

Galway Metals Reports Robust PEA Results with 33% and 61% After Tax IRR, Using both Long Term and Spot Pricing Scenarios, Respectively

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TORONTO, January 21, 2026 - [Galway Metals Inc.](#) (TSXV:GWM)(OTCQB:GAYMF) (the "Company" or "Galway") is pleased to announce the results of an independent Preliminary Economic Assessment ("PEA") for the development of the company's 100% owned Estrades Project located in the Abitibi region of northwestern Québec. This PEA has been completed on a Toll Milling scenario; no toll?milling agreement is currently in place, and no discussions have been held with the mill owner. The PEA has been prepared by BBA E&C Inc. and SLR Consulting (Canada) Ltd. ("SLR") in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). The NI 43-101 Technical Report for the PEA will be filed within the next 45 days and will be made available under the Company's profile on SEDAR+ and on the Company's website.

Rob Hinchcliffe, Chief Executive Officer, commented "As the gold price moves higher it only boosts the returns on this high-grade gold-zinc project. Using the long-term consensus metal price forecasts (gold price of US\$3,137), which form the primary economic basis of this PEA, we are pleased to report 33% After tax IRR, along with an NPV @ 5% of \$212 million for the Estrades Project. If we use the spot metal prices outlined in Table 2, we find the after-tax IRR rises to 61%, NPV @5% rises to \$518 million for the Estrades Project with cash flows and pay back also improving accordingly".

"This report is extremely timely following the agreement between Galway and Dowa Metals and Mining Co. Ltd. (Dowa) to explore developing Estrades. We are delighted that Estrades is now creating value for Galway shareholders, and we believe that much more value will be created during the next several years. We are contemplating two production scenarios: one founded on toll mill - there are two operating mills currently operating well below rated commercial capacity and within trucking distance to the Estrades Project. When the Estrades mine was in production in 1990 for twelve months, ore was custom milled at the Matagami Concentrator. As noted earlier, no toll?milling agreement is in place at this time; the Toll Milling scenario used in the PEA is conceptual and for evaluation purposes only.

The second option is to construct our own mill. The toll-milling option is clearly a quicker and more efficient way to achieve production with a more modest capital expenditure of \$117 million as well. Financially, the project is estimated to be a low-cost producer with AISC of US\$1,987 per ounce. Management will push both the toll mill and build our own mill scenarios as we move forward. Our plans for the next 12 months are to continue to further optimize the project. More specifically, a work program fully funded by DOWA includes a geophysical survey planned for early March followed by a drilling program that will look to explore the western extent of the deposit, and exploration potential at depth. Finally, we will continue to improve metallurgical recoveries as well".

Table 1: Summary of Economic Parameters

	Long-Term Prices		Spot Prices	
	Toll Mill	On-site Mill	Toll Mill	On-site Mill
Initial Capital ¹	117	219	117	219
Post-Tax Cashflow ¹	311	307	708	709

Post-Tax NPV (5%) ¹	212	186	518	496
Post-Tax IRR (%) ¹	33	20	61	39
Post-Tax Payback (years) ²	4.7	5.5	3.8	4.4

Note:

1. All amounts are Millions of Canadian Dollars
2. Payback (years) includes 2 years of pre-production in the project period.

The study outlines a robust development scenario for the Estrades Gold-Zinc-Copper-Silver project with strong economics and a leverage to metals prices. The base case scenario proposes an 8-year underground mine life and a toll milling operation producing 245 million lbs of payable zinc, 30 million lbs of payable copper, and 171 thousand oz of payable gold. Additionally, an on-site mill option has been studied, and both options will continue to be considered for development as the project advances.

Gold Prices Continue to Hit All Time Highs

We have provided the metal price estimates in Table 2 below. Included are long-term consensus price estimates derived from an independent monthly compilation of forecasts published by more than 20 financial institutions.. The spot prices represent the prices for each metal on January 7, 2026.

Table 2: Metal Prices (January 7th 2026)

Commodity	Long Term Consensus Pricing - LTCP (USD, CIBC)	Spot Prices (USD)
Gold (Au, oz)	\$3,137	\$4,456
Copper (Cu, lb)	\$4.51	\$5.95
Zinc (Zn, lb)	\$1.21	\$1.44
Lead (Pb, lb)	\$0.91	\$0.93
Silver (Ag, oz)	\$37.74	\$78.18
Exchange rate USD:CAD	1.35	1.38

Table 3: Capex summary (Toll Milling scenario)

