

GALAXY RESOURCES LIMITED

QUARTERLY ACTIVITIES REPORT

THREE MONTHS ENDED 31 MARCH 2019

Galaxy Resources Limited (ASX: GXY, “Galaxy” or the “Company”) is pleased to report to shareholders its activities for the quarter ended 31 March 2019.

HIGHLIGHTS

Mt Cattlin Operations

- Production of 41,874 dry metric tonnes (“dmt”) of spodumene concentrate
- Production of 17,021 dmt in March, equivalent to an annualized run rate of over 200,000 dmt
- Average cash cost of US\$453 per dmt produced (cash cost of US\$415 per dmt in March)
- Construction of Yield Optimization Project completed and all circuits now operational

Sal de Vida Project

- Principal funds received of US\$280 million, less US\$8.4 million in withholding taxes for sale of the northern tenement package to POSCO
- Civil earthworks for the construction of a 15-hectare test pond were 94% complete as at 31 March 2019 (100% complete subsequent to quarter end)
- Process flow sheet optimization test work continued

James Bay Project

- Canadian Environmental Assessment Agency confirmed that the submitted Environmental and Social Impact Assessment is consistent with the EIS Guidelines resulting in the file moving to the next step of evaluation
- Continued engagement with local Cree community, including signing of a Pre-Development Agreement (“PDA”)
- Phase 2 test work program being conducted by Nagrom now 80% complete

Corporate

- Closing cash and liquid assets of US\$285.3 million
- Zero debt



PROJECTS

MT CATTLIN – OPERATIONS

Safety Performance

Operations at Mt Cattlin continued without any Lost Time Injuries.

Production & Sales Statistics

	Units	Q4 2018	Q1 2019	Q1 vs Q4
Mined Volume	<i>bcm</i>	988,387	1,168,120	↑ 18%
Ore Mined	<i>wmt</i>	432,382	437,932	↑ 1%
Ore Mined - Grade	<i>Li₂O %</i>	0.98	1.03	↑ 0.05
Ore Processed	<i>wmt</i>	396,604	409,849	↑ 3%
Ore Processed - Grade	<i>Li₂O %</i>	1.07	1.15	↑ 0.08
Recovery	<i>%</i>	47	51	↑ 4
Concentrate Produced	<i>dmt</i>	33,780	41,874	↑ 24%
Concentrate Shipped	<i>dmt</i>	39,682	15,192	↓ 62%
Concentrate Shipped - Grade	<i>Li₂O %</i>	5.81	5.60	↓ 0.21
Cash cost per tonne produced	<i>US\$/dmt</i>	560	453	↓ 19%

Total mining volumes increased 18% compared with the previous quarter due to an increase in the stripping ratio.

Ore grade mined during the quarter was in line with Q4 2018 but still lower than the average reserve grade because of low grade pegmatite dilution. The current mine plan for the remainder of the year demonstrates that mined ore grade will continue to improve and on average will be in-line with the reserve grade of 1.15% Li₂O.

Production volume achieved of 41,874 dmt was 24% higher than the previous quarter resulting from an increased grade of ore processed (rising from 1.07% to 1.15% quarter-on-quarter), a 3% increase in ore volume treated and an improved recovery of 51% (versus 47% reported in Q4 2018).

Historically, grade of ore mined has always been lower than the grade of ore processed. The average grade of ore mined in 2018 was 1.00% compared to a grade of ore processed of 1.08%. This trend continued in Q1 2019 with an average grade of ore mined recorded of 1.03% compared with a processed head grade of 1.15%. The difference is due to the grade of ore mined being a resource and grade control modelled estimate, whilst the grade of ore processed is a measured and analyzed grade figure. In addition, the spodumene crystals contained within the orebody are large and can create a “nugget effect” when assessing resource data and estimating grade based on exploration drill hole data.

