

Perth, Australia
31 March 2015

Galaxy Jiangsu Divestment Update

Galaxy Resources Limited (**Galaxy** or the **Company**) (ASX:GXY) would like to update the market on the Jiangsu Divestment process.

The Company announced on 2 February 2015 that it had revised the terms for the divestment of the Jiangsu Lithium Carbonate plant in China to Sichuan Tianqi Lithium Industries Inc (**Tianqi**), as originally announced on 30 April 2014 (**Transaction**). Completion of the transaction was subject to a number of conditions precedent.

The Company is pleased to confirm that all conditions precedent have now been satisfied and that the parties will now move through the logistics of closing including the transfer of funds over the next week.

The Company will advise the market once final settlement has been completed.

The company has requested that ASX lift the voluntary suspension with immediate effect.

-ENDS-

For more information, please contact:

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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)

Galaxy owns the Mt Cattlin (100%) spodumene project near Ravensthorpe in Western Australia and the James Bay (100%) lithium pegmatite project in Quebec, Canada.

Galaxy is also advancing plans to develop the Sal de Vida (96%) 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 future low cost brine mine and lithium carbonate processing facility.

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 aiming to become a major producer of lithium products.