



# NEWS RELEASE

## GLAMIS GOLD LTD.

*For immediate release*

Trading symbol: TSX NYSE - *GLG*

November 3, 2003

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### GLAMIS GOLD REPORTS THIRD QUARTER 2003 RESULTS

**November 3, 2003 – Reno, Nevada** – Glamis Gold Ltd. (NYSE: GLG; TSX: GLG) today reported net income of \$3.5 million or \$0.02 per share for the third quarter of 2003 compared to net income of \$2.4 million or \$0.02 per share for the third quarter of 2002.

#### Third Quarter Highlights:

- Produced 51,707 ounces of gold at a total cash cost of \$201 per ounce.
- Generated cash flow from operations of \$7.5 million.
- Advanced construction of the El Sauzal gold project in Mexico which is on budget and on schedule.
- Received the Resolution approving the Environmental Impact Assessment for the Marlin project in Guatemala.
- Presently completing the updated feasibility study for the Marlin project for presentation to the Glamis Board of Directors.
- Continued the Marigold exploration program to extend the recent TZN discovery and other promising targets on the property.

Kevin McArthur, President and Chief Executive Officer of the Company said: “Glamis continues to make excellent progress at its development projects in Nevada, Mexico and Guatemala. At Marigold, we are successfully phasing in the expansion program and extending the new TZN discovery. Recent drilling has also encountered additional mineralization around current operations. As a direct result of these discoveries, consideration of a further expansion will commence once a scoping study is completed by year end. At El Sauzal, we are on schedule and within our budget. Excavation of the mill site and other plant facilities is well underway and concrete has already been poured for the office buildings and maintenance shop. We remain on schedule to reach commercial production for the first quarter of 2005, but expect gold production to commence in the fourth quarter of 2004. Glamis has also completed a number of optimization studies at its Marlin gold project in Guatemala that will revise the original feasibility study completed in May of this year. These collectively have the potential to significantly enhance the project and will be formally submitted to the Board of Directors later this week for approval to proceed with development.

“Turning to existing operations, we achieved record quarterly gold production of 25,270 ounces at Marigold mine, but leach pad issues at San Martin persisted throughout most of the third quarter, much longer than we had expected. It now appears that we have returned to projected production levels and should see substantial improvement in the fourth quarter.”

## **Financial Results**

During the third quarter of 2003, Glamis sold 51,110 ounces of gold at an averaged realized price of \$371 per ounce compared to the sale of 62,062 ounces of gold in the corresponding quarter of 2002 at an average realized price of \$318 per ounce. Revenue for the latest quarter was \$19.0 million compared to \$19.8 million in the third quarter of 2002 as lower sales volumes were nearly offset by the increase in gold prices. The decline in gold sales in the most recent quarter was principally the result of lower gold production at both the San Martin and Rand mines, partially offset by sharply higher production at Marigold mine. Temporary production difficulties at San Martin are being successfully resolved but active mining at Rand ceased in the first quarter of this year as scheduled and only leaching operations have continued from that point.

Net income for the third quarter of 2003 was \$3.5 million or \$0.02 per share compared to \$2.4 million or \$0.02 per share in the third quarter of the prior year. The increase in net income in the current quarter was primarily the result of higher gold prices, lower exploration expenses and a decline in depreciation and depletion expenses due to the lower gold production at the San Martin and Rand mines. Most of the exploration during the latest quarter, at Marlin in particular, was capitalized and exploration expense declined to \$0.2 million compared to \$1.2 million in the third quarter of 2002.

For the first nine months of 2003, Glamis reported net income of \$9.3 million or \$0.07 per share compared to net income of \$9.0 million or \$0.10 per share for the first nine months of 2002. For the current year to date, Glamis sold 172,155 ounces of gold at an averaged realized price of \$356 per ounce compared to gold sales in the nine month period of 2002 of 188,975 ounces at an average realized price of \$309 per ounce.

