

(Toronto, Ontario, October 3, 2016) – Galway Metals Inc. (TSX-V: GWM) (the “Company” or “Galway”) is pleased to announce that it has filed on SEDAR an updated NI 43-101 resource update, prepared by Roscoe Postle Associates (RPA), on its wholly-owned 14,854 hectare Estrades property in the Abitibi region of western Quebec. As reported when Galway announced its acquisition of the former producing, high grade Estrades mine, and as seen in Table 1 below, the resource contains Indicated Resources of 1,300,000 tonnes grading 3.9 g/t Au, 137.9 g/t Ag, 8.0% Zn, 1.1% Cu, and 0.65% Pb, plus Inferred Resources of 1,219,000 tonnes grading 1.5 g/t Au, 68.6 g/t Ag, 4.3% Zn, 1.5% Cu, and 0.26% Pb (refer to the [August 18, 2016 press release](#) and [presentation](#) for details).

**Table 1: Mineral Resource Summary, Estrades Project, September 30, 2016**

| Class                  | Lens Name | Tonnes           | Au (g/t)    | Ag (g/t)     | Zn (%)      | Cu (%)      | Pb (%)      |
|------------------------|-----------|------------------|-------------|--------------|-------------|-------------|-------------|
| Indicated              | Main      | 912,000          | 4.25        | 158.4        | 8.84        | 1.22        | 0.71        |
|                        | Central   | 388,000          | 3.05        | 89.6         | 5.87        | 0.88        | 0.50        |
| <b>Total Indicated</b> |           | <b>1,300,000</b> | <b>3.89</b> | <b>137.9</b> | <b>7.95</b> | <b>1.12</b> | <b>0.65</b> |
| Inferred               | Main      | 354,000          | 1.72        | 83.4         | 4.82        | 1.17        | 0.41        |
|                        | Central   | 233,000          | 2.57        | 55.8         | 4.04        | 0.45        | 0.35        |
|                        | East      | 631,000          | 1.05        | 65.0         | 4.11        | 1.99        | 0.15        |
| <b>Total Inferred</b>  |           | <b>1,219,000</b> | <b>1.54</b> | <b>68.6</b>  | <b>4.31</b> | <b>1.46</b> | <b>0.26</b> |

**Notes:**

1. CIM definitions were followed for Mineral Resources.
2. No Mineral Reserves are present.
3. All metal prices, the US\$/CDN\$ exchange rate and cut-off grade were provided by RPA.
4. Mineral Resources are estimated at long-term metal prices (USD) as follows: Zn \$1.15/lb, Cu \$3.50/lb, Pb \$1.00/lb, Au \$1,450/oz, and Ag \$21.00/oz.
5. Mineral Resources are estimated using an average long-term foreign exchange rate of US\$0.80 per CDN\$1.00.
6. Mineral Resources are estimated at a cut-off grade of CDN\$140/tonne NSR, which included provisions for metallurgical recoveries, freight, mining, milling, refining, smelter payables for each metal, applicable royalty payments and G&A costs.
7. A minimum mining width of approximately 1.5 m was used.
8. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
9. Numbers may not add due to rounding.
10. Estrades Mineral Resource estimate is current as of September 30, 2016.

Robert Hinchcliffe, President and CEO of Galway Metals, said, “We are very pleased that the vision Galway applied when the Company commissioned RPA to update the Estrades mineral resource estimate has been verified as it resulted in a significant increase in mineral resources compared with the previous NI 43-101 estimate. With a healthy cash balance of CDN\$9.4 million, Galway is looking forward to prudently expanding both the Estrades and Clarence Stream resource bases within the context of resource-based capital markets.

### **Estrades East Zone is in Resource for First Time**

For the first time ever, the Estrades resource now incorporates the East Zone, which extends the deposit approximately 755 metres to the east such that mineralization can be easily traced almost continuously along strike for approximately 1.8 km. This “sheet of mineralization” is unusual for a VMS deposit, as they typically occur as 200-600 metre-long pods and can reach significant depths in excess of 2,000 metres. The Estrades resource extends to a depth of approximately 850 metres and remains open to depth along most of its 1.8 km of strike. A key component of Galway’s exploration plan is to conduct paired downhole IP at both Estrades and its associated and adjacent Newiska properties to find the source vents through which mineralized fluids were deposited. These IP surveys and drilling are set to commence upon winter freeze-up in January. A gravity survey will also be undertaken on the property.

