

15 December 2009

\$6 MILLION RECEIVED FROM FIRST CREAT PLACEMENT

Highlights

- First share subscription placement of A\$ 6m from Creat has been received ahead of schedule
- Creat has nominated its subsidiary, AIM listed Creat Resources Holdings Limited ("CRHL") to subscribe for the full 19.9% of Galaxy

Emerging lithium producer, Galaxy Resources Limited (ASX: GXY), is pleased to announce that it has received A\$ 6 million being the first stage share subscription placement ("First Subscription") from Creat Resources Holdings Limited ("CRHL"), an investment vehicle for Creat Group Co Limited ("Creat").

In an announcement on 9 December 2009, the Company said that it expected to receive the First Subscription funds on 21 December 2009. The Company has now received it in its accounts ahead of the original schedule.

Creat is a 70% major shareholder of CRHL listed on the AIM market of the London Stock Exchange. The owners and employees of Creat also comprise the Chairman, Managing Director/CEO and CFO of CRHL.

Galaxy has issued 6,818,182 shares to CRHL.

– ENDS –

For more information, please contact:

Iggy Tan
Managing Director
08 9215 1700
0419 046 397

Jon Snowball
FD Third Person
08 9386 1233
0424 473 841

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 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.