GALAXY
meeting a lithium future

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GALAXY WILL BE FIRST MINESITE WITH SOLAR TRACKING

Highlights

- Galaxy places order for renewable energy installation to supplement diesel power generation onsite
- First mine site in Australia to use solar tracking technology, increasing PV conversion by 40%
- Removal of about 190 tonnes of CO_2 emissions from the mine site each year

Emerging lithium producer, Galaxy Resources Limited (ASX: GXY), is pleased to announce that it has placed an order with Swan Energy Pty Ltd to install 15 large solar panels and 2 wind turbines generating a total 214 MWhr per year of clean green energy at its lithium operation in Ravensthorpe.

Galaxy will be the first mine site in Australia to install the state-of-the-art-solar generation tracking technology which will supplement its diesel power generation on site. The unique tracking features will improve photovoltaic (PV) conversion efficiency by more than 40% over conventional fixed solar panels.

Galaxy Resources Managing Director, Mr Iggy Tan, said that the Company is playing its part in the push to utilise renewable energy and reduce greenhouse gas emissions.

"Our renewable energy installation will remove about 190 tonnes of CO_2 emissions from the mine site each year which is the equivalent of planting 19 hectares of forest every year" Mr Tan said.

"The capital cost of the installation has already been factored in to the Mt Cattlin A$79 million construction budget and provides an attractive payback".

Mr Tan said that effective energy storage is the key to unlocking the potential benefits of renewable energy. Renewable energy generation from wind, solar and wave is by nature, variable and often inconsistent. When coupled with energy storage systems such as large banks of lithium ion batteries you have a competitive energy source.

Solar Power Generation utilising Tracking Technology

"Electric vehicles are now moving from a concept to a reality with many car manufacturers planning hybrid or electric models in the coming years. The only reason this is happening is the development of technology associated with lithium batteries," he said.

"These high density powerful batteries have allowed laptops, mobile phones and power tools to be smaller, lighter and with a longer lifespan in the last few years. This same technology is being applied to electric cars such as the Nissan Leaf EV and the Mitsubishi iMieV, which will dramatically reduce running costs and exhaust emissions.

"The bright future of lithium ion batteries all leads back to Galaxy as a Company whose core focus is to supply the very important feedstock, lithium carbonate, for this growth industry".

The demand for lithium is set to triple before the end of this decade and Galaxy will be a world class player in the global industry.

"We are excited about the important contribution of lithium towards a cleaner, greener planet and we are pleased to be playing our part at the Ravensthorpe mine site," Mr Tan said.

Galaxy is on track to commission its lithium mine in Ravensthorpe by the third quarter of this year and produce lithium carbonate at its wholly owned Chinese plant by the end of the year.

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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.