



Toronto, Ontario – August 9, 2016 – Galway Gold Inc. (TSX-V: GLW) (“Galway Gold” or the “Company”) announces that it is proposing to consolidate its issued and outstanding common shares (the **“Common Shares”**) on the basis of up to one (1) post-consolidation Common Share for every five (5) pre-consolidation Common Shares (the **“Consolidation”**). Additional information relating to the proposed Consolidation is included in the management information circular of the Corporation dated July 27, 2016 (the **“Circular”**), which is available on the Corporation’s website at www.galwaygoldinc.com and its issuer profile on SEDAR at www.sedar.com.

The Corporation mailed the Circular with respect to its annual and special meeting of shareholders (the **“Shareholders”**) scheduled for September 9, 2016 (the **“Meeting”**). As part of the Meeting, Shareholders will be asked to approve a special resolution to amend the articles of the Corporation in order to implement the Consolidation. There are currently 166,511,932 Common Shares issued and outstanding. If and upon the Consolidation becoming effective, on a maximum one (1) for five (5) basis, it is expected there will be approximately 33,302,386 post-Consolidation Common Shares in the capital of the Corporation issued and outstanding on a non-diluted basis.

The Board has concluded that the Consolidation would be in the best interests of the Shareholders as it could lead to increased interest by a wider audience of potential investors and could better position the Corporation to obtain financing and pursue acquisition opportunities. Notwithstanding the foregoing, the Board may determine not to implement the Consolidation at any time after the Meeting and after receipt of necessary regulatory approvals, but prior to the issuance of a certificate of amendment, without further action on the part of the Shareholders. If the resolution approving the Consolidation is passed by Shareholders at the Meeting, the Board shall have until the next annual meeting of Shareholders to implement the Consolidation in its sole discretion. Notwithstanding approval of the Consolidation by the Shareholders, the Board, in its sole discretion, may revoke the resolution approving the Consolidation and abandon the Consolidation without further approval, action by, or prior notice to Shareholders. The Consolidation is subject to Shareholder and regulatory approval, including the approval of the TSX Venture Exchange.

Assuming the Consolidation is approved at the Meeting, registered Shareholders are advised not to mail in the certificate(s) representing their Common Shares until they receive a letter of transmittal and confirmation from the Corporation by way of news release that the board of directors of the Corporation has decided to implement the Consolidation.

For further information contact:



Galway Gold Inc.

Robert Hinchcliffe

1-800-761-2770

www.galwaygoldinc.com

CAUTIONARY STATEMENT: Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

This News Release includes certain “forward-looking statements” which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Corporation’s future plans, objectives or goals, including words to the effect that the Corporation or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Corporation, the Corporation provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors

involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, shareholder and regulatory approval, and implementation, of the Consolidation, the Corporation’s objectives, goals or future plans, statements and development plans and general market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to failure to obtain Shareholder or regulatory approval for the Consolidation, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and those risks set out in the Corporation’s public documents filed on SEDAR. Although the Corporation believes that the assumptions and factors used in preparing the forward-looking information in this news release are



reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.