

**Elko, Nevada: October 25, 2007 - Galway Resources Ltd. (GWY: TSX-V)** is pleased to announce for the Victorio molybdenum/tungsten project (located in Deming, New Mexico) a significantly enhanced N.I. 43-101-compliant resource completed by SRK Consulting (U.S.) Inc. The new resource estimate (derived from 175,000 feet of drilling) uses a \$15.00 per pound molybdenum long term price which is in line with industry consensus.

“The new range of resource estimates has dramatically improved the scale and viability of the project. As part of the ongoing Scoping Study, we are evaluating suitability of the different lower cost underground bulk mining methods and the implication on the project’s economics. With more robust numbers and potential, along with its’ great infrastructure Victorio remains our flagship property,” cites Robert Hinchcliffe, CEO of Galway Resources.

**The highlights of the new resource estimate include:**

- **Potential for significantly larger mineable resource:** The size range now lies between 30 million and 100 million tons, each scenario is enhanced by a 21 million ton high grade core. The deposit remains open in certain directions to add additional tonnage.
- **Larger Resulting Tonnages:** Previous resources were calculated using a \$40 cut off, based on a US\$14/lb molybdenum price. Using the same cutoff but a US\$15/lb molybdenum price the tonnage for the new resource estimate has increased by over 33% increase and a 48% increase in tonnage for Inferred Category.
- **Quality of resource (using a \$40/ton cutoff) remains intact with 67% being in the Indicated Category, and the continuity of the mineralization remains intact.**
- **The current molybdenum price remains strong at \$32 per pound.**

Victorio: New Resource Estimate (\$15/lb moly, 8\$/lb tungsten)			Contained Metal in Pounds	
Category	Cutoff (US\$/Ton)	Tons (Millions)	% Mo Equivalent	
Indicated	25	67	0.15	203,000,000
Inferred	25	42	0.14	114,000,000
<b>Indicated</b>	<b>35</b>	<b>40</b>	<b>0.19</b>	<b>153,000,000</b>
<b>Inferred</b>	<b>35</b>	<b>22</b>	<b>0.17</b>	<b>75,000,000</b>
<b>Indicated</b>	<b>40</b>	<b>32</b>	<b>0.21</b>	<b>130,000,000</b>
<b>Inferred</b>	<b>40</b>	<b>16</b>	<b>0.19</b>	<b>60,000,000</b>

Indicated	55	15	0.26	79,000,000
Inferred	55	6	0.24	30,000,000

“We are very excited about the potential of the Victorio Project as we continue to examine various economic and mining parameters under the direction of Galway’s professional staff. Our current program utilizing angle, directional, oriented core drilling, combined with our on-going metallurgical and engineering studies, continues to give us a great deal of optimism of moving the project along toward development. There is still potential to expand the ore-body as is still open in some directions,” cites Marshall Himes, COO of Galway Resources.

### New Resource Estimate Boosts Tonnage

Below we have provided a table that shows the new resource estimate using a cut-off value of \$40 per ton and also of \$50 per ton. The percent increase in tonnages and contained metal value reflect the impact of using a higher longer term molybdenum price. The current numbers below are calculated using a long-term molybdenum price of \$15 per pound versus the prior number of \$12 per pound. The long-term price of \$8 per pound for tungsten remains intact for resource estimation, the current price is \$12.50/lb.

New Resource Estimate Comparison with Prior Estimates					Contained Metal in Pounds	
Category	\$ Cutoff value/ton	Tons (Millions)	Tons Increase %	Mo Equiv %	Mo Equiv	Increase %
Indicated	40	32	<b>33</b>	0.21	130,000,000	<b>22</b>
Inferred	40	16	<b>48</b>	0.19	60,000,000	<b>33</b>
Indicated	50	19	<b>39</b>	0.24	92,000,000	<b>26</b>
Inferred	50	8	<b>57</b>	0.22	37,000,000	<b>42</b>

The table below reflects the full sensitivity analysis of expanding the range of our analysis of the impact on changing cut-off grades and the resulting tonnages and grades. Moreover, the figures unlike the prior two tables has the respective grades and contained metal value for tungsten for the varying cut-offs.

