



ABOUT COMMUNITY CONSULTATION GROUP

Community Consultation Group (CCG) consist of nine members, seven from the community of Ravensthorpe and two from the management team at Galaxy's Mt Cattlin, with Ken Norman voted in as Inaugural Chairperson.

Ken said that he is pleased to have been involved in the formation of the Galaxy Community Consultation Group.

"These groups have proven successful information conduits elsewhere and I see the future of Galaxy CCG following that tradition. I look forward to working with both Galaxy and the Community in my role as Inaugural Chairperson" Ken Norman.

Mt Cattlin values its relationship with the community and believes that the CCG is an important way of strengthening the communication link between Mt Cattlin and "the community.

The formation of the group is to be a major part in positive two-way communication between Mt Cattlin and the Community. However it has been identified that post will also have to be made through PO Box drops, Community Web pages and articles in the Spirit Newsletter.

We encourage community members with questions, concerns or issues they feel are important and need to be raised regarding the Mt Cattlin operation, to approach one of the CCG members and request that they raise



Processing Plant

any issues with the Mt Cattlin representatives directly or at the next CCG meeting.

The group met for the first time on the 23rd of August 2018. Hugh Trivett General Manager – Mt Cattlin, provided an update on the progress of current operations at Mt Cattlin and some of the community engagement projects Mt Cattlin are actively supporting.

All CCG members then took the opportunity to raise any questions to the representatives of Mt Cattlin on behalf of the community, covering topics such as blast time notifications including blasting practices, closure of Cattlin Creek, Floater Road Diversion, dust management and rehabilitation. The group then successfully agreed on a number of action items including the terms of reference for the CCG.

FIBROUS MINERAL MANAGEMENT

Recently, a small amount of a naturally occurring fibrous mineral was identified in one of the mining areas at Mt Cattlin. As a result, Mt Cattlin have taken a series of measures that are in line with industry best practice.

Fibrous minerals are widely distributed across Western Australia and the measures that are required to prevent harmful exposure are well known, especially within the mining industry.

Health, Safety, Environment and Community Manager Wayne Williams explained that the Mt Cattlin Health, Safety and Environment Management system includes processes for assessing and managing health hazards such as fibrous minerals.

"A detailed risk assessment was completed by stakeholders from all operating areas as soon as the fibrous minerals were identified and suitable control measures were implemented immediately" Wayne said.



PROCESSING PLANT UPGRADE

The Mt Cattlin processing plant is currently being upgraded. The upgrade is called the YOP – Yield Optimisation Project. It will increase the recovery of ore from approximately 64% to 74%.

This project involves the introduction of a fines recovery circuit and an optical sorter. The fines circuit will improve the recovery of smaller particles of Spodumene ore. The optical sorter will help separate unwanted basalt from Spodumene ore, increasing the final product grade.

Process Manager Yasantha Eleperuma confirmed that the Yield Optimisation Project is an important exciting addition to the Mt Cattlin operation.

“We are excited to implement new and innovative methods to further improve our lithium recovery” Yasantha said. “The plant upgrade will not only increase lithium recovery, it will also improve the product quality by removing impurities.”

In addition, Yasantha explained that along with an increase in efficiency and production, the Yield Optimisation Project provides a number of other improvements, such as reducing the amount of material moving to the tailings storage facility and removing mica from the rejects (waste material).

This project work is expected to be completed in December 2018.

COMMUNITY CONSULTATION GROUP MEMBERS

- Belinda McHarg
- Ben Ratz
- Geoff Fairhead
- Ian Dickinson
- Ian Fitzgerald
- Darren Kennedy (Acting for Ian)
- Hugh Trivett (GXY representative)
- Pamela Makar (GXY representative)
- Sue Leighton
- Ken Norman



“We also coordinated a series of awareness sessions here at Mt Cattlin to make sure everyone knows about the hazards related to the fibrous minerals and to clearly understand how to control them.”
Wayne Williams

Geology Manager Chris Groenewald says that the overall amount of fibrous minerals present at Mt Cattlin is not substantial and that the hazards are well controlled.

