



13 December 2004

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

Dear Sir/Madam

SNAKE CREEK PROJECT FARMED OUT TO XSTRATA

The Directors of Glengarry Resources Limited ("Glengarry") are pleased to announce that they have reached agreement with Xstrata Copper Exploration Pty Ltd (Xstrata) for Xstrata to farm in to Glengarry's Snake Creek Project located in the Mt Isa region of western Queensland approximately 35 km SSE of Cloncurry. The agreement is subject to contract and grant of EPM application 14449.

Under the terms of the proposed Joint Venture Agreement Xstrata may earn 75% equity in the Project by spending \$3,000,000 over 5 years. Previous exploration has delineated a number of coincident gold/copper anomalies which will be the focus of Xstrata's initial exploration.

The proposed Snake Creek Joint Venture means that Glengarry will have a total of 3 joint ventures with major international mining companies. The company also has joint ventures with Newmont Australia Limited and Barrick Gold of Australia Limited on properties located in the Tanami Desert west of the world class Callie Gold Mine operation.

Farming out these properties will allow Glengarry to concentrate on the discovery of a stand alone gold deposit on its 100% owned, strategic land holdings in north east Queensland. A recent capital raising and the sale of Glengarry's 7.5% equity in the Larranganni Joint Venture mean that the Company is well funded to continue an aggressive exploration program on these Projects.

Yours faithfully

DAVID RICHARDS
Managing Director