GALAXY

Strategy Going Forward

Extraordinary General Meeting

By Iggy Tan
Managing Director

NOT FOR RELEASE IN THE UNITED STATES

meeting a lithium future

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Competent Persons

Information that relates to Mineral Resources in this report is based on information compiled by Mr. Robert Spiers who is a full time employee of Hellman & Schofield Pty Ltd. Information that relates to Exploration Results including exploration data and geological interpretations is based on information compiled by Mr Philip Tornatora who is a full time employee of Galaxy. Mr Spiers and Mr Tornatora are Members of the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the 2004 JORC Code. Mr. Spiers and Mr Tornatora consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Information in this report that relates to Mineral Ore Reserves is based on information compiled by Mr. Glenn Williamson who is a full time employee of Mining Resources Pty Ltd. Mr. Williamson 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 JORC Code. Mr. Williamson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Our Vision …to become

- Integrated Lithium Resource, Chemical & Battery Co
- World's second largest hard rock Spodumene mine
- World's largest battery grade Lithium Carbonate producer
- World's largest E-Bike Lithium Ion battery producer

VALUE ADDING DOWNSTREAM

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Spodumene Production	Lithium Carbonate Production	Lithium Cathode Production	Lithium Battery Production

$1	$3	$44	$500

Value Add - Revenue $ per unit of Li

Source: Galaxy Resources Limited

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Mt Cattlin Spodumene Mine

MT CATTLIN UPDATE

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- Ground breaking to start up in < 11 months
- No lost time injuries
- Mining achieving grade
- Crushing plant working well
- Fine tuning of DMS plant continues
- Delays in Esperance Port approvals
- Ramp up phase – slower than expected
- First shipment Q1 2011

Open pit mining

Grade control drilling

Mt Cattlin spodumene operation

Mt Cattlin site showing crusher and ROM

ROM feed to primary crusher

Mt Cattlin control room

Primary screening plant

Dense media processing plant

DMS screening plant

Tailings thickener and waste silo

Melinda Robertson and Roger Pover

On grade spodumene product stockpile

On grade spodumene product stockpile

Ready to ship spodumene product

On grade primary tantalum concentrate

Tracking solar panels and wind turbines

Jiangsu Lithium Carbonate Plant

JIANGSU UPDATE

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- No lost time injuries
- All roads on site completed
- Foundation piling for most areas of the plant
- Steel structures for buildings
- Cladding for lithium packaging and warehouse
- Major equipment fabrication
- Award of contracts
- Commissioning in Q2 2011

Artist Impression - Jiangsu Lithium Carbonate Plant

Artist Impression - Jiangsu Lithium Carbonate Plant

Jiangsu Lithium Carbonate Plant location

Maintenance building steelwork

Process building steelwork

Processing buidings


Admin and Maintenance Building

Pipe rack support structure

Lithium packaging building

Process equipment arriving on site

Bagging machine at the factory in Europe

Second kiln fabrication completed

Ball mill fabrication

Galaxy Zhangjiagang laboratory

GALAXY LAUNCHES EV GRADE

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- Previous capability of 99.5% LC
- Extra purification step
- 17,000 tpa capacity of “EV Grade” 99.9%
- Largest producer in the world of “EV Grade”
- Can produce 99.99% “EV Plus Grade”

- EVs will drive for higher purity product
- GXY has positioned itself for this future

“EV Grade” and “EV Plus Grade” are pending trademarks of Galaxy

GALAXY LAUNCHES EV GRADE

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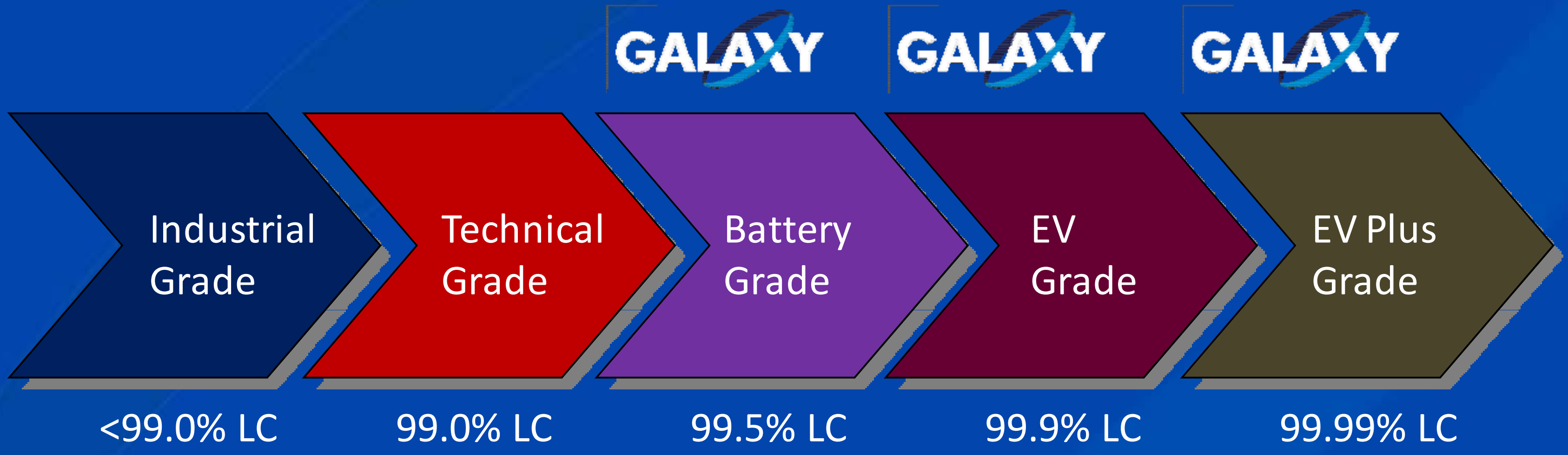

