

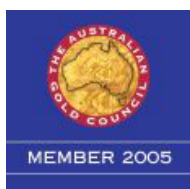
SEPTEMBER 2005 Quarterly Report

Highlights

- Diamond drill hole MTD002 designed to test the depth extents of the Maitland prospect at Greenvale in North Queensland intersected **41 metres @ 1.85% copper** from 147 metres which is the best intersection ever recorded at the prospect. Higher grade zones included **5 metres @ 3.63% copper** from 149 metres and **4 metres @ 4.16% copper** from 182 metres.
- Hole MTD002 also intersected significant molybdenum with **8 metres @ 0.43% molybdenum** recorded from 143 metres including **1 metre @ 1.05% molybdenum** from 148 metres.
- Diamond core drilling at the Oasis prospect at Greenvale intersected **10 metres @ 0.12% U₃O₈** from 54 metres in hole LYD001 and **7 metres @ 0.17% U₃O₈** from 34 metres in hole LYD002. The intersections confirm previous drill results recorded by Esso Minerals in 1978.
- A detailed gravity survey at Cannington delineated two dense bodies possibly caused by massive sulphides adjacent to the Dolly Pot prospect where previous drilling intersected anomalous base metal geochemistry.
- Xstrata Copper has commenced fieldwork on the Snake Creek JV with several styles of copper mineralisation recorded by geological mapping.
- Summit Resources have compiled all previous exploration data for the Mt Guide JV and identified 4 priority targets for drill testing later this year.
- Approximately \$950,000 was raised via a placement of 23,682,590 ordinary shares fully paid at 4 cents. The funds will be used to continue exploration at Greenvale and Cannington.

Plans for the December 2005 Quarter

- Undertake follow up drilling on the Maitland and Oasis prospects at Greenvale.
- Conduct reconnaissance traverses across uranium anomalies at Greenvale defined by regional aerial radiometric data.
- Review results of geophysical surveys at Cannington and plan follow up drilling for the first quarter of 2006.



Greenvale Project (North Queensland) – Significant mineralisation intersected in drilling.

The 2,800 square kilometre Greenvale Project is strategically located in a well endowed mineral province which includes the 4.5 million ounce Kidston gold deposit, Kagara Zinc’s high grade Balcooma zinc mines and Copper Strike’s Einasleigh Copper project (Figure 1). Exploration by Glengarry in 2005 has highlighted the potential of the Project to contain economic concentrations of several metals including copper, uranium, gold and molybdenum.

Diamond drilling was completed at the Maitland and Oasis prospects during the quarter. Significant mineralisation was intersected at both prospects and follow up drilling is scheduled for November 2005.

Maitland Copper-Molybdenum Prospect

A four hole (MTD001 – MTD004) diamond core drill program was completed at Maitland for an aggregate 677.3 metres. The drilling program was designed to test a number of Induced Polarisation (IP) geophysical anomalies reported last

quarter. IP is an electrical geophysical technique designed to detect conductive minerals such as sulphides beneath barren cover.

Copper-silver ores were mined from the Maitland prospect from 1909 to 1921 and drilling in the 1960’s confirmed copper mineralisation over a 300 metre length with a best intersection of 21.4 metres @ 3% copper. Most of this historic drilling was only assayed for copper.

Glengarry’s exploration in 2005 is the first significant exploration at Maitland since the 1960’s. The drilling completed in the 1960’s totalled 2366 metres of diamond core and this data has been compiled and processed to assist with the design of Glengarry’s exploration programs.

Drill holes MTD001, 3 and 4 were targeted at IP anomalies interpreted to indicate possible new zones of copper mineralisation. MTD002 was designed to intersect the down plunge extension of the southern shoot (Figure 2) at the Maitland workings. Results are summarised in Table 1.

