

QUARTERLY REPORT

For the three months ending 30 June 2017

Galaxy Resources Limited (ASX: GXY, "Galaxy" or "Company") is pleased to report to shareholders its activities for the quarter ended 30 June 2017.

Highlights

Mt Cattlin Operations

- Total of 32,998 dmt of lithium concentrate produced in the quarter, a 41% increase over Q1 2017
- For June, plant recoveries achieved 61% and output exceeded target production rate with 14,038 dry metric tonnes ("dmt") of concentrate produced
- Cash flow generation of A\$13.2 million for the quarter before capex and repayment of balance of customer prepayments
- Average production cash costs (excluding royalties and marketing fees) of US\$393 per dmt for the quarter, including US\$334 per dmt for the month of June
- Sales of 30,135 dmt at an average realised price before royalties and marketing fees of US\$724 (A\$964) per dmt
- Sales of production on 2016 contract terms completed
- Balance of all customer offtake prepayments repaid
- First tantalum sale complete

Sal de Vida Project

- Progress on field work and production well drilling
- Relocation and refurbishment of the test plant
- Initial planning activities for construction camp

James Bay Project

- Drilling program progressing, now 65% complete
- Initial assays from drilling campaign showing excellent results
- Work on feasibility study advancing

Corporate

- Cash on hand at 30 June 2017 of \$40.4 million
- Annual General Meeting of Shareholders approve a 1 for 5 share consolidation
- Appointment of new Director to the Board
- Appointment of new Chief Financial Officer
- US\$2.1 million received for settlement of legal dispute with Tianqi

Teleconference

A teleconference on the Quarterly Results will be held on Monday 17 July 2017, commencing at 9.30am (AWST).

Conference ID:	5432 6900		
Within Australia (Toll Free):	1800 123 296		
International:			
Canada	1855 5616 766	Japan	0120 477 087
China	4001 203 085	Singapore	800 616 2288
Hong Kong	800 908 865	United States	1855 293 1544
UK	1855 293 1544		



PROJECTS

MT CATTILIN – OPERATIONS

Operations at Mt Cattlin remains Lost Time Incident free since refurbishment and restart of production.

During the quarter, the Mt Cattlin operations transitioned into commercial production with ramp up and commissioning of the plant completed at the end of April.

Production & Sales Statistics

	Units	March qtr 2017	June qtr 2017	YTD 2017	June qtr vs March qtr
Waste mined	<i>bcm</i>	143,300	460,850	604,150	222%
Ore mined	<i>bcm</i>	87,922	110,788	198,710	26%
Ore mined	<i>wmt</i>	233,193	303,394	536,587	30%
Grade	%	0.96	1.12	1.05	+0.16
Ore treated	<i>wmt</i>	253,156	334,036	587,192	32%
Ore Feed Grade	%	1.02	1.15	1.09	+0.13
Spodumene produced	<i>dmt</i>	23,467	32,998	56,465	41%
Spodumene sold	<i>dmt</i>	23,455	30,135	53,590	28%
Spodumene grade sold	%	5.38	5.77	5.60	+0.39
Moisture	%	1.80	2.12	1.98	+0.32
Mica content	%	1.88	1.96	1.93	+0.08

Mining operations achieved full production levels during the quarter, with total material movement of 571,638 bank cubic metres ("**bcm**") of waste and ore, including 303,394 wet metric tonnes ("**wmt**") of ore at an average grade of 1.12% Li₂O. Mining volumes increased by 147% from the March quarter mainly due to a 222% increase in waste mining volumes. Mining activities were concentrated on the northern and western sides of the pit, and run of mine ore stocks were as planned at the end of the quarter.

Ore treated increased by 32% to 334,036 wmt and the average ore feed grade improved to 1.15% for the quarter.

Spodumene production increased by 41% to 32,998 dmt.

The efficiency of the Mt Cattlin plant has continued to improve with concentrate production for the last 2 months of the quarter averaging 436 dmt per day, equivalent to production of approximately 160,000 tonnes per annum ("**tpa**"). The



annualised rate of concentrate production in June was approximately 170,000 tpa. During June, daily concentrate production exceeded 500 tpa on sixteen days.

The performance of the redesigned Mt Cattlin plant has now reached steady state operations with an average recovery of 61% achieved in June, well above the budgeted target of 50-55%. This was due to higher head grade and improved specific gravity ("SG") control, as well as improved stability in the dense media separation ("DMS") circuit.

