Sal de Vida Development Plan

Corporate Presentation

April 2021

ASX: GXY

www.gxy.com

Disclaimer

Forward Looking Statements

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.

Forward looking statements in this document are based on Galaxy's beliefs, opinions and estimates of Galaxy as of the dates the forward-looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. There can be no assurance that Galaxy's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Galaxy will be able to confirm the presence of additional mineral deposits, that any mineralization will prove to be economic or that a mine will successfully be developed on any of Galaxy's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements. Data and amounts shown in this document relating to capital costs, operating costs, potential or estimated cashflow and project timelines are internally generated best estimates only. All such information and data is currently under review as part of Galaxy's ongoing operational, development and feasibility studies. Accordingly, Galaxy makes no representation as to the accuracy and/or completeness of the figures or data included in the document.

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction

All references to unit operating cash costs assume FOB Angamos, Chile

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

Investor Relations
Galaxy Resources Limited

Phoebe Lee
T: +61 (8) 9215 1700
E: info@gxy.com

Media Enquiries (Australia)
Cannings Strategic Communications

Scott Rochfort
T: +61 435 878 614
E: srochfort@canningscomms.com.au

Contact Information

Level 4 / 21 Kintail Road,
Applecross, Western Australia 6153
PO Box 1337, Canning Bridge LPO
Applecross WA 6953
T: +61 8 9215 1700
E: info@gxy.com

Clear growth strategy
Galaxy is steadily advancing its world class growth assets towards production

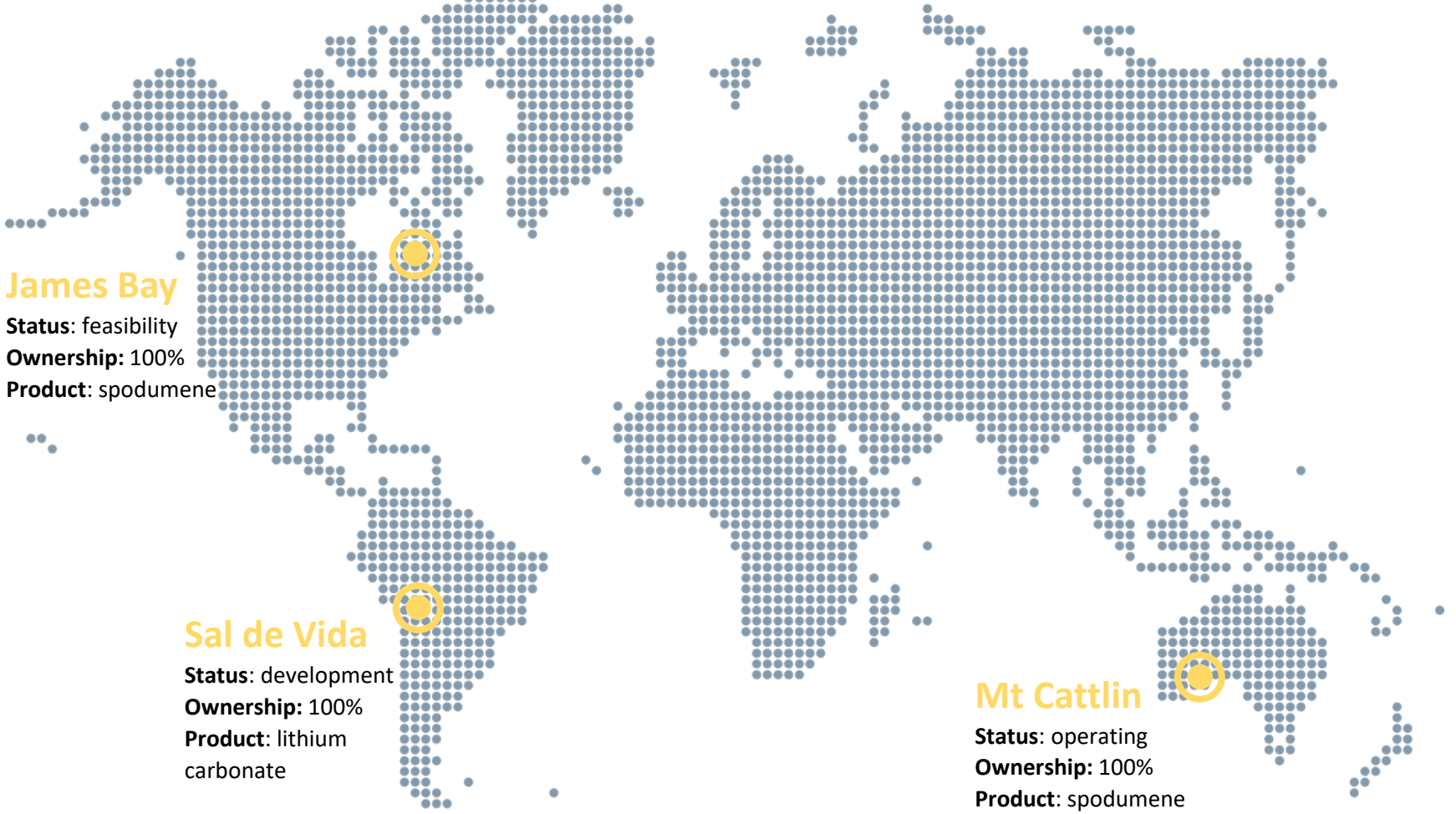
Proven operator
Mt Cattlin is a stable and mature operation producing high quality spodumene concentrate

Sal de Vida a tier 1 asset
Globally competitive, near-term producer of battery grade lithium carbonate

James Bay strategically located
A highly competitive, low cost spodumene project advancing to construction-ready status in 2021

Strong balance Sheet
Provides flexibility to invest in wholly-owned growth assets

Successful board and management
Proven track record in developing and operating minerals assets



Creating a sustainable, large scale, global lithium chemicals business to power the future

Corporate Snapshot

A$161 million Equity Financing package was successfully completed in late 2020

Proceeds to be applied to Sal de Vida Stage 1 and James Bay

Galaxy is well positioned to accelerate its development plans of its world-class lithium assets

Financial Information (31 March 21)

US$217 million

Cash and Financial assets

Nil

Debt

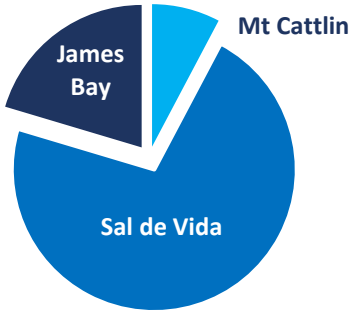
US$40 million undrawn debt facility

Share Holders (31 March 21)	
Ausbil Investment Mgt	9.9%
Directors & Employees	2.1%
Top 20	39%