SUPERIOR PURITY LEVELS

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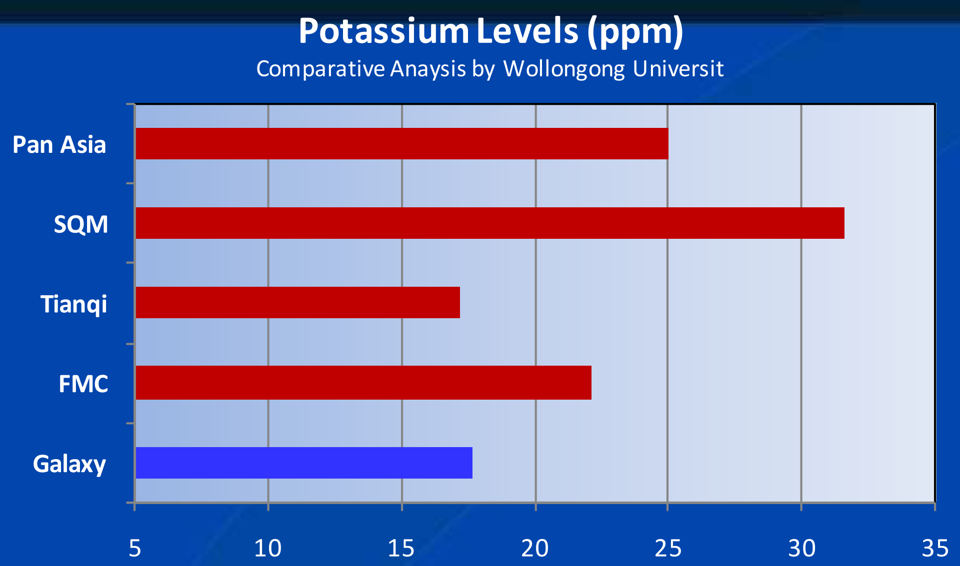

