

26 February 2004

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

Dear Sir

**ANNOUNCEMENT
DRILLING TO TEST HIGH GRADE GOLD TARGETS.**

Charters Towers - Queensland (Figure 1)

The Directors of Glengarry Resources Limited are pleased to announce that drill testing of a number of targets in the Puzzler/Dogmatix and Southern Cross areas at Charters Towers is scheduled for early March 2004. Drilling will total approximately 2000 m and comprise 1500 m reverse circulation (RC) and 500 m aircore (AC).

Approximately 75% of the drilling will be completed in the Puzzler/Dogmatix area located 10 km east of Charters Towers. Exploration has delineated several prospects with mineralisation spatially associated with a linear, NNE trending granodiorite intrusion which appears to be coincident with a structural corridor that includes the giant Mt Leyshon gold deposit located 27 km to the SSW. There are no historic workings in the areas to be drilled; however, recent mapping and prospecting has located several outcrops with rock chips grading greater than 30 g/t gold.

At the Southern Cross prospect located 15 km SW of Charters Towers high-grade (up to 1 m @ 23 g/t gold), quartz vein hosted mineralisation remains open along strike and down dip.

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 been limited to previous 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

GLENGARRY RESOURCES LIMITED ABN 40 009 468 099

PRINCIPAL OFFICE

Telephone: (08) 9322 4929 Facsimile: (08) 9322 5510
PO Box 975, West Perth, WA 6872
35 Havelock Street, West Perth, WA 6005

QUEENSLAND OFFICE

Telephone: (07) 4772 5880 Facsimile: (07) 4772 4999
PO Box 908 Castletown, QLD 4812
68 Railway Avenue, Railway Estate, QLD 4810

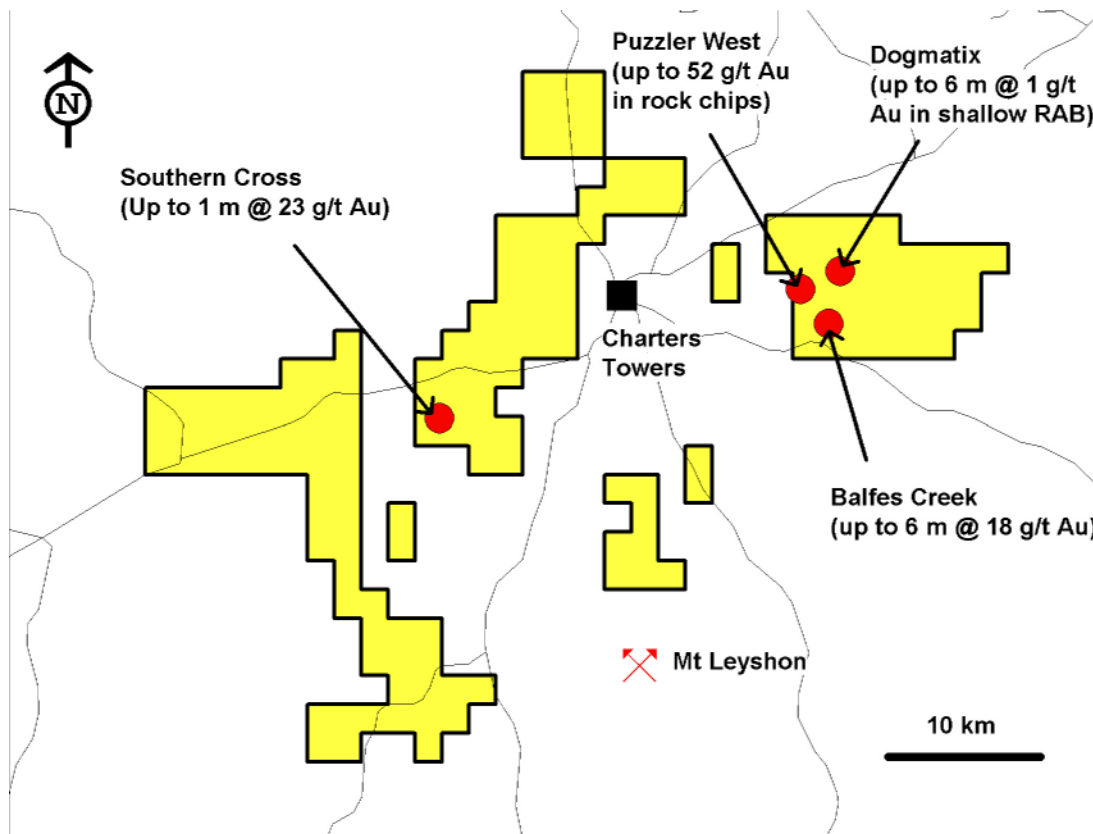


Figure 1: Charters Towers Project – March 2004 drill targets.

CONTACTS	
DAVID RICHARDS <i>Managing Director</i>	TONY ALSTON <i>Exploration Director</i>
Telephone: (08) 9322 4929	Telephone: (07) 4772 5880
Facsimile: (08) 9322 5510	Facsimile: (07) 4772 4999
Email: davidr@glengarrynl.com.au	Email: alstontony@bigpond.com