



Australia  
29 November 2017

## GALAXY SIGNS BINDING LONG TERM OFFTAKE AGREEMENTS FOR MT CATTLIN

### Highlights

- Binding offtake agreements for minimum 200,000 tonnes per annum of lithium concentrate signed with multiple customers for 5 years
- 100% of total planned lithium concentrate production from Mt Cattlin sold for contract term
- Headline pricing achieved for 2018 higher than 2017
- A portion of Mt Cattlin lithium concentrate to be converted on Galaxy's behalf into lithium carbonate and or lithium hydroxide
- Galaxy to commence selling lithium chemical products to the end-user market in 2018
- Offtake arrangements to settle through Mitsubishi Corporation

### Key Terms of the Agreements

Galaxy Resources Limited (ASX:GXY) ("Galaxy") ("Company"), is pleased to announce that it has executed binding long term offtake contracts with multiple customers throughout Asia. Galaxy Lithium Australia Limited, a wholly owned subsidiary of Galaxy, which owns the Mt Cattlin Project ("Mt Cattlin") in Ravensthorpe, Western Australia has agreed to sell 100% of the planned production of lithium concentrate from Mt Cattlin for 5 years beginning in 2018. Pricing is on either a CIF (cost plus insurance and freight) or CFR (cost plus freight) basis and will be subject to an annual pricing review between Galaxy and its customers in Q4 of each calendar year. The parties have agreed the pricing for FY 2018. Annual volumes are subject to standard commercial terms with delivery on a +/- 10% basis.

Galaxy's offtake partners are each leading and reliable producers of lithium carbonate ( $\text{Li}_2\text{CO}_3$ ) and lithium hydroxide monohydrate ( $\text{LiOH}\cdot\text{H}_2\text{O}$ ) and are all key suppliers of lithium products and materials throughout Asia.

Galaxy Managing Director, Anthony Tse said the Company had experienced very strong interest from a wide range of current and new buyers after the consistent quality and delivery of production from Mt Cattlin throughout 2017, with the Company seeing significant increasing demand over the 5 year contract term.

*"The Mt Cattlin team will be working on a number of initiatives through the first half of 2018, to provide its customers with the increasing volume and consistent quality of product they require as they continue to expand their own operations," Mr Tse said.*

*"These agreements also underscore the strong relationship Galaxy has with its customers and consolidates long-term partnerships with a number of the larger and high quality chemical converters in Asia, who are in turn suppliers into the fast-growing lithium battery materials sector in that market."*

### Conversion Arrangements

Galaxy has also agreed for a portion of the Mt Cattlin lithium concentrate sold under the offtake agreements to be converted on Galaxy's behalf into lithium carbonate and or lithium hydroxide. Detailed agreements evidencing these arrangements will be prepared in early 2018. This will allow Galaxy to commence selling its own lithium chemical products into the end-user market, which is currently exhibiting a robust demand and pricing environment.



ENDS

For more information, please contact:

**Corporate**

Nick Rowley  
Director – Corporate Development  
+61 455 466 476  
+61 (8) 9215 1700  
nick.rowley@galaxylithium.com

**Media Enquiries (Australia)**

Michael Weir  
Citadel-MAGNUS  
+61 402 347 032 or +61 (8) 6160 4903  
mweir@citadelmagnus.com

**Media Enquiries (International)**

Heidi So  
Strategic Financial Relations Ltd  
+852 2864 4826  
heidi.so@sprg.com.hk

**About Galaxy (ASX:GXY)**

Galaxy Resources Limited ("Galaxy") is an international S&P / ASX 200 Index company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It wholly owns and operates the Mt Cattlin mine in Ravensthorpe Western Australia, which is currently producing and exporting spodumene and tantalum concentrate and the James Bay lithium pegmatite development project in Quebec, Canada.

Galaxy is advancing plans to develop the wholly owned Sal de Vida lithium and potash brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of 60% of global lithium production. Sal de Vida has excellent potential as a low-cost brine-based lithium carbonate and/or hydroxide production facility.

Lithium compounds are used in the manufacture of ceramics, glass, and consumer electronics and are an essential cathode material for long life lithium-ion batteries used in hybrid and electric vehicles, as well as mass energy storage systems. Galaxy is bullish about the global lithium demand outlook and is aiming to become a major producer of lithium products.

**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 because 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.



**Not For Release in the US**

This announcement has been prepared for publication in Australia and may not be released in the United States of America. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements.