (\$1.94 per Share)*; and
- an 8.1% discount to the 10-day VWAP prior to announcement of the Equity Financing (being \$1.85 per Share).

Eligible retail shareholders who take up their Entitlement in full may also apply for additional New Shares in excess of their Entitlement (**Additional Shares**) on the following basis:

- the maximum number of Additional Shares that the eligible retail shareholder may apply for is the number representing 33% of their Entitlement;
- Additional Shares will only be available to the extent there is a shortfall in the number of Entitlements taken up by retail shareholders (and includes Entitlements that would have been available to ineligible retail shareholders if they were eligible retail shareholders);
- allocations of Additional Shares will be determined by, and may be scaled back by, Galaxy in its absolute discretion (in consultation with the Joint Lead Managers); and
- any Additional Shares will be issued at the Offer Price.

New Shares will be issued on a fully paid basis and will, from their date of issue, rank equally with existing Shares then on issue.

The Equity Financing is jointly lead managed and fully underwritten by UBS AG, Australia Branch ABN 47 088 129 613 and Canaccord Genuity (Australia) Limited ABN 19 075 071 466 (the **Joint Lead Managers**). A summary of the key terms of the underwriting agreement between Galaxy and the Joint Lead Managers is provided in Appendix D of the Investor Presentation.

* TERP is the theoretical price at which Galaxy shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to Galaxy's closing price of \$2.00 on 24 November 2020. The TERP calculation includes New Shares issued under the Placement.

Use of proceeds

The Equity Financing seeks to raise a total of approximately \$161 million in gross proceeds which will be committed to:

- the Sal de Vida capital program, to enable Galaxy to meet the scheduled first production in late 2022;
- progress James Bay to construction ready status by the end of 2021; and
- to pay transaction costs associated with the Equity Financing.

Details about the use of proceeds from the Equity Financing, as well as the conditions and risks associated with these, are provided in the Investor Presentation.

Information Booklet

This Information Booklet is important and requires your immediate attention. It is accompanied by your personalised Entitlement and Acceptance Form (either online via www.gxyoffer.com.au or in hard copy) which contains details of your Entitlement as well as important information, including:

- **key dates** for the Entitlement Offer;
- instructions on **how to apply**, setting out how to accept all or part of your Entitlement in the Retail Entitlement Offer if you choose to do so; and
- the ASX Offer Announcements and Investor Presentation.

The Retail Entitlement Offer closes at 5:00 pm (Sydney time) on Thursday, 10 December 2020.

To participate, you need to ensure that you have completed your application by paying Application Monies in accordance with the instructions on the Entitlement and Acceptance Form, so that your payment is received by Galaxy by no later than 5:00 pm (Sydney time) on Thursday, 10 December 2020.

If you wish to receive a paper copy of this Information Booklet and your personalised Entitlement and Acceptance Form, please call the Entitlement Offer Information Line on 1300 208 485 (from within Australia) or +61 3 9415 4197 (from outside Australia) at any time between 8:30 am and 5:00 pm (Sydney time) on Monday to Friday during the Retail Entitlement Offer period.

Please refer to the instructions in section 2 of this Information Booklet for further information.

United States

Shareholders in the United States are not eligible to participate in the Retail Entitlement Offer. Similarly, shareholders (including custodians and nominees) who hold Shares (as defined below) on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the Retail Entitlement Offer on behalf of those persons.

No Entitlements trading

Your Entitlement cannot be traded on ASX or any other exchange or privately transferred. If you do not take up some or all of your Entitlement, your rights will lapse. Please see section 1.7 for more information.

Additional information

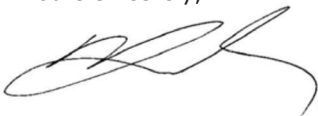
Further information on the Entitlement Offer is detailed in this Information Booklet. You should read the entirety of this Information Booklet carefully (including the "Key risks" sections of the Investor Presentation) before deciding whether to participate in the Entitlement Offer.

If you have any further questions, you should seek advice from your stockbroker, accountant or other independent professional adviser.

Further details about the Entitlement Offer can be found at www.gxyoffer.com.au.

On behalf of the board of directors of Galaxy, I thank you for your ongoing support.

Yours sincerely,



Martin Rowley

Chairman

Galaxy Resources Limited

KEY DATES FOR THE ENTITLEMENT OFFER

EVENT	TIME (AEDT) / DATE
Announcement of the Offer and Placement and Institutional Entitlement Offer open	Wednesday, 25 November 2020
Announce completion of the Placement and Institutional Entitlement Offer	Thursday, 26 November 2020
Trading in Galaxy shares resumes on ex-entitlement basis	Thursday, 26 November 2020
Record date for determining entitlement for the Entitlement Offer	7pm Friday, 27 November 2020
Despatch of Information Booklet and Retail Entitlement Offer opens	Tuesday, 1 December 2020
Settlement of Placement and Institutional Entitlement Offer	Thursday, 3 December 2020
Allotment and normal trading of New Shares issued under the Placement and Institutional Entitlement Offer	Friday, 4 December 2020
Retail Entitlement Offer closing date	5pm Thursday, 10 December 2020
Results of Retail Entitlement Offer announced to ASX	Tuesday, 15 December 2020
Settlement of Retail Entitlement Offer	Wednesday, 16 December 2020
Allotment of New Shares issued under the Retail Entitlement Offer	Thursday, 17 December 2020
Normal trading of New Shares issued under the Retail Entitlement Offer	Friday, 18 December 2020
Despatch of holding statements	Monday, 21 December 2020

Note: The timetable above is indicative only and may be subject to change. All times and dates refer to Australian Eastern Daylight-savings time. Galaxy reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, Galaxy reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX.

Enquiries

If you have any questions, or would like a paper copy of this Information Booklet and your personalised Entitlement and Acceptance Form, you should seek advice from your stockbroker, accountant or other independent professional adviser, or call the Entitlement Offer Information Line on 1300 208 485 (from within Australia) or +61 3 9415 4197 (from outside Australia) at any time between 8:30 am and 5:00 pm (Sydney time) on Monday to Friday during the Retail Entitlement Offer period. Further details on the Entitlement Offer can be found at www.gxyoffer.com.au.

1. OVERVIEW OF THE ENTITLEMENT OFFER

1.1 Entitlement Offer

The Entitlement Offer is an offer of approximately 29 million New Shares at the Offer Price of \$1.70 per New Share. Under the Entitlement Offer, all Eligible Institutional Shareholders and all Eligible Retail Shareholders are entitled to subscribe for 1 New Share for every 14 Shares held on the Record Date.

The Entitlement Offer is comprised of two parts, being:

- the **Institutional Entitlement Offer**: Eligible Institutional Shareholders were invited to take up their Entitlements. The Institutional Entitlement Offer closed on Wednesday, 25 November 2020; and
- the **Retail Entitlement Offer**: Eligible Retail Shareholders are now being invited to take up all or part of their Entitlements. The Retail Entitlement Offer closes at 5:00 pm (Sydney time) on Thursday, 10 December 2020.

The Entitlement Offer is non-renounceable, which means that Entitlements are personal to you and non-transferable and cannot be sold or traded on ASX or any other securities exchange, or assigned or otherwise dealt with.

New Shares issued under the Entitlement Offer will, from their date of issue, rank equally with existing Shares then on issue.

1.2 Underwriting

The Entitlement Offer is jointly lead managed and fully underwritten by UBS AG, Australia Branch ABN 47 088 129 613 and Canaccord Genuity (Australia) Limited ABN 19 075 071 466. A summary of the key terms of the underwriting agreement is provided in Appendix D of the Investor Presentation.

1.3 Who is eligible to participate in the Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are being offered the opportunity to subscribe for 1 New Share for every 14 Shares held at the Record Date, at the Offer Price of \$1.70 per New Share.

Eligible Retail Shareholders are those Shareholders who:

- (a) are registered as a holder of a Share at the Record Date;
- (b) as at the Record Date, have a registered address in Australia or New Zealand as recorded on Galaxy's share register;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States);
- (d) the Joint Lead Managers have determined (in their absolute discretion) did not successfully receive an offer to participate in the Institutional Entitlement Offer; and
- (e) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus, product disclosure statement or offer document to be lodged or registered.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Galaxy and the Joint Lead Managers. To the maximum extent permitted by law, each of Galaxy and the Joint Lead Managers disclaim any duty or liability (including for fault or negligence) in respect of that determination and the exercise or otherwise of that discretion.

1.4 What is your Entitlement

Your Entitlement is set out in your personalised Entitlement and Acceptance Form available on the offer website at www.gxyoffer.com.au and has been calculated as 1 New Share for every 14 Shares you held at the Record Date. If the result is not a whole number your Entitlement will be rounded up to the nearest whole number. If you have more than one registered holding of Shares, you will receive more than one personalised payment reference number and you will have separate Entitlements for each separate holding.

Note: The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up; for example, you are not permitted to take up an Entitlement to the extent you are holding Shares for the account or benefit of a person in the United States (see definition of Eligible Retail Shareholders in section 1.3 of this Information Booklet).

1.5 Additional Shares

Eligible Retail Shareholders (other than Listing Rule 10.11 Persons) who take up their Entitlement in full may also apply for additional New Shares in excess of their Entitlement (**Additional Shares**) on the following basis.

- The maximum number of Additional Shares that the Eligible Retail Shareholder may apply for is the number representing 33% of their Entitlement.
- Additional Shares will only be available to the extent there are Retail Shortfall Shares.

- Allocations of Additional Shares will be determined by, and may be scaled back by, Galaxy in its absolute discretion (in consultation with the Joint Lead Managers).
- Any Additional Shares will be issued at the Offer Price.

There is no guarantee that there will be a sufficient number of Additional Shares for issue to Eligible Retail Shareholders who apply for them. Allocations of Additional Shares will be determined by Galaxy in its absolute discretion and any allotment of Additional Shares is not guaranteed. If Eligible Retail Shareholders apply for more Additional Shares than are available for issue, Galaxy will apply a scale back (again, in its absolute discretion, in consultation with the Joint Lead Managers); see further below.

Details on how to apply for Additional Shares are set out in section 2.2 of this Information Booklet.

Listing Rule 10.11 Persons are not permitted to apply for any Additional Shares.

1.6 **Scale-back policy**

Galaxy reserves the right to scale-back applications for Additional Shares in its absolute discretion.

In the event of a scale-back, Galaxy will refund to each Eligible Retail Shareholder to which the scale-back applies the difference between the Application Monies received by Galaxy in respect of their application, and the value of the amount of New Shares (including any Additional Shares) which are issued to the Eligible Retail Shareholder (calculated by reference to the Offer Price). No interest will be paid on any Application Monies received and returned.

1.7 **Can you trade your Entitlement?**

The Entitlement Offer is non-renounceable, which means that your Entitlement is personal to you, is non-transferable, and cannot be sold or traded on ASX (or any other securities exchange), or assigned or otherwise dealt with. If you do not take up your Entitlements by 5:00 pm (Sydney time) on Thursday, 10 December 2020, your Entitlement will lapse.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares you would have acquired had you taken up your Entitlement, and you will not receive any value for your Entitlement. Your percentage shareholding in Galaxy will also be diluted to the extent that New Shares are issued under the Entitlement Offer.

1.8 **Reconciliation**

The Entitlement Offer is a complex structure and in some instances Shareholders may believe that they will own more Shares in Galaxy than they actually do on the Record Date. This results in a need for reconciliation.

If reconciliation is required, it is possible that Galaxy may need to issue a small quantity of additional New Shares (**Top Up Shares**) to ensure all Eligible Shareholders receive their full Entitlement. Any Top Up Shares will be issued at the Offer Price.

1.9 **ASX quotation**

Subject to approval being granted, quotation of the New Shares issued under the Retail Entitlement Offer is expected to commence on Friday, 18 December 2020 (on a normal settlement basis).

Holding statements will be despatched in accordance with the Listing Rules. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk.

Galaxy and the Joint Lead Managers disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares (including Additional Shares) before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Galaxy, the Joint Lead Managers, the Registry or otherwise.

1.10 **Ineligible Retail Shareholders**

All Shareholders who are not Eligible Retail Shareholders, Eligible Institutional Shareholders or Ineligible Institutional Shareholders are Ineligible Retail Shareholders. Ineligible Retail Shareholders will not be entitled to participate in the Retail Entitlement Offer.

Galaxy has determined that it would be unreasonable on this occasion to extend the Retail Entitlement Offer to Ineligible Retail Shareholders, having regard to:

- the number of Shares held by Ineligible Retail Shareholders in each applicable jurisdiction;
- the number and value of New Shares that Ineligible Retail Shareholders in each applicable jurisdiction would be offered; and
- the cost of complying with the legal and regulatory requirements which would apply to an offer of Shares to Ineligible Retail Shareholders in each of those places.

1.11 **Rights of Galaxy and the Joint Lead Managers**

(a) **Adjusting Entitlements**

Galaxy reserves the right (in its absolute sole discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or they fail to provide information to substantiate their claims.

(b) **Acknowledgement**

By taking up or exercising an Entitlement, Eligible Shareholders irrevocably acknowledge and agree that Galaxy and the Joint Lead Managers may do anything contemplated by paragraph 1.11(a) above or otherwise in this Information Booklet. Shareholders also acknowledge that:

- there is no time limit on the ability of Galaxy and the Joint Lead Managers to require any of the actions set out above; and
- where Galaxy and the Joint Lead Managers exercise their right to correct a Shareholder's Entitlement, the Shareholder is treated as continuing to accept or not take up any remaining Entitlement (as the case may be).

2. **HOW TO APPLY**

2.1 **What you may do – choices available**

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser. You should also read this Information Booklet in full, including the "Key risks" section of the Investor Presentation.

The number of New Shares to which Eligible Retail Shareholders are entitled is shown in the personalised Entitlement and Acceptance Form on the offer website at www.gxyoffer.com.au. If you are an Eligible Retail Shareholder, you may do any one of the following.

- (1) Take up all of your Entitlement (or take up all of your Entitlement and, provided you are not a Listing Rule 10.11 Person, also apply for Additional Shares) (see section 2.2 of this Information Booklet).
- (2) Take up part of your Entitlement and let the balance lapse (see section 2.3 of this Information Booklet).
- (3) Do nothing and let your Entitlement lapse (see section 2.4 of this Information Booklet).

You should bear in mind that if you do not take up all of your Entitlement, your percentage shareholding in Galaxy will be diluted.

2.2 **If you wish to take up all of your Entitlement (or take up all of your Entitlement and apply for Additional Shares)**

If you wish to take up **all** of your Entitlement (or, provided you are not a Listing Rule 10.11 Person, you wish to take up all of your Entitlement and apply for Additional Shares) you must make your payment by BPAY®[†] for the full amount payable (being the Offer Price multiplied by the number of New Shares, including any Additional Shares you are applying for, which must not exceed an aggregate total of 133% of your Entitlement) so that it is received by 5:00 pm (Sydney time) on Thursday, 10 December 2020.

[†] BPAY® is a bill payment service. For further information, please see <http://www.bpay.com.au/>.

By paying by BPAY®, you are not required to submit a personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

Application Monies received by Galaxy in excess of the amount in respect of your Entitlement will be treated as an application to apply for as many Additional Shares as the amount of the excess will pay for in full (priced at the Offer Price) up to an amount equal to 33% of your Entitlement. If you apply (or are taken to apply) for an amount of Additional Shares in excess of the amount that is equal to 33% of your Entitlement, you will be taken to be applying only for the amount of Additional Shares that is equal to 33% of your Entitlement.

If you take up and pay for your Entitlement so that payment is received by 5:00 pm (Sydney time) on Thursday, 10 December 2020, you will be allotted your New Shares on Thursday, 17 December 2020. Galaxy's decision on the number of New Shares allotted to you will be final. If you have also applied and paid for Additional Shares (up to an amount which does not exceed 33% of your Entitlement), then, subject to Galaxy's absolute discretion (in consultation with the Joint Lead Managers) to scale back your application for Additional Shares (in whole or part), you will also be issued those Additional Shares on Thursday, 17 December 2020. Galaxy's decision on the number of Additional Shares allotted to you will be final.

Listing Rule 10.11 Persons are not permitted to apply for any Additional Shares.

2.3 **If you wish to take up part of your Entitlement**

If you wish to take up **part** of your Entitlement and reject the balance, you must make your payment by BPAY® for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up – you will need to calculate this number yourself).

By paying by BPAY®, you are not required to submit a personalised Entitlement and Acceptance Form but are taken to make the statements set out in section 2.6 of this Information Booklet.

If you take up and pay for your Entitlement so that payment is received by 5:00 pm (Sydney time) on Thursday, 10 December 2020, you will be allotted your New Shares on Thursday, 17 December 2020. Galaxy's decision on the number of New Shares allotted to you will be final.

For the avoidance of doubt, if you choose to take up only part of your Entitlement, you will not be eligible to apply for any Additional Shares.

