

16 March 2011

GALAXY SELLS FIRST TANTALUM CONCENTRATE FROM MT CATTLIN

Highlights

- Galaxy sells first shipment of tantalum concentrate from Mt Cattlin
- Shipment is 28 tonnes averaging 2.3% tantalum pentoxide
- First spodumene shipment to China still on track for end March 2011

Galaxy Resources Limited (ASX: GXY, "Galaxy") is pleased to announce it has delivered the first shipment of tantalum concentrate from its Mt Cattlin mine in Western Australia, under its five-year sales agreement with Global Advanced Metals Pty Ltd ("GAM"). The shipment of 28 tonnes had an average grade of 2.3% tantalum pentoxide.

While Galaxy is focused on mining and processing of lithium ore at Mt Cattlin, tantalum ore is coincidentally mined during that process. The tantalum ore is subsequently processed into tantalum concentrate by-product.

Galaxy Managing Director, Iggy Tan, advised that the Company was pleased to record its first sale of tantalum concentrate as the ramp up of Mt Cattlin progresses.

"The Company has also secured the MV Ocean Flower for its first shipment of spodumene to China for the end of March 2011".

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About Galaxy (ASX: GXY)

Galaxy Resources is an international S&P / ASX 300 Index company which plans to become one of the world's leading producers of lithium compounds – the essential component for powering the world's fast expanding fleet of hybrid and electric cars.

Galaxy wholly-owns and operates the Mt. Cattlin mine, which is currently producing spodumene concentrate. Galaxy's Jiangsu lithium carbonate plant, once completed, will have a design capacity of 17,000 tpa of lithium carbonate, which Galaxy expects would make it one of the largest plants in China converting hard rock lithium mineral concentrates into lithium compounds and chemicals.

Lithium compounds such as lithium carbonate are forecast to be in high future demand due to advances in long life batteries and sophisticated electronics including mobile phones and computers.

Galaxy Resources has positioned itself to meet this lithium future by not only mining the lithium, but also by downstream processing to supply lithium carbonate to the expanding Asian market.