

Toronto, Ontario: July 14, 2011 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce assay results from seven additional drill holes from its diamond drill exploration program on the Company's California property in Colombia. Galway's California property, which is not subject to development restrictions associated with Páramo legislation, is located adjacent to, along strike southwest of, and at lower elevations than Ventana's La Bodega/La Mascota project, and three km along strike from and at lower elevations than Greystar's Angostura project. Ventana was acquired by AUX Canada on March 16, 2011, a company owned by Mr. Eike Batista, for in excess of \$1.5 billion in cash. Galway also owns a previously-reported 360 meter-long fractional land position within Ventana's main La Mascota mineralized structure (refer to Galway's [December 15, 2010](#) press release for details), as well as the El Volcan mine on its Vetas property, located eight km southeast of California. At Vetas, Galway is actively conducting a diamond drill exploration program with two rigs below the historic El Volcan mine, which is the largest gold producer in the Vetas-California-Surata gold districts of Colombia. Three rigs operate in California.

"We continue to be very pleased with results achieved in our two drill programs, at California and from our initial results at Vetas that were released on [June 22](#). Of note in the latest California results is that all four of the holes intersecting the mineralized structure returned multiple, thick intervals of gold mineralization. For example, while the headline intercept in hole GWY-112 was 97.0 meters grading 3.0 g/t Au, that hole also contained another 51.0 meters grading 1.7 g/t Au. Similar observations can be made for the remainder of these holes. **Of the 112 holes drilled at California to date, Galway has intersected at least 1.0 meter of at least 5.0 g/t gold 234 times for an average greater than two times per hole, at least 1.0 meter of at least 10 g/t gold 119 times for an average greater than once per hole, and at least 1.0 meter of at least 25 g/t gold 58 times for an average greater than once every two holes.** While these statistics don't highlight the many thick intervals of gold mineralization the Company has also identified (**in this press release alone there are ten intervals of at least 10.0 meters grading 1.0 g/t or more gold**), it does underscore the high quality of results that we've achieved" cites Robert Hinchcliffe, President and CEO of Galway Resources.

Highlights from recent drill results at California are as follows:

GWY-107

- 13.0 meters grading 9.0 grams per tonne gold (g/t Au), including 0.5 meter of 95.5 g/t Au and 32.2 g/t silver (Ag), and 3.0 meters of 18.7 g/t Au
- 32.0 meters grading 1.6 g/t Au, including 1.0 meter of 5.4 g/t Au, 2.0 meters of 6.6 g/t Au, and 1.0 meter of 7.0 g/t Au and 24.2 g/t Ag

- 1.0 meter grading 11.3 g/t Au
- 6.0 meters grading 1.4 g/t Au
- 10.0 meters grading 1.0 g/t Au

GWY-109

- 86.0 meters grading 2.7 g/t Au, including 3.0 meters of 35.8 g/t Au (that includes 1.0 meter of 100.5 g/t Au), 2.0 meters of 11.2 g/t Au and 115.6 g/t Ag, and 2.0 meters of 14.9 g/t Au
- 48.0 meters grading 2.0 g/t Au, including 1.0 meter of 30.0 g/t Au, 1.5 meters of 7.7 g/t Au, and 1.0 meter of 7.3 g/t Au
- 5.5 meters grading 1.3 g/t Au

GWY-110

- 27.0 meters of 2.1 g/t Au, including 1.0 meter of 41.9 g/t Au
- 55.0 meters grading 1.1 g/t Au, including 2.0 meters of 3.8 g/t Au and 1.0 meter of 5.9 g/t Au

GWY-112

- 97.0 meters grading 3.0 g/t Au, including 13.5 meters of 9.9 g/t Au (that includes 3.0 meters of 25.5 g/t Au and 1.0 meter of 38.9 g/t Au), 1.0 meter of 20.0 g/t Au, 1.0 meter of 9.9 g/t Au, 1.0 meter of 7.0 g/t Au, 1.0 meter of 6.9 g/t Au and 2.5 meters of 5.9 g/t Au
- 51.0 meters grading 1.7 g/t Au, including 1.0 meter of 21.8 g/t Au and 11.8 g/t Ag
- 14.0 meters of 1.4 g/t Au

Details of Galway's California drill results are provided in the Assay Result Highlights Table on the Company's website at www.galwayresources.com. Also on the website are all maps and sections associated with this press release. A 0.5 g/t Au lower cutoff grade was applied in determining all intervals provided in this news release. No upper cutoff grade was applied. True widths are unknown unless specified.