2.4 **If you do not wish to take up your Entitlement**

If you do not wish to take up all or any part of your Entitlement, do not take any further action and all or that part of your Entitlement will lapse. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares you would have acquired had you taken up your Entitlement and you will not receive any value for your Entitlement. Your percentage shareholding in Galaxy will also be diluted to the extent that New Shares are issued under the Entitlement Offer.

2.5 **Payment**

(a) **General**

The Offer Price of \$1.70 per New Share accepted is payable on acceptance of your Entitlement. Payment must be received by 5:00 pm (Sydney time) on Thursday, 10 December 2020.

Payment will only be accepted in Australian currency and must be (other than with the express consent of the Company) through the BPAY® facility according to the instructions set out on the offer website at www.gxyoffer.com.au and in this Information Booklet.

Cash, cheque, bank draft and money order payments will not be accepted. Receipts for payment will not be issued.

Application Monies received from Eligible Retail Shareholders will be held by Galaxy on trust for applicants until the New Shares are allotted.

Galaxy reserves the right to cancel the Entitlement Offer at any time prior to the allocation of New Shares under the Institutional Entitlement Offer. If the Entitlement Offer is cancelled, all Application Monies will be refunded without interest. To the fullest extent permitted by law, each Eligible Retail Shareholder agrees that any Application Monies paid by them to Galaxy will not entitle them to any interest against Galaxy, and that any interest earned in respect of Application Monies will belong to Galaxy. This will be the case, whether or not all or none (if

the Entitlement Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

Galaxy will treat you as applying for as many New Shares as your payment will pay for in full, up to your Entitlement.

In addition, provided you are not a Listing Rule 10.11 Person, any Application Monies received for more than your final allocation of New Shares will be treated as an application to apply for as many Additional Shares as that excess amount will pay for, in full, priced at the Offer Price (up to an amount equal to 33% of your Entitlement). If you apply (or are taken to apply) for an amount of Additional Shares in excess of the amount that is equal to 33% of your Entitlement, you will be taken to be applying only for the amount of Additional Shares that is equal to 33% of your Entitlement. Any Application Monies received in excess of both your full Entitlement and any Additional Shares for which you would have been entitled to apply will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid on any Application Monies received or refunded.

(b) Payment by BPAY®

For payment by BPAY®, please follow the instructions on the offer website at www.gxyoffer.com.au and your personalised Entitlement details (which includes the Biller Code and your unique Customer Reference Number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number provided to you on the offer website. If you have multiple holdings and receive more than one payment reference number, when taking up your Entitlement in respect of one of those holdings, please only use the Customer Reference Number specific to the Entitlement. If you do not use the correct Customer Reference Number specific to that holding, your application will not be recognised as valid. If you inadvertently use the same Customer Reference Number for more than one of your Entitlements, you will be deemed to have applied for only your Entitlement (including any Additional Shares) to which that Customer Reference Number applies, and any excess amount will be refunded.

Please bear in mind that, by paying through BPAY®:

- you do not need to submit a personalised Entitlement and Acceptance Form, but are taken to have made the statements set out in section 2.6 of this Information Booklet; and
- if you pay for less than your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5:00 pm (Sydney time) on Thursday, 10 December 2020.

You should be aware that your Australian financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

(c) Payment by other electronic transfers

If you do not have an account that supports BPAY® transactions, New Zealand holders will be offered EFT details via the offer website. Alternatively, please contact the Registry on 1300 208 485 (within Australia) or +61 3 9415 4197 (outside Australia) for alternative electronic funds transfer payment arrangements.

2.6 Payment and application is binding

A payment made through BPAY® (or otherwise applying to participate in the Retail Entitlement Offer) constitutes a binding offer to acquire New Shares (including any Additional Shares) on the terms and conditions set out in this Information Booklet and, once paid, cannot be withdrawn.

By making a payment by BPAY®, or otherwise applying to participate in the Entitlement Offer, you:

- (a) declare that:
 - (i) all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
 - (ii) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer and your personalised Entitlement and Acceptance Form; and
 - (iii) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (b) acknowledge that:
 - (i) once Galaxy receives your payment, you may not withdraw it except as allowed by law;
 - (ii) you have read and understood this Information Booklet and the personalised Entitlement and Acceptance Form;
 - (iii) the information contained in this Information Booklet is not investment advice or a recommendation that the New Shares are suitable for you, given your investment objectives, financial circumstances or particular needs;
 - (iv) this Information Booklet is not a prospectus, product disclosure statement or offer document, does not contain all of the information you may require in order to assess an investment in Galaxy and is given in the context of Galaxy's past and ongoing continuous disclosure announcements to ASX;
 - (v) determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Galaxy and the Joint Lead Managers;
 - (vi) to the maximum extent permitted by law, each of Galaxy, the Joint Lead Managers and their respective directors, employees, officers, representatives, agents, partners, consultants, advisers or intermediaries disclaim any duty or liability (including for fault or negligence) in respect of that determination and the exercise or otherwise of that discretion; and
 - (vii) neither Galaxy, the Joint Lead Managers nor any of their respective directors, employees, officers, representatives, agents, partners, consultants, advisers or intermediaries guarantee the performance of the New Shares or the performance of Galaxy nor do they guarantee the repayment of capital from Galaxy;
- (c) agree to:
 - (i) apply for, and be issued with up to, the number of New Shares (including Additional Shares) that you apply for at the Offer Price of \$1.70 per New Share; and
 - (ii) be bound by the terms of this Information Booklet and the provisions of Galaxy's constitution;
- (d) authorise Galaxy to:
 - (i) register you as the holder of any New Shares you are allotted and authorise Galaxy, each of the Joint Lead Managers and each of their respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of the Registry by using the contact details set out in the personalised Entitlement and Acceptance Form; and
 - (ii) correct any errors in your personalised Entitlement and Acceptance Form or other form provided to you;

- (e) represent and warrant that:
 - (i) the law of any place does not prohibit you from:
 - (A) being given this Information Booklet (or a personalised Entitlement and Acceptance Form);
 - (B) accessing the offer website at www.gxyoffer.com.au; or
 - (C) making an application for New Shares (including, to avoid any doubt, making an application for any Additional Shares);
 - (ii) subject to section 2.6(b)(vi), you are an Eligible Retail Shareholder; and
 - (iii) if you have applied for any Additional Shares, you are not a Listing Rule 10.11 Person.

By making a payment by BPAY® or otherwise applying to participate in the Retail Entitlement Offer you will also be treated as:

- (a) having represented and warranted that you are not engaged in the business of distributing securities;
- (b) acknowledging on your own behalf and on behalf of each person on whose account you are acting that:
 - (i) you are not in the United States and you are not acting for the account or benefit of a person in the United States;
 - (ii) the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and that the New Shares may not be offered or sold, directly or indirectly, in the United States, or to persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of a person in the United States);
 - (iii) the New Shares in the Retail Entitlement Offer will only be offered and sold outside the United States in "offshore transactions", as defined and in compliance with Regulation S under the U.S. Securities Act;
 - (iv) if in the future you decide to sell or otherwise transfer any New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, including in standard brokered transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
 - (v) you have not and will not send this Information Booklet, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand; and
 - (vi) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are applying for New Shares is:
 - (A) resident in Australia or New Zealand; and
 - (B) is not in the United States and is not acting for the account or benefit of a person in the United States.

3. **IMPORTANT INFORMATION**

3.1 **Responsibility for Information Booklet**

This Information Booklet (including the ASX Offer Announcements and any personalised Entitlement and Acceptance Form) has been prepared by Galaxy. This Information Booklet is dated 1 December 2020 (other than the ASX Offer Announcements, which were released to the ASX and published on the ASX website on the date shown on them). Statements made in this Information Booklet are made only as at the date of this Information Booklet. The information in this Information Booklet remains subject to change without notice.

No party other than Galaxy has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet.

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Information Booklet. Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by Galaxy, or its related bodies corporate in connection with the Entitlement Offer.

3.2 **Status of Information Booklet**

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) which allow rights issues to be conducted without a prospectus.

Neither this Information Booklet nor the Entitlement and Acceptance Form is required to be lodged or registered with ASIC. This Information Booklet is not a prospectus under the Corporations Act and no prospectus for the Entitlement Offer will be prepared or issued. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in Galaxy. They do not contain all the information which would be required to be disclosed in a prospectus.

As a result, it is important for Eligible Retail Shareholders to carefully read and understand the information on Galaxy and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to this Information Booklet, the Investor Presentation and other announcements made available at <http://www.asx.com.au/>.

This Information Booklet does not contain financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Galaxy is not licensed to provide financial product advice in respect of the New Shares. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information Booklet including the Investor Presentation (in particular, the "Key risks" section), you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

3.3 **Information Booklet availability**

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Information Booklet (along with their personalised Entitlement and Acceptance Form) on the Company's offer website at www.gxyoffer.com.au. You will need to provide your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) and postcode to access the online application system.

In addition, Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Information Booklet during the period of the Entitlement Offer by accessing the ASX website or accessing the Galaxy website at www.gxy.com. The electronic version of this Information Booklet on the ASX website and the Galaxy website will not include a personalised Entitlement and Acceptance Form.

Persons who access the electronic version of this Information Booklet should ensure that they download and read the entire Information Booklet.

In addition, Eligible Retail Shareholders may request a paper copy of this Information Booklet (and their personalised Entitlement and Acceptance Form) by calling the Entitlement Offer Information Line on 1300 208 485 (from within Australia) or +61 3 9415 4197 (from outside Australia) at any time between 8:30 am and 5:00 pm (Sydney time) on Monday to Friday during the Retail Entitlement Offer period.

This Information Booklet (including the accompanying personalised Entitlement and Acceptance Form) may not be released or distributed to, or relied upon by, persons in the United States or persons that are acting for the account or benefit of a person in the United States.

3.4 **Notice to nominees and custodians**

If Galaxy believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer from Galaxy.

Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not) and Ineligible Institutional Shareholders.

Persons acting as custodians and/or nominees must not take up Entitlements or apply for New Shares on behalf of, and must not send the Information Booklet or any other document relating to the Retail Entitlement Offer (including providing access to, or details of, the offer website) to, any person that is in the United States or elsewhere outside Australia and New Zealand.

Galaxy is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee or custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess, taking into account guidance deemed provided in this Information Booklet, whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with the terms of the Retail Entitlement Offer and all applicable foreign laws.

3.5 **No cooling off**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been made.

3.6 **Taxation**

Taxation implications will vary depending upon the individual circumstances of Eligible Shareholders. You should obtain your own professional advice before deciding whether to invest in New Shares.

3.7 **Privacy Statement**

If you complete an application for New Shares, you will be providing personal information to Galaxy (directly or through the Registry). Galaxy collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Registry.

You can access, correct and update the personal information that is held about you. If you wish to do so, please contact the Registry at the relevant contact numbers set out in the Corporate Directory of this Information Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if the information required on the Entitlement and Acceptance Form is not provided, Galaxy may not be able to accept or process your application.

3.8 **Governing Law**

This Information Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms (whether online or hard copy) are governed by the laws applicable in Western Australia, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia.

3.9 **Foreign offer restrictions**

This Information Booklet has been prepared to comply with the requirements of the securities laws of Australia.

This Information Booklet does not constitute an offer in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand. Distribution of this Information Booklet outside Australia and New Zealand may be restricted by the securities laws of other jurisdictions. Any non-compliance with these restrictions may contravene applicable securities laws. See the "Foreign selling restrictions" section of the Investor Presentation for more information.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This Information Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Information Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This Information Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. None of this Information Booklet, any accompanying ASX announcements, the Investor Presentation reproduced in it, or the Entitlement and Acceptance Form may be distributed or released in the United States.

The New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. In particular, the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" as defined in Rule 902(h) in reliance on Regulation S under the U.S. Securities Act.

3.10 Underwriting

The Entitlement Offer is joint lead managed and fully underwritten by the Joint Lead Managers in their agreed, respective proportions (being 50% for each Joint Lead Manager) pursuant to an underwriting agreement dated 25 November 2020 (**Underwriting Agreement**).

A summary of the key terms of the Underwriting Agreement is provided on slides 51 and 52 of the Investor Presentation.

The Underwriting Agreement contains certain customary:

- conditions precedent (that must be satisfied or waived before the Joint Lead Managers are obliged under the Underwriting Agreement to, among other things, underwrite the Retail Entitlement Offer); and
- representations, warranties and indemnities in favour of the Joint Lead Managers.

The Underwriting Agreement is subject to generally customary termination events (a summary of these is included in the summary on slides 51 and 52 of the Investor Presentation). If the Underwriting Agreement is terminated, the Retail Entitlement Offer may not proceed in its entirety.

The Joint Lead Managers reserve the right, at any time, to appoint sub-underwriters in respect of any part of the Entitlement Offer.

The Joint Lead Managers are entitled to be paid fees and expenses under the Underwriting Agreement, and receive certain indemnities. Any sub-underwriters appointed by the Joint Lead Managers may be paid a fee determined by negotiation with the relevant sub-underwriter. Any sub-underwriter's fees in respect of the Entitlement Offer would be paid by the Joint Lead Managers.

3.11 Disclaimer of representations

Except as required by law, and only to the extent so required, none of Galaxy or any other person, warrants or guarantees the future performance of Galaxy or any return on any investment made pursuant to this Information Booklet.

4. GLOSSARY

ABN means Australian Business Number.

ACN means Australian Company Number.

Additional Shares has the meaning given in the Chairman's Letter and in section 1.5 of the Information Booklet

Application Monies means the aggregate amount payable for the New Shares (including any Additional Shares) applied for through BPAY® (or, with the express consent of the Company, through such other agreed payment mechanism), being the consideration for New Shares (including any Additional Shares) under the Retail Entitlement Offer.

ASIC means the Australian Securities and Investments Commission.

ASIC Instruments means ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73.

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the securities exchange operated by it on which Shares are quoted.

ASX Offer Announcements means the ASX announcements reproduced in Annexure A to the Information Booklet, being the announcement to ASX on Wednesday, 25 November 2020 in respect of the launch of the Entitlement Offer and Placement, the Investor Presentation and the announcement to ASX on Thursday, 26 November 2020 of the successful completion of the Institutional Entitlement Offer and Placement.

Corporations Act means the *Corporations Act 2001* (Cth).

Eligible Institutional Shareholder means institutional shareholders who were invited to participate in the Institutional Entitlement Offer and ultimately did so.

Eligible Retail Shareholders has the meaning given in section 1.3 of the Information Booklet.

Eligible Shareholders means all Eligible Institutional Shareholders and all Eligible Retail Shareholders.

Entitlement means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 14 Shares held at the Record Date.

Entitlement and Acceptance Form means the personalised form accompanying this Information Booklet to be used to make an application in accordance with the instructions set out on that form or the offer website at www.qxyoffer.com.au.

Entitlement Offer means the accelerated non-renounceable pro rata entitlement offer of 1 New Share for every 14 Shares held at the Record Date.

Entitlement Offer Information Line means the information line operated in relation to the Retail Entitlement Offer, which can be contacted by dialling 1300 208 485 (from within Australia) or +61 3 9415 4197 (from outside Australia) at any time between 8:30 am and 5:00 pm (Sydney time) on Monday to Friday during the Retail Entitlement Offer period.

Equity Financing means the Entitlement Offer and the Placement, and **Offer** has the same meaning.

GST means goods and services taxation, as defined in the GST Act.

Ineligible Institutional Shareholder means institutional shareholders who were treated as ineligible institutional shareholders under the Institutional Entitlement Offer.

Ineligible Retail Shareholders has the meaning given in section 1.10 of this Information Booklet.

Information Booklet means this information booklet in relation to the Retail Entitlement Offer, including the ASX Offer Announcements reproduced in Annexure A to, and the personalised Entitlement and Acceptance Form accompanying, this information booklet.

Institutional Entitlement Offer means the accelerated non-renounceable pro rata entitlement offer made to Eligible Institutional Shareholders and successfully completed on Wednesday, 25 November 2020.

Investor Presentation means the Investor Presentation released to ASX by Galaxy on Wednesday, 25 November 2020 and reproduced in Annexure A to this Information Booklet.

Joint Lead Managers means UBS AG, Australia Branch ABN 47 088 129 613 and Canaccord Genuity (Australia) Limited ABN 19 075 071 466.

Listing Rule 10.11 Person means each of the following persons.

- (a) A "related party" of the Company (as that term is defined in the Listing Rules).
- (b) A person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company.
- (c) A person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so.
- (d) An associate of any person referred to in limbs (a) to (c) of this definition.
- (e) A person who ASX states prior to that person making an application for Additional Shares is a person whose relationship with the Company or a person referred to in limbs (a)-(d) of this definition is such that, in ASX's opinion, the issue or agreement should be approved by the Company's shareholders.

Listing Rules means the official listing rules of the ASX.

New Shares means the fully paid ordinary shares in Galaxy to be offered under the Entitlement Offer and Placement (as applicable) and includes (unless the context requires otherwise) Additional Shares.

Offer Price means \$1.70, being the price payable per New Share under the Entitlement Offer.

