



13 March 2009

Company Announcements Office
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Via: www.asxonline.com

Dear Sir/Madam,

Presentation to AMEC Investor Briefing

Galaxy Resources Limited (ASX: GXY) are pleased to provide the presentation being given by the Managing Director to the AMEC Investor Briefing on Saturday, 14 March 2009.

Yours faithfully,
for **GALAXY RESOURCES LTD**

John Sobolewski
Company Secretary



MEETING A LITHIUM FUTURE

Galaxy Resources Limited

By Iggy Tan
Managing Director

The following presentation represents Galaxy's management's best judgment at the time of presentation. The contents include forward looking statements prepared on the basis of assumptions which may prove to be incorrect. This presentation should not be relied upon as recommendation or forecast by Galaxy Resources Limited. No representation or warranty is made as to accuracy, completeness or reliability of the information

The information in this report that relates to Mineral Resources and Ore Reserves is based on information compiled by Mr. Robert Spiers who is a full time employee of Hellman & Schofield Pty Ltd and who is a Member of the Australian Institute of Geoscientists. Mr. Spiers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Spiers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results is based on information compiled by Mr Philip Tornatora who is a full time employee of the Company and who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Tornatora has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

GALAXY RESOURCES LIMITED



- ◆ Australian Company
- ◆ Listed on the Australian Stock Exchange 2006
- ◆ Specialty Minerals Producer
- ◆ Experienced Management Team
- ◆ Lithium Expertise
- ◆ Offering battery grade Lithium Carbonate and Lithium Hydroxide supply commencing 2011
- ◆ Available supply of 15,000 tpa LCE



ORACLE FROM OMAHA

- ◆ Billionaire Warren Buffett's Berkshire Hathaway
- ◆ Mid American Energy Holdings Co
- ◆ 10% stake in BYD Co Ltd
- ◆ Lithium-ion battery & automobile producer
- ◆ Valued at \$US 230 million
- ◆ 7 bases - Guangdong, Beijing, Shanghai, & Xi'an
- ◆ BYD - Create a new era of world electric vehicles (F3DM)



“We are thrilled to be partners with BYD and the people of China.” - Warren Buffett

END OF THE ROAD FOR GAS GUZZLERS

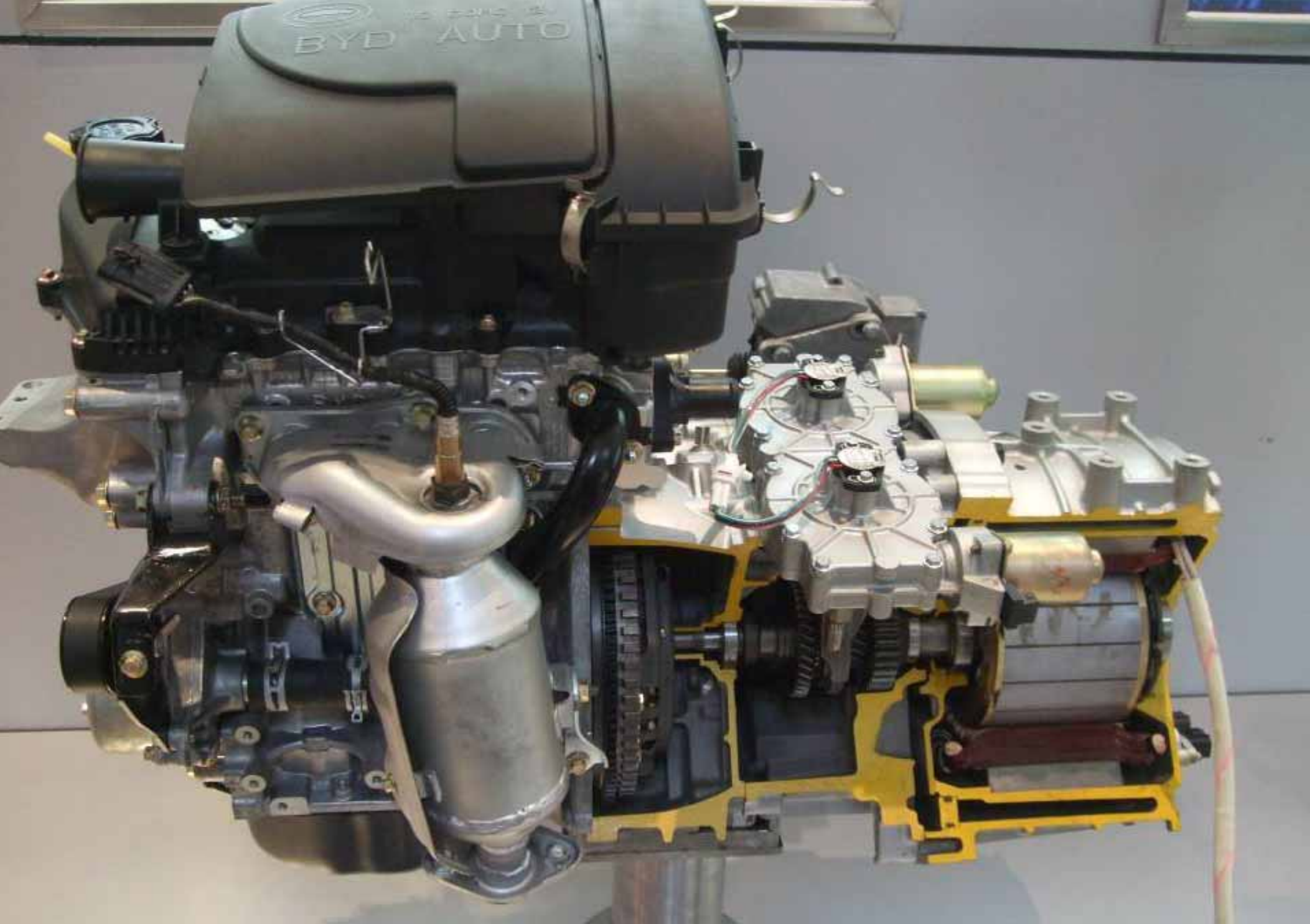


November 2008
[Automotive](#)

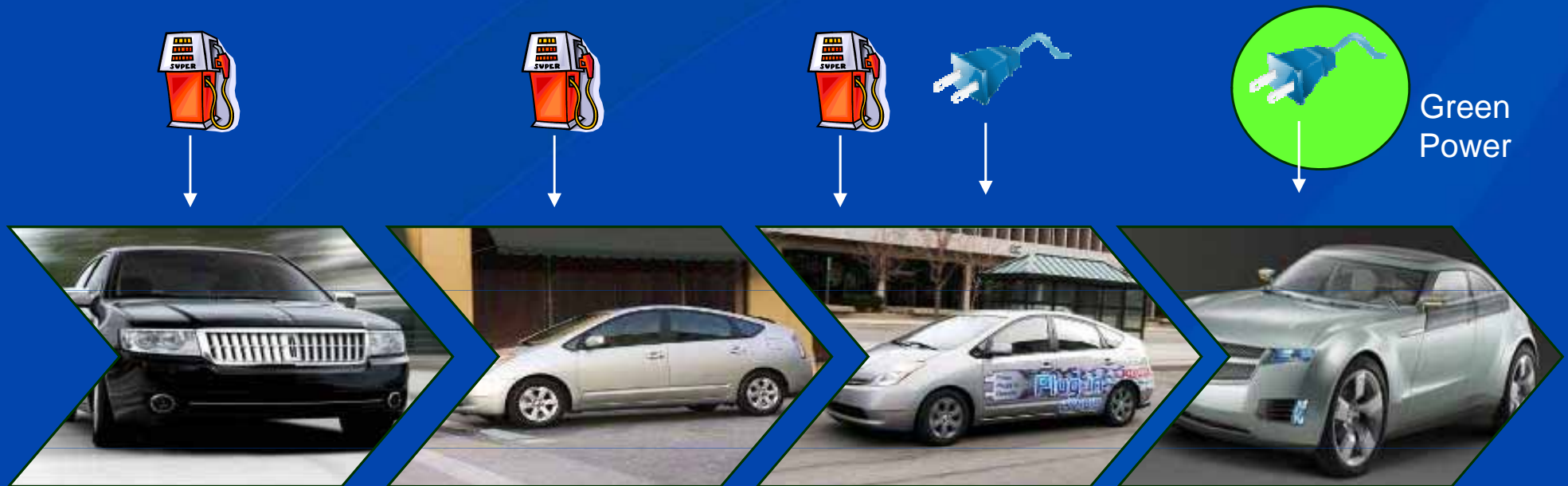
End Of The Road

Faced with high oil prices and eco-anxiety, US carmakers are having to rethink their gas-guzzling ways and take some lessons from their European rivals, says Ben Oliver





