GALAXY
meeting a lithium future

Perth, Australia
21 May 2014

JIANGSU SALE UPDATE – GALAXY RECEIVES US$12.2M DEPOSIT

Galaxy Resources Ltd (ASX: GXY) ("Galaxy" or the "Company") confirms that it has received US$12.2 million from Sichuan Tianqi Lithium Industries Inc. ("Tianqi") in deposit funds, as provided for in the binding Share Purchase Agreement announced by Galaxy on 30 April 2014 regarding the sale of the Galaxy Jiangsu Plant.

The deposit is 10% of the US$122 million cash consideration component of the Share Purchase Agreement. The sale of the Jiangsu Plant is based on an enterprise value of US$230 million, with Tianqi assuming US$108 million of Chinese bank debt at Galaxy Jiangsu, in addition to the cash component.

The Company will further update the market as the sale process continues.

-ENDS-

For more information, please contact:

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