

14 April 2010

## EXCELLENT DRILL INTERCEPTS FROM MT CATTLIN NORTH WEST ZONE

### Highlights

- Excellent drill results returned from recent drilling in the NW Zone, including **16m @ 1.52% Li<sub>2</sub>O** and **9m @ 2.41% Li<sub>2</sub>O**
- Significant results were received from five holes completed in the North Ravensthorpe area, including **9m @ 1.03% Li<sub>2</sub>O and 271ppmTa<sub>2</sub>O<sub>5</sub>**
- A small RC program at the Junction Prospect, approximately 1.5km north west of the Mt Cattlin resource has discovered spodumene bearing pegmatite
- In preparation for mining, grade control drilling has commenced in a zone of very shallow ore in the Stage 1A Pit area

Emerging lithium producer, Galaxy Resources Limited (ASX: GXY) is currently completing an RC drilling program aimed at upgrading and extending resources at the Mt Cattlin Spodumene Project. Excellent intercepts have been identified from drilling to date.

A diamond drilling program has also been completed to provide further geological, metallurgical and geotechnical information.

### North West Zone

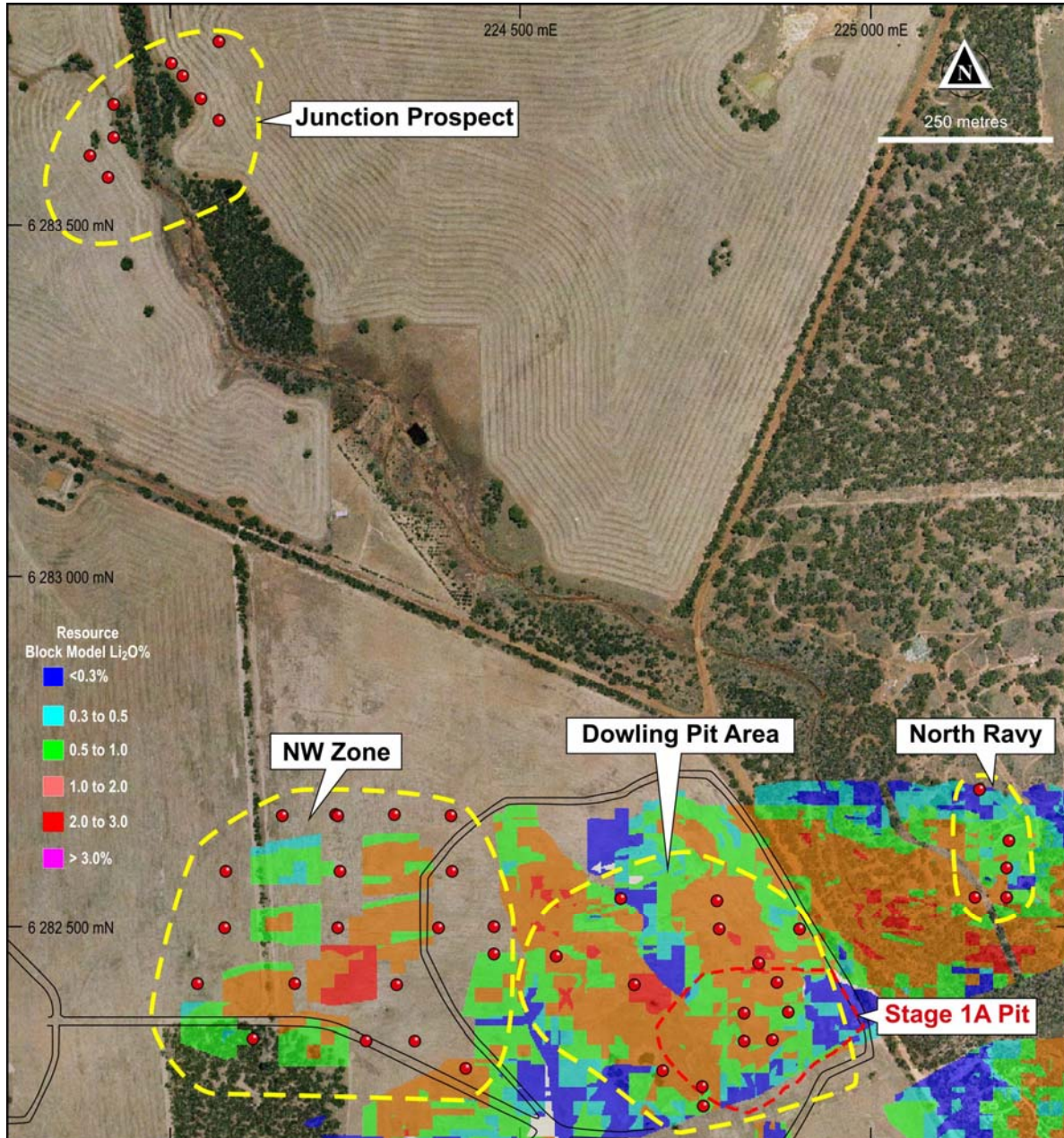
A new zone of lithium-bearing pegmatite mineralisation to the northwest of the current resource was discovered in late 2009 (see Figure 1). Ongoing drilling in this area is infilling collar spacing to 80m x 80m, in order to define additional inferred resources.