“The fibrous minerals are only located in a very small vein in the waste material,

in one of the pits. It is not widely distributed throughout the mine and it isn’t found in the ore we mine” Chris said. *“It is associated with a fault line, which is an ancient earthquake structure; this makes it easy to predict its location and occurrence.”*

Chris also explained that the mining areas are systematically monitored and assessed by trained and qualified geologists. When the areas containing the small amounts of the fibrous minerals are located, the safety control measures are immediately applied.



Hugh Trivett
General Manager, Mt Cattlin

MANAGER NOTES

Welcome to the first edition of the Mt Cattlin Connect Newsletter. Galaxy have created this newsletter for the community of Ravensthorpe as a way of linking the community with our project and providing a better understanding of the work happening here at Mt Cattlin.

This newsletter is an initiative that has come from the newly created Community Consultation Group “CCG”, a committee that has been put together by Galaxy with members from the local community and the Shire of Ravensthorpe, with the objective to review and comment on the environmental, health and social aspects of the Mt Cattlin Operation.

The CCG group will allow a forum in which members of the community can approach Galaxy representatives to ask questions or provide feedback from the community. We believe this group is a productive way for Galaxy to receive important stakeholder feedback for everyday operational activities.

We hope that this newsletter is informative and will give a better understanding of the current work we are undertaking here at Mt Cattlin.

On behalf of the Galaxy management, myself and all our team members at Mt Cattlin we wish you all a lovely spring.



MT CATTILIN OPERATIONS

- Production of 47,901 dry metric tonnes (dmt) of spodumene concentrate
- Sales of 45,761 dmt of spodumene concentrate
- Average cash margin of US\$534 per dmt sold (including royalties and marketing fees)
- Construction of Yield Optimisation Project commenced
- New storage facility at Esperance with increased capacity completed

JAMES BAY PROJECT

- Feasibility work for upstream mine and concentrator continued
- Hydro-Quebec scoping study report completed for power supply arrangements
- Upstream feasibility metallurgical test work started, base line downstream test work conducted
- Ongoing engagement with local Cree community

SAL DE VIDA PROJECT

- Sale of northern tenements to POSCO for cash consideration of US\$280 million
- Updated feasibility study economics validate a highly profitable, long life (40 years), low-cost lithium project
- JP Morgan Australia appointed financial advisor to assist in evaluating potential strategic partnerships for the development of Sal de Vida
- Infrastructure facilities on site enhanced

CORPORATE

- Closing cash and liquid assets of US\$84.8 million at 30 June 2018
- Renovation to enlarge Perth office completed

BLASTING OPERATIONS

The blast times at Mt Cattlin vary depending on our operational requirements. One of the questions raised at the CCG meeting on behalf of a concerned community member was for the possibility to have Mt Cattlin blast times sent out via SMS notification to the residents of Ravensthorpe.

Within a few days, the Galaxy IT department put together a solution and Mt Cattlin is now pleased to provide SMS updates for each blast to those that would like to receive them.

If you would like to receive these alerts, please send your name and number through to mtcattlin@gxy.com



DUST CONTROL

Dust prevention and management is a priority for the Mt Cattlin operation. To prevent and control dust generation we have implemented various systems and processes that are aligned with industry best practice, including Mt Cattlin's Airborne Material Management plan which will help in identifying potential sources of dust and will deliver appropriate measures to control them.

The best control for dust is to manage it at its source and at Mt Cattlin this is primarily achieved by using water in various forms of dust suppression applications. This includes wet drilling, water carts fitted with cannons and spray bars, sprays built into the crushing and processing equipment and wind baffles in the Tailings Storage Facility. In addition, vehicle speeds on site are also restricted to less than 40km/h (some areas less than 20km/h), to minimise the amount of dust generated by vehicles.

