

5 January 2010

GALAXY AWARDS MT CATTLIN MINING CONTRACT

Highlights

- Galaxy awards Mt Cattlin mining contract to Orionstone
- Orionstone is an experienced Eastern Goldfields mining contractor
- Drill and blast will be provided by Total Drilling Services
- Pre-strip to commence in early April 2010

Emerging lithium producer, **Galaxy Resources Limited (ASX: GXY)**, today announced it has awarded the Mt Cattlin mining contract to Orionstone Pty Ltd (Orionstone).

Orionstone is a provider of quality mining equipment and services that was established in the Eastern Goldfields 17 years ago and currently has fleets of equipment operating around Australia. Former clients of the company include Norilsk Nickel, Harmony Gold, Newcrest Mining, Haddington and Panoramic Resources.

At the Mt Cattlin Spodumene Project, Orionstone will provide a Hitachi 1800 excavator, Caterpillar 777D dump trucks, Cat D9 dozer and other ancillary equipment as well as plant operators and maintenance staff.

The drill and blast component of the mining contract will be delivered by an Orionstone subcontractor, Total Drilling Services Pty Ltd who has also been operating in the Goldfields region for many years.

Mining is expected to commence in early April 2010 with a four month pre-strip period in order to guarantee supply of run of mine ore for the commissioning of the process plant in Q3 2010.

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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 Jiangsu 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.