

**Elko, Nevada: February 27, 2008 - Galway Resources Ltd. (GWY: TSX-V)** is pleased to announce results from a National Instrument 43-101 Preliminary Economic Assessment (or “Scoping Study”) performed by SRK Consulting U.S. Inc. for its 100% owned Victorio molybdenum-tungsten project (the “Project”), located 20 miles west of Deming, New Mexico.

The highlights of the Scoping Study which contemplated two different mining scenarios (using an average life of mine price of \$15/lb molybdenum and \$8/lb tungsten price) include:

**Block Caving Scenario:** This scenario is a larger project that considers producing an average of 9.4 million pounds of molybdenum and 9.0 million pounds of tungsten annually for 17 years. The preliminary economics suggest an **NPV** (discount rate of 6%) of over **US\$270 million**, a pre-tax (unlevered) **IRR** of over **15%**, and a required investment in the order of US\$440 million.

**Selective Mining Scenario:** This is a smaller scale project that offers higher returns with a pre-tax (unlevered) **IRR** of **26%**, and a **NPV of US\$95 million**. Under this scenario only a portion of the target resource is extracted, with an average of 6.2 million pounds of molybdenum and 5 million pounds of tungsten annually for 10 years. The capital required is in the order of US\$240 million, the mining methods are a combination of long hole stoping with paste backfill and room-and-pillar mining.

“Using the U.S. Securities and Exchange Commission’s (the “S.E.C.”) suggested 3-year rolling average molybdenum price and then conservatively discounting the price by a further 20%, leaves us with a molybdenum price of US\$22.50 versus the current price of \$33 per pound. Utilizing this number, Galway finds the IRR for the selective mining method rises to 52%, and the NPV rises to US\$309 million. Likewise, the IRR for the block caving scenario rises to 27% and the NPV rises to US\$730 million,” states Robert Hinchcliffe, President and CEO of Galway Resources. Mr. Hinchcliffe adds: “given the robust global demand for molybdenum from specialty steels and the oil industry, we think this pricing scenario is entirely feasible in the years to come.”

This Victorio project has very favorable infrastructure such as ready access to, a highway, railway, gas pipeline, and power grid nearby. Topography is flat to gently rolling desert terrain, the climate is mild year round, and with a relatively small footprint it is anticipated the Project can be developed in a responsible manner with minimal environmental impact.

“We are very pleased with the outcome. Taking the additional time and cost to assess two different mining scenarios will provide Galway with flexibility to advance the Project. We

believe there is plenty of upside, particularly with additional engineering and progress on the metallurgical front. We will look to be creative in advancing the project and maximizing leverage for our shareholders,” states Marshall Himes the COO of Galway Resources.

<i>VICTORIO SCOPING STUDY SUMMARY</i>		
	<b>Selective Scenario</b>	<b>Block Caving Scenario</b>
Net Present Value at 6%	US\$95 million	US\$270 million
Internal Rate of Return (IRR)	26%	15%
Payback	3.2 years	6.3 years
Cash Cost Per Pound Moly *	US\$6.03 per pound	US\$8.67 per pound
Annual Ore Production	2.6 million tons	8.2 million tons
Daily Production Rate	8,500 tons	25,000 tons
Mine Life	10 years	17 years
Mineable Resource	28.5 million tons	139 million tons
Average Grade -molybdenum	0.13%	0.07%
Average Grade -tungsten (WO 3 )	0.12%	0.07%
Moly Production Per Year	6.2 million pounds	9.4 million pounds
Tungsten Production Per Year	5.0 million pounds	9.0 million pounds
<b>Metallurgical Recovery</b>		
Molybdenum	85%	85%
Tung sten	75%	75%
Molybdenum Payfor	90%	90%
Mining Cost Per Ton (LoM ave.)	\$17.60	\$4.60
Processing Cost Per Ton	\$9.84	\$8.44
G&A Per Ton	\$1.50	\$0.75
<b>Total Cost Per Ton</b>	<b>\$28.94</b>	<b>\$13.79</b>
<b>Capital</b>		
Mine, Equipment & Development	\$130 million	\$213 million
Processing	\$66 million	\$144 million
Tailing s	\$25 million	\$51 million
Infrastructure	\$7 million	\$11 million

