

Toronto, Ontario: September 06, 2012 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce assay results from an additional 43 diamond drill holes (17,527.8 meters) at its California gold-silver property in Colombia. The California 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 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 is also exploring the Vetás property, which hosts the El Volcan mine located 8 km southeast of California and is the largest gold producer in the region.

DRILL RESULTS

Results are reported for holes that primarily targeted the Machuca and Santa Catalina zones which are south of the main California (Pie de Gallo) mineralized trend. Galway has drilled 253 holes for 82,890 meters to date in the California project area. The intersection of 11.6 g/t Au over 19.0 m, including 120.0 g/t Au over 1.0 m and 66.7 g/t Au over 1.0 m in hole GWY-231 at 229.5-248.5 m below surface extends mineralization 70 m west and 130 m below previously-released Machuca 1 results. The Machuca zones have expanded and are open in every direction. The Santa Catalina zone has also expanded. The drill collared into a zone that returned 3.7 g/t Au over 13.5 m from surface in hole GWY-244, while a second hole returned 2.1 g/t Au over 7.0 m, including 11.8 g/t Au over 1.0 m in hole GWY-238 in a different zone.

"We are encouraged by the consistent success the Company is having in the new Machuca and Santa Catalina Zones, which are expanding our overall California footprint significantly to the south. This bodes well for continued resource expansion beyond our upcoming maiden resource statement," cites Robert Hinchcliffe, President and CEO of Galway Resources.

Drill Result Highlights:

- 11.6 grams per tonne gold (g/t Au) over 19.0 meters (m), including 120.0 g/t Au over 1.0 m and 66.7 g/t Au over 1.0 m in hole GWY-231 located 70 m west of previously-released Machuca results, and 229.5-248.5 m below surface
- 13.5 g/t Au over 9.0 m, including 117.0 g/t Au over 1.0 m in hole GWY-220 located 60 m southeast of previously-released Machuca results. Hole GWY-220 also contained 2.1 g/t Au over 20.0 m, including 7.3 g/t Au over 1.5 m and 18.1 g/t Au over 1.0 m
- 18.4 g/t Au over 2.0 m in hole GWY-217 located 100 m southeast of previously-released Machuca results
- 4.1 g/t Au over 23.0 m, including 22.9 g/t Au over 1.0 m, 19.9 g/t Au over 2.0 m and

17.3 g/t Au over 1.0 m in hole GWY-223 located 50 m southeast of previously-released Machuca results

- 7.2 g/t Au over 3.0 m, including 15.1 g/t Au over 1.0 m in hole GWY-219 located 120 m northwest of previously-released Machuca results and 284 m below surface. Hole GWY-219 also included 3.0 g/t Au over 7.0 m, including 10.7 g/t Au over 1.0 m and 9.0 g/t Au over 1.0 m located 130 m northwest of previously-released Machuca results and 311 m below surface
- 3.7 g/t Au over 13.5 m in hole GWY-244 at Santa Catalina

The new Machuca 1 zone has now been identified over a strike length of 200 meters, a width of 140 meters and to a depth of 240 meters below surface, while the Machuca East zone has expanded by 70 meters in depth to 330 meters below surface. Santa Catalina, which hasn't yet had as much exploratory drilling, has two zones identified, one over a strike and width of 60 meters and 73 meters, respectively, and to a depth of 362 meters below surface, and the second at the collars of the holes.

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 Vetás. 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.

Mineralization in the Pie de Gallo, Machuca, and Santa Catalina zones remain open in all directions. Drilling has been curtailed in California pending an analysis of the work that has been completed to date. The upcoming resource will identify a number of drill targets. As this analysis progresses, we will be better able to determine where future drilling should occur.

Below is a more complete set of Machuca, Santa Catalina and NE zone drill result highlights. Please see [Table 1](#) on our website for a complete set of drill results.