ELECTRIC VEHICLE REVOLUTION



Automobiles

Hybrids

Plug In Hybrids

Plug In Electric

Emissions → Reduced Emissions → Zero Emissions

→ Increasing Use of Lithium



GROWTH OF ELECTRIC VEHICLES



“1 million plug in hybrids
electric vehicles on the
road by 2015”

\$300 billion ‘greentech’
revamp of American
industry

Misconception 1

Electric cars are small slow powerless
city vehicles

The Tesla Roadster
100% Electric

0 to 60 mph in 3.9 sec



Uses Lithium Ion batteries

Top speed 125 mphr
200 kW at peak acceleration

244 miles per charge
Battery life of 5 years



Regenerative braking
Cost 1c per mile

“the only emission is the sound of the radio”



Top Gear Road
Test

LITHIUM ION BATTERIES



the **dailygreen** sunday, november 2
the consumer's guide
to the green revolution

Ener1 and Advanced Lithium-Ion Batteries Make Way for Electric Vehicle Revolution

Charles Gassenheimer Hopes to Power Clean Cars

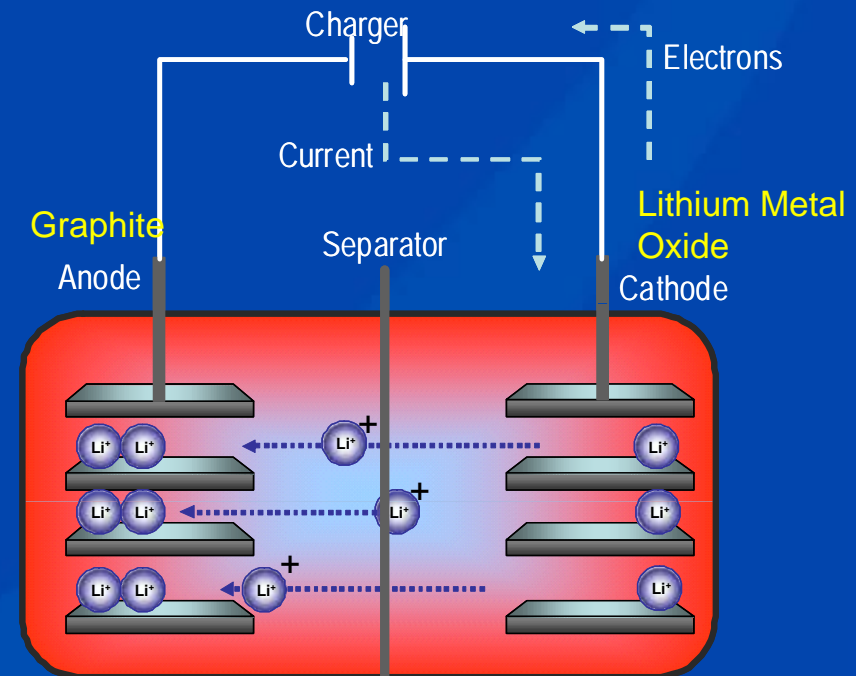
October 31, 2008 at 3:20PM by By Jim Motavalli

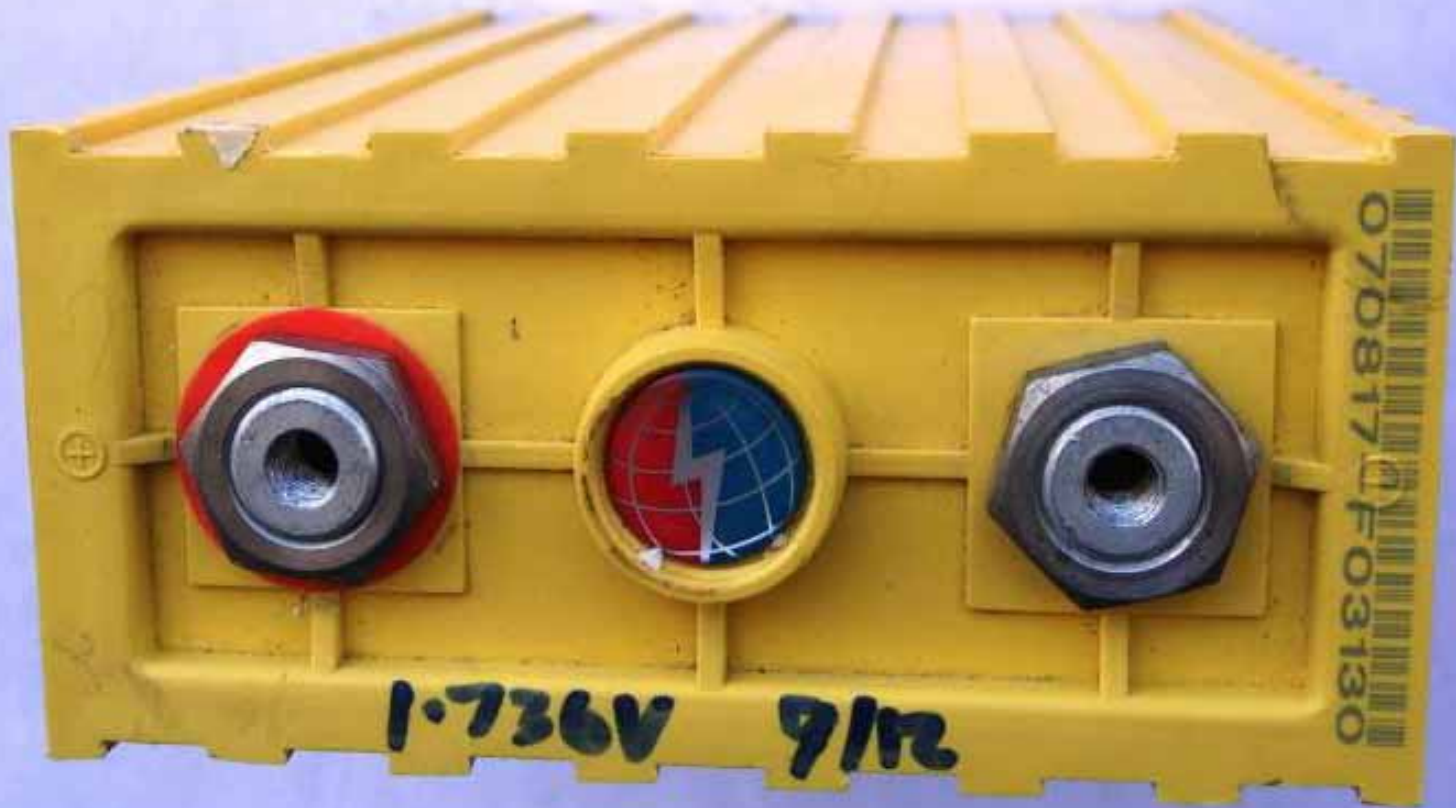
Can you feel the electricity? There's a growing consensus that the next generation of automobiles will, to one degree or another, be powered by batteries. The most likely

fast charging cycles. Li-ion has also had stability issues -- remember those Sony laptop fires? Well, that company just recalled 100,000 more laptop li-ions because of fire hazards.