Record Date means 7:00 pm (Sydney time) on Friday, 27 November 2020, being the record date for determining Eligible Shareholders' entitlement to participate in the Entitlement Offer (including in the Retail Entitlement Offer).

Registry means Computershare Investor Services Pty Limited.

Retail Entitlement Offer means the accelerated non-renounceable pro rata entitlement offer of 1 New Share for every 14 Shares held at the Record Date at an Offer Price of \$1.70 made to Eligible Retail Shareholders.

Retail Entitlement Shares means the New Shares to be offered to Shareholders under the Retail Entitlement Offer.

Retail Shortfall Shares means the number of:

- (a) Retail Entitlement Shares, including the Retail Entitlement Shares which would have been offered to Ineligible Retail Shareholders if they had been entitled to receive New Shares under the Retail Entitlement Offer; *less*
- (b) the number of Retail Entitlement Shares in respect of which Galaxy receives a valid application on or before 5.00 pm (Sydney time) on Thursday, 10 December 2020.

Share means a fully paid ordinary share in Galaxy.

Shareholder means a holder of a Share.

TERP means the theoretical ex-rights price.

U.S. Securities Act means the U.S. Securities Act of 1933 (as amended).

Underwriting Agreement means the underwriting agreement between Galaxy and the Joint Lead Managers under which the Joint Lead Managers have agreed to jointly lead manage and underwrite the Equity Financing.

VWAP means the volume weighted average price.

ASX OFFER ANNOUNCEMENTS

ASX ANNOUNCEMENT / MEDIA RELEASE

Australia

25 November 2020



A\$161 million equity financing with proceeds to be applied to Sal de Vida Stage 1 and James Bay

Not for release or distribution in the United States

Highlights

- Fully underwritten 1 for 14 pro-rata accelerated non-renounceable entitlement offer and institutional placement to raise A\$161 million
- Equity Financing proceeds to be applied to Sal de Vida Stage 1 which is expected to position Galaxy to meet its previously stated development timeline and progress James Bay to construction ready status
- Equity Financing provides funding certainty and mitigates pricing uncertainty of alternative funding sources for Sal de Vida created by COVID-19
- Galaxy now in a position to continue with the Sal de Vida capital program in advance of scheduled first production in late 2022
- New shares to be issued at A\$1.70 per share, representing a 15.0% discount to last close, 12.5% discount to TERP, and 8.1% discount to the 10-day VWAP

Galaxy Resources Limited (ASX: GXY, "Galaxy" or the "Company") advises that the Company is undertaking an equity financing by way of a fully underwritten pro-rata accelerated non-renounceable entitlement offer and institutional placement, to raise approximately A\$161 million (US\$117 million)¹ ("Equity Financing" or the "Offer").

Proceeds from the Offer will be applied to Sal de Vida Stage 1 and fund pre-development activities to progress James Bay to a construction ready status. The successful completion of the Offer would deliver funding certainty in order for the Company to continue with the Sal de Vida Stage 1 capital program and meet previously stated development timelines, mitigating pricing uncertainty of alternative funding routes arising from COVID-19. As a result of the Offer, Galaxy's balance sheet will be further strengthened with pro-forma cash and financial assets to increase from US\$102 million as at 1 November 2020, to US\$219 million (before Offer costs).

As previously stated, Galaxy's plan is to de-risk the Sal de Vida development program by implementing a staged approach with an initial Stage 1 to be undertaken before a modular expansion into Stage 2. Front End Engineering & Design ("FEED") for Stage 1 is expected to be completed by Q1 2021, with an early works phase including contracting long lead items expected to commence from early 2021 and plant construction expected to commence in late 2021. Post successful completion of the Offer, Galaxy expects to be positioned to execute delivery of the project to meet its previously stated development timeline and therefore take advantage of an expected stronger lithium pricing environment from late 2022.

The Offer will also fund pre-development activities at James Bay including the completion of a preliminary economic assessment ("PEA"), an updated feasibility study, finalisation of engineering design and execution of all relevant stakeholder agreements to progress the project through to construction ready status. Galaxy's experience in developing and operating Mt Cattlin is important given James Bay is expected to have a similar flowsheet to Mt Cattlin. By virtue of its large, high-grade deposit and location, Galaxy believes that the acceleration of the early stage development of James Bay will enable the Company to take advantage of the emerging European and North American electric vehicle ("EV") growth surge.

¹ Converted at the exchange rate of USD/AUD = 0.73

ASX ANNOUNCEMENT / MEDIA RELEASE

Simon Hay, Galaxy's CEO said:

"This Equity Financing provides Galaxy with an enhanced level of certainty to commit to execute and develop Sal de Vida into a successful, lowest-quartile cost lithium brine operation. Securing this funding for Stage 1 would allow us to confidently proceed into the early works phase, contract long lead items and complete pond construction in 2021 during the weather window. With EV demand continuing to rise in Europe and North America, we will also accelerate James Bay to a construction ready status as these regions seek to localise raw materials supply and/or build-out lithium chemicals capacity. We will utilise these funds to advance and execute the development of our world-class assets and ultimately seek to contribute to supplying the expected global demand surge in lithium."

Offer Details

The fully underwritten A\$161 million Offer comprises the following:

- An institutional placement of approximately 65 million new fully paid ordinary shares in Galaxy ("New Shares") to raise A\$111 million ("Placement"); and
- A 1-for-14 pro-rata accelerated non-renounceable entitlement offer of approximately 29 million New Shares to raise approximately A\$50 million ("Entitlement Offer").

All New Shares will be issued at a price of A\$1.70 per New Share under the Offer, which represents a:

- 15.0% discount to the last traded price of A\$2.00 on 24 November 2020;
- 12.5% discount to the Theoretical Ex-Rights Price² ("TERP") of A\$1.94; and
- 8.1% discount to the 10-day Volume Weighted Average Price ("VWAP") of A\$1.85.

Eligible retail shareholders will have the ability to apply for additional new shares up to 33% of their entitlement under a "Top-up Facility" (subject to scale back, at Galaxy's discretion).

The Entitlement Offer provides eligible shareholders the opportunity to subscribe for 1 New Share for every 14 existing shares held as at 7.00pm Sydney Time on Friday, 27 November 2020 ("Record Date").

Eligible institutional shareholders will be invited to participate in the accelerated institutional component of the Entitlement Offer ("Institutional Entitlement Offer"), which is being conducted today, Wednesday, 25 November 2020, along with the Placement. Eligible institutional shareholders can choose to take up all, part or none of their entitlements under the Institutional Entitlement Offer. Entitlements not taken up by eligible institutional shareholders and institutional entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to new and existing institutional shareholders concurrently with the Institutional Entitlement Offer.

The retail component of the Entitlement Offer ("Retail Entitlement Offer") will be conducted at the same offer price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will be open from Tuesday, 1 December 2020 to eligible retail shareholders in Australia or New Zealand, as at the Record Date and is expected to close at 5.00pm (Sydney time) on Thursday, 10 December 2020.

Galaxy Directors who are eligible to participate in the Entitlement Offer have each confirmed their intention to subscribe for all or part of their respective entitlements.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable. Eligible shareholders who do not take up their entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those entitlements not taken up.

Each New Share issued under the Offer will rank equally with existing fully paid ordinary shares in Galaxy then on issue.

UBS AG Australia Branch and Canaccord Genuity and are acting as joint lead managers, underwriters and bookrunners for the Offer. Ashurst are acting as Australian legal adviser to Galaxy in connection with the Offer.

² The Theoretical Ex-Rights Price ("TERP") is the theoretical price at which Galaxy shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to Galaxy's closing price of \$2.00 on 24 November 2020. The TERP calculation includes New Shares issued under the Placement.

Indicative Timetable

An indicative timetable of key dates in relation to the Offer is detailed below.

Event	Time (AEDT) / Date
Announcement of the Offer and Placement and Institutional Entitlement Offer open	Wednesday, 25 November 2020
Announce completion of the Placement and Institutional Entitlement Offer	Thursday, 26 November 2020
Trading in Galaxy shares resumes on ex-entitlement basis	Thursday, 26 November 2020
Record date for determining entitlement for the Entitlement Offer	7pm Friday, 27 November 2020
Despatch of Retail Offer Booklet and Retail Entitlement Offer opens	Tuesday, 1 December 2020
Settlement of Placement and Institutional Entitlement Offer	Thursday, 3 December 2020
Allotment and normal trading of New Shares issued under the Placement and Institutional Entitlement Offer	Friday, 4 December 2020
Retail Entitlement Offer closing date	5pm Thursday, 10 December 2020
Results of Retail Entitlement Offer announced to ASX	Tuesday, 15 December 2020
Settlement of Retail Entitlement Offer	Wednesday, 16 December 2020
Allotment of New Shares issued under the Retail Entitlement Offer	Thursday, 17 December 2020
Normal trading of New Shares issued under the Retail Entitlement Offer	Friday, 18 December 2020
Despatch of holding statements	Monday, 21 December 2020

Note: The timetable above is indicative only and may be subject to change. All times and dates refer to Australian Eastern Daylight-savings time. Galaxy reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Galaxy reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

Further Information

Further details of the Offer are set out in the Investor Presentation also lodged on the ASX today. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Offer. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

ENDS

This release was authorised by Mr. Simon Hay, Chief Executive Officer of Galaxy Resources Limited.

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About Galaxy (ASX: GXY)

Galaxy Resources Limited ("Galaxy") is an international 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.

Galaxy is advancing development of the wholly owned Sal de Vida lithium brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of more than 40% of global lithium production. Sal de Vida has excellent potential as a low-cost brine-based lithium carbonate production facility.

Galaxy's diversified project portfolio also consists of the wholly owned James Bay lithium pegmatite project in Quebec, Canada. James Bay will provide additional expansion capacity to capitalize on future lithium demand growth.

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, including statements regarding the conduct, size and outcome of the Offer, statements regarding Galaxy's intent, belief or expectations, plans strategies and objectives or management, expected timetables in connection with Galaxy's projects, expected costs, capital expenditure and future demand for lithium.

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. There can be no assurance that Galaxy's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Galaxy will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Galaxy's mineral properties. Circumstances or management's estimates or opinions could change. You are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of Galaxy's financial or operating outlook, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Data and amounts shown in this document relating to capital costs, operating costs, potential or estimated cashflow and project timelines are internally generated best estimates only. All such information and data is currently under review as part of Galaxy's ongoing operational, development and feasibility studies.

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Project Development Equity Raising

Investor Presentation

November 2020

ASX: GXY
www.gxy.com

Important Notices & Disclaimer

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IMPORTANT NOTICES & DISCLAIMER

This investor presentation (**Presentation**) has been prepared by Galaxy Resources Limited (ACN 071 976 442) (**Galaxy or the Company**). This Presentation has been prepared in relation to the Company's proposed equity raising, as described in this document (**Offer**). This Presentation contains summary information about Galaxy, its subsidiaries and their activities which is current as at the date of this Presentation, unless otherwise indicated. The information in this Presentation is of a general nature and does not purport to be complete, nor does it contain all the information which a prospective investor (whether an existing shareholder of the Company or otherwise) may require in evaluating a possible investment in Galaxy. This Presentation should be read in conjunction with Galaxy's other periodic and continuous disclosure announcements which are available at www.asx.com.au.

In accordance with ASX Listing Rule 15.5, Galaxy confirms that this Presentation has been authorised for release to ASX by the board of directors of Galaxy (**Galaxy Board**).

Not an offer

This Presentation, including the information contained in this disclaimer, is not a prospectus or product disclosure statement under the Corporations Act 2001 (Cth) (**Corporations Act**) or other offering document under Australian law, or any other law. This Presentation does not contain all the information that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. This Presentation has not been lodged with the Australian Securities and Investment Commission (**ASIC**). This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. This Presentation has been prepared for publication in Australia and may not be distributed in the United States. This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The new ordinary shares in Galaxy to be issued under the Offer (**New Shares**) have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

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This Presentation contains certain "forward-looking statements". Forward looking statements can often, but not always, be identified by the use of forward looking words such as "forecast", "estimate", "plan", "beyond", "likely", "anticipate", "believe", "expect", "future", "project", "opinion", "opportunity", "predict", "outlook", "guidance", "intend", "should", "could", "may", "target", "propose", "to be", "foresee", "aim", "will" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements, and may include, without limitation, statements in this Presentation regarding the conduct, size and outcome of the Offer, statements regarding Galaxy's intent, belief, or expectations, plans, strategies and objectives of management, expected timetables in connection with the Company's projects, future acquisitions, expected costs, capital expenditure or production outputs for Galaxy (based on among other things, estimates of production for the periods specifically referred to in this Presentation), future demand for lithium, the future operation of Galaxy and the impact and duration of the COVID-19 pandemic. You are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of Galaxy's financial or operating outlook, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Actual results, performance or outcomes may differ materially from any projections and forward-looking statements and the assumptions on which those assumptions are based. You should not place undue reliance on forward-looking statements and neither Galaxy nor any of its directors, officers, employees, servants, advisers or agents assumes any obligation to update such information. Any forward-looking statements, as well as any other opinions and estimates, provided in this Presentation are based on assumptions and contingencies which are subject to change without notice and may prove ultimately to be materially incorrect, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings, production estimates, and guidance on industry trends are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve significant elements of subjective judgment, assumptions as to future events that may not be correct, known and unknown risks, uncertainties and other factors, many of which are outside the control of Galaxy. A number of factors could cause actual results, performance or achievements to vary materially from any forward-looking statements and the assumptions on which those statements are based, including but not limited to the risk factors set out in this Presentation. Except as required by applicable law or regulation, Galaxy undertakes no obligation to provide any additional or updated information or update any forward-looking statements, whether as a result of new information, future events or results or otherwise. Nothing in this Presentation will, under any circumstances (including by reason of this Presentation remaining available and not being superseded or replaced by any other presentation or publication with respect to Galaxy or the subject matter of this Presentation), create an implication that there has been no change in the affairs of Galaxy since the date of this Presentation. Neither Galaxy, nor any of its directors, officers, employees, servants, advisers or agents makes any warranty as to the accuracy of any forward-looking statements in this Presentation.

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Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. The actual calculation of these figures may differ from the figures set out in this Presentation.

Financial Data

All dollar values are in US dollars (US\$) unless stated otherwise. The assumed exchange rate used to convert US dollars into Australian dollars (A\$) is shown in the footnote of each respective slide.

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Investors acknowledge and agree that allocations under the Placement are at the sole discretion of the JLMs and Galaxy. To the maximum extent permitted by law, the JLMs and Galaxy disclaim any duty or liability (including for negligence) in respect of the exercise of that discretion. Galaxy reserves the right to vary the timetable for the Offer (with the consent of the JLMs) including by closing the Placement or the Placement bookbuild early or extending the Placement bookbuild closing time (generally or for particular investors), without recourse to them or notice to any other investor. Moreover, communications that the Placement or Placement bookbuild is "covered" are not an assurance that the Placement will be fully distributed or that all those who have applied to participate in the Placement will receive an allocation of New Shares.



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Disclosure

The JLMs, together with their affiliates and related bodies corporate, are full service financial institutions engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, margin lending, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses. The JLMs (and/or their affiliates and related bodies corporate) have performed, and may perform, other financial or advisory services for Galaxy, and/or may have other interests in relationships with Galaxy and its related entities or other entities mentioned in this Presentation for which they have received or may receive customary fees and expenses.

In the ordinary course of their various business activities, the JLMs (and/or their affiliates and related bodies corporate) may purchase, sell or hold a broad array of investments and actively trade or effect transactions in equity, debt and other securities, derivatives, loans, commodities, currencies, credit default swaps and/or other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of Galaxy, its related entities and/or persons and entities with relationships with Galaxy and/or its related entities. The JLMs and/or their affiliates and related bodies corporate, or their respective directors, officers, partners, employees, servants, advisers and agents may, from time to time, have long or short positions in, buy or sell (on a principal basis or otherwise), and may act as market makers in, the securities or derivatives, or serve as a director of any entities mentioned in this Presentation. The JLMs (and/or their affiliates and related bodies corporate) currently hold, and may continue to hold, equity, debt and/or related derivative securities of Galaxy and/or its related entities.

Galaxy Mineral Resources and Ore Reserves Reporting

This Presentation contains estimates of Galaxy's Mineral Resources and Ore Reserves. The information in this Presentation that relates to the Mineral Resources and Ore Reserves of Galaxy is shown in Appendix A.