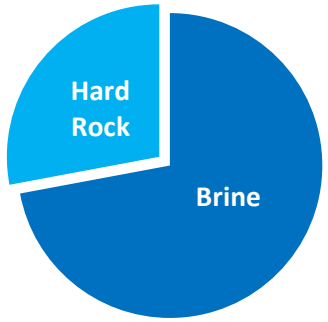
Share Information (13 April 21)		
Share price	*A$*	3.2
No. Shares	*Million*	505
Market Cap	*A$ billion*	1.6

Share Price Performance (1 year)

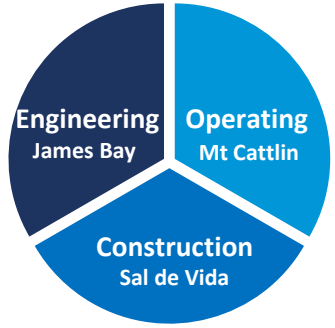
Large Resource base



Diverse Feedstock



All development stages



1. Refer to Appendix for Resource & Reserves Table

Sal de Vida

Key Physicals (Stage 1)

10,700 tpa LC
Annual production

754 Li ppm
Resource grade

44 year
project Life

1.7%
Pond grade feed

84%
Pond Recovery

81%
Plant Recovery

Financial Summary (Stage 1)

US$153 million
Development capital

US$ 3,500 tonne
Unit cash operating costs

US$809 million
Pre-tax NPV (8% discount rate)

43% pre-tax IRR

2 year pay back period
from first production

Project Summary

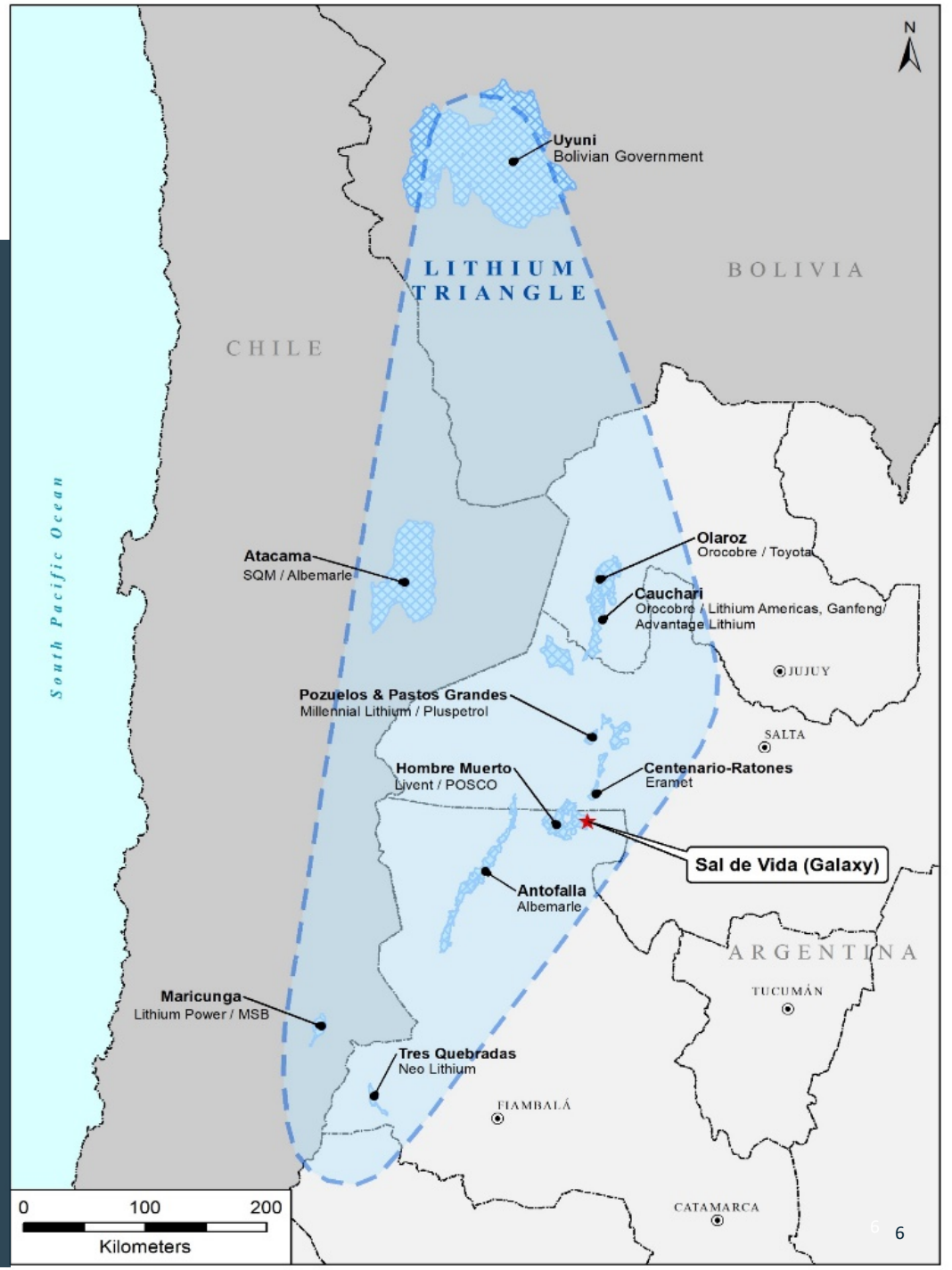
- ✓ FEED phase completed and confirms highly profitable brine operation in Catamarca Province, Argentina
- ✓ Globally competitive position with capital intensity and operating costs in the lowest quartile
- ✓ Each stage targets production of 10,700tpa of predominately battery grade lithium carbonate product
- ✓ Staged development approach to reduce development risk and enable the self-funding of next stages
- ✓ Strong balance sheet and positive cashflow from Mt Cattlin provides full funding for Stage 1 capital
- ✓ Project schedule targets first production in late 2022, as lithium demand is forecast to surge
- ✓ Stage 1 design basis and layout allows for replication in later stages
- ✓ Targeting production of ~32,000 tpa of high-grade lithium carbonate in three stages

Catamarca Province, Argentina

A mining friendly jurisdiction

- Catamarca has a competitive mining policy and is supportive of foreign investment
- Successful long-term mining operations in the province include Livent & Minera Alumbrera
- Sal de Vida's deposit lies within the lithium triangle, home to 60% of the world's lithium
- Galaxy has strong relations with government and community stakeholders

Images from Galaxy's handover of the high school in El Peñón to the Ministry of Education in March 2021
Left: Minister of Education, Mr Nicolás Trotta bumping fists with Sal de Vida General Manager, Guillermo Calo
Right: The symbolic signing of the agreement, Mr Raúl Jalil, Governor of Catamarca, Mr Nicolás Trotta, Minister of Education of Argentina, Ms Andrea Centurión, Minister of Education of Catamarca and Ms Fernanda Jalil, Minister of Mining of Catamarca