Cash flow generated from operations during the latest quarter was \$7.5 million compared to \$7.6 million in the third quarter of the prior year. For the first three quarters of 2003 cash flow generated from operations was \$24.1 million compared to \$24.3 million in the corresponding period of the previous year. As of September 30, 2003, the Company reported cash and equivalents of \$147.2 million and working capital of \$160.9 million.

## **Operations Review**

Gold production for the third quarter of 2003 was 51,707 ounces compared to 58,987 ounces in the third quarter of 2002. Total cash costs for the three month period were \$201 per ounce compared to \$167 per ounce in the third quarter of the prior year.

### San Martin Mine

Gold production at San Martin mine was 20,344 ounces in the third quarter at a total cash cost of \$211 per ounce compared to 34,895 ounces in the previous year at a total cash cost of \$103 per ounce. Temporary delays in gold recoveries due to leach pad solution issues persisted throughout much of the third quarter. Although Glamis believes these temporary setbacks have been resolved, they continued much later into the year than originally predicted. These difficulties were also compounded by drought conditions experienced throughout the region this year. As a result, total cash costs are higher and Glamis has revised its 2003 production target to approximately 105,000 ounces of gold.

## Marigold Mine

Glamis' two-thirds share of gold production from Marigold mine in the third quarter of 2003 increased to a record 25,270 ounces, compared to 10,089 ounces of gold produced in the third quarter of the previous year. This increase reflects successful implementation of the initial phase of the Marigold expansion program designed to lower total cash costs and raise Glamis' proportional share of gold production to more than 100,000 ounces annually. Total cash costs in the most recent quarter declined to \$173 per ounce compared to \$247 per ounce in the third quarter of the prior year as a result of the higher production levels and an improvement in gold grades. Glamis' two-thirds share of gold production for 2003 is expected to be approximately 95,000 ounces.

## Rand Mine

Third quarter gold production at Rand mine was 6,093 ounces at a total cash cost of \$285 per ounce compared to 14,003 ounces of gold at a total cash cost of \$267 in the third quarter of 2002. Active mining ceased in the first quarter of this year although leaching activities will continue throughout 2003 and 2004 in conjunction with final reclamation. Rand is on track to meet its 2003 production target of approximately 35,000 ounces of gold.

In total, Glamis continues to expect gold production of approximately 235,000 ounces for 2003 at a total cash cost of \$175 to \$185 per ounce.

## **Development Projects**

### El Sauzal Project, Mexico

Construction and development at the Company's El Sauzal gold project in the State of Chihuahua is within budget and on schedule. Much of the access road from the port city of Los Mochis to the property has been completed and excavations for the mill site and other process facilities are well underway. Concrete has been poured for administrative buildings and the truck shop. Permanent camp and communications facilities have been completed. El Sauzal is on schedule to begin gold production in the fourth quarter of 2004 and achieve commercial production in the first quarter of 2005.

### Marlin Project, Guatemala

Glamis' Marlin deposit is still open to the west along strike and at depth. Most of the recent drilling has been part of an in-fill program to further define open pit and underground reserves and resources. Additionally, a number of optimization studies have been completed and incorporated into an updated feasibility study to be submitted to the Board of Directors for approval to proceed with development. Marlin will be developed as a combination open pit and underground mine with annual gold production in excess of 200,000 ounces at a total cash cost of approximately \$100 per ounce, net of silver by-product credits. With respect to permitting progress, Marlin has received the Resolution approving its Environmental Impact Assessment and awaits the key final permit, the Exploitation License.

In addition to further exploration of the main Marlin deposit, Glamis has commenced surface sampling programs at certain of the anomalous zones in the immediate district. Two of the most promising of these are the La Hamaca and Coral to the north of the Main zone, both of which are planned to be drilled in 2004. Glamis also plans to carry out regional exploration programs to identify other prime targets on its large, virtually unexplored land package surrounding the original Marlin discovery.

Glamis anticipates updating the market with a news release and webcast presentation discussing the Marlin project's revised feasibility results and development plans following the Board of Directors' consideration of these items late this week.

