Annual General Meeting

Managing Director's Presentation

Iggy Tan
Managing Director

NOT FOR RELEASE IN THE UNITED STATES

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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.

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Mt Cattlin Spodumene Mine

MT CATTLIN UPDATE

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- Safety performance excellent
- No lost time injuries
- Stable workforce, low turnover
- Mining is meeting plant requirements
- Ore mined out of pit 1A and 1B
- Mining achieving grade of 1.28% Li2O
- Crusher been operating well
- Crusher throughput above design

Chris Rainsford, Julie Bell, Rob Michalski, Roger Pover, John Fletcher

Mining is achieving above design grades and meeting plant requirements

MT CATTLIN UPDATE

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- Heavy Media Concentrator
- Rapid wear of pump & piping components
- Progressively upgraded to rubber lined components
- Mica removal issues at the front end of the plant
- Optimization changes to the plant
- Most of the above stability issues have been resolved
- Campaigns of 80% design output achieved
- First shipment of 6,500 tonnes left on 26 March 11
- Second shipment of 12,000 tonnes planned July 11


GIACCI
CAT


GIACCI
DO NOT OVERTAKE TURNING VEHICLE
44
LONG VEHICLE


FLOWER

Galaxy wins the Sustainable Energy Award for Solar Technology

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Jiangsu Lithium Carbonate Plant

JIANGSU UPDATE

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- No lost time injuries
- Chinese New Year, slowdown of labour
- Tank supplier's subcontractors lost 50% work force
- Pressure on the overall schedule and budget
- Most of buildings structures complete
- Kiln shell sections are being aligned, welded and assembled on site by MCC No 1 contractor
- Kiln foundations and support roller bearing pillions
- Then lifted in place & refractory installed


Jiangsu administration building


Sodium sulphate crystallizer equipment


Kiln shell being assembled

Kiln shell being assembled

JIANGSU UPDATE

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- Many vendors are extremely busy
- Packing and warehouse building is largely complete
- Solid progress - Laboratory, Substation, Administration and Maintenance Buildings
- Larger equipment and plant have arrived on site - 1 tonne bagging stations, crystalliser, baghouse, centrifuges, filters, ball mills and critical maintenance tools
- Progressively installed
- Environmental Impact Assessment (to include the extra purification step) approved

JIANGSU UPDATE

- First shipment of spodumene of arrived and was unloaded at Zhangjiagang port without incident.

Pipe rack to kiln area

Maintenance building in background

Microniser & packing building

Kiln roller support pillions

Laboratory building


Maintenance building

Conveyor system support structure

Tank vessel foundations

Tank installed in process building

Installed Microniser

Kiln shell girth gear

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Expanding our Lithium Footprint

JAMES BAY - QUEBEC

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- Building our lithium footprint
- Joint venture and farm-in acquisition of 70%
- C$3m to earn 20%
- C$3m on DFS to earn to 51%
- DFS completion to earn to 70%
- Waiting for Lithium One conditions precedents to be satisfied
- First payment in the next month

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Hong Kong Listing & Capital Raising

HONG KONG LISTING

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- Scheduled last date 31 March 2011
- Libyan crisis and Japanese earthquake
- Poor financial markets
- Board decided to postponed listing
- Around $80m HK target was for working capital (WC)
- Cash reserves (net $44m*) only covered Jiangsu capex
- WC required to get Mt Cattlin/Jiangsu to cash flow positive
- GXY had to meet this shortfall by June/July

* Excludes $50m in loan security account

CAPITAL RAISING

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- Delay in IPO required funds to be raised ASAP
- In the backdrop of the volatile markets
- Quick and non public method of raising
- Cannot afford exposure to market volatility
- Firm price and success
- Low participation of previous Share Purchase Plan (SPP)
- Similar discount but only 3% take up in 2009

- $120m equity raising with Morgan Stanley, Azure and Helmsec

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Battery Project

GALAXY BATTERY PROJECT

- Engineering design conducted by M+W Group
- 350,000 battery packs – Phase 1
- Supplier visits in Korea
- Land secured in ZJG
- Preparing Environmental Impact Approval (EIA)
- Off take arrangements in progress

