

**Toronto, Ontario: May 25, 2010 - Galway Resources Ltd. (GWY: TSX-V)** is pleased to announce that it has increased its land position in the California district of Colombia. In California alone, Galway now controls 560 hectares, representing a 67% increase from the company's original 335 hectare land package reported in July 2009. The Company accomplished this by closing on properties that were under advanced negotiation, and by also acquiring new properties. This is in addition to the already reported 541 hectares and 810 hectares the company controls in the nearby Vetás and Surata districts, respectively. As such, Galway now controls 1,911 hectares of land in the California-Vetas-Surata gold region of Santander, Colombia. As [Figure 1](#) shows, Galway's land position in Vetás is located 8 kilometers southeast of its California concessions, while its California concessions are located 12 kilometers due south of its Surata land package.

"We are extremely pleased with our ongoing efforts in the California-Vetas-Surata gold districts of Colombia. Given the early exploration successes Galway has achieved, the Company sought to aggressively add to its land package wherever possible. We feel we have accomplished most of our objectives in this regard, although the Company will continue to entertain opportunities for further increases where management believes strong geologic potential for gold discoveries exist, and where shareholder value can be enhanced," cites Robert Hinchcliffe, President and CEO of Galway Resources.

[Figure 2](#) shows Galway's increased land package in the California district, with notable additions being long and narrow concessions, known as fractions, located in part along the border of several of Ventana Gold's properties, and the San Marcos concession, which contains five small-scale mines.

[Figure 3](#) shows Galway's fractions, the most strategic of which is a 360 meter long tenement that is situated within the La Mascota structure. La Mascota is a large scale and high grade epithermal gold, silver and copper enriched system. Indeed, this 360 meter long fraction is located between Ventana's Colorado property and its recently acquired La Baja concession, and terminates at Ventana's La Bodega property on the northeast end and its El Cuatro property on the southwest end. Ventana has reported drill results near this 360 meter long fraction, the most notable of which was drill hole 159, which contained 41 meters grading 6.02 grams per tonne gold (g/t Au). Other notable drill results are provided in [Figure 3](#). Galway also controls several other fractions along the borders of various other Ventana concessions, through which the Las Mercedes structure is believed to cross.

Key highlights from a brief grab sampling program Galway conducted on the San Marcos concession prior to acquiring an option on the property included 137.6 g/t Au and 54.8 g/t Au. The Company also recovered 4.3 g/t Au from a sample taken in a mine dump. It is

noteworthy that, as [Figure 4](#) shows, the samples were taken from near the center of the San Marcos concession, and that this concession exists along California's broad regional trend.

Galway plans to immediately implement a geochemical program on its new San Marcos property, and will also conduct a geophysical survey in concert with the one it is planning for the remainder of its California and Vetas concessions. These programs should help to identify new drill targets. In the meantime the Company will continue to conduct its drilling program in and immediately along strike its Pie de Gallo pit where on [May 10, 2010](#), Galway reported an 89.0 meter drill intercept that contained 3.2 g/t Au, including 9.0 meters grading 23.1 g/t Au.

At Vetas, Galway is completing its highly encouraging channel sampling program and is in the process of conducting detailed geological mapping to assist in optimizing drill targets for a drilling program that is expected to commence within the next few months. Some notable channel sample results from its Vetas concessions included 70.1 meters grading 104.8 g/t Au over a true width of 0.8 meters from the Lower Level and 37.0 meters grading 37.9 g/t Au over a true width of 1.5 meters from the Upper Level of the El Volcan mine. Details of Galway's more recent channel sample results from the El Volcan mine on its Vetas concessions can be seen in its [April 21, 2010](#) and [March 31, 2010](#) press releases.

### **Property Terms**

Under terms of the agreements Galway has entered into in the California and Vetas districts, the Company will pay a combined total of \$2.6 million and 2.5 million shares of Galway Resources. For California, the terms extend over a three year period for 80% of the properties, plus a pro rata payment of between 0.5% and 2%, payable in cash and stock, of measured and indicated gold resources at the time of the exercise of the options. For Vetas, the time period is four years with an option to earn 100% of the project by also paying 1.5% of the gold value of measured and indicated gold resources, payable in cash and stock. It is noteworthy that these contracts cover all 560 hectares of property in California and 541 hectares of property in Vetas that Galway has optioned, and that none of the properties are encumbered by any royalty payments.

### **Administrative Changes**

The Company is also pleased to announce that Carmelo Marrelli has been appointed Chief Financial Officer of the Company. Mr. Marrelli holds a Bachelor of Commerce degree from the University of Toronto and is a qualified Chartered Accountant and Certified General Accountant. The Company would like to thank Mr. Pablo Orsolani who has been the Chief Financial Officer and will remain on the Board of Directors.

**Review by Qualified Person, Quality Control and Reports**

In compliance with National Instrument 43-101, Mr. Mike Sutton, P.Geo., is the Qualified Person responsible for the accuracy of this news release. Samples were assayed for Metallic Screen test by either SGS at its Peru Minerals laboratory in Callao, (preparation at an SGS facility in Medellin, Colombia) or by ALS Chemex (prepared in Bogota, tested in Peru). The Company's QA/QC program includes the regular insertion of blanks and standards into the sample shipments. True widths for drill results and true widths for samples taken from San Marcos are unknown at this time.

**About the Company**

Galway Resources is a well capitalized company, primarily focused on the exploration of gold and coal in Colombia. The current focus of the Company is gold exploration in northeast Colombia with a drilling program occurring at the California gold project and extensive underground channel and surface sampling taking place at the nearby Vetas gold project. The Company has also reported that drilling is underway at the GALCA coal project in Colombia, which is being managed and funded by Prodeco, the Colombian subsidiary of Glencore. Efforts are underway to secure access from the GALCA property owners to move the drill rig to the next set of planned drill holes.

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**Forward Looking Statements:**

Forward-Looking Statements: Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in the Company's periodic filings with Canadian Securities Regulators. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The Company does not assume the obligation to update any forward-looking statement.PR