

Perth, Australia
6 February 2013

GALAXY'S JIANGSU PLANT OPERATIONS RECOMMENCED

Following clearance from the Zhangjiagang Safety Bureau (Safety Bureau), Galaxy Resources Ltd (**ASX: GXY**) ("**Galaxy**" or "**the Company**") advises that it has recommenced operations at its Jiangsu Lithium Carbonate Plant ("**Jiangsu**" or "**the Plant**") in China.

The Safety Bureau has inspected and approved Galaxy's repairs to the affected u-bend section of pipe in the sodium sulphate crystallisation area of the Plant that ruptured in November 2012.

Galaxy expects the Plant to be fully operational and producing lithium carbonate within the week.

In addition, a complete Hazard and Operability (HAZOP) review has been conducted across the Jiangsu operation by Risk Management Solutions to ensure complete and ongoing safety of the Plant.

The main calcination kiln is in the final stage of the dry out process. It will shortly be heated to full temperature to coincide with the start-up of the Plant allowing for a seamless transition to full operations.

Galaxy Managing Director Iggy Tan thanked Jiangsu site personnel and management for their efforts to oversee the re-design, repair and commissioning of the affected section of the Plant.

"We are pleased to have obtained the Zhangjiagang Safety Bureau's clearance and to have recommenced operations at Jiangsu," Mr Tan said.

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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 an integrated lithium mining, chemicals and battery company listed on the Australian Securities Exchange (Code: GXY) and is a member of the S&P/ASX 300 Index.

Galaxy wholly owns the Mt Cattlin project near Ravensthorpe in Western Australia where it mines lithium pegmatite ore and processes it on site to produce a spodumene concentrate and tantalum by-product. At full capacity, Galaxy will process 137,000 tpa of spodumene concentrate which will feed the Company's wholly-owned Jiangsu Lithium Carbonate Plant in China's Jiangsu province. The Jiangsu Plant has commenced production and will produce 17,000 tpa of battery grade lithium carbonate, 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 also owns 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 achieve its goal of being involved in every step of the lithium supply chain.

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This document contains forward looking statements concerning Galaxy.

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