



# NEWS RELEASE

GLAMIS GOLD LTD.

*For immediate release*  
*All amounts in United States Dollars*

Trading symbol: NYSE, TSX – GLG

November 1, 2005

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## GLAMIS GOLD REPORTS THIRD QUARTER RESULTS AND STARTUP OF MARLIN MINE

**November 1, 2005 - Reno, Nevada** - Glamis Gold Ltd. (NYSE, TSX: GLG) today reported net income of \$1.6 million or \$0.01 per share for the third quarter of 2005 compared to net income of \$2.8 million or \$0.02 per share in the third quarter of 2004. The Company also announced the successful start-up of the Marlin Mine in Guatemala.

### Third Quarter Highlights

- Produced 90,535 ounces of gold at a total cash cost of \$233 per ounce compared to 50,899 ounces of gold produced in the third quarter of 2004 at a total cash cost of \$205 per ounce.
- Generated cash flow from operations of \$14.8 million compared to \$8.1 million recorded in the third quarter of the prior year.
- Completed the third full quarter of commercial production at the El Sauzal Mine in Mexico and met or exceeded all initial forecast production parameters.
- Announced the discovery of a new high grade mineralized zone at the Cerro Blanco Project in Guatemala.
- Successfully initiated operations at the Marlin Mine despite difficult weather conditions. Commercial production is expected in the fourth quarter with estimated production of over 20,000 ounces of gold in the remainder of 2005.

Kevin McArthur, President and Chief Executive Officer of Glamis Gold said, “We have now inaugurated two remarkable mines in a twelve month period – both of which will be significant low cost producers for many years. Glamis continues to exhibit the best growth profile in the sector.”

“We communicated all year that the third quarter would be our weakest quarter. However, the Company expects to produce over 130,000 ounces of gold in the fourth quarter. Consistent with our previous guidance, we expect that gold production for the full year will be approximately 425,000 ounces at total cash costs in the \$190 to \$200 per ounce range.”

“I want to add that as pleased as we are with the progress at Marlin, I am equally proud of the role our people played during the recent flooding in Guatemala caused by Hurricane Stan. We behaved as good neighbors should by assisting with evacuations, delivering food and medicine, opening roads and bridges and providing logistical support to the Red Cross. We will continue to work cooperatively with the surrounding communities for many years to come.”

## Financial Review

Revenue from gold sales in the third quarter of 2005 increased to \$41 million, nearly double the \$21 million recorded in the third quarter of the previous year. Glamis sold 91,625 ounces of gold in the latest quarter at an average realized price of \$446 per ounce compared to the sale of 51,631 ounces in the corresponding period of 2004 at an average realized price of \$406 per ounce.

Glamis reported net income of \$1.6 million or \$0.01 per share for the third quarter of 2005 compared to net income of \$2.8 million or \$0.02 per share in the third quarter of the prior year. Net income in the third quarter of 2005 was impacted by anticipated lower quarterly gold production combined with higher fuel costs and commodity prices. Increased exploration expense (\$2.9 million) and the ongoing non-cash accounting effects of stock-based compensation (\$1.8 million) also impacted net income in the quarter.

Cash flow generated from operations in the third quarter of 2005 (before working capital changes and reclamation expenditures) was \$14.8 million compared to \$8.1 million in the third quarter of the prior year. As of September 30, 2005, the company reported cash and equivalents of \$20.1 million and working capital of \$25.7 million. In addition to \$20 million previously drawn, the Company drew down an additional \$15 million of a \$50 million credit facility with the Bank of Nova Scotia during the quarter to complete Marlin construction funding. Glamis' gold production remains totally unhedged.

## Operations Review

Gold production for the third quarter of 2005 was 90,535 ounces at a total cash cost of \$233 per ounce compared to 50,899 ounces of gold at a total cash cost of \$205 per ounce in the third quarter of the prior year. The increase in production was attributable to full production at the El Sauzal Mine. Detailed production statistics for the latest quarter are presented on page 6.

### El Sauzal Mine (100%)

In its third full quarter of operation, gold production at El Sauzal totaled 42,185 ounces. As a result of higher fuel, maintenance and power charges, total cash costs increased from the previous quarter to \$168 per ounce. The Company expects costs to return to less than \$150 per ounce level in the fourth quarter as a result of increased production. Through the three quarters of 2005, El Sauzal has produced over 130,000 ounces of gold at a total cash cost of \$148 per ounce. Glamis anticipates the mine will exceed its 2005 production target of 170,000 ounces of gold.

### Marigold Mine (66.7%)

Glamis' two-thirds share of gold production from Marigold Mine was 29,035 ounces in the most recent quarter at total cash cost of \$276 per ounce. This compares to production of 23,889 ounces of gold in the third quarter of 2004 at a total cash cost of \$198 per ounce. Increased fuel and commodity

prices continue to impact costs. In addition, long haulage distances to the leach pad resulted in high fuel usage.

Definition drilling in near-term production areas continued during the quarter and results are currently being reviewed by the mine planning department. Preliminary indications are that Marigold production in 2006 may be reduced by as much as 10-20% from this year's total. Mine rescheduling is ongoing to minimize the impact of these changes.

The Marigold Mine continues to project approximately 135,000 ounces of gold production in 2005 (Glamis' 2/3rds share).

