



G L E N G A R R Y

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Directors

Keith McKay
Non-Executive Chairman
Darren Gordon
Managing Director
Geoff Clifford
Non-Executive Director
Didier Murcia
Non-Executive Director

Company Secretary

Geoff James

Issued Shares

286,003,678

ASX Code: GGY

ASX Release

Quarterly Activities Report

30 June 2009

Highlights

- Cash at the end of the Quarter \$9.7 million.
- Mr Darren Gordon appointed as Managing Director on 4 May 2009.
- Mr Didier Murcia joined the Board as a Non Executive Director on 16 April 2009.
- Revised corporate strategy implemented which focuses on acquiring a new project or projects. Key factors in identification process are;
 - Capable of being in production within 24 months.
 - Established resource base.
 - Resource is generally of a high grade nature, which gives best opportunity for low cost operations.
 - Preferred commodities are gold, base metals and iron ore.
- Currently reviewing the timing of future work programs on the Company's existing exploration properties at Citadel and Percyvale as these projects do not meet our newly established criteria for the allocation of exploration funds.
- Project Generation activities in progress.

Cash Position

At 30 June 2009, the Company held cash reserves of \$9.7 million.

Corporate Strategy

During the Quarter there were a number of structural changes within the Company. These changes commenced with the change of the Company's largest shareholder, followed by changes to the Board and Management and concluded with a change in the Company's overall strategic direction. Previously, the Company had predominantly pursued early stage exploration opportunities but it now has a much stronger focus on identifying and securing a near term production asset.

Specifically, the Company is now looking to leverage of its strong cash position to secure a project or projects that are capable of being developed within 24 months to deliver a strong cash flow to the Company. The preference is for gold, iron ore or base metal projects that already have an established resource and which can be acquired at the asset level. Whilst the initial focus is on high grade projects with low capital costs, the key is identifying and securing projects that can demonstrate that they will be profitable for Glengarry in a development scenario.

We have commenced the search for a project or projects in line with our newly formed strategy and the Company is confident that it will secure an asset that fits the established parameters in the next 6 months.

Our new business plan is not dissimilar to that which a number of other companies are trying to achieve in the market, but our strength in assessing opportunities is our high quality Board and relatively strong cash position.

In respect to our existing Projects, we are currently reviewing the timing of future work programs as the Projects do not presently meet our newly established criteria for the allocation of exploration funds.

Change of Major Shareholder

On 8 April 2009, Kagara Ltd sold its 19.79% interest in Glengarry. 15.4% of this holding was acquired by parties associated with Mr Darren Gordon (new Managing Director) whilst parties associated with Mr Didier Murcia (new Non Executive Director) acquired a 2.5% holding. The remainder of the holding was acquired by other independent groups.

Board Changes

Following the change in the major shareholder, Mr Darren Gordon and Mr Didier Murcia agreed to join the Board as Directors. This change occurred on 16 April 2009.

Further to the changes in the composition of the Board and with a strong desire to see the Company fully implement its new strategy, Mr Gordon agreed to take on the role of Managing Director on 4 May 2009.

Mr Gordon is a senior mining finance and resources executive with extensive experience in the Australian mining industry. He is currently Non Executive Chairman of the ASX Listed, Brazilian iron ore explorer, Centaurus Resources Ltd and was previously Chief Financial Officer and Company Secretary for Gindalbie Metals Ltd for some 9 years (1999 to 2008).

During his tenure at Gindalbie, the Company successfully transitioned from a gold producer to an emerging iron ore producer. Mr Gordon was an integral part of the team that secured China's second largest steel mill, Ansteel, as joint venture partner for the \$1.8 billion Karara Iron Ore Project.

Mr Gordon holds a Bachelor of Business Degree from Curtin University in Western Australia and is both a Chartered Accountant and Chartered Secretary.

Mr Murcia is a professional company director with over twenty years of corporate and resource industry experience. Mr Murcia holds a Bachelor of Jurisprudence and a Bachelor of Law Degree from the University of Western Australia and founded Perth-based legal group Murcia Pestell Hillard.