It is a requirement of the ASX Listing Rules that the reporting of mineral resources and ore reserves in Australia comply with the Australasian Joint Ore Reserves Committee Code for Reporting of Mineral Resources and Ore Reserves (**JORC Code**), whereas mining companies in other countries may be required to report their ore reserves and/or mineral resources in accordance with other guidelines. Investors should note that while Galaxy's mineral resources and ore reserves estimates have been prepared in accordance with the JORC Code (such JORC Code-compliant mineral resources and ore reserves being "**Mineral Resources**" and "**Ore Reserves**"), they have not been prepared in accordance with the relevant guidelines in other countries, including (i) National Instrument 43-101 [Standards of Disclosure for Mineral Projects] of the Canadian Securities Administrators (the **Canadian NI 43-101 Standards**); or (ii) the mining disclosure requirements of the United States under SEC Industry Guide 7 or the new mining disclosure rules adopted by the SEC for SEC-registered mining companies on 31 October 2018 (**New SEC Mining Disclosure Rules**), which govern the disclosure of mineral reserves (and, under the New SEC Mining Disclosure Rules, mineral resources) in registration statements and other documents filed with the SEC. Information contained in this document describing mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of Canadian or US securities laws. In particular, SEC Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC historically has not permitted mining companies to disclose their mineral resources in SEC filings. While the New SEC Mining Disclosure Rules will more closely align SEC disclosure requirements for mining properties with current industry and global regulatory practices and standards, including the JORC Code and the Canadian NI 43-101 Standards, and will permit SEC registered mining companies to disclose information concerning their mineral resources, in addition to its mineral reserves, in its SEC filings, investors should not assume that mineral resources classified under the JORC Code will be classified as mineral resources under the New SEC Mining Disclosure Rules, or that quantities reported as "resources" will be converted to reserves under the JORC Code, the New SEC Mining Disclosure Rules or any other reporting regime or that the Company will be able to legally and economically extract them.

Acknowledgement and agreement

By accepting, accessing or reviewing this Presentation, potential investors and all other recipients acknowledge and agree to the terms set out in this "Disclaimer" section of this Presentation and in the "Foreign selling restrictions" section of this Presentation.



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- **Appendix B:** Key risks
- **Appendix C:** Foreign selling restrictions
- **Appendix D:** Underwriting agreement summary



Equity Raise summary

Transaction overview	<ul style="list-style-type: none"> Fully underwritten equity raising of c. A\$161m (US\$117m¹), consisting of a c. A\$111m (US\$81m¹) institutional placement (the "Placement") and a c. A\$50m (US\$36m¹) 1 for 14 accelerated pro-rata non-renounceable entitlement offer (the "Entitlement Offer") (collectively, the "Equity Raise" or the "Offer") Proceeds will be applied to Sal de Vida Stage 1 and to progress James Bay to construction ready status and commence the engineering phase
Sal de Vida Stage 1 development²	<ul style="list-style-type: none"> Sal de Vida is a high grade, large scale brine resource, targeting first quartile capex intensity and operating costs for Stage 1 development Technical breakthrough during piloting and testwork indicates technical grade lithium carbonate (99.5% - 99.7% Li₂CO₃) able to be produced at Sal de Vida De-risked through a staged development approach with a smaller scale Stage 1 to be undertaken before a modular expansion into Stage 2 Front end engineering & design ("FEED") completion expected by Q1 2021, with early works phase from early 2021 and plant construction expected to commence in late 2021 FEED packages on track with current engineered capital cost estimates in line with Galaxy's baseline estimate of first quartile capital intensity Galaxy expects to meet its previously stated development timeline and therefore take advantage of expected strong lithium pricing environment from late 2022³
Progress James Bay to construction ready status	<ul style="list-style-type: none"> Large, high grade spodumene deposit which is well positioned to supply into the emerging European and North American EV growth surge Fund completion of the preliminary economic assessment ("PEA"), updated feasibility study, finalisation of engineering design and execution of all relevant stakeholder agreements to progress the James Bay project to construction ready status Galaxy's experience in developing and operating Mt Cattlin is important as James Bay is expected to have a similar flowsheet to Mt Cattlin
Balance sheet strengthened to fund project development	<ul style="list-style-type: none"> Pro forma cash and financial assets to increase from US\$102m at 1 November 2020 to US\$219m (before transaction costs from the Equity Raise) Equity Raise provides funding certainty to allow Galaxy to commit to the capital program to enable Galaxy to meet the scheduled first production in late 2022 Mitigates pricing uncertainty of alternative funding routes for Sal de Vida created by COVID-19

1. Based on an exchange rate of USD/AUD = 0.73
2. See "Development of the Sal de Vida Project" risk in Appendix B
3. See page 31 for more detail

Galaxy's Plans for 2021

Optimise Operations



Mt Cattlin

- Consistent, stable supplier of high-quality spodumene concentrate
- Potential ramp up to full rate to meet market recovery – price dependent

Build & Execute



Sal de Vida

- Complete FEED packages
- Delivery of project financials
- Complete piloting and test-work
- Secure offtake agreements
- Install production wells
- Construct first string of ponds
- Commence plant construction

Execute Growth



James Bay

- Complete PEA
- Update feasibility study
- Finalise engineering design
- Execute relevant stakeholder agreements
- Achieve “construction ready” status for the project

**Well positioned to execute the development plans of
two world-class lithium assets**

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Section 1

Projects overview

Sal de Vida

A tier 1 asset

- ✓ High-grade, large scale brine resource in Catamarca Province, Argentina
- ✓ Superior brine chemistry and simple process flowsheet
- ✓ High lithium tenor combined with low levels of key impurities enables brine to readily upgrade to technical grade product
- ✓ De-risked development plan with majority of permits in place
- ✓ Targeting a highly competitive position on cost curve with low capital intensity and operating costs
- ✓ All FEED and project development activities continue to track towards these objectives
- ✓ Project schedule targets first production in late 2022, in time for forecast lithium demand surge
- ✓ Other development projects in Argentina experiencing delays due to COVID-19 – remains a risk to achieving the schedule²
- ✓ Expected project life of 40+ years



Sal de Vida – Development approach

Staged, scalable approach to smooth capital expenditure and accelerate earnings realisation

Galaxy has progressively de-risked the project through the following key initiatives:

- Smaller scale initially to prove the flowsheet and product quality before later expansion(s)
- Simplified the flowsheet by removing potash and bi-carbonation steps reducing complexity and capital expenditure
- Adopted proven technology which lowers ramp-up risk

Stage One

Production of technical grade Li_2CO_3

- Initial development is a brine evaporation and processing operation at Salar del Hombre Muerto producing technical grade lithium carbonate
- Flowsheet is locked, key engineering contractors appointed
- Technical grade product to be sold to purification industry for upgrading to battery grade
- Offtake discussions underway

Stage Two

Expansion at the Salar

Duplication of Stage 1 after:

- Demonstrating successful ramp up and achievement of nameplate production
- Product on specification and accepted into the market
- Stage 1 project financials meet target and cashflow generation
- Market demand in place

Stage Three

Purification into battery grade

Current plans are for Galaxy to develop its own purification facility at a location yet to be decided. Attractive margins for the conversion of technical grade to battery grade. However test work may render this step unnecessary.

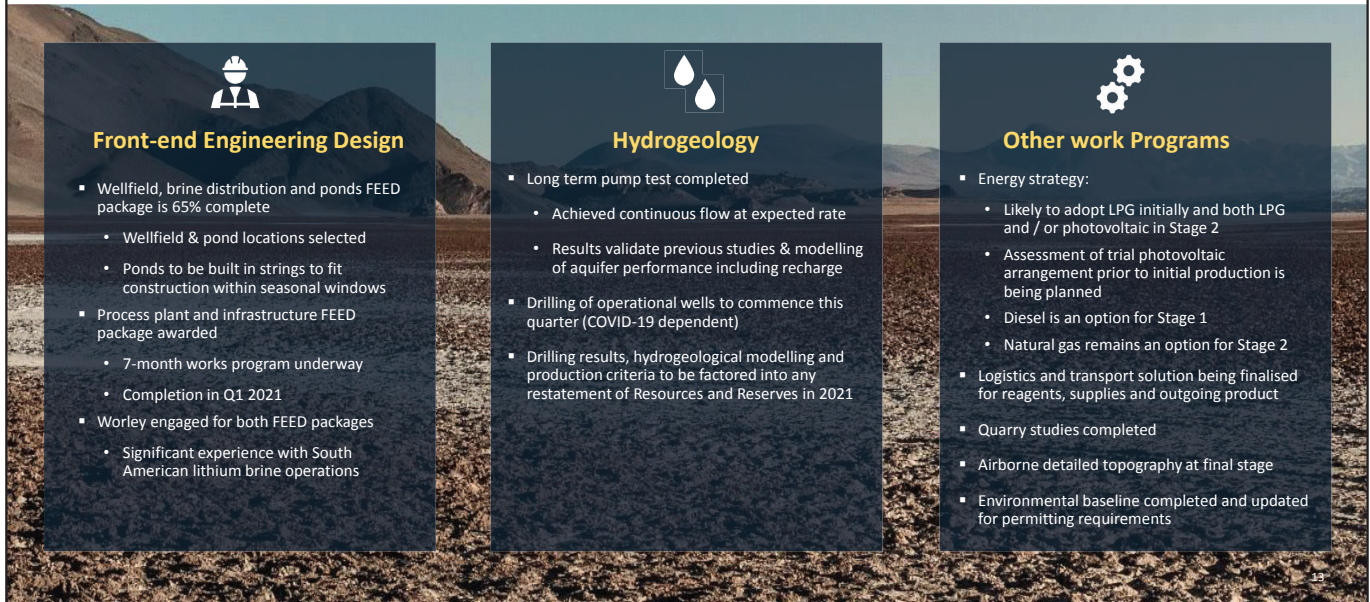
- If Stage 1 or 2 can produce battery grade, no purification facility required
- Achieving a very high-grade technical specification may enable sales direct to cathode makers for specific battery chemistries

Priority is to finalise Stage 1 & 2 product quality before examining Stage 3

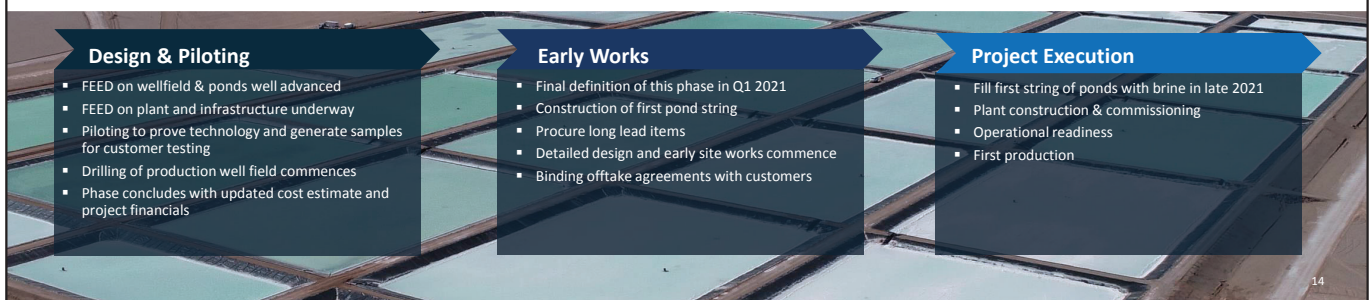
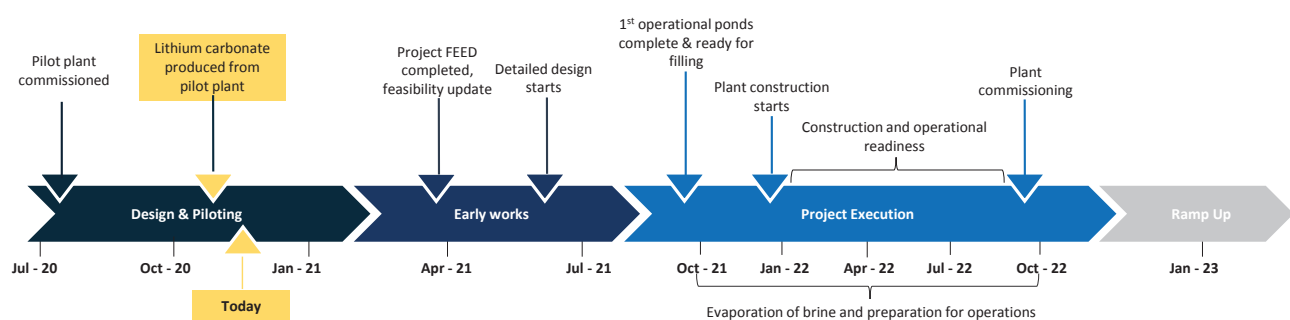
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Design phase & early development underway

Design works advancing with minimal delays from COVID-19 to date & drilling of production wells to commence in the current quarter



Sal de Vida – Execution Plan

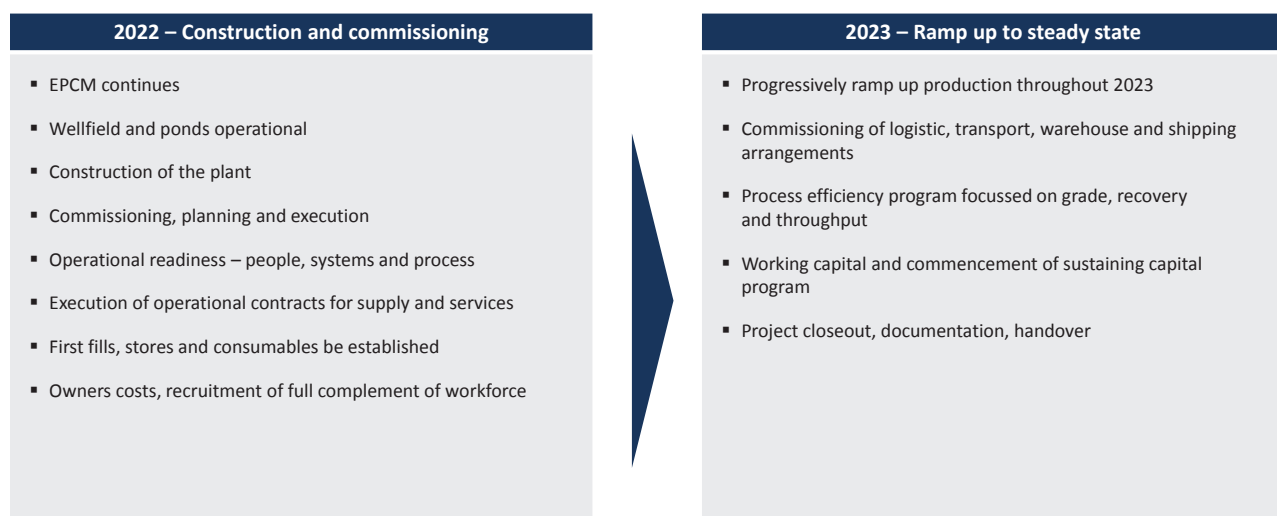


Sal de Vida – Execution Plan over 2021

	2021 Q1	2021 Q2	2021 H2
Engineering Studies	<ul style="list-style-type: none"> Conclusion of FEED packages Ponds and wellfield detail design 	<ul style="list-style-type: none"> Commencement of process plant detail design Engineering for non EPCM packages – roads, transport, logistics and warehousing 	<ul style="list-style-type: none"> EPCM continues Engineering predominately complete Procurement, construction and management underway
Wells and Ponds	<ul style="list-style-type: none"> Continued installation of eastern wellfield Procurement of materials and equipment – pipes, geofabrics, liners 	<ul style="list-style-type: none"> Complete installation of eastern wellfield Continued procurement of materials and equipment – pipes, geofabrics, liners Commence earthworks and construction of first string of ponds 	<ul style="list-style-type: none"> Complete construction of first string of ponds Commission wellfield, pumps and brine distribution network
Owners costs	<ul style="list-style-type: none"> Owners team and site operating costs Operational readiness planning Continue community support programs 	<ul style="list-style-type: none"> Owners team and site operating costs Final permitting and approvals Procurement of non EPCM packages Continue community support programs 	<ul style="list-style-type: none"> Owners team and site operating costs Continued environmental and community strategies Pumping of brine into ponds as they are completed – necessary to hold liners in place Hydrogeological modelling Commencement of plant construction planning and mobilisation
Site development	<ul style="list-style-type: none"> Minor road upgrades Camp expansion 	<ul style="list-style-type: none"> Development of pipe traces and road upgrades 	<ul style="list-style-type: none"> Installation of other non-process infrastructure

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Sal de Vida – Execution Plan over 2022 and 2023



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James Bay

A strategically located deposit

- ✓ Large, high-grade, hard-rock spodumene deposit located in Quebec, Canada
- ✓ Similar flowsheet to Mt Cattlin
- ✓ Large crystal size resulting in DMS-centric processing
- ✓ Proximity to key infrastructure
- ✓ Strong stakeholder relations
- ✓ Ideal location to supply into emerging EV growth regions in Europe & North America

Mineral Resource¹: 40.3Mt @ 1.40% Li₂O

¹. Refer to Appendix A for Resource Table



Not for release or distribution in the United States

James Bay - Definition work progressing steadily



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YTD 2020

- Value engineering work resulted in:
 - A significant reduction in the estimated capital and operating costs of the project
 - Optimised material management plan and design layout
 - Minor changes to flowsheet
- Technical assessments underway to confirm critical assumptions across geology, mining, processing and the execution strategy
- Results from the value engineering and site investigation are being integrated into the Environmental and Social Impact Assessment
- Positive engagement with the Cree Nation and respective stakeholders continues