### **Clarence Stream Drilling Commenced**

Galway is also pleased to report that it has commenced drilling key targets on its recently acquired 43,800 hectare Clarence Stream property in SW New Brunswick (refer to the [August 3, 2016 press release](#) and [presentation](#) for details). The targets are aimed at in-filling gaps along the approximately 2 km strike extent of the existing South Zone resource where previous drill spacing was too wide for prospective areas to be included in the mineral resource, upgrading inferred to indicated resources, and along strike to both the east and west of the resource (refer to Table 2 below). In addition to drilling, excavator trenching is currently being undertaken on prioritized targets. Galway has also started soil sampling programs as well as more detailed geologic mapping, chip and channel sampling and general prospecting along its 45 km strike of the Sawyer Brook Fault System. Resource-grade gold occurrences have already been reported along many areas of this strike extent, along with a large approximately 10 km x 4 km geochemical anomaly, which coincides well with geophysical anomalies. Most of these areas have never been followed up with drilling. Only about 10% of the strike extent has seen any drilling, and the resource has been defined along approximately 5% of this 45 km of strike.


**Table 2: Clarence Stream Resource Estimate**

**Gold**

| Area Category          | Tonnes           | Gold Grade (g/t) Cut | Contained Gold Cut Ounces | Gold Grade (g/t) Uncut | Contained Gold Uncut Ounces |
|------------------------|------------------|----------------------|---------------------------|------------------------|-----------------------------|
| South Indicated        | 636,000          | 6.71                 | 137,000                   | 9.28                   | 190,000                     |
| Inferred               | 991,000          | 6.33                 | 202,000                   | 7.64                   | 243,000                     |
| North Indicated        | 186,000          | 7.56                 | 45,000                    | 8.51                   | 51,000                      |
| Inferred               | 235,000          | 6.38                 | 48,000                    | 9.22                   | 70,000                      |
| <b>Total Indicated</b> | <b>822,000</b>   | <b>6.90</b>          | <b>182,000</b>            | <b>9.11</b>            | <b>241,000</b>              |
| <b>Inferred</b>        | <b>1,226,000</b> | <b>6.34</b>          | <b>250,000</b>            | <b>7.95</b>            | <b>313,000</b>              |

Antimony

| Area  | Category  | Tonnes  | Antimony Grade (%) Cut Grade | Contained Antimony Cut Pounds |
|-------|-----------|---------|------------------------------|-------------------------------|
| North | Indicated | 114,000 | 2.9%                         | 7,300,000                     |

 Note: To the best of Galway Metals' knowledge, information and belief, there is no new material scientific or technical information that would make the disclosure of the mineral resources in the Technical Report inaccurate or misleading. Since the report was written, only 18 holes were drilled by Wolfden, of which only seven could potentially have a minor impact on the resource. As such, Galway Metals considers the Technical Report to be current, pending further investigation/work by Galway Metals. Michael Sutton, P. Geo., Director of Galway Metals and a Qualified Person for the purposes of NI 43-101, has reviewed the Report on behalf of Galway Metals and has approved the scientific and technical content of this news release. A NI 43-101 report will be completed within 180 days of the Company's first publication of the report on August 3, 2016 to support the resource estimate. Until the updated NI 43-101 report is completed, the Clarence Stream Mineral Resource estimate is current as of September 7, 2012.

Mike Sutton, Director and VP of Exploration for Galway Metals notes, "Galway is thrilled that the Company successfully acquired two large, high grade and advanced stage projects in mine-friendly jurisdictions in Canada. We believe that both Clarence Stream along the Sawyer Brook Fault System, and Estrades within the Abitibi region of western Quebec, have excellent exploration upside. We are looking forward to aggressively exploring both properties in the months and years ahead. At a time when both gold and zinc prices are trending higher—they are up a respective 23% and 46% in the year-to-date—it is fortuitous that these are the primary contributors to the Estrades resource."