ELECTRODE PRODUCTION LINES

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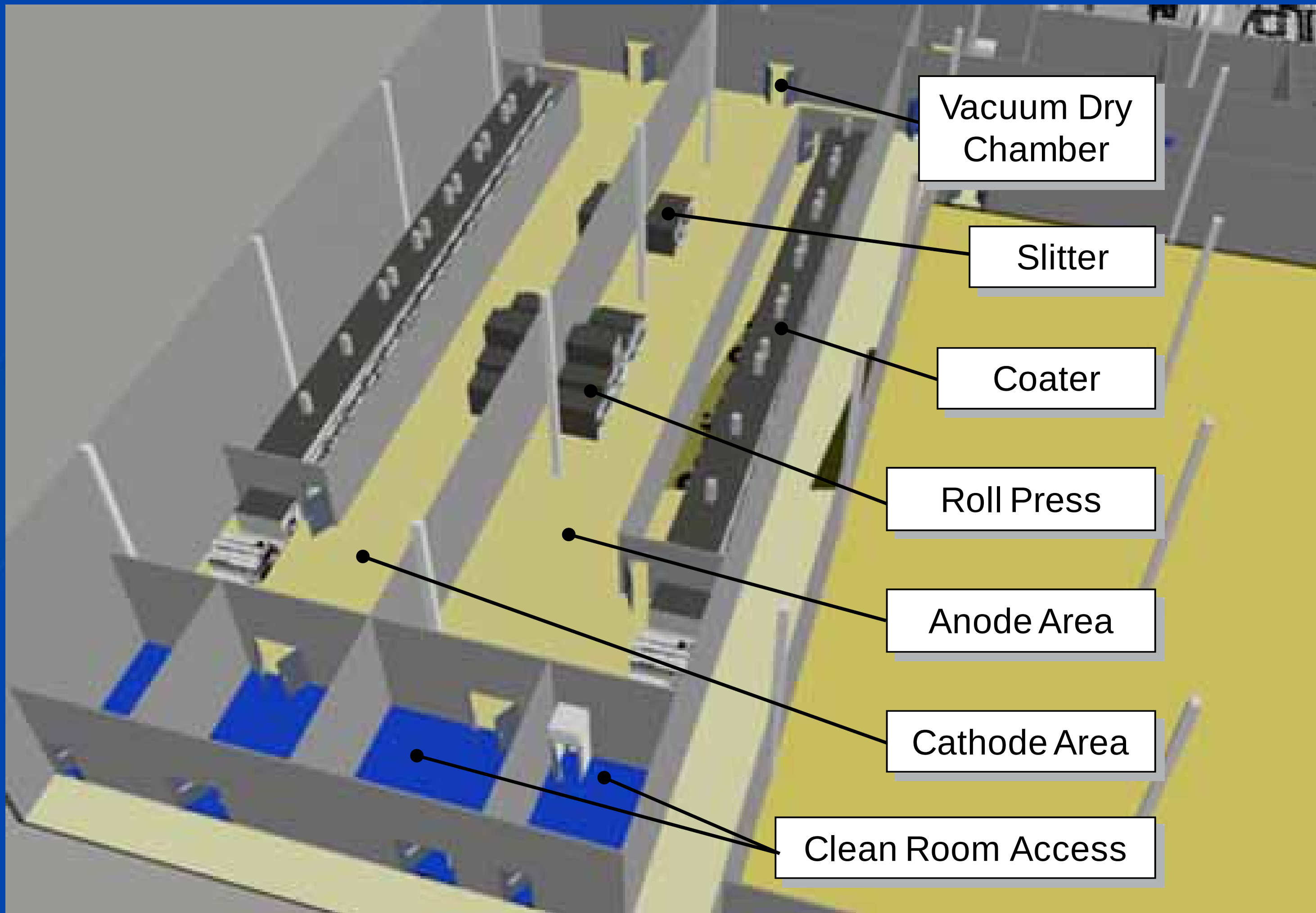
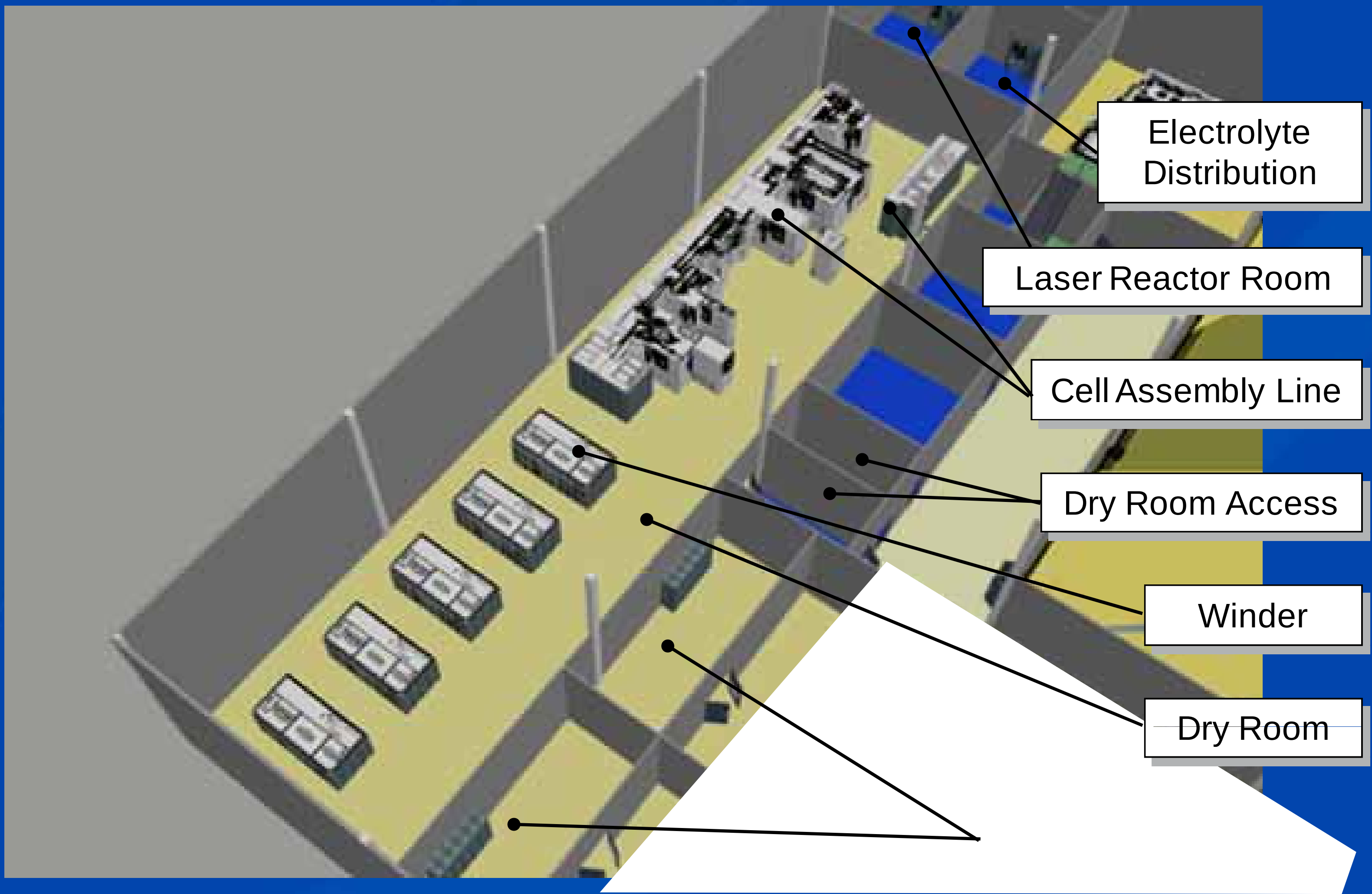