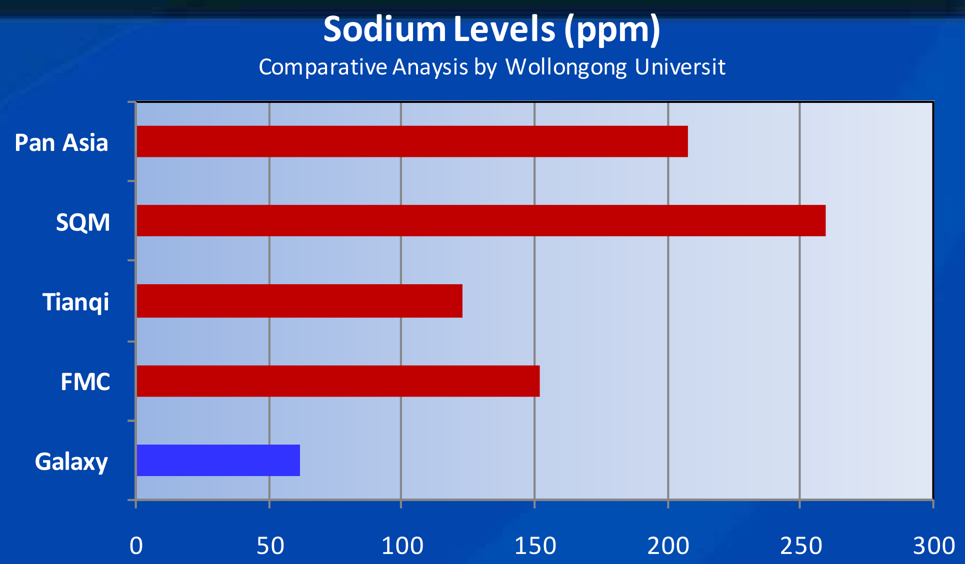

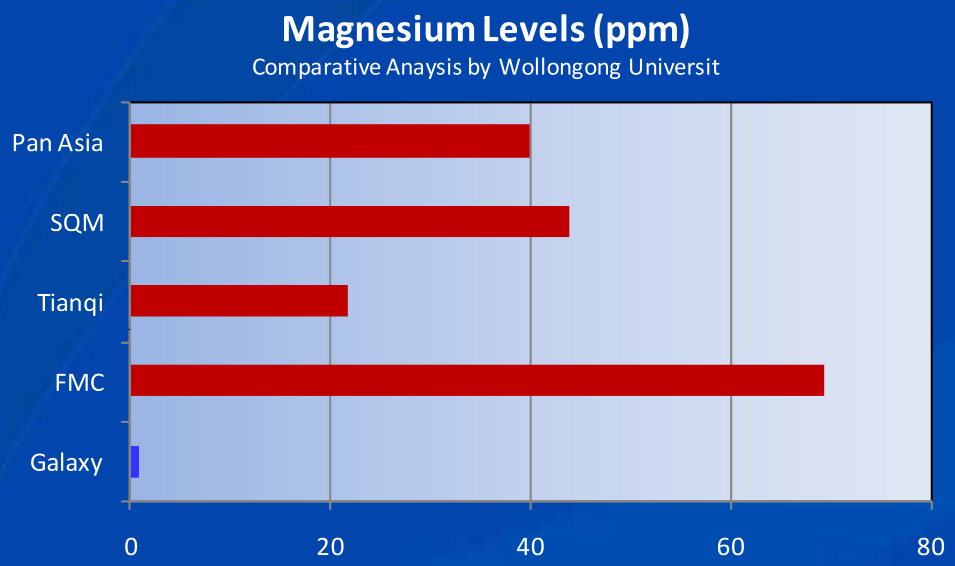

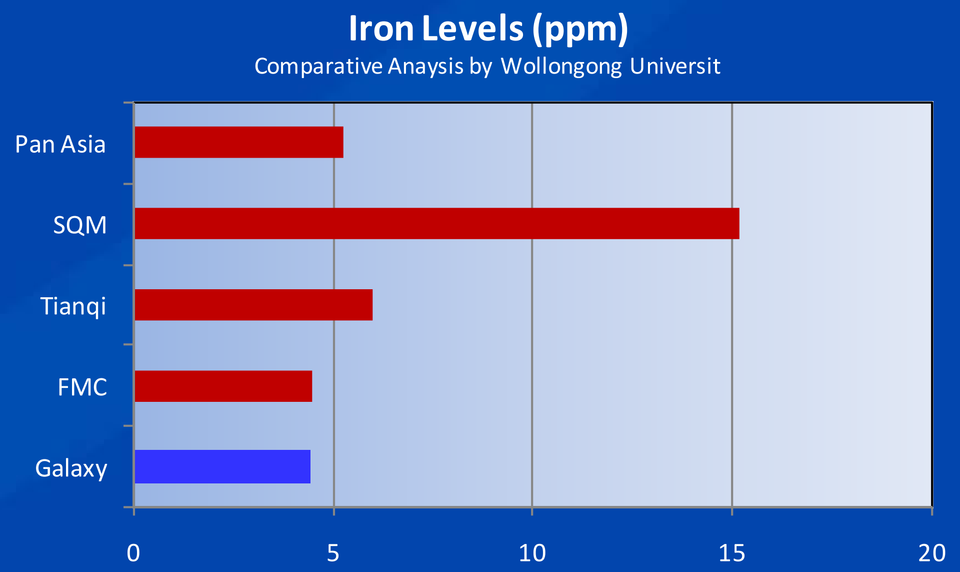

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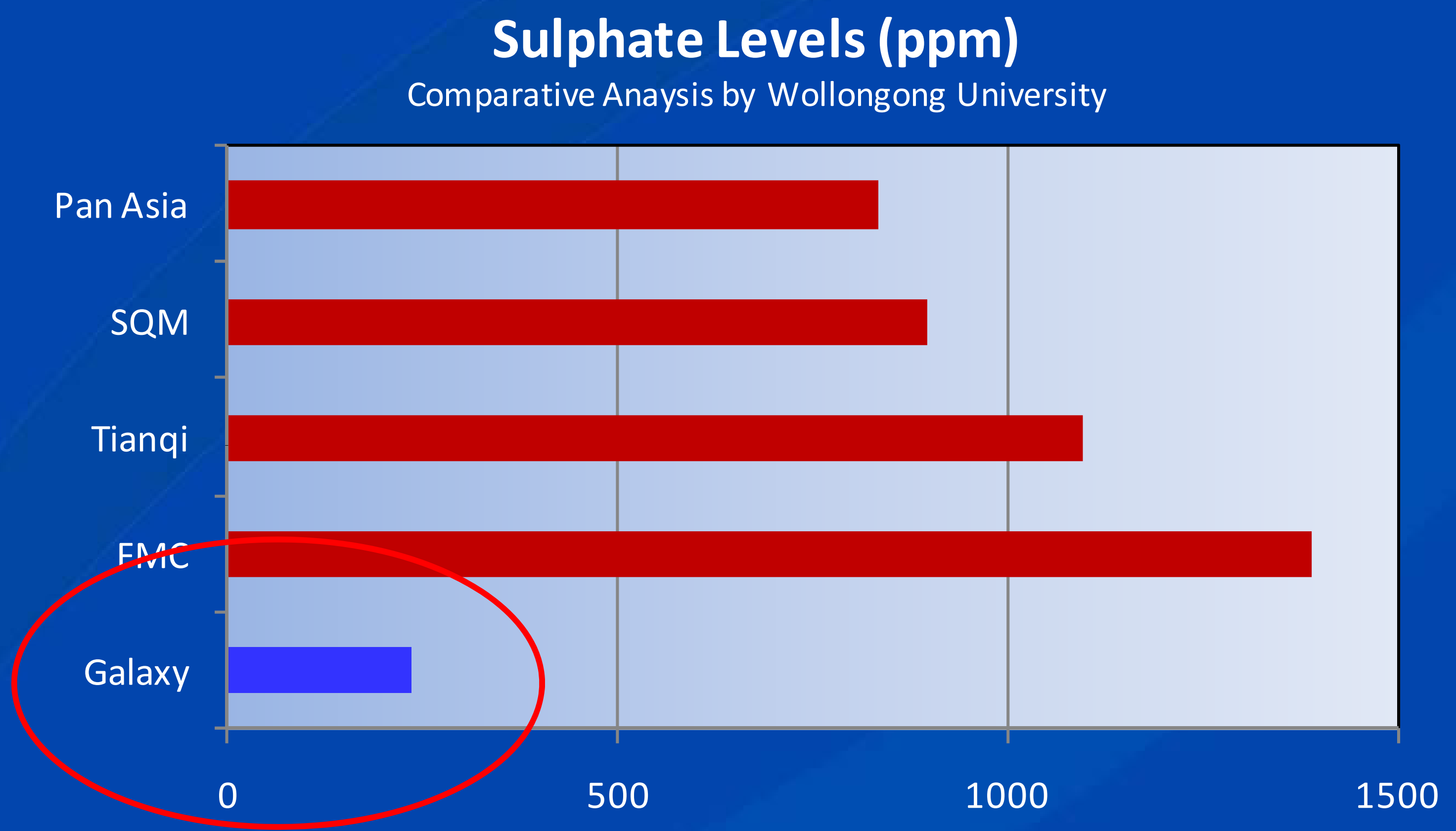