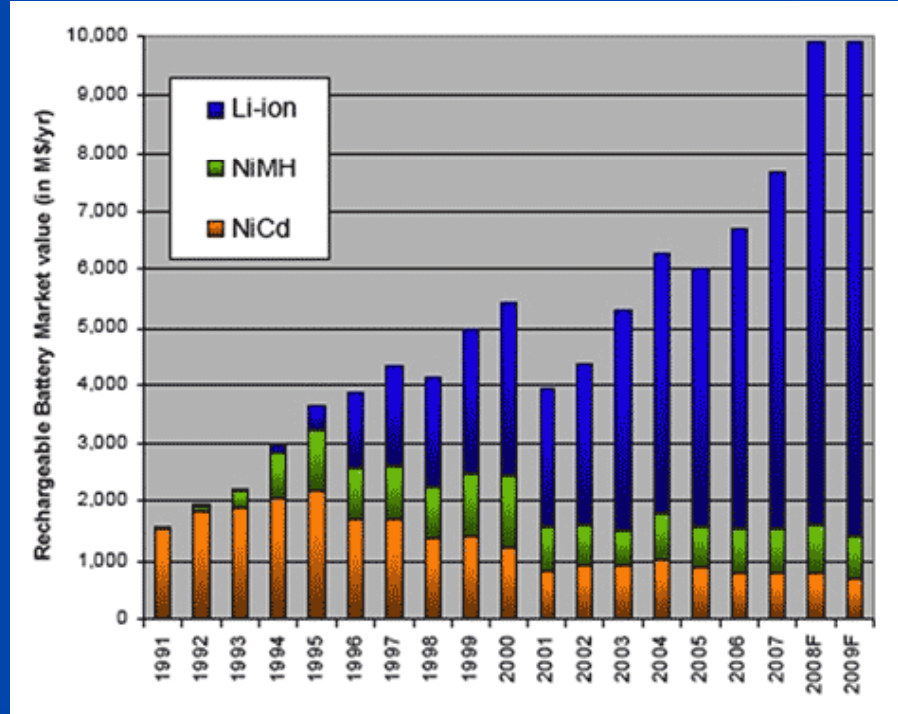
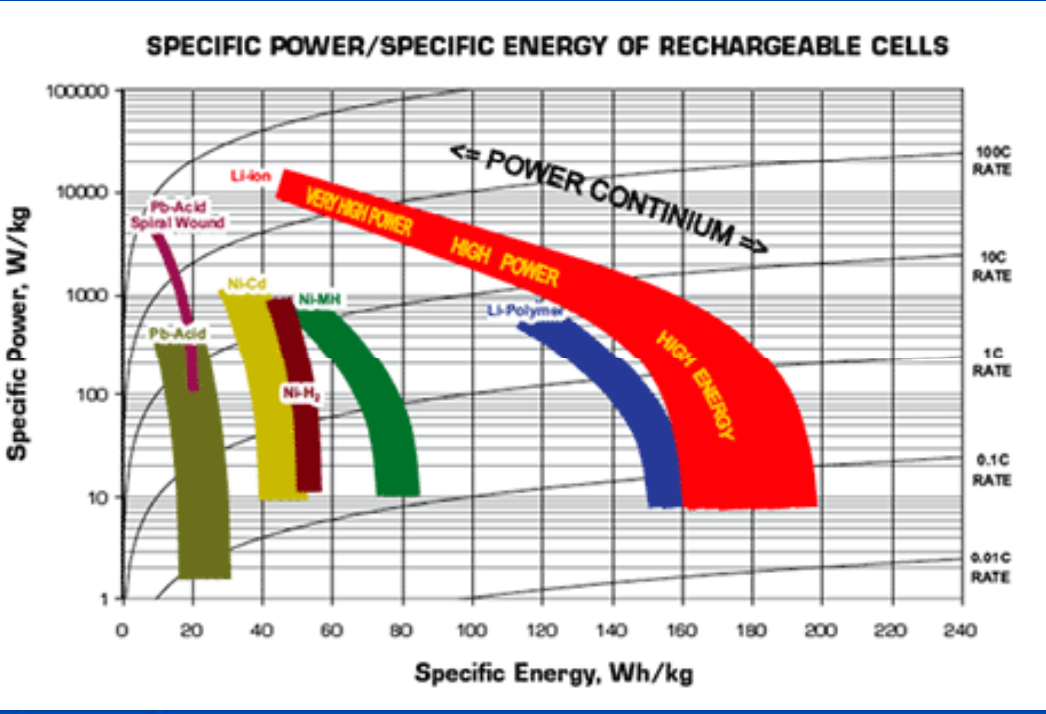
LITHIUM ION BATTERIES

- ◆ Lead-acid, Ni-Cad & Ni-metal hydride
- ◆ Voltage – 3 times
- ◆ Pollution Free – no Cd, Pb, Hg
- ◆ Long Cycle Life- 500 charge/discharge
- ◆ No Memory Effect
- ◆ Fast Charge Capacity – 1-2 hours
- ◆ \$36b today → \$51b in 2013





BATTERY DEVELOPMENT



Misconception 2

Energy efficiency of
power plant / electric car
vs petrol car is similar

ENERGY EFFICIENCY COMPARISON



Petrol Energy



Petrol Vehicles

30 mpg



Power Station



Electric Vehicles

100 mpg

ENERGY EFFICIENCY COMPARISON



Petrol Energy



Petrol Vehicles



Renewable Energy



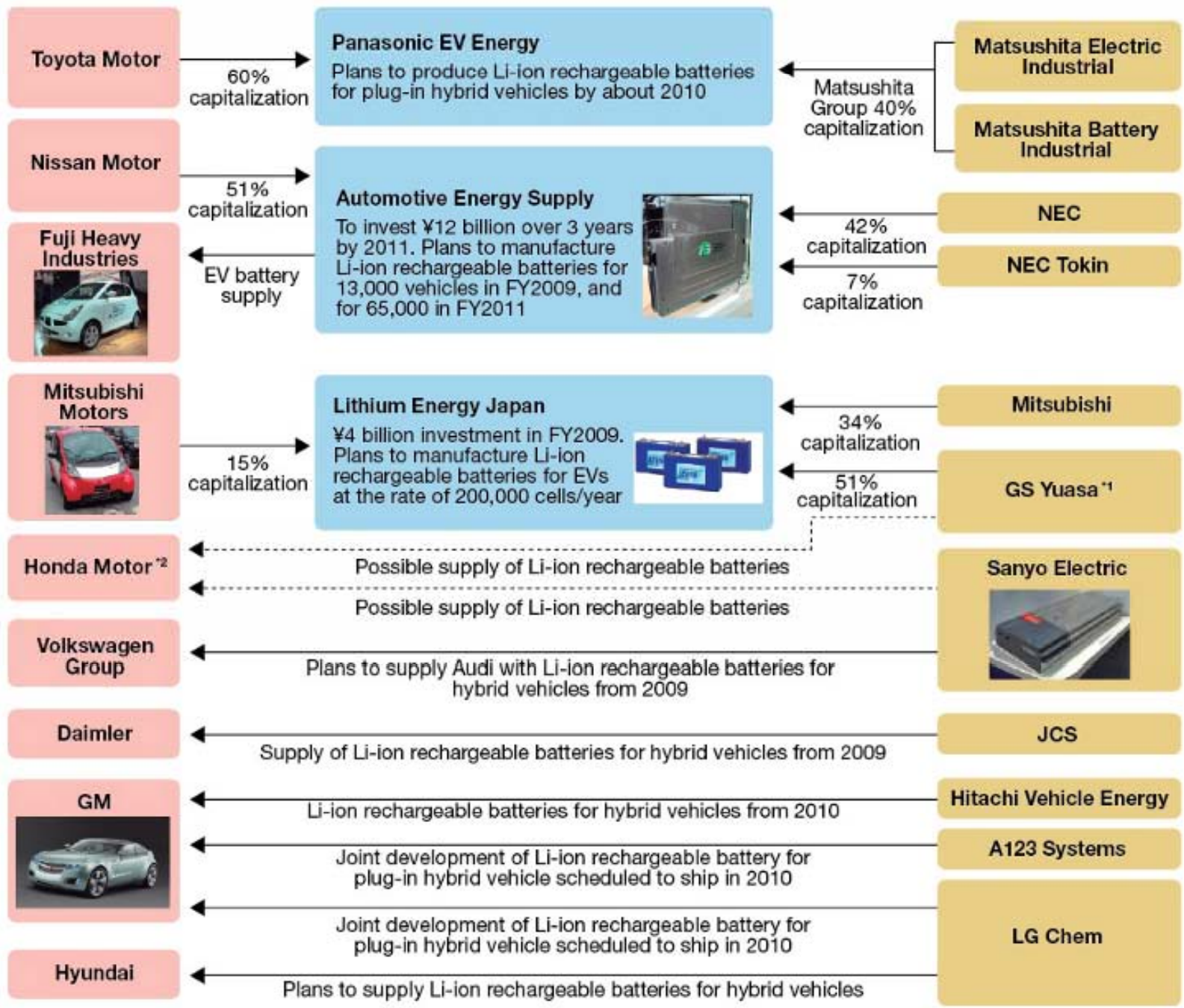
Electric Vehicles

**Zero Pollution
Zero Emission**









TYPICAL DEVELOPMENT



BMW Mini



Porsche 996



GM Chevrolet Volt



Subaru R1e

BETTER PLACE

- ◆ Shai Agassi (Founder)
- ◆ End Oil, 0 Emissions, Renewable
- ◆ Electric vehicles been around
- ◆ Range and cost of battery
- ◆ 100 mile range
- ◆ Plug in where you park - 95%
- ◆ Battery exchange stations
- ◆ Better place owns the batteries
- ◆ Partners AESC (Nissan, NEC)



BETTER PLACE

- ◆ Renewable Energy
- ◆ Recharge grid
- ◆ Demand, storage, support
- ◆ Off peak power a place to go
- ◆ Storage system
- ◆ \$1 billion to be raised

