

Australia  
19 September 2016

## **MT CATTLIN COMMISSIONING UPDATE**

Galaxy Resources Limited (ASX: GXY) ("Galaxy" or the "Company") is pleased to provide the following update for its Mt Cattlin project in Ravensthorpe, Western Australia.

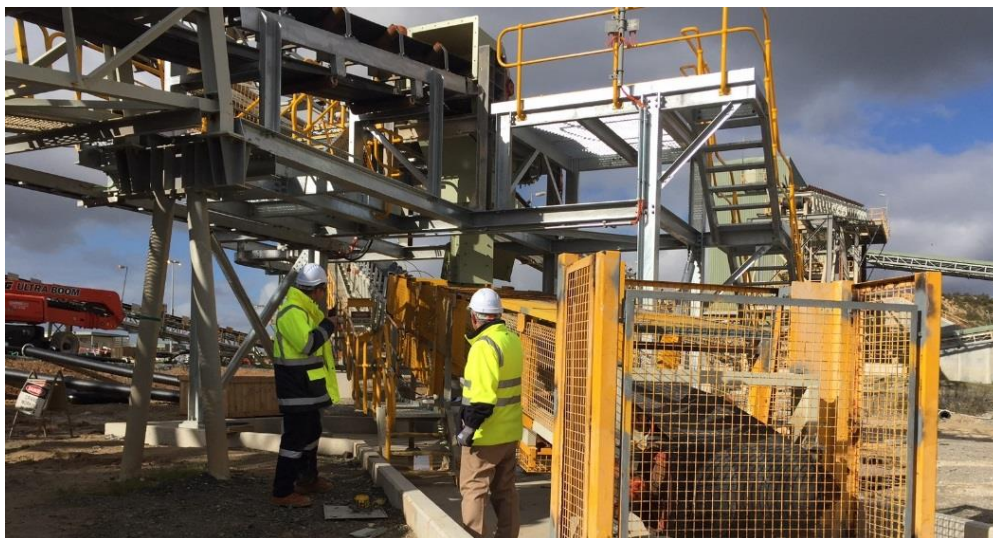
### **Commissioning Update**

As announced on 6 September 2016, after assuming full management control of Mt Cattlin following the successful takeover of General Mining, the Company engaged Primero Group ("Primero") as project managers for the final stages of construction, commissioning and ramp up of operations. Since taking over project management and after a complete review of the detailed planning, Primero has implemented an accelerated construction strategy to ensure the previously announced milestones are achieved. During the past week, Primero has commenced energisation and commissioning of the feed delivery, primary classification and water recovery circuits into the plant. Significant progress has been made on the timely and efficient completion of the feed preparation area of the process circuit.

Additional manpower has been mobilised to work in parallel on other areas of the plant. The primary focus of construction works now relate to the final modifications in the DMS circuit and this will be advanced in parallel with other process areas as works are completed and become available for commissioning.

### **Progress Update – Period Ending 17 September 2016**

- New process control system uploaded and installed
- Commenced dry sequence commissioning as planned 11 September
- Modified conveyors and feed system run in both manual and automated sequences
- Conveyors have been prepared, tracked and are now ready to receive feed



***Feed Conveyors Dry Commissioning***

- Fines classification building now 95% complete and being finalised for commissioning
- Tantalum concentration circuit now 95% complete and being finalised for commissioning
- New process water tank installed and tied into the existing water circuit
- Tailings thickener completed and ready to receive water for wet circuit commissioning
- Final procurement items received on site and prepared for installation



***Tantalum Concentration Circuit***

**Planned Milestones – Period Ending 1 October 2016**

- Continue dry sequence commissioning
- Complete construction of the fines classification and tantalum concentration circuits
- Commence wet commissioning of the fines classification and tantalum concentration circuits
- Complete construction of the reflux classification circuit to prepare for commissioning

The previously announced milestones remain on schedule.

**--ENDS--**



For more information, please contact:

**Corporate**

Nick Rowley  
Director – Corporate Development  
+61 (8) 9215 1700  
nick.rowley@galaxylithium.com

**Media Enquiries (Australia)**

John Gardner  
Citadel-MAGNUS  
+61 413 355 997 or +61 (8) 6160 4901  
jgardner@citadelmagnus.com

**Media Enquiries (International)**

Heidi So  
Strategic Financial Relations Ltd  
+852 2864 4826  
heidi.so@sprg.com.hk

**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.

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