

Toronto, Ontario: July 02, 2009 - Galway Resources Ltd. (GWY: TSX-V): is pleased to announce the Company has awarded 1.5 million incentive stock options exercisable at \$0.15 per common share to officers, directors, employees and consultants of the Company and expiring on June 30, 2014. This grant of options is in compliance with the terms of the Company's Stock Option Plan and remains subject to the acceptance of the TSX Venture Exchange.

About the Company

Galway Resources has engaged John Tumazos, of Very Independent Opinion, to help commercialize the flagship Victorio molybdenum project located in southwestern New Mexico. Management is cognizant of the tough market conditions and is thus maintaining a balance of adding value to shareholders while conserving capital. Discussions are underway with a potentially interested party to form an alliance for the second stage of drilling at the Carboluis project in the San Luis coal basin. A separate drilling program will be underway at our GALCA project over the summer, funded by Prodeco (the Colombian coal subsidiary of Xstrata).

For further information contact:

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Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this 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 possibility of coal deposits, future exploration, development and production activities, future expenditures and forecast Colombian coal production. 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, without

limitation, the timing and success of contemplated transactions and exploration, development and production activities, the realization of coal deposits, the timing and amount of expenditures and actual realized Colombian Coal production. See the “risk factors” set out in Galway’s management’s discussion and analysis files on the SEDAR website.