



Australia
14 June 2017

MT CATTLIN SHIPPING UPDATE

Highlights

- First shipment of Mt Cattlin production on 2017 contract terms dispatched
- 13,815wmt loaded on MV Belle Ocean bound for Chinese offtake customer
- LC in place from offtake customer and LC for July shipment already in place from second customer
- Production at the Mt Cattlin plant over the last 30 days has averaged 440dmt per day, equivalent to an annualized 160,000dmt production rate

Galaxy Resources Limited (ASX: GXY) ("Galaxy" or the "Company") is pleased to announce it has dispatched the first shipment of lithium concentrate under 2017 contract terms. The MV Belle Ocean set sail from Esperance on 10 June 2017 loaded with 13,815 wet metric tonnes (wmt) of lithium concentrate.

The Mt Cattlin operations plant utilization continues to improve with the last 30 days' concentrate production averaging 440dmt per day, which equates to an annualized production of in excess of 160,000tpa. The performance of the redesigned Mt Cattlin plant is now reaching steady state operation with average recovery for the same 30-day period being 54.3% with an average mica content of 1.38% well below contracted minimum levels.

The MV Belle Ocean shipment is the first under 2017 contract pricing terms of US\$830 per tonne at 5.5% grade lithium concentrate increasing to US\$905 per tonne for 6.0% grade equivalent. Total tonnage contracted at these pricing levels for delivery in 2017 is 120,000dmt. Final pricing will be confirmed once the final grade and moisture content have been determined. The Company is aiming to dispatch one shipment per calendar month for the balance of 2017 which will all be on 2017 contracted terms.



Lithium Concentrate Loading On The MV Belle Ocean



The MV Belle Ocean At Esperance Port



ENDS

For more information, please contact:

Corporate

Nick Rowley
Director – Corporate Development
+61 455 466 476
+61 (8) 9215 1700
nick.rowley@galaxylithium.com

Media Enquiries (Australia)

John Gardner
Citadel-MAGNUS
+61 413 355 997 or +61 (8) 6160 4901
jgardner@citadelmagnus.com

Media Enquiries (International)

Heidi So
Strategic Financial Relations Ltd
+852 2864 4826
heidi.so@sprg.com.hk

About Galaxy (ASX: GXY)

Galaxy Resources Limited ("Galaxy") is an international S&P / ASX 200 Index company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It wholly owns and operates the Mt Cattlin mine in Ravensthorpe Western Australia, which is currently producing spodumene and tantalum concentrate, and the James Bay lithium pegmatite project in Quebec, Canada.

Galaxy is advancing plans to develop the Sal de Vida lithium and potash brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of 60% of global lithium production. Sal de Vida has excellent potential as a low cost brine-based lithium carbonate production facility.

Lithium compounds are used in the manufacture of ceramics, glass, and consumer electronics and are an essential cathode material for long life lithium-ion batteries used in hybrid and electric vehicles, as well as mass energy storage systems. Galaxy is bullish about the global lithium demand outlook and is aiming to become a major producer of lithium products.

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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.

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