### Marigold Expansion and Exploration

Glamis' emphasis on productivity and innovation has significantly enhanced Marigold mine profitability. A better understanding of the geology and regional structural elements that control mineralization is now leading to the discovery of new resources on the property.

Recently, Glamis has focused much of its Marigold exploration program on the promising Section 7 area that resulted in the new TZN discovery. In the third quarter, the Marigold partnership authorized an additional \$1 million dollar program for in-fill and extensional drilling at depth and along strike. The mineralization encountered to date is fairly deep but is oxidized material above the water table that appears to be amenable to run-of-mine heap leaching. A scoping study is planned for completion by year end. Glamis has expanded its exploration program to include areas around existing open pits, yielding positive results. Following completion of the scoping study, the Company will consider a further expansion at Marigold that could boost annual gold production to more than 200,000 ounces on a 100 percent basis.

There will be a conference call to discuss the latest quarterly financial and operating results at 3:00 pm EST (12:00 noon PST) on November 3, 2003. You may join the call by dialing (877) 500-5824 in the United States and Canada or (706) 634-0787 internationally by quoting Conference ID# 3547239 or asking for the Glamis Gold Third Quarter Conference Call hosted by Kevin McArthur. A replay of the call will be available until November 17, 2003 by dialing (800) 642-1687 in the United States and Canada or (706) 645-9291 internationally and entering Conference ID# 3675418.

Glamis Gold Ltd. is a premier intermediate gold producer with low-cost mines and development projects in Nevada, Mexico and Central America. The Company remains debt free and 100 percent unhedged. Glamis' near-term strategic goal is increase annual gold production to more than 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. Forward-looking statements, include, but are not limited to those with respect to, the price of gold, the estimation of mineral reserves and resources, the realization of mineral reserves estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, Glamis' hedging practices, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variation of such words and phrases or state that certain actions, events or results, "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Glamis 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, possible variations in ore grade or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labor disputes and other risks of the mining industry, delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Other Considerations" in the Glamis Annual Information Form. Although Glamis has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking 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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**GLAMIS GOLD LTD.**  
**THIRD QUARTER REPORT**

**Production Data**

(Dollar amounts expressed in U.S. dollars)	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2003	2002	2003	2002
	<b>51,707</b>	58,987	<b>173,582</b>	184,642
<i>Gold ounces produced</i>				
<b>Gold ounces sold</b>	<b>51,110</b>	62,062	<b>172,155</b>	188,975
<b>Average revenue realized per ounce</b>	<b>\$371</b>	\$318	<b>\$356</b>	\$309
<b>Average market price per ounce</b>	<b>\$363</b>	\$314	<b>\$354</b>	\$306
<b>Total cash cost per ounce</b>	<b>\$201</b>	\$167	<b>\$180</b>	\$159
<b>Total production cost per ounce</b>	<b>\$273</b>	\$247	<b>\$259</b>	\$233

**Production Data:**

San Martin Mine:	Ore tons processed	<b>1,921,596</b>	1,499,640	<b>5,440,716</b>	4,578,423
	Waste tons	<b>457,079</b>	246,662	<b>1,192,745</b>	768,840
	Grade (ounces per ton)	<b>0.025</b>	0.037	<b>0.028</b>	0.036
	Gold ounces produced	<b>20,344</b>	34,895	<b>76,123</b>	100,028
	Total cash cost per ounce	<b>\$211</b>	\$103	<b>\$170</b>	\$101
	Total production cost per ounce	<b>\$297</b>	\$201	<b>\$263</b>	\$192
Marigold Mine (66.7%):	Ore tons mined	<b>1,376,536</b>	751,984	<b>3,844,880</b>	2,077,509
	Waste tons	<b>5,279,409</b>	4,344,090	<b>14,553,391</b>	8,816,461
	Grade (ounces per ton)	<b>0.025</b>	0.020	<b>0.026</b>	0.019
	Gold ounces produced	<b>25,270</b>	10,089	<b>68,889</b>	32,672
	Total cash cost per ounce	<b>\$173</b>	\$247	<b>\$166</b>	\$210
	Total production cost per ounce	<b>\$243</b>	\$327	<b>\$237</b>	\$290
Rand Mine:	Ore tons mined	-	1,527,000	-	4,238,200
	Waste tons	-	1,837,100	-	5,504,000
	Grade (ounces per ton)	-	0.020	-	0.023
	Gold ounces produced	<b>6,093</b>	14,003	<b>28,570</b>	51,942
	Total cash cost per ounce	<b>\$285</b>	\$267	<b>\$241</b>	\$240
	Total production cost per ounce	<b>\$318</b>	\$303	<b>\$300</b>	\$277