Significant intercepts have been received from the current program including **16m @ 1.52% Li<sub>2</sub>O** in GX1098, **9m @ 2.41% Li<sub>2</sub>O** in GX1099 and **10m @ 1.15% Li<sub>2</sub>O** in GX1093.

These results support the geological model for the area and additional assay results are awaited.



Figure 1. Location of Zones (Recent drill hole collars in red)

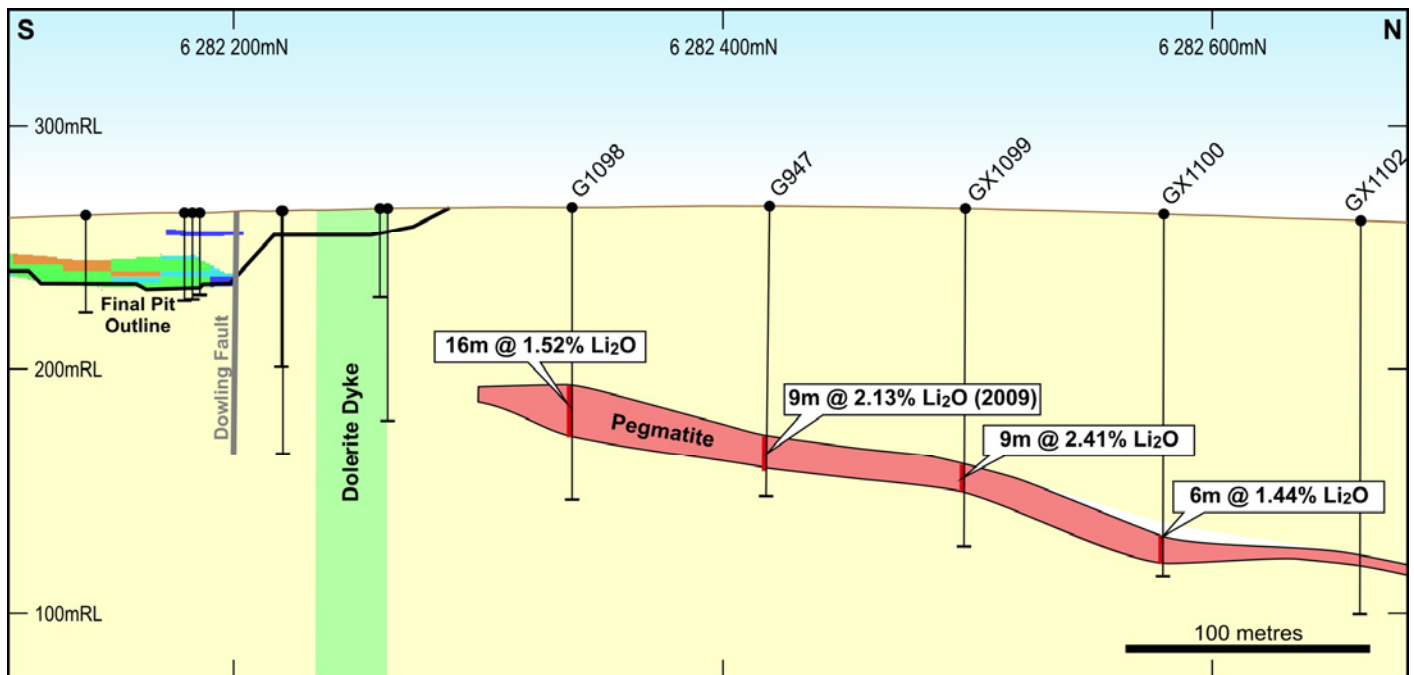


A full list of significant intercepts for the North West Zone received to date from the current program is given in Table 1 below.