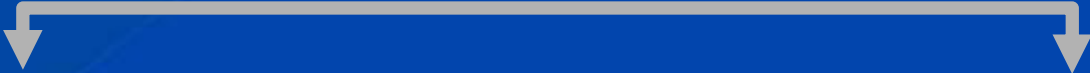
This just shows that infrastructure will change
to meet the use of electric cars





SUPPLY CHAIN

Off Take Partners



Spodumene Mine

Lithium Carbonate Producer

Upgraders & Component Mixers

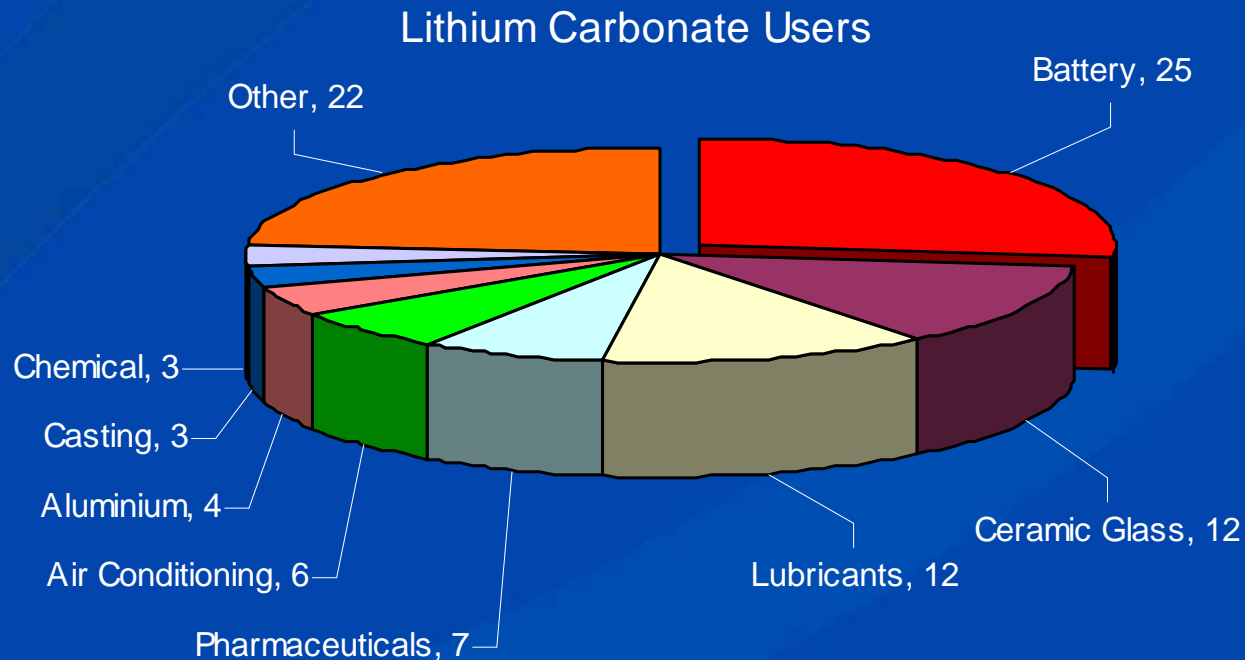
Cathode & Electrolyte Producers

Battery Producer

Carmaker

LITHIUM CARBONATE GROWTH

- ◆ Total market lithium growth 5 to 7% last 5 years *
- ◆ Secondary (Rechargeable) Batteries growing at 20-22% *



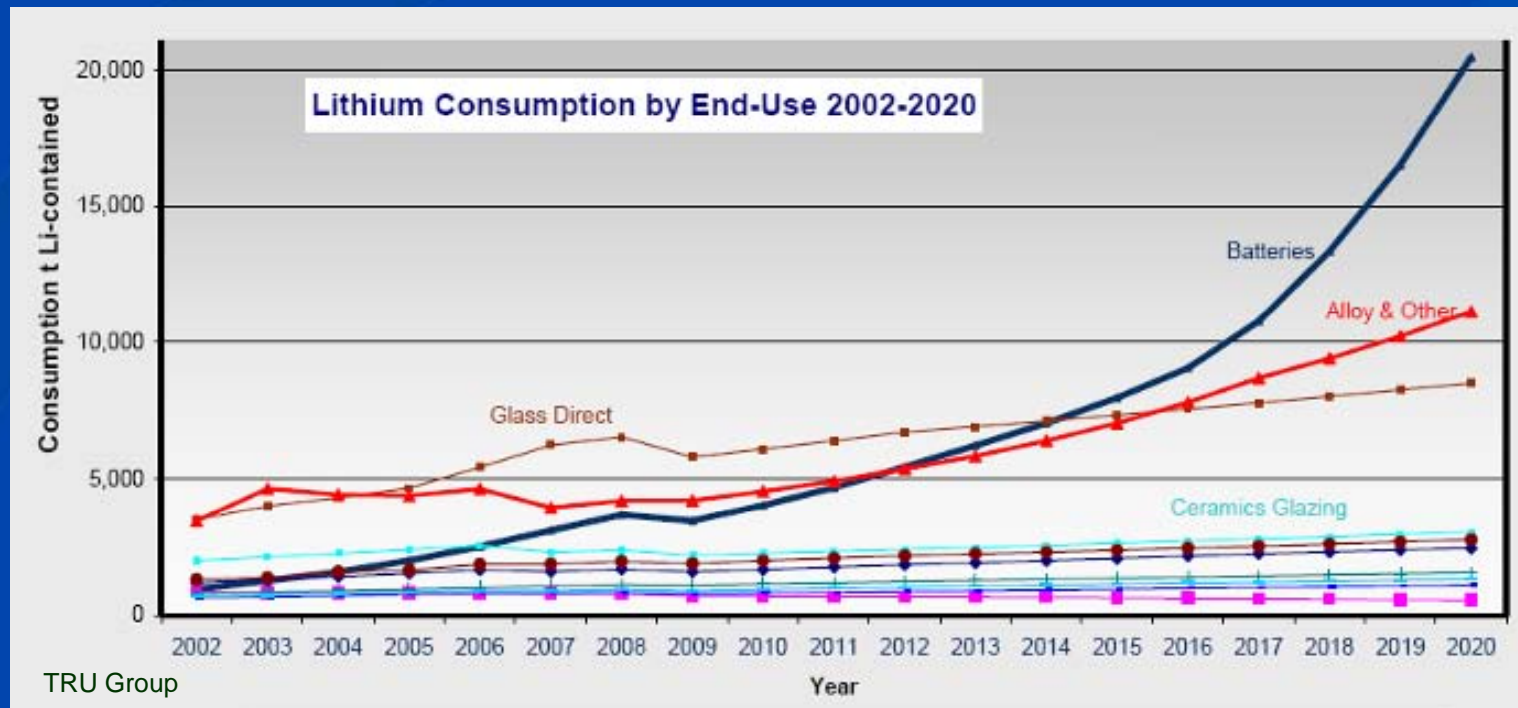
LITHIUM IN ELECTRIC CARS

- ✦ Current LC 2008 production approx 110,000 tpa
- ✦ Approx 25 Kg LC per EV car
- ✦ 60 mil cars produced each year
- ✦ Potential EV demand (@ 30% penetration) is roughly 500 ktpa LCE
- ✦ Cost of LC in a car is minimal (approx \$150 per car)



LITHIUM CARBONATE (Li₂CO₃) FORECAST

- ◆ Batteries & Alloy Production are the major growth areas ^
- ◆ Next 10 years 3-5%* growth excluding HEV & EV (SQM)



