

17 June 2010

GALAXY EXTRACTS FIRST ORE AT MT CATTLIN

Highlights

- Ore extraction at Mt Cattlin commences ahead of schedule
- Ore stockpile building on ROM pad for plant commissioning scheduled for September 2010
- Mt Cattlin mine operational workforce grown to 71 including mining contractor

Emerging lithium producer, **Galaxy Resources Limited (ASX: GXY)** is pleased to announce that it has commenced extracting ore from the Dowling Pit after a four month pre-strip mining program at its Mt Cattlin Spodumene Project.

The first shallow pegmatite ore has been exposed in the east of Pit 1A, and pre-strip mining of Pits 1A and 1B is continuing.

Galaxy Resources Managing Director, Mr Iggy Tan, said achieving this milestone would guarantee supply of run of mine ore for the commissioning of the Mt Cattlin processing plant during the third quarter of 2010.

"Both the Company and the mining contractor, Orionstone Pty Ltd, have worked well at meeting the mining schedule," Mr Tan said.

The operational workforce on site, excluding construction personnel has now grown to 71 people.

"Galaxy's operations team has now been recruited and has commenced an extensive training program."

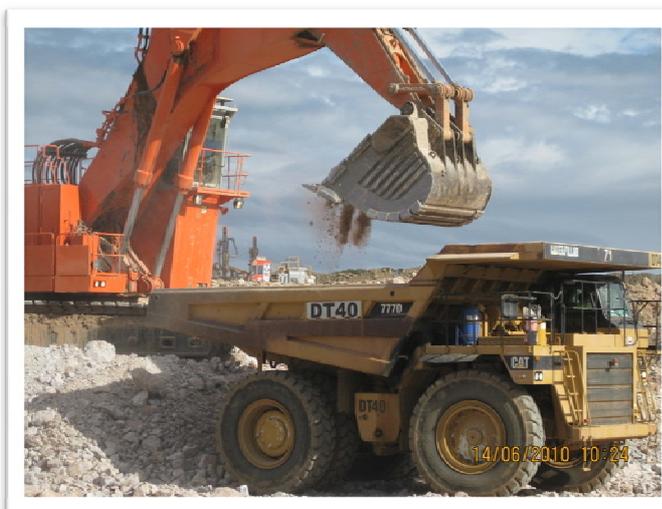


Photo - Ore mining at 1a pit



Photo - Haulage to ROM pad



Photo - Run of Mine Pad

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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.