

SUSTAINABILITY REPORT

Year Ended 31 December 2020



GALAXY

GALAXY RESOURCES LIMITED

FORWARD LOOKING STATEMENTS

This document contains forward looking statements concerning Galaxy. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

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 mineralization 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. The reader is cautioned not to place undue reliance on forward-looking statements. 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. Accordingly, Galaxy makes no representation as to the accuracy and/or completeness of the figures or data included in the document.

A note on terminology

In this Sustainability Report, the terms '**Galaxy**', the '**Company**', the '**Group**', '**our business**', '**organisation**', '**we**', '**us**', '**our**' and '**ourselves**' refer to Galaxy Resources Limited and/or its subsidiaries (as the context requires). The Board of Directors of Galaxy Resources Limited is referred to as '**the Board**'.

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2020 reporting suite
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MESSAGE FROM THE CEO



We are pleased to present our second Sustainability Report as part of our efforts to align the Company's sustainability programs with global standards. Galaxy demonstrated resilience in its operations and project development activities. Significant milestones were achieved during the year despite challenges arising from weak market conditions in the lithium sector and COVID-19 impacting businesses and people across the globe. We recognise that our sustainability approach is more important than ever as global green-house gas reduction initiatives gather momentum and the world transitions to clean energy. This was evidenced by increased global support, in the form of legislation and substantive stimulus packages for electric vehicles, by many major economies particularly in Europe and Asia.

Galaxy's firm commitment to safety and its investment in improving safety performance resulted in a significant decrease in Total Recordable Injury Frequency Rate ("**TRIFR**") from 14.5 in 2019 to 9.4 in 2020. Throughout the year, we increased our focus on lead indicators including hazard reports, safety observations and inspections, more effective pre-start meetings and an increase in safety training particularly at Sal de Vida.

The health, safety and wellbeing of our people and of the communities in which we operate will always be our highest priority. This principle was brought to the fore in 2020 as we sought to ensure that our project and operational activities did not contribute to the spread of COVID-19. Preventative measures were implemented across the organisation without incident and work programs were successfully adapted to local protocols and restrictions.

Galaxy's objective is to create a sustainable, large scale global lithium chemicals business through the development of the Sal de Vida and James Bay projects. With new projects, we have a fantastic opportunity to embed sustainability practices into project design to deliver responsibly and ethically mined materials to the market. We have established sustainability targets to guide and track our progress. This includes designing the Sal de Vida and James Bay projects with an initial target to source greater than 50% of our projects' energy needs from renewable sources.

In 2020, we strengthened our governance processes and commenced identifying our climate-related risks and opportunities using the recommendations of the Task Force on Climate Related Financial Disclosures as a guide. A physical climate change assessment was completed for the Sal de Vida project. Whilst no material risks were identified, the established projections will be used to inform project design to ensure a compliant, economic and resilient operation throughout the mine life.

Solid progress was made on all aspects of the Sal de Vida project in 2020. Social baseline and perception surveys were completed during the year and will be used to inform the environmental and social impact and opportunity assessment to be completed in 2021. The perception survey revealed a high level of community recognition and support for Galaxy and the project. Environmental baseline studies completed during the year included water, biodiversity and archaeological studies.

Galaxy is proud to have funded two education projects to support the communities nearest to Sal de Vida. These include construction of the secondary school in El Peñón and extension of the primary school in Antofagasta. Both projects were delayed by COVID-19 and are expected to be completed in 2021 along with a third project to provide a medical clinic.

Our sustainability targets are ambitious, will drive continual growth and focus efforts to improve sustainability performance as we advance the development of Galaxy's world-class lithium assets.

Simon Hay
Chief Executive Officer

GALAXY AT A GLANCE

Galaxy Resources Limited (“**Galaxy**” or the “**Company**”) is a leading producer and developer of lithium with an impressive and diversified asset portfolio including an operational hard rock mine and concentrator in Western Australia, a tier 1 brine development project in Argentina and a strategic, hard rock spodumene project in Canada.

The ASX-listed company has gained recognition in the industry as a proven and reliable producer of lithium concentrate due to its continued success at its Mt Cattlin operations in Western Australia. The wholly owned project consistently produces high quality product that is accepted in supply chains globally and offtake for its life of mine is fully contracted.

Galaxy is in a unique position to fuel a global electrical revolution with both its brine and hard rock development projects on an expedited path to production.

Galaxy strives to become a major global producer of lithium and is executing its corporate strategy to swiftly deliver its two world-class growth assets to the market in a sustainable and competitive manner.

Galaxy is focused on building its flagship project, Sal de Vida, into a highly competitive, low-cost brine operation. The wholly owned project, located in Catamarca Province, Argentina has gained recognition as a tier 1 asset due to its large scale, high grade and superior brine chemistry.

The James Bay spodumene project in Québec, Canada is being accelerated to a construction ready status. The wholly owned project has a high grade, near surface deposit and is ideally located to supply the rising lithium demand from the North American and European electric vehicle market.

CORPORATE OBJECTIVE

To create a sustainable, large scale, global lithium chemicals business to power the future.

VALUES

Galaxy’s six values underpin everything we do and are fundamental in achieving our vision through the success and growth of our business and people.



Commitment

Sustained investment in our goals



Teamwork

Strength in collaboration



Empowerment

Encourage a dynamic working environment



Accountability

Delivery and ownership



Respect

Understanding and celebration of diversity



Integrity

Foremost in everything we do

OUR STAKEHOLDERS

Galaxy interacts with a wide range of stakeholders in relation to our business through a variety of communication channels. A summary of our key stakeholders and nature of our interactions with them is provided below.

Specific Stakeholders	Area of Interest	Nature of Interactions
SHAREHOLDERS Retail and institutional shareholders	Share price, dividends, governance, risk management, operating and financial performance, business strategy and future business plans	Australian Securities Exchange (“ ASX ”) announcements and reports, conference calls, 1-1 engagement, Annual General Meetings, website and social media pages
FINANCIERS Banks and financial institutions	Share price, dividends, financial returns, governance, risk management, operating performance and business strategy	Regular meetings, correspondence and electronic communications
CUSTOMERS Various customers of Galaxy’s products	Ongoing purchases, contract and purchasing processes, product quality and reliability of supply	Regular meetings, correspondence and electronic communications
SUPPLIERS Various suppliers to Galaxy	Ongoing purchases, contract and purchasing processes	Regular meetings, correspondence and electronic communications
EMPLOYEES & CONTRACTORS Employees and contractors working on Galaxy sites	Job security, workplace health and safety, employee remuneration, career development, business strategy and performance	Continuous engagement
INDIGENOUS PEOPLES James Bay – The Cree Nation of Eastmain, Waskaganish, Waswanipi and the Cree Nation Government Mt Cattlin - South West Aboriginal Land and Sea Council Aboriginal Corporation (“ SWALSC ”) and the Wagyl Kaip and Southern Noongar Agreement Group Sal de Vida – Kolla-Atacameña community of Antofalla	Preserving cultural heritage, environmental sustainability and monitoring management, social responsibility, governance, economic development, employment and contracts, land use and developing meaningful working relationships with project proponents	Engagement with community and government leaders, local community members and stakeholders, community meetings/consultations, community events, site tours and conferences
LOCAL COMMUNITIES Individuals and groups local to our operations, including landholders and land users, development groups, local businesses and not-for-profit organisations	Business continuity, employment, infrastructure, land access, cultural heritage, social investment, environmental performance and transparency	Community meetings, individual engagement, formal and informal communication
GOVERNMENT & REGULATORY AGENCIES Federal, state, provincial and local governments and regulatory agencies	Socio-economic impacts (including taxes and royalties), employment and environmental impacts generally	Meetings and correspondence with regulatory agencies on regulatory processes and compliance Meetings with government members as required
MEDIA Print, radio, television & social media	Financial and operational related queries, ASX announcements	ASX releases, media releases and interviews
INSTITUTIONS Universities, schools and hospitals	Technical research and development	Interactions with institutional representatives, development of sustainability-related programs, research and collaboration

SUSTAINABILITY FRAMEWORK

Galaxy has embarked on a journey of growth, expanding globally as it executes Sal de Vida and accelerating James Bay to a construction-ready status. In doing so, we recognise the importance of developing new projects in a sustainable manner to deliver responsibly and ethically mined materials to the market.

Our sustainability framework reflects our project portfolio, key sustainability risks, external frameworks and regulatory guidance.



This is the second year that Galaxy has produced a stand-alone Sustainability Report. This voluntary disclosure is indicative of our endeavors to strengthen our sustainability performance and align our activities and targets with global standards. The report details the Company’s sustainability objectives, key material issues and performance for the 12-month period ended 31 December 2020.

This Report should be read in conjunction with Galaxy’s Annual Report and Corporate Governance Statement for the year ended 31 December 2020.

Galaxy is working towards reporting in accordance with the core option of the Global Reporting Initiative (“GRI”) Standards. A GRI core option index has been prepared and is included in this Report acknowledging that further work is required to enable complete reporting in accordance with the GRI.

There are no material re-statements of the 2019 Sustainability Report data or content in this Report. The previous year’s reporting data can be found in the 2019 Sustainability Report which is available on www.gxy.com.

Galaxy’s Board of Directors has reviewed and endorsed this Report.


OUR FOCUS












Galaxy conducts a materiality assessment each year to determine which sustainability topics are important to our business and our stakeholders.

Our material topics

The material topics for this Report were identified by following the process referenced in the GRI Standard for materiality. This process included articulating the sustainability topics in our framework and then prioritising these topics by considering both internal and external factors, including a review of current and emerging sustainability topics, risk assessments, peer benchmarking and ongoing internal and external stakeholder engagement. Each topic was assessed and prioritised based on the significance of the potential impact it may have on our business and the influence it may have on stakeholder assessments and decisions.















The material topics set out below were identified across our sustainability framework. These nine topics are described in the following sections of this Report, including why the topic is important, our management approach, 2020 performance and ongoing programs. Material topics are identified by the  symbol.

Material Topics


 Injuries and Fatalities	 Pollution	 Human Rights
 COVID-19 Pandemic	 Biodiversity	 Ethics and integrity
 Water Stewardship	 Climate Change	 Community engagement


Review of 2020 sustainability objectives

In 2019, Galaxy established a series of objectives to guide our work and ensure management of material sustainability matters. The table below summarises our 2020 performance against these objectives.

