



Galway Metals Options Key Claims with 5.2 g/t Au Over 2.5m at Clarence Stream | 1

(Toronto, Ontario, August 25, 2020) – Galway Metals Inc. (TSX-V: GWM) (the “Company” or “Galway”) is pleased to report that it has optioned 5 claim groups consisting of a total of 79 claim units at the Clarence Stream Gold Project in SW New Brunswick ([Figure 1](#), [Figure 2](#), [Figure 3](#)). Highlights include:

- Mineralization at Oak Bay and Lily Hill consists of arsenopyrite-rich quartz veining in altered, silicified gabbro dykes in contact with sediments – a similar setting to the South Zone that currently hosts most of the resource.
- Oak Bay: Hole OB05-07 intersected **5.2 grams per tonne (g/t) Au over 2.5 metres (m)**, including **11.8 g/t Au over 0.5m**, and **8.2 g/t Au over 0.5m**, not followed up since, and starting at a vertical depth of 13m; a Gabbro dyke is entirely mineralized.
- Oak Bay: Hole OB08-005 intersected **0.6 g/t Au over 4.0m**, including 1.7 g/t Au over 1.0m, not followed up since, and starting at a vertical depth of 98m; a felsic intrusive dyke is entirely mineralized.
- Oak Bay: A 2km north-south horizontal length of drill holes with mineralized gabbro along a magnetic high continues north 5.0km to the Tower Hill showing that assayed as high as 89.1 g/t along a gabbro contact
- Lily Hill: Hole LH07-01 intersected **3.7 g/t Au over 3.0m**, not followed up since, and starting at a vertical depth of 16.5m; a 23.6m Gabbro dyke is entirely mineralized with the zone in a contact breccia
- Lily Hill: Hole LH07-02 intersected **0.6 g/t Au over 9.0m**, not followed up since, and starting at a vertical depth of 31.2m; a 27m Gabbro dyke is entirely mineralized (e.g. the 0.6 g/t Au over 9.0m is preceded by 0.26 g/t Au over 6.0m)
- Wilson Hill: key claim group on strike with the North Zone resource, with continuous strong soil anomalies going north from the resource – includes the **highest arsenic till + soil anomalies anywhere** on Galway’s 65km property; gold in those soils/tills couldn’t be sourced from the North Zone resource to the SE

“Galway is very pleased with this transaction. Two claim groups, Oak Bay and Lily Hill, contain intersections such as 5.2 g/t Au over 2.5m and 3.7 g/t Au over 3.0m that are 19 km west of the current resource at the South Zone, and the geology in these new claim groups are mirror images in all respects to the South Zone. Another claim group at Wilson Hill contains a felsic intrusive similar to the one that controls Galway’s deposits along the 3.7km trend that hosts the George Murphy, Richard and Jubilee Zones, as well as the two new recently-reported discoveries. This claim group has strong soil trends on strike with the North Zone that is a no-brainer for potential. With over \$20 million in cash, Galway is fully funded through the end of 2021 to complete its 75,000-metre drill program at Clarence Stream. Galway believes Clarence Stream is an important new gold district in North



America,” cites Robert Hinchcliffe, President and CEO of Galway Metals.

Other notable intersections at Oak Bay include **1.9 g/t Au over 5.5m** in hole OB05-03, 1.1 g/t Au over 2.25 m in hole OB05-06, and 0.4 g/t Au over 4.0 m in hole OB08-001. Hole OB08-002 intersected 5 intervals >0.3 g/t in a gabbro that is mineralized throughout that returned 103 ppb for the 36m of the 52.55m that was sampled. A total of 2 holes have been drilled at Lily Hill (in 2008-160m), 11 holes have been drilled at Oak Bay (in 2008-1,711m), and 7 holes have been drilled at Oak Bay (in 2004/2005-487m). Galway plans on initially doing follow-up drilling to the promising previously-drilled intersects.

The Oak Bay claims are host to widespread **boulders with grades up to 17.9 g/t Au**, while Lily Hill has boulders to **18.5 g/t Au**. Strong linear gold soil anomalies at Oak Bay are present grading up to **882 ppb Au, which is in the top 10** of the approximately 50,000 soil samples taken at Clarence Stream, while Lily Hill has values to 190 ppb Au. Cordierite alteration is present in the sediments that consist of siltstones and slate. The Sawyer Brook Fault is located close to the drilling at Oak Bay and Lily Hill.

Deal Terms

Terms of the deal are for Galway to pay the vendor an aggregate of \$500,000, divided in seven (7) equal installments of \$71,428.57. The first payment will be made upon the approval of the TSX Venture Exchange (“TSXV”), and each subsequent payment will occur on or before the anniversary of this agreement for the following six years. The first payment shall, and at the sole election of the Company, each subsequent payment may be paid either in cash, or 80% in cash and 20% in Galway shares. As such, each payment will be comprised of \$57,142.86 in cash and \$14,285.71 worth of Galway shares, with the Galway shares valued at a deemed price equal to the higher of: (A) the closing price of the Galway shares on the TSXV on the day that is two (2) business days prior to the date of the respective share issuance, and (B) the lowest price of Galway shares that shall be acceptable to the TSXV. The Galway shares will be subject to the statutory hold periods of four months and one day. For the first share issuance and upon receipt of TSXV approval, a total of 9,524 Galway shares will be issued at a deemed value of \$1.50 per Galway share for an aggregate deemed value of \$14,285.71.