Mr Murcia specialises in the provision of strategic, corporate and commercial advice and is presently a director of publicly listed Aminex plc, Gindalbie Metals Ltd, Gryphon Minerals Ltd and Target Energy Ltd. He is also Honorary Australian Consul for the United Republic of Tanzania, a position that he has held for over ten years.

Former Managing Director, Mr David Richards, resigned from his role on 16 April 2009 whilst Mr Bill Manning resigned from the Board as a Non Executive Director on 29 May 2009. The Board thanks both Mr Richards and Mr Manning for their contribution to the Company.

The Glengarry Board now comprises;

Mr Keith McKay	Non Executive Chairman
Mr Darren Gordon	Managing Director
Mr Geoff Clifford	Non Executive Director
Mr Didier Murcia	Non Executive Director

The Company's directors are committed to achieving the established plan for the Company through proactive contribution, in addition to their normal director's duties. Board Members have been encouraged to use their strong resource industry networks to identify potential quality opportunities.

Cost Review

Over the last quarter, the Company has undertaken a full review of the Company's cost structure to ensure that its cash reserves are being applied in the most effective manner. A number of cost reductions have been identified and implemented, including a reduction in the overall organizational structure. The change to the structure has resulted in reduced ongoing salary costs, including reduced fees paid to the Managing Director and Non Executive Directors.

Share Information

At 30 June 2009, the Company had 286,003,678 shares on issue with the Top 20 holding 35.1% of the total issued capital.

EXPLORATION PROJECTS

Project Generation

During the Quarter a number of new project opportunities were reviewed. Most projects did not fit the Company's criteria for further consideration but one Project was reviewed in detail. Following the completion of due diligence, the Board determined that it would not proceed with the Project.

The Company continues to maintain an active program of project generation activities.

Citadel Copper/Gold Project (GGY 100%)

The Citadel Project is an exploration project located approximately 100 kilometres north of Newcrest's multi-million ounce Telfer Gold Mine in the Kimberley region of Western Australia (Figure 1).

During the Quarter no field activities were undertaken on this Project.

As a result of the new corporate strategy, the Company is currently reviewing the timing of any future work programs at Citadel as the Project does not presently meet our newly established criteria for the allocation of exploration funds. We do not expect to spend any funds on the Citadel Project over the next 6 months but will continue to look at ways to extract value from the Project over this period.

A detailed Information Memorandum on the Project has recently been completed and will be used to promote the Citadel Project to parties interested in acquiring an interest.

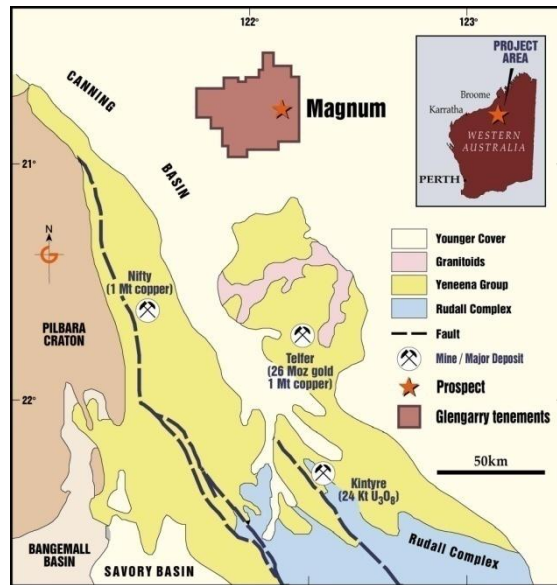


Figure 1 – Citadel Project Location Map

[Percyvale Copper/Gold Project \(GGY 100%\)](#)

The Percyvale Project is an exploration project located in Queensland approximately 300 kilometres west-northwest of Townsville (Figure 2).

