

**ASX ANNOUNCEMENT**

**ASX: GAL**

**19 February 2015**

## **RESIGNATION OF DIRECTORS**

It is with regret that Galicia Energy Corporation Ltd (GAL) has accepted the resignation of Mr Stuart Brown and Mr Robert Bensch, two long serving directors.

The combination of extremely poor market conditions coupled with continuing troubles in Ukraine, where the company has its main asset, has led to the company needing to drastically cut costs. Unfortunately this means reducing the number of Directors.

The Company has made significant cost reductions recently and anticipates making more over the coming weeks. These cost cutting initiatives will allow GAL to move forward more quickly with assessing the future direction for the company.

GAL would like to thank Messrs Brown and Bensch for their valuable input over the years and wishes them well for the future.

In addition, the Company confirms that it has reached a settlement agreement with Iskander relating to the deferred payment due under the agreement to acquire a 24% interest in the Bieszczady group of permits located onshore Poland.

Under the terms of the settlement agreement, the Company has agreed to pay Iskander US\$200,000 and each party has agreed to release each other from all future liabilities.

### **For more information:**

#### **Galicia Energy Limited**

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