CELL ASSEMBLY LINE



LOCATION OF BATTERY PLANT

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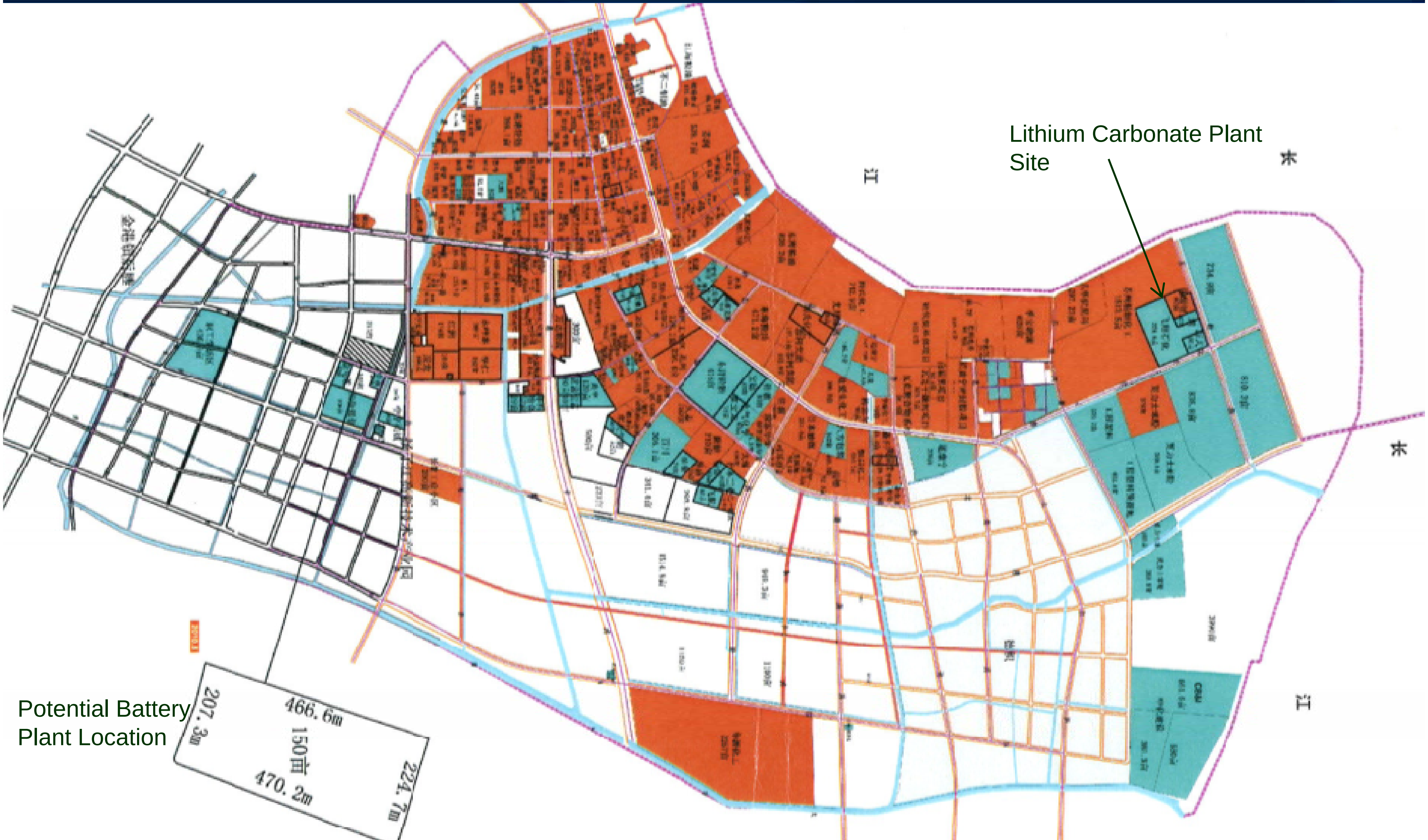

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China 12th Five Year Plan

TOWARDS A LOW CARBON ECONOMY

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- Targeted that energy intensity by 2015 will improve by 18% from 2010
- Non fossil fuel energy will increase to 11.4%
- A total of 235 GW of renewable and low carbon energy generation
- 2015 goals including wind capacity increasing by at least 70GW (from 42 GW currently)
- Solar capacity increasing to 5GW (from 625 MW currently)
- US$77 b on transmission lines for renewable energy
- Forest cover is targeted to increase by 12.5m hectares and high-speed rail is targeted to expand by 47,000 km

PRC GOVT TO DRIVE EV DEMAND

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- Chinese government to drive electric vehicle demand
- April 7, 2011 buyers of pure electric vehicles (EV) will not have to win the lottery to drive a car in Beijing
- Drivers of EVs can drive on any day of the week, and they pay no tax.
- This will drive the uptake of EVs in line with the recent launch of PRC's 12th 5 year plan

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Thank You