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Australian Stock Exchange Limited
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GLENGARRY TO TARGET URANIUM PROSPECTS

A technical assessment of Glengarry Resources Limited wholly owned Greenvale Project has confirmed the potential for significant uranium mineralisation. In May 2005, Glengarry reported the results of exploration completed in the 1970's at the Oasis prospect which included high grade uranium (**up to 12.5%**) in trench assays. Subsequent work has also identified the Gregory prospect where rock chip sampling in 1981 recorded up to **0.35%** uranium (equivalent to 9.1 lbs/t U₃O₈) and a number of additional targets defined by regional airborne radiometrics.

Glengarry is planning a significant uranium exploration program to be conducted over the next six months including follow up at the Oasis and Gregory prospects as well as reconnaissance work over the radiometric targets. The exploration will be in addition to the work planned for a number of base metal and gold targets reported previously for the Greenvale Project.

Oasis Prospect

Esso Minerals drilled 32 diamond holes and 14 percussion holes at the Oasis prospect in 1978 and intersected economic grades of uranium mineralisation over a strike length of approximately 300 metres (see Table 1 for significant drill hole intersections).

Better reported intersections include 9.5 metres @ 0.23% U₃O₈ from 28 metres and 6.7 metres @ 0.23% U₃O₈ from 48.3 metres depth. Trench samples recorded up to 12.5% uranium. No uranium exploration has been completed in the immediate area since the Esso work some 27 years ago.

The geological setting at Oasis is considered analogous to the Mary Kathleen uranium deposit in the Mt Isa region of western Queensland. Mary Kathleen was mined from 1958 until 1982 and contained a reserve of 9.5 million tonnes grading 0.13% U₃O₈. Exploration planned by Glengarry includes testing the depth and strike extensions of the known mineralisation and the assessment of the adjacent area.

Gregory Prospect

Stream sampling and prospecting by Afmeco in the early 1980s recorded strongly anomalous uranium (up to 0.35%) at the Gregory prospect which is located approximately 65 kilometres south-southwest of the Oasis prospect on the same regional structure and in a similar geological setting. No follow up sampling or drilling has been reported.

Regional Targets

The Greenvale Project is considered prospective for two styles of uranium mineralisation:

- ❖ Structurally controlled deposits hosted by lithologies of the high grade Einasleigh Metamorphic sequence (eg Oasis and Gregory prospects).



G L E N G A R R Y

- ❖ Roll front deposits located beneath paleochannels that drain the prospective metamorphic lithologies.

The Oasis and Gregory prospects (Figure 1) are interpreted to be hosted by subsidiary structures that splay off a major geological feature known as the Lynd Mylonite Zone (LMZ). A corridor immediately west of the LMZ is considered highly prospective for uranium mineralisation and will be the focus of Glengarry's future exploration. An airborne radiometric survey flown by the Queensland government in 1999/2000 has defined a number of uranium anomalies within the prospective corridor including anomalies coincident with the mineralisation at Oasis and Gregory. Glengarry's tenure covers approximately 50 kilometres of the prospective corridor and the unexplained radiometric anomalies will be the subject of immediate field reconnaissance.

Geological mapping indicates a major paleochannel draining towards the northwest away from the prospective corridor described above. Potential exists for uranium mineralisation at the contact between the paleochannel sediments and underlying bedrock. Wide spaced shallow drill traverses will be required to test for this potential mineralisation.

The uranium exploration program will commence in the current quarter. Meanwhile a 4 to 5 hole, diamond drill hole program to test for copper mineralisation at the Maitland prospect will commence this week. The Maitland prospect is located within the same prospective corridor as the recently identified uranium prospects.



DAVID RICHARDS
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by David Richards who is a member of the Australian Institute of Geoscientists. David Richards is a full time employee of Glengarry Resources Limited. David Richards has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. David Richards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

