18 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 agreed revised 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 to be obtained in China. As a result, a suspension was requested on 2 February 2015 and extended on 17 February 2015 and 3 March 2015.

Since last updating the market the Company is pleased to confirm that both Tianqi and Galaxy shareholders have approved the revised Transaction, these approvals being two of the conditions precedent to completion.

The remaining conditions precedent to completion involve a number of Chinese regulatory filings that are required. Under the agreement, completion will occur 10 business days following the date the last of the conditions precedent are satisfied.

Galaxy has continued to work closely with Tianqi to complete these regulatory filings, however it is still unable, at this stage, to confirm to Shareholders the definitive timing for satisfaction of the last condition precedent.

As a result, the Company requests that its shares remain in suspension until the Company is able to make an announcement advising a definitive completion date or until the commencement of trading on Tuesday, 31 March 2015. 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