Where dust generation is unavoidable, Mt Cattlin also has controls in place to prevent the emissions of dust from the site. These include monitoring wind speed and direction and the postponing of blasting activities if strong winds are blowing towards Ravensthorpe.

JERRAMUNGUP SCHOOL VISIT

Recently, the Jerramungup School came for a site visit to Mt Cattlin. The students were given a presentation about Spodumene, how it was mined and processed, and then had a tour to the lookout to view the active mining operations.

Another important element of dust management is to proactively monitor dust being generated. Mt Cattlin's Environmental Advisor and Community Liaison Pamela Makar says that Cattlin has implemented a comprehensive monitoring program incorporating dust deposition monitors, air quality samplers and personal exposure monitoring on site and off site.

"Dust is actively monitored in line with our Airborne Material Management Plan.

This now includes dust deposition gauges to monitor deposited dust and a Hi-volume Sampler for monitoring respirable dust."

Pamela said.

There are 9 static Dust Deposition Gauges (DDG) used to monitor dust levels. The monitors record the amount of dust that settles in the area of the dust deposition gauge and the results are recorded on a monthly basis. Six monitors are located on



Mt Cattlin

The Mt Cattlin team were very pleased to receive letters from a number of the children in the weeks following the visit, all of which told us how much they learned and enjoyed their trip. Taylor, one of the students, wrote that she was very excited to visit the mine.

"I listened and learned that lithium turned into batteries" Taylor wrote.

Following on from the great success of the Jerramungup School visit, Mt Cattlin Management have been making arrangements for the Ravensthorpe school to visit the site and learn about what's involved in mining and processing Spodumene, and to engage with the potential lithium miners of the future.

the edges of the Mt Cattlin mining lease; two DDG monitors located in Ravensthorpe and one is located in bushland east of the mine.

A high-volume air sampler (HiVol) has also been installed in Ravensthorpe to assess compliance with air quality standards. The HiVol sampler tests the amount of dust in the air. To date, neither the dust deposition gauges, nor the HiVol sampler in Ravensthorpe have recorded results that exceed the levels set by the Environmental Protection Authority (EPA).

Additionally, Mt Cattlin also undertakes personal dust exposure monitoring with members of the workforce. In early August, Mt Cattlin engaged an Occupational Hygiene consultant to complete a sampling program. Forty-eight separate samples were taken; many of these were for dust and fibrous minerals. Results are due soon and will be provided to the persons sampled.

Mt Cattlin is committed to preventing and managing dust. If you have any questions regarding dust management, please speak to your CCG member who will address it with Galaxy Management.



HiVol



Our COMMUNITY SUPPORT

COMMUNITY ENGAGEMENT ACTIVITIES

Galaxy Resources is committed to supporting the local community for all its projects worldwide. As Mt Cattlin is located in the small town of Ravensthorpe, we are able to prioritise the use of local businesses within the community through sourcing goods and services for our project as well as sponsoring non-for-profit organisations and events in town.

Mt Cattlin recognises the mutual benefit to both our project and the supplier when sourcing these goods and services locally and encourage our contractors on site to take the same approach as a way of giving back to the Ravensthorpe community.

Next month we will be hosting our annual "Pitch your Project" event for local non-for-profit organisations. This event

enables Galaxy to support these organisations by allowing them to apply for funding through sponsorships and donations.

Galaxy are currently working with local businesses including the Post Office, IGA and the Hardware store to obtain more primary goods and services locally. One of the recent initiatives that are aligned with this approach include Mt Cattlin changing its supplier of medical supplies to the Ravensthorpe Pharmacy which has been beneficial for both the Pharmacy and Galaxy. Mt Cattlin has also engaged the Ravy Country Kitchen and Roast N Grill Café to provide catering services for many of the Galaxy FIFO workers, creating increased revenue for these businesses and an opportunity for more business hours.