Machuca Zones Drill Results

GWY-231

- 19.0 meters grading 11.6 g/t Au and 16.2 g/t silver (Ag), including 1.0 meter of 120.0 g/t Au and 19.3 g/t Ag, and 1.0 meter of 66.7 g/t Au and 19.5 g/t Ag

GWY-210

- 20.0 meters grading 6.7 g/t Au and 8.9 g/t Ag, including 1.5 meters of 79.8 g/t Au and 21.0 g/t Ag
- 53.0 meters grading 1.5 g/t Au, including 1.0 meter of 13.2 g/t Au and 1.0 meter of 23.2 g/t Au
- 4.0 meters grading 5.4 g/t Au, including 1.0 meter of 17.0 g/t Au and 17.2 g/t Ag

GWY-211

- 6.0 meters grading 5.9 g/t Au and 62.8 g/t Ag, including 1.0 meter of 14.5 g/t Au and 146.0 g/t Ag, and 1.0 meter of 10.8 g/t Au and 513.0 g/t Ag

GWY-213

- 57.0 meters grading 2.3 g/t Au and 33.0 g/t Ag, including 2.0 meters of 26.4 g/t Au and 291.0 g/t Ag, 1.0 meter of 15.0 g/t Au and 178.0 g/t Ag, and 1.0 meter of 17.9 g/t Au and 161.0 g/t Ag
- 16.0 meters grading 1.6 g/t Au and 34.2 g/t Ag, including 1.0 meter of 7.2 g/t Au and 200.0 g/t Ag

GWY-214

- 5.0 meters grading 2.8 g/t Au and 39.0 g/t Ag, including 1.0 meter of 5.6 g/t Au and 75.0 g/t Ag
- 3.5 meters grading 3.0 g/t Au and 23.9 g/t Ag, including 1.3 meters of 6.9 g/t Au and 39.4 g/t Ag

GWY-216

- 2.3 meters grading 14.3 g/t Au and 67.5 g/t Ag, including 1.0 meter of 32.2 g/t Au and 152.0 g/t Ag

GWY-217

- 2.0 meters grading 18.4 g/t Au and 668.3 g/t Ag

GWY-219

- 7.0 meters grading 3.0 g/t Au and 163.8 g/t Ag, including 1.0 meter of 10.7 g/t Au and

65.6 g/t Ag, and 1.0 meter of 9.0 g/t Au and 1,070.0 g/t Ag

- 23.0 meters grading 1.3 g/t Au and 10.5 g/t Ag, including 1.0 meter of 7.1 g/t Au and 45.0 g/t Ag, and 1.0 meter of 5.9 g/t Au and 53.5 g/t Ag
- 3.0 meters grading 7.2 g/t Au and 73.2 g/t Ag, including 1.0 meter of 15.1 g/t Au and 26.2 g/t Ag

GWY-220

- 9.0 meters grading 13.5 g/t Au and 17.9 g/t Ag, including 1.0 meter of 117.0 g/t Au and 50.2 g/t Ag
- 20.0 meters grading 2.1 g/t Au and 26.5 g/t Ag, including 1.5 meters of 7.3 g/t Au and 10.6 g/t Ag, and 1.0 meter of 18.1 g/t Au and 114.0 g/t Ag

GWY-222

- 17.0 meters grading 1.1 g/t Au and 23.5 g/t Ag
- 5.0 meters grading 2.9 g/t Au and 45.2 g/t Ag, including 1.0 meter of 9.3 g/t Au and 126.0 g/t Ag

GWY-223

- 23.0 meters grading 4.1 g/t Au and 24.0 g/t Ag, including 1.0 meter of 17.3 g/t Au and 60.3 g/t Ag, 1.0 meter of 22.9 g/t Au and 44.0 g/t Ag, and 2.0 meters of 19.9 g/t Au and 86.0 g/t Ag
- 5.3 meters grading 6.1 g/t Au and 73.2 g/t Ag, including 1.0 meter of 21.3 g/t Au and 169.0 g/t Ag
- 1.0 meter grading 5.9 g/t Au and 238.0 g/t Ag

GWY-227

- 7.0 meters grading 2.7 g/t Au and 38.2 g/t Ag, including 1.0 meter of 11.1 g/t Au and 99.1 g/t Ag

GWY-229

- 9.0 meters grading 5.8 g/t Au and 11.0 g/t Ag, including 2.0 meters of 22.8 g/t Au and 21.9 g/t Ag

GWY-230

- 2.0 meters grading 11.3 g/t Au and 959.5 g/t Ag

GWY-233

- 10.3 meters grading 1.9 g/t Au and 23.6 g/t Ag, including 1.0 meter of 7.5 g/t Au and 115.0 g/t Ag, and 1.2 meters of 5.8 g/t Au and 43.5 g/t Ag

