



RESOURCES LIMITED

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Via: [www.asxonline.com](http://www.asxonline.com)

Dear Sir/Madam,

**RE: GALAXY RESOURCES LIMITED (ASX Code: GXY) – ASX ANNOUNCEMENT**

Please find attached ASX/Media release regarding GXY - Mt Cattlin Drilling Update.

Yours faithfully

A handwritten signature in blue ink, appearing to read "mfotios", written over a light blue rectangular background.

Michael Fotios  
Managing Director

**ASX ANNOUNCEMENT  
24 APRIL 2007**

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## **DRILLING UPDATE - MT CATTLIN TANTALUM/LITHIUM PROSPECT**

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Galaxy Resources Limited (ASX:GXY) is pleased to provide an update on the status of its Reverse Circulation ("RC") drilling program at the Mt Cattlin Tantalum/Lithium prospect located 2 kilometres north of Ravensthorpe within the Archaean Ravensthorpe Greenstone Belt, Western Australia.

Drilling has recommenced at Mt Cattlin with 28 holes (GX531 to 558) completed since Sunday 15 April 2007, and is expected to continue during April and May. Drilling has continued to intersect significant widths (4 to 22 metres true thickness) of pegmatite in the western part of the target area consistent with the continuity indicated by earlier drilling (see announcement dated 16 April 2007).

The objective of the drilling program is to link the areas of historic drilling within the identified central zone of the pegmatite and extend drill hole coverage on a wider spacing in the western and eastern areas so that complete coverage of the interpreted extent of the pegmatite is achieved (Figure 1). Galaxy and other explorers have previously completed drilling programs totalling 12,420 metres in 341 holes.

Given the excellent continuity of the pegmatite intercepted in drilling to date it is now expected that about 150 holes (average depth 40 metres) will be drilled vertically to intersect the flat lying pegmatite (average thickness 11 metres) on 80 by 80 metre centres. In selected areas spacing will be reduced to 40 x 40 metre centres.

The size of the conceptual target in the central zone (1000 metres by 500 metres) is 8 to 12 million tonnes and the overall target to the interpreted perimeter of the pegmatite (approximately 1500 metres by 1000 metres) is 30 to 40 million tonnes of mineralised ( $\text{Ta}_2\text{O}_5$  and Spodumene) pegmatite (including the central zone). The conceptual grade is 200 to 300 ppm  $\text{Ta}_2\text{O}_5$  and 10% Spodumene (lithium bearing mineral) contained within a pegmatite averaging 11 metres thickness with an SG of 2.7. Market prices of  $\text{Ta}_2\text{O}_5$  and spodumene are \$US35 to 45/lb and \$US400 to 500 per tonne respectively. The  $\text{Ta}_2\text{O}_5$  long term contract price is between US\$60 and 70/lb.

The target is conceptual in nature and is based on historic estimates of tonnes and grade reported by a number of previous explorers that operated within M74/12 (Mt Cattlin). There has been insufficient exploration and valuation to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

The current program is designed to provide sufficient information to allow completion of a JORC compliant resource estimate. It is expected that drilling of the central zone will be completed by the end of April and a resource estimate by the end of May.

Drill testing at pegmatite targets north of Mt Cattlin and at Bakers Hill will also be undertaken once the program at Mt Cattlin is completed.

Assay results of samples from drill holes GX480 to GX530; except GX481 are expected early next week. Assay results of samples from last weeks drilling are expected in about 3 to 4 weeks.