There were two shipments of lithium concentrate during the quarter totaling 30,135 dmt, with both shipments at product grade and specifications well above contract requirements and with moisture and mica content levels well below contract requirements.

With the shipment in April, Mt Cattlin completed:

- its 2016 contract off take supply obligations priced at US\$600 per tonne; and
- repayment in full of all prepayments advanced by customers.

All subsequent shipments are based on 2017 pricing terms of US\$830 per tonne for 5.5% grade lithium concentrate, rising to US\$905 per tonne for 6.0% grade product.

Mt Cattlin management is currently evaluating two options for longer term crushing operations - comparing the benefits of refurbishing the plant's existing fixed crushing circuit versus setting up a semi-permanent crushing facility operated by a contractor. A final decision is expected to be made in the September quarter.

In addition, a technical and financial evaluation has commenced for the construction of an ultra fines DMS circuit, a secondary float re-crush circuit and a final product optical sorter that will target further increasing recoveries to between 70-75%.

Work continues to progress on establishing medium and long term water supply sources, with suitable options available for both timelines.

The average production cash costs (excluding royalties and marketing fees) for the quarter were US\$393 (A\$524) per dmt of spodumene produced. Compared to the March quarter, these costs were impacted by higher waste mining volumes during the June quarter. The production cash cost (excluding royalties and marketing fees) for the month of June was US\$334 (A\$442) per dmt of spodumene produced. It is anticipated that unit production cash costs will continue to reduce as the operation achieves further efficiencies and full production rates are maintained.

Product sales of 30,135 dmt were reported at an average realized sales price (before royalties and marketing fees) of US\$724 (A\$964) per dmt of spodumene.

Notwithstanding the ramp up and final commissioning of the operations during April, Mt Cattlin generated a positive cash flow of A\$13.2 million for the quarter before capex and repayment of the balance of customer prepayments.

Mt CATTLIN – EXPLORATION

Following the successful ramp up of production at Mt Cattlin, the focus in the September quarter will be on progressing a brownfield and greenfield exploration drilling campaign. Drilling will focus on further resource development at Mt Cattlin, including pegmatite targets east of Floater Road and south west of the existing pit. The objective of this program will also be to provide updated resource data for short to medium term mine planning.



Mt Cattlin Pit



Drill Site Mt Cattlin Pit

SAL DE VIDA

The Company is pleased to report that the June quarter has seen the Sal de Vida ("SDV") team advance with a number of key milestones achieved.

Production Well Drilling

Following the completion of the first drill hole for a planned production well in early April, a second drill hole, in the northern basin of the lithium-rich Salar del Hombre Muerto, was completed to a depth of 300 metres. The Salar del Hombre Muerto is one of the world's leading lithium deposits and is the same location where FMC Lithium has been operating for the past twenty years.

A planned vertical sounding profile will confirm the final well design which will, in the future, facilitate the utilization of this drill hole as a production bore.

Pump tests on the first completed production bore (announced in April 2017) have yielded better than expected results, with continuous brine flow rates of more than 25 litres per second being achieved. These results exceed the values that were assumed in the DFS as the minimum flow rate required for each well for the production phase of the project.



North Basin Drill site



Drill Site Two Pad

Test Plant & Laboratory

The refurbishment and upgrading of the test plant for the treatment of concentrated brine was recently completed. A comprehensive review was undertaken to ensure the operating parameters of this test plant were in line with final production conditions, and appropriately set-up to process the brine produced from the evaporation pans. New power generation facilities have also been ordered which, in the future, will facilitate continuous 24-hour test-scale production.

To support future test-production activities, a purpose-built laboratory will be deployed to site in the September quarter. A Perkin Elmer ICP unit has been ordered and, along with other ancillary equipment being procured, will provide the necessary facilities to support future laboratory activities. This on-site laboratory will provide real-time testing and analytical results to support ongoing activities to optimize plant operations. The training of locally-sourced technicians and operators will commence in the coming month.



Test Evaporation Pan



Pilot Plant Switchboards Room



“TANGO-01” Construction Camp

Design and planning activities relating to the establishment of a temporary construction camp have been completed. The camp will incorporate numerous renewable energy systems to power and heat the facilities at its remote location in the Puna. Final approvals from relevant regulatory departments are expected shortly so that the refurbishment and establishment of the camp can be undertaken in the third quarter of 2017. Following completion, “TANGO-01” will become a base of operations for the future planned test plant activities and pond construction works.



