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NEWS RELEASE

TSX Venture Symbol: GXY **September 10, 2012**

Galaxy Graphite Corp. commences drilling at SUN project, Quebec

September 10, 2012: Vancouver, BC – Galaxy Graphite Corp. **(TSXv: GXY)** (the "Company" or "Galaxy") is pleased to announce drilling has commenced on the SUN graphite project, located 125 km northeast of Baie-Comeau, QC.

Drilling will consist of 2500 – 3000 metres, with holes typically being 75 – 125 m in depth (25-30 holes in total). The program will be split into two phases because of anticipated hunting activity in the immediate vicinity of the drill sites starting around September 15, and lasting approximately 30 days. Drilling will resume immediately it is safe to return to the site. The drilling has been contracted to Forage Val D'Or and the program will be managed by Consul-Teck of Val d'Or, QC.

Drilling will focus on two target areas identified in the recent mapping and sampling program.

SUN Graphite Property, Quebec

The Sun Graphite property consists of 4,200 hectares, located approximately 145 km by road, north of Baie-Comeau, QC. Galaxy Graphite Corp has an option to acquire a 100% interest in the property. The claim block hosts multiple targets for large flake graphite, initially identified by Outokumpu Mines Inc. in 1998, looking for base metal mineralization.

Outokumpu conducted a 2500 km helicopter-borne magnetometer and electromagnetic survey over the area in 1998. Ground follow-up of the resulting anomalies determined that all of the conductive zones were caused by graphite, rather than by massive sulphides containing base metals. No further ground work was performed by Outokumpu at that time.

The property is located within the Central Metasedimentary Belt of the Grenville Province of the Canadian Shield. This geological province is characterized by a high level of metamorphism, critical in the development of coarse flake graphite. This metamorphism is believed to have occurred from 700 million to one billion years ago.

The property geology features a contact zone between the Lac de la Blache anorthosite complex and a variably magnetic sequence of cataclastic gabbro interlayered with paragneiss. According to reports prepared for Outokumpu on the ground follow-up work in 2000, the paragneiss is the main host for graphite mineralization. Graphite was found in zones 20 meters in width. Within these zones, disseminated graphite, typically containing 10% graphite, and massive veins, 20-30 cm in width, were commonly observed.

Within the property boundary, in excess of 25 km of conductive horizons were identified from the airborne survey. All of this may be considered prospective for graphite mineralization.

Because graphite was not the commodity of interest, no testing of the graphite (such as sieve tests) was carried out. However, elsewhere in the Grenville Province, similar geological environments are usually characterized by the presence of coarse flake graphite with high carbon content (94-97%).

The Company cautions that it has not verified the quality and accuracy of the historic data reported in this news release, which predate the introduction of National Instrument 43-101 and cautions readers not to rely upon them. The historic information was generated from internal company reports from a

previous operator. This source believed to be reliable; however, it has not been confirmed by the company's Qualified Person.

Chris M. Healey P.Geo, a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical content of this release.

CHRIS M. HEALEY
ON BEHALF OF THE BOARD

Chris M. Healey, President and CEO

We seek safe harbor.