



22 October 2003

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir

HIGH GRADE ZONE DEFINED WITHIN YARLARWEELOR RESOURCE

Further results from Reverse Circulation ("RC") drilling at the Yarlarweelor Prospect, located about 2.0 kilometres south of the Fortnum treatment plant, have confirmed the presence of a high grade zone at the southern end of, and extending to the south of, the current resource (1.27 Million tonnes at 2.2 grams per tonne ("g/t") for 91,300 ounces).

Results have now been received for 35 RC holes of the first drilling program carried out by Gleneagle at Yarlarweelor, which commenced on 2 August 2003. The attached table shows results of the last eighteen holes of this program, with these very encouraging results confirming:

- **the width and tenor of previously reported intersections and highlighting the scope for an increase to the current Yarlarweelor resource (Infill results).**
- **Broad high grade mineralisation has now been extended down dip and remains open down dip over its full extent (Down Dip Extension results).**
- **Broad high grade mineralisation has now been extended along strike by at least 60m to the south of the current resource (Southern Extension Results).**

These results are in addition to those announced to the ASX on 26 August 2003 and 12 September 2003 from the initial phase of the drilling program.

Yarlarweelor Resource Infill

- RC drilling confirms continuity of mineralisation within the resource, better results include:

YLRC018	13m at 6.23g/t from 96m
YLRC025	14m at 3.37g/t from 84m
YLRC026	15m at 8.08g/t from 46m
YLRC027	14m at 2.65g/t from 118m
- Broad high grade zones auger well for an increase of the current resource grade.



Yarlarweelor Resource Down Dip Extension

- Mineralisation defined beneath existing resource with broad high grade intersections remaining open at depth, better results include.

YLRC018 8.0m at 5.72g/t from 132m

YLRC027 9.0m at 5.32g/t from 164m

YLRC028 17m at 3.79g/t from 143m

YLRC032 3.0m at 10.1g/t from 143m

- The tenor of mineralisation intersected to date provides the opportunity to investigate a number of possible mining options.

Yarlarweelor Southern Extension

- Limited RC drilling confirms previously reported broad high grade mineralisation south of the Yarlarweelor resource, better results include.

YLRC034 5.0m at 2.81g/t from 86m

YLRC034 13m at 5.08g/t from 97m

YLRC035 3.0m at 6.90g/t from 85m

- Mineralisation remains open up and down dip.
- Newly defined southern extension expected to add materially to resource.

Drilling is continuing at Yarlarweelor, with a series of diamond drill holes currently underway to evaluate high grade zones at depth and provide additional stratigraphic and structural information. This program is expected to continue until mid November 2003.

A rotary air blast (RAB)/aircore drilling program is set to commence by mid November 2003. A priority target of this program is the evaluation of the southern extension of the Yarlarweelor mineralisation and the South Yarlarweelor prospect, where previous explorers have reported encouraging drill results.



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Gleneagle's strategy is to aggressively explore its suite of advanced targets within the Peak Hill Goldfield, with the aim of building on the current resource base of 326,900oz and establishing a reserve base that will support a re-commissioning of the 1.0Mtpa treatment plant.

In addition, Gleneagle will maintain a corporate strategy focused on the continued rationalisation of ownership of the Peak Hill Goldfield.

The technical information in this announcement was prepared by Mr Ian Prentice, who is a member of the Australasian Institute of Mining & Metallurgy and who has in excess of 10 years experience in mining and exploration.

Yours faithfully

Ian Prentice
Managing Director



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Yarlarweelor Prospect - RC Drill results - 1.0m samples - intersections greater than 2.0g/t

Resource Infill Drilling

Hole ID	Northing	Easting	Depth	Azimuth	Inclination	From	To	Intersection
YLRC003	8840	9305	172		Vertical	127	136	9m @ 3.70g/t
						149	155	6m @ 2.57g/t
YLRC018	8700	9320	181		Vertical	52	55	3m @ 2.42g/t
						60	61	1m @ 2.35g/t
						96	109	13m @ 6.23g/t (cut)
					incl	100	102	2m @ 31.1g/t
						113	114	1m @ 2.19g/t
						132	140	8m @ 5.72g/t (cut)
						145	146	1m @ 2.27g/t
YLRC023	8740	9310	187		Vertical	120	121	1m @ 2.13g/t
						129	130	1m @ 3.86g/t
						134	140	6m @ 2.06g/t
YLRC024	8760	9360	94		Vertical	39	43	4m @ 2.41g/t
						71	72	1m @ 3.02g/t
YLRC025	8760	9340	124		Vertical	43	57	14m @ 2.00g/t
					incl.	55	57	2m @ 7.66g/t
						84	98	14m @ 3.37g/t (cut)
					incl.	89	94	5m @ 7.34g/t (cut)
YLRC026	8800	9350	148		Vertical	46	61	15m @ 8.08g/t (cut)
						69	70	1m @ 2.12g/t
						73	76	3m @ 2.20g/t
						106	120	14m @ 3.92g/t
					incl.	109	116	7m @ 5.91g/t
YLRC027	8800	9330	178		Vertical	66	71	5m @ 2.34g/t
						104	112	8m @ 2.05g/t
						118	132	14m @ 2.65g/t
					incl.	118	120	2m @ 7.64g/t
					and	129	132	3m @ 6.57g/t
						140	141	1m @ 2.12g/t
						164	173	9m @ 5.32g/t (cut)
					incl.	165	168	3m @ 13.4g/t (cut)
YLRC028	8800	9300	199		Vertical	143	160	17m @ 3.79g/t (cut)
					incl.	156	160	4m @ 9.48g/t (cut)
YLRC029	8840	9380	94		Vertical	37	38	1m @ 3.25g/t
YLRC030	8860	9370	100		Vertical	24	25	1m @ 2.27g/t
						60	64	4m @ 2.34g/t
YLRC031	8860	9310	154		Vertical	126	130	4m @ 3.31g/t
YLRC032	8880	9245	220		Vertical	115	119	4m @ 2.82g/t
					incl.	118	119	1m @ 7.44g/t
						143	146	3m @ 10.1g/t
						181	182	1m @ 3.15g/t
						187	188	1m @ 5.81g/t
						196	199	3m @ 2.56g/t