“Tango-01” East View



“Tango-01” Aerial NE View

Pre-Production Evaporation Ponds

Requests for quotation were issued in May to local engineering service providers to provide support for design works associated with the small-scale pre-production evaporation ponds, as well as the larger, commercial production scale equivalent. Quotations have now been received and are currently being evaluated. In parallel, the Company has also commenced discussions with major earthwork equipment vendors and contractors to determine the most cost-effective method to undertake the ponds construction.

Corporate Social Responsibility

In line with a long-standing commitment to the local communities, Galaxy has engaged with numerous local service providers, and the Catamarca and Salta provincial governments, to discuss and identify training opportunities for specific job vacancies that Galaxy plans to fill during the remainder of the year. Galaxy has taken proactive steps to develop a comprehensive training program for those positions to be filled once construction and operational activities commence. Training opportunities will be available for roles at the Sal de Vida Project, including laboratory technicians and various heavy equipment operators.

Strategic Partners

The Company has recently progressed its discussions with potential joint venture partners on the project to a more definitive stage, and currently has ongoing dialogue with a number of potential strategic partners and customers, for investment, project financing and offtake.

JAMES BAY

Exploration & Development

During the quarter a ~31,000 metre diamond drilling program was commenced with the aim of extending the existing project resource contained in numerous outcropping spodumene-bearing pegmatites. Currently, the ore resource at James Bay stands at 11.75Mt @ 1.30% Li₂O (Indicated) and 10.47Mt @ 1.20% Li₂O (Inferred).

Phase 1 of the program, which consisted of 20,245 metres, was completed during the quarter and has shown the resource to be open at depths below -100 metres. The existing ore resource was historically only reported to an average of -110 metres (maximum -200 metres) below surface.

The first ten drill holes returned significant intercepts including:

- Drill hole JBL17-04, from 73.17 metres, 38.8 metres @ 1.65% Li₂O
- Drill hole JBL17-08, from 12.85 metres, 48.1 metres @ 1.56% Li₂O
- Drill hole JBL17-07, from 138.45 metres, 38.1 metres @ 1.50% Li₂O
- Drill hole JBL17-11, from 118.9 metres, 48.6 metres @ 1.64% Li₂O . Including
 - from 118.9 metres, 1.4 metres @ 3.30% Li₂O
 - from 120.3 metres, 1.5 metres, @ 4.37% Li₂O
 - from 121.8 metres, 1.5 metres, @ 3.10% Li₂O
 - from 129.3 metres, 1.5 metres, @ 4.41% Li₂O

Please refer to ASX announcement dated 27 June 2017 for further details of drill results.

In addition, three drill holes discovered two new pegmatite dykes, which bring the James Bay pegmatite swarm to a total of 33 dykes. Assays for these holes have not yet been received.

Phase 2 of the drilling program is expected to be completed by the end of July 2017, with results to be released during the September quarter.

The drilling at James Bay is being undertaken to reinforce the scale of the pegmatite and the significant potential for resource increase. The proximity of the James Bay project to local infrastructure, including the accessible road networks, water and power supply are all natural advantages and key to the development of James Bay. The project team will now focus on concluding the activities required on the resource upgrade campaign and advance the work in relation to the Feasibility Study ("FS"), both for the upstream mine and concentrator plant, as well as for a downstream lithium conversion facility.

The current ore resource estimate for James Bay dates back to 2010, however the data that is now being collected from the current drilling program will allow for an update to these resources, with the results to be included in the final FS. The relevant environmental studies to support the FS will be also advanced in parallel. Metallurgical testwork conducted in 2012 used a DMS technique and produced a lithium concentrate with grades of up to 6.53% Li₂O at a 75% lithium recovery rate. The FS will include:

- Environmental and Social Impact Assessment ("ESIA") - Phase 1;
- Bulk sampling from existing stockpiles;
- Pilot-plant scale metallurgical testwork; and
- Formal revision to the Resources/Reserves of the project.

The James Bay project is located 0.5km from a full-service road stop, which is situated 380km away from the mining town of Matagami (where numerous services relating to construction and mining are available) and just over 800km from Montreal in the north-west region of Québec Province, Canada.