-ENDS-

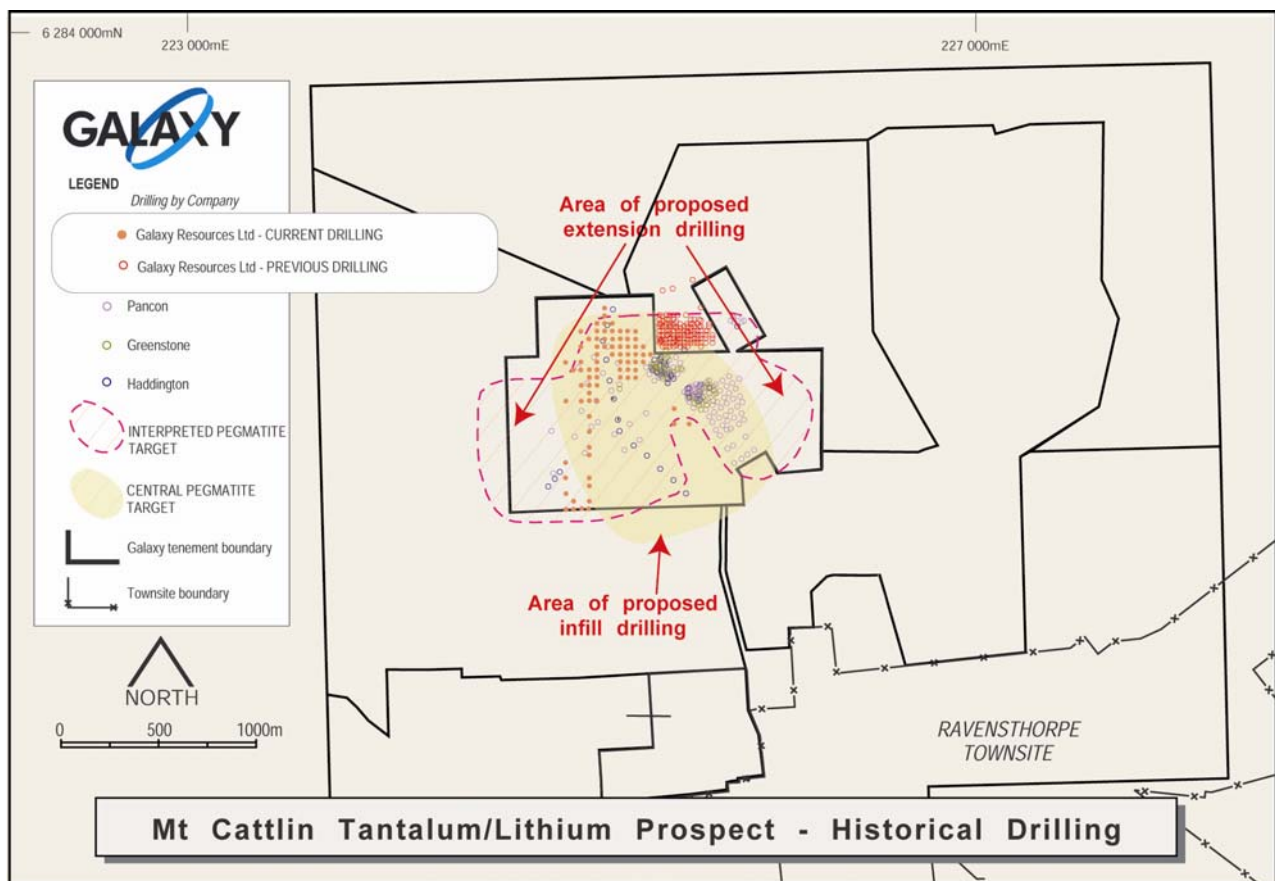
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**Figure 1:**



### About Galaxy (ASX: GXY)

Galaxy is a diversified exploration company with interests in five targeted projects in Western Australia covering a range of commodities including lithium, tantalum, base metals (copper-zinc-nickel), gold, iron ore, rare earths and uranium. The projects, with the exception of two joint ventures at Ravensthorpe, are owned 100% and were acquired prior to the recent IPO.

Galaxy listed on the ASX on 5 February 2007 at a premium of 70%. The company raised \$3 million through the issue of 15 million shares at the offer price of \$0.20. Funds raised through the offer will be used to progress the company's existing exploration programs and will initially focus on an infill drilling program and a feasibility study at the Cattlin Creek tantalum and lithium prospect.

The Company's tantalum and lithium deposit, located at Cattlin Creek, was significantly enhanced by the acquisition of M74/12 (granted), from the administrators of Sons of Gwalia Ltd, in November 2006 and is the centre piece of Galaxy's 185km<sup>2</sup> ground holding within the Ravensthorpe Greenstone Belt.

Galaxy also has a second joint venture with Pioneer Nickel Limited (ASX: PIO) in the Ravensthorpe Aerodrome Project. Through the joint venture Galaxy has offered Pioneer Nickel the option to earn a 75% interest in the project. Detailed aeromagnetic and VTEM surveys will be completed during March followed by detailed evaluation including soil geochemistry and RC drill testing of targets.

In addition to the Ravensthorpe package, the Company holds a 100% interest in four projects at various stages of exploration including:

- |                |   |
|----------------|---|
| • Ponton       | Uranium, rare earths and base metals    |
| • Shoemaker    | Base metals, gold, iron ore and uranium |
| • Connolly     | Base metals                             |
| • Boxwood Hill | Base metals                             |

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr. Michael Fotios who is Managing Director of the Company and who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Fotios 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. Fotios consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.