

Perth, Australia
1 July 2014

DIRECTOR RESIGNATION

Galaxy Resources Limited (ASX: GXY) ("Galaxy" or the "Company"), advises that, effective 30th June 2014, Mr K C Kwan has resigned as an Independent Non-Executive Director of the Company due to increased commitments from his other professional roles.

Mr Kwan will thus also step down as chairman of the Audit and Risk Management committee and as a member of the Remuneration Committee.

Mr Kwan has served on the Board of Galaxy since 2010 and since that time has played a valuable role as an independent director. The Board would like to express its gratitude to Mr Kwan for the significant and important efforts he has made on behalf of the Company throughout his tenure.

Galaxy's Chairman Mr Martin Rowley said that Mr Kwan's experience and guidance has been much appreciated in assisting the Company during his years of service particularly during the recent difficult financial situation the Company has faced. We sincerely thank him for his support and wish him all the best with his other endeavours.

-ENDS-

For more information, please contact:

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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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