Cost Element	Initial Capital ⁽¹⁾	Sustaining Capital ⁽¹⁾	Total Capital
	LOM (\$M)	LOM (\$M)	LOM (\$M)
Processing (Toll Milling)	18.2	2.6	20.7
Surface Infrastructure	47.6	3.3	51.0
Underground Rehabilitation, Development and Infrastructure	19.6	116.8	136.5
Waste and Water Management	8.3	1.1	9.4
Direct Costs	93.8	123.8	217.6

Indirect Costs ⁽²⁾	8.8	0.0	8.8
Subtotal CAPEX	102.6	123.8	226.4
Contingency ⁽³⁾	14.1	0.0	14.1
Reclamation and Closure	0.0	5.8	5.8
Salvage Value	0.0	-10.1	-10.1
Total CAPEX	116.7	119.5	236.2

Notes:

(1) All values stated are undiscounted. No inflation or depreciation of costs were applied. The capital cost estimate follows a conceptual-level AACE Class 5 methodology ($\pm 50\%$ accuracy).

(2) Includes Owner's costs of 2.5%, construction indirects of 4%, and EPCM of 6% of direct costs.

(3) Includes contingency of 20% for all initial capital. Contingency is only applied on direct costs.

(4) The total capital cost equates to approximately \$65 per tonne of ore mined.

Table 4: Summary of operating costs (Toll Milling scenario)

Description	Operating Costs ⁽⁶⁾	
	LOM (M\$)	\$/tonne Milled
Mining	262	71
Surface Transportation (from Mine to Toll Mill)	128	35
Processing (Toll Milling) ⁽¹⁾	168	46
Indirect and Overhead (incl. G&A and Surface Facilities)	122	33
Total Operating Costs ⁽²⁾⁽⁴⁾⁽⁵⁾	680	186
Transport, Treatment and Refining Charges	97	26
Royalties	20	5
Total Cash Costs	796	217
Sustaining Capital	120	33
All-in Sustaining Costs (AISC) ⁽²⁾⁽⁴⁾⁽⁵⁾	916	250
All-in Sustaining Costs (AISC), US\$/Oz AuEq paid ⁽³⁾⁽⁴⁾⁽⁵⁾	1,987	

Notes:

Numbers may not add up due to rounding.

- (1) Tailings filtration costs are in processing costs.
- (2) Total operating cost includes mining, processing, tailings, surface infrastructure, transport, and G&A to the point of production of the concentrate at the Toll Milling site. It excludes off-site concentrate costs, sustaining capital expenses, closure/rehabilitation, and royalties.
- (3) AISC includes cash operating costs, sustaining capital expenses to support the ongoing operations, concentrate transport and treatment charges, royalties and closure and rehabilitation costs divided AuEq pounds paid. Gold equivalent (AuEq) calculation assumes metal base case prices.
- (4) AuEq costs use only payable gold in concentrate and is applied as a credit against costs.
- (5) Cash operating cost and AISC are non-IFRS financial performance measures with no standardized definition under IFRS.
- (6) The operating cost estimate follows a conceptual-level AACE Class 5 methodology ($\pm 50\%$ accuracy).

Estrades Past Producer

The Estrades Project is a series of gold, zinc, copper, lead, and silver-rich massive sulphide lenses and is located about 95 km north-northeast of La Sarre, Québec. Breakwater Resources mined the Estrades deposit between July 1990 and May 1991. Breakwater used a decline to the 190-meter level and then they developed a network of ramp-connected levels. The Estrades ore was shipped and then processed at the Matagami Mill ~135 kilometers away. The Estrades deposit is presently envisioned as an underground mining operation, with additional regional and local exploration prospects also worth noting.

2024 Estrades Resource Estimate

The Estrades PEA incorporates an updated estimate of the Mineral Resources present at the Estrades volcanogenic massive sulphide (VMS) deposit, which incorporated the results from the drilling campaigns completed by Galway from 2019 and 2022 (31,720 meters in 92 drillholes).

Table5: Summary of Mineral Resource Estimate (November 5, 2024)

Category	Tonnes	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)
Indicated	1,750,000	0.97	0.48	5.76	2.86	94.4
Inferred	2,680,000	0.86	0.28	4.75	1.81	77.4

Notes for the Estrades Resource:

1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at long-term metal prices (US\$) as follows: Zn US\$1.30/lb, Cu US\$4.50/lb, Pb US\$1.00/lb, Au US\$2,000/oz, and Ag US\$25.00/oz.
3. Mineral Resources are estimated using an average long-term foreign exchange rate of CAD\$1.00:USD\$0.73.
4. A minimum mining width of approximately 1.5m was used.

