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FOR IMMEDIATE RELEASE

AAV LIMITED ACQUIRES SHARES OF GALWAY GOLD INC.

Toronto, Ontario – August 17, 2015 – Galway Gold Inc. (TSX-V: GLW) (“Galway Gold” or the “Company”) is pleased to announce that AAV Limited (“AAV”), an indirect wholly owned subsidiary of Mubadala Development Company PJSC, which is owned by the Government of Abu Dhabi, has acquired ownership of an aggregate of 28,982,394 common shares of Galway Gold Inc., representing approximately 17.4 per cent of the issued and outstanding common shares of Galway. These shares were acquired in separate tranches of 20,287,675 shares (February 10, 2015) and 8,694,719 shares (August 14, 2015), of which the latter tranche is held in an escrow required by the TSX Venture Exchange at the time of listing.

The common shares were acquired at a price of eight cents per common share, for total consideration of \$2,318,592, in exchange for Series A preferred securities of Centennial Asset Brazilian Equity Fund LLC, a Delaware limited liability company. The common shares were acquired from AUX Canada Acquisition 2 Inc. (AUX) in satisfaction of a debt obligation of a related party to AAV.

To obtain a copy of the early warning reports filed under applicable Canadian provincial securities legislation, please go to the Company’s profile on SEDAR at www.sedar.com.

For further information contact:

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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 contains forward-looking information which is not comprised of historical facts. Forward-looking information involves risks, uncertainties and other factors that 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, Galway Gold’s objectives, goals or future plans, statements regarding the estimation of mineral resources, exploration results, potential mineralization, exploration and mine development plans, timing of the commencement of operations, the status of the exercise of the Reina de Oro Option Contract and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, failure to convert estimated mineral resources to reserves, capital and operating costs varying significantly from estimates, the preliminary nature of metallurgical test results, an inability to resolve the dispute with the counterparty to the Reina de Oro

Option agreement whereby Galway Gold cannot complete the purchase of a 100% interest in the Vetás Project, 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 and the other risks involved in the mineral exploration and development industry, and those risks set out in Galway Gold's public documents filed on SEDAR. Although Galway Gold 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. Galway Gold 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.