TRU Group

Year

HEV – Hybrid Electric Vehicle EV – Electric Vehicle

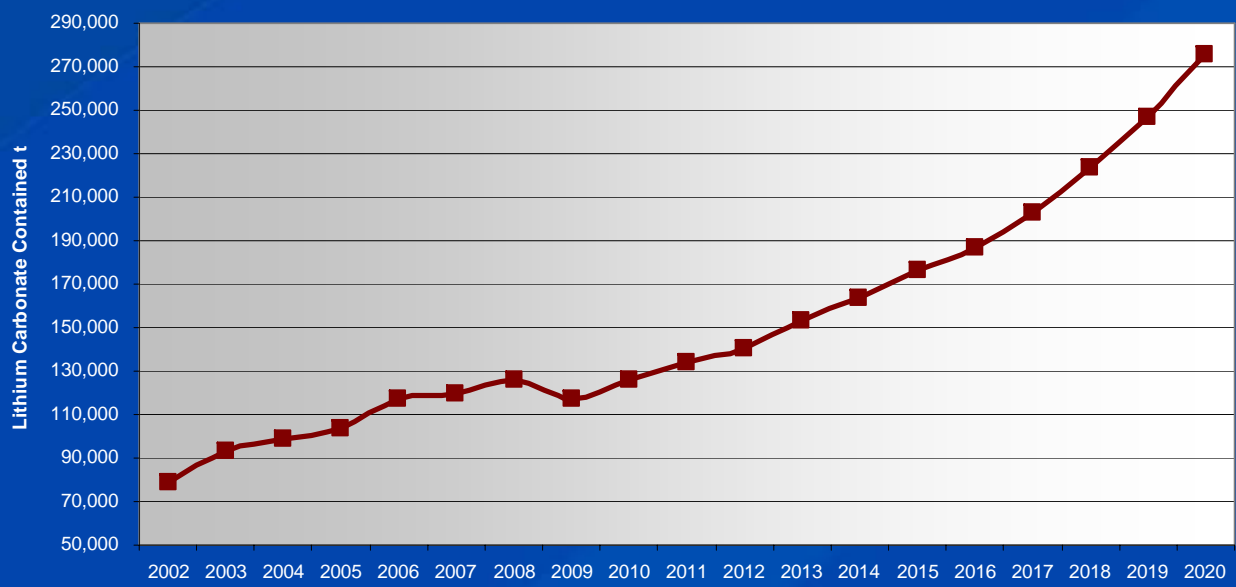
LCE – Lithium Carbonate Equivalent

TOTAL MARKET DEMAND FORECAST



Year 2020
SQM ~300 ktpa LCE
Chemetall ~245 ktpa LCE
FMC Lithium ~309 ktpa LCE
TRU Group ~290 ktpa LCE

Total Lithium Carbonate Demand 2002 - 2020



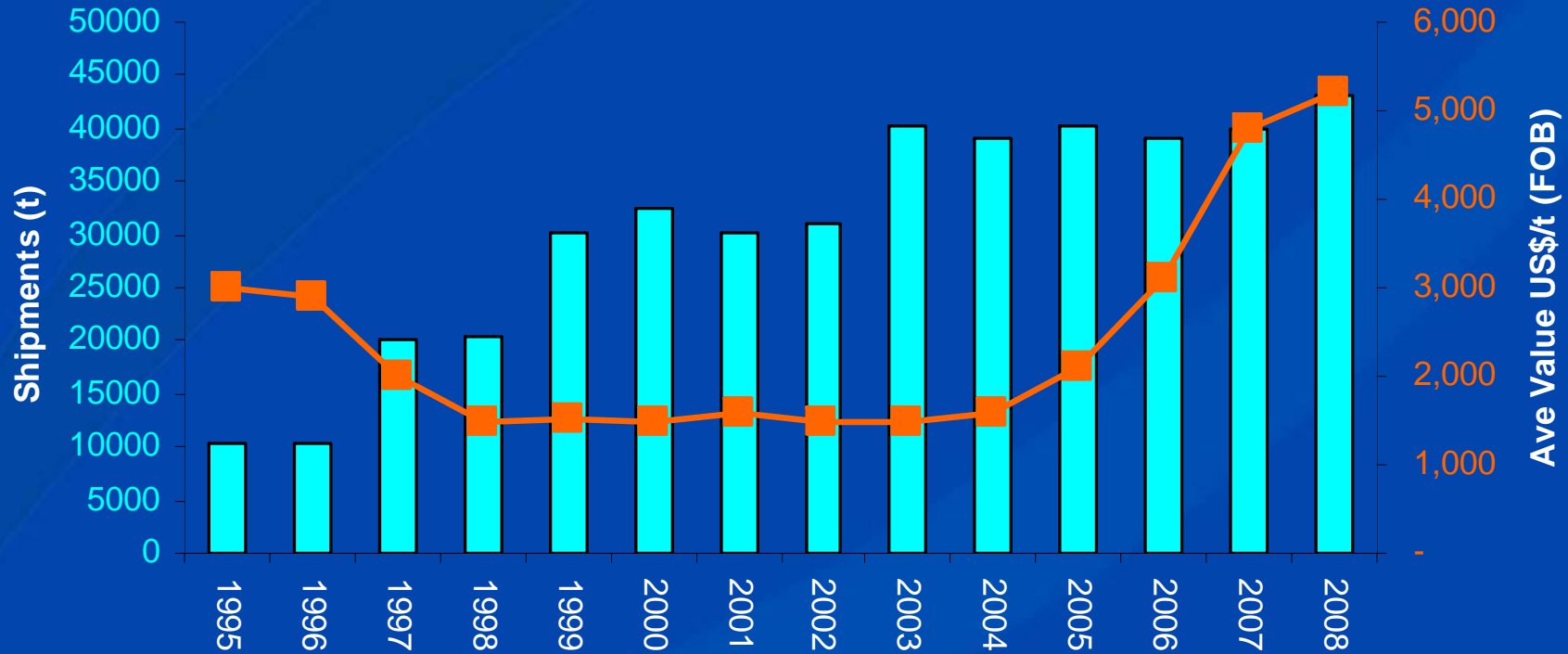
Source; TRU Group

LC Demand forecast to increase 3 fold in just over 10 years !

LCE – Lithium Carbonate Equivalent

LITHIUM CARBONATE PRICES

Chile Export of Lithium Carbonate



the **INQUIRER**

News, reviews, facts and friction

Lithium supply in danger

Start panicking people

By [Emma Hughes](#): Friday, 31 October 2008, 12:30 PM

WHEN WE THINK of electric cars, we usually think of greener energy and saving the environment – yet now boffins are saying that these vehicles could come at significant cost to the environment.

The type of batteries used for electronic gadgets such as laptops, are the very same as those proposed for electric and plug in hybrid cars – lithium ion batteries.

News Site of the Year | The 2008 Newspaper Awards

TIMES ONLINE

From The Times

November 6, 2008

Japanese industry set for a lithium rush as carmakers turn focus to green motoring

Leo Lewis, Asia Business Correspondent

Japan's largest automotive and electronics giants are poised to embark on a worldwide scramble for lithium - the material that could be required in bulk if the roads of the future are to be filled with electric cars.

In addition to the emerging pursuit of lithium, Japanese trading companies have begun an energetic land-grab for other types of mines: bauxite, platinum and nickel are prime targets because of the huge demand from Japanese industry.

SOURCES OF LITHIUM

Brines

- ✦ Lithium Carbonate
- ✦ Chile, Argentina, USA, China
- ✦ Solar evaporation ponds



Hard Rock (Pegmatite)

- ✦ Spodumene -> Lithium Carbonate
- ✦ Western Australia, Canada, Finland, Zimbabwe



