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## Galaxy Resources Debuts on ASX

Galaxy Resources Limited (ASX: GXY) today listed on the Australian Stock Exchange after its Initial Public Offer closed early and oversubscribed.

The Company raised \$3 million through the issue of 15 million new shares at an issue price of \$0.20 each. On listing, Galaxy has 43,837,297 shares on issue.

Galaxy is a diversified exploration company with interests in five targeted projects in Western Australia covering a range of commodities with a focus on lithium, tantalum, base metals (copper-zinc-nickel), gold, iron ore, rare earths and uranium.

The funds raised through the Offer will be immediately used to progress the Company's exploration programmes, with particular emphasis on infill drilling and commencement of a feasibility study at the Cattlin Creek tantalum and lithium prospect, and detailed evaluation of the base metal targets at Ravensthorpe.

Galaxy's Managing Director Michael Fotios said:

"We are pleased with the strong support we have received, which we believe reflects an appreciation of the inherent value of our projects," he said.

"Galaxy has exposure to a range of commodities through a solid portfolio of quality projects.

"Cattlin Creek – the central core of which was acquired from the administrators of Sons of Gwalia Ltd late last year - is a largely underdeveloped lithium and tantalum resource with significant potential.

"We are currently in the process of commencing a full feasibility program at Cattlin Creek and expect drilling and sampling to begin mid February 2007. This study is expected to be completed before the end of the year.

"We believe the lithium and tantalum project has the potential to generate significant cash flow for the company and provide funding for the development of other projects – particularly our Ravensthorpe base metals prospects including the Elverdton joint venture with Pioneer Nickel Ltd.

Exploration will commence immediately upon listing, with programs including:

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|---------------------------|--|
| Ravensthorpe – Mt Cattlin | Infill RC resource definition drilling of the tantalum / lithium project.  |
| Ravensthorpe – Regional   | Airborne magnetic and VTEM surveys targeting massive sulphide base metals targets at Bakers Hill/West River and McMahon. |
| Ravensthorpe – McMahon    | Surface channel sampling of direct ship iron ore formations.   |
| Ponton & Shoemaker        | Airborne magnetic and radiometric survey following up on known occurrences of uranium, rare earth and base metals.       |

A RC drill rig and geophysics contractors have been booked for the above programs and the directors look forward to being able to provide first results from these programs during February.

"We thank investors for their support and looking forward to growing the company and building shareholder value over the long term," Mr Fotios said.

We would also like to thank State One Stockbroking Ltd, who acted as lead manager and sponsoring broker to the Offer.

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### **About Galaxy (ASX: GXY)**

Galaxy Resources (Galaxy) is a diversified exploration company with projects in Western Australia. The projects with the exception of two joint ventures at Ravensthorpe are owned 100% and were acquired prior to the recent IPO.

The Company's tantalum and lithium deposit located at Cattlin Creek was significantly enhanced by the acquisition of M74/12, from the administrators of Sons of Gwalia Ltd, in November 2006 and is the centre piece of Galaxy's 185km<sup>2</sup> ground holding within the Ravensthorpe Greenstone Belt.

Galaxy also has a second joint venture with Pioneer Nickel Limited (ASX: PIO) in the Ravensthorpe Aerodrome Project. Through the joint venture Galaxy has offered Pioneer Nickel the option to earn a 75% interest in the project. Detailed aeromagnetic and VTEM surveys will be completed during February followed by detailed evaluation including soil geochemistry and RC drill testing of targets.

In addition to the Ravensthorpe package, the Company holds a 100% interest in four projects at various stages of exploration including:

- Ponton – Uranium, rare earths and base metals
- Shoemaker - Base metals, gold, iron ore and uranium
- Connolly - Base metals
- Boxwood Hill – Base metals

[www.galaxyresources.com](http://www.galaxyresources.com)

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