

Toronto, Ontario: September 14, 2012 - Galway Resources Ltd. (GWY: TSX-V) is pleased to announce assay results from five underground diamond drill holes and four surface drill holes at its Vetas gold-silver project, host of the El Volcan mine that has been in operation for over 400 years and is the largest mine in the Vetas-California-Surata gold region of Colombia. The focus of Galway's exploration efforts at Vetas is to test for a continuation of mineralization below the El Volcan mine, strike and lateral extensions to the mine as well as to test the 6 surface anomalies that have been identified. The Company has already more than doubled the depth at which gold mineralization has been identified below the lowest level of the mine to nearly 700 meters, or 860 meters below surface. Galway also has an ongoing exploration program at the nearby California gold-silver project, where on [September 12, 2012](#) an initial resource estimate, prepared by SRK Consulting, Inc., was announced, which contained indicated gold resources of 424,385 ounces in 2.39 M tonnes grading 5.53 g/t and inferred gold resources of 666,470 ounces in 3.85 M tonnes grading 5.38 g/t.

"We continue to be pleased with the discovery of abundant high grade intercepts in parallel zones. A major benefit of having multiple mineralized intersects within the same holes drilled perpendicular and to-sub perpendicular to the main structure is that this facilitates the development of a resource that could ultimately be amenable to underground bulk mining methods. Our success ratio, particularly with our underground drilling program has been outstanding, such as an average of 3.1 gold intersects of 10 g/t or more in the 35 underground holes reported to date," cites Robert Hinchcliffe, President and CEO of Galway Resources.

New underground drill results highlights are provided below:

GWY-V034

- **5.7 grams per tonne gold (g/t Au) and 42.4 g/t silver (Ag) over 4.14 meters (m)**, including 12.8 g/t Au and 116.0 g/t Ag over 1.00 m and 8.9 g/t Au and 49.4 g/t Ag over 1.13 m
- **17.1 g/t Au over 0.98 m**
- 11.1 g/t Au and 25.0 g/t Ag over 1.30 m
- 5.2 g/t Au over 3.90 m, including 10.7 g/t Au over 1.36 m
- 5.7 g/t Au and 25.2 g/t Ag over 2.95 m, including 9.0 g/t Au and 42.0 g/t Ag over 1.45 m
- 5.8 g/t Au over 1.35 m

GWY-V036

- 12.1 g/t Au and 28.0 g/t Ag over 0.96 m
- **26.4 g/t Au and 58.0 g/t Ag over 1.08 m**
- **16.7 g/t Au and 515.0 g/t Ag over 1.18 m**
- 10.2 g/t Au over 2.47 m, including 17.1 g/t Au over 1.24 m
- **157.4 g/t Au and 76.9 g/t Ag over 4.15 m, including 470.2 g/t Au and 142.0 g/t Ag over 1.33 m**

GWY-V037

- 7.5 g/t Au over 1.10 m
- **7.6 g/t Au and 235.0 g/t Ag over 1.31 m**
- **8.2 g/t Au and 102.0 g/t Ag over 1.51 m**
- 7.3 g/t Au over 1.15 m

GWY-V039

- 10.9 g/t Au and 160.0 g/t Ag over 0.85 m
- 21.8 g/t Au and 28.0 g/t Ag over 0.69 m
- 5.7 g/t over 1.02 m
- **19.5 g/t Au and 16.0 g/t Ag over 1.29 m**

GWY-V040

- **14.0 g/t Au over 6.10 m, including 52.0 g/t Au and 29.1 g/t Ag over 1.00 m and 18.4 g/t Au over 1.53 m**
- 7.3 g/t Au and 305.0 g/t Ag over 1.17 m
- 14.6 g/t Au over 1.19 m
- 9.3 g/t Au and 16.3 g/t Ag over 0.92 m
- **13.5 g/t Au and 129.1 g/t Ag over 4.65 m, including 25.6 g/t Au and 18.3 g/t Ag over 1.38 m and 23.3 g/t Au and 559.0 g/t Ag over 1.01 m**

To put the success Galway has achieved in its underground drill program at Vetás into perspective, since [June 22, 2011](#), when Galway released the first set of Vetás drill results, 31 of the 35 underground holes that have been reported host at least one assay in excess of 10 g/t Au (the average is 3.1 per hole, or 108 times in total), and all holes except hole 25 contained multiple mineralized intersects. In fact, in the first 35 underground drill holes, Galway has intersected 5 g/t Au or more 171 times, 20 g/t Au or more 55 times, 30 g/t Au or more 34 times, 100 g/t Au or more 11 times and 1,000 g/t or more two times.

