

Perth, Australia  
17 April 2013

## JIANGSU PRODUCTION UPDATE

### Highlights

- 386 tonnes of lithium carbonate produced in first half (15 days) of April
- Average daily production rate of 26 tonnes, representing 55% of Plant's design output
- Follows monthly production of 425 tonnes in March
- Jiangsu Plant ramp-up continuing

Galaxy Resources Ltd (ASX: GXY) ("Galaxy" or "the Company") advises that production at its Jiangsu Lithium Carbonate Plant ("Jiangsu" or "the Plant") in China has reached 386 tonnes in the first half (15 days) of April 2013.

Lithium carbonate output over that period has averaged 26 tonnes per day, which represents 55% of the Plant's design capacity.

April's production rate so far marks a significant improvement on the previous month, as Galaxy ramps the Plant up to capacity output. Following re-commencement of operations at Jiangsu in February 2013, Galaxy recorded total production of 425 tonnes for the month of March, with average production rates of 14 tonnes a day (31% of design output).

Galaxy Resources Managing Director Iggy Tan said: "The recent shutdown of the Jiangsu Plant significantly affected the Plant's production profile. However, we are pleased with the production rates in March and now April as we continue with the Plant's ramp-up schedule."

Jiangsu's design capacity is 17,000 tonnes per annum, which will make Galaxy the largest lithium carbonate producer in China and the largest battery grade (99.5% purity) lithium carbonate producer in the world.

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**About Galaxy (ASX: GXY)**

Galaxy Resources Ltd ("Galaxy") is an Australian-based global lithium company with lithium production facilities, hard rock mines and brine assets in Australia, China, Canada and Argentina. The Company is a lithium producer listed on the Australian Securities Exchange (Code: GXY) and is a member of the S&P/ASX 300 Index.

Galaxy wholly owns the Jiangsu Lithium Carbonate Plant in China's Jiangsu province. The Jiangsu Plant will eventually produce 17,000 tpa of battery grade lithium carbonate, becoming the largest producer in the Asia Pacific region and the fourth largest in the world.

Galaxy is also advancing plans to develop the Sal de Vida (70%) 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 promise as a future low cost brine mine and lithium carbonate processing facility.

The Company owns Mt Cattlin (100%) spodumene project near Ravensthorpe in Western Australia and the James Bay (100%) Lithium Pegmatite Project in Quebec, Canada.

Lithium compounds are used in the manufacture of ceramics, glass, electronics and are an essential cathode material for long life lithium-ion batteries used to power e-bikes and hybrid and electric vehicles. Galaxy is bullish about the global lithium demand outlook and is positioning itself to become a major producer of lithium products.

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