Geology & Mineralisation

Superior brine that readily upgrades to battery grade due to its high-grade and low impurities

Updated Resource and Reserve released on 14 April

- Brine Resource Estimate of 6.2 Mt LCE[1]
- Brine Reserve Estimate of 1.3Mt LCE supporting a 44-year project life[1]
- One of the highest-grade lithium brines globally at 754 ppm Li and low levels of Mg, Ca, B impurities
- Piloting and test-work shows the brine readily upgrades to battery grade lithium carbonate
- Hydrological pump testing demonstrates excellent aquifer recharge and extraction rates

Production wellfield drilling & exploration

- Commenced in late 2020 to install Stage 1 production wells and test the resource at depth
- Two completed wells led to a 27% increase in resource and a 13% increase in reserve
- 1.3 Mt LCE resource uplift due to higher brine grade and deeper wells than previous drilling
- Brine samples assayed from these two wells averaged 933 ppm Li
- Further drilling upside from remaining six production wells as previous drilling is open at depth
- Impact of higher-grade brine on plant and project financials discussed on page 12
- Production & exploratory drilling will continue with a market update expected in Q3 2021

[1]Refer to Appendix for Resource & Reserves Table and 'Sal de Vida Resource & Reserve Update' released on 14 April

Brine Extraction & Processing

Internally developed, unique flowsheet utilising conventional technology to deliver battery grade lithium carbonate

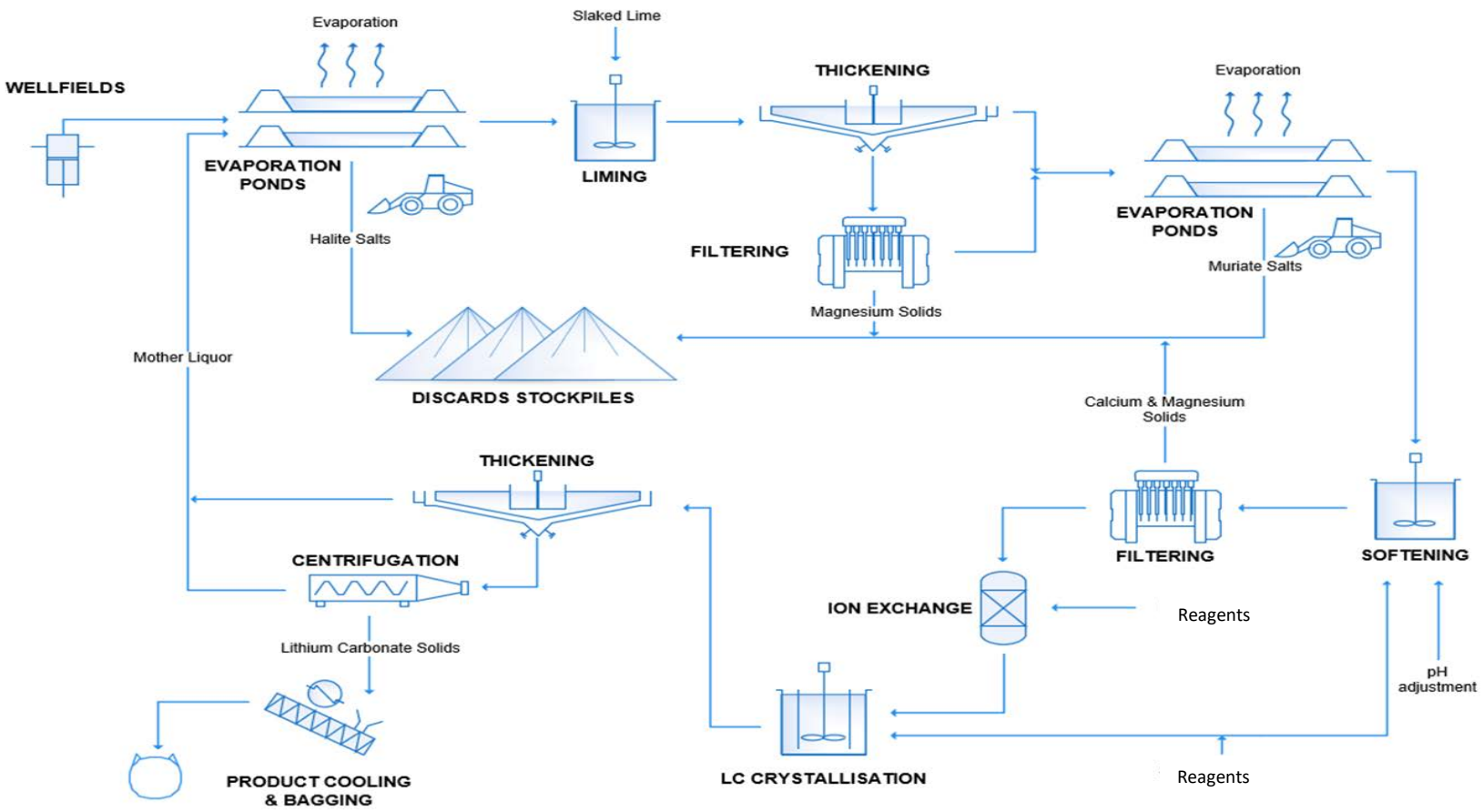
Stage 1 Project Details

Wellfields to evaporation ponds

- 9 production wells, 7 operational, 2 on standby
- Evaporation ponds covering 284 hectares
- Regular salt harvesting plan to minimise pond capital
- Liming: milk-of-lime solution added to partially remove Mg, Ca, B impurities

Processing plant

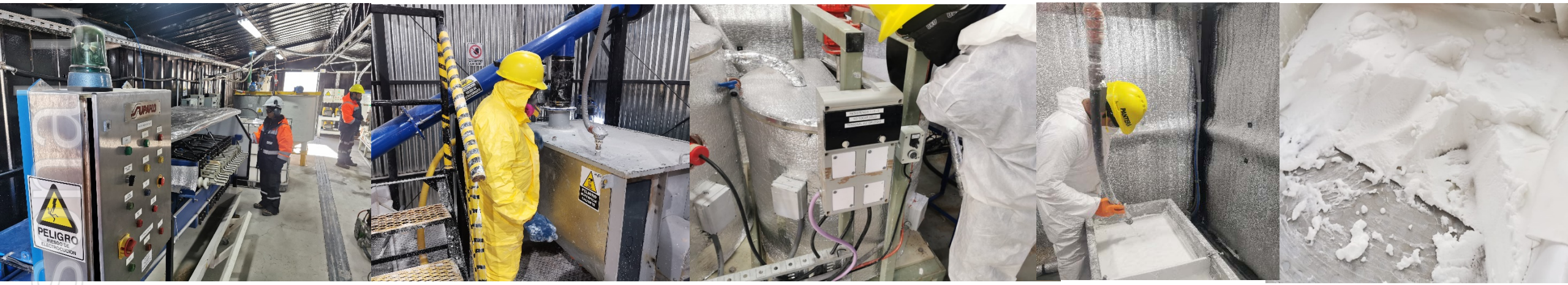
- Designed to produce 10,700 tpa lithium carbonate
- Buffer ponds: limed brine is further concentrated to a final feed solution
- Softening: concentrated feed brine is heated with caustic soda solution to precipitate Ca and Mg
- Ion exchange: bolt-on equipment added to the flowsheet to lower Ca and Mg and yield battery grade quality lithium carbonate
- Crystallisation: Na_2CO_3 combined with softened brine at elevated temperatures to produce solid lithium carbonate



