



10 March 2005

Manager Company Announcements
Company Announcements Office
Australian Stock Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam

ANNOUNCEMENT

EXPLORATION UPDATE

GREENVALE PROJECT (North-East Queensland - Figure 1)

Glengarry Resources Limited has initiated an exploration program on two high priority gold and base metal targets – the **Daintree Copper Prospect** and the **Galah Dam Gold-Zinc Prospect** – both of which are located on the Company's wholly owned 1,822 square kilometre Greenvale Project in north-east Queensland. The Company is presently assessing historic data on the prospects from previous explorers with a view to conducting initial drilling on both areas in the second quarter of 2005.

The Greenvale Project is strategically located immediately east of the 4.5 million ounce Kidston gold deposit and south of Kagara Zinc's Balcooma base metal deposits. It hosts widespread gold and base metal anomalism.

Daintree Copper Prospect

Copper-silver ores were mined from the Daintree deposit in the period 1909 to 1921. Drilling conducted on the deposit in 1970 confirmed copper mineralization over a strike length of 300 metres with a best intersection of 41 metres at 2.2% copper. Most of the historic drilling was not assayed for gold or silver.

A review of this historic drilling has indicated that the mineralised zone remains open along strike and with depth. Holes at either end of the current drilling intersected 18 metres at 2.3% copper and 27 metres at 1.72% copper. Untested induced polarization (IP) anomalies also suggest that extensions to the known mineralization are likely.

Importantly, the deposit occurs in the same sequence of rocks that hosts Copper Strike Limited's new Einasleigh Project located approximately 60 kilometres to the north-west of Daintree. Copper Strike recently reported drilling intersections up to 50 metres at 6.65% copper from Einasleigh.

Galah Dam Prospect

Previous drilling by Homestake in the early 1990's intersected gold-zinc mineralization on the Galah Dam prospect in a similar geological setting to Kagara Zinc's Balcooma base metal deposits located some 17 kilometres to the north-west.

The Galah Dam mineralization has been confirmed by Homestake's drilling over a strike length of 200 metres and is associated with a gold-zinc soil anomaly extending over 600 metres. Better historic intersections include 30 metres at 1.1g/t gold, 5 metres at 8.5% zinc and 16 metres at 13g/t silver.



Untested IP anomalies indicate good potential to extend the mineralization both along strike and down dip.

Other Prospects

Several other gold prospects have been identified on the Greenvale Project area and will also be evaluated in the coming quarter. These include:

Bottletree – a large 1.0 by 1.5 kilometre gold-copper soil anomaly where limited drilling has intersected wide zones of anomalous copper (up to 63 metres at 0.32%);

Lucky Creek – a 4 kilometre long gold in soil anomaly where limited drilling has intersected up to 4 metres at 3.5g/t gold;

Lockwood - an untested gold in soil anomaly with values up to 1.6g/t gold.

Wells – gold in soil values up to 1.32g/t reported during 1970's base metal exploration and yet to be followed up.

CHARTERS TOWERS (North-East Queensland)

Glengarry drilled 16 RC percussion holes for an aggregate 1087 metres at Charters Towers in February 2005. The drilling was designed to test the extension of the historic, high grade Day Dawn gold lode and the large Lollypop gold in soil anomaly reported last year. There were no significant gold assays reported from the drilling.

The Charters Towers Project is still considered prospective for large gold deposits; however, future targets are likely to be covered by transported sediments and will be expensive and difficult to define. Glengarry will seek a joint venture partner to continue exploration at Charters Towers.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D Richards', written over a large, loopy flourish.

DAVID RICHARDS
Managing Director

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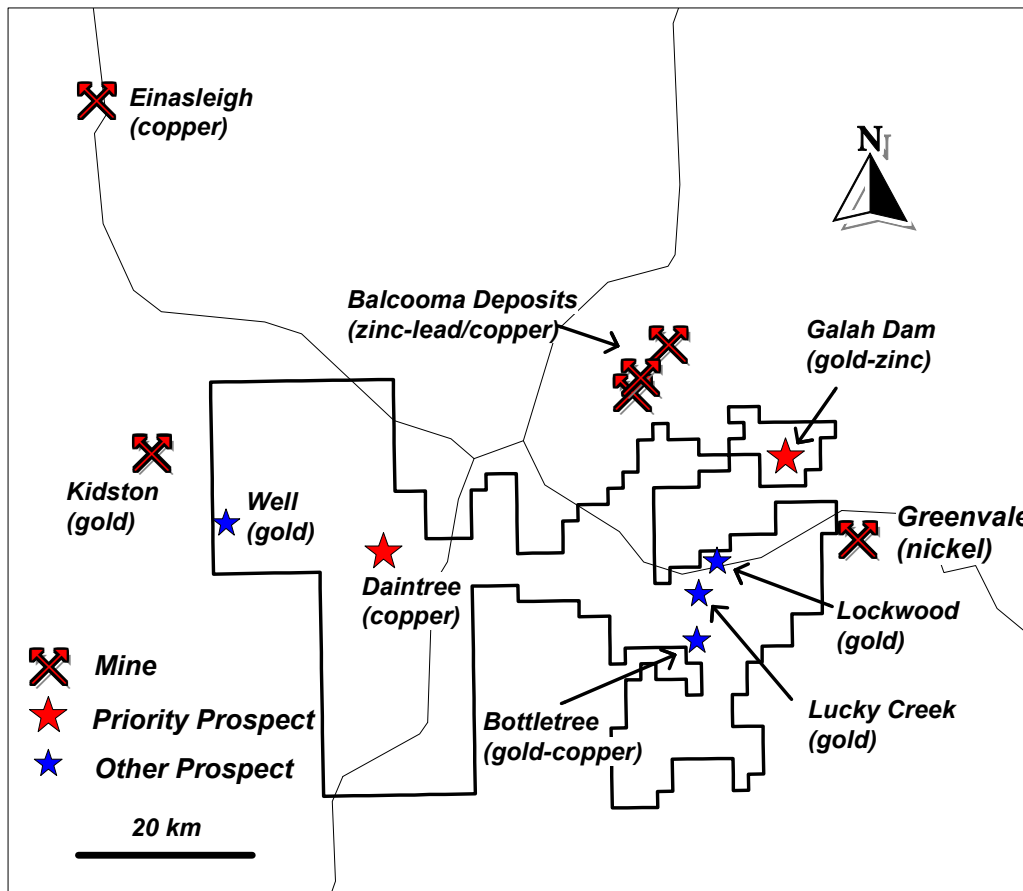


Figure 1: Glengarry Resources Limited - Greenvale Project area.