



Galway Gold Doubles Veins Identified at Vetás' El Volcan and
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of 100 g/t Au Was Intersected 3 Times | 1

Toronto, Ontario - March 21, 2013 - Galway Gold Inc. (TSX V: GLW) ("Galway Gold, Galway or the Company") is pleased to announce assay results from 8 underground diamond drill holes at its Vetás gold-silver project, host of the El Volcan mine. El Volcan, which has been in operation for over 400 years, and is still operating today, is the largest mine in the Vetás-California-Surata region of Colombia. Galway Gold's Vetás project was spun out to existing shareholders of Galway Resources after it was acquired by AUX on December 20, 2012 for total cash consideration of approximately Cdn\$340 million. Galway Gold's exploration focus at Vetás is to test for a continuation of mineralization below the El Volcan mine, expand strike and lateral extensions to the mine, and to test 7 surface geochemical/geophysical anomalies. Galway Gold is well capitalized with US\$18 million of cash and has made, and will continue to make necessary adjustments in its exploration program cognisant of the tough capital market conditions.

Galway has now doubled the number of veins to 16 from the 8 previously established veins. These new veins have produced 30% of the gold intersects reported to date. We have shown through drilling that gold mineralization has been extended by an additional 40 m to 710 m below the main (Reina de Oro) level of the mine or 900 m below surface in the Reina de Oro vein system. The new deep intersect is also at a significantly higher grade at 9.5 g/t Au over 1.3 m compared with 2.5 g/t Au over 1.5 m previously. The first drill program ever conducted on the property began in April 2011 and 44,686m in 82 holes have been completed. For a clear depiction of El Volcan's veins, refer to the [maps and sections](#) associated with this press release.

"Galway is very pleased that we have been able to double the number of veins identified since drilling began, and it is significant that we have extended mineralization by an additional 40 m down dip. The new veins being discovered have grades that are consistent with the high-grade tenor of the original veins. Because of their proximity to the previously known mine veins, mining and development should be very cost-effective. Importantly, all 16 veins at El Volcan are open in every direction." cites Robert Hinchcliffe, President and CEO of Galway Gold.

New underground drill results highlights are provided below:

GWY-V070

- 9.5 grams per tonne gold (g/t Au) and 15.0 g/t silver (Ag) over 1.34 meters (m)

GWY-V071



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- 15.5 g/t Au and 34.9 g/t Ag over 2.48m
- 10.1 g/t Au and 28.3 g/t Ag over 2.56m

GWY-V073

- 106.0 g/t Au and 90.0 g/t Ag over 1.00m
- 13.8 g/t Au and 62.0 g/t Ag over 1.00m
- 6.2 g/t Au and 17.7 g/t Ag over 2.07m
- 8.2 g/t Au over 2.18m
- 7.2 g/t Au and 85.0 g/t Ag over 1.53m
- 6.3 g/t Au over 1.46m
- 5.0 g/t Au and 30.0 g/t Ag over 1.38m
- 4.7 g/t Au and 163.0 g/t Ag over 1.30m

GWY-V076

- 9.7 g/t Au and 26.0 g/t Ag over 1.18m
- 9.7 g/t Au over 1.07m
- 4.1 g/t Au and 22.0 g/t Ag over 1.16m

GWY-V078

- 27.2 g/t Au and 10.8 g/t Ag over 4.36m, including 92.4 g/t Au and 22.0 g/t Ag over 0.94m
- 127.8 g/t Au and 41.0 g/t Ag over 1.00m
- 45.5 g/t Au and 25.0 g/t Ag over 1.25m
- 24.2 g/t Au and 155.0 g/t Ag over 1.00m
- 15.4 g/t Au over 1.52m

GWY-V079

- 18.0 g/t Au and 22.0 g/t Ag over 1.20m
- 5.3 g/t Au over 1.17m

GWY-V081

- 174.4 g/t Au and 67.0 g/t Ag over 1.22m
- 8.4 g/t Au over 1.32m
- 8.2 g/t Au over 1.10m
- 4.8 g/t Au over 1.15m



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Note: hole GWY-V074 didn't return values over 2 g/t

Vetas Underground Drill Results Summary: High Grade Intercepts

To put the success Galway has achieved in its underground drill program at Vetas into perspective, since [June 22, 2011](#), when Galway released the first set of El Volcan drill results, 60 underground holes have been reported with the following results:

- 5 g/t Au or more, 266 times
- 10 g/t Au or more, 160 times
- 20 g/t Au or more, 82 times
- 30 g/t Au or more, 49 times
- 50 g/t Au or more, 35 times
- 100 g/t Au or more, 16 times
- 150 g/t Au or more, 9 times
- 1,000 g/t Au or more, 2 times

As seen above, the 8 newest underground drill holes returned 4 assays of at least 92.4 g/t Au over 0.94m. Two of these new high grade intersects are part of new vein structures, such as **174.4 g/t Au over 1.22m** in drill hole GWY-V081, which is located in the Tajo Abierto hanging wall (HW) vein, and lines up with an earlier-reported intersection of 66.7 g/t Au over 1.3m, located 40m NNW in drill hole GWY-V049. Another assay of **127.8 g/t Au over 1.0m** in drill hole GWY-V078, is located along the Loscas HW vein, and lines up with an earlier-reported intersection of 40.0 g/t Au over 2.5m, located 92m SW in drill hole GWY-V031. In addition to the previously reported Green vein and the two described above, other new veins identified within the original El Volcan mine boundaries include the Loscas footwall (FW) vein and the Corteros FW vein. These new veins, as well as the three La Virgen veins west of the original mine boundary, could add appreciably to the resource currently being defined.