Production of battery grade lithium carbonate

Technical breakthrough achieved from onsite piloting and successful research & development test work program

- Targeting production of 80% battery grade, 10% technical grade and 10% primary grade material
- Adoption of battery grade has been seamlessly incorporated into Stage 1 design at minimal expenditure
- High-grade lithium carbonate provides direct access to top tier value chains, enabling higher margins
- Piloting samples have been dispatched to prospective offtake customers for testing and discussions have commenced
- Onsite piloting will continue in 2021 to fine tune operational parameters, conduct staff training and generate further samples

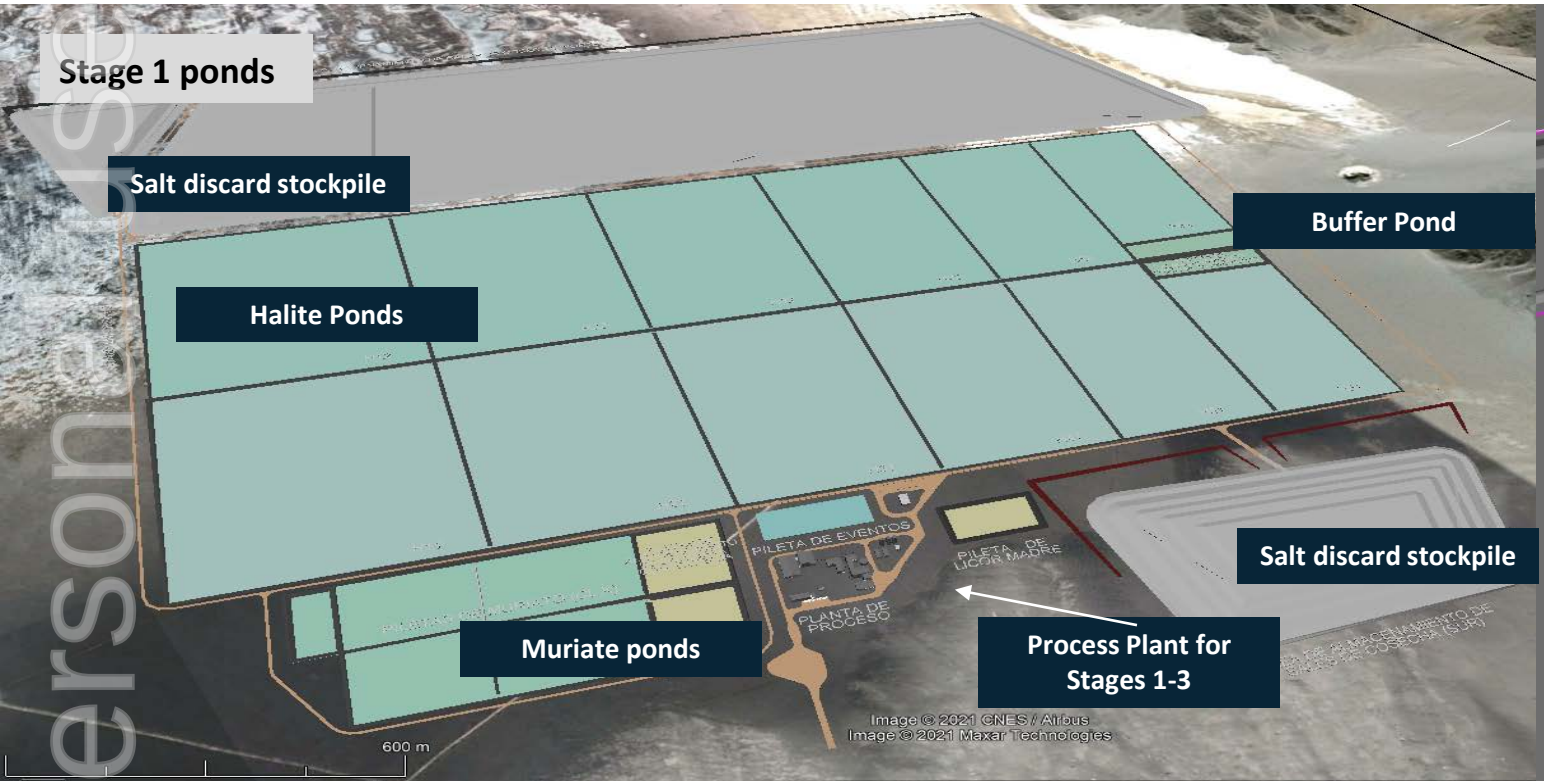


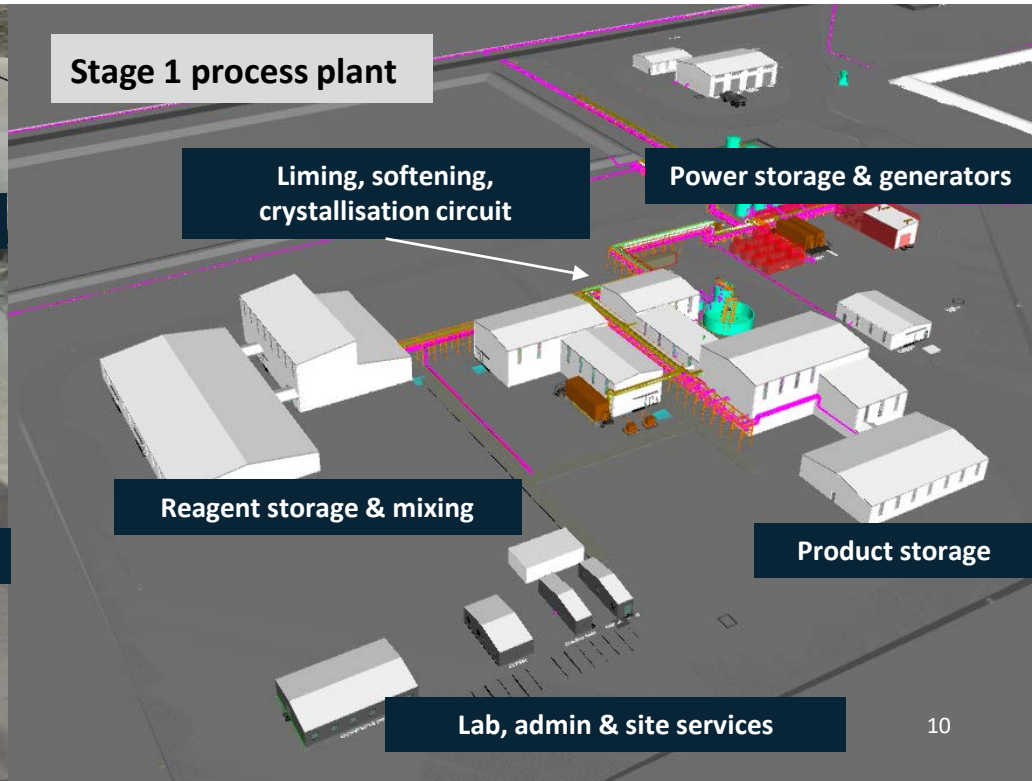
For further information refer to the ASX announcement titled, 'Sal de Vida to adopt production of battery grade,' released on 25 March 2021

Site layout & Stage 1 development progress

Front-end engineering design work complete and early construction underway