Mt Cattlin achieved production volumes in March 2019 of 17,021 dmt with an overall recovery of 54%, representing an equivalent annualized production run rate of over 200,000 dmt and reflects current plant performance. The weighted average Li₂O grade of spodumene produced throughout February and March was c.5.75% Li₂O, in line with the average final product grade achieved during 2018. With the Yield Optimization Circuits now operational, the final product grade has continued to improve in April, with an average grade of 5.9% achieved on production volumes assayed throughout the month-to-date.

The Yield Optimization Project (“YOP”) was commissioned and brought into operation during the quarter, with the major focus now centered around improving utilization in each of the individual upgrade circuits. The objectives of the YOP is to increase production volumes through the processing of a greater proportion of total feedstock, enhance overall plant recovery and improve the quality of final product.

The YOP consisted of 3 major upgrades:

- Ultra-fine dense medium separation (“DMS”) circuit
 - **Objective:** Increase recovery by allowing for the treatment of crushed ore feed of <1.2mm in diameter. This feed was previously untreated and stockpiled separately, thus did not contribute to overall plant recoveries.
 - **Status:** Commissioning now complete and ramp up underway. Total circuit utilization of 80% in the final three weeks of March, slightly below the Q2 budget of 90% utilization.
- Secondary floats re-liberation circuit
 - **Objective:** Facilitate greater overall liberation of spodumene. Floats material from the coarse and fine DMS cyclones which was historically diverted to waste contains a small amount of unliberated spodumene. These floats can now be re-crushed and recirculated through the plant (via the fines or ultra-fines circuits) for further treatment. The smaller particle size is expected to facilitate greater overall liberation of spodumene.
 - **Status:** Secondary floats re-liberation was successfully commissioned and operated in Q1 however an imbalance in the water circuits negatively affected the operation of the existing DMS. These bottlenecks are being rectified with some minor mechanical upgrades which are primarily focused on improving the distribution of material through the fines and ultra-fine DMS circuits.
- Final product optical sorting
 - **Objective:** Final product optical sorter unit installed at the back end of the processing circuit with the primary objective of basalt waste removal via optical parameters to improve final product grade.
 - **Status:** The optical sorting unit is now operational. Horizontal and vertical distribution of particles is important to achieving the required separation, allowing for greater accuracy of optical identification. Low utilization in Q1 2019 due to difficulties in maintaining horizontal separation and the effects of mica build up in the unit. Utilization and efficiencies expected to increase in Q2 2019 as a result of software and mechanical upgrades.

Issues contributing to lower recovery in Q4 2018 and Q1 2019, have now been rectified as at the end of Q1 2019:

- Poorer ore quality affecting recoveries in August, November and December of 2018;
- Maintenance timing issues of DMS cyclones causing poorer recoveries; and
- YOP average utilization of all circuits was below the forecasted 70% due to the bottlenecking of material through the re-liberation circuit and a sub-optimal distribution of the feed between the DMS and ultra-fine DMS circuits. Minor mechanical enhancements, including a larger pump on both the re-liberation circuit and ultra-fine DMS has rectified these issues with total utilization of the ultra-fines DMS circuit of 80% during the final three weeks of March

While average recovery achieved for the full quarter of Q1 2019 was still below the targeted recovery of >70%, expected increases in production volumes for the full June quarter are based on an overall improvement in recovery. Recovery improvement is expected to result from the rationalization of recoveries in the coarse and fines DMS following improved maintenance operations and an increase in utilization of the ultra-fines DMS and secondary floats re-liberation circuits. This will increase the total amount of product feed being processed into final product, as well as improve the overall liberation of spodumene.

Mt Cattlin reported a cash cost of production for Q1 2019 of US\$453/dmt, a 19% decrease compared to the previous quarter primarily due to an increase in production volumes. The cash cost of production in the month of March was US\$415/dmt. It is anticipated that unit cash costs will continue to reduce through the June quarter as production volumes increase further.

15,192 dmt of lithium concentrate was shipped during the quarter with all product shipped at pricing, grade and specifications meeting contract terms. Final product inventory on hand at quarter end was c.35,100 dmt.

