

Toronto, ON: July 3, 2008 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce more encouraging drilling results from the Victorio molybdenum-tungsten project located in southern New Mexico. The 12-hole, 25,000 foot, phase 2, infill drilling program was recently completed. Four holes have been reported thus far, with the results of two additional holes provided below. The purpose of the infill drilling program is to upgrade the resource with the next step being a pre-feasibility study following the positive results of the recently released Scoping Study.

“We are very pleased with all of the results that we have seen from our two drilling programs conducted thus far. While there is potential to expand the deposit, the defined area of mineralization and the fact that this deposit is amenable to low cost underground bulk mining methods is what drives our enthusiasm for this project, in addition to the excellent infrastructure,” cites Robert Hinchcliffe, President and CEO of Galway Resources.

Highlights of the Current Drill Results:

- **Thick Intercepts:** The most noteworthy of the results received from the two holes is the 115 feet of mineralization in hole GRV-81 and the 112 feet of mineralization intersected in hole GRV-83.
- **High Grade Intercept:** For hole GRV-81, an intercept of 55 feet of 0.25% Mo and 0.30% WO3 was encountered, which is well above the average grades cited for the resource estimates which are provided in the table on the following page.

VICTORIO DRILL RESULTS

Hole Number	Depth in feet From	Depth in feet To	Thickness in feet	Intervals*	
				% Mo	% Tungsten -WO3
GRV-81	1630	1695	65	.10	.07
	1710	1825	115	.16	.19
	including 1745	1800	55	.25	.30
	1835	1915	80	.12	.07
including	1845	1860	15	.24	.10
	1960	1975	15	.09	.01
GRV-83	1615	1640	23	.12	.10
	1680	1765	79	.09	.12
	1785	1830	42	.11	.13

	1845	1965	112	.10	.07
including	1845	1865	19	.09	.22
	2040	2055	14	.15	.00

*The cutoff is US\$25/ton combined grade calculated using a price of U.S.\$15/lb Mo and \$8/lb WO₃.

“We welcome people to go to our website www.galwayresources.com, to take a virtual tour of the Victorio Project, and in particular to get a sense of the how good the infrastructure really is for this project. Turning to the metals, the continued strength and positive outlook for molybdenum and tungsten pricing is very encouraging,” states Robert Hinchcliffe, President of Galway Resources. The intervals of the two drill holes in the aforementioned table represent true thickness.

As reported on February 27, 2008, the highlights of the Scoping Study completed by SRK Consulting U.S. Inc., which contemplated two different mining scenarios using an average life of a mine price of \$15/lb molybdenum (**versus the current price of \$33 per pound**) and \$8/lb tungsten price (**versus the current price of \$13 per pound**) 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 15%, and a required investment of US\$442 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 estimated to be US\$242 million, the mining methods are a combination of long-hole stoping with paste backfill and room-and-pillar mining.

VICTORIO 2007 RESOURCE MODEL RUN WITH PRICES PER POUND OF \$15 MO AND \$8 WO₃ GEOLOGIC RESOURCE (OCTOBER 2007)

Category	\$Cutoff	Tons Millions	Average Grade Mo (%)	Contained Metal in Pounds	
				WO ₃ (%)	Molybdenum Tungsten
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	0.14	0.12	100,000,000	98,000,000
Inferred	35	22	0.12	0.11	51,000,000	46,000,000

A critical component for advancing this project is for management to establish creative strategic alliances. The final Scoping Study report was filed on April 23, 2007, and can be located at www.sedar.com and also on the Company's website (www.galwayresources.com), where a detailed analysis of the assumptions made in the report and a more detailed listing of recommendations from SRK Consulting for advancing this project can be found.

Cutoff grade is based on dollar rock value calculated from contained molybdenum valued using a price of US\$15.00 per pound combined with the contained tungsten (WO₃) valued at US\$8.00 per pound. The cut-off used to arrive at the numbers provided in the prior table is US\$25.00 per ton for the larger tonnage scenario, and \$35 per ton for the selective mining scenario. The resource is based on data from 71 holes (over 165,000 feet of drilling) completed in the late seventies by Gulf Minerals, and 6-holes of confirmatory drilling done by Galway Resources.

QA/QC Statement

The Company has implemented a quality assurance and quality control (QA/QC) program to ensure collection and analysis of all drill samples is conducted in accordance with the best possible practices. Samples are stored in a secure facility in Deming, New Mexico prior to shipping to the Chemex lab in Sparks, Nevada. Other QA/QC procedures include the insertion of blanks and control samples every 20 samples and re-assaying duplicate pulps of 5% of all samples by a certified independent laboratory (SGS Labs). WO₃ is assayed at the Chemex Vancouver laboratory by two methods: (1) lithium borate fusion with an XRF finish and (2) lithium borate fusion with an ICP finish.

The results of the Company's current drilling program have been reviewed, verified (including sampling, analytical and test data) and compiled by the Company's geological staff (which includes a "qualified person," Peter Hahn, CPG, for the purpose of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators). Galway is following the "Best Practices Guidelines" in documenting, reporting, and conducting exploration activities at Victorio.

The Company also announces, effective immediately, the resignation of Marshall Himes as Chief Operating Officer and Director. Mr. Himes has been working half time as COO. The Company will seek to replace him with a full time employee when appropriate. The

Company would like to thank him for his efforts and wishes him the best in the future.

About the Company

The company is focused on developing and commercializing 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 exploration. 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) in varying stages of development.

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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.