**Galway Metals Total Resources**

In summary, Galway acquired two excellent, advanced-stage, resource-containing projects in August 2016. Estrades is a polymetallic VMS deposit hosting gold, silver, zinc, copper, and lead, while Clarence Stream is principally gold and also includes antimony in portions of the resource. Galway Metals' combined resource statement is provided in Table 3 below. For Antimony resources, refer to Table 2 above.

**Table 3: Galway Metals Resource Statement, Clarence Stream and Estrades Projects**

| Deposit                     | Class     | Tonnes           | Au (g/t)    | Ag (g/t)      | Zn (%)        | Cu (%)        | Pb (%) |
|-----------------------------|-----------|------------------|-------------|---------------|---------------|---------------|--------|
| Clarence Stream             | Indicated | 822,000          | 6.90        |               |               |               |        |
| Estrades                    | Indicated | 1,300,000        | 3.89        | <b>137.97</b> | <b>95.1</b>   | <b>120.65</b> |        |
| <b>Sub Total, Indicated</b> |           | <b>2,122,000</b> | <b>4.98</b> |               |               |               |        |
| Clarence Stream             | Inferred  | 1,226,000        | 6.34        |               |               |               |        |
| Estrades                    | Inferred  | 1,219,000        | 1.54        | <b>68.64</b>  | <b>311.46</b> | <b>0.26</b>   |        |
| <b>Sub Total, Inferred</b>  |           | <b>2,445,000</b> | <b>3.95</b> |               |               |               |        |

| Deposit                     | Class     | Au (oz)        | Ag (oz)          | Zn (000 lb)    | Cu (000 lb)   | Pb (000 lb)   |
|-----------------------------|-----------|----------------|------------------|----------------|---------------|---------------|
| Clarence Stream             | Indicated | 182,000        |                  |                |               |               |
| Estrades                    | Indicated | 162,666        | 5,762,325        | 227,950        | 32,057        | 18,552        |
| <b>Sub Total, Indicated</b> |           | <b>344,666</b> | <b>5,762,325</b> | <b>227,950</b> | <b>32,057</b> | <b>18,552</b> |
| Clarence Stream             | Inferred  | 250,000        |                  |                |               |               |
| Estrades                    | Inferred  | 60,131         | 2,685,915        | 115,544        | 39,126        | 7,084         |
| <b>Sub Total, Inferred</b>  |           | <b>310,131</b> | <b>2,685,915</b> | <b>115,544</b> | <b>39,126</b> | <b>7,084</b>  |

**Estrades Notes: Refer to Notes above.**

**Clarence Stream Notes: Refer to Notes above.**

### **Estrades Geology and Mineralization**

During the preparation of the RPA resource estimate, a new understanding of where the mineralization sits in the stratigraphy was developed. Two mineralized intervals appear to be kept separate by a Key Marker Horizon. It has been logged as an intermediate or mafic unit — often an intrusive. The presence of two separate horizons was recognized in the 2006 Resource estimate, but the scope of that assignment was limited to the Main Zone only, which lessened its impact as, in this area, most of the mineralization sits in the footwall (FW) layer. As work was undertaken along strike to the east through the Central and East Zones, these two layers were traceable along the entire strike length of the Mine Unit package. Two sets of longitudinal section projections are used (one for the hanging wall

(HW) layer and one for the FW layer). As mentioned above, most of the mineralization in the Main Zone sits in the FW layer, but the mineralized pods to the east that form the current Mineral Resource can be found in both horizons.

The following is taken from various sections of the RPA NI 43-101 Technical Report dated September 30, 2016. The Estrades area is constituted in meta-volcanic and sedimentary rocks of the Harricana-Turgeon Belt (HTB), which is located in the NW part of the Abitibi Subprovince. The regional metamorphism is of greenschist facies. The lithology is generally east-west striking and vertically dipping.

The Main Felsic Unit refers to the immediate felsic volcanoclastic hanging wall and footwall rocks that envelope the Estrades Unit. The Main Felsic Unit is referred to as a felsic schist or felsic tuff or lapilli tuff, depending on the degree of deformation. The common fragmental appearance of this unit is generally deformation induced, and does not represent a primary pyroclastic feature. This unit has been described as a rhyolite, mainly schistose, though locally flow-banded. Generally, this unit is light yellow to grey in colour, with variable quartz crystal content, and is typically schistose and/or brecciated.

