



Toronto, Ontario: November 4, 2011 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce partial assay results from an additional two diamond drill holes at its Vetas gold-silver project, host of the El Volcan gold-silver mine that has been in operation over 400 years and is the largest mine in the California-Vetas-Surata gold region. Galway also is pleased to announce that it will begin to drill its first surface target at Vetas in the second half of November. This target was initially discovered through extensive sampling and geophysical exploration programs carried out by Galway. The initial target is along strike and adjacent to CB Gold's new discovery of 7.57 grams per tonne gold (g/t Au) over 114.98 meters in what appears to be the same stockwork zone on Galway's side of the common border. The CB Gold intersection includes 17.17 g/t Au over 40.89 meters (which includes 316.67 g/t Au over 2.09 meters), and 5.36 g/t Au over 30.35 meters. The focus of Galway's exploration efforts at Vetas is to test for a continuation of mineralization below El Volcan mine, strike and lateral extensions to the mine and other anomalies within the Company's Vetas concessions. Results confirm that mineralization extends at least 200 meters below current workings.

"Continued strong drill results from Vetas, coupled with the fact that El Volcan remains open in all directions for the potential discovery of new zones, has us really excited at Galway. The recent announcement by CB Gold of its discovery along our border in the same geological structures reinforces our view of the area's potential," cites Robert Hinchcliffe, President and CEO of Galway Resources. "This new stockwork zone that we will soon begin drilling is one of the many interesting zones that we have identified from our geophysical and soil, tunnel and trench sampling programs. Highlights of these results are provided below."

On [June 22, 2011](#), Galway released the first-ever drill results from its Vetas project. All holes drilled to date host at least one assay in excess of 10 g/t (the average is 3 per hole), and all holes contain multiple mineralized intersects. In addition, 10 of the first 13 holes reported to date contained visible gold and all seven holes in which assays are pending also contain visible gold. Highlights of results from the latest two holes are as follows:

GWY-V012

- 15.3 g/t Au and pending g/t silver (Ag) over 11.44 meters, including 112.3 g/t Au and 34.2 g/t Ag over 0.92 meters, and including 16.8 g/t Au and 20.5 g/t Ag over 1.33 meters
- 12.8 g/t Au over 7.2 meters, including 67.2 g/t Au and 34.4 g/t Ag over 1.12 meters
- 5.3 g/t Au over 1.0 meter

GWY-V014

- >10.0 g/t Au and pending Ag over 1.21 meters
- >10.0 g/t Au and pending Ag over 1.20 meters
- >10.0 g/t Au and pending Ag over 1.10 meters
- >10.0 g/t Au and pending Ag over 1.00 meter
- 6.1 g/t Au over 0.6 meters

Note: Galway has received 258 meters of assays out of a total of 902 meters drilled for holes GWY-V012 and GWY-V014. A portion of the 258 meters have not been finalized, including the 4 intervals >10.0 in GWY-V014.

Extensive Surface Sampling Program: Tunnel and Trench Sampling Coupled with a Geophysical Program

Fourteen trenches and four tunnels (adits-drifts) have been mapped and sampled in the area. A total of 486 samples have been returned, with result highlights described in the tables below. A total of 87 samples returned more than 0.5 g/t Au, with 11 samples grading more than 3 g/t Au, the highest of which returned 20.0 g/t Au over 0.3 meters.

Along the western border of the El Volcan gold mine property (the Reina de Oro concession), intrusive rock has been mapped, with stockwork and vein mineralization peripheral to and within it. CB Gold has intersected 7.57 grams per tonne gold (g/t Au) over 114.98 meters, close to the border with Galway, in the same geological setting (please see [Figure 1](#)). CB Gold is currently conducting drilling within 50 meters of the border with Galway in this area.

A few highlights of our program include:

- A 100 meter-wide NE-trending shear zone was identified as a priority target for drilling.
- Our first target represents only one of eight gold-silver anomalies detected by the surface exploration work that was recently completed.
- In addition to the main NE-SW trend of mineralization common to the area and the El Volcan mine, a second orientation of mineralization related to NW-SE faulting is also apparent, as can be seen in the Piedra Colorada tunnel which returned gold values up to 20.0 g/t.

Vetas Surface Drilling Program Map

A surface rig is being mobilized to drill anomaly #6 area along the western border as shown

in [Figure 1](#). Anomalies #4 and #5, which are also to be drilled, are characterized by high Au-Ag MMI ratio responses with high chargeability targets 40 to 60 meters down, and may be related to strong argillic alteration that is part of the porphyry system.