SUPERIOR PURITY LEVELS

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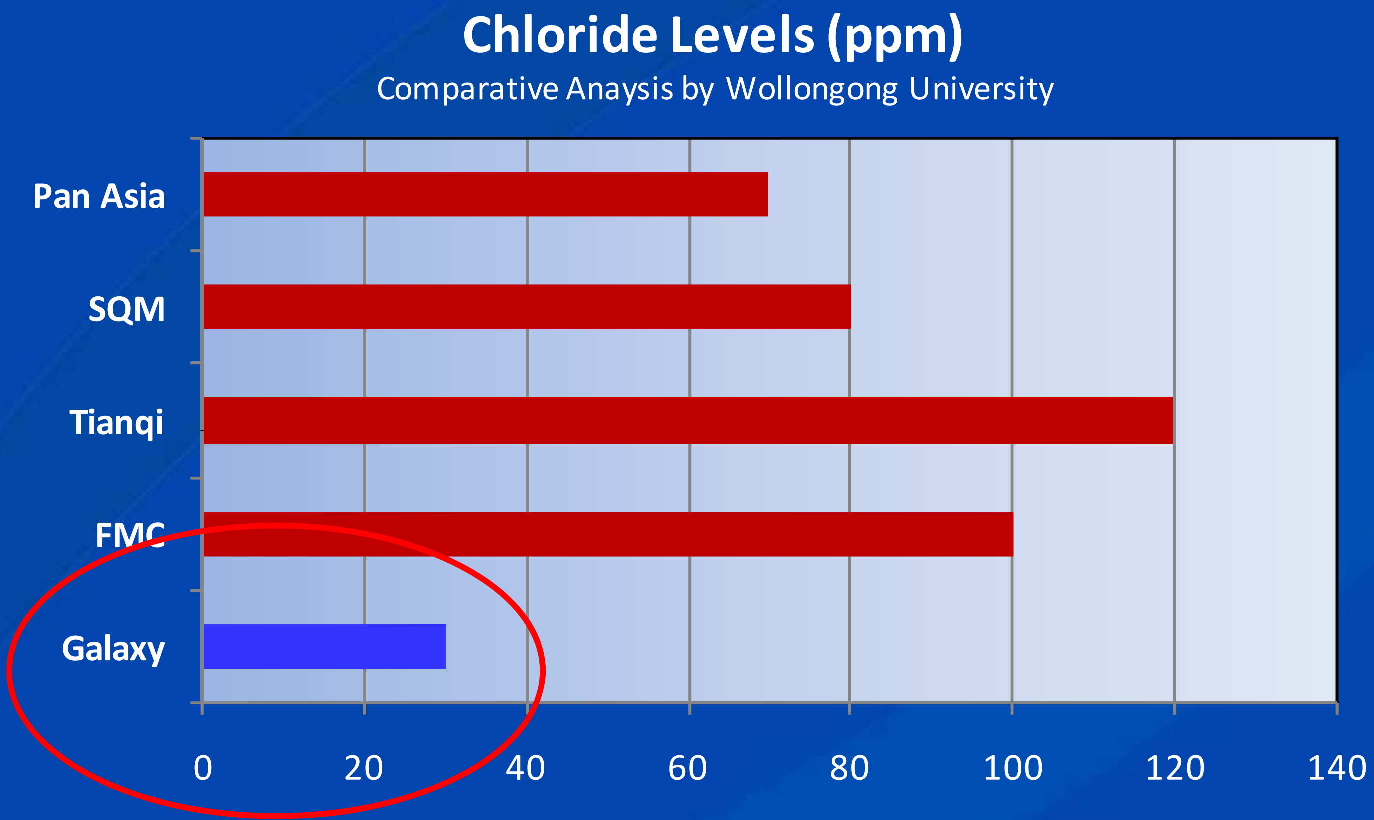

HARD ROCK VS BRINE LC

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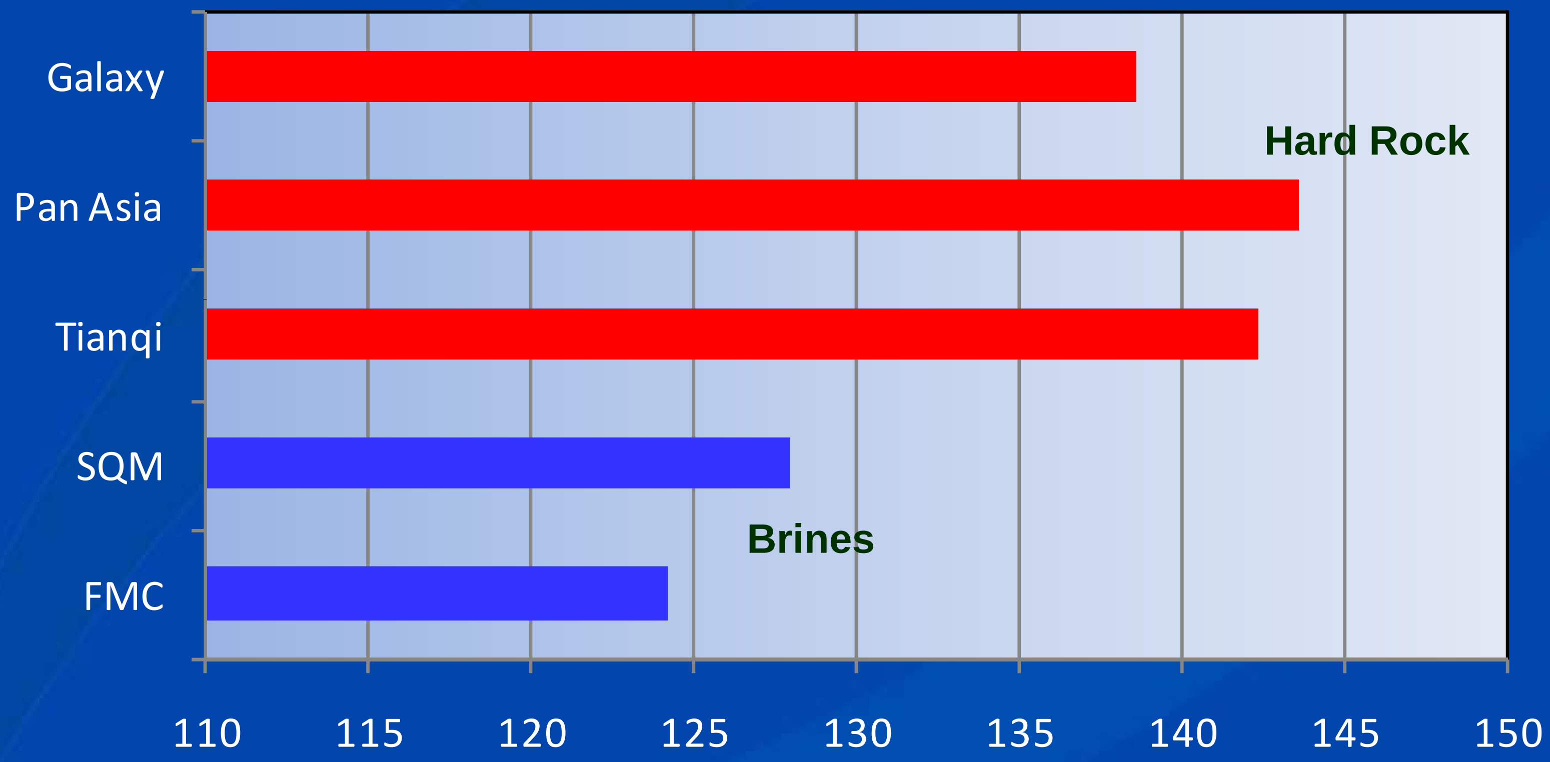
Discharge Performance after 5 Cycles (mAh/g)

