



28 September 2004

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

Dear Sir/Madam

ANNOUNCEMENT

Pro rata non-renounceable one for four entitlements issue of ordinary shares at 3.5 cents per share to raise \$1,105,187 by the issue of 31,576,787 ordinary shares

The directors of Glengarry Resources Limited announce that shareholders have subscribed for 11,648,158 ordinary shares representing \$407,685 in value in the entitlements issue.

The shortfall to the entitlements issue is 19,928,629 ordinary shares representing \$697,502 in value.

In accordance with the terms of the Prospectus dated 24 August 2004 the directors have three months, until 23 December 2004, in which to place the shortfall and negotiations with interested parties have commenced.

The directors wish to thank those shareholders who participated in the entitlements issue.

Yours faithfully

DAVID RICHARDS
Managing Director