LITHIUM BRINE SOURCES











LITHIUM HARD ROCK SOURCES











LITHIUM HARD ROCK SOURCES





GREENBUSHES

RAVENSTHORPE

WA PEGMATITES

Greenbushes

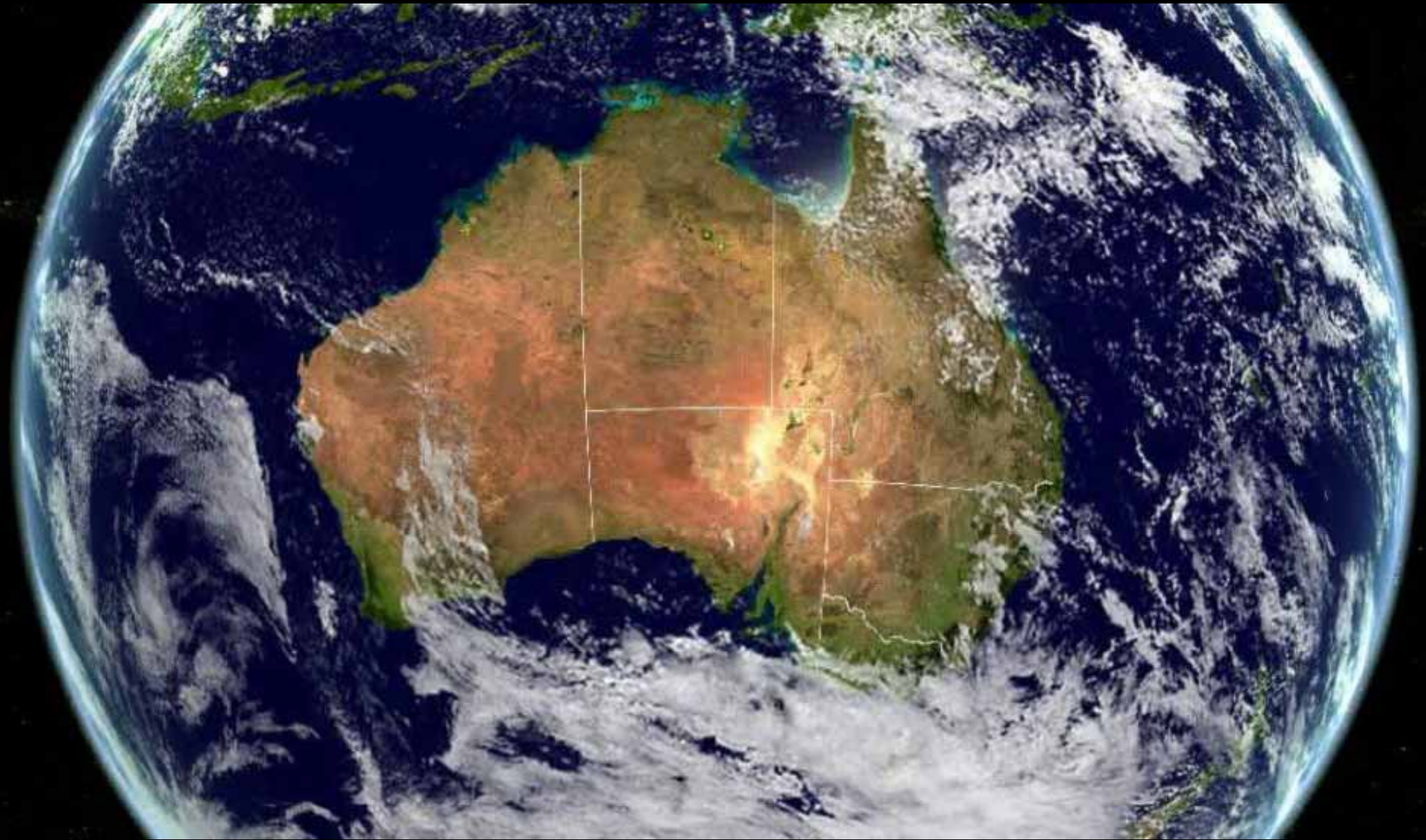
- ◆ Incline vein pegmatite
- ◆ Head Grade 3% Li₂O
- ◆ Glass, Ceramic, Chemical grade
- ◆ Cut back costs



Mt Cattlin

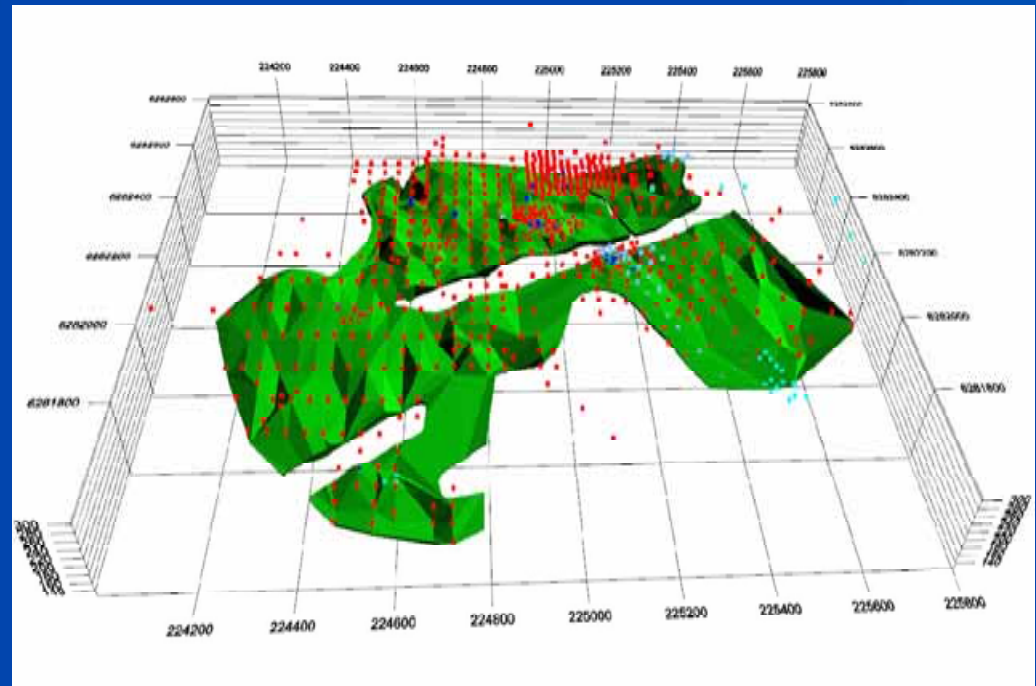
- ◆ Flat lying pegmatite
- ◆ Head Grade 1% Li₂O
- ◆ Only Chemical grade
- ◆ Low Strip ratio
- ◆ Easy upgradable

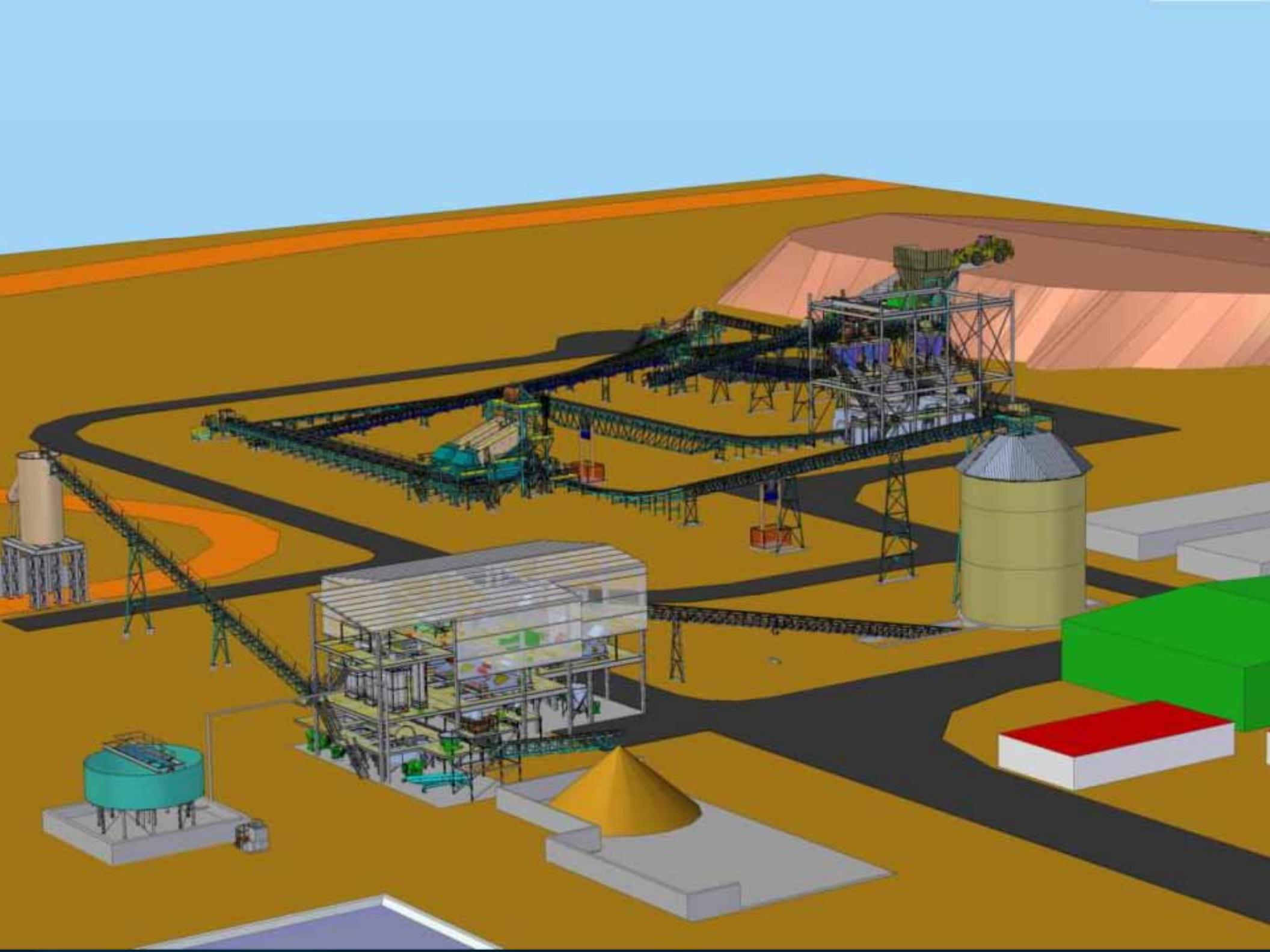




COMPANY MAKER

- ✦ Mt Cattlin Li Ta Project
- ✦ Low Lying Pegamatite
- ✦ 1 Mtpa processing
- ✦ 150 ktpa Spodumene
- ✦ 15 year mine life
- ✦ Capital around \$68m
- ✦ NPV \$128 m
- ✦ IRR 26%
- ✦ Payback of 4 years





