



NEWS RELEASE

Glamis Gold Ltd.

For immediate release

All amounts in United States Dollars

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August 5, 2002

GLAMIS GOLD REPORTS STRONG SECOND QUARTER RESULTS AND COMPLETION OF FRANCISCO GOLD CORP. MERGER

Reno, Nevada -- Glamis Gold Ltd. (NYSE: GLG; TSX: GLG) today reported net income of \$3.4 million or \$0.04 per share in the second quarter of 2002 compared to net income of \$1.0 million or \$0.01 per share in the second quarter of 2001.

Second Quarter Highlights

- Gold production was 63,929 ounces compared to 51,369 ounces in the second quarter of 2001, an increase of nearly 25 percent.
- Total cash costs declined to \$161 per ounce of gold compared to \$171 per ounce in the second quarter of the previous year, a reduction of nearly six percent.
- Shareholders of Francisco Gold Corp. voted overwhelmingly to approve the merger of the two companies. The merger was finalized on July 16, 2002.
- The El Sauzal third party feasibility study was completed, indicating robust returns at a \$300 per ounce gold price. Final design and permitting is currently underway.
- Glamis has commenced stripping of waste rock on the Millennium expansion and is advancing the supplemental environmental impact statement for the Sections 30 and 31 areas of the Marigold mine in Nevada.
- Glamis commenced a comprehensive drilling and exploration program at the Marlin gold property in Guatemala, and the phase one drilling program at the Cerro Blanco gold property, also located in Guatemala, is nearing completion.

Kevin McArthur, President and Chief Executive Officer of the Company stated, "Glamis had an excellent second quarter. Compared to last year, gold production increased substantially while total cash operating costs were significantly reduced. For the entire year, the Company is

projecting production of over 250,000 ounces of gold at a total cash cost of less than \$170 per ounce. Glamis has also made considerable progress at its El Sauzal development project in Mexico. Most of the technical studies have been completed and environmental baseline work is near completion. Drilling programs at both of our Guatemalan projects are progressing, as we continue to advance our strategic goal of producing 500,000 ounces of gold annually at total cash costs less than \$150 per ounce.”

Financial Results

During the second quarter of 2002, Glamis produced 63,929 ounces of gold at a total cash cost of \$161 per ounce compared to 51,369 ounces of gold \$171 per ounce in the second quarter of the prior year. The increase in gold production during the latest quarter was due to higher gold output from both the San Martin and Rand mines, partially offset by lower production from the Company’s two-thirds interest in the Marigold mine. Total cash costs were reduced to \$161 per ounce in the second quarter of 2002, a decline of almost six percent when compared to the corresponding period of 2001. Total cash costs declined substantially at the Company’s San Martin mine in Honduras and also were slightly lower at the Rand mine. This was partially offset by higher total cash costs at Marigold.

Revenue from gold sales in the latest quarter rose to \$20.4 million compared to \$14.5 million in the previous year, primarily due to increased gold sales and higher average realized gold prices. In the second quarter of 2002, Glamis sold 64,879 ounces of gold at \$313 per ounce compared to 53,065 ounces of gold at \$273 per ounce in 2001. Net income for the second quarter of 2002 also reflected increased depreciation and depletion charges arising mainly from the higher gold production and capital expenditures for the Millennium expansion at Marigold and a modest increase in the provision for future income taxes compared to the prior year’s second quarter.

For the first six months of 2002, Glamis reported net income of \$6.6 million or \$0.08 per share compared to net income of \$1.4 million or \$0.02 per share for the first half of 2001. During the latest six-month period, Glamis produced 125,655 ounces of gold at a total cash cost of \$156 per ounce compared to 100,458 ounces at a total cash cost of \$173 per ounce. Revenues and earnings increased as a result of significantly higher gold production and average realized gold prices.

Glamis remains in excellent financial position. As of June 30, 2002, the Company had cash and equivalents of \$45.0 million and working capital of \$57.0 million. Cash flow from operations amounted to \$8.9 million and \$16.6 million respectively for the second quarter and first six months of 2002, compared to \$3.4 million and \$7.3 million for the second quarter and first half of 2001.

