



**Elko, Nevada: August 15, 2007 - Galway Resources Ltd. (GWY: TSX-V)** is pleased to announce an updated independent NI 43-101 compliant resource estimate provided by SRK Consulting (U.S.) Inc. for the Victorio molybdenum/tungsten project located near Deming, New Mexico. The resource estimate incorporated the results from the Company's first 10,000 foot (6 core holes) drilling campaign. The prior estimated resource that was announced earlier this year (January 29, 2007) was derived from 165,000 feet of drilling conducted by Gulf Minerals in the early 1980's.

"The new drilling and resource estimate certainly confirms the high quality of work done by Gulf Minerals. This all has a significant positive impact on our Scoping Study now underway. Upon completion of our next program of closer-spaced drilling, which will commence in the fall, Galway hopes to upgrade the resource estimate and continue advancing the project toward development. The size of the resource, implied metal value, and favorable infrastructure make the Victorio Project the flagship property in our portfolio." cites Marshall Himes the COO of Galway Resources.

**Highlights of the New Reserve Estimate:**

- **Resource upgrade:** Indicated resources now represent 68% of the resource, compared with 65% of the resource with the prior estimate.
- **Increase in tonnage:** The total tonnage in the Indicated category has increased by 10% to 23.7 million tons.
- **Molybdenum and Tungsten Prices Remain Firm:** Prices for molybdenum remain firm trading at above \$30 per pound, while the price of tungsten remains above \$13.00 per pound.

New N.I. 43-101 Resource Estimate---Victorio (August 2007)

Resource	Total	Average Grade		Contained Metal In Pounds*	
Category	Tons (millions)	Mo (%)	W03 (%)	Molybdenum	Tungsten (W03)
Indicated	23.7	0.148	0.145	70,000,000	68,000,000



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Inferred	10.9	0.141	0.126	31,000,000	27,000,000
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Prior N.I. 43-101 Resource Estimate---Victorio (January 2007)

Resource	Total	Average Grade		Contained Metal In Pounds*	
Category	Tons (millions)	Mo(%)	W03(%)	Molybdenum	Tungsten (W03)
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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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\*The cut-off used to arrive at the numbers provided in the prior two tables is US\$40.00 per ton. For both independent resource estimates a conservative price assumption of US\$12.00 per pound molybdenum and US\$8.00 per pound tungsten was used to derive the combined molybdenum and tungsten cutoff value of US\$40.00 per ton.

“We are very pleased with the outcome of the latest resource estimate. The geometry of the deposit is flat and tubular, which lends itself to low cost, bulk tonnage underground mining. Given the favorable metallurgical results achieved by Hazen Research in the 1980’s on behalf of Gulf Mineral Resources and the location of the project, we are very encouraged with Victorio’s potential,” states Paul Valenti, Head of Project Development for Galway Resources.

For both resources estimates, the resource model was constructed utilizing Vulcan software, and using an inverse distance weighting to the third power grade 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 for the Indicated resource classification. The molybdenum and tungsten grade estimations were limited by individual

hard boundary grade shells using only composite data from within the grade shells, by rock type.

SRK has completed independent resource estimations according to CIM resource categories in compliance with NI 43-101 guidelines for the Victorio project. The resource modeling parameters used are minor modifications to the parameters used in the January 2007 initial resource estimate, which is provided in Galway's NI 43-101 technical report dated February 28, 2007. Bart Stryhas and Allan V. Moran of SRK Consulting (U.S.), are "Qualified Persons" as defined by NI 43-101, are the Qualified Persons responsible for the resource estimations contained in this news release, and have reviewed the content of this press release.

### **Current Molybdenum and Tungsten Pricing**

After remaining below US\$10.00 per pound for the past 25 years, molybdenum prices began to rise in January 2004. Over the past 2 years, prices for molybdenum have traded around US\$25.00 per pound, and within the past months prices have moved to above US\$30.00 per pound. Higher levels of global molybdenum demand are cited by experts as the primary reasons that molybdenum prices have performed so well as of late.

A similar story holds true for tungsten, with pricing remaining between US\$2.50 per pound and US\$5.00 per pound for over 20 years. Tungsten pricing surged in January 2005 to just over US\$15.00 per pound and has remained resilient ever since. Over the past sixteen months tungsten prices have remained around US\$12.50 per pound, and more recently have moved to above US\$13.00 per pound. Continued steady global tungsten demand coupled with lower exports from China are cited as two primary drivers for sustained strong tungsten pricing

### **About the Company**

The company is well capitalized with \$14 million in the treasury. Management is focused on developing three U.S. based exploration projects that are favorably located and have over 300,000 feet of historical drilling. We have established a solid technical team that is compiling all the historical data and are 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.

### **For further information contact:**

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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.