- Pond location based on optimal constructability properties, minimal earthworks and lower environmental impact
- Work is underway to support the transition from diesel generators to a more sustainable energy mix - photovoltaic (PV) and/or natural gas
- Accommodation camp upgrade, drilling of production wells and construction of key roads are underway
- The project is serviced by key infrastructure including major roads, rail, air and multiple seaports in Argentina and Chile



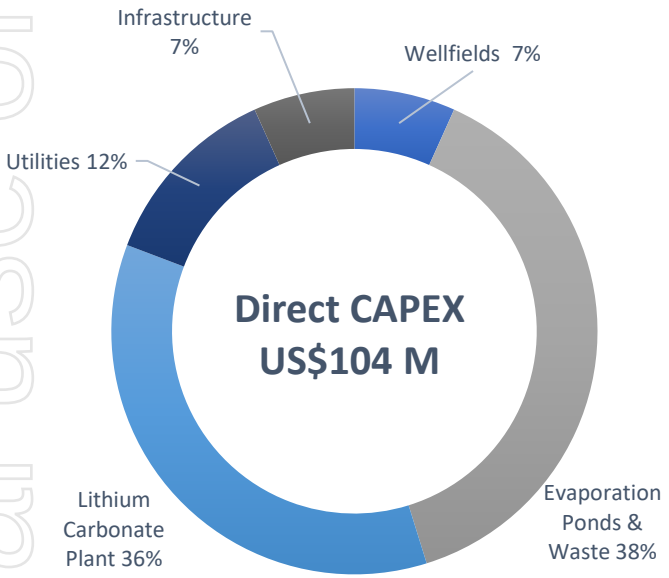


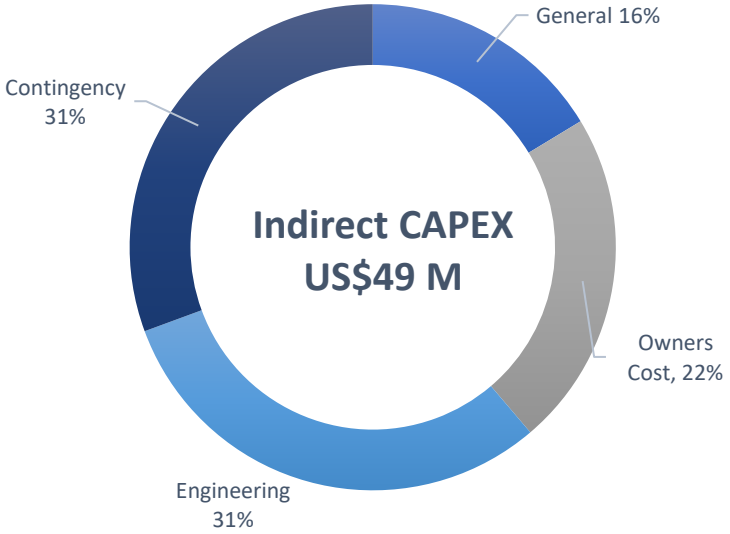
Stage 1 development capital and operating cost estimates

Sal de Vida is a globally competitive lithium carbonate project

CAPEX

Total CAPEX US$153 million

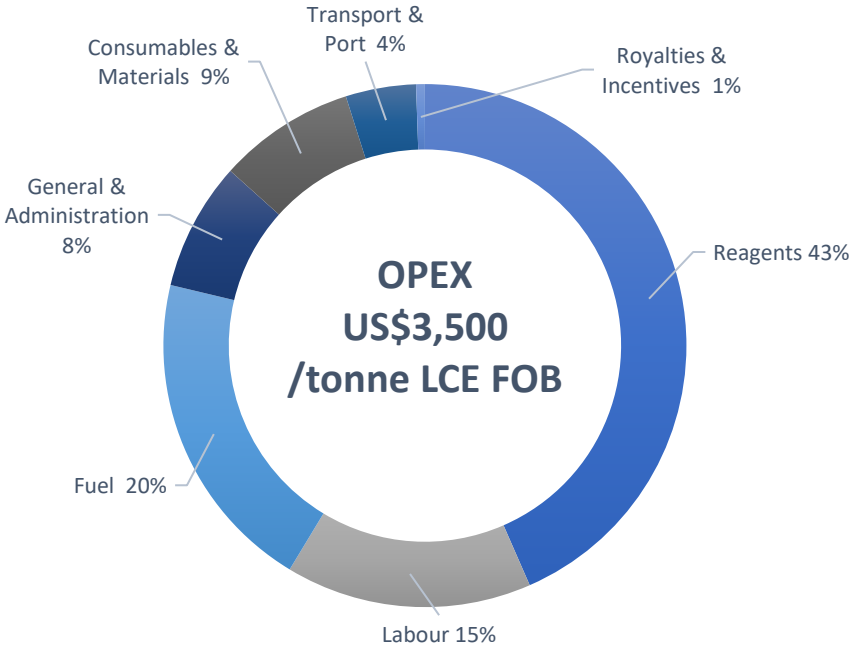




- Wellfields, evaporation ponds and waste storage packages are a Class 3 estimate (15 - 20 % accuracy)
- Processing plant, utilities and infrastructure are a Class 4 estimate (20 - 30 % accuracy)
- High confidence in production well expenditure and camp expansion as they are contracted and underway
- Market discussions continue for brine distribution, earthworks and engineering packages