MORE STREAMLINE FLOWSHEET



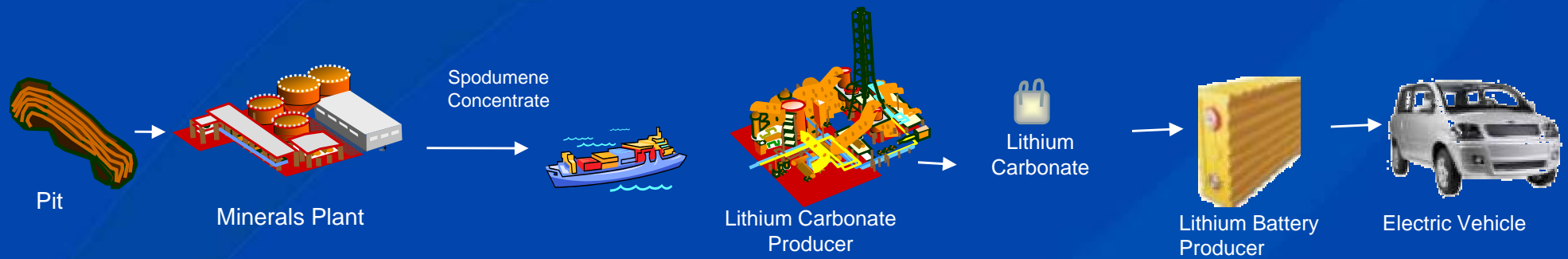
SPODUMENE CONCENTRATE

- ◆ 0.5mm to 6mm
- ◆ 5% Li_2O
- ◆ Non Toxic & Inert
- ◆ Moist and free of dust
- ◆ Ideal for Calcination





FAST TRACK PRODUCT TO MARKET



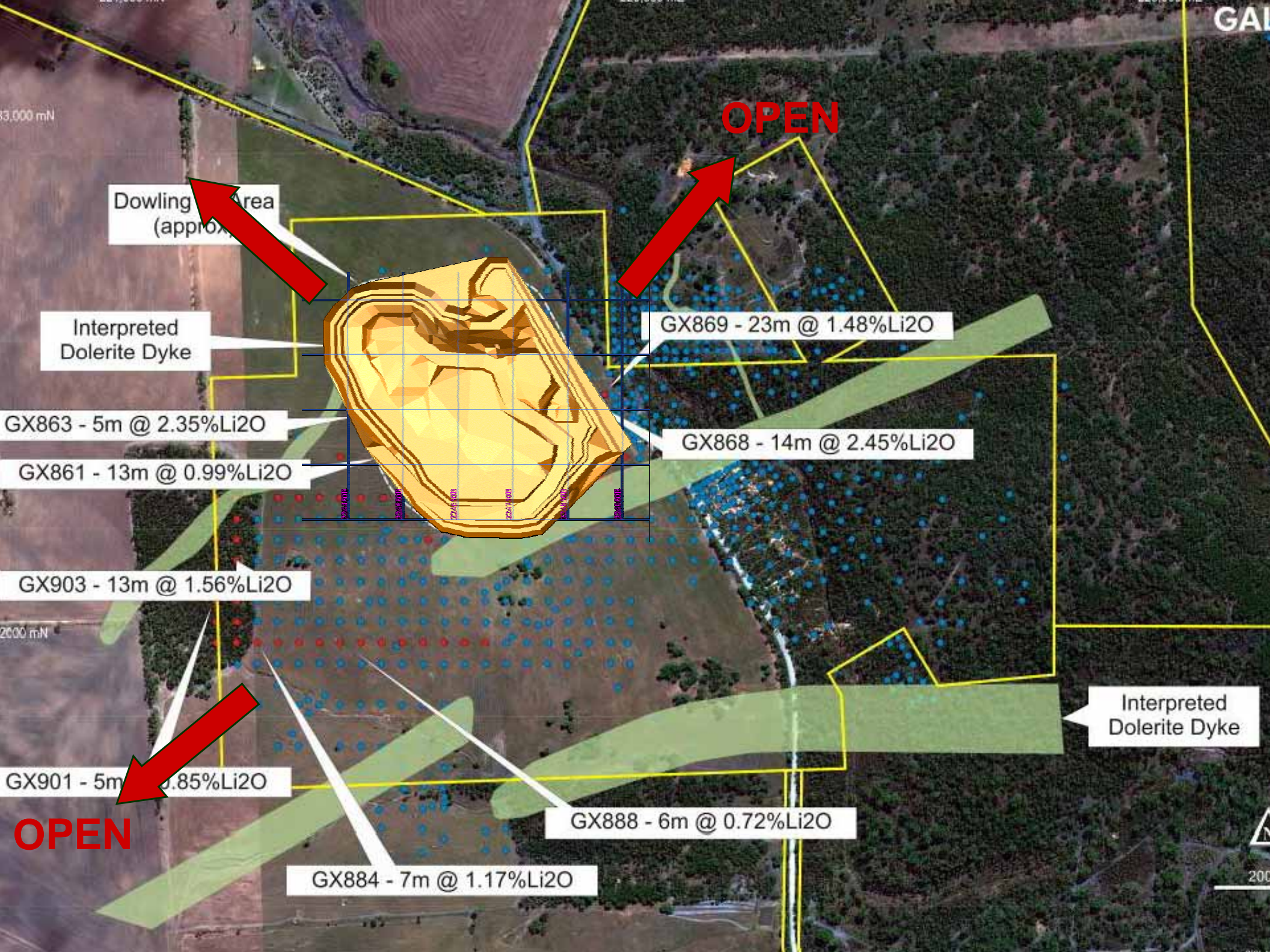


Lithium Carbonate
Manufacture

Lithium Carbonate
Distribution

Spodumene
Shipments

Spodumene Mine



33,000 mN

OPEN

Dowling Area (approx)