2020 Objectives	Performance
 Year on year reduction in Total Recordable Injury Frequency Rate	 Reduction in TRIFR from 14.5 to 9.4 Further Information Preventing Injuries and Fatalities
 Continual improvement in gender diversity	 Slight decrease from 23% to 22% Further Information Workforce Profile
 Commence program to align with the Task Force on Climate-related Financial Disclosures ("TCFD")	 Strengthened existing governance processes to provide climate governance. Commenced risk assessments with physical climate change assessment for Sal de Vida. Further Information Climate Change
 Undertake social impact assessment for Sal da Vida Project	 Social baseline and perceptions study completed. Further information Community Engagement
 Progress Impact and Benefits Agreement ("IBA") with the Cree Nations on the James Bay project	 Formal negotiations to finalise the IBA are subject to additional feasibility disclosure detail and will continue throughout 2021. Further information Indigenous Relations and Cultural Heritage
 Commence modern slavery work program	 Developed a process to identify higher risk suppliers. Further information Modern Slavery
 Review of overarching Business Management System and update of key corporate policies	 Revised Code of Conduct, Whistleblowing Policy, HSEC Committee Charter and Audit and Risk Committee Charter. Further information Economic Responsibility and Governance

 Met

 In progress

 Not met













OUR FOCUS

2021 Sustainability Targets

An updated set of sustainability targets have been developed through a multi-pronged approach including

- internal consideration of our Sustainability Framework, material topics and Company performance in those areas;
- external consideration of how our sustainability targets aligned with the United Nations Sustainable Development Goals (“SDGs”);
- identifying SDG targets most relevant to our business and in line with guidance provided by the GRI and UN Global Compact; and
- prioritising our contributions to achievement of these goals.

This analysis has resulted in the identification of the following sustainability targets to drive continual improvement in our performance in 2021:

GALAXY SUSTAINABILITY TARGETS 	Related Sustainability Topics	Related SDG and targets 
Year on year improvement in total recordable injury frequency rate	 Injuries and Fatalities	
No material adverse occupational health, injury, environmental or community incidents	 Injuries and Fatalities	
	 COVID-19 Pandemic	
	 Human Rights	 3 GOOD HEALTH AND WELL-BEING 3.8 3.9
	 Pollution	
	 Community engagement	
New projects designed with low carbon technologies targeting greater than 50% renewables	 Pollution	
	 Climate Change	 7 AFFORDABLE AND CLEAN ENERGY 7.2

GALAXY SUSTAINABILITY TARGETS 	Related Sustainability Topics	Related SDG and targets 
Physical climate change assessment for James Bay and Company-wide transition risk assessment	 Climate Change	 13.1
Adopt a water intensity metric and set future reduction targets	 Water Stewardship	 6.4
Biodiversity Action Plans developed for each site	 Biodiversity	 15.1
Maintain over 70% local employment	 Community engagement	 4.4  5.5  8.5
	 Local Employment	
Greater than 25% women employed across the Company and 15% in Senior Executive levels in 2021. A 30% proportion of women Directors by 2022	 Diversity	 5.5
	 Human Rights	
All community investment assessed using social investment framework	 Community engagement	 4.4  5.5
	 Ethics and integrity	
Develop and implement project level local procurement targets	 Community engagement	 8.3

HEALTH AND SAFETY



Galaxy is committed to providing a healthy and safe workplace for all personnel and individuals who may be impacted by its activities. We strive to achieve an injury-free workplace and are pleased to report a reduction in overall injuries and total recordable injuries in 2020.

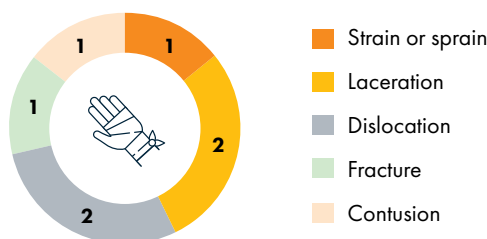
PREVENTING INJURIES AND FATALITIES MT

 Sustainability Targets	<ul style="list-style-type: none"> • Year on year improvement in total recordable injury frequency rate. • No material adverse occupational health, injury, environmental or community incidents. 		
 Key Outcome	TRIFR 9.4 ↓	LTIFR 1.3 ↑	AIFR 60.3 ↓

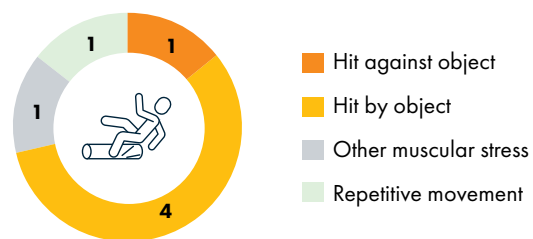
In 2020, Galaxy recorded a Total Recordable Injury Frequency Rate (“**TRIFR**”)* of 9.4, down from 14.5 in 2019. The Lost Time Injury Frequency Rate (“**LTIFR**”)** for 2020 was 1.3, slightly higher than the 1.1 in 2019. Both 2019 and 2020 recorded one LTI in each reporting year and the difference is attributable to a slight reduction in total hours worked.

The single lost time injury in 2020 occurred when an operator received facial injuries from an uncontrolled hydraulic hose. The injured person was attempting to replace a hydraulic cylinder without effectively depressurising the system. The hose blew off under pressure, and struck the operator in the face. This resulted in 14 lost workdays. A thorough investigation was undertaken and preventative measures were implemented including improved labelling of similar gauges across all Galaxy sites. In addition, discussions with the equipment manufacturer resulted in them updating their instruction manual to provide clearer instructions.

Recordable Injuries by Nature



Recordable Injuries by Mechanism



Positive lead indicators

Galaxy’s pro-active safety initiatives aim to promote safe behaviours and reduce the number and frequency of safety incidents in the workplace. A key focus in 2020 was to develop a lead index to combine and track pro-active safety measures across the business. The lead index includes pre-start meetings, job safety assessments, hazard observations, behavioural observations, workplace inspections and training hours. We will continue to promote safe behaviors and track this index as a key safety metric.

*TRIFR is calculated as number of recordable injuries divided by the number of hours worked by all workers (employees and contractors) multiplied by one million.

**LTIFR is calculated as the number of recordable lost time injuries divided by the number of hours worked by all workers (employees and contractors) multiplied by one million

Setting the safety culture

Our Board monitors the corporate culture and sets the tone from the top, including approving and ensuring adherence to the Company’s Values, Code of Conduct and policies. The Health, Safety, Environment and Community (“HSEC”) Committee assists the Board in fulfilling its responsibilities for corporate governance. This includes oversight of the Company’s practices and governance in the areas of health, safety, environment and community.

Galaxy has developed an integrated HSEC Management System aligned to ISO45001 and ISO14001. The system describes the framework within which Galaxy manages its operations and sets the minimum standards of performance across the Galaxy group.

Galaxy’s HSEC Committee Charter and Health and Safety Policy can be found in the Corporate Governance section of Galaxy’s website at www.gxy.com.

Ensuring safe travel to high altitude

In 2020 we enhanced our pre-travel health screening for all persons travelling to the Sal de Vida project site from low altitude. This is accompanied by high altitude health awareness training and ensuring all presented cases of acute mountain sickness were recorded and treated appropriately. During 2020, 22 cases of acute mountain sickness were reported, 19 of which were mild and treated in camp. Three moderate cases required demobilisation from site.

COVID-19 PANDEMIC RESPONSE

 <p>Related UN SDGs</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p>
 <p>Sustainability Targets</p>	<p>No material adverse occupational health, injury, environmental or community incidents.</p>
 <p>Key Outcome</p>	<p>Zero COVID-19 cases at Galaxy sites</p>

The COVID-19 pandemic had a significant impact around the globe and in response we continue to prioritise the safety and wellbeing of our workforce and surrounding communities while maintaining operations and project development activities.

Preventative measures were implemented across the organisation without incident and work programs were adapted to local protocol and restrictions. Operations at Mt Cattlin continued without major disruptions and project work at James Bay continued with minimal delays. At Sal de Vida, engineering work continued offsite as planned but onsite activities such as piloting were impacted for a few months due to regional controls. Galaxy has since adapted work programs to provincial protocols to hold Sal de Vida’s project development schedule.

Market

While the lithium-ion battery supply chain was impacted by COVID-19 related disruptions in the first half of the year, strong signs of recovery were evident by year end. In the wake of the pandemic, major economies pledged to target zero emissions and adopt 100% clean energy, supporting the adoption of electric vehicles. Country-level electric vehicle subsidy programs and government stimulus drove strong sales growth, alongside the launch of new electric vehicle models. The year concluded with a 43% year-on-year increase in global electric vehicle sales, largely driven by a 137% increase in European sales and a 11% increase from China.

Mt Cattlin

The Western Australian State Government enforced strict border closure and quarantine requirements on interstate fly-in, fly-out workers. Operations continued without any major disruption as Galaxy swiftly relocated interstate and Perth-based contractors to Ravensthorpe to ensure site critical functions were not impacted. Galaxy also introduced stringent health and hygiene practices and altered rosters to minimise travel and shift transitions.

Sal de Vida

In March 2020, the Argentina Federal Government imposed mandatory restrictions on development projects and the non-essential Sal de Vida site workforce was demobilised. The resumption of development projects was permitted from May 2020 and site works resumed under strict provincial protocols with approximately half the workforce returning to site. Controls remain ongoing and continue to impact ground transportation, provision of goods and services and personnel movement and rosters via various restrictions. As a result, the commencement of the piloting schedule was later than planned.

Onsite piloting activities were adapted to restrictions with pond construction, plant commissioning and the production of lithium carbonate all successfully and safely achieved. Front-end engineering design work for the wellfield to ponds, process plant and infrastructure progress as planned offsite, unhindered by the pandemic.

To ensure the protection of our workers and the community, all workers had to pass a Polymerase Chain Reaction (“PCR”) test before mobilising to site from home and another test before returning home from site. The maximum number of workers in the camp was halved to ensure social distancing. We also implemented four shifts for meals which reduced the number of people in the dining room. An isolation unit was established for potential cases, if needed, and for truck drivers who needed to stay overnight at site. Workers at site wear facemasks at all times to minimise the risk of contagion, plus receive a medical evaluation (vital signs, temperature, etc.) daily.

An operations centre was established in the Perth office to monitor piloting activities in Sal de Vida in real time and provide remote technical support by the Perth-based technical team.

Despite the COVID-19 restrictions, the Galaxy team maintained a constant relationship with the communities of Antofagasta de la Sierra through various initiatives and activities. However, community visits to the Galaxy Camp were ceased.

A donation of personal protective equipment (“PPE”) was made to the Antofagasta de la Sierra Hospital to assist in their hygiene controls.