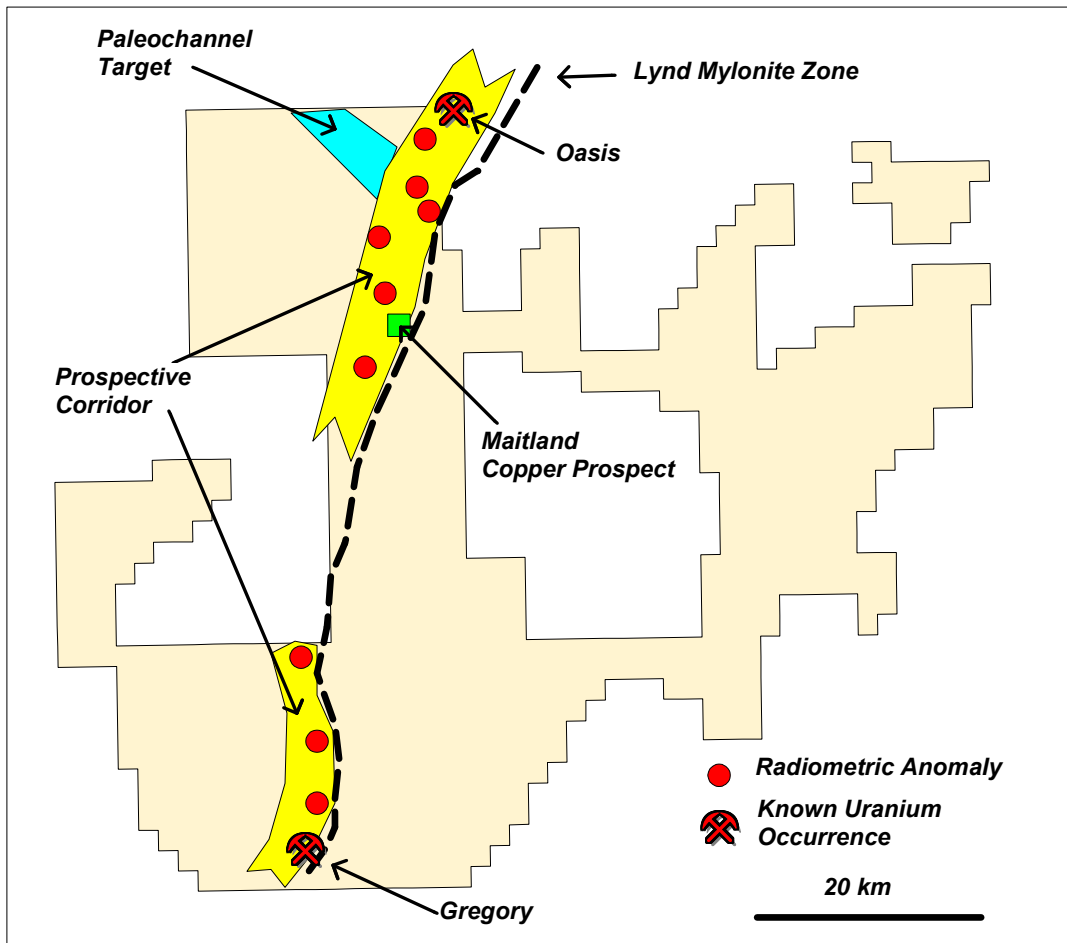


Figure 1: Glengarry Resources Limited – Greenvale Project Uranium Targets

Table 1: Oasis Prospect – Significant Diamond and RC Uranium Drill Intercepts*

Hole	Easting	Northing	Depth (m)	From (m)	To (m)	Interval (m)	%U3O8	lbs U3O8
OAD1	1120	1225	54.9	27.85	30.5	2.65	0.14	3.2
OAD2	1124	1200	44	28	37.5	9.5	0.23	5
				36	37	1	0.72	15
OAD3	1132	1175	43.75	23.5	34.8	11.3	0.07	1.5
OAD4	1100	1250	70.9	48.3	55.7	6.7	0.23	5.8
OAD5	1122	1275	46.7	28.7	30.5	1.8	0.23	5.1
OAD7	1134	1125	52.9	35	36.4	1.4	0.07	1.5
OAD8	1134	1100	63.4	48	50.5	2.5	0.07	1.6
OAD9	1125	1300	46.7	28.5	33.9	5.4	0.16	3.4
OAD13	1098	1200	79.8	58.2	60.6	2.4	0.23	5
				63.1	64.6	1.5	0.13	2.7
OAD14	1098	1300	72.6	57.2	60.5	3.3	0.06	1.2
OAD15	1111	1125	81.1	52.6	54.6	2	0.1	2.3
				63.4	66	2.6	0.1	2.2
OAD16	1100	1175	79.8	62.4	67	4.6	0.14	3.2
				70.5	71.4	0.9	0.13	2.7
OAD17	1155	1075	52.1	35.4	36.4	0.8	0.12	2.6
OAD19	1048	1200	130.8	117.8	120.9	3.1	0.08	1.9
OAD20	1044	1250	126.8	113.3	115.25	1.95	0.21	4.6
OAD22	1056	1125	142.7	122	126.3	4.3	0.07	1.6
OAD25	1046	1225	126.7	106	111.6	5.6	0.05	1.2
				123.5	124	0.5	0.64	14
OAD26	1053	1175	149.7	111.65	114.3	2.65	0.11	2.4
				143.65	143.85	0.2	0.35	7.7
OAD28	1177	1025	52.8	41.5	43	1.5	0.07	1.5
OAD29	1038	1150	150.8	134.55	135.8	1.3	0.18	3.9
OAP1	1098	1225	75	56	63	7	0.09	2
OAP3	1108	1325	80	62	64	2	0.05	1
OAP6	1130	1075	84	70	72	2	0.1	2.1

* Drilling and assays by Esso Minerals (1978)