**Victorio 2007 Resource Model Run with \$15 Mo and \$8 WO<sub>3</sub>**

Geologic Resource					Contained Metal in Pounds	
Category	\$ Cutoff	Tons(M)	Mo %	WO <sub>3</sub> %	Molybdenum	Tungsten (WO <sub>3</sub> )
Indicated	25	67	0.099	0.101	132,000,000	134,000,000
Inferred	25	42	0.088	0.091	74,000,000	76,000,000
Indicated	30	52	0.110	0.111	115,000,000	116,000,000
Inferred	30	31	0.101	0.098	62,000,000	60,000,000
Indicated	35	41	0.123	0.120	100,000,000	98,000,000
Inferred	35	22	0.115	0.105	51,000,000	46,000,000
Indicated	40	32	0.136	0.130	86,000,000	82,000,000
Inferred	40	16	0.129	0.110	42,000,000	35,000,000
Indicated	45	24	0.150	0.138	73,000,000	67,000,000
Inferred	45	12	0.143	0.117	33,000,000	27,000,000
Indicated	50	19	0.164	0.145	63,000,000	55,000,000
Inferred	50	8	0.158	0.124	26,000,000	21,000,000
Indicated	55	15	0.178	0.152	54,000,000	46,000,000
Inferred	55	6	0.171	0.131	22,000,000	17,000,000

## Geological Modeling Discussion

The new resource estimates incorporated the results from the Company's first 10,000 foot (6 core holes) drilling campaign which was completed in the Spring of 2007. The prior estimate that was announced earlier this year (January 29, 2007) was derived using just the data from the 165,000 feet of drilling conducted by Gulf Minerals in the early eighties.

For all the resources estimates, the resource model was constructed utilizing Vulcan software, and using an inverse distance weighting to the third power grade estimation technique. The model required a minimum of 3 and maximum of 8 composites from at least two drill holes to assign grade to each 30' by 30' by 15' block for the Indicated resource classification. The molybdenum and tungsten grade estimations were limited by individual hard boundary grade shells using only composite data from within the grade shells, by rock type.

SRK has completed independent resource estimations according to CIM resource categories in compliance with NI 43-101 guidelines for the Victorio project. The resource modeling parameters used are minor modifications to the parameters used in the January 2007 initial resource estimate, which is provided in Galway's NI 43-101 technical report dated February 28, 2007. Bart Stryhas and Allan V. Moran of SRK Consulting (U.S.), are "Qualified Persons" as defined by NI 43-101, are the Qualified Persons responsible for the resource estimations contained in this news release, and have reviewed the content of this press release.

### **Current Molybdenum and Tungsten Pricing Remain Strong**

After remaining below US\$10.00 per pound for the past 25 years, molybdenum prices began to rise in January 2004. Over the past 2 years or so, prices for molybdenum have traded around US\$25.00 per pound, and within the past months prices have moved to US\$32.00 per pound. Higher levels of global molybdenum demand are cited by experts as the primary reasons that molybdenum prices have performed so well as of late.

A similar story holds true for tungsten, with pricing remaining between US\$2.50 per pound and US\$5.00 per pound for over 20 years. Tungsten pricing surged in January 2005 to just over US\$15.00 per pound and has remained resilient ever since. Over the past sixteen months tungsten prices have remained around US\$12.50 per pound. Continued steady global tungsten demand coupled with lower exports from China are cited as two primary drivers for sustained strong tungsten pricing

### **About the Company**

Management is well capitalized with over US\$12 million in the treasury and is focused on developing three U.S. based exploration projects that are favorably located and have over 300,000 feet of historical drilling. We have established a solid technical team that is compiling all the historical data and are now advancing these projects in an aggressive but cost effective manner. Management believes that its strategic portfolio of properties offers investors an interesting exposure to a unique blend of commodities.

### **For further information contact:**

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*The TSX Venture Exchange has in no way passed upon the merits of the proposed*

*transaction and has neither approved nor disapproved the contents of this news release.*

**Forward Looking Statements:**

*Some statements in this news release contain forward-looking information. These statements include, but are not limited to, statements with respect to the completion of transactions, the timing and amount of payments and share issuances, the completion of financings, the use of proceeds, future exploration, development and production activities and future expenditures. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the ability to complete contemplated transactions, payments, share issuances and financings, the use of proceeds, the time and success of future exploration, development and production activities and the timing and amount of expenditures.*