HOPETOUN BOWLING LIGHTS

Mt Cattlin recently received a request for in-kind support to lift the lights at the Hopetoun Bowling Club. Galaxy provided a non-slewing crane and operators to assist. Ken Norman, Hon Secretary, Ravensthorpe Bowling Club commented on the in-kind support,

"Galaxy Lithium has become a very prominent supporter of community events and clubs, especially so of our premier event, the Annual Ravensthorpe Wildflower Festival." Ken Norman

"Ravensthorpe Bowling Club are also recipients of Galaxy's community support by coming to our aid recently in a smaller but nonetheless helpful way.

At very short notice Galaxy Lithium donated a crane and operators to unload our new lighting poles. The poles, arriving suddenly, had caught our electrical contractor short. Galaxy, on becoming aware of the problem quickly stepped in to solve our dilemma.

In such small measures, and in larger ways, such as actively supporting local businesses, Galaxy are proving to be the corporate citizens our community needs. I feel confident this theme will be repeated as Galaxy actively continues to connect in meaningful ways with our community."
Ken said.

YOUTH CLUB RENO

Ravensthorpe Youth Club recently received a donation from Mt Cattlin to upgrade some of their facilities. This included their kitchenette, office and toilets.

SMELTER RELOCATION

The historical Old Head Smelter was located in an area of the Mt Cattlin lease that is about to be developed.

Galaxy consulted the Ravensthorpe Historical Society (RHS) and invited the group members for a site visit to discuss the smelters preservation and potential relocation.

The RHS confirmed that the smelter structure was an important part of Ravensthorpe history and together with the Galaxy team, plans were made to relocate it. After weather delayed the relocation a number of times, Ian Dickinson attended site on behalf of the RHS and observed the successful extraction and relocation of the structure to a temporary storage location.

Galaxy have committed to supporting the reinstallation when a suitable location is identified by the RHS.

RAVENSTHORPE GYM

Mt Cattlin have also recently donated some new equipment to the local Ravensthorpe gym. Equipment donated included a squat rack and some new mirrors.

“COMMUNICATION LEADS TO COMMUNITY, THAT IS, TO UNDERSTANDING, INTIMACY AND MUTUAL VALUING”

ROLLO MAY

COMMUNITY SUPPORT

WORK WITH THE COMMUNITY

During the last three months, with winter at hand, there has been very little direct interaction with the community. Except for accepting an invitation from Ashley Peczka (Community Emergency Services Officer) to attend a FCO (Fire Control Officer) course late in August. The course was very beneficial to the Mt Cattlin mine site with us now having an insight into what is required from the shire regarding fire breaks.

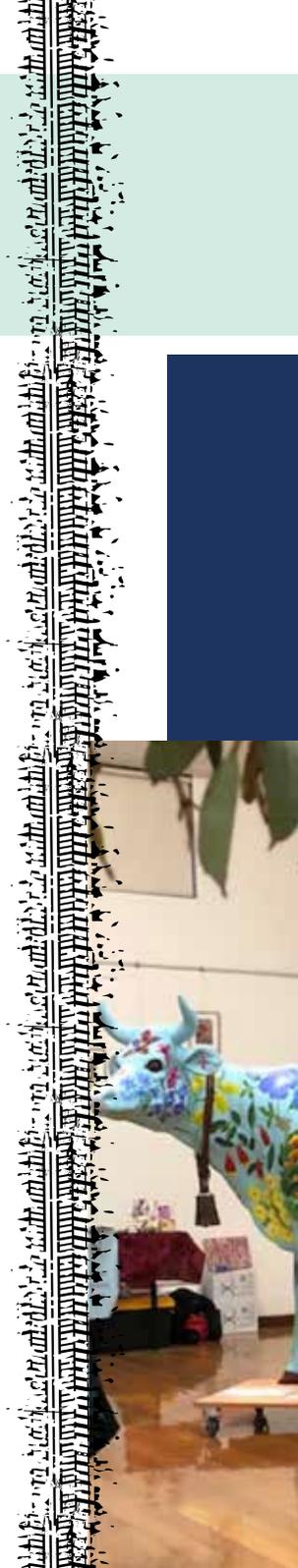
New apps that will improve our hot works permit system, the shire installed a new radio on the Galaxy fire truck to improve communication with the local bushfire brigade and tools that will assist in our ability to predict fire behaviour and speed. The community benefits by having another emergency service crew trained in their procedure who can turn out and assist them should the need arise. Thanks Ash for the invitation.

