

22 April 2010

PLACEMENT FUNDS RECEIVED IN GALAXY ESCROW ACCOUNT

Galaxy Resources Limited (ASX: GXY) has been advised by AIM listed Creat Resources Holdings Limited (CRHL) that it has now received A\$26 million from its majority shareholder, Creat Group Co Limited (Creat Group), to complete the remaining Galaxy placement subscription.

The funds have been deposited into an escrow account established by CRHL and Galaxy.

Subject to final approval from CRHL shareholders at an AGM to be held on 28 April, the placement shares will be issued to CRHL allowing Galaxy unconditional access to the funds.

Galaxy's current cash balance is approximately A\$47 million and the additional placement funds will increase cash reserves to A\$73 million.

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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 S&P / ASX 300 Index 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.