The current project development schedule is based on eventual easing of COVID-19 restrictions. In the event restrictions are not eased as anticipated, Galaxy will adapt its execution strategy where possible while continuing to prioritise the health and safety of workers and our surrounding communities.

James Bay

Canada, including Québec and the James Bay Eeyou Istchee region were also affected by the COVID-19 pandemic. The entire country was subject to extended lockdowns and restricted travel from early in 2020. Outbreaks in several Cree communities resulted in hospitalisation and some fatalities. Galaxy continues to comply with all mandatory regional, provincial and federal regulations.

Most of the work completed on the James Bay project during 2020 was off-site value engineering work, which progressed despite COVID-19. A site-based geotechnical program commenced in Q1 2020, however it was postponed to comply with restrictions put in place by the Quebec government. With a COVID-19 revised program in place, the geotechnical program recommenced in Q3 2020 for completion in Q1 2021.

In addition to mandatory regulations, Galaxy employees and contractors travelling to the project site were required to produce a negative COVID-19 test result prior to travelling and to follow stringent protocols including no physical contact with local community members. There was also no travel permitted to local communities, daily temperature checks were taken, meals were consumed in rooms alone, meetings were held virtually and social distancing measures were introduced, hand and vehicle sanitisation and wearing masks were required while in confined spaces.

Community and stakeholder engagement switched to virtual mode during the year. Virtual calls and consultation activities were completed with the Cree Nation of Eastmain, Waswanipi and Waskaganish, as well as email updates with the Cree Nation Government and other project stakeholders.

ENVIRONMENTAL STEWARDSHIP



Galaxy is committed to conducting its project activities in an environmentally responsible manner. We aim to continually improve our environmental management system and performance taking into account technical developments, scientific understanding, consumer needs and community expectations.

During 2020, a suite of Group Environmental and Social Standards were developed as part of our HSEC Management System. These standards address our key environmental and social topics and set out the minimum standards of performance for all sites. The standards are based on recognised good international industry practice.

Galaxy’s Environmental Policy can be found in the Corporate Governance section of Galaxy’s website at www.gxy.com.

ENVIRONMENTAL IMPACT ASSESSMENT



Galaxy is designing its projects to minimise environmental impacts and conducts studies to ensure that the environmental consequences of its project are fully understood, and the residual impacts are appropriately managed. The individual environmental requirements of each site are considered, and site-specific procedures and management plans are implemented.

James Bay

The James Bay project is a proposed open pit mine that will have onsite crushing and concentration of spodumene. Additional work programs took place during 2020 with a Preliminary Economic Assessment released in March 2021 that will feed into feasibility work in 2021.

An Environmental and Social Impact Assessment (“**ESIA**”) review process is ongoing, as required by provincial and federal authorities.

Stakeholder engagement continued throughout the year. Formal negotiations to finalise the Impact and Benefit Agreement (“**IBA**”) will continue in 2021, as further feasibility level details are defined.

As part of ongoing project engineering, we modified the proposed site layout to reduce the overall project footprint. The initial waste pile was separated into four smaller piles and moved closer to the pit, resulting in shorter hauls for the mine trucks, and lowering energy consumption. We are exploring the option of using waste rock as construction material, which requires further testing and investigations, followed by discussions with authorities. This option would reduce the need for a quarry or gravel pit, resulting in lower waste piles, less hauling and lower energy use.

To reflect these positive changes to the proposed site layout with a reduced footprint, we intend to submit an addendum to the ESIA by the second quarter of 2021. This will provide details of the modifications and models, as well as a review of the impacts and proposed mitigation strategies.

ENVIRONMENTAL STEWARDSHIP

Sal de Vida

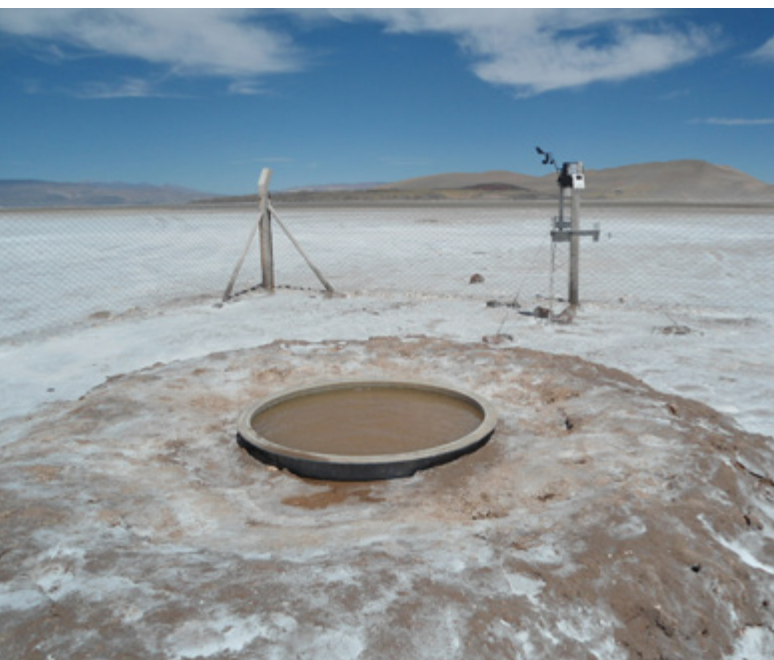
Sal de Vida operates under a two-year Environmental Impact Statement (“EIS”) issued by the Catamarcan provincial government in Argentina, which authorises mining and development activity in accordance with prescribed conditions. EIS renewal is required every two years with this process starting in early 2021.

To support our ongoing activities, Galaxy applied for and obtained the necessary water permits to use surface and groundwater resources. In addition, a number of the environmental management plans were approved by the regulatory authorities.

An Environmental Impact Assessment (“EIA”) is being developed to assess the impacts of the proposed Stage 1 activities. As part of this a number of baseline studies were conducted during 2020 and are being used to inform the engineering design. An example of this is locating the evaporation ponds and waste piles at a sufficient distance from the Los Patos river basin to reduce the possibility of any seepage from the evaporation ponds reaching the aquifer of the river basin.

In 2021 Galaxy will submit the EIA to provincial regulators. Environmental permits for the freshwater backup well, west production wellfield and any required for the mine campsite services will also be progressed.

Meteorological conditions are important inputs to the Sal de Vida process flow sheet and to provide input into the site water balance. The site has three meteorological stations that monitor and report weather conditions back to the plant on a real time basis.



Employee Profile



My name is Selva, I am the Environmental Superintendent at Sal de Vida and I enjoy my job a lot!

I am a geologist by training and studied at the university of my hometown, in San Fernando del Valle de Catamarca, Argentina. My first position was as a geology trainee at the first large world-class open-pit gold mine venture in my country. I worked as a Geology sampler until I graduated. Later, I worked a summer campaign in the Andes Mountains as an exploration geologist.

In 2000 I obtained a research grant at Argentina’s main research centre (CONICET) and for 4 years I dedicated myself to training and traveling, it was during those years that I discovered my interest in environmental stewardship.






From 2004 to 2015 I worked in the environmental field at the Agua Rica Project in Catamarca and there I acquired experience in a range of environmental mining areas including baseline monitoring, impact assessment, procedures and environmental permits, plus training in leadership, systems management, safety, and community relations.

During 2010 and 2011 I studied environmental engineering at the National Technological University (Córdoba Puna of Catamarca). In 2016, I started working in the lithium industry in Puna Catamarca.

In March 2019 I joined the Galaxy team and here I am giving my best efforts to make the Sal de Vida project a reality, ensuring that mining interventions are carried out with maximum respect for current regulations and also giving weight to environmental management inside of company so that we coexist harmoniously in the same environment of the Salar: community, ourselves and the rest of the stakeholders.

This is a true challenge that awakens the spirit and activates the motor of personal motivation and that of the entire Sal de Vida family.

RESPONDING AND ADAPTING TO CLIMATE CHANGE MT

 Related UN SDGs	<div style="display: flex; justify-content: space-around;"> <div style="background-color: #ffcc00; padding: 5px; text-align: center;"> 7 AFFORDABLE AND CLEAN ENERGY </div> <div style="background-color: #008000; padding: 5px; text-align: center;"> 13 CLIMATE ACTION </div> </div>
 Sustainability Targets	<ul style="list-style-type: none"> • New projects designed with low carbon technologies targeting >50% renewables. • Physical climate change assessment for James Bay and Company-wide transition risk assessment.
 Key Outcome	GHG emissions down 21% ↓

Galaxy acknowledges the changing global climate and accepts the position expressed by the Intergovernmental Panel on Climate Change. Continued emission of greenhouse gases will cause further global warming and that warming above 2°C, relative to the pre-industrial period, could lead to catastrophic economic and social consequences. Thus, we support the intent of the Paris Agreement to limit global warming to less than 2°C above pre-industrial levels.

We recognise the global shift towards a low carbon economy and net zero emission aspirations and the role businesses have to play. As a lithium producer, Galaxy has a key role in the transition to a low carbon economy.

Supplying a product that has a role in a low carbon future is not enough, we need to produce that product in a resource-efficient and socially responsible manner. Many of the end-customers of our mineral products buy electric vehicles for climate change related reasons. This flows along the supply chain and Galaxy is focussed on aligning with customer interests by minimising its carbon footprint in producing lithium.

Our approach to climate change is built on three focus areas: climate governance, climate resilience and emissions reduction.

Reporting in line with TCFD

Established by the G20 Financial Stability Board, the industry-led Taskforce for Climate Related Financial Disclosure (“TCFD”) provides a framework for disclosure of climate-related financial risks. Galaxy has elected to disclose against this framework, as recommended by APRA, ASIC and ASX. In 2020, a review of our current status against the TCFD recommendations was completed and a program of work was developed to progressively implement and detail disclosures in line with the recommendations.

Galaxy-sponsored charging station at The University of Western Australia.



Tesla demonstration at Mt Cattlin’s EV information day



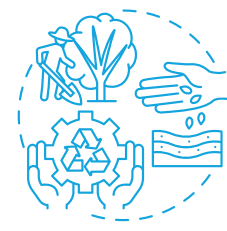
Implementing our climate change approach



CLIMATE GOVERNANCE



CLIMATE RESILIENCE



EMISSION REDUCTION

OUR ASPIRATIONS

Board and management making informed decisions fully cognisant of climate change.

A resilient company with operations that are economic, environmentally and socially acceptable.

A company that produces products that aid a low carbon future in a low carbon manner.