Interpreted Dolerite Dyke

GX869 - 23m @ 1.48%Li₂O

GX863 - 5m @ 2.35%Li₂O

GX868 - 14m @ 2.45%Li₂O

GX861 - 13m @ 0.99%Li₂O

GX903 - 13m @ 1.56%Li₂O

Interpreted Dolerite Dyke

GX901 - 5m @ 0.85%Li₂O

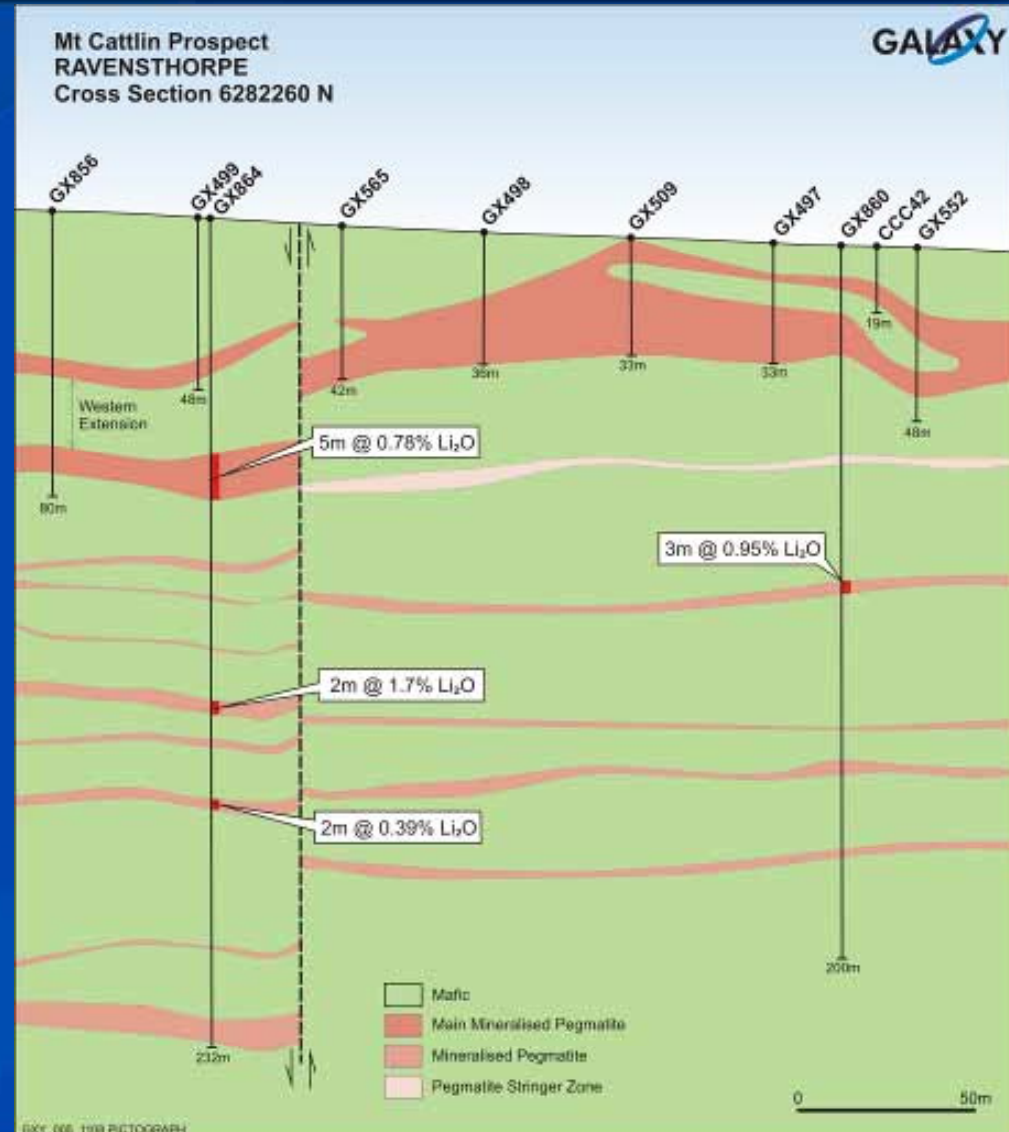
GX888 - 6m @ 0.72%Li₂O

OPEN

GX884 - 7m @ 1.17%Li₂O

OPEN AT DEPTH

- ✦ Ore extensions at depth
- ✦ Repetitions of pegmatite
- ✦ Best hole width of 5 metres at 2.35% LiO₂, 100 metres below the surface



DEFINITIVE FEASIBILITY STUDY



	<u>0.73 AUD/USD</u> <u>FX Rate</u>	<u>0.65 AUD/USD</u> <u>FX Rate</u>
Capital Costs	A\$ 68 million	A\$ 68 million
Revenue pa *	A\$ 69 million	A\$ 78 million
Net Cash (pre tax) pa *	A\$ 26 million	A\$ 34 million
Net Present Value NPV (non-geared, real @8%)	A\$ 128 million	A\$ 197 million
Internal rate of Return IRR%	26%	34%
Mine Life	15 Years	15 Years
Cash Cost *^	A\$41 /t ore	A\$41 /t ore

IS IT THE RIGHT TIME?

- ✦ Current downturn creates opportunities
- ✦ Projects are cheaper to build
- ✦ Operating costs are reducing
- ✦ Shipping & transport costs are reducing
- ✦ Competition for labour, project development
- ✦ Aluminum projects built cheaply in a downturn
- ✦ Anticipate huge lithium growth and demand

- ✦ NOW is the RIGHT TIME for Galaxy !



LITHIUM CARBONATE DEVELOPMENT

LITHIUM CARBONATE PFS

- ◆ Outotec Oyj appointed
- ◆ Keliber's Li_2O_3 process in Finland
- ◆ Potential - battery grade Li_2O_3
- ◆ Sulphuric Acid & Soda Ash both viable
- ◆ Initial leaching recoveries > 90 %
- ◆ PFS testwork completed



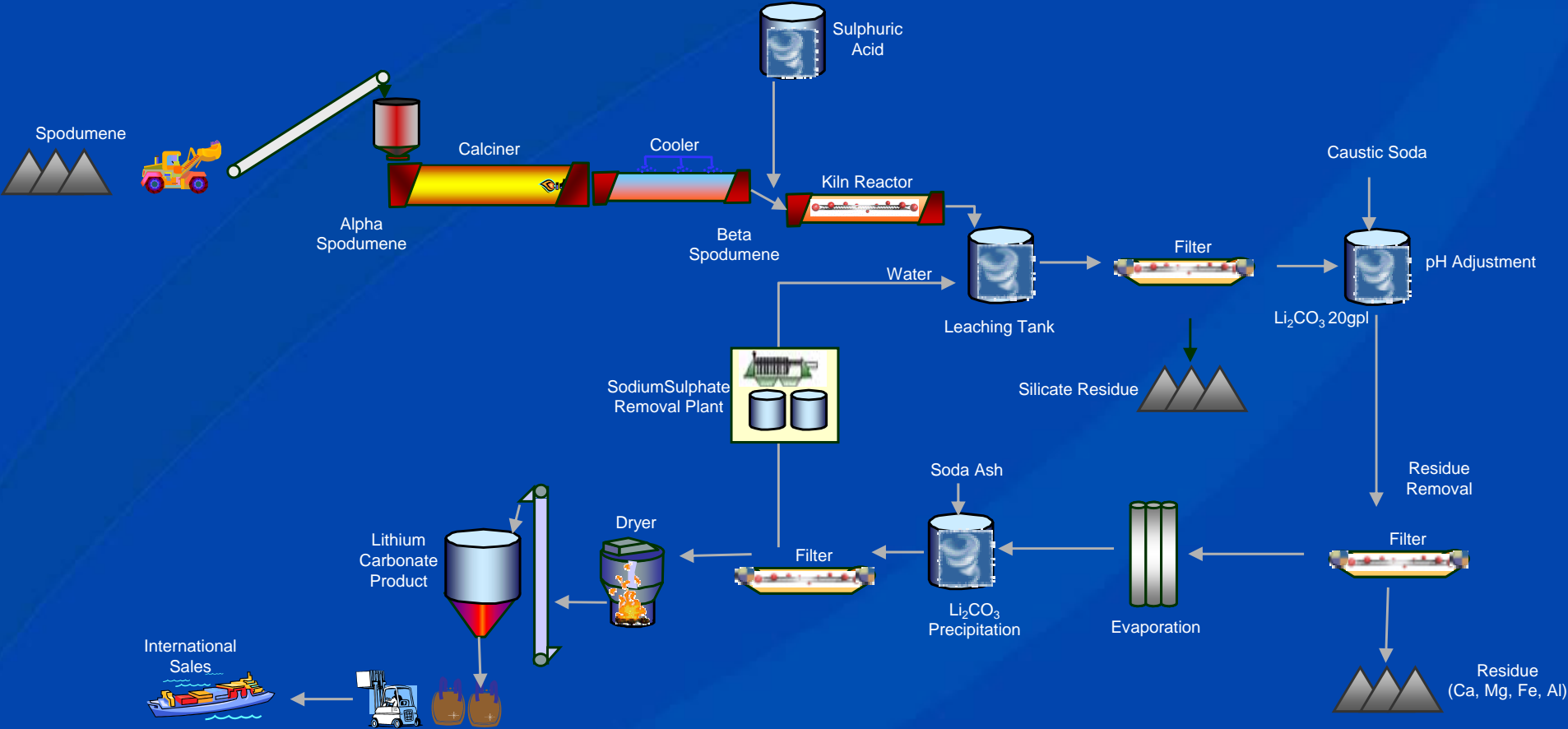
LITHIUM CARBONATE PFS

- ◆ MSP Engineering appointed
- ◆ Lithium experience Greenbushes
- ◆ P McSweeney & M Kitney
- ◆ Lithium Carbonate experience 1995
- ◆ Evaluating both routes
- ◆ PFS to be completed mid 2009



MSP Upgrade Plant at Greenbushes

SULPHURIC PROCESS



MINERAL PROCESSORS CHINA



Source: Google Earth; Roskill



Chemical conversion



Mineral Extraction

Roskill

EXPANDING THE WORLD'S KNOWLEDGE OF METALS AND MINERAL MARKETS

TARGET TIMELINE



Key Milestones

Timeframe

Status

Definitive Feasibility Study

End 2008

Completed

Value Engineering Phase

Q1 2009

In progress

Off take Partners finalised

Q2 2009

In progress

Award of EPCM Contract

Q2 2009

Project Finance finalised

Q3 2009

Construction Commencement

Q3 2009

Minerals Plant Commissioning

Q3 2010

Minerals Plant Start up

Q3 2010

ORIGINS OF 7-UP

- ◆ Launched in the 1929 US Great Depression
- ◆ Lithium as one of its main ingredients
- ◆ Bib-Label Lithiated Lemon-Lime
- ◆ Changed to "7-Up"
- ◆ Atomic Weight of lithium is 7
- ◆ Pick-me-up popular drink
- ◆ Re-launch with the financial crisis?



A GREAT INVESTMENT PROPOSITION

- ◆ Exciting Lithium Potential
- ◆ Excellent Growth Forecast
- ◆ Meeting a Lithium Future
- ◆ Specialty Minerals Producer
- ◆ Early Cash Flow Strategy
- ◆ Experienced Management

- ◆ A Great Investment Proposition

