



Toronto, Ontario: September 16, 2011 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce assay results from holes GWY-117 to GWY-120 from the Company's ongoing diamond drill exploration program at its California gold-silver property in Colombia. This property is located adjacent to, and on strike with the La Bodega/La Mascota deposit (acquired for \$1.5 billion in cash by AUX Canada). Galway's property is also at the lowest elevation among the major deposits identified along the California gold trend. Galway also owns a 360 meter-long fractional land position that appears to be directly within AUX's La Mascota mineralized structure. Galway has three diamond drill rigs operating in California, and an additional two diamond drill rigs operating in Vetás at the high-grade El Volcan gold-silver mine. El Volcan is located 8 km southeast of California and is the largest gold producer in the region.

"In much the same way that Galway has been successful in bridging the gap between the Pie de Gallo and Northeast Zones, the high grade intersections seen in holes 117 and 120 help to bridge the gap between the Pie de Gallo and San Celestino Zones. Moreover, the strong mineralization seen in these two holes are actually contained within two different mineralized veins, which align well with other previously reported intersects along strike and dip. Also noteworthy is that, with several very high grade intersects, silver continues to represent a significant by-product credit in Galway's California property," cites Robert Hinchcliffe, President and CEO of Galway Resources.

Highlights from recent drill results at California are as follows: **GWY-117**

- **14.0 meters grading 21.6 grams per tonne gold (g/t Au), 475.7 g/t silver (Ag), 2.5% zinc (Zn) and 0.24% copper (Cu), including 1.0 meter of 177.5 g/t Au, 3150.0 g/t Ag, 14.3% Zn and 0.97% Cu, 1.0 meter of 62.9 g/t Au and 109.0 g/t Ag, and 1.0 meter of 27.5 g/t Au, 2120.0 g/t Ag, 11.0% Zn and 1.29% Cu**
- **1.0 meter grading 24.9 g/t Au**

GWY-118

- **2.0 meters grading 6.3 g/t Au and 258.3 g/t Ag**
- **10.0 meters grading 1.1 g/t Au**

GWY-119

- **10.0 meters grading 2.4 g/t Au**
- **10.0 meters grading 2.0 g/t Au**
- **8.0 meters grading 1.4 g/t Au**



- **4.0 meters grading 4.2 g/t Au, including 1.0 meters of 8.3 g/t Au**

GWY-120

- **8.0 meters grading 43.4 g/t Au, including 1.0 meter of 319.0 g/t Au and 45.8 g/t Ag**

Details of Galway's California drill results are provided in the Assay Result Highlights Table on the Company's website at www.galwayresources.com. Also on the website are all maps and sections associated with this press release, and pictures of significant visible gold from California and Vetas. A 0.5 g/t Au lower cutoff grade was applied in determining all intervals provided in this news release. No upper cutoff grade was applied. True widths are unknown unless specified.

The strong mineralization seen in holes GWY-117 and GWY-120 are significant because they help to bridge the gap between the Pie de Gallo and San Celestino Zones in much the same way strong results in the gap area between the Pie de Gallo and Northeast Zones did earlier in the company's exploration program (refer to Galway's [March 1, 2011](#) press release). Moreover, while holes GWY-117 and GWY-120 were drilled from the same collar and in the same direction (azimuth of 160 degrees and dips of -70 and -80 degrees, respectively), they intersected different and likely sub-parallel structures. For example, the intersection of **8.0 meters grading 43.4 g/t Au** in hole GWY-120, which is the steeper of the two holes, occurred beginning 191.5 meters downhole. By comparison, the intersection of **14.0 meters grading 21.6 g/t Au, 475.7 g/t Ag, 2.5% Zn and 0.24% Cu** in hole GWY-117 began 418.5 meters downhole. As hole GWY-117 was drilled at the shallower dip, and the holes were drilled across the steeply dipping mineralized trend, they clearly intersected different strongly mineralized veins.

Importantly, the high grade vein intersected in hole GWY-117 is located between, but at significant distances along strike to the northeast and southwest from two earlier intersects. Located 50 meters to the northeast of the intersection in GWY-117 is **16.0 meters grading 3.3 g/t Au**, including 4.0 meters of 11.0 g/t in hole GWY-63, and located 150 meters to the southwest of the intersection in GWY-117 is **11.0 meters grading 9.9 g/t Au and 145.3 g/t Ag**, including 3.3 meters of 30.4 g/t Au, 441.6 g/t Ag, and 7% Zn in hole GWY-22. The high zinc values in holes GWY-117 (which includes 1.0 meter of 177.5 g/t Au, 3150.0 g/t Ag, 14.3% Zn and 0.97% Cu) and GWY-22 corroborate the interpretation that they are along the same zone. Also of significance is that the high-grade intersect in GWY-117 reached a depth of 405 meters vertically below surface. This enhances the Company's view that strong mineralization remains open to depth.