2021

- The above work programs to be consolidated into a PEA in Q1 2021. Targeting opportunities to:
 - Optimise the resource through mine planning and exploration initiatives
 - Further reduce capital intensity and unit mining and processing costs
- Progress the project into the next phase of engineering
- In parallel, examine downstream offtake opportunities in North America and Europe
- Will require separate studies, potentially in conjunction with proponents of conversion facilities
- Equity Raise funds to accelerate completion of the PEA, updated feasibility study and finalisation of engineering design

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James Bay - Close to key infrastructure and low-cost energy source



✓ **Power Supply: Substantial Hydro-Quebec hydro powered infrastructure surrounding the project**

- Process plant and supporting infrastructure proposed to be powered by Hydro-Québec's 69kV overhead transmission system
- Hydro-Quebec have completed a pre-project study for the design and construction of a 10-kilometre spur line and connection infrastructure to tie the James Bay Project into their existing power infrastructure within the region



✓ **Transport: Project is located adjacent to the James Bay highway, which allows oversized haul trucking**

- Spodumene will be trucked to a railhead and then transferred onto rail for delivery to the conversion facility or for export
- Final arrangements subject to location of customers and therefore offtake agreements



✓ **Fuel / Accommodation: "Relais Routier Km 381" Truck Stop located adjacent to Project site**

- Equipped with gas station, general store, messing facilities and accommodation suitable to support current Project activities



✓ **Airport: Close proximity to project site**

- The Eastmain Airport (ZEM) is the closest operating airport, c. 130km west of the project site and is accessible by road
- Discussions continue with Government and stakeholders regarding upgrades to the Eastmain Airport



✓ **Grand Alliance Program: Quebec Government and the Cree Nation signed an agreement for collaborative, long-term, economic development**

- The Grand Alliance could benefit the project and its surrounding communities in terms of off-site infrastructure including power, rail and logistics

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James Bay – Development Plan

	H1 2021	H2 2021	2022
Engineering studies	<ul style="list-style-type: none"> ▪ Conclude PEA ▪ Commence upstream engineering works program ▪ Commence feasibility assessment of downstream facility 	<ul style="list-style-type: none"> ▪ Complete Basic/FEED engineering ▪ Prepare for detail design ▪ Conclude downstream feasibility assessment 	<ul style="list-style-type: none"> ▪ Complete detail design ▪ Progress downstream options
Environmental & Social Impact Assessment (ESIA)	<ul style="list-style-type: none"> ▪ Integrate and update ESIA for approval ▪ Commence assessment of airport options 	<ul style="list-style-type: none"> ▪ Progress permitting with Government bodies and stakeholders for approval 	<ul style="list-style-type: none"> ▪ ESIA approval ▪ Progress airport, construction and other permits for approval
Site development activities	<ul style="list-style-type: none"> ▪ Final site geotechnical investigation and surveys ▪ Power/energy assessments 	<ul style="list-style-type: none"> ▪ Site activities to validate resource upside ▪ Planning for early work and site preparation 	<ul style="list-style-type: none"> ▪ Commence site preparation ▪ Commence construction of plant ▪ Commence delivery of airport option ▪ Commence operational readiness

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Mt Cattlin

A mature and stable operation

- ✓ An established spodumene producer
- ✓ Offtake contracted for the life of mine



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Mineral Resource¹:
14.6Mt @ 1.29% Li₂O and 157 ppm Ta₂O₅
Ore Reserve¹:
8.2Mt @ 1.29% Li₂O and 155 ppm Ta₂O₅

¹. Refer to Appendix A for Resource & Reserves Table

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Mt Cattlin - Proven hard-rock operation

Mt Cattlin full year production guidance upgraded to 100-110kt of spodumene concentrate

Not for release or distribution in the United States



2019

- Mt Cattlin achieved record performance with 192kt (dmt) of spodumene produced at higher grade (5.9% Li₂O)

YTD 2020

- To adapt to market conditions, production settings moderated to 50-55% of nameplate capacity
- Front-end optical ore sorter circuit introduced to upgrade stockpiled, lower-grade ore and to control operating costs
- Successfully operating the DMS plant in campaign mode
- Achieved market guidance for all 3 quarters in 2020
- Q4 expected to be the highest performing quarter for 2020 sales due to recovering demand and some supply-side interruptions

2021

- Offtake agreement commences with new major customer
- Galaxy is examining the potential to ramp up Mt Cattlin to full capacity, subject to (among other things):
 - Product inventory reducing to normal levels
 - Sustainable price recovery

2020 Production Metrics				
	Units	YTD 30 Sep 2020	Previous 2020 Forecast Production Metrics	Revised 2020 Forecast Production Metrics
Mining				
Total material mined	bcm	1,113,934	1.6m – 1.8m	1.6m – 1.8m
Ore mined	bcm	240,151	-	-
Processing				
Ore processed (including surface stockpiles)	wmt	770,690	900,000 – 1.0m	1.1m – 1.2m
Grade of ore processed	% Li ₂ O	1.06	1.0 – 1.2	1.0 – 1.2
Recovery	%	56	58 – 62	55 – 57
Concentrate produced	dmt	75,315	90,000 – 105,000	100,000 – 110,000
Grade of concentrate produced	% Li ₂ O	5.95	6.0	6.0
Sales				
Concentrate shipped	dmt	75,294	-	-
Grade of concentrate shipped	% Li ₂ O	5.8 ¹	-	-
Production Costs				
Cash cost per tonne produced	US\$/t FOB	444	-	-

¹. Includes Q3 shipment of lower grade material from inventory accumulated in prior periods

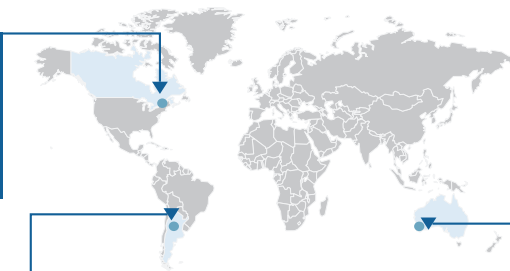
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COVID-19 Response

Health practices implemented organisation wide without incident

James Bay

- Offsite engineering work continues unhindered
- Geotechnical site program completed with all necessary health measures in place
- Office remains closed in accordance with regulatory guidelines (25% occupancy allowed)



Legend
 Project
 Project office

Sal de Vida

- Onsite activities have been adapted to provincial protocols with Galaxy implementing a biosafety protocol with preventative measures, including mandatory PCR testing
- Offsite engineering work and studies continue with some inefficiencies evident
- Current Sal de Vida development schedule has been revised to add time to all procurement and logistics activities, and is now based on a status quo of the pandemic and associated restrictions until mid 2021
- Budget has been revised to include PCR testing for all employees and contractors until mid 2021
- Camp expansion in Q1 will add flexibility to host more contractors and activities next year
- Operations centre established in Perth to facilitate real-time communication with site
- Contingency plans put in place for pilot plant activities in case international travel restrictions do not ease
- No COVID-19 cases experienced within employees or contractors to date

Mt Cattlin

- Operations continue without major disruption
- SA-based mining contractor has transitioned to a mostly local workforce
- Perth based contractors and employees have returned to pre-COVID-19 rosters
- Perth head office is open in accordance with local guidelines

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Promoting sustainable development

Work programs underway to align Galaxy's sustainability practices with global standards

Galaxy's Sustainability Report is available [here](#)



Health and Safety

Galaxy prioritises the health & safety of its workforce and surrounding communities

- COVID-19 mitigation practices implemented company-wide. No Galaxy COVID-19 cases to date
- Enhanced health & safety practices actioned across all sites in 2020
- 10.5 TRIFR for the rolling 12 months ended 30 September 2020
- Significant reduction in injuries evident in 2020



Environmental Stewardship

- Sal de Vida targeting a local solar farm to provide a large proportion of the energy demand for Stage 2 and implement earlier if possible
- Independent projections of potential climate change impacts being incorporated into project design to ensure a resilient operation
- Development of 11 Environmental Standards in Q1 2021 covering topics including final landform, soil, water, tailings and biodiversity management



Social Responsibility

- Development of social standards for investment, engagement and grievance mechanisms to ensure neighbouring communities are informed and connected
- Programs in place to ensure all Sal de Vida contractors engage local suppliers and procure and recruit locally where possible
- Progressed a Human Rights Policy and a Modern Slavery framework to support current procurement activities



People Focus

- Continue to maximise local employment - current workforce is 100% local in both Canada and Argentina
- Capacity building programs in Catamarca targeting critical construction, operating and maintenance activities
- Developing strategies to launch and nurture local commercial enterprises for the provision of support services to our projects and operations

Section 2

Equity Raise overview

Sources and uses of funds

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A\$161m Equity Raise to deliver a stronger balance sheet to develop Galaxy's growth assets

Transaction sources of funds	US\$m ¹	A\$m ¹
Gross Equity Raise proceeds	117	161
Cash and financial assets at 1 November 2020	102	140
Total	219	301

Transaction uses of funds	US\$m ¹	A\$m ¹
Development of Sal de Vida	170	233
Progress James Bay development	20	27
Transaction costs	5	6
General & corporate purposes	24	35
Total	219	301

- Equity Raise to be committed to:
 - the Sal de Vida capital program to enable Galaxy to meet the scheduled first production in late 2022
 - progress James Bay to construction ready status by the end of 2021
- Strong balance sheet and a US\$40m undrawn bank facility provides Galaxy with a significant buffer to mitigate operating and pricing uncertainty created by COVID-19 in the near/intermediate term

1. Based on an exchange rate of USD/AUD = 0.73. Totals may not add due to rounding



Equity Raise overview

Offer structure	<ul style="list-style-type: none"> c. A\$161m (US\$117m¹) fully underwritten² equity raising (Equity Raise or Offer) <ul style="list-style-type: none"> c. A\$111m (US\$81m¹) institutional placement (Placement) c. A\$50m (US\$36m¹) 1 for 14³ accelerated pro-rata non-renounceable entitlement offer (Entitlement Offer) Approximately 95 million new fully paid ordinary shares in Galaxy (New Shares) to be issued under the Equity Raise representing approximately 23.1% of existing Galaxy shares on issue
Offer price	<ul style="list-style-type: none"> All shares under the Placement and Entitlement Offer will be issued at a fixed price of \$1.70 per New Share (Offer Price) The Offer Price represents: <ul style="list-style-type: none"> 15.0% discount to the last traded price of \$2.00 on Tuesday, 24 November 2020 12.5% discount to TERP⁵ of \$1.94 8.1% discount to the 10-day volume weighted average price of \$1.85
Institutional Entitlement Offer and Placement	<ul style="list-style-type: none"> The Placement and Institutional Entitlement Offer will be conducted by way of a bookbuild process on Wednesday, 25 November 2020 Entitlements under the Institutional Entitlement Offer that are not taken up and entitlements of ineligible shareholders under the Entitlement Offer will be offered for sale in the bookbuild
Retail Entitlement Offer⁴	<ul style="list-style-type: none"> The Retail Entitlement Offer will open on Tuesday, 1 December 2020 and close on Thursday, 10 December 2020 Eligible Retail shareholders will have the ability to apply for additional new shares up to 33% of their entitlement under a 'Top-up Facility' (subject to scale back, at Galaxy's discretion)
Ranking	<ul style="list-style-type: none"> New shares issued under the Equity Raise will rank equally in all respects with Galaxy's existing ordinary shares from the date of their issue
Director participation	<ul style="list-style-type: none"> All eligible Galaxy Directors intend to participate in the Entitlement Offer in full or in part

1. Based on an exchange rate of USD/AUD = 0.73

2. Refer to the summary of the underwriting agreement included in Appendix D for a summary of conditions precedent and termination events

3. Fractional entitlements to be rounded up to the nearest whole number of shares

4. The Retail Entitlement Offer is only available to eligible retail shareholders in Australia or New Zealand on the Record Date. See the Retail Offer Booklet for further details on eligibility once available.

5. Theoretical ex rights price (TERP) includes the shares issued under the Placement, Institutional Entitlement Offer and the Retail Entitlement Offer. TERP is the theoretical price at which Shares should trade immediately after the ex date for the Entitlement Offer.

TERP is a theoretical calculation only and the actual price at which Shares trade on ASX immediately after the ex date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of Galaxy's Shares as traded on ASX on Tuesday, 24 November 2020, being the last trading day prior to the announcement of the Entitlement Offer

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Equity Raise timetable

Event	Date
Announcement of Offer, Institutional Entitlement Offer and Placement opens	Wednesday, 25 November 2020
Institutional Entitlement Offer and Placement closes	Wednesday, 25 November 2020
Trading halt is lifted and trading resumes on an "ex-entitlement" basis	Thursday, 26 November 2020
Record date for the Entitlement Offer (7:00pm Sydney time)	Friday, 27 November 2020
Retail Entitlement Offer opens and Retail Entitlement Offer Booklet dispatched	Tuesday, 1 December 2020
Settlement of new shares issued under the Institutional Entitlement Offer and Placement	Thursday, 3 December 2020
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer and the Placement	Friday, 4 December 2020
Retail Entitlement Offer closes (5:00pm Sydney time)	Thursday, 10 December 2020
Settlement of Retail Entitlement Offer	Wednesday, 16 December 2020
Allotment of New Shares issued under the Retail Entitlement Offer	Thursday, 17 December 2020
Normal trading of New Shares issued under the Retail Entitlement Offer	Friday, 18 December 2020
Dispatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Monday, 21 December 2020

All dates and times are indicative and Galaxy reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Sydney, Australia time.

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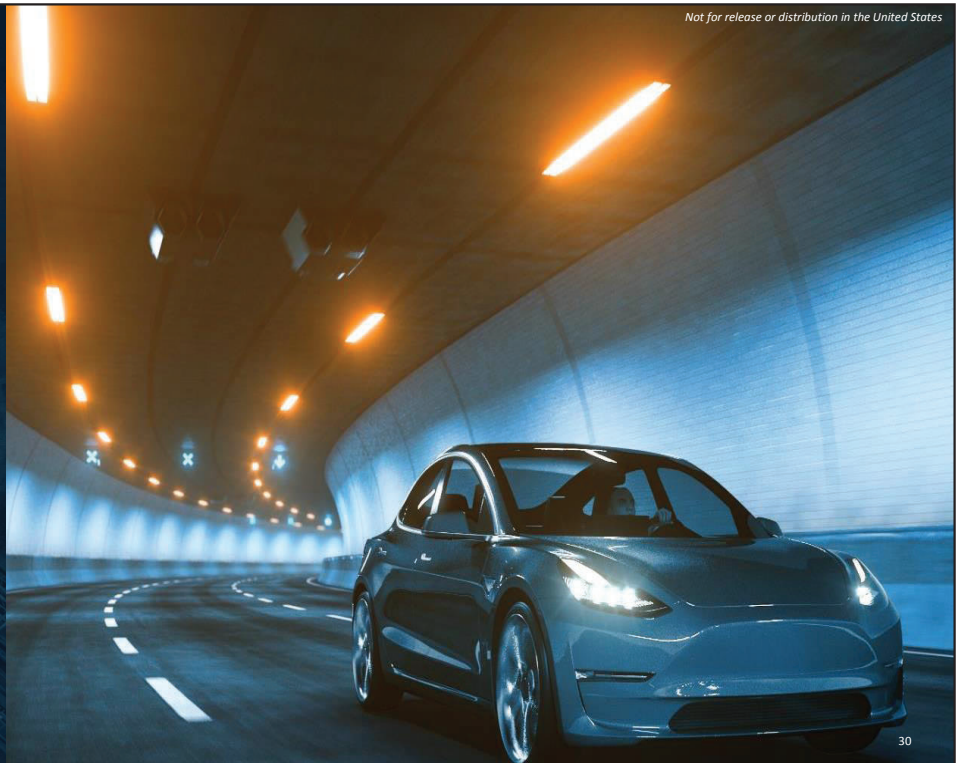
Section 3

Lithium market overview

Lithium Market Overview

- ✓ Anticipating robust demand for lithium in the mid-long term
- ✓ Strong recovery in EV sales and chemicals industry utilisation rates in Sept-Oct
- ✓ Major automakers bringing 400+ EV models to market in the next 5 years
- ✓ Supply-side interruptions occurring due to COVID-19, market conditions or financials
- ✓ Looming structural deficit as current pricing insufficient to incentivise new projects

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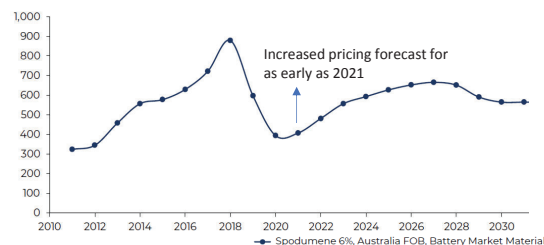
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Global EV adoption to drive a lithium demand surge

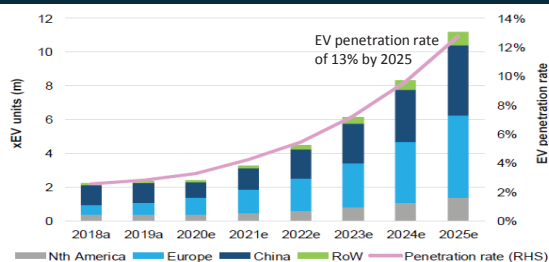
Europe is set to become the largest EV market and surpass China

