

25 January 2007

ASX RELEASE

Significant value realised for Greenvale uranium assets

Glengarry Resources Limited (Glengarry) is pleased to announce that it has signed a sale agreement with Toronto Stock Exchange listed Mega Uranium Ltd (TSX Code: MGA) whereby Mega Uranium will acquire Glengarry's uranium assets on the Greenvale Project in North Queensland for consideration of 750,000 Mega Uranium shares and a 1% net smelter return royalty on any future uranium production.

Based on the current price for Mega Uranium shares (CAD 6.26) and the current exchange rate (1 CAD = 1.070 AUD), the share component of the deal is currently valued at AUD 5.02 million.

Mega Uranium will acquire the following interests from Glengarry (Figure 1):

- A 100% interest in EPM 15049; a 32 km² tenement which covers the Oasis uranium deposit.
- 100% of the uranium rights on Glengarry's other five wholly owned EPMs (No.s 12510, 12512, 12513, 15050 and 15050) that cover a total area of 1,662 km² and which comprise the bulk of the Greenvale Project. Glengarry will retain the rights to all other minerals on these tenements.
- Glengarry's farm-in rights to 80% of any uranium discovery on EPM 14987 (227 km²) which is held in joint venture with Metallica Minerals Limited.

The sale is subject to satisfactory due diligence by Mega Uranium and all necessary regulatory approvals. These conditions should be met by mid-February. In accordance with the requirements of the Toronto Stock Exchange, the shares to be issued by Mega Uranium will be escrowed for a period of 4 months.

Mega Uranium is an active and specialist uranium explorer with significant land holdings in North Queensland. Prior to the current deal with Glengarry, Mega Uranium already held over 6,000 km² of tenements in the region including tenements covering the undeveloped Ben Lomond and Maureen uranium deposits that were previously discovered in the 1970s. The Oasis uranium deposit is strategically located between these two deposits (Figure 2).

Glengarry's shareholding in Mega Uranium could provide the Company with great exposure to the value to be created from any future development of a mining operation at Oasis. In addition, the Company's shareholding provides Glengarry with access to potential future value from other uranium developments by Mega Uranium, both regionally and globally.

The sale of uranium assets at Greenvale also means that Glengarry can now focus its attention on several other priority exploration targets. The Company retains the exclusive rights to explore for all other minerals at Greenvale and will be conducting drilling programs on the Maitland copper, Mount Remarkable gold and T3 base metal prospects in the coming months. Elsewhere in Australia, Glengarry has drilling programs already planned to test targets on its Cannington Project (base metals) in western Queensland and Rum Jungle (gold and uranium) in the Northern Territory.

David Richards
Managing Director

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 Australasian 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.