Select Trenching Results

Trench ID	Type sample	Azimuth	dip	Description	Sample numbers	width (m)	Au g/t	Ag g/t
T3	chip-channel			stw(qtz/Oxides)veinlets	V-0275	1.00	6.13	1.27
T1	chip-channel			stw(qtz/Oxides)veinlets	V-0322	2.00	1.12	0.63
T1	chip-channel			stw(qtz/Oxides)veinlets, breccia	V-0339		1.67	2.38
T1	chip-channel			stw(qtz/Oxides)veinlets, breccia	V-0342		1.38	2.88
T4	chip-channel			stw(qtz/Oxides)veinlets, breccia	V-0379	2.00	1.50	0.48
T7	chip-channel			stw(qtz/Oxides)veinlets, breccia	V-0407	2.00	4.99	0.52
T7	chip-channel	100	-15	Fault/breccia with sulfides and milonite	V-0421	0.21	2.11	4.86
T9	chip-channel			stw(qtz/Oxides)veinlets, breccia	V-0636	2.00	1.57	0.05

Select Tunnel Results

Tunnel ID	Type sample	Azimuth	dip	Description	Sample numbers	width (m)	Au g/t	Ag g/t
El Coco	chip-channel	210	-20	Fault/vein	V-0514	0.30	5.30	3.06
El Coco	chip-channel	240	-25	Fault/vein	V-0519	0.30	14.1	13.85
El Coco	chip-channel	230	-20	Fault/vein	V-0527	0.20	3.19	1.14
El Coco	chip-channel	220	-25	Fault/vein	V-0539	0.30	1.61	1.81
El Coco	chip-channel	215	-25	Fault/vein	V-0565	0.30	1.28	2.61
El Coco	chip-channel	270	-45	Fault/vein	V-0566	0.30	1.54	0.68
El Coco	chip-channel	210	-30	Fault/vein	V-0570	0.40	1.60	7.70
El Coco	chip-channel	210	-30	Fault/vein	V-0572	0.30	4.78	3.03

El Coco	chip-channel	220	-25	Fault/vein	V-0578	0.30	12.45	0.93
El Coco	chip-channel	275	-20	Fault/vein	V-0583	0.60	2.83	3.36
El Coco	chip-channel	210	-20	Vein/breccia	V-0625	0.50	2.64	18.20
El Coco	chip-channel	210	-15	Vein/breccia	V-0626	0.55	1.16	6.70
El Coco	chip-channel	270	-25	Vein/breccia	V-0631	0.50	10.75	8.23
El Coco	chip-channel	180	-35	Vein/breccia	V-0635	0.30	9.89	8.27
Piedra Colorada	chip-channel	290	-35	Vein/breccia	GWY-V-CH-5788	0.90	2.35	2.00
Piedra Colorada	chip-channel	290	-35	Vein	GWY-V-CH-5793	0.10	2.04	3.00
Piedra Colorada	chip-channel	290	-30	Vein	GWY-V-CH-5797	0.20	1.40	2.00
Piedra Colorada	chip-channel	290	-30	Vein	GWY-V-CH-5808	0.30	20.00	61.00
Piedra Colorada	chip-channel	290	-30	Vein	GWY-V-CH-5809	0.20	1.62	2.00
Piedra Colorada	chip-channel	295	-35	Vein	GWY-V-CH-5815	0.15	7.81	1.00

See [Figure 2](#) for select results

Vetas Drill Results Summary

It is noteworthy that all 13 holes reported to date at Vetas have intersected multiple veins, which is in-line with expectations given the vertical nature of veining below the El Volcan mine, and drill orientations sub-perpendicular to the strike of the deposit. As such, drilling was expected to pierce multiple veins. Exceeding expectations, however, is the frequency of high-grade intersects, which is highlighted in the table below. This table shows that, on average, Galway has intersected more than 4 samples above 5 g/t, and 3 samples above 10 g/t in each drill hole reported to date. A statistical summary of individual drill samples with varying cutoffs can be seen below:

Vetas Results in 13 Drill Holes (two of which have assays pending):

- 5 g/t Au or more, 60 times
- 10 g/t Au or more, 39 times*
- 30 g/t Au or more, 12 times
- 50 g/t Au or more, 8 times

- **20 g/t Au or more, 17 times**
- **25 g/t Au or more, 15 times**
- **100 g/t Au or more, 3 times**
- **150 g/t Au or more, 1 time**

* Includes the four intersects in GWY-V014 in which preliminary assays of >10 g/t were received; final assay results are pending.