- Global EV sales forecast to grow as high as 30%¹ CAGR in the next decade
- Phased reduction of CO₂ emissions mandated in China and much of Europe
- Significant government stimulus and country-level subsidies implemented as a result
- More competitive EV pricing and performance from technological battery advancements
- Positive growth in EV sales resumed in H2 2020 after COVID-19 led disruption
 - Europe reported 99% yoy growth in September 2020
 - China NEV sales increased by 113% yoy and 16% mom in Oct 2020²

Spodumene Price Forecast, Real 2020 (US\$/MT)¹

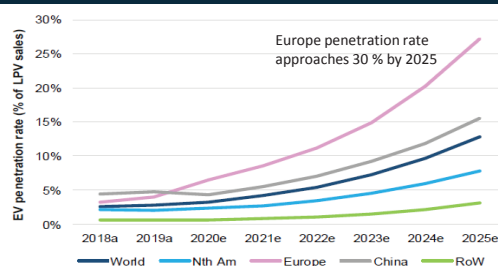


EV Sales Forecasts – 2020 - 2025³



1. Benchmark Minerals Intelligence - Lithium Forecast Report, Q3 2020
 2. Morgan Stanley: China EV - The Sprint to the end of 2020
 3. Canaccord Genuity: Lithium 2020 recharge

EV Penetration by Market³



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Appendix A

JORC resources and reserves statements

Sal de Vida: Resource & Reserve

Table 1: Sal de Vida Mineral Resource

Category	Brine Volume (m ³)	Avg. Li (mg/L)	In-situ Li (Tonnes)	Li ₂ CO ₃ Equivalent (Tonnes)	Avg. K (mg/L)	In-situ K (Tonnes)	KCl Equivalent (Tonnes)
Measured	490,000,000	759	369,000	1,964,000	8,126	3,952,000	7,536,000
Indicated	680,000,000	717	485,000	2,583,000	8,051	5,446,000	10,385,000
Inferred	100,000,000	706	71,000	376,000	6,747	676,000	1,289,000
Total	1,300,000,000	732	925,000	4,923,000	7,976	10,073,000	19,210,000

Note: Assumes 500mg/L Li cut off

Source: Galaxy ASX Announcement titled "Sale of Northern Tenements at Sal de Vida to POSCO Completed", 26 November 2018. See www.asx.com.au. Also see the Competent Persons Statement on page 35 of this Presentation

Table 2: Sal de Vida Ore Reserve

Category	Time Period (years)	Li Total Mass (Tonnes)	Li ₂ CO ₃ Equivalent (Tonnes)	K Total Mass (Tonnes)	KCl Equivalent (Tonnes)
Proven	1 – 6	34,000	181,000	332,000	633,000
Probable	7 – 40	180,000	958,000	1,869,000	3,564,000
Total	40 years total	214,000	1,139,000	2,201,000	4,197,000

Note: Assumes 500 mg/L Li cut off. Total tonnages for the economic Ore Reserve values above account for anticipated leakage and process losses of lithium and potassium. The results above are Proven and Probable Reserves from the Southwest and East well-fields when these percent estimated processing losses are factored in, assuming a continuous average brine extraction rate of 30,000 m³/d. The conversion factor for Lithium to Lithium Carbonate is: x 5.3228. The conversion factor for Potassium to Potassium Chloride is: x 1.907. Minor discrepancies may occur due to rounding to appropriate significant figures.

Source: Galaxy ASX Announcement titled "Sal de Vida: Revised Definitive Feasibility Study Confirms Low Cost, Long Life and Economically Robust Operation", 22 August 2016. See www.asx.com.au. Also see the Competent Persons Statement on page 35 of this Presentation

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Mt Cattlin: Resource & Reserve

Table 1: Mt Cattlin Mineral Resource as at 31 December 2019

Category		Tonnage Mt	Grade % Li ₂ O	Grade ppm Ta ₂ O ₅	Contained Metal ('000) t Li ₂ O	Contained Metal lbs Ta ₂ O ₅
Measured	In-situ	1.0	1.36	210	13.6	463,000
Indicated	In-situ	6.2	1.44	167	90.0	2,296,000
	Stockpiles	3.0	0.93	121	27.9	800,000
Inferred	In-situ	4.4	1.30	156	57.2	1,484,000
Total		14.6	1.29	157	188.0	5,043,000

Notes to Table 1: Depleted Mineral Resource – December 2019. Fresh reported at cut-off grade of 0.4% Li₂O. Transitional reported at cut-off grade of 0.6% Li₂O. The preceding statements of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves (JORC Code) 2012 edition. All tonnages reported are dry metric tonnes. Excludes mineralisation classified as oxide. Minor discrepancies may occur due to rounding to appropriate significant figures.

Source: Galaxy ASX Announcement titled "2019 Mt Cattlin Resource & Reserve Update", 11 March 2020. See www.asx.com.au. Also see the Competent Persons Statement on page 35 of this Presentation

Table 2: Mt Cattlin Ore Reserve as at 31 December 2019

Category		Tonnage Mt	Grade % Li ₂ O	Grade ppm Ta ₂ O ₅	Contained Metal ('000) t Li ₂ O	Contained Metal lbs Ta ₂ O ₅
Proven	In-situ	0.8	1.42	213	11.4	376,000
Probable	In-situ	4.5	1.51	168	68.0	1,667,000
	Stockpiles	3.0	0.93	121	28.0	800,000
Total		8.2	1.29	155	107.0	2,843,000

Notes to Table 2: Reported at cut-off grade of 0.4% Li₂O. The preceding statements of Ore Reserves conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 edition. All tonnages reported are dry metric tonnes. Excludes oxide. Transitional mineralisation included at cut-off grade 0.6% Li₂O. Reported with 0% dilution and 92.5% mining recovery. Revenue factor US\$650/tonne applied. Minor discrepancies may occur due to rounding to appropriate significant figures.

Source: Galaxy ASX Announcement titled "2019 Mt Cattlin Resource & Reserve Update", 11 March 2020. See www.asx.com.au. Also see the Competent Persons Statement on page 35 of this Presentation

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James Bay: Mineral Resource

Table 1: James Bay Mineral Resource

Category	Tonnage Mt	Grade % Li ₂ O	Contained Metal ('000) t Li ₂ O
Indicated	40.30	1.40	564.2
Total	40.30	1.40	564.2

Notes to Table 1: Reported at a cut-off grade of 0.62 percent Li₂O inside conceptual pit shells optimised using spodumene concentrate price of US\$905 per tonne containing 6.0% Li₂O, metallurgical and process recovery of 70%, overall mining and processing costs of US\$55 per tonne milled and overall pit slope of 50 degrees. All figures rounded to reflect the relative accuracy of the estimates.

Source: Galaxy ASX Announcement titled "James Bay Resources Update", 4 December 2017. See www.asx.com.au. Also see the Competent Persons Statement below.

Competent Persons Statement

Any information in this Presentation that relates to Sal de Vida Project Mineral Resources is extracted from the report entitled "Sale of Northern Tenements at Sal de Vida to POSCO Completed" created on 26 November 2018 and the Sal de Vida Project Ore Reserves is extracted from the report entitled "Sal de Vida: Revised Definitive Feasibility Study Confirms Low Cost, Long Life and Economically Robust Operation" created on 22 August 2016 both of which are available to view on www.gxy.com and www.asx.com.au. 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 that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Any information in this Presentation that relates to James Bay Mineral Resources is extracted from the ASX announcement, entitled "James Bay Resource Update" dated 4 December 2017 which is available to view on www.gxy.com and www.asx.com.au. 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 that all material assumptions and technical parameters underpinning the Mineral Resources in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Any information in this Presentation that relates to Mt Cattlin Mineral Resources and Ore Reserves is extracted from the report entitled "2019 Resource and Reserve Update" created on 11 March 2020 which is available to view on www.gxy.com and www.asx.com.au. 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 that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix B

Key risks



Key risks

1. INTRODUCTION

There are various risks associated with an investment in New Shares or Galaxy generally, as with any securities market investment. This section summarises the following key risks:

- Existing business and operational risks for Galaxy, including in relation to the Sal de Vida Project - these risks are generally common to lithium production, development and exploration (including in Australia, South America and North America) and/or are risks to which Galaxy would continue to be exposed regardless of the Offer.
- Risks specific to the Offer and an investment in shares in Galaxy (**Shares**) (including the New Shares).

Potential investors should consider whether the Offer is a suitable investment having regard to their own personal investment objectives and financial circumstances, and the key risk factors set out below. Galaxy has implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside of its control.

It is not feasible to produce an exhaustive list of potential risk factors associated with the Offer, including in relation to the Sal de Vida Project. Potential investors should consult their professional advisers before making any investment decisions. The selection of risks in this Presentation has been based on an assessment of both the probability of the risk occurring and the impact of the risk if it did occur. That assessment is based on the knowledge of Galaxy as at the date of this Presentation; so that assessment may result in a different selection in the future, and Galaxy provides no guarantee or assurance that the prominence of certain risks will not change or that other risks will not emerge.

2. RISKS RELATING TO GALAXY, INCLUDING THE SAL DE VIDA PROJECT

Category of risk	Description
COVID-19	<p>The global pandemic arising from the outbreak and spread of COVID-19 is having a material effect on global economic markets and the operation of a wide variety of businesses, including those in the mining industry. The global economic outlook is facing unprecedented uncertainty due to the pandemic, which has had and may continue to have a significant impact on the industry dynamics to which Galaxy is subject, the macro-economic environment in which it operates, and capital markets generally.</p> <p>Galaxy's share price may be adversely affected by ongoing economic uncertainty, capital markets volatility or specific impacts on Galaxy and its operations that may arise in response to or otherwise as a result of COVID-19. Further, any measures to limit the transmission of the virus implemented by national, state and local governments around the world (such as travel bans and quarantining) or deemed necessary by Galaxy to protect the health of its workforce may adversely impact Galaxy's financial position and its operations.</p> <p>Additionally, there is a risk that there may be a COVID-19 outbreak at one or more of Galaxy's operational sites which may adversely impact the health and wellbeing of Galaxy's and its contractors' staff and adversely impact productivity. Productivity could also be impacted by broader logistical disruptions caused by COVID-19. In particular, COVID-19 is having a major impact in Argentina (with Argentina recording significant confirmed cases on a daily basis). Provinces surrounding Sal de Vida have been affected by COVID-19 and regional controls continue to hamper logistics including ground transportation, provision of goods and services and personnel movements; and there is a risk that the further spread of COVID-19 could have a more significant effect (than it has had to date) on the Catamarca Province (where the Sal de Vida Project is located) and the Sal de Vida Project in the future.</p> <p>The long-term impacts of COVID-19 on general economic or industry conditions and consumer spending are uncertain and may adversely impact the financial and operational performance of Galaxy. In light of COVID-19, investors should exercise particular caution when assessing the risks associated with the Offer and an investment in Galaxy. The continually evolving situation presents unprecedented challenges to global financial markets and the global economy, including significant volatility and movements in securities prices and valuations, as well as unprecedented challenges to operational certainty.</p>

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Key risks

Category of risk	Description
Development of the Sal de Vida Project	<p>Galaxy is targeting first production from the Sal de Vida Project in late 2022. Galaxy's operational and financial performance from the Sal de Vida Project is dependent on successful completion of Stage 1 of the development of the Sal de Vida Project and thereafter, a future investment decision to enable subsequent stages of development. The completion of Stage 1 is subject to a number of risks and uncertainties, including (but not limited to) the following:</p> <ul style="list-style-type: none"> Slippage in the Stage 1 completion schedule as a result of delays in obtaining, or a failure to obtain or maintain government permits or approvals, shortages of or delays in the procurement of materials, or other items necessary for the construction and operation of Stage 1 of the Sal de Vida Project (including delays caused by or related to COVID-19, see the "COVID-19" risk), delays in the negotiation of key contracts or the engagement of personnel or delays caused by seasonal weather patterns (see the "Development and mining" risk). Escalation in operating and/or capital costs for the construction, commissioning, ramp up and development of Stage 1 of the Sal de Vida Project, including due to increases in the rate of inflation in Argentina or fluctuations in foreign exchange rates (see the "Foreign exchange" risk). Production costs for the Company's product may be negatively affected by a rise in the cost of key inputs. Reserves, resources and stockpiles at the Sal de Vida Project being based on estimates of grade, volume and tonnage, which are subject to change as further information becomes available through additional fieldwork and analysis. Actual future production (if any) may vary materially from targets and projections of future production for a variety of reasons. See "Mineral Resource and Ore Reserve estimates" and "Production estimates" below. The fact that front end engineering and design (FEED) is due for completion during Q1 2021 (meaning that completion of the FEED may be delayed, or the FEED may indicate that key parameters such as capital expenditure and estimated production are not consistent with Galaxy's current expectations, or the FEED may indicate that the development schedule for the Sal de Vida Project (and first production from the Sal de Vida Project in particular) are longer than currently projected). Failure to comply with environmental conditions placed on environmental approvals obtained by Galaxy in connection with mine development and operation. Possible sovereign risks associated with operating in Argentina including changes in mining and tenure legislation and its interpretation, changes in foreign ownership requirements, changes to royalty arrangements, changes to taxation rates and concessions, currency and other monetary controls, high inflation, expropriation and changes in the ability to enforce legal rights (see "Sovereign and government risk" below). Unforeseen geological, physical, environmental, engineering, construction or economic conditions or challenges that make completion of Stage 1 of the Sal de Vida Project impossible or economically unfeasible or unattractive. Unanticipated natural disasters, accidents, political opposition, litigation, outbreaks of disease, pandemics or continuation of the same (see the "COVID-19" risk factor below) or other events associated with construction, development or operation of the Sal de Vida Project. <p>Any of these risks or uncertainties could delay, or increase the costs associated with, delivery of Stage 1 of the Sal de Vida Project or otherwise negatively impact the Sal de Vida Project's development or operations, which, in turn, could have a material adverse effect on Galaxy's financial and operational performance. In addition, any of the aforementioned risks or uncertainties in relation to Stage 1 of the Sal de Vida Project may also give rise to an increase in the costs associated with, or delay, subsequent stages of the development of the Sal de Vida Project. No assurance can be given that the capital cost and development timeline estimates for Stage 1 of the Sal de Vida Project will ultimately be achieved. See also the "Securing additional funding" risk.</p>
Exploration and Mining	<p>The success of Galaxy depends in part on successful exploration programs leading to the delineation of economically minable reserves and resources, securing and maintaining title to Galaxy's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on Galaxy's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of Galaxy and possible relinquishment of the exploration and mining tenements.</p> <p>Mining exploration is an inherently speculative endeavour and associated with various risks. There can be no assurance that exploration of tenements will result in the discovery of recoverable resources. Even if resources are identified, there is no guarantee that those resources can be economically exploited. Such exploitation would involve obtaining the necessary licences, clearances and/or approvals from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not be the same as Galaxy's.</p> <p>Other factors such as adverse weather conditions, operational and technical difficulties, geological conditions, lack of sufficient water or power sources, industrial and environmental accidents, occupational health or safety issues, labour disputes, lack of access to key infrastructure such as railway and port facilities, adverse changes in government policy or legislation or a lack of access to sufficient funding may mean that any resources discovered are not economically recoverable or may otherwise preclude Galaxy from successfully mining and exploiting those resources.</p>