Table 1. Significant intercepts, North West Zone

Area	Hole	East	North	From (m)	To (m)	Width (m)	Li <sub>2</sub> O (%)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
NW Zone	GX1090	224080	6282580	148	150	2	0.76	107
NW Zone	GX1092	224039	6282420	114	116	2	2.18	76
NW Zone	GX1093	224119	6282342	78	88	10	1.15	60
NW Zone	GX1094	224161	6282658	161	166	5	0.77	84
NW Zone	GX1095	224178	6282419	99	103	4	2.41	66
NW Zone	GX1097	224463	6282500	96	98	2	0.91	64
NW Zone	GX1097	224463	6282500	102	109	7	1.06	223
NW Zone	GX1097	224463	6282500	114	116	2	0.90	58
NW Zone	GX1097	224463	6282500	121	125	4	0.73	67
NW Zone	GX1098	224280	6282339	73	89	16	1.52	114
NW Zone	GX1099	224240	6282499	107	116	9	2.41	81
NW Zone	GX1100	224242	6282580	135	141	6	1.44	36

Figure 2. NW Zone Section 224240E (looking West)



**Dowling Pit Area**

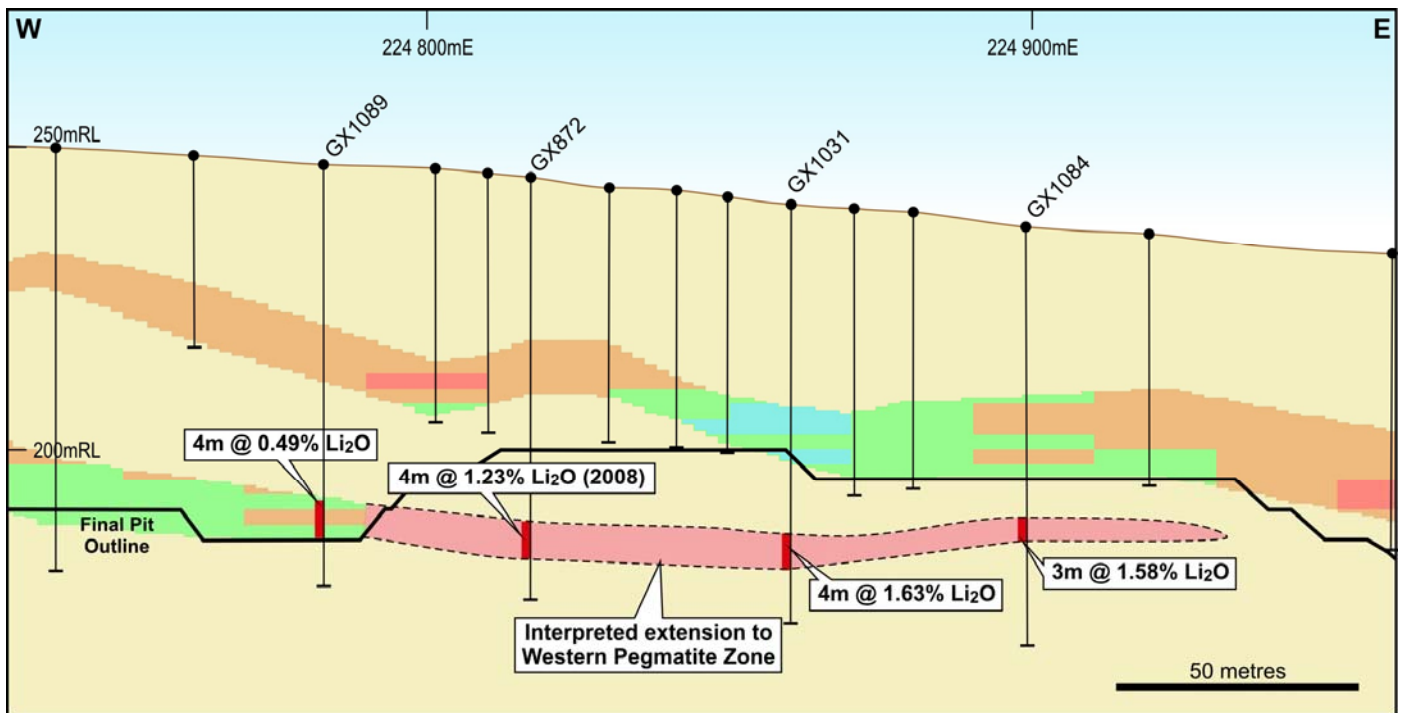
Drilling in the Dowling Pit area was aimed at extending the eastern margin of the Western Pegmatite Lens which remains open at all locations. Some relatively narrow, but good grade intercepts were returned from the Western Pegmatite Lens, including 3m @ 1.71% Li<sub>2</sub>O in GX1082 and 3m @ 1.58% Li<sub>2</sub>O in GX1084. These lie just beneath the current final pit outline, and have the potential to expand the pit and further grow the resource base.