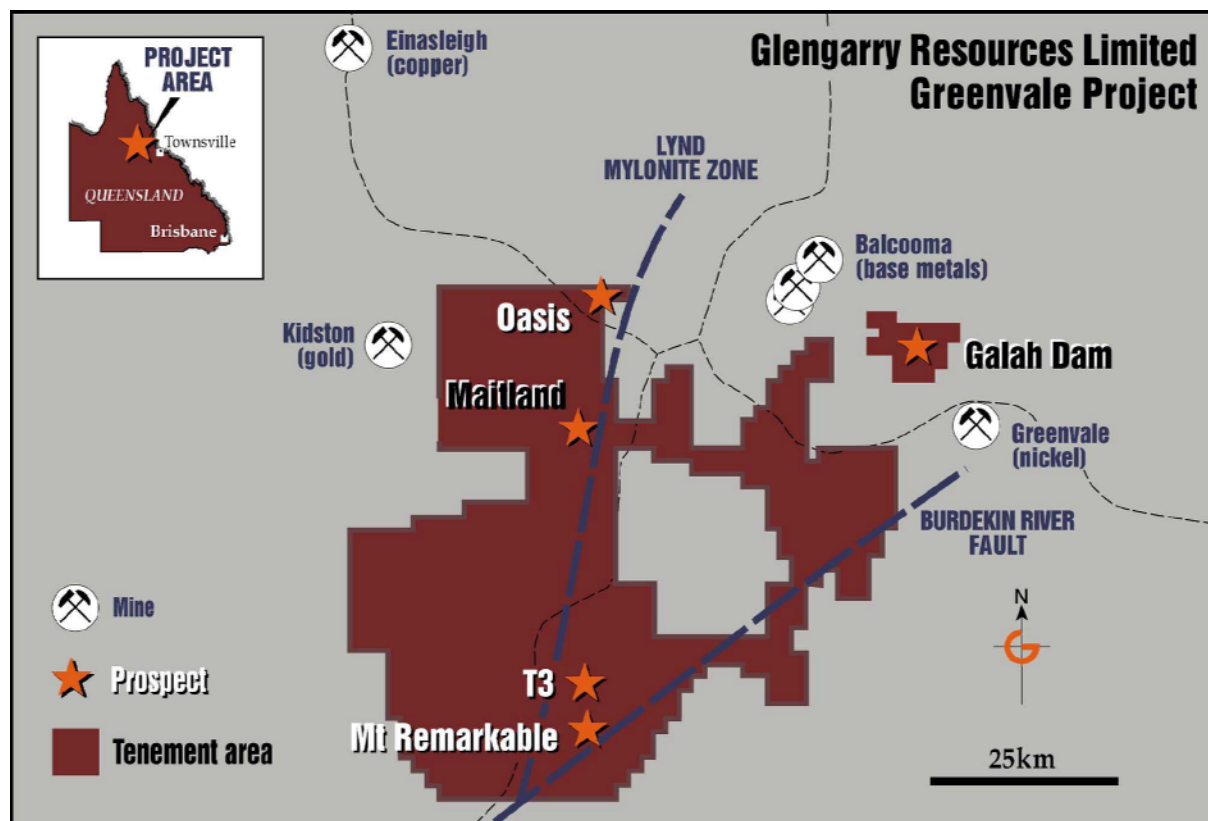


Figure 1: Greenvale Project Area

Table 1: Maitland – Significant Diamond Core Drill Intercepts

Hole	Easting	Northing	Depth (m)	From (m)	To (m)	Intersection (m)	Cu (%)	Mo (%)
MTD001	226425	7897300	150.1			NSR		
MTD002	226475	7899550	200.8 including and and and	134	141	7	1.05	NSR
				147	188	41	1.85	0.06
				149	154	5	3.63	0.20
				160	162	2	3.58	NSR
				176	177	1	6.31	NSR
182	186	4	4.16	NSR				
MTD003	226450	7899700	176.4			NSR		
MTD004	226930	7899470	150			NSR		

Cu – copper, Mo – molybdenum
NSR – No significant results

MTD001 intersected graphitic schist adequately explaining the IP response; however, MTD003 and MTD004 failed to intersect any mineralisation associated with the IP targets and further geophysical modelling is planned to determine whether additional drilling is warranted.

The strong copper mineralisation intersected in hole MTD002 indicates potential for an economic resource at Maitland. MTD002 also recorded high grade molybdenum mineralisation immediately above the main zone of copper mineralisation with **8 metres @ 0.43%** molybdenum intersected from 143 metres including **1 metre @ 1.05%** from 148 metres. The molybdenum mineralisation intersected is potentially very significant due to the recent increase in molybdenum oxide prices from US\$10 per pound to currently about US\$30 per pound. The average grade of 0.43% molybdenum in MTD2 is equivalent to 16.6 pounds molybdenum oxide per tonne. Molybdenum is important in steel making and the increase in price reflects the increasing demand for the metal from countries such as China.