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Key risks

Category of risk	Description
Development and Mining	<p>The projects of Galaxy are at various stages of exploration, development and production. Ultimate and continuous success of activities is dependent on a number of factors including:</p> <ul style="list-style-type: none"> a) access to adequate capital to fund and develop its projects; b) construction of efficient development and production infrastructure within capital expenditure budgets; c) securing and maintaining title to interests; d) obtaining and maintaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production; and e) retention of appropriately skilled and experienced employees, contractors and consultants. <p>Galaxy's operations may be delayed or prevented as a result of factors including weather conditions, mechanical difficulties or a shortage of technical expertise or equipment. There may be difficulties with obtaining government and/or third party approvals, operational difficulties encountered with construction, extraction and production activities, unexpected shortages or increase in the price of consumables, plant and equipment, cost overruns or lack of access to required levels of funding. Galaxy's operations may be curtailed or disrupted by a number of risks beyond its control such as environmental hazards, industrial accidents and disputes, technical failures, unusual or unexpected geological conditions, adverse weather conditions, fires, explosions and other accidents. Galaxy's operations may be adversely affected by higher than anticipated ore treatment costs, worse than anticipated metallurgical conditions, fluctuations in metal prices or lack of availability of treatment plant capacity.</p> <p>The occurrence of any of these circumstances could result in Galaxy not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Galaxy's financial and operational performance. Any event that impacts on the production rates, is likely to reduce the quantity of ore mined and thereby reduce the amount of product available for sale. Possible future development of mining operations at any of Galaxy's projects is also subject to numerous risks. No assurance can be given that Galaxy will achieve commercial viability through development of any of its projects. In addition, for development projects, reserves, resources and stockpiles are based on estimates of grade, volume and tonnage. The accuracy and precision of these estimates will depend upon drill spacing and other information such as continuity, geology, rock density, metallurgical characteristics, mining dilution and costs which evolve as the mine moves through different parts of the ore body.</p>
Operating Costs	<p>The strong commodity cycle over recent years and the large number of projects being developed in the resources industry has led to increased demand for skilled personnel, contractors, materials, equipment, spare parts and supplies that are required as critical inputs to those existing projects and planned developments. These shortages can be exacerbated by travel restrictions imposed to minimise the spread of COVID-19. Such shortages may increase the costs of Galaxy's operations, as a result of inputs becoming more expensive. Furthermore, Galaxy's input costs may be affected by changes in market conditions, government policies, exchange rates and inflation rates, which can be unpredictable and outside its control. Galaxy may also need to pay third parties royalties levied on its production (in addition to those paid to governments and relevant holders of native title), and this may also increase its costs of production. There can be no assurance that Galaxy's present and future projects will continue to have access to adequate power and water supplies in the future or that the prices of such utilities will remain affordable. Any resulting increase in costs or production delays could have a material adverse effect on its business, results of operations, financial condition and prospects and result in the shutdown of an operation.</p>
Approvals, permits and licences	<p>Galaxy's operations depend on certain government permits, approvals and licenses for each of its projects, including environmental and health and safety approvals. Galaxy's ability to carry on its business will therefore be subject to its ability to obtain, and various governments' willingness to renew and not revoke, such rights. If Galaxy is not able to obtain or renew such rights, or such rights are revoked, this may have a material and adverse impact on its business, results of operation, financial condition and prospects.</p>

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Key risks

Category of risk	Description
Commodity price volatility (including the lithium and tantalum market)	<p>The revenue that Galaxy derives through the sale of commodities exposes the potential income of Galaxy to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors that would be beyond the control of Galaxy. Such factors include supply and demand fluctuations for base metals, technological advancements, and other macro-economic factors.</p> <p>A substantial source of revenue and operating cash flow of Galaxy is derived from the sale of spodumene and tantalum from the Mt Cattlin Project. Spodumene and tantalum prices have been and will continue to be subject to fluctuation as a result of a number of factors which would be beyond the control of Galaxy, including demand for the product, prices agreed by the world's largest producers with their customers, production costs and capacities of other producers of spodumene and tantalum, utilisation rates at existing production facilities worldwide, the level of competition between producers, technological advancements in the production of spodumene and tantalum and end-uses of the product. In particular, the supply and demand of spodumene concentrate is changing rapidly in response to the growth in manufacturing of electric vehicles. There is a risk that the growth in electric vehicle production does not proceed at a sufficient or similar rate to support future growth in spodumene concentrate supply. As a result, there is a risk that the long-term spodumene concentrate price could settle at a point that could materially affect Galaxy's financial performance in the future.</p> <p>If realised product prices fall, the business, results of operations, financial condition and prospects of Galaxy could be materially adversely affected. Future material price declines in the market value of the commodities to be supplied by Galaxy could cause the continued development of, and eventually the commercial production from, Galaxy's projects to be uneconomic. Depending on the price of these commodities, Galaxy could be forced to discontinue production or development and may lose its interest in, or be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of the commodities are produced, a profitable market will exist for them.</p>
Land and Resource Tenure	<p>Galaxy may lose title to, or interests in, its tenements if the conditions to which those tenements are subject are not satisfied or if insufficient funds are available to meet expenditure commitments. In the jurisdictions in which Galaxy operates, both the conduct of operations and the steps involved in acquiring interests, will involve compliance with numerous procedures and formalities. It is not always possible to comply with, or obtain waivers from, all such requirements and it is not always clear whether requirements have been properly completed, or that it is possible or practical to obtain evidence of compliance. In particular, tenements are subject to expenditure and work commitments which must be complied with in order to keep the tenements in good standing. In certain circumstances, these commitments may be varied at the discretion of the relevant mining authority. Failure to meet these commitments could lead to forfeiture of the tenement. Where tenement expenditures and work commitments or other regulatory requirements are not complied with, regulatory exemptions may need to be applied for within specified periods. Should exemptions not be applied for in time, or are applied for in time but are not ultimately granted, fines may be payable to avoid the tenements being forfeited or, in extreme cases, the tenements may be forfeited.</p>
Native title and aboriginal heritage	<p>Native title and heritage legislation in the jurisdictions in which Galaxy operates might affect Galaxy's ability to gain access to prospective exploration areas or obtain required permits and licences. Galaxy may from time to time need to negotiate with indigenous landowners for access and other rights required to mine on its tenements. There may be significant delays and costs associated with these negotiations and to reach agreement acceptable to all relevant parties.</p>
Sovereign and government risk	<p>Possible sovereign risks associated with Galaxy's business and operations include, without limitation, changes in the terms of mining and tenure legislation (and its interpretation), changes in foreign ownership requirements, changes to royalty arrangements, changes to taxation rates and concessions, currency and other monetary controls, high inflation, expropriation and changes in the ability to enforce legal rights. Changes in community attitudes on matters such as environment and land rights issues may also bring about reviews and changes in government policy which could result in delays in operational activity and increases in capital or operating costs.</p>

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Key risks

Category of risk	Description
Competition	Galaxy faces competition in its business. To the extent that there are new entrants or changes in strategy by existing competitors or mine owners, Galaxy may lose market share with consequent adverse effects upon operating and financial performance. Competition in Galaxy's primary commodity industry, the lithium industry, is based on many factors, including, among others, price, production capacity, grade, quality and brand name. Some of these competitors may be able to produce lithium compounds and chemicals of higher quality or at lower costs, which could affect Galaxy's ability to compete effectively. Galaxy is also competing with producers of lithium compounds and chemicals from brines located in China, North and South America. Some of these competitors are larger than Galaxy, have greater financial and other resources than Galaxy and, as a result, may be in a better position to compete for future business opportunities and may also benefit from greater economies of scale and operating efficiencies such that their operating costs are lower. Galaxy's future success, results of operations, financial condition and prospects will depend on its ability to respond in an effective and timely manner to competitive pressures.
Mineral Resource and Ore Reserve estimates	Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require readjustment. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans that may, in turn, adversely affect Galaxy's operations.
Production estimates	Actual future production (if any) may vary materially from targets and projections of future production for a variety of reasons. There is greater risk that actual production (if any) will vary from estimates of production made for properties under exploration or not yet in production or from operations that are to be expanded.
Environmental risks	<p>The operations and proposed activities of Galaxy are subject to extensive environmental laws and regulations in Australia, Argentina, Canada and all other jurisdictions in which Galaxy may operate. As with most exploration projects and mining operations, Galaxy's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Galaxy attempts to conduct its operations and activities to internationally accepted standards of environmental obligation, including compliance with all environmental laws and regulations.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on Galaxy's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on Galaxy for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation.</p> <p>There is a risk that environmental laws and regulations become more onerous making Galaxy's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals may result in the delay to anticipated exploration programmes or mining activities. The Department of Mines, Industry Regulation and Safety in Western Australia from time to time reviews the environmental bonds that are placed on tenements. Galaxy is not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of Galaxy.</p> <p>Galaxy is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase Galaxy's cost of doing business or affect its operations on any of its tenements. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige Galaxy to incur significant expenses and undertake significant investments which could have a material adverse effect on Galaxy's business, financial condition and performance.</p>

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Key risks

Category of risk	Description
Community Risk	The ongoing support of the local communities in which Galaxy operates and the appropriate management of local community expectations is important to the successful operation of Galaxy's projects and assets. Galaxy's failure to effectively maintain and develop its relationships with local communities and stakeholders could result in those stakeholders being dissatisfied with Galaxy and result in adverse outcomes for Galaxy and its operations.
Offtake Risk	The operations and revenues of Galaxy are dependent on the counterparties to existing and future offtake agreements performing their obligations. If counterparties do not take their obligated quantities of product or seek to renegotiate the price or quantity of product, Galaxy's revenue could be adversely affected. The risk of non-performance or attempted renegotiations of terms by offtake customers is enhanced by the prevailing demand and pricing sensitivities currently impacting the global market for lithium products. Galaxy's customer offtake agreements require a minimum product specification for product grade and maximum impurity levels. If Galaxy is not able to achieve the required product specification to satisfy the customer offtake agreements, there is no guarantee Galaxy will be able to sell its product. There is no certainty that Galaxy will be able to continuously meet product specifications particularly on account of the inherent risks associated with the extraction and processing of ore.
Retention of key business relationships	Galaxy's business relies on several contracts and business alliances. Any circumstance which causes the early termination or non-renewal of one or more of these key business alliances or contracts could adversely impact Galaxy, its business, operating results or prospects.
Reliance on key personnel, ability to recruit and retain skilled operational staff and management	Galaxy's success depends, in part, on its ability to identify, attract, motivate and retain suitably qualified staff and management. Galaxy does not carry key personnel insurance and the loss of any of its senior management or key employees could significantly impact its operations. Competition for suitably qualified staff is strong. The inability to access and retain the services of a sufficient number of qualified staff could be disruptive to Galaxy's development efforts or business development and could materially adversely affect its prospects.
Contractors	<p>Part of Galaxy's commercial practice involves contracting various services. Although contracted services will be supervised by Galaxy's employees, such arrangements with contractors carry with them risks associated with the possibility that the contractors may (among other things):</p> <ul style="list-style-type: none"> a) have economic or other interests or goals that are inconsistent with Galaxy; b) take actions contrary to Galaxy's instructions or requests; or c) be unable or unwilling to fulfil their obligations. <p>There can be no assurance Galaxy will not experience problems with respect to its contractors and service providers in the future or that it will be able to find replacement contractors on acceptable terms in the event that contractors do not perform as Galaxy expects and this may materially and adversely affect its business, results of operations, financial condition and prospects. Financial failure or default by any of the contractors or service providers used by Galaxy in any of its activities may impact on operating and/or financial performance.</p>
Transport and Infrastructure	Galaxy's operations depend on an uninterrupted flow of materials, supplies, equipment, services and finished products. Due to the geographic location of a number of Galaxy's properties and operations, Galaxy is dependent on third parties for the provision of rail, port, marine, shipping and other transportation services. Contractual disputes, demurrage charges, classification of commodity inputs and finished products, rail marine and port capacity issues, availability of vessels and rail cars, weather problems, labour disruptions, COVID-19 related travel restrictions or other factors could have a material adverse effect on Galaxy's ability to transport (or take delivery of transported) materials according to schedules and contractual commitments and could have a material adverse effect on Galaxy's business, results of operations and financial performance.

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Key risks

Category of risk	Description
Safety risks and industrial accidents	Some of Galaxy's operations will be carried out under potentially hazardous conditions. Liabilities might arise in the future as a result of accidents, fatalities or other workforce related misfortunes, some of which may be beyond Galaxy's control. Any such events could lead to significant expenditure by Galaxy in respect of compensation claims or payments, fines or penalties for failure to comply with health and safety laws or regulations, and insurance may be unavailable or prohibitively expensive. The occurrence of accidents could delay production, increase production costs and result in liability and adverse publicity for Galaxy. These factors could have a material adverse effect on Galaxy's business, results of operations, financial condition and prospects.
Insurance	Galaxy may not carry insurance to cover all of the risks associated with its business, either because insurance coverage is restricted or prohibitively expensive. Galaxy will endeavour to maintain insurance within a range of coverage consistent with industry practice in order to cover certain risks associated with Galaxy's business. However, in certain circumstances Galaxy's insurance may not be of a nature or level to provide adequate cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of Galaxy. Insurance of risks associated with minerals exploration and production is not always available and, where available, the costs can be prohibitive. There is a risk that insurance premiums may increase to a level where Galaxy considers it is unreasonable or not in its interests to maintain insurance cover or not to a level of coverage which is in accordance with industry practice. Galaxy will use reasonable endeavours to insure against the risks it considers appropriate for Galaxy's needs and circumstances. However, no assurance can be given that Galaxy will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage it arranges will be adequate and available to cover claims.
Profitability	Future operating results depend to a large extent on management's ability to successfully manage expansion and growth. Inability to control the costs and organisational impacts of business growth or an unpredicted decline in the growth rate of revenues without a corresponding and timely reduction in expense growth or a failure to manage other issues arising from growth could materially adversely affect Galaxy's operating results. A failure to generate profits may adversely affect the market price of Galaxy's securities, restrict its ability to pay dividends, impair its ability to raise capital, obtain financing, repay debts and expand its business.
Securing additional funding	Galaxy may have further capital requirements from time to time (including to support its proposed activities and development projects, and to fully fund all stages of development of the Sal de Vida Project). There can be no assurance that such funding will be available on satisfactory terms or at all. Galaxy's capital requirements will depend on numerous factors. Any additional equity financing by Galaxy will dilute shareholdings (if Galaxy determines that a pro rata entitlement offer is not the most appropriate method of equity fundraising or if Galaxy shareholders elect not to participate in such entitlement offers) and may be undertaken at lower prices than the current market price (or the offer price), and debt financing, if available, may involve restrictions on financing and operating activities which limit Galaxy's operations and business strategy. If Galaxy is unable to secure additional financing as needed, it may be required to reduce the scope of its operations or delay development of them. There is no guarantee that Galaxy will be able to secure any additional funding or be able to secure funding on terms favourable to Galaxy. The terms which debt financiers are willing to offer may vary from time to time depending on macro-economic conditions, the performance of Galaxy and an assessment of the risks of the intended use of funds. Further, loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by Galaxy may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that Galaxy would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by Galaxy or default under a finance lease could also result in the loss of assets.
Risks associated with not taking up New Shares under the offer	On completion of the Offer, assuming that all entitlements are accepted by eligible shareholders or that the Underwriter to the Offer procures subscribers for any shortfall, and that no convertible securities currently on issue are converted prior to the Record Date (for the Entitlement Offer), the number of Shares will increase from 409 million to approximately 504 million. This means the number of Shares on issue will increase by up to approximately 23.1% on completion of the Offer, on this basis. If eligible shareholders do not take up all of their entitlements under the Offer, then their percentage holding in Galaxy will be diluted by not participating to the fullest extent available under the Offer.

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Key risks

Category of risk	Description
Underwriting risk	Galaxy has entered into an Underwriting Agreement with the JLMs, under which the JLMs have agreed to fully underwrite the Offer, subject to the terms and conditions of the Underwriting Agreement (key terms and conditions being summarised in Appendix D of this Presentation). If certain conditions contemplated by the Underwriting Agreement are not satisfied or certain events occur, the JLMs may terminate the Underwriting Agreement. Termination of the Underwriting Agreement would have an adverse impact on Galaxy's ability to raise the maximum amount of proceeds contemplated by the Offer, which would in turn impact upon Galaxy's ability to proceed with the development of the Sal de Vida Project.
3. GENERAL RISKS	
Category of risk	Description
Foreign Exchange	Galaxy operates internationally and is exposed to foreign exchange risk on its financial assets and liabilities. International prices of various commodities are denominated in United States dollars and therefore Galaxy's revenue is primarily denominated in United States dollars, whereas a material proportion of costs are incurred in Australian dollars and Argentinian Peso (in the case of the Sal de Vida Project) and, to a lesser extent, Canadian dollars, exposing Galaxy to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar (and the Argentinian Peso and the Australian dollar, in respect of the Sal de Vida Project) as determined in international markets. Adverse movements in these currencies may result in a negative impact on Galaxy's financial performance and profitability. Managing the exposure to foreign exchange risk is achieved by regularly monitoring the net exposure to ensure it is kept to an acceptable level by buying or selling foreign currency at spot rates where necessary to address short-term imbalances, or occasionally entering into structured foreign currency option arrangements (i.e. zero cost collars) to fix a portion of Galaxy's AUD:USD exposure to within a Board approved range. Galaxy from time to time manages currency fluctuation risk through hedging. However, there can be no assurance that Galaxy will hedge its exchange rate exposure, that it will be able to hedge such exposure on acceptable terms in the future or that any exchange rate hedging that Galaxy implements will be effective or will not result in an adverse financial impact arising from the inability to benefit from a favourable movement in exchange rates.
Risks associated with an investment in equity capital	There are general risks associated with investments in equity capital. The trading price of Galaxy shares may fluctuate with movements in equity capital markets in Australia and internationally, and may also be influenced by a number of factors, some of which are specific to Galaxy and its operations and some of which may affect listed companies generally. Generally applicable factors which may affect the market price of shares include: general movements in Australian and international securities markets; investor sentiment; Australian and international economic conditions and outlook, changes in interest rates and the rate of inflation; changes in government regulation and policies (including in relation to taxation); announcement of new technologies; and geo-political instability, including international hostilities and acts of terrorism. A decrease in the trading price of Galaxy shares may make Galaxy a target of takeover offers from other entities. In these circumstances, there can be no guarantee as to the price that Galaxy shareholders may be offered for their Galaxy shares. The overall success of third party offers to acquire all or a portion of Galaxy's issued capital is dependent on a number of factors outside of the Board of Galaxy's control.
Liquidity risk	There can be no guarantee that there will always be an active market for Galaxy shares or that the price of Galaxy shares will increase. There may be relatively few buyers or sellers of shares on ASX at any given time, and the demand for Galaxy shares specifically is subject to various factors, many of which are beyond Galaxy's control. This may affect the stability or volatility of the market price of Galaxy shares, and may also affect the prevailing market price at which Galaxy shareholders are able to sell their Galaxy shares at any given time. This may result in Galaxy shareholders receiving a market price for their Galaxy shares that is less or more than the price paid under the Offer.