Review of Operations

Gold production for the second quarter of 2002 increased by almost 20 percent compared to the second quarter of 2001 due to sharply higher output at both the San Martin and Rand mines that more than offset lower production at Marigold. Detailed production data for the latest quarter is presented below:

2Q 2002 Statistics	Ore Tons Mined	Grade (opt)	Gold Produced (oz)
San Martin	1,448,740	0.036	33,772
Marigold Mine (66.7%)	472,554	0.019	10,968
Rand Mine	1,301,800	0.027	19,189

San Martin Mine

At San Martin Mine, gold production in the latest quarter rose to 33,772 ounces at a total cash cost of \$112 per ounce compared to 19,911 ounces at a total cash cost of \$150 per ounce in the corresponding period of 2001. Productivity improvements have already surpassed earlier expectations and ore grades over the last two years have been nine percent higher than modeled. The Company is forecasting production of approximately 125,000 ounces for the current year. Exploration at San Martin continues with drilling programs on the West and North Palo Alto areas nearing completion. Permitting of exploration drilling at the nearby Minitas property is underway.

Marigold Mine

At Glamis' 66.7 percent owned Marigold Mine, gold output declined to 10,968 ounces as opposed to 17,879 ounces in the prior year. The decline in production was the result of a shift to stripping of waste rock in the Millennium expansion area and the mining of lower grade ore as part of the planned mining sequence. Consequently, total cash costs rose to \$197 per ounce, compared to \$146 per ounce in the second quarter of 2001. For the second half, both tons mined and ore grades are expected to increase and Glamis' share of projected gold production for the year is 55,000 ounces. The Millennium expansion program is well underway and the Company is currently preparing a supplemental Environmental Impact Statement. Once the expansion is completed, Glamis' share of gold production is projected to increase to approximately 120,000 ounces annually at an estimated total cash cost of less than \$150 per ounce.

Rand Mine

Second quarter production at Rand Mine amounted to 19,189 ounces of gold at a total cash cost of \$228 per ounce compared to 13,579 ounces at a total cash cost of \$233 per ounce in the second quarter of 2001. Mining is nearing completion in the Yellow Aster pit and will move to the Lamont pit before all mining ceases at year-end. Total gold production for the year from Rand Mine is projected to exceed 70,000 ounces of gold.

Development Projects

Stripping has commenced at the Millennium expansion of the Marigold mine in Nevada. Through the second quarter of 2002, 123 reverse circulation holes totaling 72,045 feet have been drilled, largely for in-fill purposes on Sections 30 and 31 and for condemnation purposes in the Millennium expansion leach pad and waste rock stockpile areas. Drilling results will be updated prior to year-end.

A third-party feasibility report was completed on the 100 percent-owned El Sauzal gold project located in Chihuahua State, Mexico. The Company is now focused mainly on site-plan optimization and completing the permitting process. El Sauzal is expected to begin operations in the first quarter of 2005 at an estimated annual production rate of 170,000 ounces of gold per year at a total cash cost of \$114 per ounce. Optimization work is due to be completed by the end of 2002 and is expected to lead to process flowsheet simplification and a reduction in the current capital cost estimate of \$100 million.

Turning to the Company's other development projects, Glamis is in discussions with its joint venture partner, to determine the optimal method of proceeding with its Cerro San Pedro gold and silver property in San Luis Potosi State, Mexico. Discussions with government officials concerning historical and archeological issues are also continuing. Work on the Company's Imperial project in Southern California will be minimal until land use issues are clarified.

Exploration

The Marlin gold project in Guatemala was acquired in the Francisco Gold transaction. Glamis has calculated a 1.4 million-ounce gold resource in the main zone and is seeking to expand the resource through a comprehensive \$3.0 million exploration program commenced in June 2002. At present, one diamond drill and two reverse circulation drills are on the property and a second diamond drill will arrive shortly.