2020 ACHIEVEMENTS

Improved our knowledge and understanding of the science. Strengthened existing governance processes.

Commenced risk assessments with physical climate change assessment for Sal de Vida.

Continue to track emissions. Project design works continued with the objective of incorporating a sizeable contribution from renewables.

2021 DIRECTION

Continued oversight over climate change activities and maintaining current knowledge.

Physical climate change assessment for James Bay and Company-wide transition risk assessment.

New projects designed with low carbon technologies targeting > 50% renewables.

Climate governance

Galaxy's HSEC Committee assists the Board in the areas of health, safety, environment and community and is responsible for overseeing climate-related risks and opportunities. The HSEC Committee Charter was updated during the year to include consideration and management of emerging risks such as climate change. A presentation on climate change science, TCFD framework and a recommended Galaxy approach was made to the Committee in 2020.

Our Risk Management Policy and supporting framework, together with the TCFD scenario analysis, is used to identify and articulate our climate related risks and opportunities. Our Environmental Policy and supporting standards set a commitment to improve efficiency and reduce energy use wherever possible.

At a management level, our Chief Executive Officer is accountable for climate-related responsibilities with senior executives assigned actions relevant to their areas of responsibility. In 2021 our management incentive program was expanded to include energy efficiency targets.

Climate resilience

Climate resilience means that Galaxy is able to adapt and continue its operations in a changing climate. We are working towards assessing our climate resilience across the business. This includes both transition risk – the risks associated with changes to climate and energy policy and technology – and physical risk – the risks associated with changes in climate in the environments in which we operate.

In 2020, a physical climate risk assessment for Sal de Vida was conducted. As a new project with a 40 year reserve life, it is vital to ensure a resilient and stable operation that continues to produce saleable products well into the future.

In 2021, a physical climate risk assessment for the James Bay project and a transition risk assessment across the Group are planned.

Sal de Vida Physical Climate Change Assessment

The Sal de Vida site is located on the Salar del Hombre Muerto in the Puna region of the Central Andean Plateau in the Catamarca Province, northwest Argentina, at an elevation of approximately 4,000m.

Overall, operations onsite are not anticipated to be significantly affected by the projected change in climate conditions. The largest expected change is an increase in rainfall which could potentially affect pond design, evaporation and site access. No material climate change risks were identified for the site. The established projections will continue to be used to inform the selection and decision-making process around project design to develop a compliant, economic and resilient operation throughout the mine life.

Scenario Selection

Given the remoteness of the Puna region, little climate change prediction work has been completed for the study region specifically. Therefore, the community climate system model ("**CCSM**") was utilised as a basis for the study. The CCSM model was established by the United States national centre for atmospheric research ("**NCAR**") on behalf of the IPCC, and provides climate change projections for different RCP scenarios and locations. The World Resources Institute ("**WRI**") Aqueeduct 2019 Water Risk Atlas was used to predict water stress. Climate predictions at 2030 and 2050 were undertaken.

Two scenarios were selected based on TCFD recommendations. The representative concentration pathways ("**RCP**") used by the intergovernmental panel on climate change ("**IPCC**") have been utilised.

- RCP4.5 corresponding to a global temperature increase relative to pre-industrial levels of 2-3°C. The RCP4.5 scenario reflects a medium-to-low greenhouse gas emissions pathway and assumes large scale mitigation action in the short term.
- RCP8.5 was selected as it can be regarded as a worst-case scenario with the highest expected climate changes. RCP8.5 represents a high greenhouse gas emissions pathway and assumes "business as usual" (low mitigation) with respect to future emissions. RCP8.5 corresponds to a global temperature increase, relative to pre-industrial levels, of greater than 4°C.

ENVIRONMENTAL STEWARDSHIP

Emission reduction

As a growth-focused company seeking to develop new mineral projects, Galaxy has an opportunity to invest in alternative low carbon technologies in the design phase to minimise reliance on carbon. We are currently exploring alternative clean energy sources to minimise the carbon footprint of the Sal de Vida and James Bay projects.

At Sal de Vida a solar farm to supply energy to the second stage of development is intended. However, examinations are underway to determine if this can be brought forward to supply solar energy for the Stage 1 development.

Power for the fixed plant at James Bay is likely to be supplied from the extensive hydro-electric power system owned and operated by Hydro-Québec. In addition to this, Galaxy will investigate the use of an electric mining fleet, further lowering our carbon footprint. The adoption of an electric mining fleet will depend on availability of a suitable fleet to match the operational needs of the project as well as the ability for Hydro-Québec to supply sufficient power for charging.

1,000 tonnes of CO₂e
saved over 10 years

The Mt Cattlin site had a solar farm installed in 2010 that supplies 156,000 kWh per annum.

To measure our performance on a per unit basis we have developed a metric to report GHG emissions intensity. Total emissions decreased 21% from 2019 largely due to reduced spodumene concentrate production at Mt Cattlin. Emission intensity increased from 0.19 to 0.26 t CO₂-e per tonne of final product.



28,829 (tCO₂e)
Greenhouse Gas Emissions



68,518 (GJ)
Energy Consumed

Greenhouse Gas Emissions

	TONNES CO ₂ e		
	Scope 1	Scope 2	Total
Australia: Mt Cattlin & Perth Office	27,307	68.9	27,375.9
Canada: James Bay & Montreal Offices	2.1	1.7	3.8
Argentina: Sal de Vida & Catamarca Office	1,429	20.7	1,449.7
Total	28,738	91.2	28,829.4

Our current Greenhouse Gas (“GHG”) emissions can be largely attributed to our energy use at our Mt Cattlin operations. We use the Australian *National Greenhouse and Energy Reporting Act 2007* (Cth) for calculation of Scope 1 and Scope 2 GHG emissions. This includes direct measurements of energy sources consumed, calculations based on site-specific data and calculations based on published criteria (such as emission factors and global warming potential).

POLLUTION MT

 Related UN SDGs	3 GOOD HEALTH AND WELL-BEING 	6 CLEAN WATER AND SANITATION 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	15 LIFE ON LAND 	
 Sustainability Targets	No material adverse occupational health, injury, environmental or community incidents.				
 Key Outcome	8 environmental incidents, down from 28 ↓				

Galaxy aims to operate its facilities in a manner which prevents pollution. Our incident reporting system captures all events which cause, or could cause harm, to people, property, the environment or community. Once reported, incidents are investigated and measures are put in place to prevent recurrence.

There were no environmental incidents at James Bay in 2020. At Sal de Vida there was one minor hydrocarbon spill incident. At the Mt Cattlin site there were two moderate, three minor, and two insignificant environmental incidents. This is a substantial improvement from the 25 incidents in 2018 and 28 incidents in 2019. This reduction is largely due to a decreased number of hydrocarbon spills due to an increased focus on hydrocarbon management by the site teams.

To ensure our impact on the surrounding environment is in line with conditions of environmental impact assessments and other regulatory licences, permits and approvals, monitoring of a range of environmental measures is conducted. Monitoring includes surface water and ground water quality and quantity, dust emissions and noise emissions.

A small pilot plant area at Sal de Vida, which was in operation from 2010 to 2013, was remediated during the year. This included removal and licenced disposal of processing chemicals such as magnesium hydroxide, sodium chloride and potassium chloride in accordance with a regulatory approved Environmental Remediation Plan.

Sal de Vida has also continued to improve their site recycling program by establishing a partnership with a plastic fabrication factory in Salta to take and recycle plastic waste.



Before and after shots of remediation of pilot plant area at Sal de Vida

TAILINGS



Tailings management is a critical part of managing the risks of the waste produced from the mining process. These risks can range from potential consequences of a tailings storage facility (“TSF”) failure through to groundwater impact due to seepage. The design of a tailings dam is influenced by many factors including proximity to employees, communities, infrastructure and geological conditions, as well as the composition of the tailings.

While Galaxy’s TSFs are small, away from populations and present a low risk, we acknowledge the external interest in mine tailings management. We are committed to constructing, operating and decommissioning TSFs in a safe and compliant manner consistent with regulatory requirements, applicable guidelines and standards. This applies throughout the TSF life cycle including planning, design and construction, maintenance, decommissioning, rehabilitation and post-closure monitoring and maintenance.

Galaxy has one active TSF at Mt Cattlin. This TSF is an in-pit TSF, backfilling a completed mining pit. As such it has no raised embankment walls and presents a very low safety risk. Mt Cattlin also has a decommissioned surface TSF, which has been capped and is being utilised as a storage area for waste rock.

In 2012, Galaxy acquired Lithium One Inc., which included an historic tailings and waste rock facility in the James Bay and Northern Québec Agreement region. In order to commence remediation of these areas, we are in the process of obtaining approvals and finalising detailed engineering. Following receipt of approvals, remediation work will be undertaken to ensure the site is environmentally safe for future generations. As a part of this process, we are consulting with the Cree Nation of Waswanipi. Detailed engineering plans and specifications for the remediation works will be developed throughout 2021.

Further disclosure information on our TSFs can be found in Appendix 1.

WATER STEWARDSHIP MT

Related UN SDGs	6 CLEAN WATER AND SANITATION
Sustainability Targets	Adopt a water intensity metric and set future reduction targets.
Key Outcome	Total water withdrawal 396,238 kL of which over 97% is classified category 3 water that cannot be used for other human or agricultural purposes.*

As the global population increases the demand for clean, potable water continues to climb. This in turn increases society’s interest in, and concern over, water security. Water security is a key risk to Galaxy’s business operations, a key concern for our communities and a material topic which we will continue to address as our projects develop.

Our approach to managing water resources varies from site to site, and depends on several factors including the water availability and technical, regulatory and competing requirements. We strive to recycle and re-use water (where safe and possible) within the mining process to minimise our water extraction and any release of mine-affected water to the environment.

During the year, a group standard for water stewardship was developed to ensure a consistent approach to defining the area of influence for water resources, undertaking water risk and impact assessments, mitigating water impacts and monitoring water withdrawal and consumption. In 2021, we propose to review the water usage data for our sites and develop a water intensity metric to develop future water reduction targets.

Across our operations, 396,238kL of water was withdrawn in 2020, of which over 97% is classified as category 3 water that cannot be used for any human or agricultural purposes without further treatment. Over 35% of this withdrawal is the hypersaline brine resource at Sal de Vida. Our water use data is provided in Appendix 1.

*We use the ICMM “A practical guide to consistent water reporting” and Minerals Council of Australia “Water Accounting Framework” to standardise water reporting across the group.

