

11 May 2004

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

Dear Sir

ANNOUNCEMENT
FOLLOW UP DRILLING SCHEDULED FOR CHARTERS TOWERS TARGETS

Charters Towers - Queensland (Figure 1)

The Directors of Glengarry Resources Limited are pleased to announce that follow up RC drill testing of a number of targets on the Charters Towers Project is scheduled for late May/early June 2004. Drilling will total 2000 – 3000 m and test targets at Southern Cross, Puzzler and Back Creek prospects (Figure 1).

At Southern Cross, RC drilling in March 2004 intersected up to 3 m @ 6.1 g/t Au (from 89 m) along strike from high grade intersections (up to 1 m @ 23 g/t Au) reported last year. Ore grades have now been intersected on two adjacent sections confirming potential for a high grade shoot similar to the Charters Towers style of mineralisation. The mineralisation is open in all directions and 5 – 6 RC holes are planned to test a 100 by 200 m panel for strike and dip extensions of the high grades. Ground magnetics confirm that the host structure continues to the west for at least one kilometre beneath shallow alluvial cover.

Further drilling will also be completed at the Dogmatix prospect where previous RAB drilling intersected 6 m @ 1 g/t Au at the bottom of a shallow, vertical reconnaissance hole. Mapping and magnetic data indicate potential for Mt Leyshon style mineralisation in this area which is largely obscured by Tertiary sediments.

On going target generation work has delineated a geologically and structurally complex zone at Back Creek approximately 3 km west of Charters Towers and 3 km south of Glengarry's 120,000 oz Great Britain gold deposit. Back Creek and Great Britain are hosted by a 9 km by 2 km N/S trending metamorphic belt located immediately west of Charters Towers. Previous exploration in this belt has been limited due to metallurgical studies that indicated gold deposits hosted by the belt would be refractory. Recent research by Glengarry suggests that this is unlikely and that the poorly explored metamorphic rocks are actually very prospective.

Initial field work at Back Creek has recorded strongly anomalous gold values in lag (>300 ppb), rock chips (up to 50 g/t) and from a shallow water bore which assayed 0.6 g/t from chips around the collar. Systematic soil and lag sampling is planned to better to define the target which will then be tested during the next phase of drilling.

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The Charters Towers district is one of the premier gold mining regions of Australia and has produced more than 17 M oz from historic and modern day production. The district is noted for several world class ore bodies with gold occurring in different geological environments including narrow, high grade quartz veins (eg Charters Towers) and as bulk tonnage, medium grade deposits (eg Mt Leyshon). Previous exploration has focused on historic workings in areas of outcrop. Glengarry's tenements are characterised by poorly exposed areas with extensive shallow cover that has had little or no exploration and potential exists for a significant discovery.

Yours faithfully



David Richards
Managing Director

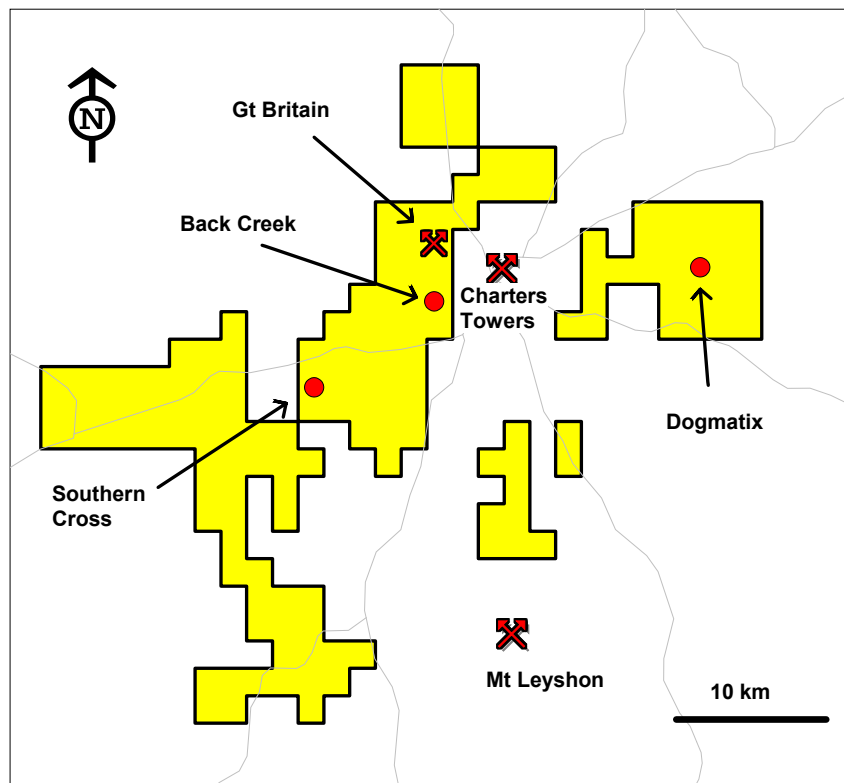


Figure 1: Charters Towers Project – May/June 2004 drill targets

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