

Toronto, Ontario: December 15, 2010 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce assay results from nine additional drill holes from its diamond drill exploration program on the Company's California property in Colombia. Six of the holes were drilled in the Pie de Gallo Zone, with the remaining three in the Northeast Zone. All holes contained significant intervals of gold mineralization. Moreover, all significant intervals are within 222 meters of surface (244.5 meters downhole), with the vast majority located at significantly shallower depths. A complete summary of drill hole assay results is provided in [Table 1](#). All maps and sections associated with this press release can be found on Galway's website at www.galwayresources.com.

"Strong drill results continue to be returned from Galway's California exploration program. In light of Ventana Gold's recently released 3.5 million ounce resource estimate and the takeover bid for that company by EBX, a fund controlled by Mr. Eike Batista, Galway reiterates its ownership of a fractional land position within Ventana's concessions. We consider it very significant that these resources appear to directly border Galway's properties," cites Robert Hinchcliffe, President and CEO of Galway Resources.

Gold intercept highlights from the Pie de Gallo Zone are as follows:

GWY-62

- 24.0 meters grading 8.4 grams per tonne gold (g/t Au), including 1.5 meters of 112.0 g/t Au
- 4.5 meters grading 20.0 g/t Au, including 1.5 meters of 45.1 g/t Au
- 21.0 meters grading 1.7 g/t Au, including 3.0 meters of 6.5 g/t Au
- 19.5 meters grading 1.2 g/t Au

GWY-60

- 84.0 meters grading 1.2 g/t Au, including 3.0 meters of 10.6 g/t Au
- 31.5 meters grading 1.7 g/t Au, including 9.0 meters of 2.6 g/t Au
- 16.5 meters grading 1.5 g/t Au, including 6.0 meters of 2.9 g/t Au
- 9.5 meters grading 1.3 g/t Au

GWY-59

- 25.0 meters grading 2.4 g/t Au and 227.7 g/t silver (Ag), including 3.0 meters of 11.6 g/t Au, 1,730.0 g/t Ag, 1.6% copper and 1.8% zinc
- 7.5 meters grading 3.1 g/t Au, including 1.5 meters of 8.3 g/t Au

- 18.0 meters grading 1.2 g/t Au

GWY-57

- 16.5 meters grading 3.6 g/t Au, including 4.5 meters of 10.9 g/t Au
- 31.5 meters grading 1.9 g/t Au, including 1.5 meters of 12.3 g/t Au and also including 1.5 meters of 10.8 g/t Au

GWY-56

- 10.5 meters grading 5.2 g/t Au, including 1.5 meters of 25.0 g/t Au
- 4.5 meters grading 9.1 g/t Au, including 1.5 meters of 22.9 g/t Au

GWY-63

- 16.0 meters grading 3.3 g/t Au, including 4.0 meters of 11.0 g/t
- **8.0 meters grading 2.1 g/t Au and 77.1 g/t Ag**

The six holes drilled in the Pie de Gallo Zone have extended the continuity of known parallel mineralized zones both vertically and laterally along structure. GWY-59 intersected zones near surface that correlate well down-dip with intersections in GWY-53 and GWY-54. The hole also penetrated a thicker zone at depth of 25.0 meters grading 2.4 g/t, that, paired with GWY-62 (24.0 meters grading 8.4 g/t Au), indicates continuity of mineralization over 40 meters along structure northeast of the mineralized intercept in GWY-10 (13.5 meters grading 15.6 g/t Au), and with GWY 54 (19.5 meters of 11.0 g/t). GWY-56, GWY-57 & GWY-60 passed through and appear to correlate along structure with the 89.0 meter gold bearing intercept in GWY-10, and these holes demonstrate mineralization from surface to a 200 meter depth. GWY-63 is interpreted to have intersected the southwest extension of the mineralization encountered in GWY-42 and GWY-43. Strike length of the mineralization identified in the Pie de Gallo Zone is approximately 270 meters and is open in all directions.