James Bay

Remote water supply

The James Bay project is located in an isolated environment with an abundant water supply. In response, Galaxy plans to develop a well-field as our project water source, which is the most sustainable, low emission water option available. Baseline and impact studies show overall anticipated project water use will have a negligible impact on overall water supply in the region. Project infrastructure was recently optimised during the value engineering stage and remains positioned to minimise impacts on the water catchment. Our goal is to reuse water as much as possible. We have completed geotechnical studies on the new waste pile locations to ensure ground water resources are not significantly impacted. Maintaining clean water and minimising ground water disturbance is critical to protecting the surrounding environment.

Sal de Vida

Water protection

Brine is extracted from a production well as part of the trial and this increased in 2020 due to intensified pilot testwork. A total of 147,420 kL of brine was extracted in 2020.

Water for processing activities and auxiliary services is extracted from a water well installed by Galaxy and from the Los Patos River. Previously, water was sourced from a tank within a nearby community however this was changed in 2020 in recognition of the daily truck impact on the community and the community's need for additional water during COVID-19.

In 2020, the operation used more non-brine water than in 2019 due to the pilot plant operations, the lining of the evaporation ponds, construction of the pilot plant, and modernisation of the mining camp. The increased number of workers on site resulted in increased water consumption by the workforce.

Underground and surface water sampling and stream flow measurements along the Los Patos River continued during 2020. This monitoring showed that the Galaxy withdrawal had negligible impact on the local water resources.

A reverse osmosis modular plant was installed at the mine campsite and is planned to be operational in early 2021. This will produce demineralised and potable water for human consumption.

Mt Cattlin





Combating water scarcity

Mt Cattlin has a dry Mediterranean climate where average rainfall is below 430 mm per annum with 75% of the rainfall occurring between March and October. Galaxy addresses water scarcity by collecting rainwater in 450 cubic metre tanks and using it as part of the site water supply. Processing water is sourced from in-pit dewatering, a groundwater borefield plus rainfall. Water is recycled through the process and there is no water discharge from site. Water use decreased in 2020 reflecting reduced spodumene concentrate production.



Water sampling from Los Patos River

BIODIVERSITY MT

 Related UN SDGs	15 LIFE ON LAND 		
 Sustainability Targets	Biodiversity Action Plans developed for each site.		
 Key Outcome	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">Land rehabilitated 6ha</td> <td style="width: 50%; padding: 5px;">Net reduction in disturbed land</td> </tr> </table>	Land rehabilitated 6ha	Net reduction in disturbed land
Land rehabilitated 6ha	Net reduction in disturbed land		

Land clearing is a fundamental pressure on the environment. Galaxy seeks to avoid and minimise biodiversity loss and land disturbance, while continually improving our biodiversity management practices.

As part of environmental impact and project feasibility studies, we assess the biodiversity importance of an area, quantify our potential impacts on biodiversity and apply the mitigation hierarchy of avoidance, minimisation, rehabilitation and offsets. None of our projects are in World Heritage sites and we respect legally designated protected areas.

Land Disturbance During 2020	Hectares
Land newly disturbed	4
Land newly rehabilitated	6
Total disturbed area at end 2020	351

Note: land disturbed includes all areas of disturbance including areas covered by native vegetation, agriculture and salt pans.

Mt Cattlin

The Mt Cattlin project is located within the Fitzgerald Interim Biogeographic Regionalisation for Australia sub region with the project partly on land previously cleared for agriculture and partly on crown land and reserves with native vegetation. The project has minimised the clearing of native vegetation by preferentially locating infrastructure and waste rock landforms on previously cleared land.

During the year, Galaxy partnered with the local Ravensthorpe District High School to grow tube stock for the waste stockpile rehabilitation program. All seeds were grown from local species collected in the region and the students learnt about scientific methods, soil properties, seed collection processed and germination techniques. This is a project that Galaxy hopes to extend in future years, allowing the students to continue following the process, including rehabilitation and monitoring of selected sites.



James Bay

The James Bay project is characterised by numerous rolling hills and valleys containing peat bogs, and terrestrial communities composed mainly of jack pine and heaths. The area has been heavily impacted by fires over the past 10 years. Twenty seven of the plant species present at the site are used by the Cree Nation of Eastmain. Three large species of mammals are likely to frequent the area, and 20 small terrestrial wildlife species are potentially present. Of the biological components assessed, only the vegetation (including wetlands) would be moderately affected by impacts resulting from Galaxy's project. All environmental impacts on other biological environment components are minor.

During the design phase of the project, the site layout was revised to keep all structures close together and within the watershed (catchment) to minimise the environmental impact. In doing so, the footprint was reduced by 45% compared to the original design. Wherever possible the site layout has been designed to use previously cleared areas and avoid wooded areas. During the year, more field data was collected for background soil content evaluation and the vegetation inventory was completed.

In 2021, soil sampling will continue and the background soil content evaluation will be completed. This will be used to plan soil handling, storage and restoration requirements to maximise rehabilitation success at the end of the mine life.

Sal de Vida

Sal de Vida is located in the Puna Ecoregion and the surrounding High Andean Ecoregion. This area is characterised by high solar radiation, significant temperature ranges, low rainfall, strong winds and highly saline soils.

In 2020, Galaxy undertook a biodiversity campaign for use in project design and impact assessment. The direct influence area of the project is on the salar which has low biodiversity values, and as such the work is focused on mitigating any indirect impacts to the Los Patos river which flows through the site and its downstream basin.

Fauna monitoring was conducted using drones, focusing on the delta and riparian area of Los Patos basin. Further targeted monitoring is proposed for 2021. The results of the biodiversity assessments will be utilised to further develop the project design and minimise any off-site environmental impacts.

Aerial view of the Los Patos river delta downstream of the Sal de Vida site



PEOPLE FOCUS



 Related UN SDGs	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> 4 <small>QUALITY EDUCATION</small>  </div> <div style="text-align: center;"> 5 <small>GENDER EQUALITY</small>  </div> <div style="text-align: center;"> 8 <small>DECENT WORK AND ECONOMIC GROWTH</small>  </div> </div>		
 Sustainability Targets	<ul style="list-style-type: none"> • Greater than 25% women employed across the Company and 15% in Senior Executive levels in 2021. A 30% proportion of women Directors by 2022. • Maintain over 70% local employment. 		
 Key Outcome	200 employees	22% female employees	>80% local employees

Galaxy strives to attract, develop and retain quality people who are committed to the Galaxy Values and achieving the Company’s corporate objectives.

At the end of 2020 Galaxy had 200 employees and on average 178 contractors taking our total workforce to 378 across our three sites. Wherever possible we seek to employ people from local communities or reside our staff within communities, with over 80% of our employees being local hires.

Diversity and Inclusion

Galaxy values workplace diversity and is committed to achieving diversity throughout the organisation including but not limited to gender, age, ethnicity and cultural background. The Company strives to provide an inclusive and flexible work environment allowing all employees to reach their full potential.

In 2019, the Company implemented a flexible work policy across our operations. These flexible work arrangements have continued to be supported and extended throughout 2020.

Measurable objectives have been set for achieving gender diversity and our progress towards achieving them is as follows. In 2020, we have fell short of our gender diversity objectives for Senior Executive and overall proportion of women employed across the Company, however we will continue to seek opportunities to meet our targets in 2021.

Objective	Target 2020	Actual 2020
Proportion of women Directors	30% ¹	16.7%
Proportion of women employed in Senior Executive ² roles	15%	14.3%
Proportion of women employed across the Company	25%	22%

¹ The Company aims to achieve this target by the end of 2022

² “Senior Executive” is defined to mean the Chief Executive Officer and their direct reports.

Galaxy’s Diversity Policy can be found in the Corporate Governance section of Galaxy’s website at www.gxy.com.

Sal de Vida 23% average female participation
 compared to 10% national average

Capability and professional development

At Galaxy, all employees are encouraged to develop their careers and there is a broad range of on-the-job opportunities to achieve this. The Company supports training, membership of professional associations and further education. All employees are set performance and development plans each year and have formal reviews with their managers twice yearly to ensure the plans are on track.

Our focus is also on providing employment options for local communities. At Sal de Vida upskilling programs are underway with local communities to equip them with the necessary skills to gain employment with Galaxy as the project advances to construction and production. In 2020, we conducted job preparation workshops to improve the skills of local workers attracting over 140 attendees.

In addition to the jobs skilling program, we ran a virtual training course called "Development of Entrepreneurs" with more than 120 people participated in the course from different localities in Antofagasta de la Sierra. This course provided the attendees with tools to design and implement self-sustaining businesses. The initiative will benefit Galaxy from the formation of new local suppliers for goods and services.

Through 2020 we continued to develop the 'Completion of Education' program in conjunction with the Catamarca Education Ministry. The program assists workers who have not had the opportunity to complete their primary and secondary studies, and in future this will be extended to local community members.

Discrimination and harassment

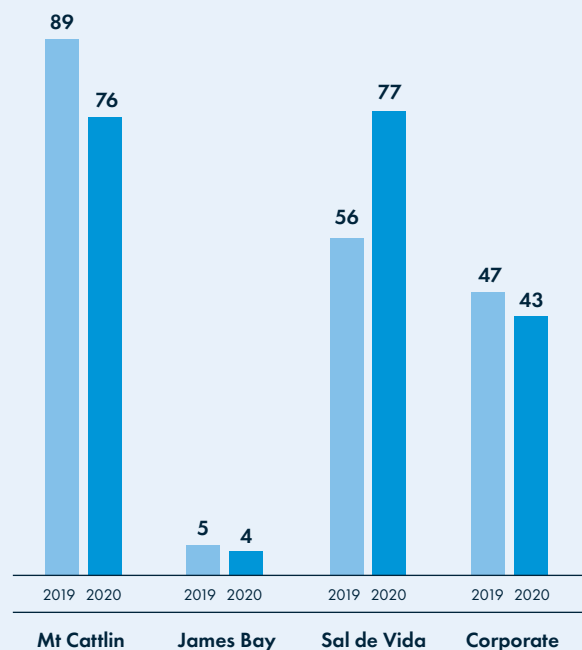
Through Galaxy's Equal Employment Opportunity and Harassment Policy, the Company is committed to providing a workplace free of discrimination and harassment. This applies to all persons regardless of gender, sexual orientation, family status, pregnancy, family responsibilities, race, impairment, political or religious conviction, age and gender history. All employees and contractors are inducted in this policy through the onboarding process.

Galaxy's Equal Employment Opportunity and Harassment Policy can be found in the Corporate Governance section of Galaxy's website at www.gxy.com.