5. Mineral Resources are estimated at an Net Smelter Return (NSR) cut-off value of C\$150/tonne. NSR values were calculated based on metal prices, metallurgical recoveries, and typical off-site charges applicable to concentrates. The cut-off value corresponds to the projected operating cost for a conceptual operating scenario. There are no Mineral Reserves estimated at the Estrades Project. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
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7. Numbers may not sum due to rounding

Mine Design and Infrastructure

The targeted production rate envisioned in this PEA is 1,500 tons-per-day and, at this rate, the mine life is estimated to be 8 years. The modified Avoca long-hole mining method was selected as the most suitable approach for this deposit with a mining cost of 71\$/t. Waste rock generated during initial mine development will be stored on surface stockpiles and later used as backfill material underground.

Figure 1: Long Section Showing Production Years

Mineral Processing

The flowsheet was conceived as a stand-alone circuit. However, the current plan is to integrate this flowsheet into existing mineral concentrators in the region to leverage existing infrastructure while maintaining the intended process objectives. This study includes a budget allocation for the necessary modifications to a flotation circuit to accommodate the processing requirements of Estrades. No toll-milling arrangement is currently in place with such facilities, but two mills-either in operation or on care and maintenance-are located within 150 km of the Estrades Project.

The metallurgical assumptions used in the PEA are supported by bench-scale flotation testwork that established representative recoveries and concentrate grades for Cu-Pb-Zn-Au-Ag mineralization from Estrades. The test program included grind-size optimization and locked-cycle testing, providing the basis for the process design criteria and the recovery estimates used in the PEA.

A scenario was developed to process Estrades mineralized material at an on-site mill with associated tailings facilities, eliminating the need to transport material to a toll milling facility. The Mill-at-Site option requires higher capital investment, primarily for the construction of an on-site mill and water and waste management infrastructure. However, this approach provides greater confidence in project feasibility by removing reliance on third-party toll milling agreements.

Table 6: Process Design Criteria

Parameter	Unit	Value
Annual Throughput	tpa	547,500
Processing Rate	tpd	1,500
Crushing Plant Availability	%	65
Mill Availability	%	92
Average Cu Feed Grade	%	0.67
Average Pb Feed Grade	%	0.31

Average Zn Feed Grade	%	4.33
Average Au Feed Grade	g/t	1.87
Average Ag Feed Grade	g/t	69
Material Hardness (BWi)	kWh/t	11
Primary Grind Size (P80)	µm	50
Cu Flotation Regrind Size (P80)	µm	20
Cu Concentrate Moisture	%	8-10
Zn Concentrate Moisture	%	8-10
Pb Concentrate Moisture	%	8-10

Recommendations and Project Optimization

Galway Metals is encouraged by the results of the Estrades PEA and looks forward to advancing the project towards a viable, cash-flow generating mining operation.

A few of the initiatives as we move forward will include:

- An Environmental Baseline study is expected to begin in the second quarter of 2026, and continued work on our community outreach program.
- Work will continue towards upgrading the Mineral Resource through drilling at depth and by testing the lateral extent of the deposit.
- Metallurgical studies will continue with the goal of increasing metal recoveries.

Technical Disclosure

The Preliminary Economic Assessment was prepared by BBA E&C Inc. ("BBA") and SLR Consulting (Canada) Ltd. ("SLR"). The study was completed by the following Qualified Persons as defined by NI 43-101: Priyadarshi Hem, P.Eng.; Vera Gella, P.Eng.; Todd McCracken, P.Geo.; Hugo Latulippe, P.Eng.; and Reno Pressacco, M.Sc.(A), P.Geo. All are independent of the Company in accordance with NI 43-101. They are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the results of the PEA.

Additional scientific and technical information in this news release not specific to the PEA has been prepared under the supervision of and approved by Stephen Poitras., P. Geo., Project Manager for Galway Metals Inc., as qualified person for the purposes of NI 43-101.

The effective date of the Preliminary Economic Assessment will be provided in the NI 43-101 Technical Report, which will be filed on the Company's regulatory profile and website within the required 45-day period. The scientific and technical information contained herein has been reviewed and approved by the aforementioned Qualified Persons.

About Galway Metals Inc.

Galway Metals is a Canadian mineral exploration and development company focused on advancing its 100%-owned, high-grade, open-pitiable flagship Clarence Stream gold project in southwest New Brunswick. Clarence Stream is an emerging gold district with an exploration strike length of approximately 65 kilometres

and widths of up to 28 kilometres in certain areas. Galway Metals also has 100%-ownership in the Estrades project, a former producing high-grade, gold-rich polymetallic VMS mine in the northern Abitibi of western Quebec. Led by a management team with a proven track-record of creating shareholder value having sold Galway Resources for US\$340 million, Galway Metals is focused on creating value for all its stakeholders.

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