[Complete Vetás Drill Results](#)

Also of note is that visible gold has been seen in 10 of the first 13 holes reported to date. Visible gold has also been seen in all of the next 7 drill holes, through hole 20, in which assays are pending. As such, in the first 20 holes drilled, visible gold has been seen in the first 17. Pictures of visible gold from Galway's Vetás and California projects can be viewed in the [photo gallery](#). A map, cross sections and a detailed table of assay results can be viewed on the Company's website at www.galwayresources.com. A preliminary NI 43-101 technical report on Galway's Vetás property, which was prepared by Roscoe Postle Associates, was filed on SEDAR on August 24, 2011.

To date, 5,283 meters have been drilled in the 13 holes reported, from the first phase of Galway's 10,000 meter, or 25-hole drill program that began in April 2011. Drilling is continuing with two diamond drill rigs, with a third rig scheduled to drill the intrusive near the western boundary of Galway's Reina de Oro concession in the second half of November. Phase 2 of Galway's exploration at El Volcan will continue to delineate a resource and will test for lateral extensions beyond the current limits of the existing mine.

Mineralization

For the surface geology along the western border of the Reina de Oro concession, mineralization is hosted by veins and stockwork zones in gneiss and a quartz diorite with potassic alteration (secondary biotite and K feldspar). The mineralization also includes zones of high grade gold-silver veins (Piedra Colorada and El Coco). Ore at the El Volcan mine contains favorable steeply-dipping quartz veins in competent host rocks that could be successfully mined using modern bulk-tonnage longhole mining methods. The known vein system comprises nine different epithermal veins and numerous subordinate splay veins trending NNE and dipping sub-vertically to the NW. The main quartz veins, together with splay veins, are spatially associated with shear zones hosted in porphyry and metamorphic gneiss, much like the California gold district. Visible gold in the sampling almost invariably indicates higher gold and silver assay grades. Galway's geologists are impressed and surprised by the widths of mineralization attained in the first tier of drill holes relative to the narrower veining seen in the mine workings above, and by the classic low sulfidation vein textures seen. Grey chalcedonic quartz, colloform banded texture, vuggs and drussy

quartz, with fine pyrite crystals are typical. The mineralization has been intersected up to 200 meters below the bottom level. True widths are 72% for hole GWY-V012 and 57% for hole GWY-V014 of down-hole widths.

Rapid development of resources is possible using channel sampling from the 2,000 meters of accessible underground workings, and from drill results. Existing multiple vein structures that are in close proximity to one another and open in all directions provide an excellent opportunity to build a robust gold resource. A total of 7,345 meters of drifts were mapped and 3,769 chip and channel samples were taken from vein, wall rock and stockwork mineralization between vein sets. To date, Galway has received results from 4,639 meters of drilling at Vetas. The mine covers an area of 500 meters x 300 meters with a vertical extent of 300 meters. Drilling is testing multiple veins at 25-50 meter centers.

The El Volcan mine has been the site of gold mining since the 1590's and is the largest mine in the California-Vetas-Surata gold mining districts. The focus of Galway's exploration efforts at Vetas is within, below, and extensions both along strike and laterally from the El Volcan mine. This mine is contained within the Reina de Oro concession, which is not subject to development restrictions associated with Páramo legislation.

Supervision, Qualified Person and Quality Control

The Vetas Project is under the supervision of Project Manager Alex Cruz, of Quito Ecuador. In compliance with National Instrument 43-101, Mr. Mike Sutton, P.Geo., and Mr. Dale Schultz, P.Geo. (Manitoba and Saskatchewan) of Buscore Consulting Limited (www.buscore.net) are the Qualified Persons responsible for the accuracy of this news release. Samples from the Vetas Project are sent to the ALS Chemex preparation facility in Bogota, Colombia for processing and are analyzed in the ALS Chemex laboratory in Lima, Peru (ISO 9001:2000 certified). Surface rock samples were analyzed by methods Au-AA25 and ME ICP41. Underground samples were analyzed by methods Au-AA25 and ME-MS41. If a value of greater than 100 g/t Ag is returned for ME-MS41, then an over limit method of Ag AA46 is used. If strong mineralization or visible gold is observed, then a screen metallic (Au SCR 21) is used. Quality control protocols that are in place consist of the insertion of one blank at least every 20 samples, a reject duplicate every 20 samples, and one of three different certified reference standard material for every 20 rock samples. Core recovery in the mineralized zones has averaged over 90%. Quarter coring of some select samples will take place. Assays reported in this press release may have screen, and quarter core assays pending and will be updated in the table on the website as needed.

MMI soil samples were sent to SGS Group (ISO 19011 certified) preparation facility in Medellin, Colombia for processing and are analyzed in SGS's laboratory in Lima, Peru.



Galway Intersects 15.3 G/T Gold Over 11.4M and 12.8 G/T Gold Over 7.2M in Hole 12 at Vetás; Surface Drilling to Commence on the Extension Of CB Gold's Stockwork Zone Discovery | 7

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.

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