



Vancouver, British Columbia: September 8, 2006 - Galway Resources Ltd. (GWY: TSX-V) ("Galway" or the "Company") is pleased to announce that a core drill rig has begun drilling at Indian Springs and The Center for Advanced Mineral and Metallurgical Processing has been formally engaged to continue working with Galway in its efforts to better understand and improve upon the metallurgy of the Indian Springs' tungsten deposit. Over the years, 336 holes were drilled at Indian Springs representing a total of 82,000 feet. In addition, several thousand feet of trenches were excavated, mapped, and sampled. A recent sustained strong rebound in tungsten prices, prompted management to resuscitate this project which was dropped in the mid 1980s due primarily to low tungsten pricing.

"We are very pleased to continue moving the project forward in an aggressive manner and in a relatively short period of time. Now, with both core and reverse circulation rigs working, the amount of pending geological and metallurgical information that we will receive over the next few months will be useful in moving into the Scoping Study stage as soon as possible. With continued strong tungsten prices, we look forward to developing this open pit tungsten mine at Indian Springs," stated Robert Hinchcliffe, the President of Galway.

The Core Drilling Program: K & L Drilling Co. has begun a core drilling program that will consist of 10 drill holes and approximately 5,000 feet in total. The primary purpose of the program is to obtain core samples for metallurgical testing. The assay and geological data from the program will also be beneficial in validating and delineating the tungsten resource. Additionally, a 10,000 foot reverse circulation program is currently underway, and the encouraging results were reported on August 29, 2006.

CAMP Engaged For Metallurgical Review: Galway has engaged the services of The Center for Advanced Mineral and Metallurgical Processing ("CAMP") to carry out analysis, mineralogical assessments and metallurgical process development for the Indian Springs tungsten project. Early this year, a comprehensive review was conducted by CAMP of all available metallurgical test reports in Galway's possession from mining companies who had worked on Indian Springs in the past. From that review, a data base was compiled. Currently, fundamental metallurgical process testing of four composite ore samples from trenches at Indian Springs is underway. These studies include mineralogy, grindability and tungsten ore beneficiation. This test work, along with the planned work to commence soon on drill core samples, will eventually lead to final flowsheet development for the planned open pit mine.

CAMP, located on the campus of Montana Tech, is an engineering, consulting, research, development and testing facility focused on providing high quality solutions to industrial

clients world-wide. CAMP's capabilities encompass mineralogy, mineral processing, hydrometallurgy, pyrometallurgy, analysis, process simulation and modeling, and materials science. Recently, CAMP began offering state of the art SEM based MLA (Mineral Liberation Analysis) automated mineralogy. This will be a key in understanding the mineralogy and optimizing tungsten recovery at Indian Springs.

Current Tungsten Pricing

After trading between \$45- \$75 per short ton unit (as reported by Metal Bulletin and the United States Geological Service) during the 1980s and 1990s, then lower exports of tungsten out of China served as the impetus for tungsten prices to rise sharply at the end of 2004. Since October of 2005, tungsten prices have remained above \$250 per short ton unit, with current pricing of above \$260 per short ton unit.

About Indian Springs

The Indian Springs Tungsten Property, located in northeastern Nevada (25 miles north of Montello), is an advanced stage exploration property that has been inactive since the early 1980's due to low tungsten commodity prices. The project represents an opportunity for Galway to bring a historical advanced exploration property to current and compliant resource definition and scoping level study (preliminary assessment) in a 6 month time frame with expected expenditures projected to be less than US\$1 million.

The project had undergone extensive exploration drilling and metallurgical testing during the period of 1968 through 1986, including the activities of three major mining companies; Placer Amex, Union Carbide, and Utah International; for a total estimated expenditure of from US\$3.0 to \$5.0 million. A historical tungsten resource was defined based upon 336 drill holes, representing over 82,000 feet of drilling and thousands of feet of trenching, geologic mapping, sampling, along with metallurgical testing. The drill-defined tungsten mineralization has exploration potential along strike to the northeast and southwest.

The most current reserve, carried out by Utah International in 1984 (internal Company documentation), stated a reserve of 8.85 million tons @ 0.257% WO₃ at a 0.17% cutoff and a strip ratio of 4.8. Additionally, Utah International also reported a reserve of 21.94 million tons @ 0.179% WO₃, at a 0.10% cut-off grade and a strip ratio 1.3. These historical reserve numbers should not be relied upon as they have not been classified according to CIM resource/reserve categories. There is insufficient documentation to categorize the historical "reserves" and therefore to reconcile them with current NI 43-101 resource/reserve categories. While current NI 43-101 compliant resources and/or reserves are not



established for Indian Springs, Galway considers the project data to be substantial and relevant. Indications are that resource estimation is achievable using the large amount of existing historical drill data.

About the Company

Galway is a mineral exploration company focused on developing two recently acquired advanced exploration projects that are located in the United States. Collectively, the Indian Springs and Victorio projects have 250,000 feet of historical drilling done on the projects. Both projects are located in the United States in states that have a history of mining, and both projects are well situated with regards to existing infrastructure. The Company has successfully compiled all the historical data on both projects and has recently commenced a drilling program at the Indian Springs tungsten project and expects to begin drilling at the Victorio molybdenum-tungsten project in the early Fall. The Company continues to look for interesting projects with reasonable deal terms in an effort to further diversify its commodity exposure.

Bob Morrell is Galway's Qualified Person responsible for the activities at Indians Springs and has reviewed the technical content of this news release. Galway is following the "Best Practices Guidelines" in documenting, reporting, and conducting exploration activities at Indian Springs.

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The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

Forward Looking Statements:

Some statements in this news release contain forward-looking information. These statements include, but are not limited to, statements with respect to the completion of transactions, the timing and amount of payments and share issuances, the completion of



financings, the use of proceeds, future exploration, development and production activities and future expenditures. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the ability to complete contemplated transactions, payments, share issuances and financings, the use of proceeds, the time and success of future exploration, development and production activities and the timing and amount of expenditures.