**Financial Data:**

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

	<b>\$160.9</b>	\$ 55.5	<b>\$160.9</b>	\$ 55.5
<i>Working capital</i>				
Cash flow from operations	<b>\$7.5</b>	\$ 7.6	<b>\$24.1</b>	\$ 24.3
Net earnings	<b>\$3.5</b>	\$ 2.4	<b>\$9.3</b>	\$ 9.0
Basic earnings per share	<b>\$0.02</b>	\$ 0.02	<b>\$0.07</b>	\$ 0.10
Average shares outstanding	<b>129,423,753</b>	104,635,751	<b>127,547,081</b>	92,278,017

*Non GAAP Disclosures:* Cash costs of production should not be considered as an alternative to operating profit or net profit attributable to shareholders, or as an alternative to other Canadian or U.S. generally accepted accounting principle measures and may not be comparable to other companies. However, the Company believes that Cash costs of production per ounce of gold, by mine, is useful indicator to investors and management of a mine's performance as it provides: (i) a measure of the mine's cash margin per ounce, by comparison of the cash operating costs per ounce by mine to the price of gold; (ii) the trend in costs as the mine matures; and (iii) an internal benchmark of performance to allow for comparison against other mines.

**Glamis Gold Ltd.**  
**Consolidated Balance Sheets**  
(Expressed in millions of U.S. dollars)

	<b>September 30, 2003</b> (unaudited)	December 31, 2002
<b>Assets</b>		
Current assets:		
Cash and equivalents	\$ 147.2	\$ 160.0
Accounts and interest receivable	5.3	2.1
Taxes recoverable	0.1	1.1
Inventories (note 2)	17.1	16.6
Prepaid expenses and other	1.0	0.7
	<b>170.7</b>	180.5
Plant and equipment and mine development costs, net	334.4	285.0
Other assets	13.9	9.0
	<b>\$ 519.0</b>	\$ 474.5
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 8.5	\$ 8.3
Site closure and reclamation costs, current	1.3	2.4
Taxes payable	-	0.7
	<b>9.8</b>	11.4
Reserve for site closure and reclamation costs	6.2	6.9
Future income taxes	81.5	70.4
	<b>97.5</b>	88.7
<b>Shareholders' equity</b>		
Share capital (note 3):		
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:		
129,839,878 (2002–125,978,115) common shares	464.0	437.6
Contributed surplus	6.0	6.0
Deficit	(48.5)	(57.8)
	<b>421.5</b>	385.8
	<b>\$ 519.0</b>	\$ 474.5

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

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

	Three months ended Sept. 30, 2003		Nine months ended Sept. 30, 2002	
	<b>2003</b>	2002	<b>2003</b>	2002
	(unaudited)		(unaudited)	
Revenue	<b>\$ 19.0</b>	\$ 19.8	<b>\$ 61.4</b>	\$ 58.4
Costs and expenses:				
Cost of sales	<b>10.3</b>	10.4	<b>30.8</b>	30.1
Depreciation and depletion	<b>3.7</b>	4.6	<b>12.7</b>	12.5
Site closure and reclamation	<b>0.2</b>	0.3	<b>1.0</b>	1.0
Exploration	<b>0.2</b>	1.2	<b>4.4</b>	1.8
General and administrative	<b>1.4</b>	1.1	<b>4.4</b>	3.3
	<b>15.8</b>	17.6	<b>53.3</b>	48.7
Earnings from operations	<b>3.2</b>	2.2	<b>8.1</b>	9.7
Interest and other income	<b>0.5</b>	0.6	<b>2.6</b>	0.9
Earnings before income taxes	<b>3.7</b>	2.8	<b>10.7</b>	10.6
Provision for income taxes:				
Current	<b>0.0</b>	(0.1)	<b>0.2</b>	0.1
Future	<b>0.2</b>	0.5	<b>1.2</b>	1.5
	<b>0.2</b>	0.4	<b>1.4</b>	1.6
Net earnings	<b>\$ 3.5</b>	\$ 2.4	<b>\$ 9.3</b>	\$ 9.0
Basic earnings per share	<b>\$0.02</b>	\$0.02	<b>\$0.07</b>	\$0.10
Diluted earnings per share	<b>\$0.02</b>	\$0.02	<b>\$0.07</b>	\$0.10