California Drill Results Summary

Now that Galway has completed 112 holes along a 1,000 meter strike length at California, the Company felt it would be helpful to provide insight into the high grades that have been identified. It is well known that Galway has intersected many thick intervals of disseminated gold mineralization, but what is less well known is that within these wide intervals are

narrower, but much higher grade veins, many of which should be conducive to underground mining. We provide results from this review below.

- 5 g/t Au or more, 234 times
- 10 g/t Au or more, 119 times
- 20 g/t Au or more, 67 times
- **25 g/t Au or more, 58 times**
- 30 g/t Au or more, 39 times
- 50 g/t Au or more, 25 times
- 100 g/t Au or more, 13 times
- **150 g/t Au or more, 6 times**

Note: All intervals have a drill intercept thickness of at least one meter.

Latest California Drill Results

Holes GWY-109 and GWY-112, which are drilled along the same azimuth (orientation) but at different dips (angles of inclination), returned significant widths of gold mineralization below previous drilling in the Pie de Gallo Zone. They also showed excellent continuity to one another, as well as strong continuity to other previously intersected mineralization along strike, both to the northeast and to the southwest. These drill holes intersected **86.0 meters grading 2.7 g/t Au**, including 3.0 meters of 35.8 g/t Au (that includes 1.0 meter of 100.5 g/t Au) in GWY-109, and **97.0 meters grading 3.0 g/t Au**, including 13.5 meters of 9.9 g/t Au (that includes 3.0 meters of 25.5 g/t Au) in GWY-112. The two long intersections highlighted above are located 25 meters vertically apart from one another.

In addition to this mineralization, GWY-112 returned a separate 51.0 meters grading 1.7 g/t Au, including 1.0 meter of 21.8 g/t Au. The two wide intervals are separated by 24.0 meters grading 0.42 g/t Au, which is just below Galway's cut-off of 0.5 g/t. Together, the intervals in GWY-112 would equal **172.0 meters grading 2.15 g/t Au**. Similarly, GWY-109 returned a separate 48.0 meters grading 2.0 g/t Au, including 1.0 meter of 30.0 g/t Au, 1.5 meters of 7.7 g/t Au and 1.0 meter of 7.3 g/t Au. The two wide intervals are separated by 22.5 meters grading 0.21 g/t Au. Together, the intervals in GWY-109 would equal **156.5 meters grading 2.14 g/t Au**. The second series of long intersections in holes GWY-109 and GWY-112 are located 50 meters vertically apart from one another.

The mineralization identified in holes GWY-109 and GWY-112 are located 30 meters along strike to the northeast of GWY-10, which intersected **89.0 meters grading 2.9 g/t Au** - one of the most encouraging holes that Galway encountered in its early exploration program. These holes are also located 100 meters along strike to the northeast from recently-released holes that returned the following:

- **76.0 meters grading 3.3 g/t Au**, including 8.0 meters of 10.2 g/t Au and 2.0 meters of 46.5 g/t Au in hole GWY-91;

- **150.0 meters grading 3.0 g/t Au**, including 36.0 meters of 8.4 g/t Au, 1.0 meter of 11.9 g/t Au and 2.0 meters of 17.5 g/t Au in hole GWY-99; and
- **50.0 meters grading 7.0 g/t Au**, including 29.0 meters of 11.5 g/t Au (which included 1.0 meter of 177.8 g/t Au, 3.0 meters of 27.3 g/t Au, 1.0 meter of 35.9 g/t Au and 1.0 meter of 27.5 g/t Au) in hole GWY-104.

Similarly, the strong results seen in holes GWY-109 and GWY-112 are also located 30 meters along strike to the southwest of other holes that returned strong gold mineralization, such as:

- **24.0 meters grading 8.4 g/t Au**, including 1.5 meters of 112.0 g/t Au, 21.0 meters grading 1.7 g/t Au, including 3.0 meters of 6.5 g/t Au, 15.0 meters grading 0.8 g/t Au, 19.5 meters grading 1.2 g/t Au, including 1.5 meters of 5.2 g/t Au, and 4.5 meters grading 20.0 g/t Au, including 1.5 meters of 45.1 g/t Au in GWY-62; and
- 11.8 meters grading 1.4 g/t Au, including 1.5 meters of 3.4 g/t Au, **59.0 meters grading 1.7 g/t Au**, including 4.0 meters of 6.4 g/t Au, 2.0 meters of 6.7 g/t Au and 2.0 meters of 5.7 g/t Au, 26.0 meters of 1.8 g/t Au, including 2.0 meters of 9.3 g/t Au, and **10.0 meters grading 10.0 g/t Au** in GWY-71.

