GLENEAGLE
GOLD LIMITED
ABN 27 103 782 378

27 February 2007

Australian Stock Exchange Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Attention: Elizabeth Harris
Companies Advisor

Facsimile No.: 9221 2020

Dear Elizabeth,

Response to ASX Price Query

The Company is pleased to respond to your query of 27 February 2007 as follows:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.

   The Company notes however there has been an increase in the gold price since 21 February 2007 by US$25 per ounce. The Managing Director also attended the RIU explorer 2007 conference on 21 February 2007 and made a presentation to investors, which was announced to ASX on this date, and has been made available on the Company's website.

2. The Company is not aware of any other explanation for the price change in the securities of the Company.

3. The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1.

Should you have any queries regarding the above I will be happy to discuss such matters with you.

Yours faithfully

Ian Prentice

Ian Prentice
Managing Director – Gleneagle Gold Limited

Phone: (08) 9476 4646 Fax: (08) 9476 4600
First Floor, 675 Murray Street, West Perth WA 6005
PO Box 1917 WEST PERTH WA 6872
www.gleneaglegold.com.au

ASX
AUSTRALIAN SECURITIES EXCHANGE

ASX Limited
ABN 98 008 624 691
Level 8
Exchange Plaza
2 The Esplanade
Perth WA 6000

GPO Box D187
Perth WA 6840

Telephone 61 08 9224 0000
Facsimile 61 (08) 9221 2020
Internet http://www.asx.com.au

FAXED
27 February 2007

Mr Kent Hunter
Company Secretary
Gleneagle Gold Limited
First Floor
675 Murray Street
WEST PERTH WA 6005

By facsimile: 9388 8042/9476 4600

Dear Kent

Gleneagle Gold Limited (the "Company")

RE: PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from $0.19 on 23 February 2007 to a high of $0.26 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

   Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at elizabeth.harris@asx.com.au or by facsimile on **facsimile number 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **5:00pm W.D.S.T today, Tuesday 27 February 2007.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

Elizabeth Harris
Adviser, Issuers (Perth)

Direct Line: (08) 9224 0011