

31 May 2011

## UPDATED SLIDES – ASX SMALL TO MID CAP CONFERENCE PRESENTATION

Galaxy Resources Limited (ASX: GXY, “Galaxy”) is pleased to attach updated slide pages of 2, 20 and 28 relating to the ASX Small to Mid Cap Conference Presentation lodged with the ASX on 24 May 2011.

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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.

### **Not for release in the United States**

This announcement has been prepared for publication in Australia and may not be released in the U.S. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements.

## About Galaxy (ASX: GXY)

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

Galaxy wholly-owns and operates the Mt. Cattlin mine, which is currently producing spodumene concentrate. Galaxy's Jiangsu lithium carbonate plant, once completed, will have a design capacity of 17,000 tpa of lithium carbonate, which Galaxy expects would make it one of the largest plants in China converting hard rock lithium mineral concentrates into lithium compounds and chemicals.

Lithium compounds such as lithium carbonate are forecast to be in 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 also by downstream processing to supply lithium carbonate to the expanding Asian market.



*meeting a lithium future*

The following presentation represents Galaxy's management's best judgment at the time of presentation. The contents include forward looking statements prepared on the basis of assumptions which may prove to be incorrect. This presentation should not be relied upon as recommendation or forecast by Galaxy Resources Limited. No representation or warranty is made as to accuracy, completeness or reliability of the information.

#### **Mt Cattlin Competent Persons**

The information in this report that relates to Mineral Resources is based on information compiled by Mr. Robert Spiers who is a full time employee of Hellman & Schofield Pty Ltd and who is a Member of the Australian Institute of Geoscientists. Mr. Spiers 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 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Spiers consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Ore Reserves is based on information compiled by Mr. Roselt Croeser who is a full time employee of Croeser Pty Ltd. Mr. Croeser 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 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Croeser consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report 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 the Company and who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Tornatora 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 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

#### **James Bay Competent Persons**

The mineral resources are reported in accordance with National Instrument 43-101 and have been estimated in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines. Resource evaluation work was completed by Mr. Sébastien Bernier, P.Geo (OGQ#1034, APGO#1847) an independent Qualified Person as defined by NI 43-101.

# MT CATTLIN MINE

- ◆ Significant lithium ore resource
  - ◆ Resource of 18 mt at 1.08%  $\text{Li}_2\text{O}$  \*
  - ◆ Expected mine life of 18 years at 1 mtpa
- ◆ 137,000 tpa spodumene grading 6%  $\text{Li}_2\text{O}$
- ◆ Record construction to production <11 months
- ◆ Construction - On time and on budget (A\$80m)
- ◆ First shipment 6,500 t on 26 March 2011
- ◆ Second shipment in July 2011
- ◆ First Tantalite concentrate sale on 16 March 2011
- ◆ Ramp up slower initially - now on track at 75% of design output



\*

| Resource     | Tonnes            | $\text{Li}_2\text{O}$ % | $\text{Ta}_2\text{O}_5$ ppm |
|--------------|-------------------|-------------------------|-----------------------------|
| Measured     | 3,193,000         | 1.17                    | 149                         |
| Indicated    | 10,613,000        | 1.06                    | 168                         |
| Inferred     | 4,382,000         | 1.07                    | 132                         |
| <b>TOTAL</b> | <b>18,188,000</b> | <b>1.08</b>             | <b>156</b>                  |

# JAMES BAY ACQUISITION



- ✦ Resource of 22 mt @ 1.28% Li<sub>2</sub>O \*
- ✦ Similar coarse grained pegmatite ore type to Mt Cattlin
- ✦ Similar design plans and DFS



Photo of Trenching sample on the pegmatite orebody

\*

| Resource     | Tonnes            | Li <sub>2</sub> O % |
|--------------|-------------------|---------------------|
| Indicated    | 11,750,000        | 1.30%               |
| Inferred     | 10,470,000        | 1.20%               |
| <b>TOTAL</b> | <b>22,220,000</b> | <b>1.28%</b>        |