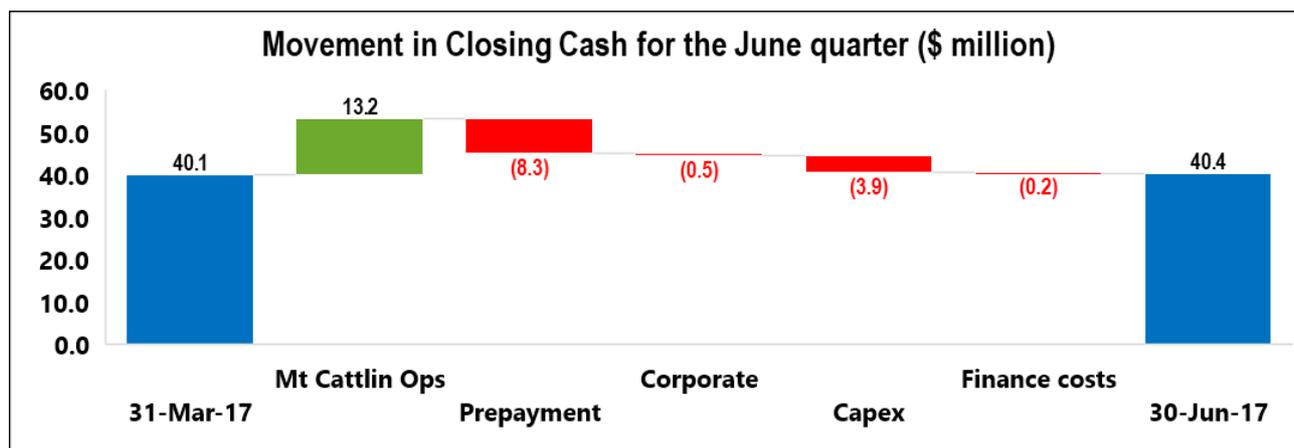
CORPORATE

Cash Position

Cash on hand at 30 June 2017 was \$40.4 million.

Refer to the appendix 5B lodged with ASX for the quarter ended 30 June 2017 for further details of cash flows for the quarter.

Set out below is a summary of the movement in closing cash for the quarter ended 30 June 2017 showing each of the key inflows and outflows during the quarter:



The Corporate cash outflows include the receipt of the Tianqi settlement proceeds of A\$2.8 million referred to below.

Shareholders Approve Share Consolidation

At the Annual General Meeting held on 18 May 2017, shareholders approved the consolidation of the issued capital of the Company on the basis of 1 share for every 5 shares held.

New Appointments To Board & Management

Ms Xi Xi was appointed as an Independent Non-Executive Director of the Company with effect from 15 May 2017.

Xi Xi has a wealth of experience in the natural resources and industrials sector and for the past four years, has served as Director of Sailing Capital, a private equity fund founded by the Shanghai International Group in 2012, with US\$2 billion of assets under management, focused on investing in a diverse range of industries globally. She has worked with numerous Chinese state owned and privately owned enterprises, advising on international acquisitions and investments overseas. She has also previously spent 8 years as an analyst and portfolio manager for the Tigris Financial Group in New York, focused on corporate opportunities in the oil and gas, resource and industrials sector. Most recently, she has served as a Non-Executive Director of Zeta Resources, a closed-end investment company with a broad international portfolio of oil and gas, as well as mining assets. Xi Xi has an MA in International Relations (China Studies & International Finance) from Johns Hopkins University, and holds a double BS in Chemical Engineering & Petroleum Refining, as well as Economics, from the Colorado School of Mines.

In April, Galaxy appointed highly experienced finance executive Alan Rule as Chief Financial Officer ("CFO").

Mr Rule has over 20 years of extensive corporate experience in the mining sector, in both the Australian and international markets, with companies listed on the ASX, AIM and TSX exchanges. He has a broad range of experience in the listing and corporate governance requirements in various markets, as well as in financing and M&A initiatives from the numerous strategic transactions that he has been involved in over the years. His previous roles include serving as CFO for Sundance Resources (ASX:SDL), Paladin Energy (ASX:PDN) and Mount Gibson Iron (ASX:MGX).



Settlement Of Legal Dispute With Tianqi

During the quarter, Galaxy Lithium Australia Limited (a wholly owned subsidiary of the Company) received US\$2.1 million in full and final settlement of the legal proceedings arising from a dispute concerning the Amended and Restated Share Purchase Agreement originally made on 29 April 2014, amended and restated with effect from 16 January 2015 with Galaxy Lithium Australia Limited, Galaxy Resources Limited, Tianqi HK Co., Limited (“Tianqi”) and Sichuan Tianqi Lithium Industries, for the sale of Galaxy Lithium Australia Limited’s shares in Galaxy Lithium International Limited, the entity which held the Jiangsu Lithium Carbonate plant, to Tianqi. Refer to note 11(a) of the consolidated financial statements for the year ended 31 December 2016 for further details of the dispute that is now settled.