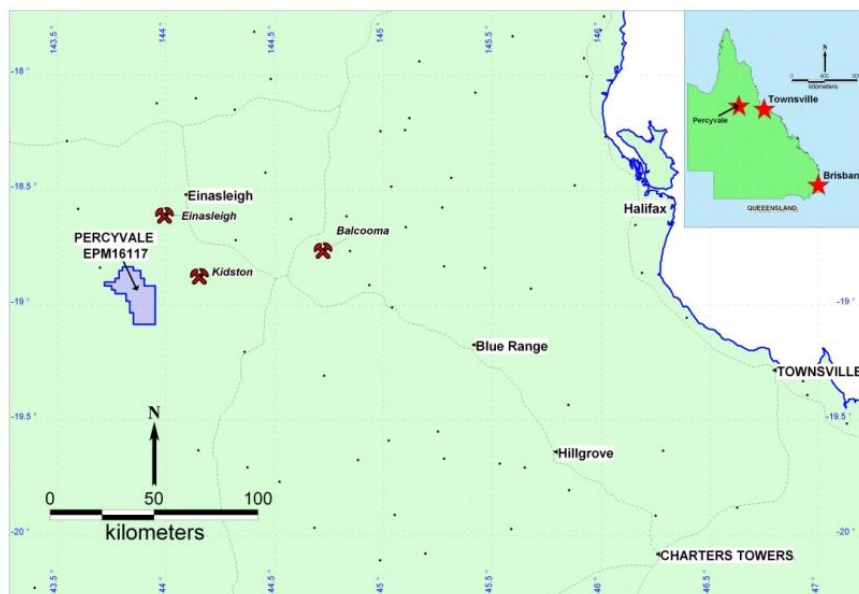


Figure 2 – Percyvale Project Location Map

During the Quarter the Company completed a site visit to finalise previous exploration activities and ensure all tenement obligations had been complied with. No new field activities were undertaken on the Project during the Quarter.

In line with the strategy applied to the Citadel Project, the Company is currently reviewing the timing of any future work programs at Percyvale as the Project does not presently meet our newly established criteria for the allocation of exploration funds. We do not expect to spend any funds on the Percyvale Project over the next 6 months but will continue to look at ways to extract value from the Project over this period.

A detailed Information Memorandum on the Project has recently been completed and will be used to promote the Percyvale Project to parties interested in acquiring an interest.

Mt Guide Project

(Summit Resources 90%, GGY carried 10% interest; MM Mining Plc earning 80% of Summit's Interest)

The Mt Guide Project is located 35 kilometres south of Mt Isa in Queensland. During the Quarter, MM Mining, who is earning an 80% interest in Summit Resources existing interest, completed two deep holes, one into the Brampton Prospect and one into the Apex Prospect.

Brampton

At the Brampton Prospect, a single diamond hole was recently completed to 370 metres depth through a coincident IP, copper and zinc anomaly with dolomitic sediments near a basalt-sediment contact. Assay results from the drill hole are expected at the end of July 2009.

Apex

During the Quarter, the Apex Prospect was re-prioritised after field mapping was completed and a copper enriched shear zone within sediments north of Mt Guide was identified. The field assays of the outcrop assayed up to 15.7% Cu and there are nearby CRA drill holes with >40 metre widths of copper mineralisation. A single diamond hole to 291 metres depth was drilled. The hole intersected the prospective sediment sequence and intersected the copper mineralised shear zone. Assay results from the drill hole are expected in late July 2009.

Prospect	Hole ID	Easting (MGA54)	Northing (MGA54)	Azimuth	Dip	RC metres	DDH metres
Apex	AXPD001	340405	7680253	103	55	80.8	291.4
Brampton	BRPD019	338814	7674422	103	55	90.6	368.7

Snake Creek

(GGY 100%, Ivanhoe Exploration earning 70%)

The Snake Creek Prospect is located 25 kilometres south of Cloncurry in western Queensland. RC percussion drilling at the Snake Creek Prospect was initiated by Ivanhoe Exploration on 4 June 2009 and 6 holes for 1,194 metres were drilled by the end of the Quarter. Drilling is expected to be completed by mid July. Copper mineralisation was intersected in one hole (identified using a hand held Niton XRF Analyser) and assay results are pending.



Darren Gordon
Managing Director
16 July 2009

Competent Person Declaration

The information in this report that relates to mineral exploration at the Mt Guide Project is based on information compiled by Peter Rolley MSc, MAIG who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Rolley is a consultant to MM Mining and consents to the inclusion of the information in this report in the form and context in which it appears.