Workforce profile

Contractors make up approximately half of our workforce. This is mainly in the provision of earthmoving services at Mt Cattlin. 95% of employees are on permanent employee contracts. There are no collective bargaining agreements in place for any employees.

Employee Locations*



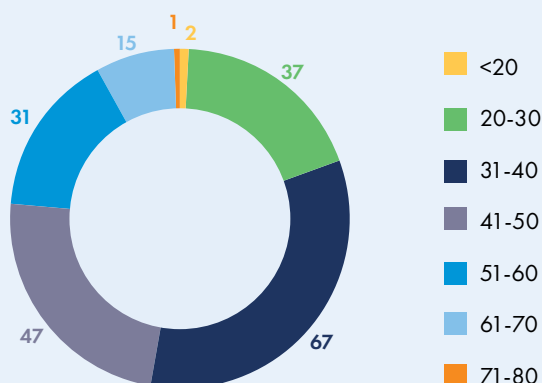
*Does not include contractors

22%
female employees

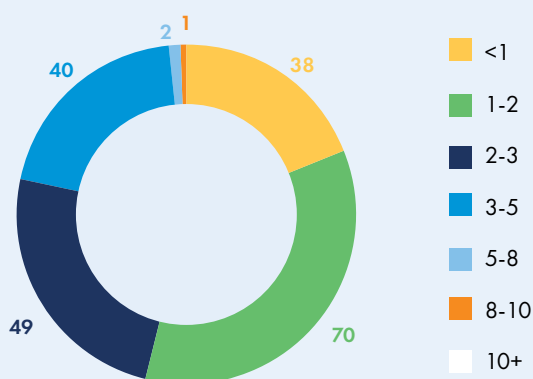
80%
local hire

54%
in first 2 years of employment

Employee Age



Employee Years of Service



Mt Cattlin local hire success

In 2019 a “hire local philosophy” was implemented at Mt Cattlin with the objective to hire local employees where possible. Site workers are encouraged to live and work in the Ravensthorpe community and, by employing locally, Galaxy can be a more active part of the region and provide residents with an opportunity to access the jobs we create. Where a local resident is not able to fill a role, we offer the successful candidate a relocation package to join the community.

Employee Profile



Keith Muller
General Manager – Mt Cattlin

My journey with Galaxy started in April 2019 when I accepted a position based at the Mt Cattlin project. Following my appointment, I relocated myself, wife and two children to the South West Region. Upon arrival, we found ourselves instantly at home, with historic buildings lining Main Street, a magnificent coastline, the welcoming locals greeting us like friends, and the modest cafes serving up “homemade” everything.

I began my role at the Mt Cattlin operation, located 2 km from the town centre of Ravensthorpe. I quickly identified that this mineral-rich town had a history of mining companies and people coming to and leaving the region and that we needed to focus on our community engagement to ensure sustainability. Galaxy shared this vision and, with the Company’s support, we worked on developing a community program that would leave a positive legacy through tangible long-term benefits in the community.

Galaxy also recognises that the mining industry can have significant economic, social and environmental impacts on the local communities. So, we have strived to affect Ravensthorpe and the surrounding communities positively and build on existing resources. In 2020 our community program was recognised as a top-three finalist in the AMEC Community Contribution Award.

I intend to be a long-term member of the community and with Galaxy, I am committed to its future.

SOCIAL RESPONSIBILITY



COMMUNITY ENGAGEMENT

 <p>Related UN SDGs</p>	<p>4 QUALITY EDUCATION</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 
 <p>Sustainability Targets</p>	<p>No material adverse occupational health, injury, environmental or community incidents.</p>		
 <p>Key Outcome</p>	<p>Zero grievances</p>	<p>Zero incidents impacting community</p>	<p>Social baseline and perceptions study completed for Sal de Vida</p>

At Galaxy, we undertake regular, transparent engagements with our nearby communities. This engagement is aimed at ensuring local stakeholders have a clear and current awareness of the Company’s activities. We work closely with local communities to minimise any adverse impacts arising from our operations.

Mt Cattlin

Since the commencement of the Mt Cattlin operations, we have worked to establish enduring relationships built on mutual respect and long-term commitments.

We established the Mt Cattlin Community Consultation Group (“**CCG**”) comprising nine members, seven from the Ravensthorpe community and two from the Galaxy management team. CCG meetings are held quarterly, and community members are encouraged to ask questions and raise any concerns or issues about our operations. Information gained from these meetings allows us to address community concerns and implement new initiatives.

In further recognition of the importance of working with the community, Galaxy also holds an annual “Afternoon with Galaxy” event in Ravensthorpe to show our appreciation to the town. The event is run by Galaxy volunteers from both our corporate office and mine site. Local families can enjoy site tours and entertainment including food, games, competitions and Scitech demonstrations. This is one of the biggest events for the town and welcomes over 400 people each year.

James Bay

Community and stakeholder engagement switched to virtual communication due to the COVID-19 pandemic. Virtual calls and consultation activities were completed with the Cree Nation of Eastmain, Waswanipi and Waskaganish, as well as email and phone updates with the Cree Nation Government and other project stakeholders.

Galaxy representatives were invited to speak at the Cree Women of Eeyou Istchee Annual General Meeting with hundreds of attendees from nine different communities throughout the James Bay region. We also hosted a virtual female focus group session in Eastmain to ensure equal opportunity for the community to express concerns and discuss any necessary mitigation measures with respect to the project.

SOCIAL RESPONSIBILITY

Employee Profile



Raymond Shanoush Community Liaison Officer – James Bay

I grew up in the Cree community of Eastmain, with a current population of roughly 850 people, on the east coast of James Bay at the heart of Eeyou Istchee. It is a community rich in culture and traditions that are still practiced by members of all ages throughout the year.

I graduated from Heritage College in Gatineau in social science, and then worked as a police officer in the community of Chisasibi and Eastmain before moving on to University of Ottawa to study Psychology. I have always been an avid sportsman and played professional fastball in the USA. When I returned to Eastmain in 2003, I worked with the Cree Nation in a sports development role. I was also a councillor on the Board for the Cree Nation of Eastmain, managing environment, protected lands and land use, and have worked through the consultation process with various government agencies and proponents.

I am passionate about the Cree culture, environment, economic development and education.

I joined Galaxy in 2020 as the local Community Liaison Officer. My thoughts are that the project will have a lasting footprint which will have an impact on the community and the environment for generations to come. I can offer my voice to the community and region to better understand project impacts and be part of positive change with respect to mitigation and meaningful communication between Galaxy and the Cree Nation. I have a passion for my people and our way of life and wanted to be part of a team that fosters inclusion, mutual respect and develops lasting community relationships based on trust and transparency.

Sal De Vida

A social baseline and perceptions study was completed for the project site in 2020. The objectives of the study were to understand the social background of people within the influence area and how they could be affected by the proposed operations. The study identified that the region had undergone transformation in the past 20 years from cattle activity to mining and tourism and the benefits from mining are well recognised. While the study showed a high level of community recognition and support for Galaxy and the project, concerns of the local community included water scarcity, standard of living, employment and training opportunities. The information collected through this study will be utilised in social impact assessments and incorporated into project design, community engagement and development opportunities.

Galaxy's community office in Antofagasta coordinates all meetings, projects and community training and provides a support point for the workforce. The office has an open-door policy for the community, aimed at increasing communications about Galaxy's activities through increased engagement and dialogue. Community feedback indicates that opening the office in this location is perceived as positive, providing transparency and visibility within the community. Queries and comments from the local community are recorded by the Catamarca and Antofagasta de la Sierra offices. A grievance procedure is in place to respond and address all comments.



SOCIAL INVESTMENT

 <p>Related UN SDGs</p>	<p>4 QUALITY EDUCATION</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 	
 <p>Sustainability Targets</p>	<p>All community investment assessed using social investment framework.</p>			
 <p>Key Outcome</p>	<p>\$842,230 direct investment in community projects</p>	<p>Top 3 finalist in AMEC community award</p>		

As part of making a valuable contribution as community partners, Galaxy aims to support the development of diversified and resilient local economies that contribute to quality of life improvements that continue beyond the life of our operations.

Social investment pillars

Social investments are targeted in the following areas:

<p>Education and Employment</p> <p>Aiming to enhance human capability and social inclusion by increasing the number of people with access to quality education and vocational training.</p> 	<p>Environment</p> <p>Aiming to contribute to enduring environmental and social benefits through biodiversity conservation, water stewardship and climate change mitigation and adaptation.</p> 	<p>Health and Wellbeing</p> <p>Aiming to contribute to ensuring healthy lives and promote well-being at all ages.</p> 
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Our social investment principles

- **Transparency:** we act in an ethical manner in accordance with Galaxy’s Code of Conduct and all applicable laws and regulations. We interact with all stakeholders transparently to select, approve, implement and monitor social investment.
- **Mutual Benefit:** our social investments are of mutual interest to the communities and Galaxy.
- **Sustainable:** our focus is to obtain sustainable benefits in the mid and long term in an effort to reach as many people as possible. We also make our projects sustainable by transferring knowledge to the communities.
- **Area of Influence:** our priority is to positively impact our immediate neighbours and the regions in which we operate.
- **Partnerships:** we foster partnerships with NGOs and trustworthy institutions to plan, deploy and monitor our social investment.
- **Responsible investment allocation:** we allocate social investment in a responsible manner, within Galaxy’s policies, procedures and principles and ensure we verify and control its effectiveness.

SOCIAL RESPONSIBILITY

2020 Community contributions



Community Events

US\$39,250



Education and Development

US\$744,083



Environment

US\$43,733



Health and Wellbeing

US\$15,164

Progress on the Sal de Vida school buildings program

At the start of 2020 significant progress was made in the construction of the secondary school in El Peñón and the extension of the primary school in Antofagasta, although the works became sporadic due to COVID-19 restrictions. In December 2020 full works resumed for both projects. More than 90% of the El Peñón Secondary School work was completed and is expected to be finalised by the end of February 2021. Over 80% of the works for the Antofagasta de la Sierra Primary School was achieved and is expected to be completed in Q2 2021. The total spend on this program in 2020 was US\$740,000.



AMEC Finalist

Galaxy was a top 3 finalist in the Association of Mining & Exploration Companies ("AMEC") 2020 Community Contribution Award for its Pitch your Project initiative. The annual sponsorship program commenced in 2018 and provides the local community and not-for-profit groups an equal opportunity to apply for funding to support their community initiatives. All members of the local community are encouraged to take part in the program and Galaxy meets with all applicants. This engagement allows us to gain a greater understanding of what is important to the community and how we can best support them.