Other	\$14 million	\$23 million
<b>Total Capital Cost</b>	<b>\$242 million</b>	<b>\$442 million</b>

*\*Galway Calculated Value*

The block cave mining method resulted in a potentially mineable resource (including dilution) of approximately 139 million tons at an average grade of 0.07% Mo (molybdenum) and 0.07% WO<sub>3</sub> (tungsten). At a mining and milling rate of 25,000 tpd the mine life would be approximately 17 years. During that period, approximately 159 million pounds of molybdenum and 154 million pounds of tungsten (in APT) contained in concentrates would be produced.

The more selective long hole stoping and room-and-pillar mining methods resulted in a potentially mineable resource of 28.5 million tons at an average grade of 0.13% Mo and 0.12% WO<sub>3</sub>. At a full capacity mining rate of 8,500 tons per day the mine life would be approximately 10 years. Over the mine life approximately 62 million pounds of molybdenum and 50 million pounds of tungsten contained in concentrates would be produced.

**Metallurgical Considerations**

Both mining options utilize conventional flotation concentration methods. The high grade molybdenum sulfide concentrate produced will be suitable for roasting and conversion to molybdic oxide. The lower grade tungsten concentrate will require hydrometallurgical treatment to produce a high grade APT. Recoveries for molybdenum and tungsten are estimated at 85% and 75%, respectively, based on historical metallurgical testing information.

**Resource Estimate**

The two different resources for conducting this study are outlined in the table below, and were derived from 175,000 feet of historical drilling and a 10,000 feet confirmatory drill program conducted by Galway in 2007. A 40,000 feet (20-hole) infill drilling program is currently underway to further upgrade the resource. This Preliminary Assessment includes Inferred resources that have not been sufficiently drilled to have economic considerations applied to them. Until additional in-fill drilling is completed, and a final resource estimate is done, there is no certainty that Inferred resources will be converted to Measured and Indicated resources; therefore, there can be no certainty that this Preliminary Assessment will be realized. In-fill drilling by Galway Resources was limited to one portion of the deposit, and this drilling did confirm the mineralization and resulted in the establishment of a portion of the deposit as Indicated Resources.

<b>Victorio 2007 Resource Model Run with prices per pound of \$15 Mo and \$8 WO 3</b>						
<b>Geologic Resource Estimate (October 2007)</b>					<b>Contained Metal in Pounds</b>	
<b>Category</b>	<b>\$ Cutoff</b>	<b>Tons(Millions)</b>	<b>Mo %</b>	<b>WO 3 %</b>	<b>Molybdenum</b>	<b>Tungsten (WO 3)</b>
Indicated	25	67	0.10	0.10	132,000,000	134,000,000
Inferred	25	42	0.09	0.09	74,000,000	76,000,000
Indicated	35	41	0.12	0.12	100,000,000	98,000,000
Inferred	35	22	0.12	0.11	51,000,000	46,000,000

### **Next Steps**

Given the robust economics presented in the Scoping Study, Galway intends to initiate a Pre-feasibility Study and is in the process of identifying and retaining suitable, qualified experts to advance the project forward. The Company will as part of this process be investigating strategic alternatives in an effort to maximize shareholder value while also advancing the project in an aggressive and creative manner.

### **About the Company**

The company is focused on developing two U.S. based exploration projects that are favorably located and have over 250,000 feet of historical drilling, in addition to the 50,000 feet of drilling carried out by Galway over the past 18 months. The Company also has an exploration initiative underway in Colombia that is focused on coal and gold. Management believes that its strategic portfolio of properties offers investors an interesting exposure to a unique blend of commodities (molybdenum, gold, tungsten, metallurgical and thermal coal).

Professional consultants within SRK Consulting (U.S.) are “Qualified Persons” as defined by NI 43-101, and are the Qualified Persons responsible for the Victorio resource estimates and the preliminary assessment (scoping study) described in this news release. SRK has reviewed the content of this press release.

Pete Hahn of St. George, Utah, Galway Resources’ Chief Geologist, is the Qualified Person within Galway responsible for Galway’s exploration data that are the basis for this Preliminary Assessment.

### **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.