At the 100 percent-owned Cerro Blanco project, also in Guatemala, the initial phase of the 2002 drill program is nearing completion. Drilling data are currently being analyzed and results are expected to be available later in the third quarter.

A conference call to discuss second quarter results will be held at 3:00 EDT on August 6, 2002. You may join the call by dialing (877) 500-5824 or (706) 634-0787 for calls outside the U.S. or Canada. Ask for the Glamis Conference Call. Replays will be available after the call by dialing (800) 642-1687 or (706) 645-9291 for calls outside the U.S. or Canada and enter Conference ID # 5138268.

Glamis Gold Ltd. is a premier intermediate gold producer with low-cost gold mines in Nevada, California and Honduras. The Company remains debt free and unhedged. Glamis' strategic goal is to increase annual gold production to 500,000 ounces at a total cash cost below \$150 per ounce.

Safe Harbor Statement under the United States Private Securities Litigation Reform Act of 1995: Except for the statements of historical fact contained herein, the information presented constitutes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements, including but not limited to those with respect to the price of gold, the timing and amount of estimated future production, costs of production, reserve determination, the timing of the development of new deposits, the Company's hedging practices, permitting time lines, and the timing and possible outcome of pending litigation involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual results of current exploration activities, actual results of current reclamation activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined,

future prices of gold, as well as those factors discussed in the section entitled “Other Considerations” in the Glamis and Francisco’s Annual Information Form, and in the Information Circular filed in connection with the Glamis/Francisco Plan of Arrangement. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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Second Quarter Report

Glamis Gold Ltd.

Consolidated Balance Sheets

(Expressed in thousands of U.S. dollars, except per share amounts)

	June 30, 2002 (unaudited)	December 31, 2001
Assets		
Current assets:		
Cash and equivalents	\$ 44,976	\$ 45,852
Accounts and interest receivable	1,362	1,096
Taxes recoverable	1,188	615
Inventories	14,756	12,725
Prepaid expenses and other	1,140	631
	63,422	60,919
Plant, equipment and mine development costs, net	89,209	80,970
Other assets	8,260	6,849
	\$160,891	\$148,738
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 6,378	\$ 5,529
Reserve for site closure and reclamation costs	9,751	10,427
Future income taxes	10,432	9,416
	26,561	25,372
Shareholders' equity		
Share capital		
Authorized:		
200,000,000 common shares without par value		
5,000,000 preferred shares, Cdn\$10 per share par value, issuable in series		
Issued and fully paid:		
84,708,357 (2001-83,283,462) common shares	199,161	194,793
Contributed surplus	63	63
Deficit	(64,894)	(71,490)
	134,330	123,366
	\$160,891	\$148,738

Prepared by management without audit

Glamis Gold Ltd.**Consolidated Statements of Earnings**

(Expressed in thousands of U.S. dollars, except per share amounts)

(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2002	2001	2002	2001
Revenue	\$20,367	\$14,505	\$38,559	\$28,932
Cost of goods sold	10,233	9,205	19,709	18,351
	10,134	5,300	18,850	10,581
Expenses				
Depreciation and depletion	4,295	2,978	7,896	6,395
Reclamation	326	267	694	514
Exploration	331	563	629	848
General and administrative	1,153	1,052	2,216	2,195
	6,105	4,860	11,435	9,952
Earnings from operations	4,029	440	7,415	629
Interest expense	-	1	-	3
Interest and other income (expense)	(82)	640	341	869
Earnings before income taxes	3,947	1,079	7,756	1,495
Provision for income taxes				
Current	106	93	145	302
Future	411	(30)	1,015	(210)
Net earnings	\$3,430	\$1,016	\$6,596	\$1,403
Basic earnings per share	\$0.04	\$0.01	\$0.08	\$0.02
Diluted earnings per share	\$0.04	\$0.01	\$0.08	\$0.02

Consolidated Statements of Deficit

(Expressed in thousands of U.S. dollars)