**Consolidated Statements of Deficit**

(Expressed in millions of U.S. dollars)

	Three months ended Sept. 30, 2003		Nine months ended Sept. 30, 2002	
	<b>2003</b>	2002	<b>2003</b>	2002
	(unaudited)		(unaudited)	
Deficit, beginning of period	<b>\$(52.0)</b>	\$(64.9)	<b>\$(57.8)</b>	\$(71.5)
Net earnings	<b>3.5</b>	2.4	<b>9.3</b>	9.0
Deficit, end of period	<b>\$(48.5)</b>	\$(62.5)	<b>\$(48.5)</b>	\$(62.5)

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

	Three months ended Sept. 30,		Nine months ended Sept. 30,	
	<b>2003</b>	2002	<b>2003</b>	2002
	(unaudited)		(unaudited)	
<b>Cash flows from operating activities</b>				
Net earnings	\$ 3.5	\$ 2.4	\$ 9.3	\$ 9.0
Non-cash items:				
Depreciation and depletion	3.7	4.6	12.7	12.5
Site closure and reclamation	0.2	0.3	1.0	1.0
Future income taxes	0.2	0.5	1.2	1.5
Loss (gain) on sale of investments	(0.1)	(0.2)	(0.1)	0.3
	<b>7.5</b>	7.6	<b>24.1</b>	24.3
Changes in non-cash operating working capital:				
Accounts and interest receivable	(0.8)	(0.2)	(3.6)	(0.5)
Taxes recoverable/payable	0.8	0.5	0.3	-
Inventories	(0.9)	(0.7)	(0.6)	(2.7)
Prepaid expenses and other	0.4	0.2	-	(0.3)
Accounts payable and accrued liabilities	0.3	3.2	0.1	3.9
Site closure and reclamation expenditures	(0.4)	(0.6)	(2.9)	(1.9)
	<b>6.9</b>	10.0	<b>17.4</b>	22.8
Net cash from operating activities				
<b>Cash flows from (used in) investing activities</b>				
Business acquisitions, net of cash acquired	-	(5.9)	-	(6.4)
Purchase of plant and equipment, net of disposals	(7.9)	(1.9)	(19.2)	(14.6)
<b>Mineral property acquisition and</b>				
<b>mine development costs</b>	(9.4)	(2.1)	(22.7)	(5.6)
Net proceeds from sale of investments and properties (note 5)	4.6	0.1	6.5	0.3
Other assets	-	(0.9)	(0.5)	(2.3)
<b>Net cash flows used in investing activities</b>	<b>(12.7)</b>	(10.7)	<b>(35.9)</b>	(28.6)
<b>Cash flows from financing activities</b>				
Issuance of share capital	3.2	3.0	5.7	7.3
<b>Net cash flows from financing activities</b>	<b>3.2</b>	3.0	<b>5.7</b>	7.3
Increase (decrease) in cash and equivalents	(2.6)	2.3	(12.8)	1.5
Cash and equivalents, beginning of period	149.8	45.0	160.0	45.8
Cash and equivalents, end of period	<b>\$147.2</b>	\$ 47.3	<b>\$147.2</b>	\$ 47.3