The stratigraphy of the Estrades Unit is over 5 km wide and known as the Joutel-Raymond Basaltic-Rhyolite Domain. The Estrades Unit is the mineralized unit that includes (from west to east) the West (intersected by two drill holes), Main, Central and East Zones of the Estrades deposit. Alteration is typically a strong pervasive sericite with local chlorite depending on proximity to the stringer zone. Pyrite is the dominant sulphide, however sphalerite is common, as is chalcopyrite and galena. Elevated values of both silver and gold occur in the hanging wall and footwall. This mineralization has been identified as classic Archean age of the syngenetic exhalative type. The deepest drill hole (Hole H-281AW) targeting the Estrades Unit under the mine intersected sulphide mineralization 900 m below surface; it returned 3.3% Zn, 0.5% Cu, 1.1 g/t Au and 38.7 g/t Ag over 1.9 m. The Estrades deposit is covered by glacial silt, clays and sandy gravels of variable thickness.

### **Clarence Stream Geology and Mineralization**

The following is taken from various sections of RPA's NI 43-101 report on the Clarence Stream Property, dated September 7, 2012. Clarence Stream is located near the boundary of the Gander and Avalon terranes of the Canadian Appalachians. In southwest New Brunswick, the boundary between these major terranes is obscured by Palaeozoic age sedimentary rocks of the Mascarene Basin and the St. Croix terrane, which are the primary hosts of gold mineralization at Clarence Stream. The Sawyer Brook Fault separates these two groups of metasedimentary rocks and is interpreted as a dextral strike-slip fault and

may be part of a regional, belt-parallel fault system.

The Clarence Stream deposits can be characterized as intrusion-related quartz-vein hosted gold deposits. These deposits consist of quartz veins and quartz stockwork within brittle-ductile fault zones that include adjacent crushed, altered wall rocks and veinlet material. The mineralized systems are hosted in intrusive and metasedimentary rocks within high strain zones controlled by regional fault systems. Pyrite, base metal sulphides, and stibnite occur in these deposits along with anomalous concentrations of bismuth, arsenic, antimony and tungsten. Alteration in the host rocks is confined within a few metres of quartz veins and occurs mainly in the form of sericitization and chloritization.

Gold-bearing minerals at Clarence Stream include aurostibite ( $\text{AuSb}_2$ ), electrum (20%-34% Ag), native gold, arsenopyrite ( $\text{FeAsS}$ ), gudmundite ( $\text{FeSbS}$ ), berthierite ( $\text{FeSb}_2\text{S}_3$ ), jamesonite ( $\text{Pb}_4\text{FeSb}_6\text{S}_{14}$ ), and stibnite ( $\text{Sb}_2\text{S}_3$ ). Pyrite ( $\text{FeS}_2$ ) and pyrrhotite ( $\text{Fe}_{1-x}\text{S}$ ) are common but not associated with gold.

Gold mineralization has been discovered in two main areas of the Clarence Stream property, each with unique host rocks and deposit geometry. The South Zone lies immediately to the northwest of the Saint George (Magaguadavic) Batholith, while the Anomaly-A (North) Zone lies 3.5 km further northwest.

### **Review by Qualified Person**

In compliance with National Instrument 43-101, Mr. Mike Sutton, P. Geo. is the Qualified Person responsible for the accuracy of this news release. Mr. Reno Pressacco, P. Geo. is the Qualified Person responsible for preparation and disclosure of the Estrades Mineral Resource estimate, and is independent of the Company.

### **About the Company**

Galway Metals is well capitalized with approximately CDN\$9.4 in cash, after accounting for the Clarence Stream and Estrades acquisitions. The Company began trading on January 4, 2013, after the successful spinout to existing shareholders from Galway Resources following the completion of the US\$340 million sale of that company. With substantially the same management team and Board of Directors, Galway Metals is keenly intent on creating similar value as it had with Galway Resources.

Should you have any questions and for further information, please contact (toll free):

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