Perth, Australia
29 November 2013

GALAXY ANNOUNCES CHANGES TO BOARD OF DIRECTORS

Galaxy Resources Ltd (ASX: GXY) ("Galaxy" or the "Company") is pleased to announce the following changes to the Board of Directors of the Company with the appointment of several new directors and confirmation of Mr Anthony Tse as Managing Director. These Board changes build upon the recent financial and operational restructuring initiatives undertaken by the Company.

Galaxy's Board will now comprise:

- Martin Rowley (Independent Non-Executive Chairman and Director)
- Anthony Tse (Managing Director)
- Charles Whitfield (Executive Director)
- KC Kwan (Independent Non-Executive Director)
- Jian-Nan Zhang (Non-Executive Director)

Longstanding directors Mr Craig Readhead (the outgoing Chairman) and Mr Robert (Bob) Wanless have retired from the Board. These Board changes are effective as at 28 November 2013.

The Board now comprises a balanced mix of essential skills and experience across strategy, business development, finance and operations.

Mr Anthony Tse has been formally appointed as the Managing Director, after playing a critical role in the Company's restructuring initiatives since his appointment in an interim capacity in June. Fellow executive, Mr Charles Whitfield, who has played a similar role in the restructuring initiatives, will also join the Board.

Outgoing Galaxy Chairman, Mr Craig Readhead, said "Since its IPO in early 2007 Galaxy has become potentially the largest lithium carbonate producer in the Asia Pacific and the fourth largest in the world today. It has been a difficult period recently as we've worked to realise this potential and bring Jiangsu into profitable production but the essential vision we had in 2007 of meeting the burgeoning global demand for lithium products hasn't changed."

Incoming Chairman, Mr Martin Rowley, said "That he was looking forward to the future for Galaxy as it realised the significant value inherent in the Company's global lithium asset base.

There is no doubt that Galaxy has built an impressive lithium asset base, with the state of the art lithium carbonate plant in Jiangsu together with the future promise of Sal de Vida as a long term low cost production asset.

"This gives Galaxy a strong foundation on which to grow, as Jiangsu achieves profitable production and work continues to realise the future potential of Sal de Vida.

Importantly, the Company would like to recognise the long dedicated service both Craig Readhead and Robert Wanless have provided serving as founding directors since 1999," said Mr Rowley.

The Jiangsu Plant has a nameplate capacity of 17,000 tonnes per annum (tpa) of battery grade lithium carbonate. At full production, Jiangsu has the potential to generate annualised revenues in excess of US$100 million. In comparison, other Chinese lithium carbonate producers' current capacities range from 2,000 tpa to 7,500 tpa of battery grade product. Galaxy's large capacity underpins future expansion plans of global lithium cathode producers and their customers, the battery makers.

With these changes to Galaxy's Board incorporating all existing members of the Special Management Committee formed in June to advise the Board on strategic initiatives, the committee will now be dissolved.

Director Biographies:

Martin Rowley (Independent Non-Executive Chairman)

Mr Rowley was a co-founder of TSX and LSE-listed First Quantum Minerals Ltd and is currently that company's Executive Director, Business Development. First Quantum is one of the world's largest copper production companies and the owner of the Ravensthorpe nickel project in Western Australia with a market capitalisation of in excess of A$10 billion. He was previously non-executive Chairman and director of Lithium One Inc., which was acquired by Galaxy by way of a Plan of Arrangement in July 2012. He is also non-executive Chairman and a director of Forsys Metals Corp, a TSX-listed company in the uranium sector.

Anthony Tse (Managing Director)

Mr Tse has 20 years of corporate experience in numerous high-growth industries such as technology, internet/mobile, media & entertainment, and resource & commodities – primarily in senior management, capital markets and M&A roles across Greater China and Asia Pacific in general. His previous management roles include various positions in News Corporation's STAR TV, the Deputy General Manager of TOM Online, Director of Corporate Development at Hutchison Whampoa's TOM Group, President of China Entertainment Television (a joint venture between TOM and Time Warner), and CEO of CSN Corp. He is a Fellow of the Hong Kong Institute of Directors (HKIoD) and a member of the Hong Kong Mining Investment Professionals Association (HKMIPA).

Charles Whitfield (Executive Director)

Mr Whitfield is the Principal Investment Officer of Drumrock Capital, an investment firm providing capital and advisory services to start-up and early round companies. He was formerly a Managing Director with Citigroup where he held the position of head of the corporate equity solutions group (Asia Pacific). Prior to this, he worked for Deutsche Bank where he was head of the strategic equity transactions group (Asia Pacific) from 2000. Mr Whitfield received his Masters in Business Administration (majoring in Finance and Strategy) from Columbia Business School (New York) in 1998 and his Bachelor of Economics from The University of Exeter (U.K.) in 1992.

KC Kwan (Independent Non-Executive Director)

Mr Kwan is an experienced director in Hong Kong. Mr Kwan is a qualified Chartered Accountant in Australia and has been a member of the Hong Kong Institute of Certified Public Accountants since 1982. He completed the Stanford Executive Program in 1992. Mr Kwan was previously the President and Chief Operating Officer for the Asia Pacific Region of Merrill Lynch & Co. Mr Kwan is currently non-executive director of China Properties Group Ltd, Goldpoly New Energy Holdings Ltd, Greenland Hong Kong Holdings Ltd, Hutchison Harbour Ring Ltd, Win Hanverky Holdings Ltd and Sunlight REIT. He was previously an independent non-executive director of Hutchison Telecommunications International Ltd.

Jian-Nan Zhang (Non-Executive Director)

Mr Zhang is the Deputy General Manager of Fengli Group (Australia) Pty Ltd, a subsidiary of the Fengli Group in China, which is a leading private industrial group in China, with diversified interests in iron and steel, commodities trading, shipping and wharf operation related businesses, and is also a shareholder in the Company. He was previously Managing Director of Winly Trade & Investment in China.

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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 has built an advanced and fully-automated Lithium Carbonate production facility in Jiangsu Province, China ("Jiangsu Plant"). The Jiangsu Plant has a name-plate capacity of 17,000 tpa, is primarily focused on producing battery grade lithium carbonate, and is aiming to become the largest producer in the Asia Pacific region and the fourth largest in the world.

Galaxy is currently advancing plans to develop the Sal de Vida Lithium and Potash Brine Project ("Sal de Vida") in Argentina, which is situated in the Lithium Triangle, a region where Chile, Argentina and Bolivia meet, and presently accounts for 60% of global lithium production. Sal de Vida has excellent promise as a future low cost production facility.

The Company also owns the Mt Cattlin Spodumene Mine near Ravensthorpe in Western Australia and the James Bay Lithium Pegmatite Project in Quebec, Canada.

Lithium compounds are used in the manufacture of ceramics, glass, electronics and are an essential ingredient in producing battery materials such as cathode and electrolyte, in the manufacture of long life lithium-ion batteries, which are used in consumer electronics, power tools, electric bikes, hybrid and electric vehicles. Anticipating the growing demand in coming years, Galaxy is positioning itself to become a major producer of lithium products.

Caution Regarding Forward Looking Information.

This document contains forward looking statements concerning Galaxy.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on Galaxy's beliefs, opinions and estimates of Galaxy as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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Annexure A – Material terms and conditions

Anthony Tse – Managing Director

- Appointment commences on 28 November 2013;
- Remuneration is A$350,000 per annum. A$250,000 Cash and consideration of Galaxy Shares of A$100,000 per annum (subject to shareholder approval); and
- Market will be advised once service agreement is finalised.