



22 July 2016

TAKEOVER OFFER UPDATE

Galaxy Resources (ASX:GXY) ("Galaxy" or "the Company") is pleased to announce that, as at 22 July 2016, it has received acceptances under its off-market takeover bid ("Offer") for 72.4% of the fully paid ordinary shares in General Mining Corporation Limited (ASX:GMM) ("GMM") (**Shares**), giving it a total relevant interest (allowing for the 6 million GMM Shares it already owns) of 74.3% in GMM's Shares.

The Offer was scheduled to close at 5pm (WST) on Friday 29 July 2016. Galaxy has today extended the closing date of the Offer to 5pm (WST) Friday 5 August 2016 unless otherwise extended.

Galaxy encourages all GMM Shareholders who have not accepted the Offer to take this opportunity to do so by completing the Acceptance Form that was enclosed with Galaxy's original Bidder's Statement and sending it to the address shown in the Acceptance Form. GMM Shareholders who hold their shares in a CHESS Holding may accept the Offer by instructing their Controlling Participant (usually a broker) to do so on their behalf. If you have any questions regarding the Offer, please call the Galaxy Offer Information Line on 1300 618 450 (toll free within Australia) or +61 3 9415 4014 (normal call charges apply) from outside Australia, or your professional financial advisor.

Attached to this announcement is a notice that varies the Offer under s650D of the Corporations Act to extend the closing date in accordance with section 650C of the Corporations Act and sets a new date for the giving of notice of the status of the conditions of the Offer in accordance with section 630(2) of the Corporations Act, being 29 July 2016 ("Notice"). Galaxy has today dispatched a copy of the Notice to all GMM Shareholders to whom the Offer was made.

--ENDS--

For more information, please contact:

Corporate

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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.



22 July 2016

Sam Sample
Sample Street 1
Sampletown 0000

Dear General Mining shareholder,

**GALAXY RESOURCES LIMITED'S OFF-MARKET TAKEOVER OFFER FOR GENERAL MINING CORPORATION LIMITED –
EXTENSION OF OFFER PERIOD**

Galaxy Resources Limited (ACN 071 976 442) (**Galaxy**) has extended the offer period under its off-market takeover offer for all of the ordinary shares in General Mining Corporation Limited (ACN 125 721 075) (**General Mining**) that it does not own (**Offer**).

The Offer was originally scheduled to close at 5.00pm (WST) on 29 July 2016 and is now scheduled to close at **5.00pm (WST) on Friday, 5 August 2016**. A formal notice of variation required by the *Corporations Act 2001* (Cth) is enclosed.

Yours faithfully

A handwritten signature in black ink, appearing to read "Simon Robertson".

Simon Robertson
Company Secretary

**NOTICE OF VARIATION - EXTENSION OF THE OFFER PERIOD
SECTIONS 650C, 650D & 630(2)(b) - CORPORATIONS ACT 2001 (CTH)**

**OFF-MARKET TAKEOVER OFFER BY GALAXY RESOURCES LIMITED FOR ALL OF THE ORDINARY
SHARES IN GENERAL MINING CORPORATION LIMITED**

- To:
1. General Mining Corporation Limited (ACN 125 721 075) (**General Mining**).
 2. Australian Securities and Investments Commission.
 3. Each person to whom offers were made under the takeover offer referred to in this notice.

Galaxy Resources Limited (ACN 071 976 442) (**Galaxy**) gives notice that the offers under its off-market takeover bid for all of the ordinary shares in General Mining (which it does not already own) (**Offer**), pursuant to its bidder's statement dated 22 June 2016 as amended by a first supplementary bidder's statement dated 14 July 2016 and second supplementary bidder's statement dated 21 July 2016 (the **Bidder's Statement**) is varied by extending the period during which the Offer will remain open so that the Offer will now close at 5:00pm (WST) on 5 August 2016 (unless further extended).

As a result of the extension of the Offer period, Galaxy gives notice under section 630(2)(b) of the *Corporations Act 2001* (Cth) (**Act**) that:

- (a) the new date for giving notice of the status of the conditions to the Offer, as required by subsection 630(1) of the Act, is 29 July 2016 (subject to any further extension in accordance with section 630(2) of the Act if the Offer is extended); and
- (b) other than condition (b) in Section 1.9 of Annexure A to the Bidder's Statement (whereby all General Mining Options have either been exercised or subject to private agreement cancelled), which was satisfied on 30 June 2016, as at the date of this notice, the Offer remains subject to all other defeating conditions set out in section 1.9 of Annexure A of the Bidder's Statement.

This notice is dated 22 July 2016.

A copy of this notice was lodged with ASIC on 22 July 2016. ASIC takes no responsibility for the contents of this notice.

EXECUTED by **GALAXY RESOURCES**)
LIMITED ACN 071 976 442)
by its duly authorised representative:)
)



Signature of Company Secretary

Simon Robertson

Name of Company Secretary