



Galway Intercepts 34.5 Meters Of 4.1 G/T, 6.0 Meters Of 39.5 G/T
And 15.5 Meters Of 3.8 G/T Gold In The Pie De Gallo Open Pit | 1

Toronto, Ontario: October 21, 2010 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce assay results from an additional eight complete drill holes, of which six are discussed, plus results from a further two drill holes in which only partial results have been received, from its diamond drill exploration program on the Company's California property in Colombia. A complete summary of drill hole assay results is provided in [Table 1](#).

Highlights of notable intercepts from the completed drill holes are as follows:

- **GWY-42: 34.5 meters grading 4.1 g/t Au**, true width equals 29.9 meters (g/t Au, TW=), **including 3.0 meters (TW=2.25m) of 37.9 g/t Au in the Pie de Gallo Zone;**
- **GWY-43: 6.0 meters (TW=4.0m) grading 39.5 g/t Au, including 2.0 meters (TW=1.3m) of 118.5 g/t Au in the Pie de Gallo Zone;**
- **GWY-46: 15.5 meters grading 3.8 g/t Au and 28.9 g/t silver (Ag), including 1.5 meters of 15.0 g/t Au and 3.0 meters of 132.5 g/t Ag** within an area of stockwork mineralization **in the Pie de Gallo Zone (TW uncertain);**
- **GWY-47: 44.0 meters (TW=33.0m) grading 1.1 g/t Au and 18.6 g/t Ag, including 10.3 meters (TW=7.7m) of 2.1 g/t Au and 28.8 g/t Ag in the Northeast Zone; and**
- **GWY-51: 50.5 meters (TW=33.6m) grading 1.4 g/t Au and 18.3 g/t Ag, including 12.0 meters (TW=8.0m) of 3.0 g/t Au and 40.3 g/t Ag in the Northeast Zone.**

Highlights of notable intercepts from the drill results in which Galway has received partial assay results are as follows:

- GWY-52: 3.0 meters grading 50.0 g/t Au, 84.8 g/t Ag and 0.9% copper (Cu), including 1.5 meters of 98.8 g/t Au, 103.0 g/t Ag and 1.3% Cu in the Pie de Gallo Zone (TW uncertain); and
- GWY-53: 19.5 meters (TW=14.6m) grading 1.3 g/t Au, including 10.5 meters (TW=7.8m) of 2.1 g/t Au, plus a separate 20.8 meters (TW=15.6m) of 1.0 g/t Au, including 1.3 meters (TW=0.98m) of 7.2 g/t Au in the Pie de Gallo Zone.

"Galway continues to be encouraged and excited about the successes achieved in its ongoing exploration program. Correlation of mineralized intercepts from hole to hole for both the higher grade veins and the wider, more disseminated mineralized structures is beginning to provide strong evidence for continuity of mineralization. We will continue to put our geologic insights to the test through additional drilling, which we expect will continue to yield strong results," cites Robert Hinchcliffe, President and CEO of Galway Resources.

[Figure 1](#) provides a location map of all Galway holes drilled to date. As seen in the map, all

of the drill results noted above, with the exception of GWY-47 and GWY-51, were collared in the Pie de Gallo Zone. The Company's aim was to follow up on the successes achieved in its initial 10-hole program. Drilling in this Zone had ceased and step-out drilling to both the northeast and southwest was undertaken in order to test for extensions. This resulted in Galway identifying strong intercepts of gold mineralization along a 1,000 meter strike length (refer to [Figure 2](#) and Galway's [September 8, 2010](#) press release for details).

Pie de Gallo Zone Follow-Up Drilling, Drill 1

One of the two drill rigs engaged in following up on previous results in the Pie de Gallo Zone was used for three purposes as follows:

- to test for extensions of the strong results received in GWY-02 (38.5 meters grading 2.5 g/t Au, including 16.0 meters of 3.9 g/t, which included 1.5 meters of 29.1 g/t). GWY-42 returned similar results but with 64% higher grade, while GWY-43 yielded the second highest grade intersection to date on the property (2.0 meters of 118.5 g/t Au). Among the drill holes projected to section in [Figure 3](#), GWY-42 and GWY-43, two angle holes drilled on the same azimuth, contain high grade intervals that correlate closely down a -80 degree fracture surface parallel the main structural trend. These two intercepts are also along trend high grade mineralization in GWY-02, indicating a correlation at elevation in the same structure and the possible continuation of high grade mineralization over approximately 40 meters of strike.
- to test for extensions of the strong results received in vertical hole **GWY-03 (36.0 meters grading 1.7 g/t, including 10.5 meters grading 3.8 g/t** beginning 114.3 meters downhole). Extensions to this hole were tested by vertical hole GWY-46, which returned 15.5 meters grading 3.8 g/t Au, including 1.5 meters of 15.0 g/t Au beginning 89.0 meters downhole, plus 7.5 meters grading 1.5 g/t Au beginning 133.0 meters downhole. Mineralization is hosted by quartz/sulfide stockwork and veinlets within argillized intrusive rocks. Correlating the similarities between these two holes supports continuity of geology and mineralization.
- to better understand the structures along strike in the area between the Pie de Gallo and San Celestino Zones. GWY-17 and GWY-20, which were collared and drilled along the northeastern edge of the San Celestino Zone, returned evidence of sporadic mineralization and faulting in the core, which indicated the potential for displacement. While results from GWY-49 were encouraging (14.0 meters grading 1.4 g/t Au), partial results from GWY-52 returned strong mineralization. GWY-52 contained 3.0 meters grading 50.0 g/t Au, 84.8 g/t Ag and 0.9% Cu, including 1.5 meters of 98.8 g/t Au, 103.0 g/t Ag and 1.3% Cu. It is noteworthy that no results have been received for 18.0 meters uphole and only 3.0 meters of results were received in the remaining 33.0



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meters downhole.

Pie de Gallo Zone Follow-Up Drilling, Drill 2

The other drill used in the Pie de Gallo Zone tested for extensions of mineralization in GWY-06, GWY-07, GWY-09 and GWY-10 (refer to Table 1 for a summary of assay results from these holes, and [Figure 4](#) for a profile illustration of a number of holes projected to section). To date, a total of seven additional holes have been completed (GWY-53, GWY-54, GWY-56, GWY-57, GWY-59, GWY-60 and GWY-62), and an eighth will be underway shortly (GWY-64; refer to Figure 1). The focus of these and other planned drill holes is to conduct a number of 25 to 30 meter offsets. When the planned holes are completed at the current drill pad, Galway expects to have achieved this offset coverage over 85 meters of strike and penetrated the full width of the main structure to a depth of approximately 280 meters.

Partial assay results have been received for GWY-53 and no assays have been returned for any of the other holes drilled to test this target. As mentioned above, the partial results for GWY-53 returned 19.5 meters grading 1.3 g/t Au, plus a separate 20.8 meters grading 1.0 g/t Au (including 1.3 meters of 7.2 g/t Au). There are significant gaps on both ends of both sets of intercepts, as well as a 15 meter gap between the two.

Northeast Zone Follow-Up Drilling

The other area of focus for Galway's drill program was to test for extensions of the long intervals of gold mineralization previously identified along the eastern property boundary with Ventana Gold, on the eastern edge of the Northeast Zone ([Figure 5](#)). These previously released intercepts, GWY-37 (**121.5 meters grading 2.7 g/t Au, including 1.5 meters of 151.5 g/t Au**); GWY-30 (**85.5 meters grading 1.1 g/t Au, including 1.5 meters of 21.4 g/t Au**); and GWY-32 (**148.5 meters grading 0.65 g/t Au**), indicate possible continuity of mineralization in the Northeast Zone along the main La Mascota structure for 30 meters horizontally, almost 200 meters vertically on dip or plunge and across over 60 meters of true thickness.

GWY-47, GWY-51, GWY-55, GWY-58, GWY-61 and GWY-65 (in progress) were drilled to test for extensions to the gold mineralization encountered in GWY-30, GWY-32 and GWY-37. To date, Galway has received assay results for GWY-47 and GWY-51. GWY-47, which was collared approximately 100 meters to the south of the three previous drill holes and oriented to drill to the NNE returned 44.0 meters of 1.1 g/t Au and 18.6 g/t Ag, including 10.3 meters of 2.1 g/t Au and 28.8 g/t Ag. The interval for GWY-47 started just four meters downhole. GWY-51 intercepted 50.5 meters grading 1.4 g/t Au and 18.3 g/t Ag, including 12.0 meters of 3.0 g/t Au and 40.3 g/t Ag starting just 17.0 meters downhole. The fact that GWY-47 and GWY-51 intercepted gold mineralization very close to surface fits well with a



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previously released geochemical surface anomaly extending for approximately 80 meters in a NS direction along Galway's eastern boundary with Ventana, and the strongest part of the anomaly was immediately to the north of the collar for these two holes (refer to [Figure 1 in the July 22, 2010](#) press release).

