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GALAXY RESOURCES LIMITED
ANNUAL GENERAL MEETING – 27 NOVEMBER 2007
CHAIRMAN'S ADDRESS

On behalf of the Directors of Galaxy Resources Limited ("Galaxy"), it is with pleasure that I provide you with my first Chairman's address as an ASX listed company.

Galaxy listed on the ASX on 5 February 2007 at a premium of 70%. The Company raised \$3 million through the issue of 15 million shares at the offer price of 20 cents. Funds raised through the offer have been used to progress the Company's existing exploration programs and initially focus on an in-field drilling program and a feasibility study at the Mt Cattlin Lithium and Tantalum Project.

Galaxy is a diversified exploration company with interests in five targeted projects in Western Australia covering a range of commodities (including lithium, tantalum, base metals (copper – zinc – nickel), gold, iron ore, rare earth and uranium). The projects, with the exception of two joint ventures at Ravensthorpe, are owned 100% and were acquired prior to the IPO.

During the year, the Company's Mt Cattlin Lithium and Tantalum deposit was the principle focus of activities. The initial drilling program was very successful, so the Board decided to undertake extensive further drilling with the result that it is unlikely that the Company will need to undertake further drilling on this project when it comes to undertake a bankable feasibility study.

The Company will shortly be releasing a Resource Statement and results of its Pre-Feasibility Study in respect of the Mt Cattlin Lithium and Tantalum Project. It is likely that the Company will then be in a position to proceed with undertaking a Bankable Feasibility Study for the establishment of a high-grade, long life and low cost lithium and tantalum project at Mt Cattlin.

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While Mt Cattlin is the centrepiece of Galaxy's 185 square kilometre ground holding within the Ravensthorpe Greenstone Belt, there are other areas prospective for volcanic hosted copper / zinc, copper gold and nickel copper sulphide as well as epigenetic gold mineralisation. Some of these are already being explored under two (Elverdton and Aerodrome) farm out agreements with Pioneer Nickel Limited. Through the joint ventures, Pioneer Nickel has earned a 75% interest in the Ravensthorpe Elverdton Project. Detailed aeromagnetic and VTEM surveys have been completed together with detailed evaluations including soil geochemistry. Pioneer expects shortly to commence 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 earth and base metals
- Shoemaker – base metals, gold, iron ore and uranium
- Connolly – base metals
- Boxwood Hill – base metals

Over the next twelve months, the Company intends to undertake further work on these projects, in particular, the Shoemaker project could be significant for its iron ore potential.

I would like to thank my fellow Directors, the management team lead by Michael Fotios, and you, our shareholders, for your support during the year. I am certain that the next twelve months will be exciting times for the Company as it continues to progress its strategy to develop the Mt Cattlin Lithium and Tantalum Project to production status.

Craig Readhead
Chairman
27 November 2007