Presented below, moving from east to west across the property, are assay highlights that are interpreted to be along the new veins that were not part of the original eight. As can be seen, some of the intersections interpreted to be along these new veins are strong in grade and/or width. All new intersections are highlighted in **bold**.

Tajo Abierto HW: 174.42 g/t Au over 1.22m (grade/length; 174.4/1.22) in drill hole **GWY-V081**, and 66.72/1.25 (GWY-V049)

Green: 7.45/7.62 (GWY-V003), 9.9/1.17 (GWY-V010), 15.32/11.44 (GWY-V012), 106.82/1.00 (GWY-V014), 14.74/1.28 (GWY-V015), 21.59/1.37 (GWY-V017), 17.84/2.34 (GWY-V021), 203.36/1.25 (GWY-V029), 17.06/1.24 (GWY-V036), 13.96/6.10 (GWY-V40), 25.20/1.07 (GWY-V046), and **10.10/2.56 (GWY-V071)**

Loscas FW: 50.30/0.99 (GWY-V005), 33.07/1.10 (GWY-V014), 92.19/0.98 (GWY-V018),



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95.61/1.26 (GWY-V021), 1034.29/0.91 (GWY-V027), 16.68/1.18 (GWY-V036), 14.60/1.19 (GWY-V040), 22.82/1.08 (GWY-V045), and 13.13/1.53 (GWY-V066)

Loscas HW: 11.65/1.53 (GWY-V068), 39.97/2.51 (GWY-V031), 19.36/1.30 (GWY-V045), 25.70/1.39 (GWY-V056), 77.06/1.13 (GWY-V021), 25.20/1.04 (GWY-V010) and 9.72 g/t Au over 1.18m (GWY-V076), and 127.83 g/t Au over 1.00m (GWY-V078)

Corteros FW: 143.73/1.17 (GWY-V059), and 9.72/0.98 (GWY-V067)

La Virgen 1: 104.35/1.20 (GWY-V015), 17.29/1.53 (GWY-V059), and **13.81 g/t Au over 1.00m (GWY-V073)**

La Virgen 2: 19.53/1.29 (GWY-V039), 7.6/1.47 (GWY-V055), **8.15 g/t Au over 2.18m (GWY-V073)**, and **6.20 g/t Au over 2.07m (GWY-V073)**

La Virgen 3: 7.29/1.33 (GWY-V059)

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

- 1,082.6 g/t Au and 718.0 g/t 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 8.9 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



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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

Notes: a 2.0 g/t Au lower cutoff grade was applied to all drill holes; no upper cutoff grade was applied; only gold grades of 9.0 g/t Au or higher appear in the highlights of 52 previously released drill hole results unless drill core thickness exceeded 2.0 m; true widths for assays reported to date for underground holes at Vetas are 18% to 98% of downhole widths.

Pictures of visible gold from Galway's Vetas 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.galwaygoldinc.com. All Vetas drill results released to date can be viewed in [Table 1](#).

A technical report on the Vetas 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. Galway filed a preliminary NI 43-101 technical report prepared by Roscoe Postle Associates on August 24, 2011.

There are currently two drills operating underground below the mine and one operating on surface. Galway Gold intends to continue to expand the mineralized footprint such that it will be in position to issue a gold and silver resource estimate for Vetas' El Volcan structures in the second half of 2013. Surface drilling is targeting the stockwork intrusive located west of the mine, in the vicinity of CB Gold's significant discoveries, among other gold-rich anomalies.

The Company reiterates that it is pleased that boundaries of the Parque Natural Regional Paramo de Santurbán (the "Park"), which have been established by the Corporación Autónoma Regional para la Defensa de la Meseta de Bucaramanga ("CDMB"), do not impact Galway Gold's Reina de Oro concession where all drill results from the 76 holes released to date have occurred. Moreover, Galway Gold is pleased that the Park does not adversely affect the Company's planned 2013 drill program for the Vetas Project, details of which can be found in the Vetas Project Technical Report filed under the Company's profile on SEDAR.

Mineralization

For the surface geology along the western border of the Reina de Oro concession,



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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 long-hole mining methods. The known vein system comprises 16 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 710 meters below the bottom level of the El Volcan mine and 900 meters below surface.

Rapid evaluation of the Vetas 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 has now reported on the first 76 holes (including 16 surface holes).

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 Acme Labs preparation facility in Medellin, 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



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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.

About Galway Gold

Galway Gold is a mineral exploration company with its primary asset in Colombia. Through its wholly owned Colombian subsidiary, Galway Gold holds an option to acquire a 100% interest in the Vetás gold project in the Vetás gold district of Colombia, comprised of the Reina de Oro and Coloro concessions (the "Vetás Project"). Galway Gold's Vetás project was spun out to existing shareholders of Galway Resources after it was acquired by AUX on December 20, 2012 for total cash consideration of approximately Cdn\$340 million. Galway Gold is well capitalized with US\$18 million of cash and began trading on January 21, 2013.

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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.