

Toronto, Ontario - January 18, 2013 - Galway Gold Inc. (TSX V: GLW) ("Galway Gold") is pleased to announce that effective January 21, 2013, Galway Gold's common shares will become listed and commence trading on the TSX Venture Exchange (the "TSX-V") under the symbol "GLW".

As previously disclosed on December 20, 2012, Galway Gold received conditional approval to list its common shares on the TSX-V in connection with a plan of arrangement (the "Arrangement") among formerly listed Galway Resources Ltd. ("Galway Resources"), AUX Acquisition 2 S.à.r.l, AUX Canada Acquisition 2 Inc., Galway Metals Inc. and Galway Gold that closed on December 20, 2012. Galway Gold is well capitalized with US\$18 million of cash and holds an option to acquire a 100% interest in the Vetás gold project in Colombia formerly held by Galway Resources (the "Vetas Project").

The Vetás Project contains the high-grade El Volcan gold-silver mine, the largest gold mine in the Vetás and California gold districts, which has been in production for over 400 years. Galway Resources began drilling the Vetás Project in April, 2011, with the focus to test for a continuation of mineralization below the El Volcan mine, strike and lateral extensions to the mine, as well as to evaluate 6 surface geochemical/geophysical anomalies that have been identified. Core hole results from 68 diamond drill holes have been released, 52 of which were drilled from underground, targeting the El Volcan structure, while the balance were surface holes targeting the intrusive exhibiting stockwork veining along its western border with CB Gold Inc.

Galway Gold currently has two drills operating underground below the lowest operating mine level and one operating on surface. The underground rigs are continuing to target the expansion of mineralization at depth, along strike and laterally to the El Volcan mine. In its early exploration program Galway Resources more than doubled the depth at which gold mineralization was identified below the Reina de Oro level to nearly 700 meters, or 860 meters below surface. Galway Gold will continue to expand the mineralized footprint such that it expects to be in position to issue a gold and silver mineral resource estimate for Vetás' El Volcan structures in the second half of 2013. Toward this end, and as recommended in the Technical Report (as defined below), Galway Gold has budgeted US\$2.6 million to complete 15,000 meters of drilling from both the El Volcan underground and on surface. Based on interpretation of existing data and from results achieved in the 15,000 meters, Galway Gold is planning a follow-up 20,000 meter drill program at an additional cost of US\$3.6 million. Galway Gold has the necessary funds available for this work program and expects to be able to complete the combined 35,000 meters of drilling in 2013. Surface drilling continues to target the stockwork intrusive located west of the mine, in the vicinity of CB Gold's significant discoveries, among other gold-rich anomalies.

To date at El Volcan, 45 of the 52 underground holes that have been reported host at least one assay interval carrying in excess of 10 grams per tonne gold (g/t Au) (the average is 2.8 per hole, or 146 times in total), and all holes except hole 25 contain multiple mineralized intersections. In the first 52 underground drill holes, Galway intersected 5 g/t Au or more 237 times, 20 g/t Au or more 76 times, 30 g/t Au or more 44 times, 100 g/t Au or more 13 times and 1,000 g/t or more two times.

Highlights of results previously released by Galway Resources from the 52 underground drill holes that targeted El Volcan include:

- 1,082.6 g/t Au and 718.0 g/t silver (Ag) over 1.21 m, plus 77.1 g/t Au and 51.3 g/t Ag over 1.13 m, plus 95.6 g/t Au over 1.26 m, plus 17.8 g/t Au and 77.7 g/t Ag over 2.34 m from GWY-V021
- 1,034.3 g/t Au and 300.0 g/t Ag over 0.91 m, plus 27.4 g/t Au over 3.38 m, including 49.4 g/t Au over 1.16 m from GWY-V027
- 679.6 g/t Au and 164.0 g/t Ag over 1.16 m from GWY-V026
- 203.4 g/t Au and 1,311.0 g/t Ag over 1.25 m from GWY-V029
- 157.4 g/t Au over 4.15 m, including 470.2 g/t Au over 1.33 m from GWY-V036
- 143.7 g/t Au over 1.17 m from GWY-V059
- 82.5 g/t Au and 39.1 g/t Ag over 2.66 m, including 202.0 g/t Au and 53.5 g/t Ag over 1.07 m, plus 21.9 g/t Au and 63.0 g/t Ag over 6.7 m, including 69.1 g/t Au and 81.6 g/t Ag over 1.5 m from GWY-V003
- 78.2 g/t Au over 3.16 m, including 248.3 g/t Au and 38.0 g/t Ag over 0.96 m from GWY-V016
- 34.3 g/t Au and 83.0 g/t Ag over 6.44 m, including 98.8 g/t Au and 154.0 g/t Ag over 1.30 m, plus 18.9 g/t Au over 11.81 m, including 52.9 g/t Au over 1.32 m in GWY-V049
- 15.3 g/t Au and 36.5 g/t Ag over 11.44 m, including 112.3 g/t Au and 34.2 g/t Ag over 0.92 m from GWY-V012
- 8.9 g/t Au and 17.3 g/t Ag over 17.00 m, including 19.7 g/t Au and 22.0 g/t Ag over 1.18 m, 17.7 g/t Au and 49.9 g/t Ag over 4.81 m, and 27.2 g/t Au over 1.05 m from GWY-V056
- 40.4 g/t Au over 3.47 m, including 84.9 g/t Au over 1.16 m, plus 104.4 g/t Au over 1.20 m, plus 41.9 g/t Au over 1.04 m from GWY-V015

Most surface drilling to date has targeted zones peripheral to CB Gold's discovery of multiple stacked veining mineralization. New diamond drill platforms have recently been constructed enabling Galway Gold to drill these primary targets. Highlights of results, previously released by Galway Resources, from the 16 surface drill holes that targeted the stockwork intrusive along its western border with CB Gold include:

- 26.0 g/t Au and 26.9 g/t Ag over 4.19 m, including 105.0 g/t Au and 76.6 g/t Ag over 1.00 m, plus 29.2 g/t Au over 1.34 m in GWY-V061
- 45.9 g/t Au over 1.04 m in GWY-V054
- 17.4 g/t Au over 1.38 m, including 45.2 g/t Au over 0.51 m, plus 4.0 g/t Au over 12.38 m, including 7.8 g/t Au over 1.58 m, 12.0 g/t Au over 0.97 m, and 8.32 g/t Au over 2.30 m in GWY-V028

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; True widths for assays for underground drill holes reported above are 48% to 92% of downhole widths, except hole GWY-V036, which is 32%. True widths for all surface holes have not been established as the zones are of unknown orientations. All Vetás Project drill hole results were originally reported by Galway Resources in various press releases from June 22, 2011 to October 9, 2012, with the highlights originally reported in their entirety on October 19, 2012. Maps and sections associated with this press release are available at www.galwaygoldinc.com.

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. Grey chalcedonic quartz, colloform banded texture, vugs and drussy quartz, with fine pyrite crystals are typical. Classic low sulfidation vein textures are common. The mineralization has been intersected up to 670 meters below the bottom level of the El Volcan mine and 860 meters below surface.

Rapid evaluation of the Vetás Project 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 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. Galway Resources has previously reported on the first 68 holes (including 16 surface holes).

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. There is no relationship between the assay laboratory and Galway Gold. 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. There is no relationship between SGS and Galway Gold.

A technical report on the Vetás Project is filed on SEDAR (the "Technical Report"). The effective date of the report is November 13, 2012 and the Qualified Persons in charge were James G. Lavigne, M.Sc., P. Geo and Elizabeth Elder McMonnies, P. Geo., from RPA Consulting.

For further information concerning Galway Gold, please refer to the Listing Application dated December 27, 2012. This document and other information about the company and the Vetás Project are available electronically under Galway Gold's profile at www.sedar.com.



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Forward Looking Statements:

Certain statements contained in this release containing words like “believe”, “intend”, “may”, “will”, “expect”, “would” and other similar expressions, are forward-looking statements that involve a number of risks and uncertainties. Statements in this release that are forward-looking statements are subject to various risks and uncertainties. Such information contained herein represents management’s best judgment as of the date hereof based on information currently available. Galway Gold does not assume the obligation to update any forward-looking statement, except as required by law.