Comparative Anaysis by Wollongong University



Hard Rock based lithium carbonate seems to outperform Brine based lithium carbonate

WORLD CLASS DISTRIBUTION

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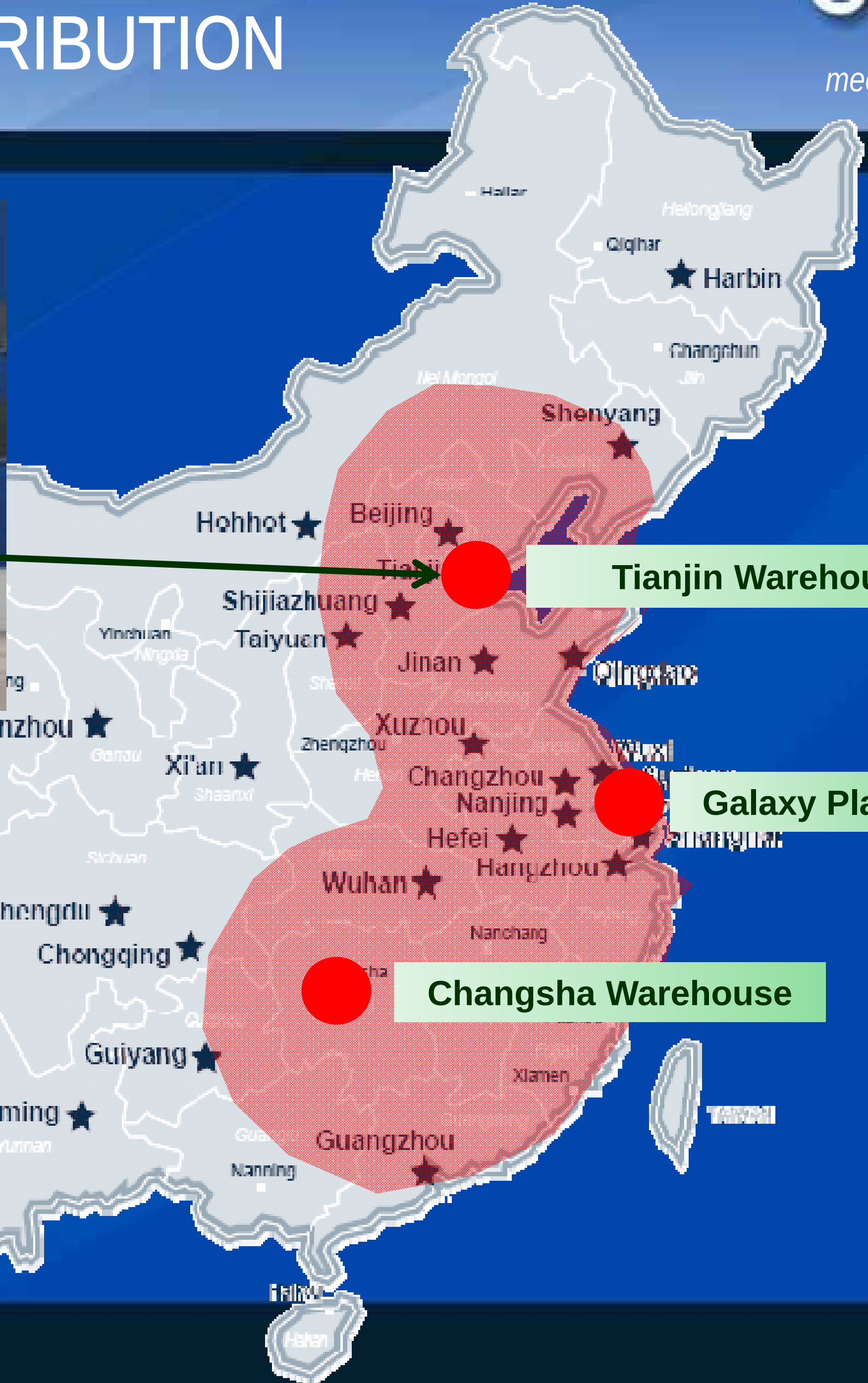

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Expanding our Lithium Footprint

JAMES BAY ACQUISITION

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- Building our lithium footprint
- Farm –in acquisition of 70%
- C$3m to earn 20%
- C$3m on DFS to earn to 51%
- DFS completion to earn to 70%

- Mining friendly Quebec , Canada
- Near surface bulk deposit
- Resource of 22mt @ 1.28% Li_2O
- Similar type to Mt Cattlin
- To use same design plants
- Copy and paste DFS
- LC Plant – Quebec or PRC

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Hong Kong Listing

HONG KONG LISTING

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- Broader investor base
- Largest and most liquid exchange
- Greater access to capital sources
- Greater alignment between our investor and our customer base
- Higher valuation multiples
- Strong appetite for Lithium exposure
- Platform for next stage of growth

HKEx 香港交易所

Morgan Stanley

BNP PARIBAS
CORPORATE & INVESTMENT BANKING

UPDATES & TIMELINE

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- A1 Submission on 3 November 2010
- Includes full prospectus
- Received and replied - first round of questions
- Target listing Q1 2011
- Aiming for ASX market price
- Target net raising of US $239 million

NET PROCEEDS OF FUNDS

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- US$ 40 million - Acquisition and Cash reserves
- US$ 105 million - Repay the Senior Loan Facility
- US$ 70 million - Develop, construct of a lithium-ion battery plant
- US$ 24 million - Corporate purposes
- US$ 239 million - Total (net)

