

Galway Metals Inc.

**Condensed Interim Consolidated Financial Statements
For the Three Months Ended March 31, 2015 and 2014**

**(Expressed in United States Dollars)
(Unaudited)**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim consolidated financial statements of Galway Metals Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

Galway Metals Inc.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in United States Dollars)
(Unaudited)

As at	March 31, 2015	December 31, 2014
Assets		
Current assets		
Cash	\$ 10,961,990	\$ 11,112,093
Prepays and deposits	38,603	42,206
	11,000,593	11,154,299
Non-current asset		
Restricted cash	125,270	125,270
	\$ 11,125,863	\$ 11,279,569
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 100,831	\$ 75,825
Due to Galway Gold Inc. (Note 8)	106,210	106,210
	207,041	182,035
Shareholders' Equity		
Common shares (Note 6)	14,126,982	14,126,982
Contributed surplus	576,843	575,235
Accumulated other comprehensive loss	(2,616,026)	(1,684,616)
Deficit	(1,168,977)	(1,920,067)
	10,918,822	11,097,534
	\$ 11,125,863	\$ 11,279,569

Nature of Operations (Note 1)

Approved by the Board "Robert Hinchcliffe" Director
 "Robb Doub" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Galway Metals Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in United States Dollars)
(Unaudited)

For the Three Months Ended March 31,	2015	2014
Expenses		
Administrative expenses (Note 7)	\$ 182,105	\$ 142,143
Stock-based compensation (Note 5)	1,608	15,382
Gain on foreign exchange	(930,291)	(414,948)
Write-down of resource property costs (Note 3)	503	503
	(746,075)	(256,920)
Other (Income) Expense		
Interest income	(5,015)	(5,007)
Net Income (Loss)	\$ 751,090	\$ 261,927
Other Comprehensive Loss		
Items that will be reclassified subsequently into income:		
Cumulative translation adjustment	\$ -	\$ (413,682)
Net Comprehensive Loss	\$ 751,090	\$ (151,755)
Loss per share - basic and diluted	\$ 0.01	\$ 0.01
Weighted average number of common shares outstanding	57,195,248	50,324,837

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Galway Metals Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Expressed in United States Dollars)
(Unaudited)

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Loss	Deficit	Total
Balance, December 31, 2013	\$ 13,554,998	\$ 446,624	\$ (656,930)	\$ (2,106,281)	\$ 11,238,411
Cumulative translation adjustment	-	-	(413,682)	-	(413,682)
Exercise of stock options	123,835	(65,621)	-	-	58,214
Stock-based compensation	-	15,382	-	-	15,382
Net income (loss) for the period	-	-	-	261,927	261,927
Balance, March 31, 2014	\$ 13,678,833	\$ 396,385	\$ (1,070,612)	\$ (1,844,354)	\$ 11,160,252
Balance, December 31, 2014	\$ 14,126,982	\$ 575,235	\$ (1,684,616)	\$ (1,920,067)	\$ 11,097,534
Cumulative translation adjustment	-	-	(931,410)	-	(931,410)
Stock-based compensation	-	1,608	-	-	1,608
Net income for the period	-	-	-	751,090	751,090
Balance, March 31, 2015	\$ 14,126,982	\$ 576,843	\$ (2,616,026)	\$ (1,168,977)	\$ 10,918,822

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Galway Metals Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in United States Dollars)
(Unaudited)

For the Three Months Ended March 31,	2015	2014
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	\$ 751,090	\$ 261,927
Share-based compensation (Note 5)	1,608	15,382
Changes in current assets and liabilities:		
Prepays and deposits	3,603	3,667
Accounts payable and accrued liabilities	25,006	14,123
Due from Galway Gold Inc.	-	42,844
	781,307	337,943
Financing activities		
Net proceeds from issuance of shares	-	58,214
Effect of foreign exchange rate changes on cash balances	(931,410)	(413,682)
Net change in cash	(150,103)	(17,525)
Cash, beginning of period	11,112,093	11,064,042
Cash, end of period	\$ 10,961,990	\$ 11,046,517

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Galway Metals Inc.
Notes to Condensed Interim Consolidated Financial Statements
(Expressed in United States Dollars)
For the Three Months Ended March 31, 2015 and 2014
(Unaudited)

1. Nature of Operations

Galway Metals Inc. ("the Company") was incorporated pursuant to the Business Corporations Act (New Brunswick) on May 9, 2012. The Company's head office is located at 36 Toronto Street, Suite 1000, Toronto, Ontario, Canada, M5C 2C5.

The Company is in the process of exploring the Victorio Project, a molybdenum-tungsten exploration project located in New Mexico ("the Victorio Project") and has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The continuing operations of the Company and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability to obtain the necessary financing to complete the exploration and development of the mineral property interests and on future profitable production or proceeds from the disposition of the mineral property interests.

The Company's common shares trade on the TSX Venture Exchange under the symbol "GWM".

2. Accounting Policies

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on June 1, 2015.

Basis of Presentation

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

Basis of Consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries, Galway Resources US Inc, and Nyak Resources Inc. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer of the Company.

The Company has determined that it has one operating segment, the acquisition, exploration and development of mineral resource properties, currently located in New Mexico. The Company's corporate head office expenditures are considered incidental to the activities of the Company and therefore do not meet the definition of an operating segment.