Vetas Surface Drill Results Summary: All Holes Contain Multiple Mineralized Intercepts

As reported on [March 14, 2012](#), and seen in [Figure 1](#), hole 28 was the first surface hole drilled on Galway's Vetas property. This hole contained 17.4 g/t Au over 1.38 meters, including 45.2 g/t Au over 0.51 meters in the Piedra Colorada structure and 4.0 g/t Au over 12.38 meters, including 7.8 g/t Au over 1.58 meters, 12.0 g/t Au over 0.97 meters and 8.3 g/t Au over 2.30 meters in the La Araña structure. The La Araña intersect appears to be a 160 meter down-dip extension at a 358 meter vertical depth below surface from CB Gold's discovery of 7.57 g/t Au over 114.98 meters, including 17.17 g/t Au over 40.89 meters (which included 316.67 g/t Au over 2.09 meters), and 5.36 g/t Au over 30.35 meters. Both of these results appear to be contained in the same stockwork zone that runs on both sides of the common border.

As seen in [Figure 2](#), the four new surface drill holes reported herein were collared on the same platform but oriented in a virtually opposite direction as hole 28 and away from CB Gold's discovery noted above. Galway reoriented the rig as alternative sites were chosen to better intersect the high grade targets. Pad construction permits are pending. Despite the fact that the holes were oriented away from the strong results noted above, all four holes host multiple mineralized intervals in excess of 2.0 g/t, with three of the four holes containing at least one intersect above 5 g/t Au. As seen in [Figure 3](#), these holes were designed to test other portions of the anomaly #6 area, which hosts a 100 meter wide shear zone, as well as the El Brinco and San Antonio structures, from which early sampling yielded encouraging results. 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. Overall, there are a total of 6 surface anomalies that the Company plans to explore. However, in order to optimize Galway's ability to intersect high grade targets within the stockwork zone, the Company has chosen to temporarily suspend surface drilling until it receives the necessary pad construction approvals. Nonetheless, Galway still has assays pending for an additional 11 surface holes that were completed prior to this temporary suspension.

New surface drill results highlights are provided below:

GWY-VS032

- 4.2 g/t Au over 2.56 m, including 5.3 g/t Au over 1.4 m
- 2.8 g/t Au over 1.58 m
- 1.0 g/t Au over 1.41 m

GWY-VS033

- 2.2 g/t Au over 1.33 m
- 3.1 g/t Au over 0.59 m
- 1.2 g/t Au and 30.0 g/t Ag over 0.92m
- 1.3 g/t Au over 0.75 m
- 0.82 g/t Au and 8.6 g/t Ag over 8.82 m

GWY-VS035

- 2.2 g/t Au over 1.29 m
- 3.5 g/t Au over 1.50 m
- 3.6 g/t Au over 3.05 m, including 7.7 g/t Au over 0.92 m
- 1.5 g/t Au over 15.34 m, including 6.6 g/t Au over 1.40 m
- 4.0 g/t Au over 1.0 m

GWY-VS038

- 2.9 g/t Au over 1.43 m
- 2.3 g/t Au over 0.90 m
- 6.1 g/t Au over 1.31 m

Notes: a 2.0 g/t Au lower cutoff grade was applied to all underground drill holes; a 0.5 g/t Au lower cutoff grade was applied to all surface drill holes; no upper cutoff grade was applied; Only gold grades of 5.0 g/t or higher were highlighted for underground drill holes; Only gold grades of 1.0 g/t or higher or drill core lengths of 5 meters or more were highlighted for surface drill holes; True widths for assays reported to date for underground holes at Vetás are 32% to 92% of downhole widths. True widths for all five surface holes reported to date have not been established as the zones are of unknown orientations.

Pictures of visible gold from Galway's Vetás and California projects can be viewed in the [photo gallery](#). Maps, cross sections and a detailed table of assay results can be viewed on the Company's website at www.galwayresources.com. All Vetás drill results released to date can be viewed in [Table 1](#). 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.

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 (La Araña, Piedra Colorada and El Coco, among others).

Gold mineralization 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, vugs and drussy quartz, with fine pyrite crystals are typical. The mineralization has been intersected up to 670 meters below the bottom level of the El Volcan mine, and 860 meters below surface.

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. 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.

Supervision, Qualified Person and Quality Control

The Vetás 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 Vetás Project are sent to the Acme Labs preparation facility in Medellín, Colombia, for processing and are analyzed at Acme Labs laboratory in Vancouver, Canada. Surface rock samples are analyzed for Au by a 30g fire assay and AAS finish method (code G601) plus a multi-element suite with an aqua regia digestion and ICP-MS finish (code 1F04). Underground samples are analyzed by G601 and 1F04 methods and over limits of Ag >100ppm and Cu-Pb-Zn >1% by an ore grade determination with an aqua regia digestion and analysis by ICP-ES (Code 7AR2). If strong mineralization or visible gold is

observed, then a screen metallic assay for Au (code G615) is used. Acme Labs is an ISO 9001:2008 qualified assayer that performs and makes available internal assaying controls. Quality control protocols by Galway 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 Medellín, Colombia, for processing and are analyzed in SGS's laboratory in Lima, Peru.

About The Company

Galway Resources is a mineral exploration company primarily focused in northeast Colombia, with gold exploration 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.

Robert Hinchcliffe

1-800-475-2412

www.galwayresources.com

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