VISION

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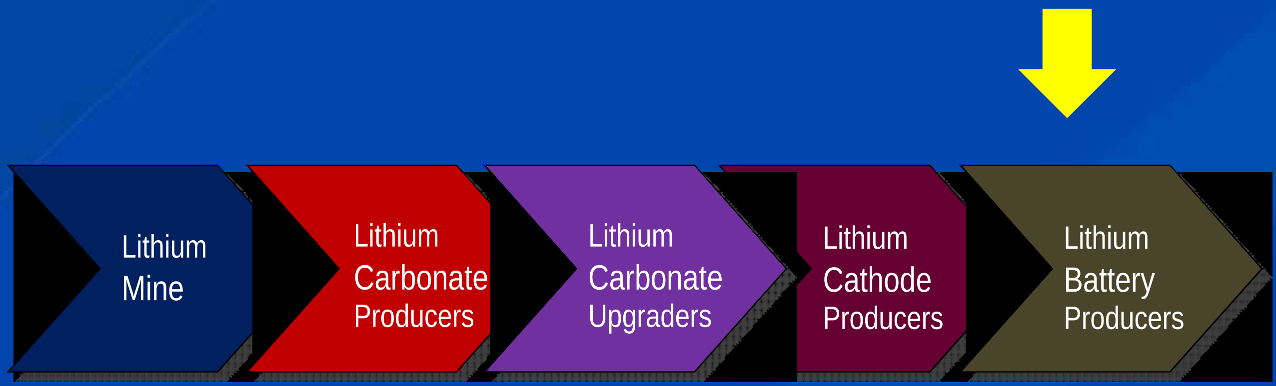
Vertically integrated, lithium resource, chemical and battery company



BUSINESS DIVISIONS

MD Iggy Tan

Corporate Company

Galaxy Resources Limited

MD Terry Stark	MD Mark Sun	MD Walter Yi
Resource Business Division	**Chemical Business Division**	**Battery Business Division**
Galaxy Lithium Aust Ltd (GLAL)	Galaxy Lithium (Jiangsu) Co Ltd (GLJL)	Galaxy Lithium Battery (Jiangsu) Co Ltd (GLBL)*

* Yet to be incorporated

TWO WHEEL ELECTRIC VEHICLES

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E-bicycle

E-Scooter

E-Motorbike

FORECAST GROWTH OF E BIKES

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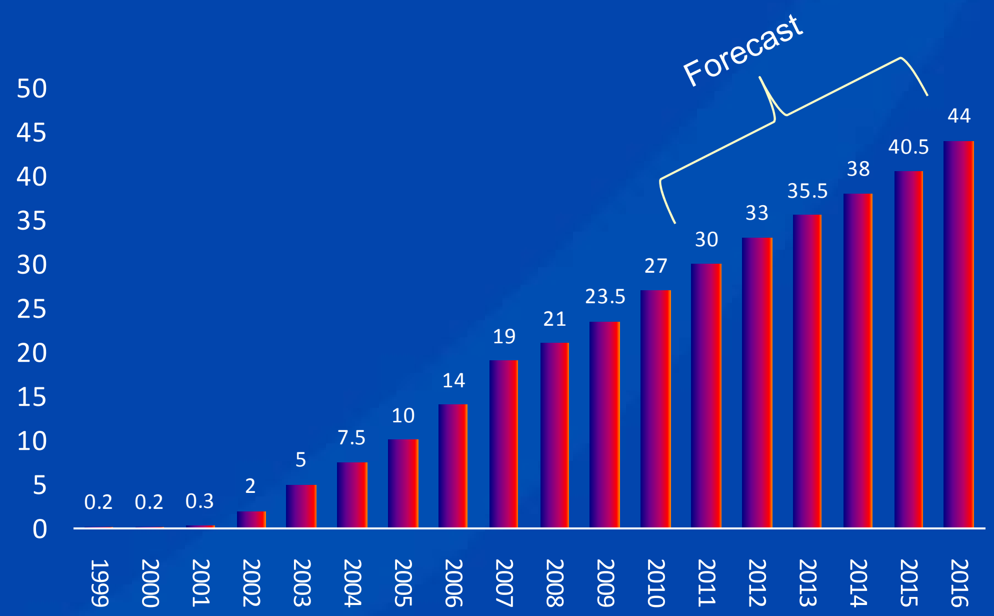
- China to remain as major driver
- China CAGR 8.2% till 2016
- Year 2016 Sales of US$20million
- Production in Asia – 44 m bikes pa
- Large proportion of this growth will be lithium battery e bikes

E Bikes Sales in Asia till 2016



GALAXY BATTERY PROJECT

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- Skill and experience team in place
- Feasibility study completed - Hatch
- Turn key Korean battery plant
- Fully automated, high quality
- MOU with KUBT consortium
- Land secured
- Off take arrangements in progress

GALAXY BATTERY TEAM

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- Dr Yatendra Sharma – Project Manager
  - PHD Battery Technologist
- Walter Yi – Managing Director Battery Division
  - A123 Battery General Manager
- Lui Can – Technical Development Manager
  - Shanshan Battery Co
- Martin Ma – Sales & Marketing Manager
  - Boston Power Co
  - Sony China

Artist Impression - Jiangsu Lithium Battery Plant

FEASIBILITY STUDY

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Lithium Ion E-Bike Batteries