(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2002	2001	2002	2001
Deficit, beginning of period	\$(68,324)	\$(75,951)	\$(71,490)	\$(76,338)
Net earnings	3,430	1,016	6,596	1,403
Dividends	-	-	-	-
Deficit, end of period	\$(64,894)	\$(74,935)	\$(64,894)	\$(74,935)

Prepared by management without audit

Glamis Gold Ltd.
Consolidated Statements of Cash Flows
(Expressed in thousands of U.S. dollars)
(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2002	2001	2002	2001
Cash flows from operating activities				
Net earnings	\$3,430	\$1,016	\$6,596	\$1,403
Adjustments to reconcile net earnings to net cash provided by operations:				
Depreciation and depletion	4,295	2,978	7,896	6,395
Reserve for site closure and reclamation costs	314	267	682	514
Loss (gain) on sale of investments	460	(77)	436	(77)
Future income taxes	411	(30)	1,015	(210)
Other non-cash expenses	5	(745)	4	(768)
Cash flow from operations before the following:	8,915	3,409	16,629	7,257
Changes in non-cash working capital	(344)	614	(2,500)	(1,432)
Reclamation liability expenditures	(787)	(556)	(1,358)	(1,154)
Net cash flows from operating activities	7,784	3,467	12,771	4,671
Cash flows from (used in) investing activities				
Purchase of plant and equipment, net of disposals	(6,485)	(803)	(12,749)	(3,893)
Mineral property acquisition and mine development costs	(1,762)	(5,309)	(3,517)	(7,432)
Purchase/release of environmental bonds	(1,287)	1,000	(1,287)	714
Other assets	(567)	-	(632)	-
Proceeds from sale of investments	147	82	170	82
Net cash flows used in investing activities	(9,954)	(5,030)	(18,015)	(10,529)
Cash flows from financing activities				
Issuance of share capital	1,424	905	4,368	1,670
Net cash flows from financing activities	1,424	905	4,368	1,670
Increase (decrease) in cash and equivalents	(746)	(658)	(876)	(4,188)
Cash and equivalents, beginning of period	45,722	9,748	45,852	13,278
Cash and equivalents, end of period	\$44,976	\$9,090	\$44,976	\$9,090

Prepared by management without audit

Glamis Gold Ltd.
Production/Revenue Data

	Three months ended June 30,		Six months ended June 30,	
	2002	2001	2002	2001
<i>Gold ounces produced</i>	63,929	51,369	125,655	100,458
Gold ounces sold	64,879	53,065	126,913	108,048
Average revenue realized per ounce	\$313	\$273	\$304	\$268
Average market price per ounce	\$312	\$268	\$301	\$266
Total cash cost per ounce of production	\$161	\$171	\$156	\$173
Total cost per ounce of production	\$234	\$216	\$226	\$219
<i>Gold production – ounces</i>				
Rand Mine	19,189	13,579	37,939	27,480
San Martin Mine	33,772	19,911	65,133	42,302
Marigold Mine (66.67%)	10,968	17,879	22,583	30,676
Total	63,929	51,369	125,655	100,458
<i>Total cash cost per ounce of production</i>				
Rand Mine	\$228	\$233	\$230	\$231
San Martin Mine	\$112	\$150	\$100	\$135
Marigold Mine (66.67%)	\$197	\$146	\$193	\$172
Company average	\$161	\$171	\$156	\$173
<i>Total cost per ounce of production</i>				
Rand Mine	\$265	\$271	\$267	\$274
San Martin Mine	\$202	\$215	\$187	\$195
Marigold Mine (66.67%)	\$280	\$176	\$273	\$204
Company average	\$234	\$216	\$226	\$219
Working capital (thousands)	\$57,044	\$17,879	\$57,044	\$17,879
Cash flow from operations (thousands)	\$8,915	\$3,409	\$16,629	\$7,257
Net earnings for the period (thousands)	\$3,430	\$1,016	\$6,596	\$1,403
Net cash flow from operations per share	\$0.11	\$0.05	\$0.20	\$0.10
Basic earnings per share	\$0.04	\$0.01	\$0.08	\$0.02
Average shares outstanding	84,467,452	70,903,062	84,135,075	70,596,806