INDUSTRY & MARKET UPDATE

The demand outlook for lithium continues to remain very robust, with the lithium battery sector showing solid results for continued growth near term, as well as strong potential for extending that growth through to 2020 and beyond, with the announcements of major multifold capacity expansion from downstream manufacturers, including leading global companies such as Umicore and CATL. Much of these planned expansions have been due to the ongoing increase in adoption rates and sales of electric vehicles around the world.

The New Energy Vehicle (“NEV”) sector in China has continued to show strong growth. After a slow start in Q1 2017, CAAM reported a strong Q2 data with a total of 154,000 vehicles produced in the quarter, representing a 167% growth quarter-on-quarter and a 20% growth year-on-year. Of these NEVs, a total of 128,000 or 83% were pure electric vehicles, with the remainder being hybrid electric vehicles, continuing the trend of pure electric vehicles dominating the market in China. In the first half of the 2017, China produced an aggregate 212,000 NEVs, which represented a 20% increase when compared to 2016H1.

In addition, the US market also reported strong growth during the period, with a reported 47,364 plug-in vehicles sales according to InsideEVs, representing a 13% growth quarter-on-quarter and a 28% year-on-year growth. In total, the US market reported a total of 89,285 vehicles sold in the first half of 2017, an increase of 38% when compared to the first half of 2016.

Aside from the strong results in the electric vehicle sector, new growth initiatives have also been reported in the high potential mass energy storage sector, with the announcement by Tesla to build the world’s largest lithium battery storage system in South Australia. The PowerPack battery system is to be located next to the Hornsdale Wind Farm and will have 100MW of capacity, providing 129MWh of energy generation to the region, supporting the local renewable energy generation with load balancing and allowing for back-up power where required. The scale of the PowerPack battery farm significantly surpasses the next largest energy storage system, which is only 30MW in size, built thus far and is the equivalent to over 2,000 Tesla Model 3’s in aggregate battery size.

Competent Person Statement

SAL DE VIDA

Any information in this report that relates to the estimation and reporting of the Sal de Vida Project Mineral Resources and Ore Reserves is extracted from the report entitled "*Sal De Vida: Revised Definitive Feasibility Study Confirms Low Cost, Long Life and Economically Robust Operation*" created on 22 August 2016 which is available to view on www.galaxylithium.com and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

JAMES BAY

The information in this report that relates to the estimation and reporting of the James Bay exploration results is extracted from the announcement entitled "*James Bay Update: Drilling Campaign Delivers Thick, High Grade Results*" created on 27 June 2017 which is available to view on www.galaxylithium.com and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the exploration results in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Mineral Resources at the James Bay Project is based on work completed by Mr James McCann, who is a Member of the Ordre des Geologues du Quebec, a Recognised Overseas Professional Organisation. Mr McCann is a full time employee of Galaxy, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the '*Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*'. Mr McCann consents to the inclusion in the report of the matters based on his information in the form and context it appears. This information was prepared and first disclosed under the JORC Code 2004 and it has not been updated since to comply with JORC code 2012 on the basis that the information has not materially changed since it was last reported.

Caution Regarding Forward Looking Information

This document contains forward looking statements concerning Galaxy.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on Galaxy's beliefs, opinions and estimates of Galaxy as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Not For Release in the United States

This announcement has been prepared for publication in Australia and may not be released in the United States. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States and any securities described in this announcement may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements.



TENEMENT SCHEDULE

Australia

Tenement	PROJECT	MANAGER	HOLDER	GXY SHARES	JV	SHARE
E51/1602	CHESTERFIELD	*GALA	GMCL	100		
E51/1603	CHESTERFIELD	*GALA	GMCL	100		
E51/1604	CHESTERFIELD	*GALA	GMCL	100		
E70/2493	BOXWOOD HILL	*GALA	GALA	100		
E74/0299	BAKERS HILL	*GALA	GALA	100		
E74/0415	BAKERS HILL	*GALA	GALA	100		
L74/0047	WEST KUNDIP	*GALA	GALA	100		
M45/0538	MURCURY HILL	*GALA	GMCL	100		
M51/0270	MEEKATHARRA	*GALA	GMCL	100		
M51/0451	MEEKATHARRA	*GALA	GMCL	100		
M74/0133	WEST KUNDIP	*GALA	GALA	100		
M74/0238	WEST KUNDIP	*GALA	GALA	100		
E74/0400	FLOATER	*GLIT	GLIT	100		
E74/0401	SIRDAR	*GLIT	GLIT	80	TRAKA	20
L74/0046	MT CATTLIN	*GLIT	GLIT	100		
L74/0048	MT CATTLIN	*GLIT	GLIT	100		
M74/0244	MT CATTLIN	*GLIT	GLIT	100		
P74/0370	MT CATTLIN	*GLIT	GLIT	80	TRAKA	20
P74/0371	MT CATTLIN	*GLIT	GLIT	100		
P74/0372	MT CATTLIN	*GLIT	GLIT	100		
P74/0373	MT CATTLIN	*GLIT	GLIT	80	TRAKA	20
M51/0353	MEEKATHARRA	*GMCL	GMCL	100		