OPEX

Total OPEX US$3,500 tonne



- Import/export logistics options via Argentina and Chile
- Piloting has validated many of the suppliers including reagents
- Optimisation work continues on energy / fuel packages

Stage 1 Project Economics

High margin operation generates positive cashflow for subsequent stages

Financial Summary

US$153 million
Development capital

US$3,500 / tonne
FOB cash operating costs

US$809 million
Pre-tax NPV
(8% discount rate)

43%
Pre-tax IRR

2 years
Payback period from first production

Upside Opportunities

Higher lithium brine grade

- Stage 1 assumes a resource grade of 754 ppm, however current drilling from 2 completed wells has resulted in a higher average lithium grade of 933 ppm
- The existing pond and process plant design can easily accommodate increased feed grade within design tolerance parameters
- Minimal additional capex is required to treat this higher-grade brine apart from minor product handling and storage upgrades. The impact on unit operational costs will be minimal with production costs largely variable
- Therefore, any increase in brine feed grade beyond 754 ppm is expected to directly result in increased production, with minimal additional capital
- Results from the remaining production well drilling, including grade increase, will be incorporated into a revised resource and reserve statement in Q3 2021
- At the same time, an update on the production capacity increase will be provided

Plant automation and energy optimisation works underway

- Examining process control automation to tighten product quality control
- Replacing diesel generators with a mixed energy approach using PV
- Natural gras remains an option for baseload power to replace diesel and Galaxy is examining two supply options

Environmental & Social Impact

Aligning sustainable practices to global standards with strong stakeholder relations and environmental initiatives

Permitting

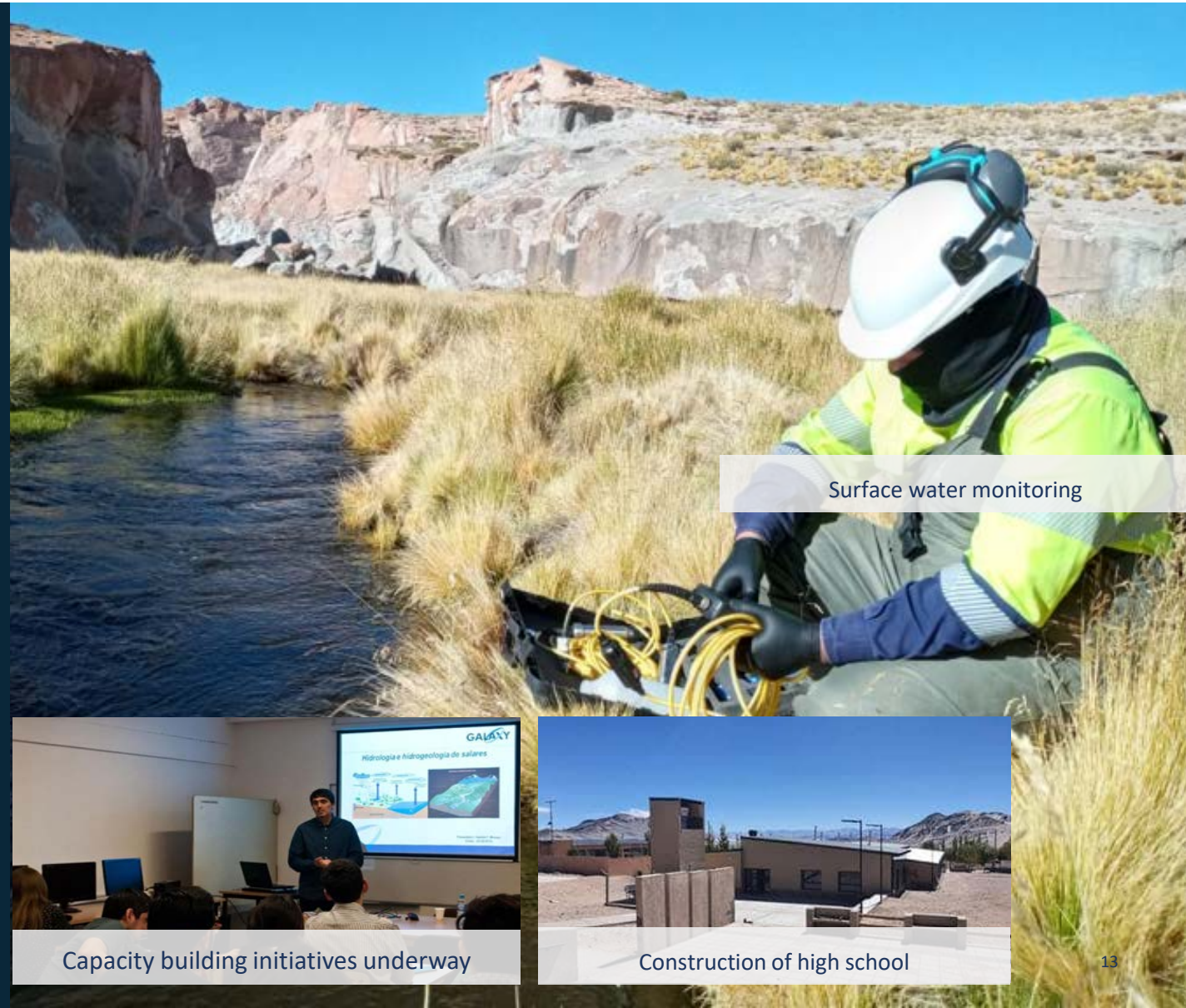
- Major permits in place for the current phase of work
- Environmental and Social Impact Assessment (EIA) submitted in Q1 2021 to reflect the staged development approach
- Ground water permit approved in Q2 2020, sufficient for all stages of operations
- Permits are required to be updated every 2 years

Environment

- Studies indicate that water use during operations will have negligible impact on local water resource
- A reverse osmosis modular plant installed to produce potable water
- Environmental management plans approved by regulators
- Investigating additional renewable energy sources for power

Community Engagement

- Strong relations with the local communities and government
- 80% of the workforce is from Catamarca
- Peak construction will create up to 430 full-time positions
- Stable operations for Stage 1 will create up to 170 full time positions



