MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Galway Resources Ltd.
Suite 1050, 625 Howe Street
Vancouver, BC V6C 2T6

Item 2 Date of Material Change

December 6, 2006

Item 3 News Release

A news release with respect to the material change referred to in this report was filed by the Company through Canada Newswire on December 7, 2006 and filed on SEDAR.

Item 4 Summary of Material Change

The Company completed a private placement of 6,250,000 Units at a price of C$0.80 per Unit for aggregate gross proceeds of $5,000,000 ("Private Placement").

Item 5 Full Description of Material Change

Please refer to attached News Release for full details concerning the Private Placement.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information contact Rob Hinchcliffe, President and Chief Executive Officer, who is knowledgeable about the material change and this report, at 1-800-475-2412.

Item 9 Date of Report

DATED as of this 7th day of December, 2006.

GALWAY RESOURCES Ltd.

(signed) *Rob Hinchcliffe*
By: Rob Hinchcliffe
President and Chief Executive Officer

Galway RESOURCES

Suite 1050 – 625 Howe Street
VANCOUVER, BC V6C 2T6
www.galwayresources.com

Tel : 1-800-475-2412
FAX : 1-604-688-0094

FOR IMMEDIATE RELEASE

Not for dissemination in the United States or through U.S. newswire services

Galway Resources Completes Financing

Vancouver, British Columbia – December 7, 2006 – Galway Resources Ltd. ("Galway" or the "Company") (TSX-V: GWY) announces that it has completed its previously announced private placement of 6,250,000 units ("Units") at a price of $0.80 per Unit for aggregate gross proceeds of $5,000,000. Each unit is comprised of one common share and one-half of one non-transferable common share purchase warrant, each whole such warrant exercisable for one additional common share at a price of $1.25 per share until June 6, 2008. The warrants will be subject to acceleration in the event the closing trading price of the common shares of Galway on the TSX Venture Exchange is $1.70 per share or higher over a period of 20 consecutive trading days beginning on the date that is four months and one day after the date of issuance of the warrants.

Two arm's-length finders were paid an aggregate of $74,480 in finder's fees and were issued an aggregate of 86,050 common share purchase warrants ("Finder's Warrants") in connection with certain subscriptions under the offering. Each Finder's Warrant is exercisable for one common share at a price of $0.85 per share until June 6, 2008, subject to the same acceleration provisions described above.

The securities are subject to a hold period and may not be traded until April 7, 2007 except as permitted by Canadian securities legislation and the TSX Venture Exchange.

Galway intends to use the proceeds of the private placement to fund the Company's 12 month work program on each of its three properties (Indian Springs, Victorio and Lone Mountain), as recommended in the technical reports prepared by SRK Consulting (U.S.), with the balance available for general working capital purposes.

About Galway Resources

Management is focused on developing three U.S. based exploration projects that are favorably located and have over 300,000 feet of historical drilling. We have established a solid technical team that is compiling all the historical data and are now advancing these projects in an aggressive but cost effective manner. Management believes that its strategic portfolio of properties offers investors an interesting exposure to a unique blend of commodities.

On behalf of the Board of Directors

GALWAY RESOURCES LTD.

Rob Hinchcliffe,
President and Director
1-800-475-2412

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Some statements in this news release contain forward-looking information. These statements include, but are not limited to, statements with respect to the use of proceeds. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the completion of expenditures.