Galaxy assesses all applications to ensure they align with our social investment framework and the CCG's objectives. Over the last three years, Galaxy and the CCG have supported over 40 community projects, with a total contribution of over \$250,000. In 2020, key projects supported included the Hopetoun Community Resource Centre environmental workshops and the local arts group facility.

INDIGENOUS RELATIONS AND CULTURAL HERITAGE

Galaxy acknowledges the special connection that Indigenous peoples have with land and we seek to work together to build constructive and respectful relationships.

At locations where cultural heritage is identified, plans are implemented to ensure the protection of sites and to meet regulatory requirements. This is especially important when our projects are located on land traditionally owned by, adjacent to, or under customary use by Indigenous peoples.

James Bay

The James Bay project is located 130 km east of the Cree Nation of Eastmain community. Galaxy has developed a meaningful working relationship with the community and continues to work closely with the Cree Nation through the Environmental and Social Impact Assessment process.

All parties are committed to working in a transparent and mutually respectful manner throughout the ESIA process and moving forward into the future.

Mt Cattlin

The Mt Cattlin project is located in southwest Western Australia on Noongar country. Galaxy has a Heritage Agreement in place with the Wagyl Kaip and Southern Noongar Agreement Group. This agreement ensures activities are carried out in a manner that protects Aboriginal Sites and Aboriginal Objects to the greatest extent possible. It requires early consultation on possible works and where necessary site identifications surveys or site avoidance surveys are conducted.

Our 2020 cultural awareness training was rescheduled to early 2021 due to COVID-19.

Sal De Vida

Currently, the Kolla-Atacameña community of Antofalla is the only officially recognised originating community in Antofagasta de la Sierra area. Antofalla is located 80 km to the west of the Sal de Vida site. Sal de Vida is not included in the territory of this community and hence there are no specific agreements required. Regardless, the Sal de Vida team engage with the community as part of its stakeholder engagement programs.

During 2020, archaeological monitoring was undertaken through the planned road bypass of the site accommodation village. The majority of the survey area was considered of low archaeological sensitivity. One site was identified which will be avoided by the road design. In addition, all personnel will be trained on the protection of cultural goods and identification of historical remains.



WALKING OUT CEREMONY
A tradition that has been passed on for generations, one of first teachings to a young child the importance of culture and respect for mother nature.

ECONOMIC RESPONSIBILITY AND GOVERNANCE



ECONOMIC CONTRIBUTIONS

Galaxy's activities create direct and indirect economic benefits to countries and communities in which we operate. Wherever possible we aim to procure from within our local communities.

US\$19M Salaries, wages and benefits paid to employees

US\$63M Payments made to suppliers and contractors

US\$11M Government taxes and royalties

US\$'000	Operating Revenue	Payments to Employees*	Payments to Contractors**	Government***
Australia	55,293	15,285	50,310	3,059
Canada		805	1,657	
Argentina		3,034	11,498	8,360
Total	55,293	19,124	63,465	11,419

* Expenses for salary, wages and benefits

** Payments made to suppliers and contractors for the purchase of utilities, goods and services (operating and capital cost)

*** Total taxes borne and collected including income taxes, royalties, payroll tax and withholding taxes

Mt Cattlin 'source local' philosophy

Following the success of our "hire local philosophy" we turned our attention to supporting the local economy with a "source local philosophy." Our procurement team is focussed on sourcing locally where possible to support local businesses and the social and economic sustainability of the community. Local food, accommodation and transport services are some of the main industries that benefit from our operations. Our need for these services increases local revenue and supports local job creation and individual spending power. An example of Galaxy sourcing local is the establishment of accommodation and catering agreements at the Palace Hotel in Ravensthorpe.

22% local suppliers

19% of total procurement spend

Over \$17m total local procurement expenditure

At Sal de Vida over 50%
of our suppliers come from the Catamarca Province

ECONOMIC RESPONSIBILITY AND GOVERNANCE

Governance

The Board and senior management team are committed to upholding the highest standards of corporate governance, including compliance with the 4th edition of the ASX Corporate Governance Principles and Recommendations. Further information is set out in Galaxy's Corporate Governance Statement for the year ended 31 December 2020 which can be found in the Corporate Governance section of Galaxy's website at www.gxy.com.

The Board oversees Galaxy's sustainability objectives and its HSEC Committee assists the Board in its oversight and review of HSEC responsibilities. The HSEC Committee met twice in 2020. Topics of discussion included climate change, safety performance and management systems, updated Health and Safety legislation in Western Australia and COVID-19 responses. The Board's Audit and Risk Committee also has responsibility to assist with governance and risk management oversight.

During 2020, Galaxy released a revised HSEC Committee Charter and Audit & Risk Committee Charter. Amendments were made to these Charters to reflect the Company's evolving approach to sustainability and climate change.

The HSEC Committee Charter and Audit & Risk Committee Charter are both located in the Corporate Governance section of the Company's website www.gxy.com together with a copy of the Annual Report which provides further detail on the Board and Board committees.

Galaxy entities

A list of all entities in the Group is included in the Galaxy Annual Report. All entities are covered by the Annual Report and this Report.

Risk management

Galaxy recognises that all aspects of the business involve threats and opportunities. The successful management of these threats and opportunities requires a structured, pre-emptive, and participative approach to their identification, understanding and control. This enables management of all sources of risk in a proactive and effective manner that provides protection to our people, communities, and the environment.

Galaxy appreciates that risk management, compliance and control are key elements of good corporate governance. The Board is responsible for reviewing and approving our risk management strategy, policy, and key risk parameters, including determining appetite for major investment decisions. Galaxy has established a risk management policy, standard and management plans (consistent with the International Standard for managing risk ISO31000:2018) to deliver on our risk management objectives.

We conduct regular risk assessments across the organisation using approved criteria from the Risk Standard to identify risks, understand causes and impacts, determine controls, and evaluate tolerability of the residual risk. A significant number of these risks and opportunities are dependent on, or affected by, second and third party activity – be it government, contractors, suppliers or regional communities. Therefore, a key component of the Company's approach to risk and opportunity management lies in regular and proactive engagement with third parties.

Galaxy remains committed to effectively managing the risks associated with our activities whilst capitalising on opportunities to deliver on our corporate objectives including in the areas of health and safety, environment and social and cultural impacts.



ETHICS AND INTEGRITY

Code of conduct

At Galaxy, we are committed to conducting our business activities fairly, honestly, with integrity and in compliance with applicable laws. It is the responsibility of all our people to ensure ethical conduct is recognised and valued throughout Galaxy. Our Code of Conduct sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour we expect. These behaviours are underpinned by our Values and reflect the expectations of our customers, investors, regulators and the community.

During 2020, we released a revised Code of Conduct. Key amendments to the Code included the following:

- Inclusion of Galaxy's Values which underpin our work culture and how we work together to achieve our objective to create a sustainable, large scale, global lithium chemicals business to power the future.
- A clear articulation of who the Code applies to which includes all Directors, employees, contractors, subsidiaries, suppliers and any joint venture companies in which we have an interest.
- A greater emphasis on our approach to anti-bribery and corruption, the communities in which we operate and sustainability.
- Introduction of the concept of external communications and social media protocols.
- The requirement for Galaxy personnel to undertake training on the Code upon commencement of employment and then an annual refresher.

Overall, the Code of Conduct brings together key elements of our framework of policies, procedures and standards which collectively outline our expectations about how our people are to behave and conduct themselves when working for Galaxy. Compliance with the Code of Conduct and our policies, procedures and standards is a condition of working for, or with, Galaxy.

During 2020, Code of Conduct training was conducted as part of the broader corporate compliance training referred to below.

The Code of Conduct is located in the Corporate Governance section of the Company's website www.gxy.com

Corporate compliance training

During 2020 we implemented an online corporate compliance training package which is an important tool through which Galaxy employees can learn about the key compliance expectations contained in our policies. The training package comprises three modules and provides education on the following areas:

- anti-Bribery and Corruption;
- Code of Conduct; and
- other important Galaxy policies (including our Privacy Policy, Human Rights Policy, Whistleblowing Policy).

Completion of this training is mandatory for all Galaxy employees who are required to undertake it on an annual basis. Completion of the training also forms part of the induction process for new employees.

During 2020, 168 Galaxy employees completed the corporate compliance training.

ECONOMIC RESPONSIBILITY AND GOVERNANCE

Anti-bribery and corruption and whistleblowing

At Galaxy we pride ourselves on, and greatly value our reputation for, acting with integrity and honesty wherever we do business around the world. All Galaxy employees and all those who represent or are associated with the Company are required to conduct Galaxy business in a manner which complies with the laws and standards of behaviour prescribed by the jurisdictions in which we operate.

Our Anti-Bribery and Corruption Policy sets out the anti-bribery and corruption commitments of Galaxy. Through our Board and senior management, Galaxy is committed to:

- A zero-tolerance approach to bribery and corruption. Bribery and corruption are never acceptable by or on behalf of Galaxy and we will not tolerate them in our business or by those we do business with.
- Acting fairly, honestly, openly and in an ethical manner in all our business dealings and relationships wherever we operate.
- Upholding applicable national and international laws and regulations relevant to countering bribery and corruption wherever we operate.
- Maintaining accurate and proper books, records and financial reporting. These must be transparent and must accurately reflect each of the underlying transactions.
- Implementing and enforcing effective systems within Galaxy, including mandatory training, to counter the risk of bribery and corruption and to comply with our obligations to maintain accurate books and records.

A revised Whistleblowing Policy was released in 2020 to ensure compliance with legislative changes. The Policy sets out the procedure our people can follow if they suspect wrongdoing, unethical conduct or dangers at work which may affect others. This policy applies to every individual working in or with Galaxy, at any level or grade, wherever located.

We encourage our people to raise any concerns that they may have as soon as possible. For this purpose, we have established a whistleblower service where reports of suspected bribery or corruption can be made anonymously. This service is advertised across our sites to encourage our people to utilise the service.

During 2020, anti-bribery and corruption and whistleblowing training sessions were conducted as part of the broader corporate compliance training referred to below.

Galaxy's Anti-Bribery and Corruption Policy and Whistleblower Policy can be found in the Corporate Governance section of Galaxy's website at www.gxy.com.

HUMAN RIGHTS

Galaxy believes that all people should be treated with dignity and respect, and it is committed to respecting the human rights of all individuals impacted by Galaxy's operations.

In 2019 Galaxy adopted a Human Rights Policy to articulate the Company's commitment to respecting human rights. Galaxy respects and supports human rights as set out in the Universal Declaration of Human Rights and the fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. We seek to minimise any adverse impacts on the human rights of our stakeholders which may arise from our activities.