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Key risks

Category of risk	Description
Taxation	Future changes in taxation law, including changes in the interpretation or application of the law by the courts or taxation authorities, may affect taxation treatment of an investment in Galaxy shares or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which Galaxy operates, may impact the future tax liabilities and performance of Galaxy. It is also possible for the jurisdictions in which Galaxy operates to increase the rate on which royalty is assessed with respect to the extraction and sale of lithium and related products. Galaxy is involved from time to time in tax audits and disputes regarding the applicability of certain taxation liabilities in overseas jurisdictions. An adverse finding in relation to any such tax audit or dispute may lead to an adverse impact on Galaxy's financial performance.
Litigation	Galaxy is subject to litigation risks. All industries, including the minerals exploration and production industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which Galaxy is or may become subject could have a material effect on its financial position, results of operations or Galaxy's activities.
Regulatory Risk	Galaxy's operations are subject to various Federal, State and local laws in Australia and internationally, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety, mine rehabilitation following closure, occupational health and the COVID-19 pandemic. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. There is a risk that such laws, regulations and specific conditions may impact on planned exploration activities. No assurance can be given that Galaxy will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, Galaxy may be curtailed or prohibited from continuing or proceeding with exploration and production. Galaxy could also be the subject of regulatory action from a corporate regulator such as the Australian Securities and Investments Commission.
Dividends	Any future payment of dividends by Galaxy will be at the discretion of the Board and will depend on the financial position of Galaxy, future capital requirements, business operations and other factors considered relevant by the Board at the time. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by Galaxy.
Unknown Risks	Additional risks and uncertainties not currently known to Galaxy may also have a material adverse effect on Galaxy's financial and operational performance and the information set out in this Presentation regarding the key operational and investment risks does not purport to be, nor should it be construed as representing, an exhaustive list of the risks.

Appendix C

Foreign selling restrictions



Foreign selling restrictions

This Presentation does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (Alberta, British Columbia, Ontario and Quebec provinces)

This Presentation constitutes an offering of New Shares only in the Provinces of Alberta, British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Presentation is not a prospectus, an advertisement or a public offering of securities in the Provinces. This Presentation may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Presentation, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this Presentation has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this Presentation are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this Presentation, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

European Union

This Presentation has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Presentation may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This Presentation has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this Presentation or to permit the distribution of this Presentation or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Presentation, you should obtain independent professional advice.



Foreign selling restrictions

New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This Presentation has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this Presentation shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

Singapore

This Presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Presentation has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this Presentation immediately. You may not forward or circulate this Presentation to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Presentation nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

Neither this Presentation nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This Presentation is personal to the recipient and not for general circulation in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this Presentation will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

United Arab Emirates

This Presentation does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this Presentation nor the New Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

This Presentation may be distributed in the UAE only to "qualified investors" (as defined in the SCA Board of Directors' Chairman Decision No. 37 RM of 2019, as amended) and may not be provided to any person other than the original recipient. No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE.

No offer or invitation to subscribe for New Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.



Foreign selling restrictions

United Kingdom

Neither this Presentation nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this Presentation or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Presentation is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This Presentation may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Presentation is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Presentation relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Presentation.

United States

This Presentation may not be distributed or released in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States, and, accordingly, may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or jurisdiction of the United States.

Appendix D

Underwriting agreement summary



Underwriting agreement summary

1. KEY TERMS OF THE UNDERWRITING AGREEMENT

1.1 Conditions

The Placement and Entitlement Offer will be fully underwritten severally by UBS AG, Australia Branch and Canaccord Genuity (Australia) Limited (each an Underwriter and together the Underwriters), subject to the terms and conditions set out in the Underwriting Agreement. The primary obligation of the Underwriters is to underwrite and subscribe, or procure subscriptions, and pay or procure payment of the Offer Price, for all New Shares offered under the Offer, in their agreed respective proportions (being 50% for each Underwriter).

Specifically, the obligations of the Underwriters (including the obligations to underwrite any shortfall under the Offer) are subject to the conditions precedent contained in the Underwriting Agreement. These conditions precedent are generally customary for an underwriting agreement of this kind or have otherwise been satisfied prior to or at launch of the Offer.

1.2 Unqualified termination rights

Either Underwriter may terminate its obligations under the Underwriting Agreement if any of the following events occur:

- a statement in any of the documents issued in connection with the Offer (including ASX announcements and this Investor Presentation) (Offer Documents) or public information in relation to Galaxy or the Offer, does not comply with the Corporations Act (including by omission);
- a cleansing notice issued by Galaxy in connection with the Offer is or becomes defective, or Galaxy gives or is required to give a corrective statement under the Corporations Act in connection with any cleansing notice;
- (i) regulatory action is taken by ASIC in relation to the Offer or the Offer Documents which becomes public or is not withdrawn within two business days (or otherwise before the institutional settlement date or retail settlement date); or (ii) an order is made by ASIC or any other governmental agency that prevents or is likely to prevent Galaxy from proceeding with the Offer in accordance with the timetable;
- any member of the Galaxy group becomes insolvent, or there is an act or omission which is likely to result in a member of the Galaxy group becoming insolvent;
- (i) Galaxy ceases to be admitted to the official list of the ASX or its Shares cease trading or are suspended from official quotation or cease to be quoted on ASX (other than a trading halt or voluntary suspension to facilitate the Offer); (ii) ASX makes any official statement to any person or indicates that it will not grant permission for the official quotation of the New Shares; or (iii) if permission for the official quotation of the New Shares is granted before the issue of those New Shares, the approval is subsequently withdrawn, qualified (other than by way of customary conditions) or withheld;
- Galaxy withdraws the Offer or any of the Offer Documents;
- Galaxy is or will be prevented from conducting or completing the Offer by or in accordance with the ASX Listing Rules, ASIC, ASX, any applicable laws or an order of a court of competent jurisdiction or other governmental agency;
- (i) a director or member of senior management of Galaxy is charged with an indictable offence; (ii) any governmental agency commences any public action against a member of the Galaxy group, or any of the respective directors or members of senior management of a member of the Galaxy group in their capacity as such, or announces that it intends to take such action; or (iii) any director or member of senior management of Galaxy is disqualified from managing a corporation under the Corporations Act;
- the trading halt in relation to the Offer ends early without the prior written consent of the Underwriters; or
- any event specified in the Underwriting Agreement is delayed without the prior written consent of the Underwriters.

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Underwriting agreement summary

1.3 Materiality qualified termination rights

Either Underwriter may terminate its obligations under the Underwriting Agreement if any of the following events occur, subject to that Underwriter having reasonable grounds to believe that the event (a) has or could reasonably be expected to have a material adverse effect on the success, settlement or marketing of the Offer, or on the ability of that Underwriter to market or promote or settle the Offer, or on the price at which Galaxy's shares are likely to be traded on ASX during or following the Offer; or (b) will, or is likely to, give rise to a liability of that Underwriter under, or a contravention by that Underwriter or its affiliates of, or that Underwriter or its affiliates being involved in a contravention of, any applicable law:

- an adverse change occurs, or there is a development involving a prospective adverse change, in the assets, liabilities, financial position or performance, profits, losses or prospects of the Galaxy group, excluding any change or development arising in connection with (i) the continuation or an escalation of COVID-19; or (ii) the 2020 United States Presidential election;
- a change in the board or senior management of Galaxy is announced or occurs;
- a representation, warranty, undertaking or obligation in the Underwriting Agreement on the part of Galaxy is breached, becomes not true or correct or is not performed;
- Galaxy fails to perform or observe any of its obligations under the Underwriting Agreement;
- a certificate required to be given by Galaxy (certifying Galaxy's compliance with its obligations under the Underwriting Agreement, that the relevant conditions precedent have been satisfied or waived, that no termination events have occurred, and that the representations and warranties are true and correct) is misleading, inaccurate, untrue or incorrect;
- Galaxy alters its constitution without the prior written consent of the Underwriters (such consent not to be unreasonably withheld or delayed);
- Galaxy reduces, reorganises, or otherwise alters or restructures its capital structure, or agrees to do any of those things, without the prior written consent of the Underwriters;
- the due diligence report or any information provided by Galaxy to the Underwriters in relation to the Galaxy group or the Offer is, or becomes, misleading or deceptive, including by way of omission;
- there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority adopts or publicly announces a proposal to adopt a new policy (other than a law or policy which had been announced before the date of the Underwriting Agreement);
- hostilities not existing at the date of the Underwriting Agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) or a significant terrorist act is perpetrated, in each case involving any of Australia, the People's Republic of China, the United Kingdom or the United States of America, or a national emergency is declared by either of those countries; or
- either of the following occurs: (i) a general moratorium on commercial banking activities in Australia, the United Kingdom or the United States is declared by the relevant central banking authority in those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries; or (ii) trading in all securities quoted or listed on ASX, New York Stock Exchange or London Stock Exchange is suspended or limited in a material respect for a day (or a substantial part of a day) on which that exchange is open for trading.

1.4 Fees

Each Underwriter will receive a fee for acting in their respective capacities. That fee comprises both a management fee component and an underwriting fee component, calculated in the Underwriters' agreed respective proportions (being 50% for each Underwriter) and as a percentage of the total Offer amount.

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Successful Completion of Placement and Institutional Entitlement Offer to raise approximately A\$124m as part of A\$161m Equity Financing

Not for release or distribution in the United States

Highlights

- Placement and Institutional Entitlement Offer attracts strong demand from both eligible existing and new institutional investors located in Australia and internationally
- Fully underwritten Retail Entitlement Offer to raise a further ~A\$37 million which opens on Tuesday, 1 December 2020 is expected to close at 5.00pm (Sydney time) on Thursday, 10 December 2020
- Equity Financing proceeds to be applied to Sal de Vida Stage 1 which is expected to position Galaxy to meet its previously stated development timeline and progress James Bay to construction ready status
- Equity Financing provides funding certainty and mitigates pricing uncertainty of alternative funding sources for Sal de Vida created by COVID-19
- Galaxy now in a position to continue with the Sal de Vida capital program in advance of scheduled first production in late 2022

Galaxy Resources Limited (ASX: GXY, "Galaxy" or the "Company") advises that the Company has successfully completed its institutional placement ("Placement") and the institutional component of its 1-for-14 fully underwritten pro rata accelerated non-renounceable entitlement offer ("Institutional Entitlement Offer", and together with the Placement "Institutional Offer") of new ordinary shares in Galaxy ("New Shares"). The Institutional Offer will raise approximately A\$124 million as part of the Company's broader A\$161 million equity financing package ("Offer" or "Equity Financing") as announced on Wednesday, 25 November 2020.

Galaxy received significant demand during the Institutional Offer bookbuild from high-quality, eligible existing and new institutional investors located in Australia and internationally (with a take-up by eligible existing institutional shareholders of approximately 92%). The Institutional Offer has now closed and will raise gross proceeds of approximately A\$124 million. The Offer Price was A\$1.70 per New Share which represents

- a 15.0% discount to the last traded price of A\$2.00 on 24 November 2020;
- 12.5% discount to the Theoretical Ex-Rights Price¹ ("TERP") of A\$1.94; and
- an 8.1% discount to the 10-day Volume Weighted Average Price ("VWAP") of A\$1.85.

Simon Hay, Galaxy's CEO said:

"We are delighted by the strong response we have received for the Equity Financing from a broad range of high quality, domestic and international institutions which we believe, underlines the quality of our asset portfolio. Securing these funds is an important milestone for Galaxy as we seek to commit to execute and develop Sal de Vida into a successful, lowest-quartile cost lithium brine operation. The Equity Financing proceeds will also be used to accelerate James Bay to a construction ready status which Galaxy believes is timely given the project's high-grade nature and location, positioning Galaxy to take advantage of the expected growth in electric vehicle demand in Europe and North America.

We are also pleased to be offering participation in the Equity Financing to our existing, eligible retail shareholders with the Retail Entitlement Offer scheduled to open on Tuesday, 1 December 2020."

¹ The Theoretical Ex-Rights Price (TERP) is the theoretical price at which Galaxy shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. TERP is calculated by reference to Galaxy's closing price of \$2.00 on 24 November 2020. The TERP calculation includes New Shares issued under the Placement.

ASX ANNOUNCEMENT / MEDIA RELEASE

As announced on Wednesday, 25 November 2020, proceeds of the Institutional Offer, in conjunction with the retail component of the entitlement offer ("Retail Entitlement Offer"), will be applied to Sal de Vida Stage 1 and fund pre-development activities to progress James Bay to a construction ready status.

UBS AG Australia Branch and Canaccord Genuity (Australia) Limited are acting as joint lead managers, underwriters and bookrunners for the Offer. Ashurst are acting as Australian legal adviser to Galaxy for the Offer.

Completion of the Institutional Offer

The Institutional Offer comprises the issue of approximately 65 million New Shares under the Placement to raise approximately A\$111 million, and approximately 8 million New Shares under the Institutional Entitlement Offer to raise approximately A\$13 million.

The New Shares subscribed for under the Institutional Offer are expected to settle on Thursday, 3 December 2020, with allotment and normal trading on ASX to commence on Friday, 4 December 2020. New Shares issued under the Institutional Offer will rank equally with existing fully paid ordinary shares in Galaxy.

New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible institutional shareholders were offered to existing and eligible new institutional shareholders concurrently with the Institutional Entitlement Offer. Galaxy expects ASX to lift the trading halt on its shares today and that its shares will recommence trading on ASX on an ex-entitlement basis from market open today.

Retail Entitlement Offer

The Retail Entitlement Offer of approximately A\$37 million, which is fully underwritten, is expected to open on Tuesday, 1 December 2020 and close at 5.00pm (Sydney time) on Thursday, 10 December 2020 (unless extended).

Eligible retail shareholders with a registered address in Australia or New Zealand, as at 7.00pm (Sydney time) on Friday, 27 November 2020 ("Record Date"), ("Eligible Retail Shareholders") will be invited to participate in the Retail Entitlement Offer at the Offer Price. Eligible Retail Shareholders will be able to subscribe for one New Share for every 14 Galaxy shares held as at the Record Date.

Further information will be sent to Eligible Retail Shareholders in a booklet ("Retail Offer Booklet") expected to be lodged with ASX and despatched on Tuesday, 1 December 2020.

In deciding whether to participate in the Retail Entitlement Offer, Eligible Retail Shareholders should carefully read the Retail Offer Booklet. The Retail Offer Booklet and personalised Entitlement and Acceptance Form will contain instructions on how to apply for the Retail Entitlement Offer. Acceptances and payments under the Retail Entitlement Offer must be received by no later than 5.00pm (Sydney time) on Thursday, 10 December 2020 (unless the Retail Entitlement Offer is extended).

Further Information

Further details of the Offer are set out in the Investor Presentation lodged on ASX on Wednesday, 25 November 2020. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Offer. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

If you have any questions in relation to the Retail Entitlement Offer, please contact the Galaxy Resources Limited Entitlement Offer Information Line on 1300 208 485 (within Australia) or +61 3 9415 4197 (outside of Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday from Tuesday, 1 December 2020 to Thursday, 10 December 2020.

ENDS

This release was authorised by Mr. Simon Hay, Chief Executive Officer of Galaxy Resources Limited.

For more information

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ASX ANNOUNCEMENT / MEDIA RELEASE

About Galaxy (ASX: GXY)

Galaxy Resources Limited ('Galaxy') is an international 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.

Galaxy is advancing development of the wholly owned Sal de Vida lithium brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of more than 40% of global lithium production. Sal de Vida has excellent potential as a low-cost brine-based lithium carbonate production facility.

Galaxy's diversified project portfolio also consists of the wholly owned James Bay lithium pegmatite project in Quebec, Canada. James Bay will provide additional expansion capacity to capitalize on future lithium demand growth.

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, including statements regarding the conduct, size and outcome of the Offer, statements regarding Galaxy's intent, belief or expectations, plans strategies and objectives or management, expected timetables in connection with Galaxy's projects, expected costs, capital expenditure and future demand for lithium.

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. There can be no assurance that Galaxy's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Galaxy will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Galaxy's mineral properties. Circumstances or management's estimates or opinions could change. You are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of Galaxy's financial or operating outlook, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Data and amounts shown in this document relating to capital costs, operating costs, potential or estimated cashflow and project timelines are internally generated best estimates only. All such information and data is currently under review as part of Galaxy's ongoing operational, development and feasibility studies.

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