The Maitland mineralisation appears structurally controlled and occurs as disseminated chalcopyrite and molybdenite within silica – epidote – magnetite altered calc-silicate gneiss. Previous deep drilling in the 1960's failed to intersect significant results as it did not take into account the structural controls on mineralisation.

A four hole RC percussion/diamond core drilling program totalling 850 metres is scheduled to commence in early November. The drilling will assess the continuity and possible plunge and strike continuity of the high grade mineralisation intersected in drill hole MTD002.

Oasis Uranium Prospect

A two hole (LYD001 and LYD002) diamond core drill program was completed at Oasis for an aggregate 165 metres. The drill program was designed to confirm intersections reported from drilling in 1978 and to provide material for geotechnical and metallurgical assessment.

Both holes intersected significant widths of ore grade uranium mineralisation (Table 2) and confirm the previous exploration work completed by Esso Minerals. Esso drilled 32 diamond holes and 14 percussion holes at the Oasis prospect in 1978 for a total of 4,971 metres. The Esso drilling data has been compiled to assist with Glengarry's exploration at Oasis.

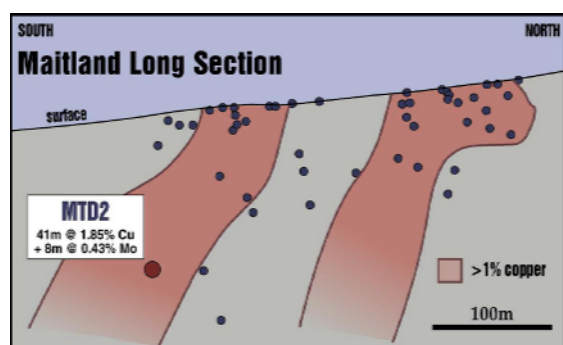


Figure 2: Maitland Long Section

Table 2: Oasis – Significant Diamond Core Drill Intercepts

Hole	Easting	Northing	Depth (m)	From (m)	To (m)	Intersection (m)	U ₃ O ₈ (%)	U ₃ O ₈ (lbs/t)
LYD001	230573	7918732	100 including	54	64	10	0.12	2.64
				61	62	1	0.25	5.50
LYD002	230588	7918685	65 including and	34	41	7	0.17	3.74
				36	37	1	0.38	8.36
				39	41	2	0.21	4.62

U₃O₈ – uranium oxide, lbs/t – pounds per tonne

The uranium mineralisation is hosted by quartz-veined biotite schist (Figure 3) which defines a strongly foliated, north-south trending shear zone within granitic rocks. The Oasis shear zone is interpreted to splay off a major north northeast trending structure known as the Lynd Mylonite Zone (Figure 1).

Previous exploration and recent geophysical data indicates that the prospective shear zone extends for at least 1.5 kilometres to the south with the Esso drilling only testing the northern 300 metres. The mineralisation intersected by Esso is open at depth and along strike and a 4 hole RC percussion/diamond core drill program totalling 650 metres will be completed at Oasis immediately after the next phase of drilling at Maitland which is located approximately 20 kilometres to the south southwest.

Regional Exploration

Regionally, the Maitland and Oasis prospects are located adjacent to a major, geological structure known as the Lynd Mylonite Zone (LMZ). The Greenvale Project covers approximately 70 kilometres of the LMZ (Figure 1) which is interpreted to be an important control on the location of mineralisation. The areas adjacent to the LMZ will be the focus of future regional exploration.

The Oasis prospect is coincident with a strong radiometric anomaly defined by an aerial survey flown by the Queensland government in 1999 and 2000. Aerial radiometric surveys measure the radioactivity of the Earth’s surface and are an important technique in the exploration for uranium occurrences. The radiometric data indicates 7 high priority uranium anomalies adjacent to the LMZ in a similar stratigraphic position to Oasis and follow up reconnaissance traverses will commence in late October 2005.

The Mt Remarkable (gold), T3 (silver-lead-zinc) and Galah Dam (zinc-gold) prospects reported on previously will have further exploration work completed in the first quarter of 2006.