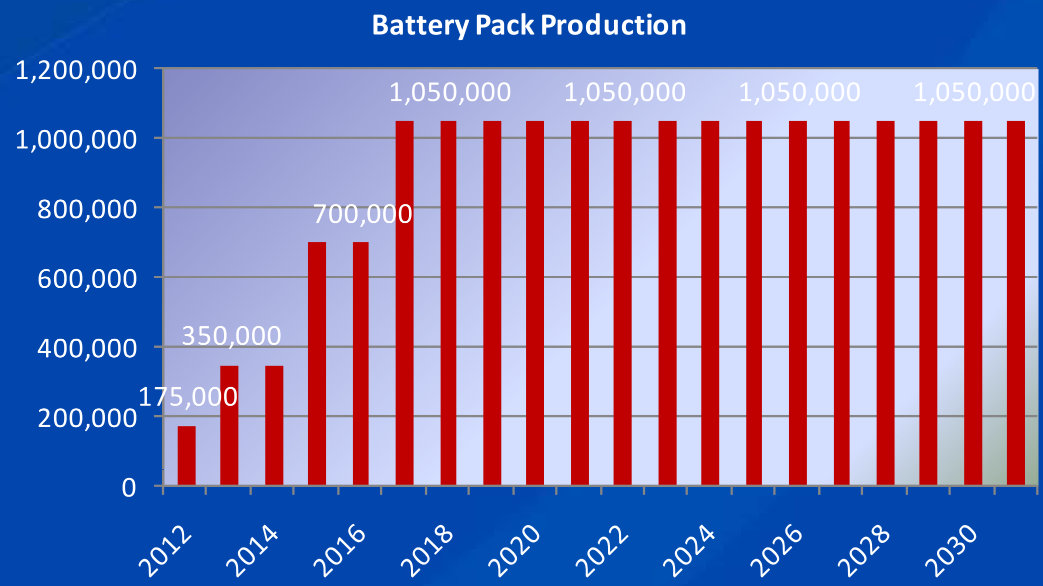
Lithium Iron Phosphate

36 V 10 Ah

Phase 1 - 350,000 pack pa

Phase 2 - 700,000 packs pa

Phase 3 - 1,000,000 packs pa



FEASIBILITY STUDY

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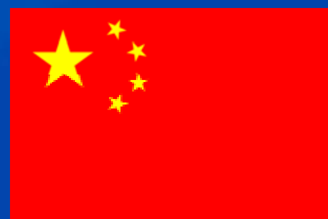
Technology Partner
tba

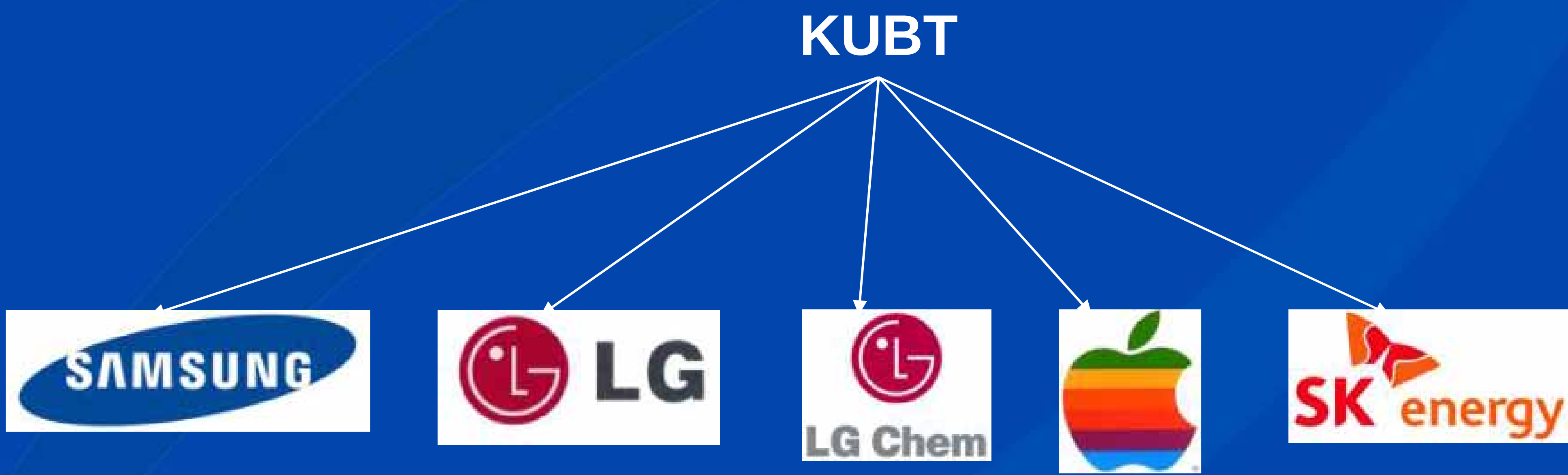
Equipment Partner
KUBT Consortium

EPCM Partner
M+W Group

Location
Zhangjiagang PRC



KUBT CREDENTIALS



MIXERS

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COATING AND DRYING

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ROLLING AND SLITTING

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VACUUM DRYING

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SEPARATOR FORMATION

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AUTOMATIC WINDING

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BATTERY ASSEMBLY EQUIPMENT

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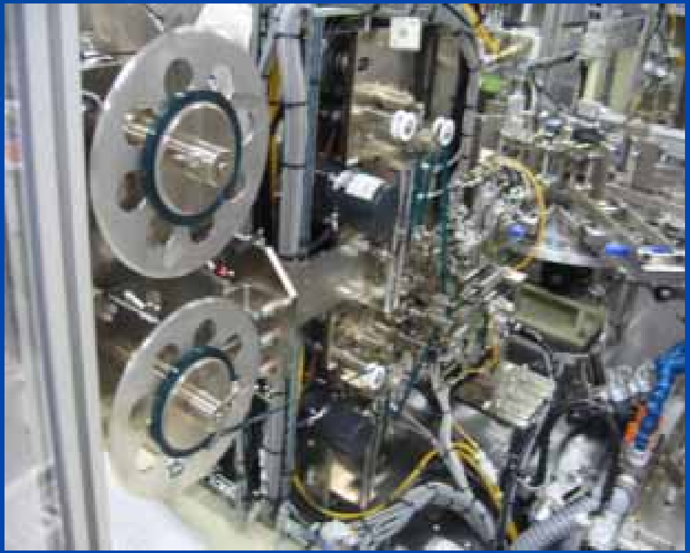
Roll Laminating