The differential between production and sales volumes for the quarter was due to timing differences between Mt Cattlin production and the agreed delivery schedule between Galaxy and its customers during Q1 2019. This was a result of large volume shipments made to customers at the end of Q4 2018 to take advantage of higher sales prices resulting in our contracted customers having adequate inventory at the start of 2019. Galaxy’s customers have mainly weighted their required shipment volumes to the second half of 2019. Shipments are now being finalized for the June quarter and a more normalized shipping schedule is expected for the remainder of 2019.

MT CATTLIN – Q2 2019 PRODUCTION GUIDANCE

Galaxy is planning total spodumene production volumes in the range of 45,000 dmt to 50,000 dmt in Q2 of 2019 and 180,000 dmt to 210,000 dmt for the full calendar year.

MT CATTLIN – EXPLORATION AND RESOURCES & RESERVES

The following exploration work was completed during the quarter:

- Target generation surrounding Mt Cattlin was ongoing with surface geochemical sampling programs on E74/400, E74/401 and E74/379
- A total of 77 new geophysical profiles totaling 61km were generated across two UTM zones (50 and 51) in three areas in close proximity to the Mt Cattlin Mine
- Deep ground penetrating radar identified one new blind pegmatite target each of tenements E74/400, E74/399 and E74/406, respectively. These targets confirmed independent rework of public airborne geophysical datasets. Three other new targets were identified on exploration tenements E74/406 and E74/399. All of these will be drill tested on receipt of drilling Program of Work applications in approval stage at the WA Department of Mineral Resources, Industry and Safety (“**DMIRS**”)
- 4,479m of development drilling was completed at Mt Cattlin in support of works approvals, sterilization and mine-planning, including 274m of diamond tail core.

SAL DE VIDA PROJECT

Sale of Northern Tenements

During the March quarter, the full US\$271.6 million consideration payable by POSCO in connection with the sale of the package of tenements located on the northern portion of the Salar del Hombre Muerto was released from the escrow account and transferred to Galaxy. This amount represents the full transaction sale price of US\$280 million, less US\$8.4 million in withholding taxes paid in November 2018.

Corporate Update

Throughout the second half of 2018 and early 2019, Galaxy and JP Morgan conducted a comprehensive evaluation of strategic joint venture opportunities for Sal de Vida ("**Sal de Vida process**").

To date, Galaxy has not been able to agree a transaction structure which provides what it believes is an appropriate valuation basis that properly reflects the world class nature of the Sal de Vida asset, particularly in the context of the successful POSCO transaction. Negotiations are ongoing with a shortlist of interested parties, however the Company has now resolved to formally close the Sal de Vida process.

Galaxy is currently in the strongest financial position it has ever been with c.US\$285 million in cash and liquid assets, nil debt and robust cash flow from Mt Cattlin. The Company now has strategic and financial flexibility and will continue to progress the development of Sal de Vida to ensure that its true value is unlocked and enhanced. Due to prevailing market sentiment and current weakness in short term contract prices for lithium chemicals the Company believes that it is prudent to remain patient regarding any third-party transaction for the Sal de Vida Project, since it remains highly confident in the underlying fundamentals of the lithium sector and market growth potential, as well as the world class quality of the underlying asset.

Test Work Program

Given the long life, superior quality and low production cost profile of Sal de Vida and its strategic position within Galaxy's diversified project portfolio, the Company is focused on ensuring a disciplined and responsible development pathway, as well as maximizing operating cost efficiency. The final product from Sal de Vida must meet the increasingly stringent specifications of battery end users at an operating cost well within the lowest quartile.

As part of the Company's continuous product validation and process optimization strategy, the project team has embarked on two concurrent test work programs. The first is focused on process optimization and product qualification based on the existing flow sheet incorporating conventional evaporation pond and processing technology. A semi-continuous pilot operation is underway at site, focused on maximizing process efficiencies at each individual stage of the flow sheet. Fifteen hectares of evaporation ponds are under construction with earthworks now complete and the subsequent lining of the ponds to commence upon contract award. To facilitate the integration of the pond with the semi-continuous pilot plant, some further equipment installations will be made to better match pond outflows to the pilot plant capacity.

