

EXCITING LEASES ACQUIRED AT CUDDINGWARRA

Highlights

- **5 km strike of Gold bearing lithology at Cuddingwarra**
- **HyMap and Structural targets on contact zones**
- **Additional areas being negotiated**

Gleneagle Gold Limited (Gleneagle) has acquired four prospective leases in the Cue Mineral Field near the Big Bell and Cuddingwarra mining operations of Harmony Gold (Figure 1) from private explorer Plasia Pty Ltd for a cash payment of \$20,000. The tenements border the Harmony Gold (now Westgold) leases to the west and south which are under "care and maintenance".

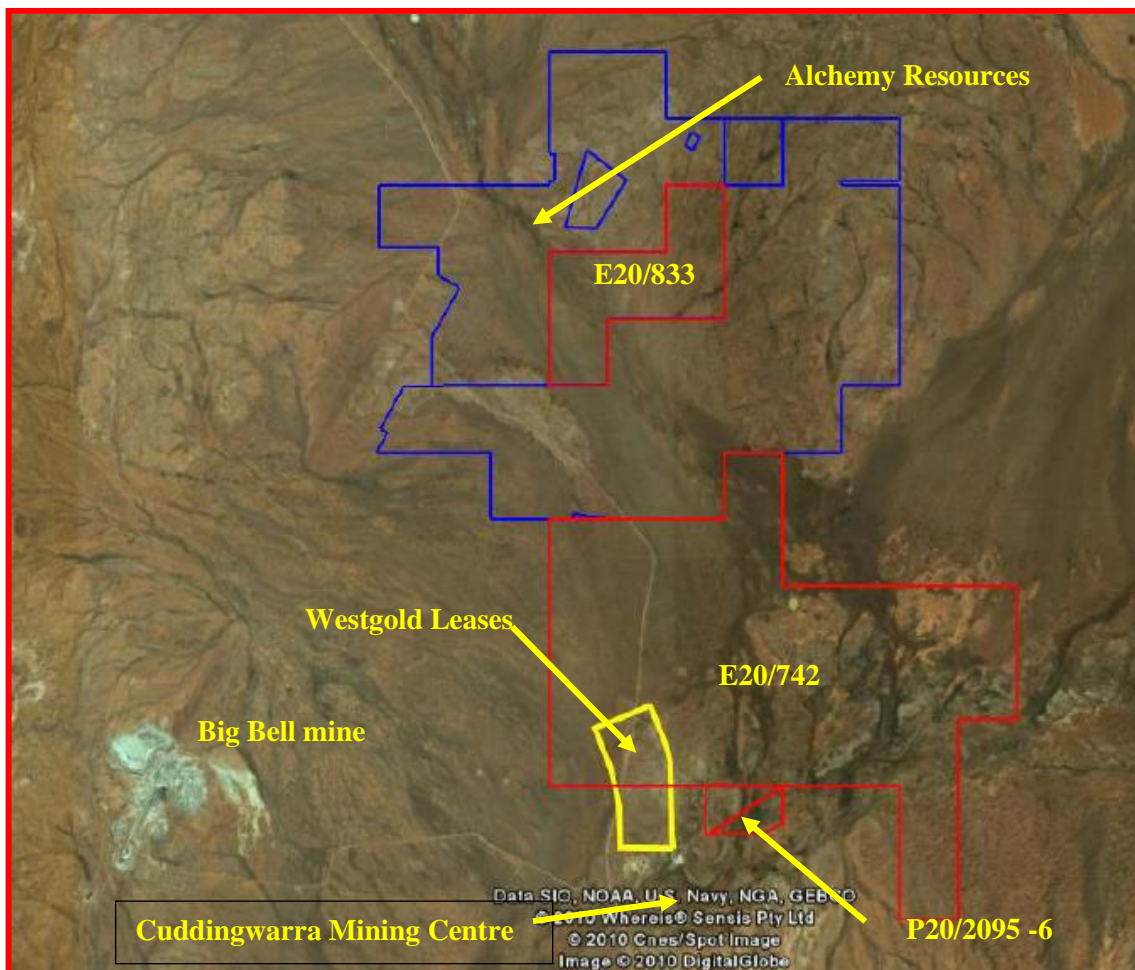


Figure 1 - Tenements on Landsat showing surrounding Gold Occurrences

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The geology and lithological controls of the gold distribution in the tenements; EL20/742 and ELA20/833 (and adjoining P20/2095-6) in the Cuddingwarra area have been previously examined by Plasia. This study identified the probable control of known mineralisation and produced a model for gold exploration targets in the area. In addition, the effectiveness of Hyperspectral data (Hymap) of the area was investigated and applied to the exploration potential of the tenements providing new targets for immediate assessment.

In terms of past production, the Murchison Province is Western Australia’s second most important gold-mining region after the Eastern Goldfields. Major opportunities still exist for further exploration and important new discoveries. Hydrothermal gold mineralization is intimately associated with major faults through the greenstone belts of the area. It is preferentially hosted by banded iron-formation, and ultramafic and mafic rocks, and is represented by Stratabound lode deposits. Many deposits occur adjacent to granitoid contacts, suggesting that the fluid movement is related to the heating of sediment fluids by these hot granite intrusions.

Local Geology

The tenements are shown in a composite plan (Figure 2) which indicates the regional location and geological setting of the area. The notes accompanying the 1:250,000 Belele Geological Sheet describe the rock lithologies as mafic to ultramafic extrusives with intercalated sediments and felsic and later mafic intrusives. These types of rocks provide favourable lithological/structural traps for gold mineralisation.