Galway Metals Inc.
Notes to Condensed Interim Consolidated Financial Statements
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2. Significant Accounting Policies (Continued)

Future Accounting Pronouncements

In November 2009, the IASB issued, and subsequently revised in October 2010, IFRS 9 as a first phase in its ongoing project to replace IAS 39. IFRS 9, which is to be applied retrospectively, will be effective for annual periods beginning on or after January 1, 2018.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The Company is in the process of assessing the impact of this announcement.

In December 2014 the IASB issued amendments to clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments form a part of the IASB's Disclosure Initiative, which explores how financial statement disclosures can be improved. The amendments are effective from 1 January 2016. The Company is in the process of assessing the impact of this announcement.

There are no other relevant IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3. Resource Property Costs

Cumulative acquisition costs:

Victorio Project	March 31, 2015	March 31 2014
Balance, beginning of period	\$ -	\$ -
Additions	\$ 503	\$ 503
Write-downs	\$ (503)	\$ (503)
Balance, end of period	\$ -	\$ -

The Company holds a 100% interest in the Victorio Project in New Mexico. The Company has assessed the carrying value of the Victorio Project and has determined there were indicators of impairment, recording an \$1,629,599 impairment charge in the fourth quarter of 2013 and a further \$89,547 during the year ended December 31, 2014. The Company has estimated the recoverable amount based on a number of factors, including with reference to the Company's market capitalization and management's models and plans relating to the Victorio Project. The aggregate impairment charge has been recorded as impairment of non-current assets on the consolidated statement of income (loss) and comprehensive income (loss).

On April 23, 2014, the Company renegotiated the option payments associated with the Victorio Project. The revised terms are as follows:

- payment of \$75,000 on June 1, 2014 (paid) and 50,000 common shares (issued May 21, 2014, and ascribed a fair value of \$7,330);
- payment of \$75,000 on June 1, 2015; (paid subsequently on June 1, 2015)
- payment of \$75,000 on June 1, 2016;
- payment of \$75,000 on June 1, 2017;
- payment of \$900,000 on June 1, 2018;

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5. Stock Options

The following table reflects the continuity of stock options for the three months ended March 31, 2015 and 2014

	Number of Stock Options	Weighted Average Exercise Price (CDN)
Balance, December 31, 2013	4,825,000	\$0.10
Exercised	(650,000)	\$0.10
Balance, March 31, 2014	4,175,000	\$0.10
Balance, December 31, 2014 and March 31, 2015	4,175,000	\$0.10

The following table reflects the stock options outstanding as at March 31, 2015:

Expiry Date	Exercise Price(CDN)	Weighted Average Life Remaining	Options Outstanding	Black-Scholes Value
December 4, 2023	\$ 0.10	8.67 years	4,175,000	\$ 421,485

Of the 4,175,000 options outstanding as at March 31, 2015, 4,062,500 were exercisable.

6. Warrants

The following table reflects the continuity of warrants for the three months ended March 31, 2015 and 2014

	Number of Warrants	Weighted Average Exercise Price (CDN)
Balance, December 31, 2013 and March 31, 2014	-	\$ -
Balance, December 31, 2014 and March 31, 2015	3,300,000	\$0.15

The following table reflects the warrants outstanding as at March 31, 2015 :

Expiry Date	Exercise Price(CDN)	Weighted Average Life Remaining	Warrants Outstanding	Black-Scholes Value
April 16, 2017	\$ 0.15	2.04 years	3,300,000	\$ 158,197

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7. Administrative Expenses

For the Three Months Ended March 31,	2015	2014
Salaries and benefits	\$ 72,781	\$ 65,334
Office and general	22,737	17,721
Public company costs	13,890	27,724
Insurance	7,295	5,331
Professional fees	42,316	21,927
Travel expense	23,086	4,106
Total	\$ 182,105	\$ 142,143

8. Related Party Transactions

During the three months ended March 31, 2015, the Company received \$nil (three months ended March 31, 2014 - \$150,000) from Galway Gold Inc., a company sharing common officers and directors, for the purposes of funding certain administrative and operational activities paid by the Company on the Galway Gold Inc.'s behalf. As at March 31, 2015 a payable of \$106,210 (December 31, 2014 - \$106,210) remained, representing net expenses incurred on Galway Gold Inc.'s behalf and the difference between reimbursements received.

Remuneration of directors and officers included in administrative expenses are as follows:

	2014	2013
Remuneration paid for CEO and CFO services	\$ 53,626	\$ 54,077
Stock-based compensation - directors and officers	\$ -	\$ -

During the three months ended March 31, 2015, the Company expensed \$11,536 (three months ended March 31, 2014 -\$13,510) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. ("DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie, Vice President of Marrelli Support, to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Regulatory filing services
- (iv) Corporate secretarial services

The Marrelli Group is also reimbursed for out of pocket expenses.

As of March 31, 2015, the Marrelli Group was owed \$12,120 (December 31, 2014 - \$3,225). These amounts are included in accounts payable and accrued liabilities.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations. To the Company's knowledge, as at the date hereof, the following individuals or entities beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Company's common shares: Robert Hinchcliffe, the President and CEO of the Company - 13.70%, and Jaguar Financial Corporation - 11.46%. To the Company's knowledge, the remaining 74.84% of the Company's common shares are widely held.

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9. Segment Reporting

The Company's only operating segment is the acquisition, exploration and development of mineral resource properties in the United States. The Company's non-current assets are all located in the United States.