

Appendix 5B

Mining exploration entity quarterly report

Name of entity

GALAXY RESOURCES LIMITED

ABN

11 071 976 442

Quarter ended ("current quarter")

30 June 2008

Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (12 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(588)	(1931)
(b) development	-	-
(c) production	-	-
(d) administration	(167)	(325)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	49
1.5 Interest and other costs of finance paid	(4)	(4)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(756)	(2211)
Cash flows related to investing activities		
1.8 Payment for purchases of		
(a) prospects	-	(24)
(b) equity investments	-	-
(c) other fixed assets	(25)	(28)
1.9 Proceeds from sale of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(25)	(52)
1.13 Total operating and investing cash flows (carried forward)	(781)	(2263)

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1.13	Total operating and investing cash flows (brought forward)	(781)	(2263)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2600	2600
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) – costs of issues	(153)	(155)
	Net Financing Cash Flows	2447	2445
	Net increase (decrease) in cash held	1666	182
1.20	Cash at beginning of quarter/year to date	264	1748
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	Cash at end of quarter	1930	1930

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	214
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Includes directors' fees and also fees paid to directors or director related entities for professional and technical services and for office services (including occupancy costs)

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outlays for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	-
TOTAL	600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	406	55
5.2 Deposits at call	1524	209
5.3 Bank overdraft		
5.4 Other – investment commercial bills of 6 months or less	-	-
Total: cash at end of quarter (item1.22)	1930	264

Changes in interests in mining tenements -

	Tenement Reference	Nature of Interest [note (2)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preferences securities <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 Ordinary securities	51,412,297	44,863,085		
7.4 Changes during quarter (a) increases through issues 5,000,000 (b) decreases through returns of capital, buybacks	1,750,000 5,000,000	750,000 5,000,000	20 45	20 45
7.5 Convertible debt securities				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
GXYAM	4,225,000	-	20	30/09/08
GXYAM	1,500,000	-	20	06/02/09
GXYAO	1,500,000	-	30	06/02/10
GXYAQ	1,500,000	-	40	06/02/11
GXYAS	750,000	-	30	30/01/10
7.8 Issued during quarter				
7.9 Exercised during quarter				
GXYAM	1,000,000	-	20	30/9/08
GXYAM	750,000	-	20	06/06/09
7.10 Expired during quarter				