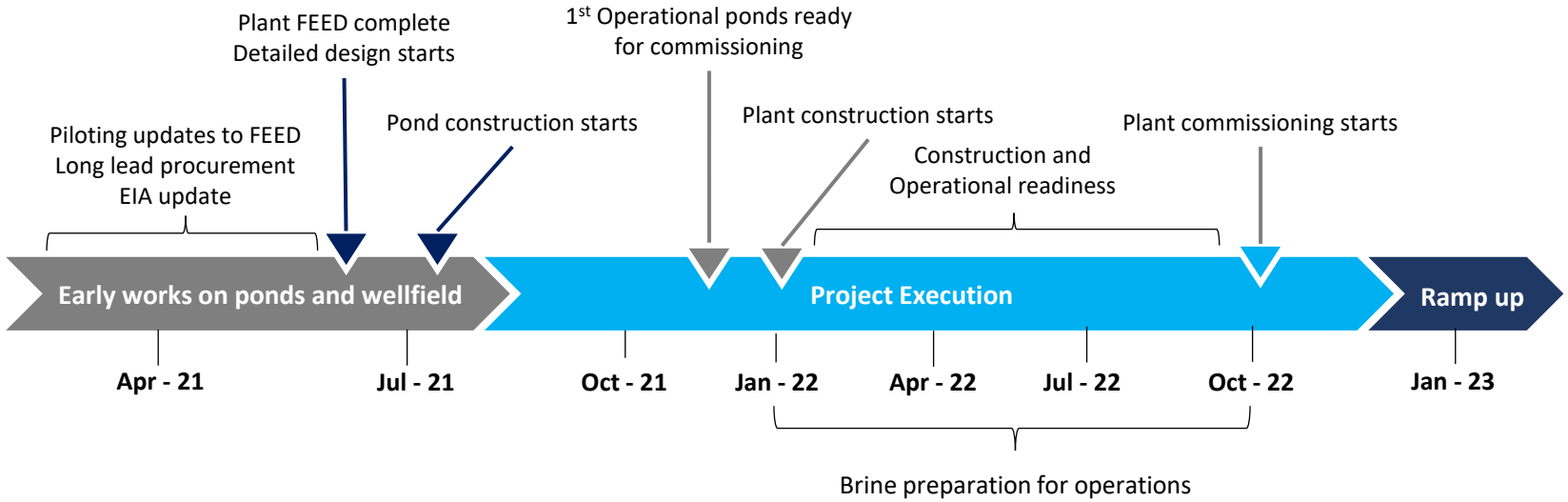
Surface water monitoring

Capacity building initiatives underway

Construction of high school

Roadmap to first production

Advancing towards first production in 2022



Early works 2021

- Construction and filling of first ponds
- Procure long lead items
- Detailed design of process plant and early site works
- Battery grade testing and offtake discussions with prospective customers

Project Execution

- Commissioning of first operational ponds
- Plant construction & commissioning
- Operational readiness
- First full production in late 2022
- Ramp up to capacity in 2023

Risks

- COVID-19 continues to impact Argentina and Catamarca
- Currently experiencing a 2nd wave with record daily infections
- Tightening restrictions in early April
- No impact on schedule currently and Galaxy continues to monitor the situation closely

Readily expandable project: 3-staged approach planned

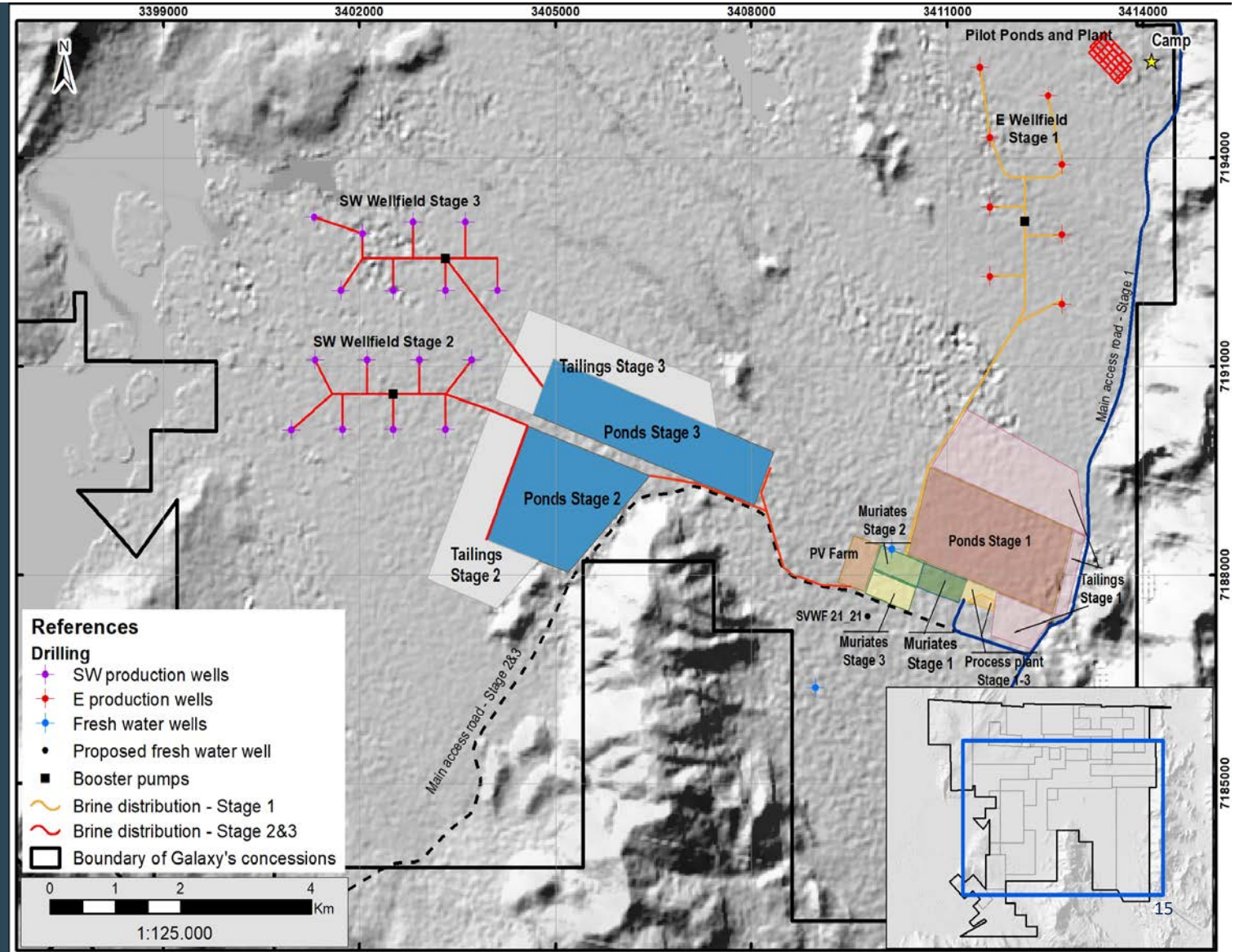
To reduce development capital risk and allow Stage 1 cash flow to fund later stages

Stage 1

- Moderate scale to get to market faster
- Project design includes allowances for later expansions
- Qualify product from Stage 1 enabling later stages to feed into same customer base more rapidly

