



Elko, Nevada: January 29, 2007 - Galway Resources Ltd. (GWY: TSX-V) (“Galway or the “Company”) is pleased to announce an independent National Instrument Resource estimate (NI 43-101) prepared by S.R.K. Consulting (U.S.). The Victorio property is located approximately 20 miles west of Deming, New Mexico in Luna County. The highlights include:

- **The deposit contains over 65 million pounds of molybdenum and 57 million pounds of tungsten (WO3) in the Indicated Category, and 31 million pounds of molybdenum and 33 million pounds of tungsten (WO3) in the Inferred Category.**
- **Approximately 65% of the stated resources fall in the Indicated category, with the balance falling into the Inferred category. The focus of the current drilling program is to continue to upgrade the resources.**
- **Galway considers that the flat-lying tabular geometry of the mineral lends itself to underground bulk mining.**

- **The current price for molybdenum is US\$25.00 per pound, and for tungsten (WO3) is currently US\$12.50 per pound.**

“The resource number and implied metal value for this deposit reinforces in our view the vast potential of this deposit. The fact that the deposit is still open to the Northeast to add additional tonnage is also quite encouraging. The favorable infrastructure of the Victorio property (accessible power, natural gas and railway) bodes well also for the economic potential of this project. The Company continues to bring in the appropriate personnel and expertise to complement our very strong geological team,” states Robert Hinchcliffe, the President of Galway Resources.

Resource	Total	Average Grade		Contained Metal In Pounds	
Category (WO(3))	Tons (millions)	Mo (%)	W03 (%)	Molybdenum	Tungsten

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Indicated	21.5	0.150	0.132	65,000,000	57,000,000
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Inferred	11.7	0.133	0.140	31,000,000	33,000,000
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Management believes that the tonnage and grade figures listed above are the most plausible from an underground bulk mining standpoint for the Victorio project. The resource is based on data from 71 holes (over 165,000 feet of drilling) completed in the late seventies by Gulf Minerals. Previously released historical resource numbers were less-rigorous “global geological estimates” by Gulf Minerals. This is the first National Instrument 43-101 independent resource estimate prepared for the Victorio Project. It forms the foundation for advancing the project towards production. The cut-off used to arrive at the numbers provided in prior table is US\$40.00 per ton. For both independent resource estimates a conservative price assumption of US\$12.00 per pound molybdenum price and US\$8.00 per pound tungsten price was used.

Using a higher cutoff US\$50 per ton and the same metal price assumptions produces the following resource estimate:

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Resource	Total	Average Grade		Contained Metal In Pounds	
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Category (WO(3))	Tons (millions)	Mo(%)	W03(%)	Molybdenum	Tungsten
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Indicated	11.4	0.186	0.151	42,000,000	34,000,000
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Inferred	6.0	0.162	0.155	19,000,000	19,000,000
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“The high percentage of the tonnage falling into the Indicated category speaks volumes for the high caliber of the historical drilling information that was used to arrive at the tonnage and grade figures SRK Consulting has provided in this news release. To replicate this information would cost well in excess of US\$10 million and would require a considerable amount of time. This property was acquired in June 2006, and is one of three mining properties that Galway is aggressively advancing” cites Marshall Himes the COO of Galway Resources.

SRK has completed independent resource estimation according to CIM resource categories in compliance with NI 43-101 guidelines, and is currently completing an NI 43-101 Technical Report for the Victorio project. The report will detail all data verification and estimation and in that report there will be details regarding the procedures followed in arriving at their resource estimate. Leah Mach and Allan Moran of SRK Consulting (U.S.), are “Qualified Persons” as defined by NI 43-101, and are the Qualified Persons responsible for the resource estimations contained in this news release.

The resource estimation was generated utilizing Vulcan software using an inverse distance weighting to the third power estimation technique. The model required a minimum of 3 and maximum of 8 composites from at least two drill holes to assign grade to each 30’ by 30’ by 15’ block. The molybdenum and tungsten grade estimations were limited by individual hard boundary grade shells using only composite data from the same rock type.

Current Tungsten and Molybdenum Pricing

After the tungsten price was trading between US\$45- \$75 per short ton unit (as reported by Metal Bulletin and the United States Geological Service) during the 1980s and 1990s, the significant decrease in exports from China served as the impetus for prices to rise sharply at the end of 2004. Since October of 2005, tungsten prices have remained above US\$250 per short ton unit. *Note, one short ton unit is equal to 20 pounds of WO₃, which places current tungsten prices at US\$12.50 per pound.* A similar story holds true for molybdenum pricing for much of the past three decades. More recently, the price of molybdenum has also remained firm, with prices hovering around US\$25.00 per pound for the past 24 months.

“The continued strength in pricing for both tungsten and molybdenum provides us at Galway with some comfort, as pricing for base metals has come under pressure of late,” states Robert Hinchcliffe, the President of Galway Resources.

About the Company

Galway is focused on developing three U.S. based exploration projects that are favorably located with respect to infrastructure and have over 300,000 feet of historical drilling. We

have established a solid technical team that has compiled all the historical data and is now advancing these projects in an aggressive but cost effective manner. Management believes that its strategic portfolio of properties offers investors an interesting exposure to a unique blend of commodities.

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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.