



28 July 2016

## GENERAL MINING TAKEOVER OFFER UNCONDITIONAL

Galaxy Resources Limited (ASX:GXY) ("Galaxy") has today made its off-market takeover bid UNCONDITIONAL for all of the fully paid ordinary shares in General Mining Corporation Limited (ASX:GMM) ("General Mining") (which it does not already own) (Offer), freeing the Offer of all of the remaining defeating conditions.

Details of the Offer are set out in the bidder's statement dated 22 June 2016 (Bidder's Statement), first supplementary bidder's statement dated 13 July 2016 and second supplementary bidder's statement dated 22 July 2016, and as varied by notice dated 22 July 2016.

The Offer remains open until 5pm (WST) on 5 August 2016, and Galaxy urges General Mining shareholders to accept the Offer to convert their shareholding in General Mining to a shareholding in Galaxy at the ratio of 1.65 Galaxy shares for every 1 General Mining share.

Attached is a notice under section 650F of the Corporations Act 2001 (Cth) providing that all remaining defeating conditions have now been waived.

Galaxy's voting power in General Mining is 80.82% as at the date of this announcement.

Subject to Annexure A of the Bidder's Statement, Galaxy will issue Galaxy shares as soon as possible to General Mining shareholders who have accepted the Offer.

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For more information, please contact:

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#### About Galaxy (ASX: GXY)

Galaxy Resources Limited ("Galaxy") is a global lithium company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It owns the Mt Cattlin spodumene and tantalum project near Ravensthorpe in Western Australia and the James Bay lithium pegmatite project in Quebec, Canada.

Galaxy is advancing plans to develop the Sal de Vida lithium and potash brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of 60% of global lithium production. Sal de Vida has excellent potential as a low cost brine-based lithium carbonate production facility.

Lithium compounds are used in the manufacture of ceramics, glass, and consumer electronics and are an essential cathode material for long life lithium-ion batteries used in hybrid and electric vehicles, as well as mass energy storage systems. Galaxy is bullish about the global lithium demand outlook and is aiming to become a major producer of lithium products.

#### Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Galaxy.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

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.

#### Not For Release in US

This announcement has been prepared for publication in Australia and may not be released in the U.S. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements.

**GALAXY RESOURCES LIMITED (ACN 071 976 442)**  
**NOTICE TO FREE OFFER FROM CONDITIONS UNDER SECTION 650F**

- To:
1. General Mining Corporation Limited (ACN 125 721 075) (**General Mining**).
  2. ASX Limited (**ASX**).

**NOTICE THAT DEFEATING CONDITIONS TO TAKEOVER BID WAIVED**

This is a notice dated 28 July 2016 given by Galaxy Resources Limited (ACN 071 976 442) (**Galaxy**) in relation to the offer dated 28 June 2016 (as varied by notice dated 22 July 2016) made under its off-market takeover bid to acquire all of the issued shares of General Mining (which it does not already own) (**Offer**) pursuant to its bidder's statement dated 22 June 2016 (**Bidder's Statement**), first supplementary bidder's statement dated 13 July 2016 and second supplementary bidder's statement dated 22 July 2016.

Capitalised terms which are not defined in this notice have the meaning given to them in the Bidder's Statement.

Pursuant to Section 650F of the Corporations Act 2001 (Cth) (**Act**), Galaxy gives notice that the remaining defeating conditions set out in Section 1.9 of Annexure A of the Bidder's Statement have been waived (so the Offer has become free of those conditions) as follows:

- (a) section 1.9(a) – 90% minimum acceptance;
- (b) section 1.9(c) – no regulatory action;
- (c) section 1.9(d) – no material adverse change;
- (d) section 1.9(e) – no material acquisitions, disposals or new commitments;
- (e) section 1.9(f) – no material litigation;
- (f) section 1.9(g) – no prescribed occurrences;
- (g) section 1.9(h) – no change of control rights; and
- (h) section 1.9(i) – non-existence of certain rights.

Accordingly, the Offer is now unconditional.

For the purposes of Section 650F(2)(b) of the Act, at the time of giving this notice, Galaxy's voting power in General Mining is 80.82%

Signed on behalf of Galaxy Resources Limited



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**Simon Robertson**  
**GALAXY RESOURCES LIMITED**