

14 October 2010

GALAXY STRENGTHENS BOARD

Emerging lithium producer, **Galaxy Resources Limited (ASX: GXY)**, is pleased to announce the appointment of four directors to the Galaxy board.

Galaxy Resources Chairman, Mr Craig Readhead, said he was delighted by the calibre of the new directors, each of whom will significantly strengthen the Board as it guides the company through an exciting new growth phase.

"These four directors have extensive experience in the Hong Kong and Chinese corporate sector and will provide valuable input as the Company evaluates a dual listing on the Hong Kong Stock Exchange," Mr Readhead said.

"The Board will work quickly to integrate our new directors to leverage their respective experience and considerable expertise in order to grow our business and deliver shareholder value."

Xiaojian REN – Non Executive Director

Mr Ren was appointed as an Alternative Director for Dr Yuewen Zheng in January 2010. Mr Ren has extensive finance experience and is the co-founder, Director and President of Creat Group Ltd. He was previously Chief Executive Officer of Creat Resources Holdings Limited and is currently non executive director. Mr Ren's previous directorships include Beijing Keruicheng Mining Investment Co Ltd and Yantai North Andre Juice Co. He has significant experience in establishing and operating businesses in the Peoples Republic of China.

Mr Ren received his Master of Business Administration from La Trobe University in Australia in 2001.

Kai Cheong KWAN - Independent Non-Executive Director

Mr Kwan is a resident and an experienced director in Hong Kong. Mr Kwan is a qualified Chartered Accountant and has been a member of the Hong Kong Institute of Certified Public Accountants since 1982. He completed the Stanford Executive Program in 1992. Mr Kwan was previously the President and Chief Operating Officer for the Asia Pacific Region of Merrill Lynch & Co.

Mr Kwan is currently non-executive director of China Properties Group Ltd, JF Household Furnishings Ltd, Hutchison Harbour Ring Ltd, Soundwill Holdings Ltd, Win Hanverky Holdings Ltd, SPG Land (Holdings) Ltd and Sunlight REIT. He was previously an independent non-executive director of Hutchison Telecommunications International Ltd, TS Telecom Technologies Ltd and Yaohan International Holdings Ltd. Mr Kwan has extensive experience in finance and the in corporate governance of Hong Kong listed companies.

Charles WHITFIELD - Executive Director

Mr Whitfield is a Hong Kong resident with a banking and finance background. He is the Principal Investment Officer of Drumrock Capital, an investment firm providing capital and advisory services to start-up and early round companies. He was formerly a Managing Director with Citigroup where he held the position of head of the corporate equity solutions group (Asia Pacific). Prior to this, he worked for Deutsche Bank where he was head of the strategic equity transactions group (Asia Pacific) from 2000.

Mr Whitfield received his Masters in Business Administration (majoring in Finance and Strategy) from Columbia Business School (New York) in 1998 and his Bachelor of Economics from The University of Exeter (U.K.) in 1992.

Anthony TSE - Executive Director

Mr Tse is a Hong Kong resident and was previously the Chief Executive Officer of CSN Corporation, a home shopping television channel in China. Prior to this, he worked in strategy, development and M&A roles at the TOM Group for more than eight years. During his time with the TOM Group, he served as Director of Corporate Development, Deputy General Manager of Online Operations and also President of China Entertainment Television, a joint venture with Time Warner. Prior to joining the TOM Group, Mr Tse spent more than five years at News Corporation's STAR TV.

Mr Tse is a former board director and member of the Council of Governors for The Cable & Satellite Broadcasting Association of Asia. He was a member of Digital Information & Technology Committee for the Hong Kong General Chamber of Commerce. He is also an advisory board member for Music Matters, a leading music and entertainment industry event in Asia.

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Caution Regarding Forward Looking Statements

Statements regarding Galaxy's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Galaxy's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Galaxy will be able to confirm the presence of additional mineral deposits, that any mineralization will prove to be economic or that a mine will successfully be developed on any of Galaxy's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

About Galaxy (ASX: GXY)

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

By 2010, GXY's Mt Cattlin mine will be the world's second largest hard rock producer of lithium and, through the development of its value adding lithium carbonate plant (17,000 tpa), the Company will be the largest and lowest cost lithium producer in China.

Lithium concentrate and lithium carbonate materials are forecast to be in short supply against 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 by downstream processing to supply lithium carbonate to the lucrative Asian market.