Stages 2 & 3

- Pre-feasibility level engineering (PFS) completed in parallel to Stage 1 FEED
- PFS confirms capital and operating assumptions
- Design basis is duplication of Stage 1 - 10,700 tpa LC battery grade for each additional stage
- Wellfield and ponds located in SW region of tenement package
- Processing plant to be located at same site as Stage 1 – many synergies with labour, capital, reagent and product handling
- Synergies in project delivery and operational costs to be realised across both expansions
- Potential exists to accelerate or combine expansion stages



Stages 1-3 Project Economics

High margin operation in Stage 1 generates cashflow for subsequent stages

Financial Summary (Stages 1-3)

US$466 million
Development capital

US$3,352 / tonne
FOB cash operating costs

US$2.1 billion
Pre-tax NPV
(8% discount rate)

43%
Pre-tax IRR

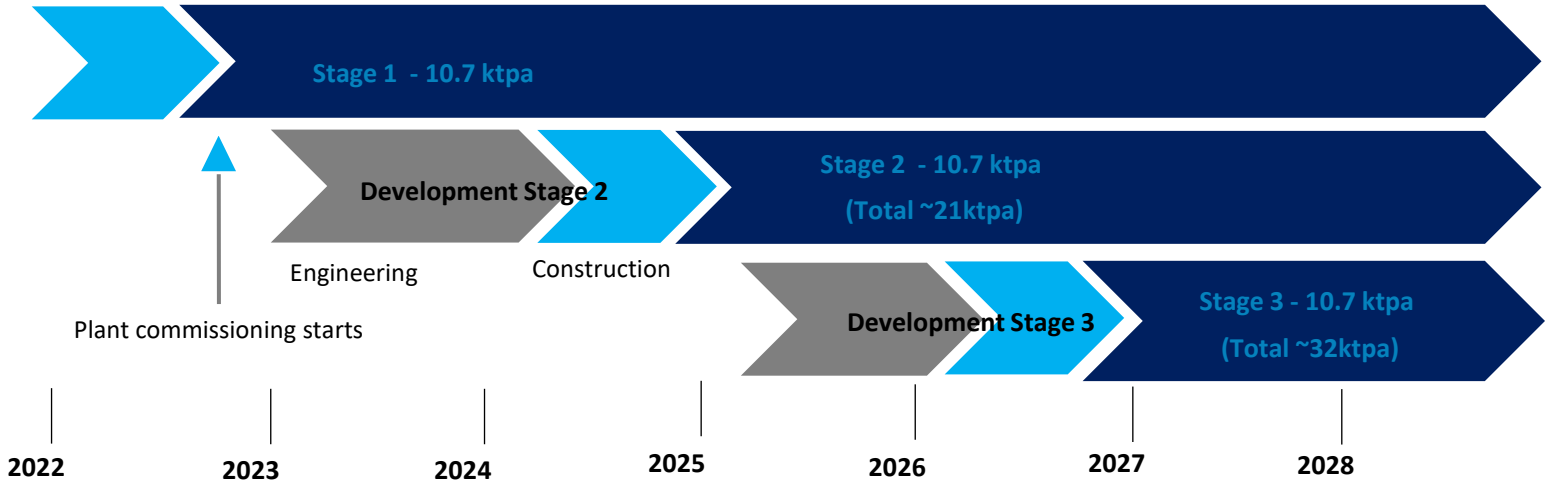
3.6 years
Payback period from first production

Opportunities

- Strategically, staged approach allows prudent de-risking of the development, by adopting experience from Stage 1 into later stages
- Many synergies are expected in project delivery and costs from continuity of people, systems and processes, engineering efficiencies and targeted allocation of contingency. The PFS level does not accommodate these synergies but are expected as engineering advances
- Base case has assumed two further stages of 10.7 ktpa, with further upside from higher grade brine (see page 12) also applicable to expansions
- Increased aquifer brine content, processing technologies and operational efficiencies indicate the optimal next stage might be anywhere between 10-20ktpa, providing further economies of scale through design, construction and operation
- Cashflow generation from Mt Cattlin and Sal de Vida Stage 1 will assist in funding future stages

Roadmap to Stages 2 & 3

Design basis and layout for Stage 1 to support integration and execution of subsequent stages



- A PFS has been completed to support Stages 2 and 3, with the schedule showing new stages commissioned every two years
- Material engineering on subsequent stages planned to commence when the earlier stage is proven, allowing lessons to be captured and synergies realised
- Stage 2 and 3 production wells and evaporation ponds are located on the western side of the salar
- Expansions of the process plant have been factored into Stage 1 design
- Potential to accelerate Stages 2 & 3 pending success of Stage 1, market demand (highly likely) and funding position
- All funding options remain open however likely to come from an expanded debt facility package and cashflow from Stage 1
- The future stages are expected to be developed in a similar way to Stage 1, inhouse processing team, small owners team and engineering contractor
- The opportunity for further expansions beyond ~32ktpa exists

Sal de Vida: Resource & Reserve

Table 1: Sal de Vida Mineral Resource

Category	Brine Volume ($m^{3)}$	Average Li (mg/l)	In Situ Li (tonnes)	Li_2CO_3 Equivalent (tonnes)
Measured	4.9×10^8	759	369,000	1,964,000
Indicated	6.8×10^8	717	485,000	2,583,000
Measured & Indicated	1.2×10^9	735	854,000	4,546,000
Inferred	3.9×10^8	811	316,000	1,684,000
Total	**1.6×10^9**	**754**	**1,170,000**	**6,230,000**

Note: Cut-off grade: 500 mg/L lithium. The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability. Values are inclusive of Reserve estimates, and not "in addition to".

Table 2: Sal de Vida Reserve

Category	Time Period (years)	Li Total Mass (tonnes)	Li_2CO_3 Equivalent (tonnes)
Proven	1-10	36,559	194,595
Probable	7-44	205,839	1,095,635
Total	**44**	**242,397**	**1,290,229**

Note: Assumes 500 mg/L Li cut-off, 68.7% Li process recovery.

Competent / Qualified Person statement

Any information in this announcement that relates to Sal de Vida Project Exploration Results, Mineral Resources & Ore Reserves is extracted from the report entitled Sal de Vida Resource & Reserve Update released on 14 April 2021 which is available to view on www.gxy.com and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Any information in this announcement relating to Sal de Vida scientific or technical information, production targets or forecast financial information derived from a production target is extracted from the ASX Announcement entitled "Sal de Vida Development Plan" dated 14 April 2021 which is available to view on www.gxy.com and www.asx.com.au. The Company confirms that all the material assumptions underpinning the scientific or technical information, production targets or the forecast financial information derived from a production target in the original market announcement continue to apply and have not materially changed.