Table 1. Assay Results

Hole ID	From (m)	To (m)	Intercept (m)	Intercept Au (m) TW	g/t
GMZ NORTH TREND					



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Hole ID	From (m)	To (m)	Intercept (m)	Intercept (m) TW	Au g/t
OB05-07	18.70	21.20	2.50		5.2
incl.	20.20	20.70	0.50		11.8
incl.	20.70	21.20	0.50		8.2
OB05-03	71.00	76.50	5.50		1.9
incl.	73.00	73.50	0.50		8.1
OB05-06	6.60	8.85	2.25		1.1
LH07-01	23.50	26.50	3.00		3.7
	6.50	23.50	17.00		0.15*
LH07-02	30.40	36.40	6.00		0.26*
	36.40	45.40	9.00		0.6
	45.40	48.95	3.55		0.21*
OB08-005	140.20	144.20	4.00		0.6
incl.	140.20	141.20	1.00		1.7
OB08-002	42.00	43.00	1.00		0.5
	53.55	54.55	1.00		0.3
	63.55	64.55	1.00		0.3
	66.55	67.55	1.00		0.3
	18.00	70.55	52.55		0.07*
OB08-001	12.50	16.50	4.00		0.4*

True widths are unknown if not noted. *0.42 g/t Au was used for the bottom cut-off, except where noted.

Geology and Mineralization

The recent discovery of the Richard Zone in hole 12 contains elevated levels of bismuth, arsenopyrite, and antimony, in multiple quartz veins, with tungsten in the vicinity. This is similar to other Clarence Stream deposits, which can be characterized as intrusion-related quartz-vein hosted gold deposits. Richard Zone contains multiple zones of quartz veining with sulfides and sericite alteration. In general, mineralization at Clarence Stream consists of 10-70% quartz stockworks and veins with 1-5% fine pyrite plus pyrrhotite plus arsenopyrite plus stibnite in sericite altered sediments. The Jubilee mineralization consists of 2%-5% disseminated pyrite, sphalerite, galena, arsenopyrite, chalcopyrite, and pyrrhotite in sediments with white to smoky grey quartz veining. Locally there is up to 10% sphalerite



and semi-massive galena veinlets. The 2.5 km trend that hosts the GMZ, Richard and Jubilee Zones contains a mineralized mafic intrusive locally - similar to the South Zone, which currently hosts most of the property's last reported gold resources (September 2017). A more complete description of Clarence Stream's geology and mineralization can be found at www.galwaymetalsinc.com.

Review by Qualified Person, Quality Control and Reports

Michael Sutton, P.Geo., Director and VP of Exploration for Galway Metals, is the Qualified Person who supervised the preparation of the scientific and technical disclosure in this news release on behalf of Galway Metals Inc. All core, chip/boulder samples, and soil samples are assayed by Activation Laboratories, 41 Bittern Street, Ancaster, Ontario, Canada, who have ISO/IEC 17025 accreditation. All core is under watch from the drill site to the core processing facility. All samples are assayed for gold by Fire Assay, with gravimetric finish, and other elements assayed using ICP. 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. Core recovery in the mineralized zones has averaged 99%.

Table 2: Drill Hole Coordinates

Hole ID	Azimuth	Dip	Northing	Easting	Total Depth (m)
OB-08-001	90	-45	5013974	641437.4	101
OB-08-002	270	-45	5013820	641366.1	101
OB-08-003	270	-45	5013816	641506.8	125.15
OB-08-004	270	-45	5012979	641370.5	149
OB-08-005	90	-45	5013005	641612	245
LH07-01	345	-45	5010878	642895.7	53
LH07-02	342	-60	5010849	642881	107
OB05-03	275	-45	50121080	641248	99
OB05-06	90	-45	50122047	641196	33
OB05-07	90	-45	50122100	641190	28



For results of all holes that Galway has drilled at Clarence Stream, go to Galway's website at www.galwaymetalsinc.com.

[Figure 1: Gold in Glacial Till and Soil at Clarence Stream](#)



[Figure 2: Tower Hill, Oak Bay and Lily Hill Plan Map](#)



[Figure 3: Oak Bay and Lily Hill Plan Map](#)



About the Company

Galway Metals is well capitalized with two gold projects in Canada, Clarence Stream, an emerging gold district in New Brunswick, and Estrades, the former producing, high-grade VMS mine in Quebec. 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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responsibility for the adequacy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

This news release contains forward-looking information which is not comprised of historical facts. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes statements made herein with respect to, among other things, the Company's objectives, goals or future plans, potential corporate and/or property acquisitions, exploration results, potential mineralization, exploration and mine development plans, timing of the commencement of operations, and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, exploration results being less favourable than anticipated, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, risks associated with the defence of legal proceedings and other risks involved in the mineral exploration and development industry, as well as those risks set out in the Company's public disclosure documents filed on SEDAR. Although the Company believes that management's assumptions used to develop the forward-looking information in this news release are reasonable, including that, among other things, the Company will be able to identify and execute on opportunities to acquire mineral properties, exploration results will be consistent with management's expectations, financing will be available to the Company on favourable terms when required, commodity prices and foreign exchange rates will remain relatively stable, and the Company will be successful in the outcome of legal proceedings, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information contained herein, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.