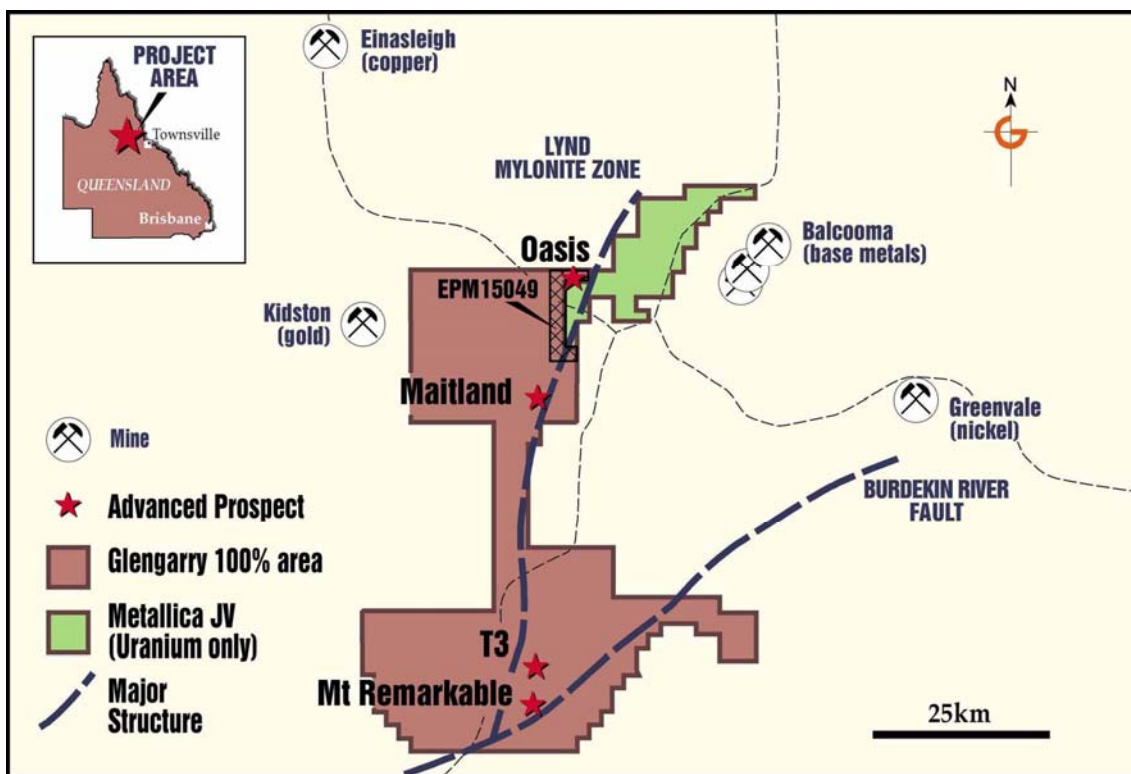


Figure 1: Greenvale Project Tenure

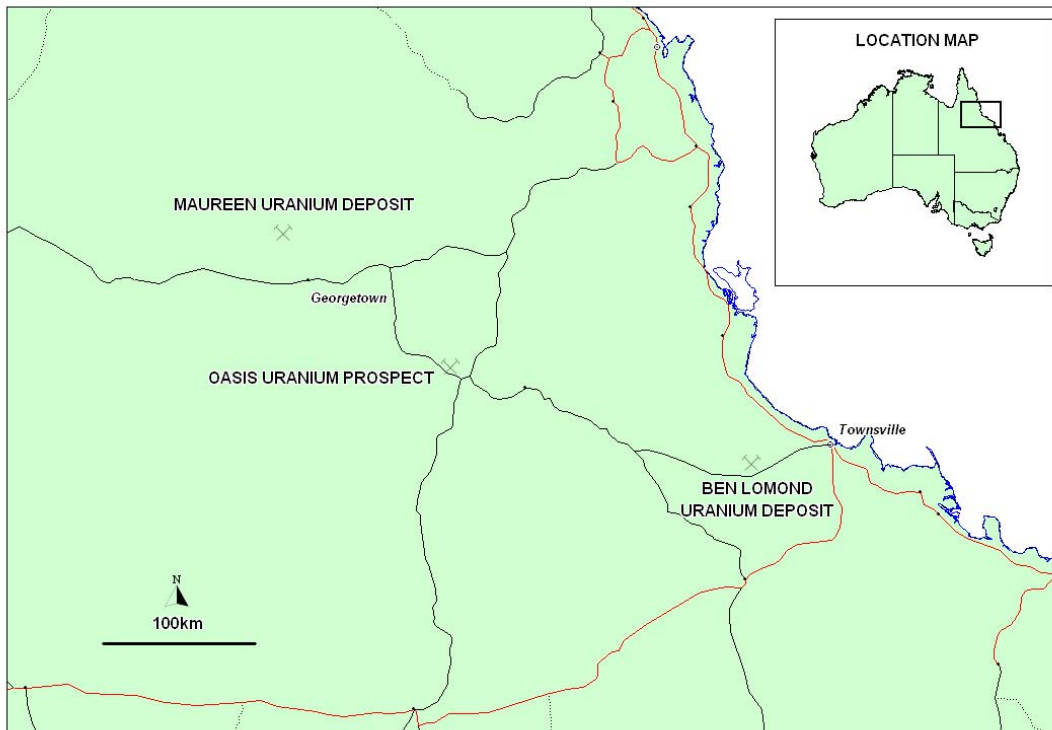


Figure 2: Strategic Location of Oasis Uranium Deposit