One hole, GWY-107, was drilled in the same location as GWY-99 to twin that hole because of poor recovery in one area. The holes showed good correlation of higher grade zones, with GWY-107 intersecting **13.0 meters grading 9.0 g/t Au** including 0.5 meter of 95.5 g/t Au and 3.0 meters of 18.7 g/t Au that is the same zone as [9.5 meters grading 28.1 g/t Au](#), including 2.0 meters of 103.2 g/t Au and 2.5 meters of 21.8 g/t Au in GWY-99.

Hole GWY-105 did not intersect significant mineralization, while holes GWY-108 and GWY-111 intersected many moderately mineralized intervals ranging between 1.0 and 12.0 meters with grades ranging up to 1.3 g/t Au. These holes were drilled west of the Pie de Gallo Zone. Hole GWY-105 was drilled beneath GWY-103 that returned **16.0 meters grading 10.9 g/t Au**, including 1.0 meter grading 12.4 g/t Au and 1.0 meter grading 154.5 g/t Au. It is thought that this zone plunges west of GWY-105. Hole GWY-105 stopped short of its intended depth and did not reach a zone that returned 45.0 meters grading 0.9 g/t Au in GWY-103. Hole GWY-110 was drilled in the Gap between the Pie de Gallo and the NE Zones, below hole GWY-106 that intersected **28.0 meters grading 2.7 g/t Au**, including 1.0 meter of 14.0 g/t Au and 1.0 meter of 11.2 g/t Au.

Drill holes completed in the Pie de Gallo Zone were drilled generally at 25 to 30 meter centers. These holes continue to extend continuity of mineralization both vertically and laterally along structure in multiple overlapping lenses typical of the district. Mineralization

in the Pie de Gallo Zone remains open in all directions. Drilling is continuing with 3 drills targeting gap areas between the San Celestino, Pie de Gallo and Northeast Zones. More complete drill hole results are provided on Galway's website.

Mineralization

Intercepts reported above and in previously reported drill holes are hosted by silicified zones, breccias, fracture zones and stockwork, typical of the district, which includes Greystar Resources' and Ventana Gold's National Instrument 43-101 compliant resources, Angostura and La Bodega, respectively. The principal geologic control in the California-Angostura District is a linear structural corridor that trends northeast-southwest and dips steeply to the north. Segments of this zone host the resources reported by both Greystar and Ventana, and Galway is exploring another segment along the same structural corridor. The entire corridor may be one continuous mineralized zone through all three properties. The mineralized Zone identified on Galway's properties to date is approximately 150-200 meters wide and 1,000 meters long, characterized by hydrothermal alteration and mineralization within various phases of pervasively altered intrusive porphyries. Mineralization remains open along strike where untested, at depth along the entire Zone, and across the width of the structure in most places.

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. All samples are assayed by ALS Chemex in Lima, Peru, after preparation at the Chemex facility in Bogota, Colombia. All core is under watch from the drill site to the core processing facility. Samples are fire assayed with an AA with gravimetric finish. Samples returning in excess of 3.0 g/t Au are sent for metallic screens. Assays reported in this press release may have screen assays pending and will be updated in the table on the website as needed. The Company's QA/QC program includes the regular insertion of blanks and standards into the sample shipments, as well as instructions for duplication. Standards, blanks and duplicates are inserted at one per 20 samples. Approximately five percent (5%) of the pulps and rejects are sent for check assaying at a second lab with the results averaged and intersections updated when received. True widths are unknown at this time, except for those shown. Core recovery in the mineralized zones has averaged over 92%.

About The Company

Galway Resources is a well-capitalized company, primarily focused on the exploration of gold and coal Colombia. The core focus of the Company is gold exploration in northeast Colombia, with drill programs occurring at the California and Vetas gold projects. The Company also has the Victorio molybdenum-tungsten project, with excellent infrastructure,



Galway Intersects 97.0 m of 3.0 g/t Gold, 86.0 m of 2.7 g/t Gold and
13.0 m of 9.0 g/t Gold | 6

in southwestern New Mexico. A positive scoping study was completed by SRK in 2008. The recent surge in tungsten pricing, coupled with a steady molybdenum price, has prompted management to reassess strategic alternatives to advance the Victorio project.

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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.