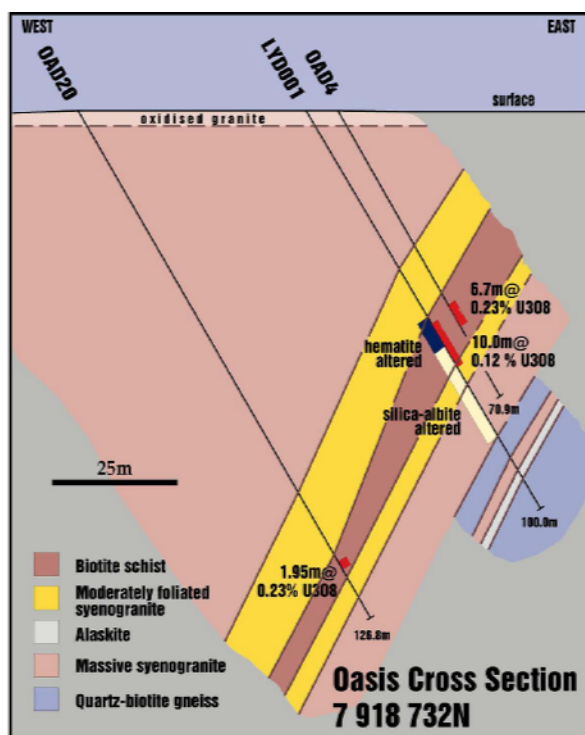


Figure 3: Oasis Drill Section

Cannington Project (Northwest Queensland) – Significant gravity targets defined.

The Cannington Project tenements are located north and south of BHP Billiton’s 40 - 50 million tonne Cannington silver-lead-zinc mine (Figure 4). Previous exploration by Glengarry has defined anomalous geochemistry at several prospects interpreted to represent the margins of possible economic mineralised systems. The lack of outcrop has hindered further exploration; however, a detailed ground gravity survey completed in August and an Induced Polarisation (IP) survey scheduled for November will facilitate the planning of future drilling.

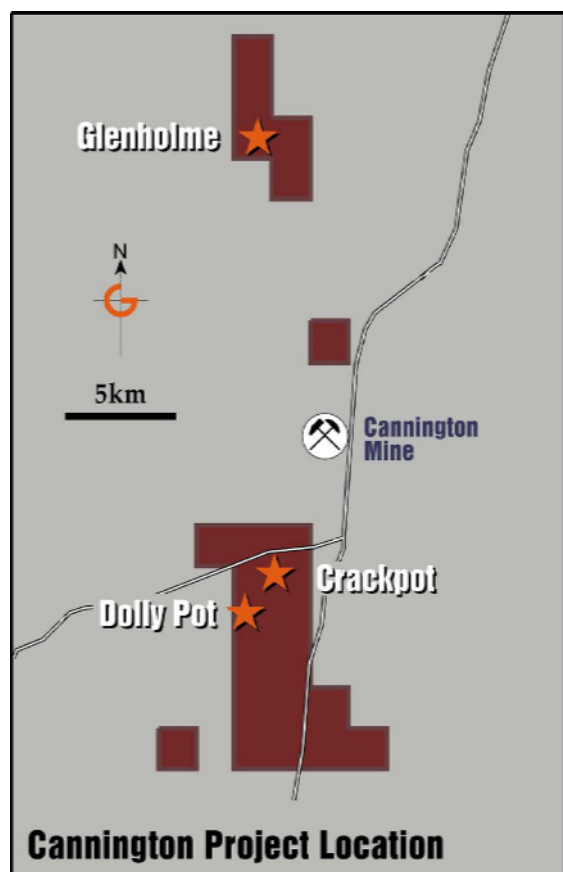


Figure 4: Cannington Project Area

The Dolly Pot and Crackpot prospects located 5 to 10 kilometres southwest of the Cannington mine (Figure 4) are the highest priority targets within Glengarry’s Project area.

Dolly Pot

Drilling completed in 2003 into a magnetic anomaly at Dolly Pot intersected strong alteration and anomalous copper (up to 0.2%). A 200 by 50 metre gravity survey was carried out in August and defined

discrete, dense bodies immediately west and north of the magnetic anomaly tested by drilling (Figure 5). Gravity surveys measure the density of bedrock obscured by transported cover and can detect sulphidic bodies which are typically denser than the surrounding host lithologies. Modelling of the stronger western gravity anomaly at Dolly Pot suggests a dense body within 40m of the surface and extending over an area of 70 x 220m. Follow up drill testing of the Dolly Pot gravity anomalies is scheduled for the first quarter of 2006.

