

Alita legal proceedings settled

Highlights

- ◆ The legal proceedings commenced by Lithium WA Investments Pty Ltd (LWA) against the Administrators of Alita Resources Ltd (Alita) have settled.

As previously advised on 12 February 2021 Galaxy Resources Limited (ASX:GXY) and SMS Innovative Mining Pty Ltd joined, as plaintiffs, the legal proceedings commenced by LWA against the Administrators of Alita and its subsidiaries and Austroid Corporation, as the proponent of the Deeds of Company Arrangement for Alita and its subsidiaries (**Legal Proceedings**).

The parties to the Legal Proceedings have agreed a settlement on terms acceptable to Galaxy and under which (among other things):

- all proceedings will be dismissed, with no order as to costs; and
- Galaxy will be released from its undertaking to pay any interim costs.

Galaxy believes the settlement represents a fair result in the circumstances for both the plaintiffs and defendants.

ENDS

This release was authorised by Mr Simon Hay, Chief Executive Officer of Galaxy Resources Limited.

For more information

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About Galaxy (ASX: GXY)

Galaxy Resources Limited is an international company with lithium production facilities, hard rock mines and brine assets in Australia, Canada and Argentina. It wholly owns and operates the Mt Cattlin mine in Ravensthorpe Western Australia, which is currently producing spodumene and tantalum concentrate.

Galaxy is advancing development of the wholly owned Sal de Vida lithium brine project in Argentina situated in the lithium triangle (where Chile, Argentina and Bolivia meet), which is currently the source of more than 40% of global lithium production. Sal de Vida has excellent potential as a low-cost brine-based lithium carbonate production facility.

Galaxy's diversified project portfolio also includes the wholly owned James Bay lithium pegmatite project in Quebec, Canada. James Bay will provide additional expansion capacity to capitalise on future lithium demand growth.

Lithium compounds are used in the manufacture of ceramics, glass, pharmaceuticals and are an essential cathode material for long life lithium-ion batteries used in hybrid and electric vehicles, as well as mass energy storage systems and consumer electronics. Galaxy is bullish about the global lithium demand outlook and is aiming to become a major producer of lithium products.

Caution Regarding Forward Looking Information

This document contains forward looking statements concerning Galaxy. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

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