

28 March 2011

## GALAXY SHIPS FIRST SPODUMENE FROM MT CATTLIN TO CHINA

### Highlights

- Galaxy ships first spodumene from Mt Cattlin
- Approximately 6,500 tonnes of spodumene was loaded on the MV Ocean Flower bound for the Zhangjiagang Port, China
- Shipment will be used at the Company's lithium carbonate production facility
- Ramp up at Mt Cattlin progressing well, daily spodumene production averaging 70% capacity

Galaxy Resources Limited (ASX: GXY, "Galaxy") is pleased to announce it has successfully loaded its first shipment of spodumene at the Bunbury Port in Western Australia. A total of approximately 6,500 tonnes of spodumene was loaded on the MV Ocean Flower bound for the Zhangjiagang Port in the Peoples Republic of China.

Galaxy Resources Managing Director, Iggy Tan, said the first shipment of spodumene was an important milestone for the company:

"This is a very exciting day for the Company and for all our operations. It is the first load of spodumene to be shipped from our Mt Cattlin mine in Ravensthorpe and heralds the preparation of commissioning at our Jiangsu Lithium Carbonate plant in China. We are still on track to begin the commissioning and start-up of the Jiangsu plant end of second quarter."

"If we have a surplus of spodumene around the commissioning phase, we may consider selling subsequent shipments to external customers; but our priority is the Jiangsu plant."

Mr Tan said the Company shipped its first product from the Bunbury Port while it finalises shipping arrangements with the Esperance Port.



L to R: Mr A Sheth (GM Marketing), Mr I Tan (Group MD), Mr T Stark (Resource Division MD)

GALAXY RESOURCES LIMITED (ABN: 11 071 976 442) incorporating Galaxy Lithium Australia Limited, Galaxy Lithium International Limited, Galaxy Lithium (Jiangsu) Limited, Galaxy Lithium Holdings BV, Galaxy Lithium (Canada) Inc and Galaxy Lithium (US) Inc.

Mr Tan said the ramp up at Mt Cattlin has been progressing well, with daily spodumene production recently averaging 70% of design output.

“The Mt Cattlin management and staff are to be commended on their achievements in the early stages of the Mt Cattlin ramp-up.”



Spodumene loading of ship transport trucks near Bunbury Port



Spodumene ship loading commences on MV Ocean Flower

-ENDS-

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**About Galaxy (ASX: GXY)**

Galaxy Resources is an international S&P / ASX 300 Index company which plans to become one of the world's leading producers of lithium compounds – the essential component for powering the world's fast expanding fleet of hybrid and electric cars.

Galaxy wholly-owns and operates the Mt. Cattlin mine, which is currently producing spodumene concentrate. Galaxy's Jiangsu lithium carbonate plant, once completed, will have a design capacity of 17,000 tpa of lithium carbonate, which Galaxy expects would make it one of the largest plants in China converting hard rock lithium mineral concentrates into lithium compounds and chemicals.

Lithium compounds such as lithium carbonate are forecast to be in high future demand due to advances in long life batteries and sophisticated electronics including mobile phones and computers.

Galaxy Resources has positioned itself to meet this lithium future by not only mining the lithium, but also by downstream processing to supply lithium carbonate to the expanding Asian market.