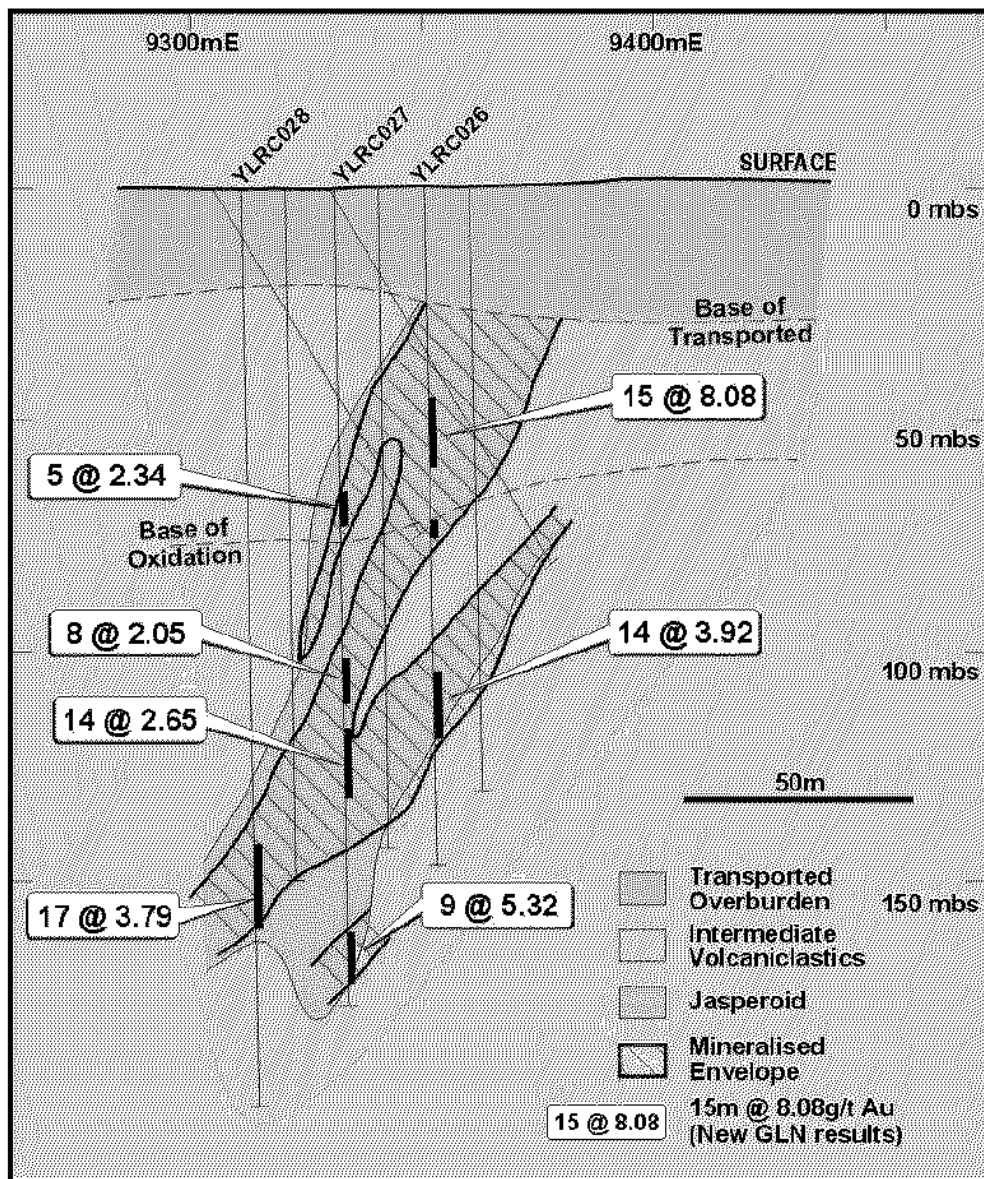
Southern Extension Drilling

Hole ID	Northing	Easting	Depth	Azimuth	Inclination	From	To	Intersection
YLRC021	8480	9295	142	090	-60	97	99	2m @ 4.77g/t
						103	104	1m @ 2.09g/t
						139	140	1m @ 3.41g/t
YLRC034	8660	9270	142	090	-60	86	91	5m @ 2.81g/t
						97	110	13m @ 5.08g/t (cut)
						incl. 101	104	3m @ 13.3g/t (cut)
						129	130	1m @ 3.03g/t
YLRC035	8675	9300	121	090	-60	85	88	3m @ 6.90g/t



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