The second test work program is focused on testing a limited number of alternative, unconventional processing technologies, assessing the viability of such technologies for implementation in the process flow sheet. These technologies may be adopted on a stand-alone basis or integrated with the current base flow sheet. Early laboratory results regarding lithium extraction have been encouraging in terms of the potential to improve process efficiency.

Project Development

Drilling of wells #25 and #26 was completed during Q1 2019 with analysis underway. Progress was slow due to a heavy rainfall event in January which affected many operations in the area and resulted in difficult drilling conditions.

Hydrogeological and brine chemistry data collected from recent drilling campaigns will provide further inputs into the hydrogeological and resource models, to be analyzed in the context of a future potential resource upgrade. The project team has collected additional information from observed environmental and salar conditions, which will be used for further calibration of the hydrogeological model. Periodic calibration of the wells has been undertaken to enhance the accuracy of model simulation and optimize key design parameters within the future production wellfields.

Following the current model calibration, development works will focus on wellfield design and production well construction.

A geotechnical survey that was conducted at the proposed operation site on the salar is now 90% complete. Results of this study will provide key inputs regarding facility and infrastructure locations, cost estimation and layouts. It will also allow engineering work to commence on the detailed design of the commercial evaporation ponds and enhance the accuracy of the initial estimated civil construction costs related to the earthworks and foundations for the chemical process plant.

Value Engineering

Work has commenced on energy generation options assessing the preferred mix of energy sources and exploring capital efficiencies in required infrastructure design and construction.

A series of other engineering trade-off and value-add activities will commence in Q2 2019, focused on advancing project engineering and identifying any potential capital reduction opportunities. The project team has been in discussions with other regional developers regarding potential shared infrastructure options.

Environmental Monitoring and Project Permitting

Environmental monitoring and evaluation has been underway throughout Q1 2019 as part of the Company's bi-annual renewal of its Environmental Impact Assessment.

Government and Community Relations

There have been ongoing interactions with the government at varying levels during the quarter, including meetings related to the project with the Catamarca Governor and Mining Secretary, and attendance at a conference with various government departments including the Argentinian President.

The Governor of Catamara and the Catamarca Secretary of Mining, will attend the official opening of the Sal de Vida office in Catamarca in May 2019. The new corporate office will act as the principal base of operations for the project.

JAMES BAY PROJECT

Exploration & Development

During the quarter, the James Bay project team continued interactions with key stakeholders and authorities, which included providing clarifications regarding the Environmental and Social Impact Assessment (“**ESIA**”) submitted during Q4 2018. In March, the Canadian Environmental Assessment Agency (“**CEAA**”) confirmed that the Environmental and Social Impact Assessment (“**ESIA**”) for the James Bay Project is consistent with the EIS Guidelines resulting in the file moving to the next step of evaluation which could mean that there is a final recommendation as quickly as within 12 months.

Engagement with the Cree Nation of Eastmain continued during the quarter. In March, Galaxy signed the Pre-Development Agreement (“**PDA**”) with the Grand Council of the Cree (Eeyou Istchee), the Cree Nation Government and the Cree Nation of Eastmain.

The Phase 2 test work program for the James Bay upstream operation continued as planned during the period. This test work program is being completed by Nagrom and is focused on confirming, refining and optimizing the upstream flowsheet design to maximize theoretical process performance based on the specific geological and metallurgical characteristics of the James Bay resource mineralogy. This work program is currently c.80% complete.

The bid process to select the test work contractor for the secondary lithium conversion program was conducted during the quarter. Contract award and the commencement of the test work start are planned to occur during Q2 2019.