Aligning well along strike with the strong results from hole GWY-120 are **15.7 meters grading 10.0 g/t Au**, including 1.5 meters of 89.7 g/t Au and 22.3 g/t Ag in hole GWY-86 located 65 meters to the northeast, and **22.5 meters grading 7.8 g/t Au** and 16.5 g/t Ag, including 1.5 meters of 102.5 g/t Au in hole GWY-74, also located 65 meters to the northeast. Holes GWY-86 and GWY-74 were drilled from the same pad but at different directions and dips, but nonetheless intersected the same vein as hole GWY-120, which was collared 60 meters to the west.

Good vertical continuity to earlier drill results is seen for hole GWY-120 as well. For example, the strong results of **8.0 meters grading 43.4 g/t Au**, including 1.0 meter of 319.0 g/t Au in GWY-120 is located 10 meters below and to the west of the intersect containing **16.0 meters grading 10.9 g/t Au**, including 1.0 meter of 154.5 g/t Au in hole GWY-103, 85 meters below 15.5 meters grading 3.8 g/t Au, including 1.5 meters grading 15.0 g/t Au in hole GWY-46, and 110 meters below **3.0 meters grading 50.0 g/t Au**, including 1.5 meters of 98.8 g/t Au in hole GWY-52. As such, vertical continuity in this vein has been established over 170 meters, and the structure remains open both up and down dip and along strike.

Drill holes completed in the Pie de Gallo Zone were drilled generally at 20 to 30 meter centers. These holes continue to extend continuity of mineralization both vertically and laterally along structure in multiple overlapping lenses typical of the district. Mineralization in the Pie de Gallo Zone remains open in all directions. Drilling is continuing with 3 drills targeting gap areas between the San Celestino, Pie de Gallo and Northeast Zones. More complete drill hole results are provided on Galway's website.

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 Eco Oro's (formerly Greystar Resources') and AUX's (formerly Ventana Gold's) National Instrument 43-101 compliant resources, Angostura and La Bodega, respectively. 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 Eco Oro and AUX, and Galway is exploring another segment along the same structural corridor. The entire corridor may be one continuous mineralized zone through all three properties. The mineralized zone identified on Galway's properties is characterized by hydrothermal alteration and mineralization within various phases of pervasively altered intrusive porphyries. Mineralization remains open along strike where untested, at depth along the entire Zone, and across the width of the structure in most places.



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 10.0 g/t Au are sent for metallic screens. Assays reported in this press release may have screen assays pending and will be updated in the table on the website as needed. In addition, assay results are as reported; some results may have changed due to screen assays or have been averaged with check assays from the second lab. Please see Table 1 for updated assay results. 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, blanks and duplicates 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%.

Galway Alerts Ingeominas & Mining Ministry on Improper Concession Dealing

Galway also today advises it has caused legal counsel to provide written notice to Ingeominas (the Mining Ministry of Colombia, Agency) advising Ingeominas of the improper attempts by the concession owner to deal with its license 090 — 68 Concession. Galway expects to receive definitive response from Ingeominas within the next few weeks. The license 090 — 68 Concession is subject of an option agreement. Galway became aware of the improper dealings by the concession owner as a result of a public announcement by another listed mineral exploration company. The location of license 090 — 68 can be viewed in [Figure 1](#).

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 drill programs occurring at the California and Vetás gold projects. The Company also has the Victorio molybdenum-tungsten project, with excellent infrastructure, in southwestern New Mexico. A positive scoping study was completed by SRK in 2008. The recent surge in tungsten pricing, coupled with a steady molybdenum price, has prompted management to reassess strategic alternatives to advance the Victorio project.

For further information contact:

Galway Resources Ltd.



Galway Intersects 14.0M of 21.6 G/T Au And 475.7 G/T Ag and 8.0M
Of 43.4 G/T Au, Bridging The Gap From Pie De Gallo to San Celestino

| 5

Investor Relations

1-800-475-2412

www.galwayresources.com

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.