Taping

Heat Sealing

AGING FORMATION GRADING DEGASSING

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LOCATION OF BATTERY PLANT

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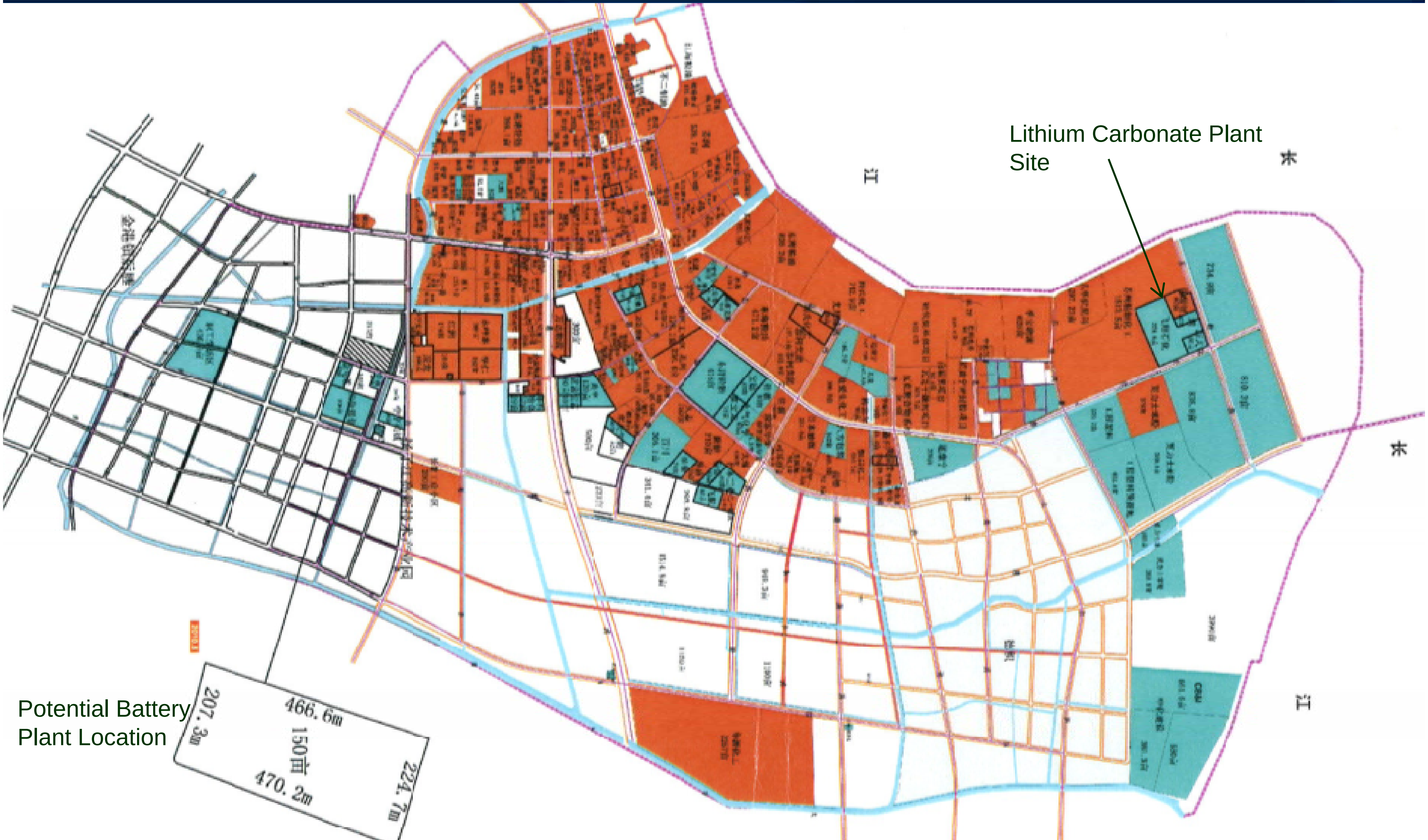

FEASIBILITY STUDY

	Phase 1	Phase 2	Phase 3
Year	2012	2015	2017
Capital Costs	US$ 133 m	US $103 m	US$ 103m
Battery Packs pa	350,000	700,000	1,050,000
Ave price assumption per pack in FS	US$ 186 /pack		
Ave cost assumption per pack in FS	US$ 101/pack		

The development of the Lithium Ion Battery Project remains at a preliminary stage and a final investment decision is yet to be made by the Company

COMPANY TIMELINE

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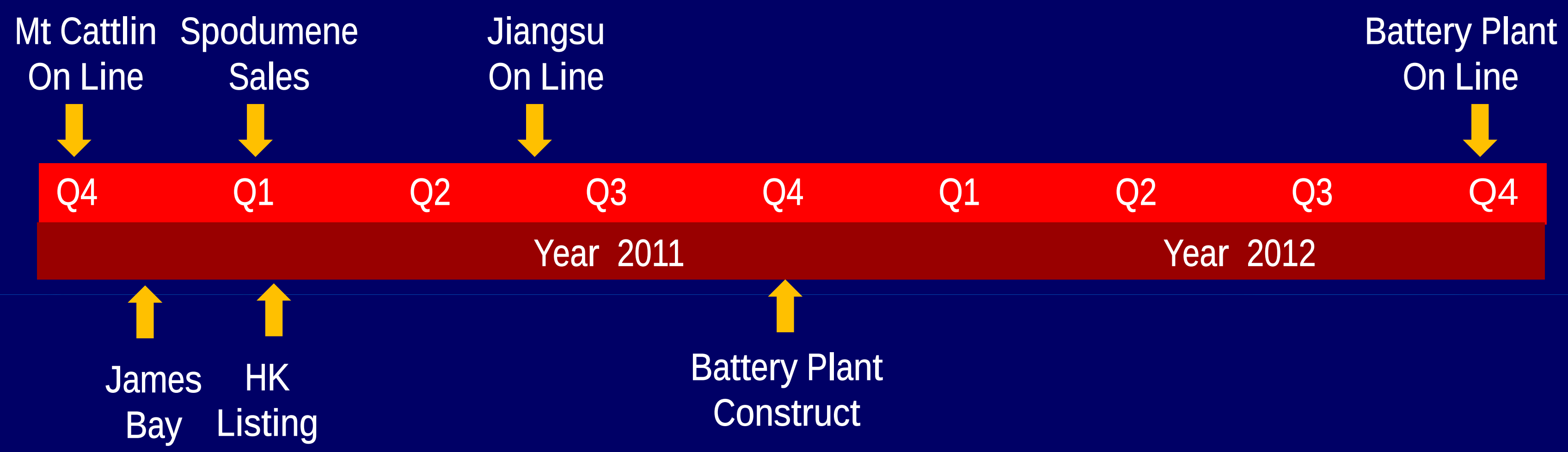

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