

Toronto, Ontario: July 28, 2009 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce that it has secured a significant land position in one of the world's most exciting gold trends. Galway has acquired 335.6 hectares (829 acres) of concessions in the California district of northeastern Colombia. The properties are located 1.5 kilometers south-west of Ventana's La Bodega project, and 3.0 kilometers from Greystar's Angostura project, and are along strike. Greystar Resources' Angostura gold deposit contains a National Instrument 43-101 ("NI 43-101") compliant measured and indicated resource of 11.5 million ounces of gold (plus 3.5 million ounces of inferred resources) as announced by Greystar in May 2009 ([click here to view Greystar Resources Technical Report 43-101](#)). Historic data collected by Galway, including 500 geochemical samples, along with detailed mapping from Anaconda and Minercol (a government agency), strongly suggest a continuation of the Ventana-Greystar mineral trend to the southwest onto Galway's concessions.

Small-scale artisanal mining has gone on for hundreds of years within the boundaries of the newly-acquired concessions, and in the surrounding California gold district. Galway's gold team has taken a total of 1,500 samples, which will be reported on over the next several weeks as results are received.

"Getting a foothold in such a dynamic and exciting gold trend, we believe, is great news for the company. Securing a land package that sits on strike with two major gold projects, and with ample data, will allow us to advance this project in an aggressive fashion," cites Robert Hinchcliffe, President and CEO of Galway Resources.

California - An Emerging Gold Trend With Good Infrastructure

Drilling programs are currently being carried out by Greystar Resources (TSX-GSL) and by Ventana Gold (TSX-VEN). Galway's management believes that its properties have the potential to contain a gold and silver deposit similar in nature to Ventana's adjacent La Bodega deposit. The La Bodega project is located 1.5 kilometers northeast of Galway's newly acquired concessions. Three kilometers to the northeast of Galway's concessions, along the same structural trend, is Greystar's Angostura deposit. Figure 1 ([click here](#)) shows the location of Galway's properties relative to those of Ventana and Greystar, and Figure 2 ([click here](#)) is a plan showing historical gold assays on Galway's properties.

Mr. Holmes Valbuena, President and founder of the Association of Miners in the California district, with 25 miners and 400 hectares in the heart of the gold district comments: "Working with Galway has been a great experience and they can expect the full local support of our organization. We share the enthusiasm and belief that the potential for properties we are working on together, based on historical information, could be very

robust, as the adjacent La Bodega and Angostura suggest, which lie on the same gold trend.”

Galway has acquired 80% of several concessions in the district covering 335.6 hectares. These concessions acquired to date have combined annual payments of US\$230,000 and a payout of US\$4-9/ounce gold for 80% of the NI 43-101 delineated reserve after 3 years. This is payable 60% in cash with the remaining 40% in Galway shares. The Company continues to negotiate with other concession holders in order to enhance the current property package.

Location and Gold History

The district is located in the northern part of the Colombian State of Santander, in the municipality of California, 50 kilometers northeast of the city of Bucaramanga. The area has access by paved and gravel roads and available electricity. Gold mining in the district started in pre-colonial times with native Colombians, and continued through Spanish rule with the mining of high-grade veins and placers. In 1946-47, the Anaconda Mining Company examined a portion of the district for copper and gold, but left the area and the country when the Colombian civil war erupted. As part of this evaluation, Anaconda drilled 7 small diameter core holes on ground now controlled by Galway, but with only 20% core recovery. Anaconda also extensively sampled many of the small underground workings in the area, taking a total of 646 samples. Results of this work indicate gold and silver mineralization along structures ranging in grade up to 277 grams per tonne of gold and 579.4 grams per tonne of silver. 122 historical assays from various sources are greater than 0.5 g/t. ([Click here to view the complete list of samples, their values and width](#))

A 300 meter-long pit, Pie De Gallo, mined in ancient times, and which Galway now controls, also contains significant copper mineralization associated with gold. Galway has opened a field office in the town of California and geologists are currently analyzing the data from Galway’s on-going geochemical program to identify drill targets for the next phase of exploration. Soil geochemistry and geophysics (magnetics and I.P.) both work very well in identifying mineralization, as indicated on Ventana’s property. Ventana’s soil geochemical anomalies closely approximate the locations of mineralization that was subsequently drilled. Greystar’s published soil geochemical anomalies are currently being drilled by them ([see Figure 2](#)). A regional geochemical survey and geologic mapping of Galway’s land position in the California district will continue in the third quarter of 2009. The effort will include sampling of stream sediments and soils, and the sampling of surface outcrops and accessible adits. A geophysical survey is planned during the fourth quarter of 2009. Late in the fourth quarter of 2009 a group of areas will be selected for more detailed follow-up work. This will include Phase I of a drill campaign.

Geological Discussion

Mineralization at Galway's California area principally occurs as a series of north-northwest-dipping parallel vein zones, breccias and mineralized faults situated within complexly altered and variably silicified gneiss and intrusive rocks. The alteration, and nature of the mineralization, as described below, is similar throughout the area. The La Baja fault follows the river valley through the Angostura, La Bodega, and Galway areas, and the structural setting is comparable to that described by Ventana Gold Corp., ([see February 5, 2009 news release](#)).

Alteration in the area is composed of silicification, pyritization, sericitization, alunite and pyrophyllite and is suggestive of a high sulfidation mineralizing system. Gold and silver mineralization is associated with structures which are silicified and contain pyrite in stockworks, stringers and breccias. These structures have in places been reactivated or sheared by the regional NE trending structure that cuts through the district. Structural intersections within the area have the potential to contain high grade shoots similar to those present elsewhere in the district. Gold mineralization at Galway's California properties is hosted within the same wide, northeast-trending fault zones as Ventana Gold Corp's neighboring La Bodega gold deposit and Greystar Resources' Angostura gold deposit. Galway will be further commenting on the geology as the first round of sample results are released over the next few weeks.

Historical assays cannot be verified, may not be reliable, and must be considered historical and non NI 43-101 compliant.

The content of this news release has been reviewed by Mr. Mike Sutton, P.Geo., who serves as the Qualified Person in accordance with National Instrument 43-101. Galway is following the "Best Practices Guidelines" in documenting, reporting, and conducting exploration activities in Colombia.

For further information contact:

Galway Resources Ltd.
Robert Hinchcliffe
President and Director
1-800-475-2412
www.galwayresources.com

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