Gold intercept highlights from the Northeast Zone are as follows:

GWY-58

- 96.0 meters grading 1.6 g/t Au, including 1.5 meters of 21.2 g/t Au

GWY-55

- 70.0 meters grading 1.7 g/t Au, including 9.0 meters of 4.5 g/t Au
- 13.5 meters grading 2.3 g/t Au, including 1.5 meters of 16.3 g/t Au

GWY-61

- **45.0 meters grading 0.9 g/t Au**

A 0.5 g/t Au lower cutoff grade was applied in determining all intervals provided above. No upper cutoff grade was applied.

The three holes drilled in the Northeast Zone offset the intercept encountered in GWY-37 (121.5 meters grading 2.7 g/t Au). Intercepts were shallow, starting at 14.3 meters in GWY-61 and 38.5 meters in both GWY-55 and GWY-58. GWY-58 and GWY-61 penetrated the mineralized zone above GWY-37, extending the known mineralization in this section up structure to surface outcrops. The intercepts correlate well from the surface to a minimum depth of approximately 100 meters. Strike length of this mineralized zone in the Northeast Zone is approximately 100 meters and open in all directions. The intersections of Ventana's Hole 330 in La Mascota's SW Extension (91.2 meters of 1.31 g/t Au, 3.0 meters of 16.5 g/t Au and 3.5 meters of 9.4 g/t Au) may correlate with Galway's mineralization. Ventana indicates that the average resource grade in this area is similar to the main La Mascota zone.

Fractional Land

On May 25, 2010, Galway reported that it had increased its land position in the California district of Colombia by 67%. Included were fractional concessions within Ventana Gold's land package. As reported previously, one of these fractional lands is 360 meters long and located within the main La Mascota structure. As [Figure 1](#) shows, Ventana's mineral resource appears to have been constrained as Galway's land fractions limited Ventana's exploration of this highly prospective area. As Ventana is currently the subject of a takeover offer by EBX, a fund controlled by Mr. Eike Batista, Galway has chosen to reiterate its ownership interest in this land.

Mineralization

Intercepts reported above and in previously reported drill holes are hosted by silicified zones, breccias, fracture zones and stockwork, typical of the district, which includes Greystar Resources' National Instrument 43-101 compliant resource, Angostura, and Ventana Gold's National Instrument 43-101 documented project, La Bodega. The principal geologic control in the California-Angostura District is a linear structural corridor that trends northeast-southwest and dips steeply to the north. Segments of this zone host the

resources reported by both Greystar and Ventana, and Galway is exploring another segment along the same structural corridor. The mineralized Zone identified on Galway's properties is approximately 150-200 meters wide and 1,000 meters long, characterized by hydrothermal alteration and mineralization within various phases of pervasively altered intrusive porphyries. Precambrian gneiss is a less important host rock but well mineralized in places, especially near contacts with the intrusive bodies. Mineralization remains open along strike where untested, at depth along the entire Zone, and across the width of the structure in most places. Veins parallel to the main structure, hosted by gneiss, have also been encountered in drill core. Galway believes potential for high grade gold occurrences as well as lower grade bulk resources has been demonstrated by the first 63 core drill holes reported to date.

San Celestino

It has come to Galway's attention that a private company, Calvista Gold, has procured a 50 meter horizontal concession within a portion of a 10.1 hectare property located west of the San Celestino mine, the southwestern-most zone on its contiguous 1.2-km California property. This horizontal concession is the only one of its kind in Santander, according to Ingeominas, the Mining Ministry of Santander. Galway controls all mineralization above 2,460 meters and all mineralization below 2,410 meters.

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. All core is under watch from the drill site to the core processing facility. Samples are fire assayed with an AA with gravimetric finish. Samples returning in excess of 3.0 g/t are sent for metallic screens. The Company's QA/QC program includes the regular insertion of blanks and standards into the sample shipments, as well as instructions for duplication. Standards are inserted at one per 20 samples. Approximately five percent (5%) of the pulps and rejects are sent for check assaying at a second lab 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 has averaged over 92%.

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 Vetás gold project. The Company has also reported that drilling has occurred at the GALCA coal project in



Galway Intercepts 24.0 Meters of 8.4 G/T Gold and 96.0 Meters of 1.6 G/T Gold, and Reiterates its Fractional Land Position | 5

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.

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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.