James Bay

Galaxy Lithium (Canada) Inc. ("GLCI") and Galaxy Lithium (Ontario) Inc. ("GLOI") are the registered titleholders of the following tenements constituting the James Bay Project:

	NTS Sheet	Mining Title	Status	Registration Date (m/d/y)	Expiry Date (m/d/y)	Area (Ha)	Titleholder(s) and its (their) Percentage Undivided Interest(s)
1	33C03	CDC 2126850	Active	10/04/2007	06/12/2019	52,78	GLOI (80%)/GLCI (20%)
2	33C03	CDC 2126851	Active	10/04/2007	06/12/2019	52,78	GLOI (80%)/GLCI (20%)
3	33C03	CDC 2126852	Active	10/04/2007	06/12/2019	52,78	GLOI (80%)/GLCI (20%)
4	33C03	CDC 2126857	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
5	33C03	CDC 2126858	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
6	33C03	CDC 2126859	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
7	33C03	CDC 2126860	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
8	33C03	CDC 2126861	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
9	33C03	CDC 2126862	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
10	33C03	CDC 2126863	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
11	33C03	CDC 2126864	Active	10/04/2007	06/12/2019	52,77	GLOI (80%)/GLCI (20%)
12	33C03	CDC 2126868	Active	10/04/2007	06/12/2019	52,76	GLOI (80%)/GLCI (20%)
13	33C03	CDC 2126869	Active	10/04/2007	06/12/2019	52,76	GLOI (80%)/GLCI (20%)
14	33C03	CDC 2126870	Active	10/04/2007	06/12/2019	52,76	GLOI (80%)/GLCI (20%)
15	33C03	CDC 2126871	Active	10/04/2007	06/12/2019	52,76	GLOI (80%)/GLCI (20%)
16	33C03	CDC 2126872	Active	10/04/2007	06/12/2019	52,76	GLOI (80%)/GLCI (20%)
17	33C03	CDC 2126873	Active	10/04/2007	06/12/2019	52,76	GLOI (80%)/GLCI (20%)
18	33C03	CDC 2126986	Active	10/04/2007	06/12/2019	49,98	GLOI (80%)/GLCI (20%)
19	33C03	CDC 2126988	Active	10/04/2007	06/12/2019	45,88	GLOI (80%)/GLCI (20%)
20	33C03	CDC 2126989	Active	10/04/2007	06/12/2019	47,39	GLOI (80%)/GLCI (20%)
21	33C03	CDC 2126990	Active	10/04/2007	06/12/2019	51,91	GLOI (80%)/GLCI (20%)
22	33C03	CDC 2183503	Active	06/16/2009	06/12/2019	22,41	GLOI (80%)/GLCI (20%)
23	33C03	CDC 2183504	Active	06/16/2009	06/12/2019	3,55	GLOI (80%)/GLCI (20%)
24	33C03	CDC 2183505	Active	06/16/2009	06/12/2019	18,51	GLOI (80%)/GLCI (20%)
25	33C03	CDC 2183506	Active	06/16/2009	06/12/2019	36,08	GLOI (80%)/GLCI (20%)
26	33C03	CDC 2183507	Active	06/16/2009	06/12/2019	0,33	GLOI (80%)/GLCI (20%)
27	33C03	CDC 2183508	Active	06/16/2009	06/12/2019	27,53	GLOI (80%)/GLCI (20%)
28	33C03	CDC 2192842	Active	10/27/2009	06/12/2019	1,83	GLOI (80%)/GLCI (20%)
29	33C03	CDC 2238478	Active	06/21/2010	06/20/2020		GLOI (80%)/GLCI (20%)
30	33C03	CDC 2238480	Active	06/21/2010	06/20/2020	7,54	GLOI (80%)/GLCI (20%)
31	33C03	CDC 2298178	Active	06/21/2011	06/12/2019	52,79	GLOI (80%)/GLCI (20%)
32	33C03	CDC 2298179	Active	06/21/2011	06/12/2019	52,79	GLOI (80%)/GLCI (20%)



