



## AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

8 April 2010

### Resource Drilling Commences at Passabem Iron Ore Project

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Glengarry Resources Limited (ASX Code: GGY) is pleased to announce that resource definition drilling has commenced at the Company's 100%-owned Passabem Iron Ore Project in Brazil.

The program is aimed at extending the current Inferred Resource of 2.6Mt, which has been defined over a 500 metre zone within a much larger 5.2 kilometre long mapped itabirite iron formation at Passabem. (Refer Figure 1)

The current program will drill test the remaining 4.7 kilometres of strike with a diamond drill rig with a view to expanding the Resource to between **15 and 25 million tonnes grading 30 to 32% Fe<sup>i</sup>**.

Preliminary beneficiation test work has indicated that the friable itabirite mineralisation at Passabem upgrades easily and cost effectively using a low intensity magnetic separation process to a +65% Fe product with low impurities. Further metallurgical samples will be collected as part of the current Passabem drill program to confirm the beneficiation characteristics of the mineralisation over the remainder of the strike extent.

The drill program is expected to take approximately six weeks to complete, with results to follow shortly thereafter.

The current Passabem Inferred Resource is sub-vertical and approximately 15 metres wide. Mineralisation has been intersected to a depth of 120 metres. Previous Reverse Circulation (RC) drill results have included:

- 23 metres at 31.43% Fe from 11 metres (Hole PBP – RC – 0004); and
- 21 metres at 33.07% Fe from 20 metres (Hole PBP – RC – 0005).

The Passabem Project is part of Glengarry's extensive portfolio of iron ore projects in the Iron Quadrangle region of south-eastern Brazil and is being evaluated for its potential to contribute to the Company's production target of 3mtpa of high grade iron ore sales into the Brazilian domestic steel market by 2013.

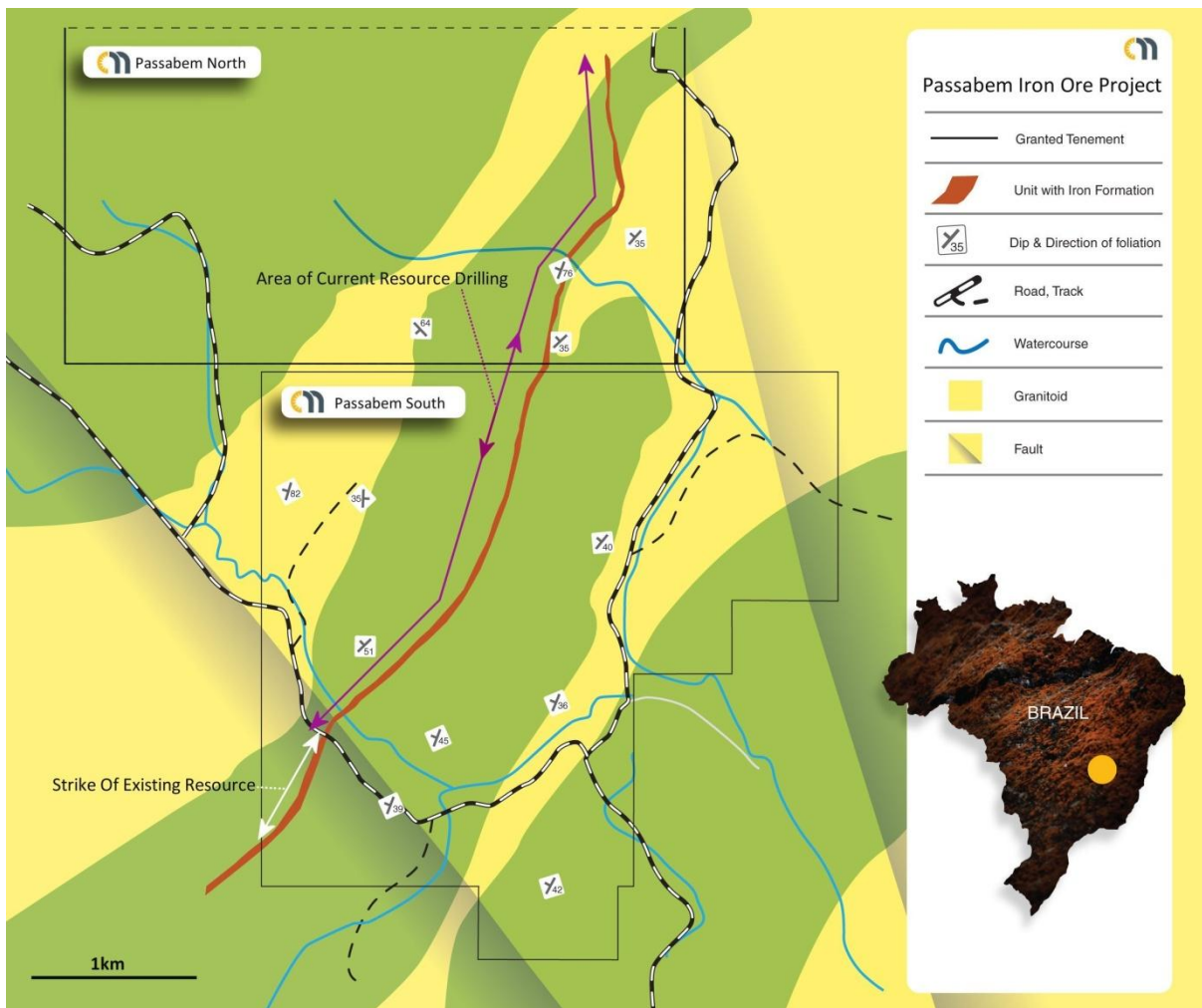
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### Competent Person's Statement

*"The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Cullen who is a Member of the AusIMM. Ian Cullen is a permanent employee of Glengarry Resources Limited. Ian Cullen 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ian Cullen 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 - Passabem tenements showing the length of iron formation to be drilled during the current resource definition programme.**

<sup>i</sup> These targets of Iron Ore tonnage and grade are only conceptual in nature as there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.