

1 July 2009

## ACQUISITION OF MT CATTLIN TENEMENT EXTENSION

### Highlights

- Acquires tenement block north of Mt Cattlin resource from Vistarise Limited for \$100,000
- Contiguous with Mt Cattlin tenements
- Occurrence of scattered pegmatite at surface suggests potential for more substantial and continuous pegmatite bodies at depth.

Emerging lithium producer, **Galaxy Resources Limited** (ASX: GXY) today announced it has signed a 100% purchase agreement for a block of tenements north of Mt Cattlin resource from Vistarise Limited for \$100,000. The tenement block, which includes E74/400, P74/307 and P74/308 (see Figure 1) is contiguous with Galaxy's Mt Cattlin tenements as well as Galaxy's Mining Lease application M74/197.

Managing Director, Iggy Tan said that the ground covers a similar geological sequence to that of Mt Cattlin and that the occurrence of scattered pegmatites at surface suggests there is potential for more substantial and continuous pegmatite bodies at depth.

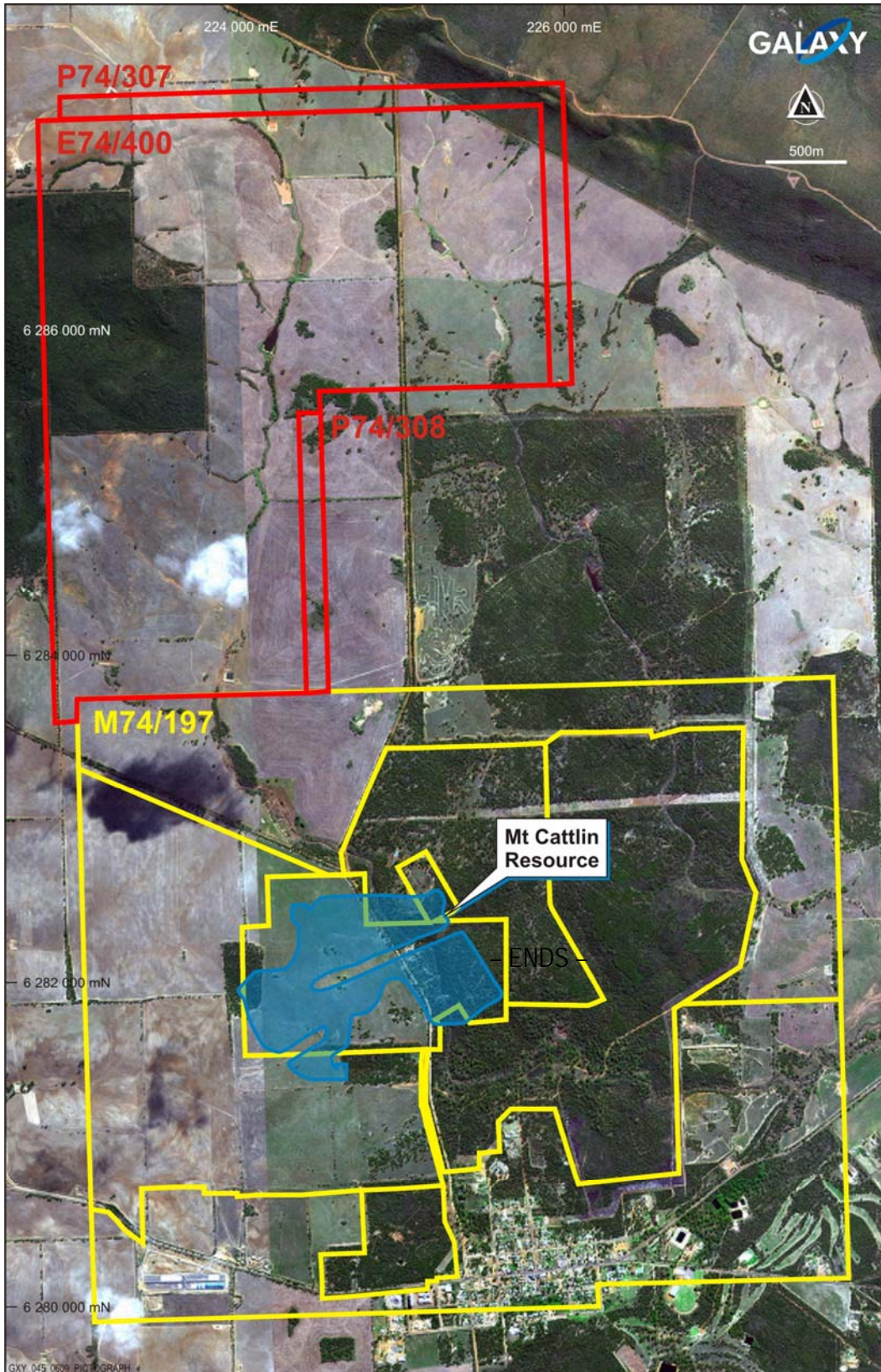
"We're pleased to be able to increase our tenement holding in the region," said Mr Tan. "The occurrence of spodumene at surface indicates the area has potential for complex, lithium tantalum-bearing pegmatites."

Much of the tenement block is covered by cleared farmland including ploughed paddocks with limited outcrop. The mapping by Geological Survey of Western Australia (GSWA) shows scattered outcrops of pegmatites near the eastern edge of the tenement package, and extending onto the purchased ground. Spodumene has been reported in an outcropping pegmatite in the area.

Figure 1. Outcropping pegmatite on Vistarise block of tenements.



Figure 2. Tenements over Quickbird image



For more information, please contact:

Iggy Tan  
Managing Director  
08 9215 1700  
0419 046 397

Katherine Knox  
FD Third Person  
(08) 9386 1233  
0421 186 129

**Caution Regarding Forward Looking Statements**

Statements regarding Galaxy's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Galaxy's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Galaxy will be able to confirm the presence of additional mineral deposits, that any mineralization will prove to be economic or that a mine will successfully be developed on any of Galaxy's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

**About Galaxy (ASX: GXY)**

Galaxy is an Australian mining and chemical company focusing on lithium and tantalum production. Galaxy has completed a definitive feasibility study (DFS) which suggests the Mt Cattlin Lithium / Tantalum project (Ravensthorpe, Western Australia) is commercially viable based on a processing rate of 1 million tonnes per annum over a 15 year mine life. The Company is planning to commence the development of the mine and the construction of the mineral processing plant in Q3 2009 with first concentrate production scheduled for Q3, 2010.

The company has also commenced a pre feasibility study into the value adding downstream production of lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>). The company plans to establish a 17,000 tpa lithium carbonate plant in China due to lower associated capital and operating costs, as well as being close to the strategic growing battery markets in Asia.

Lithium concentrate and lithium carbonate raw materials are forecast to be in short supply and face high future demand growth due to advances in long life batteries and sophisticated electronics in hybrid and electric vehicles, mobile phones and computers.