	NTS Sheet	Mining Title	Status	Registration Date (m/d/y)	Expiry Date (m/d/y)	Area (Ha)	Titleholder(s) and its (their) Percentage Undivided Interest(s)
33	33C03	CDC 2329090	Active	02/10/2012	06/12/2019	52,78	GLOI (80%)/GLCI (20%)
34	33C03	CDC 2329091	Active	02/10/2012	06/12/2019	2,80	GLOI (80%)/GLCI (20%)
35	33C03	CDC 2329092	Active	02/10/2012	06/12/2019	6,89	GLOI (80%)/GLCI (20%)
36	33C03	CDC 2329093	Active	02/10/2012	06/12/2019	0,85	GLOI (80%)/GLCI (20%)
37	33C03	CDC 2329094	Active	02/10/2012	06/12/2019	52,78	GLOI (80%)/GLCI (20%)
38	33C03	CDC 2329095	Active	02/10/2012	06/12/2019	52,78	GLOI (80%)/GLCI (20%)
39	33C03	CDC 2329096	Active	02/10/2012	06/12/2019	26,82	GLOI (80%)/GLCI (20%)
40	33C03	CDC 2329097	Active	02/10/2012	06/12/2019	43,41	GLOI (80%)/GLCI (20%)
41	33C03	CDC 2329098	Active	02/10/2012	06/12/2019	47,03	GLOI (80%)/GLCI (20%)
42	33C03	CDC 2329099	Active	02/10/2012	06/12/2019	34,26	GLOI (80%)/GLCI (20%)
43	33C03	CDC 2329100	Active	02/10/2012	06/12/2019	16,68	GLOI (80%)/GLCI (20%)
44	33C03	CDC 2329101	Active	02/10/2012	06/12/2019	24,90	GLOI (80%)/GLCI (20%)
45	33C03	CDC 2329102	Active	02/10/2012	06/12/2019	5,37	GLOI (80%)/GLCI (20%)
46	33C03	CDC 2401856	Active	03/18/2014	03/17/2020	52,79	GLOI (80%)/GLCI (20%)
47	33C03	CDC 2401857	Active	03/18/2014	03/17/2020	52,79	GLOI (80%)/GLCI (20%)
48	33C03	CDC 2401858	Active	03/18/2014	03/17/2020	52,79	GLOI (80%)/GLCI (20%)
49	33C03	CDC 2401859	Active	03/18/2014	03/17/2020	52,79	GLOI (80%)/GLCI (20%)
50	33C03	CDC 2402100	Active	03/27/2014	03/26/2020	52,79	GLOI (80%)/GLCI (20%)
51	33C03	CDC 2437961	Active	03/14/2016	03/13/2018	52,78	GLCI (100%)
52	33C03	CDC 2437962	Active	03/14/2016	03/13/2018	52,78	GLCI (100%)
53	33C03	CDC 2437963	Active	03/14/2016	03/13/2018	52,78	GLCI (100%)
54	33C03	CDC 2437964	Active	03/14/2016	03/13/2018	52,78	GLCI (100%)



Sal de Vida

Catamarca

N°	FILE	TENEMENT	N°	FILE	TENEMENT
1	78-G-1986	LA REDONDA 4	22	1279-G-2006	AGUSTIN
2	210-R-1994	LOS PATOS	23	1280-D-2006	LUNA BLANCA
3	261-G-1997	CENTENARIO	24	1281-G-2006	FIDEL
4	77-R-1999	BARREAL 1	25	1430-M-2006	MEME
5	27-M-2000	MAKTUB XXIII	26	227-G-2007	PACHAMAMA
6	54-R-2000	AURELIO	27	289-G-2007	LA PRIMERA
7	55-R-2000	LA REDONDA I	28	290-G-2007	LA SEGUNDA
8	56-R-2000	DON CARLOS	29	291-A-2007	LA TERCERA
9	160-G-2002	BARREAL 2	30	354-G-2007	CHINA
10	161-G-2002	REDONDA 5	31	657-G-2009	RODOLFO
11	162-G-2002	DON PEPE	32	709-G-2009	LUNA BLANCA II
12	168-G-2002	AGOSTINA	33	754-G-2009	SONQO
13	185-G-2002	CHACHITA	34	812-G-2009	LUNA BLANCA IV
14	398-G-2003	DELIA	35	813-G-2009	LUNA BLANCA V
15	787-M-2005	JUAN LUIS	36	814-G-2009	LUNA BLANCA VI
16	788-M-2005	MARIA LUCIA	37	815-G-2009	ROCIO I
17	913-M-2005	MARIA CLARA	38	117-G-2010	LUNA BLANCA III
18	914-M-2005	MARIA CLARA 1	39	268-G-2010	BEATRIZ VI
19	1178-G-2006	EL TORDO	40	269-G-2010	NELLY VI
20	1179-G-2006	QUIERO VALE CUATRO	41	65-2016	MONTSERRAT I
21	1197-A-2006	TRUCO	42	254-G-2011	MONTSERRAT