GWY-235

- 1.75 meters grading 26.3 g/t Au
- 3.5 meters grading 3.6 g/t Au and 103.4 g/t Ag, including 1.0 meter of 7.6 g/t Au and 172.0 g/t Ag

GWY-239

- 13.0 meters grading 2.3 g/t Au and 11.1 g/t Ag, including 1.0 meter of 7.1 g/t Au and 14.7 g/t Ag, and 1.0 meter of 9.4 g/t Au and 29.5 g/t Ag
- 7.0 meters grading 4.2 g/t Au and 45.8 g/t Ag, including 1.0 meter of 22.4 g/t Au and 248.0 g/t Ag
- 11.0 meters grading 1.4 g/t Au and 36.4 g/t Ag, including 1.0 meter of 5.8 g/t Au and 52.6 g/t Ag
- 1.0 meter grading 5.3 g/t Au and 92.8 g/t Ag

GWY-243

- 6.0 meters grading 3.0 g/t Au and 20.1 g/t Ag, including 1.0 meter of 14.3 g/t Au and 87.1 g/t Ag
- 1.0 meter grading 5.5 g/t Au and 140.0 g/t Ag

GWY-247

- 6.2 meters grading 6.5 g/t Au and 21.0 g/t Ag, including 1.0 meter of 31.3 g/t Au and 68.8 g/t Ag

GWY-248

- 17.0 meters grading 2.9 g/t Au and 21.3 g/t Ag, including 1.0 meter of 19.7 g/t Au and 76.1 g/t Ag, and 1.5 meters of 6.2 g/t Au and 81.8 g/t Ag

GWY-249

- 4.4 meters grading 3.5 g/t Au and 52.9 g/t Ag, including 1.1 meters of 11.6 g/t Au and 172.0 g/t Ag

GWY-251

- 33.0 meters grading 2.3 g/t Au and 35.3 g/t Ag, including 1.0 meter of 19.9 g/t Au and 610.0 g/t Ag, and 1.0 meter of 25.8 g/t Au

Santa Catalina Zones Drill Results

GWY-234

- 5.0 meters grading 2.7 g/t Au and 418.3 g/t Ag, including 1.0 meter of 6.6 g/t Au and 866.0 g/t Ag

GWY-236

- 14.0 meters grading 1.0 g/t Au and 17.9 g/t Ag, including 1.0 meter of 4.9 g/t Au and 81.3 g/t Ag
- 7.0 meters grading 1.2 g/t Au and 53.3 g/t Ag, including 1.0 meter of 4.5 g/t Au and 326.0 g/t Ag

GWY-238

- 7.0 meters grading 2.1 Au and 15.2 g/t Ag, including 1.0 meter of 11.8 g/t Au and 18.2 g/t Ag

GWY-244

- 13.5 meters grading 3.7 g/t Au and 59.5 g/t Ag (21.5% core recovery)
- 5.0 meters grading 2.3 g/t Au and 153.5 g/t Ag, including 1.0 meter of 6.2 g/t Au and 426.0 g/t Ag

GWY-245

- 8.0 meters grading 1.5 g/t Au and 11.3 g/t Ag, including 1.0 meter of 5.7 g/t Au and 29.4 g/t Ag
- 1.0 meter grading 5.8 g/t Au and 93.2 g/t Ag

GWY-250

- 17.0 meters grading 1.4 g/t Au and 29.3 g/t Ag (17.4% core recovery)

NE Zone Drill Results

GWY-210

- 20.0 meters grading 6.7 g/t Au and 8.9 g/t Ag, including 1.5 meters of 79.8 g/t Au and 21.0 g/t Ag
- 53.0 meters grading 1.5 g/t Au, including 1.0 meter of 13.2 g/t Au, and 1.0 meter of 23.2 g/t Au
- 4.0 meters grading 5.4 g/t Au, including 1.0 meter of 17.0 g/t Au and 17.2 g/t Ag
- 3.0 meters grading 5.3 g/t Au and 35.2 g/t Ag

Drill hole GWY-232 was not drilled.

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. The resources have been prepared in accordance with NI 43-101 by SRK Consulting (U.S.) Inc., of Tuscon, Arizona. 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%.

About The Company

Galway Resources is primarily focused on the exploration of gold in northeast Colombia, with drill programs occurring at the California and Vetas gold projects. Galway 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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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.