A comprehensive and competitive bid process to select engineering firms and specialized consultants to undertake the combined feasibility study integrating a downstream conversion facility into the project design was completed with negotiation with selected parties continuing.

CORPORATE

Cash and Debt

Galaxy had US\$285.3 million in cash and liquid assets at 31 March 2019 and zero debt.

INDUSTRY & MARKET UPDATE

Following the destocking cycle in the manufacturing and industrials sector as a whole from the second half of 2018, the overall macro sentiment in China remains poor in the wake of the continued US-China trade tensions and as a result, the ongoing tightness of credit and financial liquidity in general. This has noticeably impacted the lithium battery supply chain, with continued softness in pricing coupled with materials and battery producers maintaining very low to zero inventory levels, due to the limited financial liquidity being made available to manufacturers. Despite these macro conditions, the end user segment of the lithium battery chain have exhibited continued demand growth. The Chinese new energy vehicle (“NEV”) sector started the year strongly, demonstrating substantial growth amongst the backdrop of a weak domestic auto market.

In the context of ten straight months of declining auto sales in China, NEV growth has continued at an unprecedented rate. The China Association of Automobile Manufacturers (“CAAM”) reported total NEV production and sales of c.278,000 and c.275,000 vehicles respectively in Q1 2019, representing growth of 88% and 95% YoY compared to the same period in 2018. Total production of battery electric vehicles (“BEV”) throughout this period was c.211,000, whilst total production of plug-in hybrid vehicles (“PHEV”) for the period was c.67,000, representing YoY growth rates of 96% and 67%, respectively. By March 2019, the country’s NEV sales represented 5% of total auto sales, significantly up from the 2.6% reported at the end of Q1 in 2018.

In March 2019, the China government announced the latest revision of the NEV subsidy framework for domestic NEV manufacturers. Subsidies were reduced on lower range vehicles and the requirements for subsidy eligibility were raised. Updated subsidies are presented in Table 1, with subsidy multiples which are based on technical characteristics of the NEV illustrated in Table 2. It is important to note that the reduction and ultimate fading out of the subsidy program has been made public and very clear by the Central Government since its implementation at the last iteration of the Five-Year Plan. As part of the recent policy changes, a key highlight was that while direct NEV subsidies from local governments were removed, those investment monies are actually to be redeployed into infrastructure facilities and support services. This is important given that in light of the continued strong growth in the NEV market overall, there also has to be the appropriate level of expansion of charging infrastructure to match the increasing consumer adoption rate. Lastly, although there has been some commentary that the latest round of subsidies would have a significantly negative impacting on NEV growth in China, it should be pointed out that YoY subsidy reductions in 2018 were as aggressive as the 2019 policy changes, and yet NEV production grew 60% YoY from 794,000 to 1.27 million vehicles in 2018. A similar market response is expected by domestic market observers in 2019. The CAAM recently publicly revised upwards their China NEV sales projections from the previous level of 1.6 million to 1.7 million vehicles for 2019, which would represent a 35% increase YoY and puts the country on track to achieve their 2 million-vehicle per annum target by 2020.

Table 1: Comparison of NEV Subsidies in China for 2018 and 2019^{1,2}

NEV Driving Range (km)	2018 Subsidy (RMB)	Transition Period Subsidy (RMB)	Subsidy From June 2019 (RMB)	% Difference
Subsidies for BEVs				
150 ≤ R ≤ 200	15,000	1,500	-	(100%)
200 ≤ R ≤ 250	24,000	2,400	-	(100%)
250 ≤ R ≤ 300	34,000	3,400 or 20,400 ³	18,000	(47%)
300 ≤ R ≤ 400	45,000	4,500 or 27,000 ³	18,000	(60%)
R ≥ 400	50,000	5,000 or 30,000 ³	25,000	(50%)
Subsidies for PHEVs				
R ≥ 50	22,000	2,200 or 13,200 ³	10,000	(55%)

¹ Maximum subsidy for each kWh of battery in RMB 550 before multipliers

² For commercial purpose vehicles, the subsidy will be 70% of the subsidy provided to passenger vehicles