Wide, high grade upper intercepts in drill holes in Table 2, such as 11m @ 1.37% Li<sub>2</sub>O in GX1086 represent the upper Eastern Pegmatite lens. Significant results received to date from the recent Dowling Pit drilling are included in Table 2 below.

Table 2. Significant intercepts, Dowling Pit Area

Area	Hole	East	North	From (m)	To (m)	Width (m)	Li <sub>2</sub> O (%)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
Dowling Pit	GX1031 (re-entry)	224860	6282500	51	53	2	0.43	52
Dowling Pit	GX1031	224860	6282500	57	61	4	1.63	107
Dowling Pit	GX1081	224882	6282379	15	23	8	1.63	270
Dowling Pit	GX1081	224882	6282379	36	38	2	1.08	86
Dowling Pit	GX1082	224820	6282378	21	24	3	1.34	411
Dowling Pit	GX1082	224820	6282378	27	31	4	1.74	119
Dowling Pit	GX1082	224820	6282378	41	44	3	0.71	132
Dowling Pit	GX1082	224820	6282378	51	54	3	1.71	436
Dowling Pit	GX1083	224866	6282422	23	32	9	1.15	176
Dowling Pit	GX1083	224866	6282422	37	42	5	0.74	214
Dowling Pit	GX1084	224899	6282497	27	37	10	1.08	118
Dowling Pit	GX1084	224899	6282497	49	52	3	1.58	161
Dowling Pit	GX1085	224820	6282340	29	32	3	1.68	963
Dowling Pit	GX1086	224859	6282340	15	26	11	1.37	78
Dowling Pit	GX1087	224644	6282541	46	48	2	1.18	104
Dowling Pit	GX1088	224781	6282537	30	35	5	2.33	818
Dowling Pit	GX1089	224783	6282496	28	35	7	2.00	231
Dowling Pit	GX1089	224783	6282496	57	61	4	0.49	55

Figure 3. Dowling Pit Section 6282500N (looking North)



**North Ravensthorpe Area**

Five RC holes were completed in a small zone in the north east of the resource. Drill access was previously not possible in this area because it was covered by a small prospecting license application. This application has now been incorporated into the larger Mt Cattlin Mining Lease, which was granted in late 2009.

Significant results from the recent North Ravensthorpe drilling include a best intercept of **9m @ 1.03% Li<sub>2</sub>O and 271ppmTa<sub>2</sub>O<sub>5</sub>**. A full list of results is included in Table 3 below.

**Table 3. Significant intercepts, North Ravensthorpe Area**

Area	Hole	East	North	From (m)	To (m)	Width (m)	Li <sub>2</sub> O (%)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
North Ravy	GX1076	225198	6282623	55	59	4	0.55	151
North Ravy	GX1077	225194	6282585	48	54	6	1.11	154
North Ravy	GX1078	225195	6282542	41	48	7	0.62	351
North Ravy	GX1079	225148	6282543	44	53	9	1.03	271

**Junction Prospect**

Nine shallow RC holes were completed at a prospect located approximately 1.5km NW of the Mt Cattlin resource. This program was targeting outcropping spodumene-bearing pegmatite.

Drilling encountered spodumene in some holes, but pegmatite zones intersected to date are patchy, with a best intercept of **3m @ 0.94% Li<sub>2</sub>O**. This is considered significant in this new area, and follow up work is being planned.

**Table 4. Significant intercepts, Junction Prospect**

Area	Hole	East	North	From (m)	To (m)	Width (m)	Li <sub>2</sub> O (%)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
Junction	GX1071	224018	6283711	3	6	3	0.94	67

Note: Coordinates are in projection GDA 94, Zone 51 to an accuracy of <1m. Most holes are vertical and since the mineralised pegmatite is sub-horizontal, intercept widths approximate true thickness. Intercepts are weighted averages calculated using a lower cut of 0.4% Li<sub>2</sub>O from 1 metre riffle split samples of RC percussion chips. No top cut has been applied. Analysis by SGS Australia Pty Ltd using AAS for Li (converted to Li<sub>2</sub>O) and XRF for Ta (converted to Ta<sub>2</sub>O<sub>5</sub>).

– ENDS –

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**Competent Persons**

The information in this report that relates to Exploration Results is based on information compiled by Mr Philip Tornatora who is a full time employee of the Company and who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Tornatora has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

**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 mineralisation 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 S&P / ASX 300 Index 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.