Galaxy's Human Rights Policy can be found in the Corporate Governance section of Galaxy's website at www.gxy.com.

Modern slavery

Galaxy has not yet triggered the reporting threshold under the *Modern Slavery Act 2018* (Cth).

However, we recognise modern slavery as a global concern and are committed to developing processes to identify and remove possible modern slavery risks related to our business transactions.

In 2020, we developed a process to identify higher risk suppliers and plan to roll this out through our procurement process in 2021.

Galaxy's commitments regarding Modern Slavery are contained in its Human Rights Policy which can be found in the Corporate Governance section of Galaxy's website at www.gxy.com.

APPENDIX 1 DATA TABLES

Safety injury data tables

	2020	2019	2018
Exposure Hours	746,175	898,231	850,188
Av. Daily No. of Personnel on site	234	290	247
Lost Time Injury Frequency Rate	1.34	1.11	1.18
Total Recordable Injury Frequency Rate	9.38	14.5	12.9
All Injury Frequency Rate	60.31	69.0	58.8
Fatalities	0	0	0
Lost Time Injuries	1	1	1
Restricted Work Injuries	1	8	10
Medical Treatment Injuries	5	4	0
First Aid Injuries	38	49	39
All Injuries	45	62	50

Greenhouse gas emission tables

Energy Produced and Energy Consumed (Gigajoules)

	Total Energy Consumed	Net Energy Consumed	Energy Produced
Australia; Mt Cattlin and Head Office	459,326	393,220	66,106
Canada; James Bay and Montreal Offices	64.6	64.6	0
Argentina; Sal de Vida and Catamarca Office	22,957	20,545	2,412
Total	482,347.6	413,829.6	68,518

Greenhouse Gas Emissions (Tonnes CO₂e)

	Scope 1	Scope 2	Total
Australia; Mt Cattlin and Head Office	27,307	68.9	27,375.9
Canada; James Bay and Montreal Offices	2.1	1.7	3.8
Argentina; Sal de Vida and Catamarca Office	1,429	20.7	1,449.7
Total	28,738	91.2	28,829.4

APPENDIX 1 DATA TABLES

Greenhouse Gas Emissions and Energy Values – Mt Cattlin Operations

Source/Fuel	Amount	Unit	GHG (tonne CO ₂ e)	Energy Consumed (GJ)	Energy Produced (GJ)
Diesel (Electricity) ¹	4,669	kL	12,652	180,232	-
Diesel (Transport) ²	220	kL	598	8,487	-
Diesel (Non-Transport) ³	5,168	kL	14,003	199,469	-
Lubricating Oils ⁴	97.1	kL	52.4	3,768	-
Greases ⁴	9.87	kL	1.34	383	-
Non-lubricant Fluid Oils ⁴	0.075	kL	-	2.91	-
Electricity Produced	18,363	MWh	-	-	66,106
Electricity Consumed	66,106	GJ	-	66,106	-
Renewable Electricity Generation	138	MWh	-	497	-
Diesel spilled	0.42	kL	-	16.2	-
SF ₆ ⁵	3.62	kg stock	0.757	-	-
Total			27,307	458,961	66,106

1 Electricity use included all diesel used at the main power station.

2 Transport use included light vehicles.

3 As consumption records were below the invoiced delivered amount, the remaining unallocated fuel was assigned to non-transport use.

4 Purchases of minor hydrocarbons (oils and greases) were provided and oils were split into lubricating oils (which are partially combusted through use) and fluid oils (not combusted) based on the oil type and use.

5 Sulphur hexafluoride stock in switchgear and circuit breakers was identified, and emissions were estimated using Method 1, which uses the default leakage rate from the Determination.

Water

We use the ICMM “A practical guide to consistent water reporting” and Minerals Council of Australia “Water Accounting Framework” to standardise water reporting across the group.

Mt Cattlin

kL	Category 1 ¹	Category 2 ²	Category 3 ³
Surface ⁴	381	0	0
Ground ⁵	0	0	168,554
Pit	0	0	67,557
Seawater ⁶	0	0	0
3rd Party ⁷	0	0	0
Total	381	0	236,111

Sal da Vida

kL	Category 1¹	Category 2²	Category 3³
Surface ⁴	416	4,040	0
Ground ⁵	0	1,790	153,440
Seawater ⁶	0	0	0
3rd Party ⁷	0	0	0
Total	416	5,830	153,440

James Bay

kL	Category 1¹	Category 2²	Category 3³
Surface ⁴	0	60	0
Ground ⁵	0	0	0
Seawater ⁶	0	0	0
3rd Party ⁷	0	0	0
Total	0	60	0

1 Category 1: Water close to drinking standards. It requires only minimum treatment (disinfection) to be safe for human consumption. It can be used for all purposes. <1000mg/l TDS.

2 Category 2: Water that requires treatment to remove total dissolved solids and to adjust other parameters to be safe for human consumption. It can be used for many agricultural and recreational purposes. 1001 – 5000mg/l TDS.

3 Category 3: Hyper saline water that cannot be used for any agricultural purposes without removal of total dissolved solids. > 5000mg/l TDS.

4 Surface: Rainwater collected, and water extracted from lakes, rivers, and dams

5 Ground: Water extracted (abstracted) from wells & bores

6 Seawater: Water extracted from oceans, estuaries, inlets, other bodies directly connected and adjacent to the sea

7 3rd Party: Water obtained from municipal or other reticulated distribution systems or reservoirs

APPENDIX 1 DATA TABLES

Tailings Dam disclosure

"Tailings Dam" Name/identifier		Mt Cattlin - TSF	Mt Cattlin – in-pit TSF
1.	Location (coordinates)	223,000 mE, 6,283,000mN (MGA)	224,500 mE, 6,282,500mN (MGA)
2.	Ownership	Owned and operated	Owned and operated
3.	Status	Closed	Active
4.	Date of Initial Operation	2010	2019
5.	Is the Dam currently operated or closed as per currently approved design?	Yes	Yes
6.	Raising Method	Upstream	N/A
7.	Current Maximum Height	22 m	N/A
8.	Current Tailings Storage Impoundment Volume	863,037 m3	372,113 m3
9.	Planned Tailings Storage Impoundment Volume in 5 years' time.	863,037 m3	600,000 m3
10.	Most recent Independent Expert Review	August 2019	November 2020
11.	Do you have full and complete relevant engineering records including design, construction, operation, maintenance and/or closure?	Yes	Yes
12.	What is your hazard categorisation of this facility, based on consequence of failure?	Category 1 (DMIRS)	Category 3 (DMIRS)
13.	What guideline do you follow for the classification system?	DMIRS	DMIRS
14.	Has this facility, at any point in its history, failed to be confirmed or certified as stable, or experienced notable stability concerns, as identified by an independent engineer (even if later certified as stable by the same or a different firm).	No	No
15.	Do you have internal/in house engineering specialist oversight of this facility? Or do you have external engineering support for this purpose?	Internal & External	Internal & External
16.	Has a formal analysis of the downstream impact on communities, ecosystems and critical infrastructure in the event of catastrophic failure been undertaken and to reflect final conditions? If so, when did this assessment take place?	No. Based on risk assessment undertaken. No downstream communities, ecosystems or critical infrastructure.	No. Based on risk assessment undertaken. In-pit TSF, no downstream communities, ecosystems or critical infrastructure.
17.	Is there a) a closure plan in place for this dam, and b) does it include long term monitoring?	Yes	Yes
18.	Have you, or do you plan to assess your tailings facilities against the impact of more regular extreme weather events as a result of climate change, e.g. over the next two years?	Planned, as part of climate change physical risk assessments	Planned, as part of climate change physical risk assessments
19.	Any other relevant information and supporting No documentation.	No	No

APPENDIX 2 GRI INDEX

Disclosure		Chapter	Omission Statement where reporting requirements not fully met
1. Organisation profile			
102-1	Name of Organisation	Galaxy at a glance	
102-2	Activities, brands, products and services	Galaxy at a glance	
102-3	Location of headquarters	Galaxy at a glance	
102-4	Location of operations	Galaxy at a glance	
102-5	Ownership and legal form	Galaxy at a glance, Economic Responsibility & Governance	
102-6	Markets served	Galaxy at a glance, Economic Responsibility & Governance	Partially met. Customers and locations are not reported.
102-7	Scale of organisation	Galaxy at a glance, People Focus, Economic Responsibility & Governance, Environmental Stewardship	Partially met. Beneficial ownership is not reported.
102-8	Information on employees and other workers	People Focus, Social Responsibility	
102-9	Supply chain		Supply chain has been excluded from the scope.
102-10	Significant changes to the organisation and its supply chain	Galaxy at a glance	
102-11	Precautionary Principle or approach	Sustainability Framework, Economic Responsibility & Governance, Environmental Stewardship	
102-12	External initiatives	Social Responsibility	
102-13	Membership of associations	Economic Responsibility & Governance	
2. Strategy			
102-14	Statement from senior decision-maker	Message from CEO	
3. Ethics and integrity			
102-16	Values, principles, standards and norms of behaviour	Galaxy at a glance, Economic Responsibility & Governance	
4. Governance			
102-18	Governance structure	Economic Responsibility & Governance	Partially met. More detail on governance structure is reported in Annual Report.

APPENDIX 2 GRI INDEX

Disclosure		Chapter	Omission Statement where reporting requirements not fully met
5. Stakeholder engagement			
102-40	List of stakeholder groups	Our Focus	
102-41	Collective bargaining agreements	People Focus	
102-42	Identifying and selecting stakeholders	Our Focus	
102-43	Approach to stakeholder engagement	Our Focus, Social Responsibility	
102-44	Key topics and concerns raised	Our Focus, Social Responsibility	
6. Reporting practice			
102-45	Entities included in the consolidated financial statements		This detail is covered in the Annual Report.
102-46	Defining report content and topic boundaries	Our Focus	
102-47	List of material topics	Our Focus	
102-48	Restatements of information	Sustainability Framework	There are no restatements of information in previous reports.
102-49	Changes in reporting	Our Focus	
102-50	Reporting period	Our Focus	
102-51	Date of most recent report	Our Focus	
102-52	Reporting cycle	Our Focus	
102-53	Contact point for questions regarding the report	Message from CEO	
102-54	Claims of reporting in accordance with GRI Standards	Our Focus	
102-55	GRI content index	Appendix Two	
102-56	External assurance		External Assurance has not been sought for this Report. This will be considered in future years.

GALAXY RESOURCES LIMITED
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