³ NEVs meeting the 2019 technical requirements would have 0.6x of the previous subsidy; NEVs meeting the 2018 technical requirements but not the 2019 requirements would have 0.1x of the previous subsidy

Table 2: NEV Subsidies Multipliers

2018		2019	
Relationship between battery energy density and subsidy			
Battery Energy Density	Subsidy Multiplier	Subsidy Multiplier	Subsidy Multiplier
105 – 120Wh/kg	0.6	105 – 125Wh/kg	-
120 – 140Wh/kg	1.0		
140 – 160Wh/kg	1.1	125 – 160Wh/kg	0.9
160Wh/kg and above	1.2	160Wh/kg and above	1.1
Relationship between energy consumption per 100km and subsidy			
Energy Consumption Better National Standard By:	Subsidy Multiplier	Energy Consumption Better National Standard By:	Subsidy Multiplier
0 – 5%	0.5	10 – 20%	0.8
5 – 25%	1.0	20 – 35%	1.0
>25%	1.1	>35%	1.1

With the prime focus now of the new government policy clearly targeted at pushing the domestic automobile OEMs to produce higher quality NEVs, with closer overall performance parity (and not just cost parity) to that of ICE vehicles, it is expected that these improvements will result in the NEV market in China continuing to launch longer range vehicles, with higher energy densities and thus larger batteries. Combined with the continued robust increase in volumes, this is expected to lead to an ongoing healthy increase in demand for lithium raw materials in the latter part of 2019 through to 2020, as the market moves towards a point of inflexion where new supply of chemical materials will be challenged again to keep up with growing demand.

Electric vehicle (“EV”) demand growth also continued across both the USA and Europe. InsideEVs reported plug in vehicle deliveries of c.61,200 vehicles in the US throughout Q1 2019, representing 11% growth YoY. Further, plug in vehicle sales in Europe increased c.41% YoY to c.66,100 units throughout the period of January-February 2019. Several new plug in models were released by European auto manufacturers through Q1 2019, including the Audi e-tron, Kia Niro EV and the new BMW i3 and Nissan Leaf additions. Tesla also began deliveries of the Model 3 outside of the USA (Europe and China).

Domestic lithium chemical prices within China has remained reasonably steady since reaching a plateau at these lower levels, with current spot prices of c.RMB77,000 (c.US\$11,500) per tonne reported for battery grade lithium carbonate and c.RMB95,000 (roughly US\$14,200) per tonne for lithium hydroxide. Trade data from Korea indicated a reported average import price of c.US\$13,500 per tonne for lithium carbonate and c.US\$17,000 per tonne for lithium hydroxide for Q1 2019, while Japan indicated a reported average import price of c.US\$14,600 per tonne for lithium carbonate and c.US\$12,900 per tonne for lithium hydroxide for the first two months of 2019.

Competent Person Statement

MT CATTLIN

Any information in this report that relates to the estimation and reporting of the Mt Cattlin Mineral Resources and Ore Reserves is extracted from the report entitled “42% increase in Mt Cattlin resource to 16.7Mt” created on 23 January 2019 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.

Any information in this report that relates to Exploration Results at Mt Cattlin is based on information presented in the announcement entitled “Re-Release Mt Cattlin Update – Exploration Drilling Hits Thick, High-Grade Intersections Outside the Known Resource” created on 11 December 2018 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 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.

SAL DE VIDA

Any information in this report that relates to the estimation and reporting of the Sal de Vida Project Mineral Resources is extracted from the report entitled “Sale of Northern Tenements at Sal de Vida to POSCO Completed” created on 26 November 2018 and the Sal de Vida Project 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 both of which are 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 announcements and that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserve 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

Any information in this report that relates to the estimation and reporting of the James Bay Mineral Resources is extracted from the ASX announcement, entitled “James Bay Resource Update” dated 4 December 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 Mineral Resources 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.

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.

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