Mineralization

Mineralization occurs in quartz veins and linear zones of silicification as well as sulfide (mostly pyrite and chalcopyrite)/quartz breccias and stockwork in argilized intrusive rocks and Precambrian gneiss. Contacts between the mineralized zones and altered and fractured host rocks are generally obscure in drill core. Intrusive contacts, typically highly fractured, and somewhat linear were an important control for later hydrothermal alteration, more intense fracturing, silicification and gold mineralization. The principle structural zone trends northeast-southwest and dips to the north. Parallel structures are also gold bearing and important targets. Mineralization remains open in most directions.

Review by Qualified Person, Quality Control and Reports

In compliance with National Instrument 43-101, Mr. Mike Sutton, P.Geo., is the Qualified Person responsible for the accuracy of this news release. All samples are assayed by ALS Chemex in Lima, Peru, after preparation at the Chemex facility in Bogota, Colombia. The veins and silicified zones are sent for metallic screens. For all other samples, the samples were fire assayed with an AA with gravimetric finish. The Company's QA/QC program includes the regular insertion of blanks and standards into the sample shipments. A portion of the pulps and rejects are sent to a second lab for check assaying, with the results averaged and intersections updated when received. True widths are unknown at this time, except for those shown. Core recovery in the mineralized zones is generally good to excellent.

About the Company

Galway Resources is a well capitalized company, primarily focused on the exploration of gold and coal in Colombia. The core focus of the Company is gold exploration in northeast Colombia with a drilling program occurring at the California gold project and extensive underground channel and surface sampling taking place at the nearby Vetas gold project. The Company has also reported that drilling is underway at the GALCA coal project in Colombia, which is being managed and funded by Prodeco, the Colombian subsidiary of Glencore. Efforts are underway to secure access from the GALCA property owners to move the drill rig to the next set of planned drill holes.

For further information contact:



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Galway Resources Ltd.

Robert Hinchcliffe

President and Director

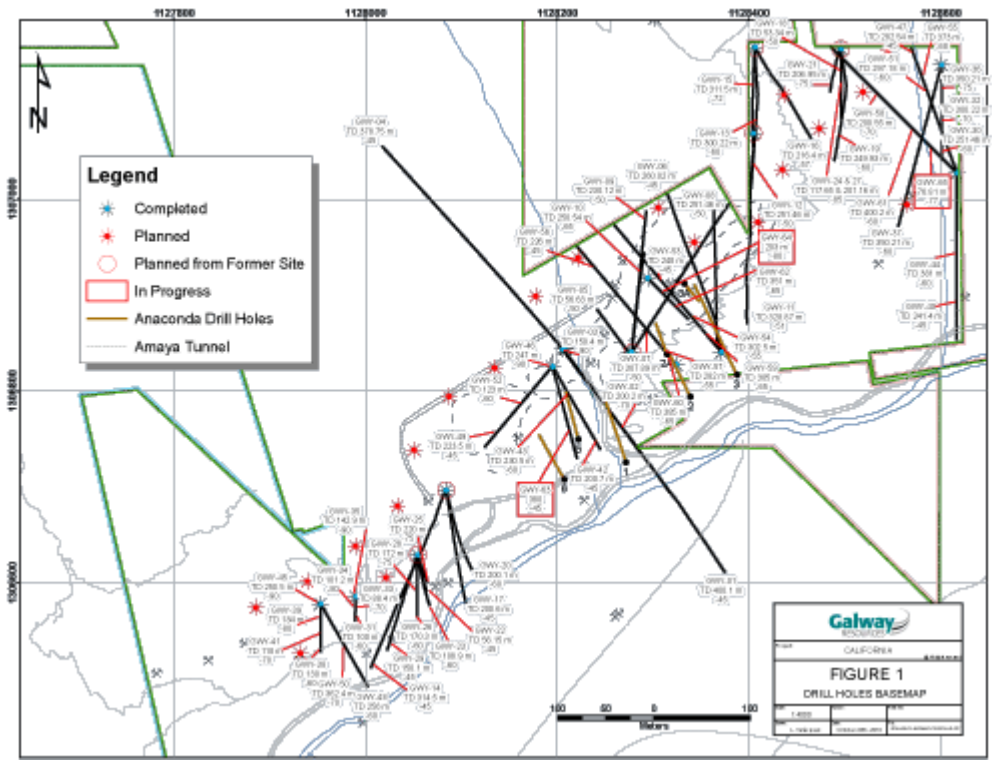
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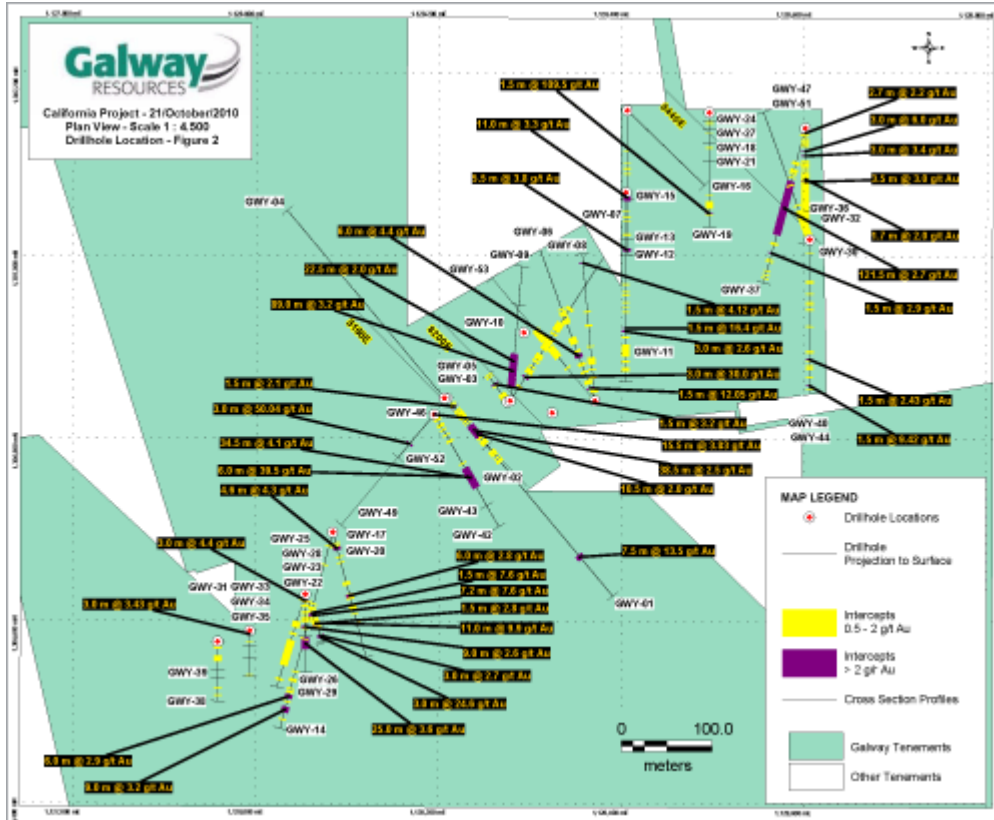
Forward Looking Statements:

Forward-Looking Statements: Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in the Company's periodic filings with Canadian Securities Regulators. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The Company does not assume the obligation to update any forward-looking statement.



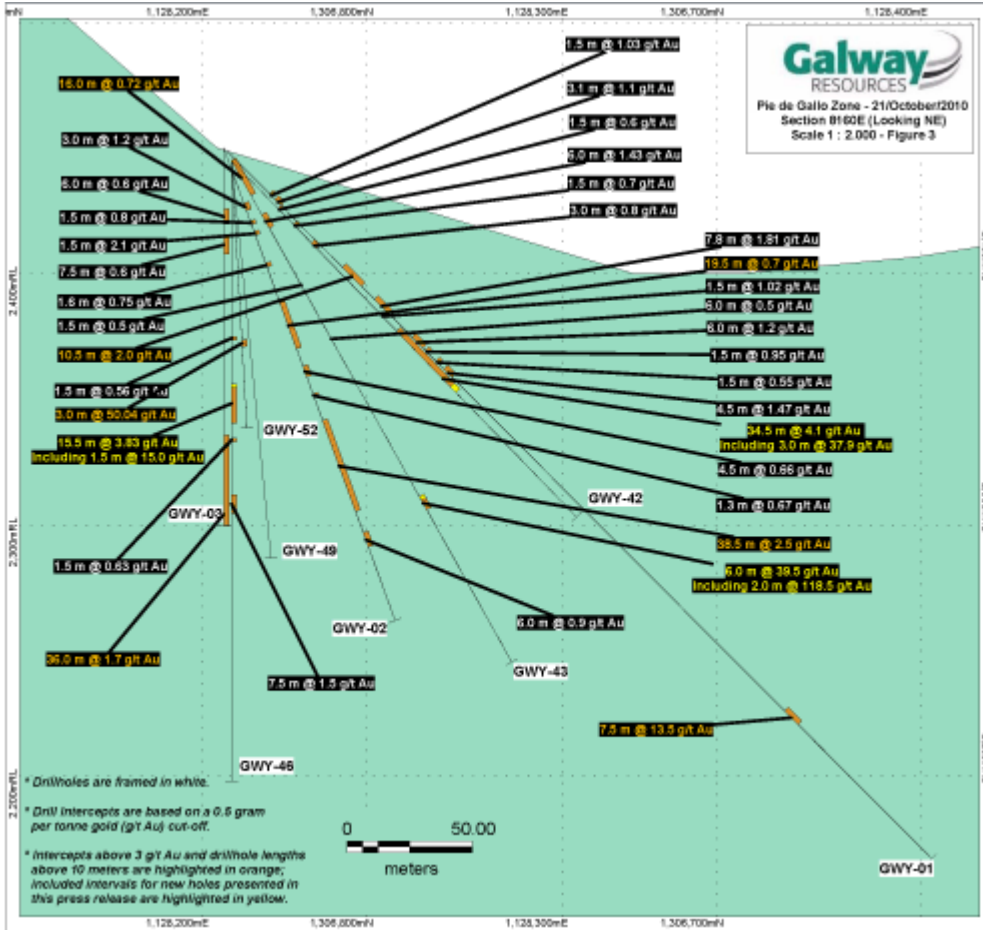


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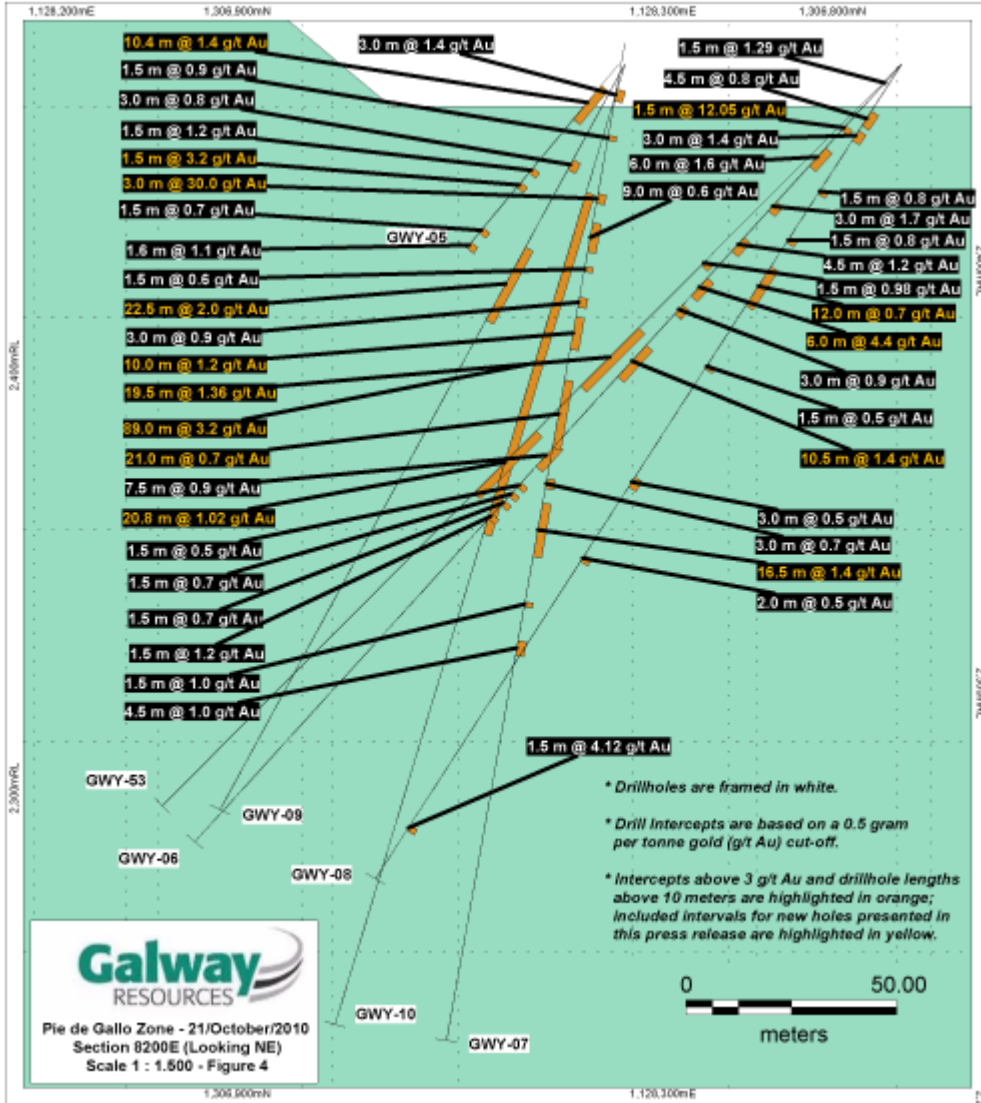




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