3 March 2015

The Manager
Australian Securities Exchange
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000
Attention: Dale Allen

Dear Dale,

Galaxy Jiangsu Divestment Update

Galaxy Resources Limited (**Galaxy** or the **Company**) (ASX:GXY) would like to update Shareholders on the status of the Company's voluntary suspension.

The Company announced on 2 February 2015 that it had revised the terms for the divestment of the Jiangsu Lithium Carbonate plant in China to Sichuan Tianqi Lithium Industries Inc (**Tianqi**), as originally announced on 30 April 2014 (**Transaction**).

As highlighted in the 2 February 2015 announcement some uncertainty remains around the required regulatory approvals and expected timeframes for these approvals in China in connection with the Transaction. As a result, a suspension was requested on 2 February 2015 and extended on 17 February 2015.

Since last updating the market the Company notes that Tianqi has sent its notice of meeting to shareholders to approve the transaction, being one of the conditions precedent to the transaction completing. Following the Tianqi shareholder's meeting there are a number of other regulatory filings that have to be cleared in China prior to completion. Galaxy has continued to work closely with Tianqi on this matter, however it is still unable, at this stage, to provide information around the definitive timing of completion to Shareholders.

As a result, the Company requests that its shares remain in suspension until the earlier of such time as a further announcement on this matter can be released and commencement of trading on Wednesday, 18 March 2015, the day following the Galaxy shareholder's meeting to approve the transaction. In the event that the Company is still unable to provide information around the definitive timing of completion to Shareholders at that time, it will request a further extension to the voluntary suspension.

The Company is not aware of any reason why the voluntary suspension should not be granted.

Yours sincerely

SL Robertson.

Simon Robertson
Company Secretary

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