IN HOUSE TRAINING

The in-house training for the past three months has been aimed at getting personnel ready for the block training and to keep old members familiar with skills already learned and new members a taste of some of the skills they have yet to learn.

Which included

- Team Rescue Procedures
- Basic Vertical Height Rescue
- Advanced First Aid
- Breathing Apparatus
- Basic Ropes
- Introduction to ERT Fire Tender
- Stretcher training



HOPETOUN FUN RUN

On Sunday 4th March, people of all ages walked, ran and danced through a cloud of colour, at the Hopetoun Fun Run. The event was 5km, starting and finishing at McCulloch Park Hopetoun.

SUPPORTING TECHNOLOGY

Recently, Mt Cattlin donated some electrical accessories such as iPads and Adobe photoshop to the students of Ravensthorpe District High School to assist with educating the students.

SPRING FESTIVAL

Our most recent sponsorship was for the Ravensthorpe Wildflower Show, held earlier this month.

Sue McDougall, a well-known horticulturalist, gardening writer, broadcaster and TV presenter was invited by Mt Cattlin to be the official welcomer for the evening's opening event.

We also sponsored Today Tonight to visit the show and produce a story on all the exciting things the show has to offer.

On Sunday 15th September, Mt Cattlin were the major sponsor for the CRC Street Parade and Country Carnival, which included a Street Parade, Market stalls, Entertainment, Fashion Parade and plenty of food and drink options.



Sue McDougall



HOPETOUN ANNUAL FISHING COMP

Mt Cattlin were proud to sponsor the Southern Sporting Club Annual Fishing Competition over the 2018 Easter Long Weekend in Hopetoun.

The WINNER- For the second year in a row 'Wild' John 'Snow' Simmon and Crew managed to accumulate the most points and get their names on the trophy.



MINE EXPANSION – EAST OF FLOATER ROAD

The team at Mt Cattlin are enthusiastically preparing to commence the mine expansion east of Floater Road, after recently receiving all required approvals issued by the Department of Water and Environmental Regulation (DWER), Department of Mines Industry Regulation and Safety (DMIRS), Environmental Protection Authority (EPA) and the Shire of Ravensthorpe (SoR).

The mine expansion will include the closure of Floater Road and the construction of diversion routes in two stages. Stage one will commence by end September 2018 with the closure of Floater Road. This date is very important to Galaxy as the expansion across Floater Road provides the Spodumene ore required to deliver the planned shipments to Galaxy customers. The Stage 1 road diversion will be developed to RAV 7 main roads WA standards.

The approval process for Stage two of the Floater Road diversion has already commenced. Stage two is not expected to start before this year's harvest. It is, however, expected to be completed before next year's harvest.

Mining east of Floater Road will also occur in different stages. The first stage involves mining the section between the existing pit and Cattlin Creek. During this time a creek diversion channel will be constructed. The creek will only be diverted once the channel is complete. Once Cattlin Creek is successfully diverted into the new channel, mining will continue across the old Cattlin Creek.

PITCH YOUR PROJECT 2018

Galaxy is committed to supporting the community and wants to give everyone the opportunity to apply for company support in 2019

We are hosting the annual
"PITCH YOUR PROJECT"

event next month and welcome all non-for-profit organisations to register if you would like to request sponsorship / donation

You can register by emailing us your contact details to

support.mtcattlin@gxy.com

Event will be on 16th October 2018

