

# Galaxy selects site in China for lithium plant

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The West Australian

Emerging lithium producer Galaxy Resources has chosen a site in China, near Shanghai, for its proposed lithium carbonate plant.

The company said it had signed a letter of intent with Jiangsu Province Zhangjiagang Free Trade Zone Administrative Committee to secure the site.

The site, about 53,000sqm, is about 500m from wharf berth and has access to utilities.

Galaxy said it envisaged its spodumene product would be shipped from WA to the Zhangjiagang port and transported to the plant by conveyor.

“The proposed site is next to a 2.4 million tonne a year sulphuric acid plant that can provide concentrated sulphuric acid, caustic soda and steam from the lithium carbonate process,” the company said in a statement.

“The second largest soda ash supplier is also located within the chemical park. In addition, cement plants for waste residue disposal and detergent plants for sodium sulphate disposal, both important factors that drive the economics of a lithium carbonate plant, are nearby.”

Galaxy is focused on the development of its Mt Cattlin lithium/tantalum mine near Ravensthorpe.

The company expects to begin production at the mine in the third quarter of 2010.

A definitive feasibility study has shown the mine can be commercially viable based on processing one million tonnes per annum over a 15 year mine life.

Lithium concentrate and lithium carbonate raw materials, used in batteries, are expected to be in short supply with the growth in the market of hybrid and electric cars, mobile phones and computers.

Galaxy shares were up 3.5 cents, or 8.33 per cent, to 45.5 cents at 11.30am.

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