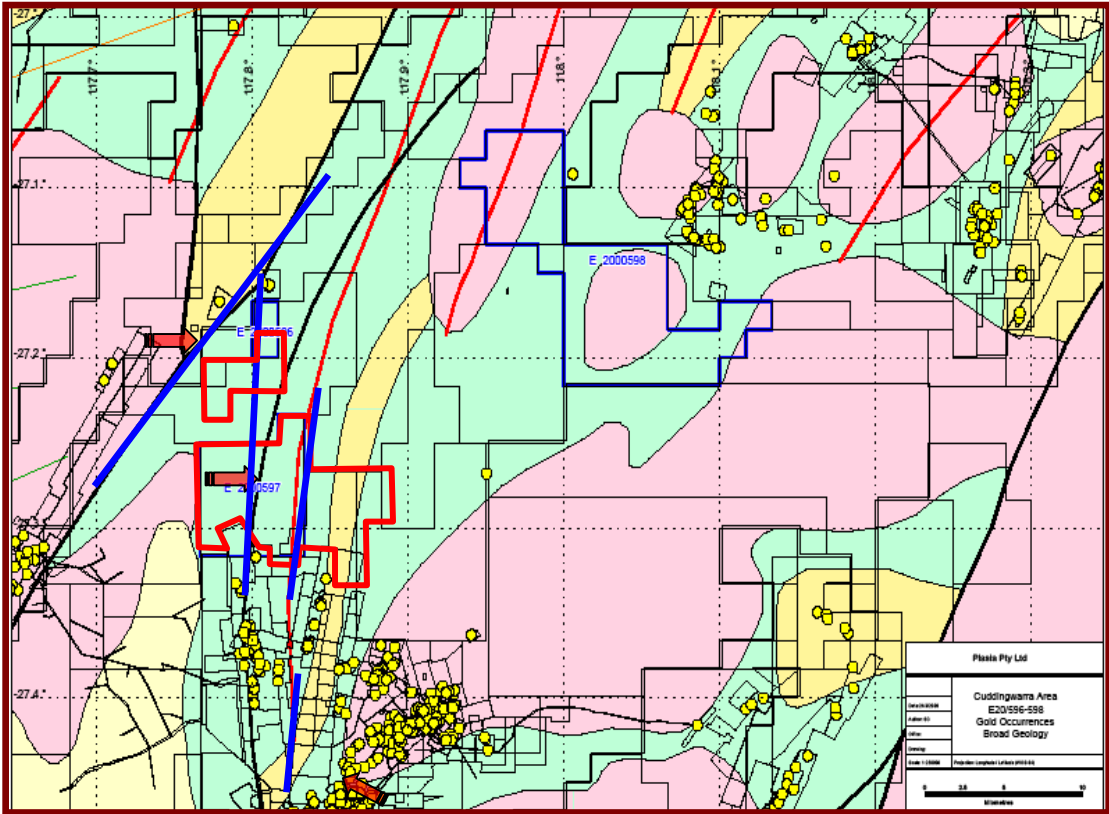


Figure 2: Tenements (Red Outline) superimposed on Geology with Gold Occurrences, projected Heat Flow and Structures.

The importance of the granites as a heat source for the alteration and mineralisation can be seen in Figure 2 above as the gold occurrences (yellow dots) are seen to be linear and follow structures and/or contacts.

Gleneagle consider the recent cover that obscures the rocks underneath to be the reason for the lack of discoveries on the lease areas.

Lease Details

Lease	Prospect	Area Blocks	Area	Annual Exp	Rents and Rates	Date Granted
EL20/742	Milly Well	30 blocks	96km ²	\$30,000	\$11,000	11/7/2013
ELA20/833	Bahring Creek	5 blocks	16km ²	\$15,000	\$2,000	2014
PL20/2095	Chester North		154 Ha	\$6,160	\$700	19/2/2010
PL20/2096	Chester South		131 Ha	\$5,240	\$600	19/2/2010

Previous Exploration

Alluvial and bedrock gold have been won from the Cue Mineral Field since the 1890's especially in the Cue area to the east, Cuddingwarra to the South and Big Bell to the west. The previous exploration by prospectors, Asarco, ACM, Big Bell and Harmony involved remote sensing, sampling, drilling and mining. These works produced various models regarding the geology and mineralisation.

The amount of gold won over or in the granites in the Cue area is well documented and can be seen in Figure 2. Intrusive hosted major gold zones are just being recognised in WA with the new deposits at Silver Lake's new Majestic and Imperial zones.

The Copper Gold signature (in the Deightons Copper Mine), along with the "intrusive monzogranites" and mafic-ultramafic belt, make this 15km long trend highly attractive for new techniques to identify major gold ore bodies and the Garden Well "Ultramafic-Sediment" target as well as the Majestic "Tonalite" target types are both here together with the proven mineralization.

Target

The exploration target would be an open cut tonnage of economic grade to enable either Custom Milling for medium to high grade small tonnes, ranging through to full plant construction for large tonnages.

Work Program

1. Immediately to start work on all areas with full data base examination.
2. Re-interpret Hyvista.
3. Undertake systematic exploration on the full tenement package.

The information in this release that relates to Exploration Results is based on information compiled by Mr Wayne Loxton who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Loxton is a director of Gleneagle Gold Limited. Mr Loxton 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". Mr Loxton consents to the inclusion in this report of the matters based on information provided by him and in the form and context in which it appears.