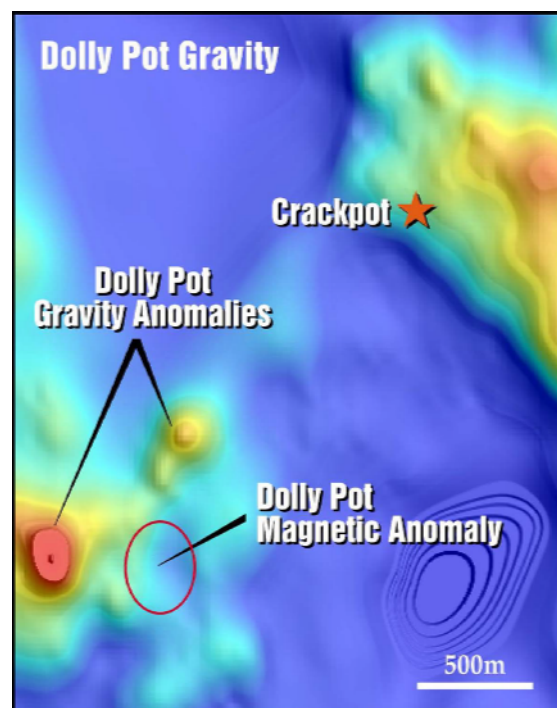


Figure 5: Gravity Image

Crackpot

Glengarry previously discovered gossanous float at Crackpot containing strongly anomalous lead (up to 0.24%) and molybdenum (up to 0.29%). Limited drilling in 2003 failed to define the source of the gossanous float; however, an IP survey scheduled for November 2005 should facilitate further drilling.

Glenholme

Previous company exploration in the 1990’s delineated a 1 kilometre long electro-magnetic (EM) anomaly at the Glenholme prospect located approximately 15 kilometres north northwest of the Cannington mine. Electro-magnetic surveying is a geophysical technique designed to detect massive sulphide bodies. Reconnaissance traversing did

not locate the source of the EM anomaly; however, prospecting recorded moderately anomalous copper (up to 944 ppm), lead (up to 408 ppm) and silver (up to 2.2 g/t) in rock chip samples. Follow up soil sampling will be completed during the first quarter of 2006.

Charters Towers Project (North Queensland) – Interested parties reviewing data

No exploration work was completed at Charters Towers during the quarter. A joint venture partner is currently being sought.

Snake Creek Project (Northwest Queensland) – Xstrata Copper commences fieldwork

The Snake Creek Project, located in northwest Queensland approximately 125 kilometres east southeast of Mt Isa, is considered prospective for copper-gold mineralisation.

The Project is subject to a joint venture agreement with Xstrata Copper. Xstrata Copper has the right to earn up to a 75% interest by spending \$3 million on exploration.

Fieldwork comprising geological mapping and rock chip sampling commenced during the quarter. Several styles of copper mineralisation were observed and a soil sampling program as well as further mapping is planned for the December quarter of 2005.

Mount Guide Project (Northwest Queensland) – Fieldwork to begin following tenement approval

The Mt Guide Project, located in northwest Queensland approximately 35 kilometres south of Mt Isa, is considered prospective for base metal and gold mineralisation.

The Project covers 13 kilometres of the southern strike extension of the Mount Isa Paroo Fault, which is known to be the structural control on a number of world class deposits to the north including the Mount Isa and Hilton base metal mines.

The Project is subject to a joint venture agreement with Summit Resources Limited. Summit has the right to earn up to an 80% interest by spending \$0.5 million on exploration.

Summit has compiled and reviewed all previous exploration data and identified 4 high priority base metal targets. Drill testing of the targets is scheduled for November-December 2005.

Corporate

During the quarter, the Company raised \$947,303.60 via a 15% placement of 23,682,590 ordinary shares fully paid at 4 cents.

Glengarry Resources Limited now has 181,566, 528 shares on issue.

The funds will be used to advance exploration on the Greenvale and Cannington Projects in North Queensland.

At the end of September 2005, Glengarry had approximately \$1.7 million in cash and securities.

Declaration

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.



David Richards
Managing Director

20 October 2005

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