Salta

N°	FILE	TENEMENT	N°	FILE	TENEMENT
43	1215	ESTELA	57	18001-2004	ROCIO
44	1495	ALEX	58	18128-2005	PABLO II
45	5596	FERNANDO	59	19562-2009	SALVADOR
46	13848	DIANA	60	19579-2009	SALVADOR II
47	16741-1999	GASTON I	61	19669-2009	PAPADOPULOS XXXIV
48	16810-2000	GASTON II	62	19670-2009	PAPADOPULOS XXXV
49	17335	VALERIO	63	19931-2009	TABAHM
50	17392-2001	GASTON III	64	19987-2009	TABAHM 02
51	17529-2002	MARIA CECILIA	65	20024-2009	TABAHM 05
52	17583-2002	LITA	66	20877	RATONES OESTE
53	17584-2002	FLORENCIA	67	21190	CATAL NORTE
54	17599-2002	NELLY	68	21655	RATONES SUR
55	17898-2004	PABLO	69	21864	RATONES OESTE 2
56	17924-2004	CAMILA			



Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Galaxy Resources Limited

ABN

11 071 976 442

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows

Current quarter

**Year to date
(6 months)**

\$A'000

\$A'000

1. Cash flows from operating activities

1.1	Receipts from customers*	19,594	27,075
1.2	Payments for		
	(a) exploration & evaluation	(2,535)	(3,122)
	(b) development	-	-
	(c) production	(11,990)	(18,058)
	(d) staff costs	(2,853)	(4,822)
	(e) administration and corporate costs	(2,393)	(3,389)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	111	116
1.5	Interest and other costs of finance paid	(183)	(1,065)
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(249)	(3,265)

Note: Receipts from customers above are amounts net of the repayment of customer offtake prepayments received in 2016 amounting to \$8.3 million for the quarter and \$18.0 million for the half-year*

2. Cash flows from investing activities

2.1	Payments to acquire:		
	(a) property, plant and equipment	(1,451)	(2,581)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	2,416	2,416
2.6	Net cash from / (used in) investing activities	965	(165)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	61,020
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	8,590
3.4	Transaction costs related to issues of shares, convertible notes or options	(50)	(2,581)
3.5	Proceeds from borrowings	-	13,083
3.6	Repayment of borrowings	-	(44,698)
3.7	Transaction costs related to loans and borrowings	(70)	(566)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(120)	34,848

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	40,084	9,327
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(249)	(3,265)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	965	(165)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(120)	34,848
4.5	Effect of movement in exchange rates on cash held	(318)	(383)
4.6	Cash and cash equivalents at end of period	40,362	40,362

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	40,362	40,084
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	40,362	40,084

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	105
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Director fees including superannuation

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/a

8. Financing facilities available

Add notes as necessary for an understanding of the position

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	32,717	13,083
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

This is a US dollar facility totalling US\$25 million (A\$32.7 million) provided by BNP which is secured and carries interest at LIBOR plus 4% per annum. Total amount drawn at 30 June 2017 is US\$10 million (A\$13 million).

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	(3,800)
9.2	Development	-
9.3	Production	(18,900)
9.4	Staff costs	(3,600)
9.5	Administration and corporate costs	(1,400)
9.6	Other	-
9.7	Total estimated cash outflows #	(27,700)

Note # - the forecast estimated cash outflows for the next quarter set out above do not include any expected cash inflows from the sale of spodumene concentrate during the next quarter. It is expected that cash inflows from the sale of spodumene concentrate for the next quarter, which will be based on 2017 contract pricing and not require refund of any customer prepayments, will match or exceed the total estimated cash outflows

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil			

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Sign here: 
Company secretary

Date: 17 July 2017

Print name: **John Sanders**

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been

Mining exploration entity and oil and gas exploration entity quarterly report

prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.