

5 November 2009

## GALAXY SECURES MINING APPROVAL FOR MT CATTLIN

### Highlights

- Mining Approval secured from DoMP to commence mining at the Mt Cattlin Spodumene Project, Ravensthorpe
- Represents the final step in the project's pre-development
- Construction of the project will commence in the second week of November 2009

Emerging lithium producer Galaxy Resources Limited (ASX: GXY) today announced that it has secured Mining Approval from the Department of Mines and Petroleum (DoMP) for its Mt Cattlin Spodumene Project, near Ravensthorpe, Western Australia.

The granting of Mining Approval marks the final stage of pre-development for the Mt Cattlin project, effectively enabling the Company to commence mining and production in Q3 2010. With Works Approval already secured, Galaxy is scheduled to commence construction of the project including earthworks and the minerals processing plant in the second week of November 2009.

Managing Director, Mr Iggy Tan, said the approval represented a very significant milestone for the development of the Mt Cattlin Spodumene Project.

"With Mining Approval and full funding in place we look forward to having the Mt Cattlin mine up and running by Q3 2010," Mr Tan said. "This will allow us to capture the near term opportunity of the growing lithium market and deliver returns to shareholders."

"The project will employ a residential workforce of approximately 70 to 100 people," he said.

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### About Galaxy (ASX: GXY)

Galaxy Resources is a Western Australian company which is soon to become one of the world's leading producers of lithium – the essential component for powering the world's fast expanding fleet of hybrid and electric cars.

By 2010, GXY's Mt Cattlin mine will be the world's second largest hard rock producer of lithium and, through the development of its value adding lithium carbonate plant (17,000 tpa), the Company will be the largest and lowest cost lithium producer in China. Lithium concentrate and lithium carbonate materials are forecast to be in short supply against 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 by downstream processing to supply lithium carbonate to the lucrative Asian market.