#### San Martin Mine (100%)

At the San Martin Mine, gold production was 19,315 ounces in the latest quarter at a total cash cost of \$309 per ounce. This compares to production of 23,985 ounces of gold at a total cash cost of \$207 per ounce in the corresponding period of 2004. Total cash costs were projected to rise with the transition from the Rosa pit to the Palo Alto pit where ore grades and recoveries are lower. Compounding this are recent increases in fuel costs that have impacted both the cost of operating the mobile equipment and power generation at the mine site.

In response to cost increases, San Martin has transitioned throughout the quarter to a run-of-mine operation. This will control operating costs by shutting down the crusher, reducing diesel power generation requirements and simplifying material handling. These actions have raised labor issues leading to a recent unauthorized work stoppage. The Company expects to restart operations soon and is moving to address employee concerns about reconfigured operations. Meanwhile processing operations are continuing.

San Martin is expected to meet its production target of approximately 85,000 ounces of gold for 2005.

#### Marlin Mine (100%)

Construction of the Company's Marlin Mine in Guatemala is complete. The open pit is in full production and underground crews are currently establishing operating levels and drill stations. The first year's production will be largely from the open pit with the underground contributing to a greater degree by mid 2006. Authorization to obtain full electrical power from the grid is awaiting final agency approval; in the meantime diesel generators are providing power for the mill.

Mining operations are well underway, providing a large ore stockpile to the crusher. Crushing and grinding operations have been thoroughly tested with only minor feeder and chute modifications required (mainly due to excessively wet material during recent hurricane activity). The gravity, leach, CCD and Merrill Crowe circuits are currently being fine tuned, and commercial production is expected soon.

Production for 2005 is expected at over 20,000 ounces of gold. Production in 2006 is expected to be approximately 250,000 ounces of gold and over 3 million ounces of silver. The Marlin Mine was constructed to World Bank standards. The Company is committed to full collaboration with local communities, government authorities and NGOs.

## Cerro Blanco Project (100%)

Cerro Blanco remains the Company's highest priority development project. Drilling has confirmed the discovery of a new high-grade mineralized zone immediately north of the original resource (currently 870,000 ounces of gold). Given recent drilling results the Company expects a meaningful increase in the existing gold resource, with plans to complete a new resource calculation in early December.

The Company is conducting baseline environmental work, permitting, hydrology studies and metallurgical testing with the intent of developing an underground mine. A feasibility study for this project is expected to be completed in late 2006.

## Exploration

Glamis is currently engaged in the largest overall exploration program in Company history. Seventeen exploration drill rigs are active at various projects. The Company spent \$4.5 million on exploration in the third quarter which is almost half of the \$9.6 million exploration expenditure for the first nine months of the year. Much of the focus remains on the two Guatemala projects (Marlin and Cerro Blanco - \$5.2 million) however, significant attention is also being given to El Sauzal, Marigold and Dee targets.

On Tuesday, November 1, 2005, Kevin McArthur, President and Chief Executive Officer of the Company, will host a conference call at 12:00 noon PST (3:00 pm EST) to discuss the latest operating and financial results. You may join the call by dialing 1-800-435-1398 in the United States and Canada or 1-617-614-4078 for calls outside the United States and Canada and entering the Conference ID # 55791071. To view the simultaneous webcast presentation, participants should go to the Glamis Gold Ltd. website at [www.glamis.com](http://www.glamis.com) and click onto the link on the main page.

A replay of the call will be available from approximately two hours after the call's completion until November 11, 2005 by dialing 1-888-286-8010 for the United States and Canada and 1-617-801-6888 outside the United States and Canada and quoting Conference ID # 34241409. The webcast presentation will also be available and slides may also be downloaded from the Glamis Gold Ltd. website.

Glamis Gold Ltd. is a premier intermediate gold producer with low-cost gold mines and development projects in Nevada, Mexico and Central America. Plans call for growth from over 400,000 ounces of gold production in 2005 to over 700,000 ounces in 2007. The Company remains 100 percent unhedged.

*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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For further information please contact:

Glamis Gold Ltd.  
5190 Neil Road, Suite 310  
Reno, NV 89502  
Joe Danni  
Vice President, Corporate Communications

Website:  
email requests for investor packets to:  
email questions/correspondence to:  
Phone:

[www.glamis.com](http://www.glamis.com)  
[info@glamis.com](mailto:info@glamis.com)  
[joed@glamis.com](mailto:joed@glamis.com)  
1-775-827-4600 ext. 3123

**GLAMIS GOLD LTD.**  
**THIRD QUARTER 2005 REPORT**

**Financial Highlights**

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
<b>Gold ounces produced</b>	<b>90,535</b>	50,899	<b>293,633</b>	149,927
<b>Gold ounces sold</b>	<b>91,625</b>	51,631	<b>302,552</b>	151,331
<b>Average revenue realized per gold ounce</b>	<b>\$446</b>	\$406	<b>\$434</b>	\$404
<b>Average market price per gold ounce</b>	<b>\$440</b>	\$401	<b>\$432</b>	\$401
<b>Total cash cost per gold ounce produced</b>	<b>\$233</b>	\$205	<b>\$203</b>	\$198
<b>Total production cost per gold ounce</b>	<b>\$341</b>	\$292	<b>\$308</b>	\$284

**Production Data:**

El Sauzal Mine:	Ore tonnes milled	<b>445,368</b>	-	<b>1,177,923</b>	-
	Waste tonnes mined	<b>1,467,228</b>	-	<b>3,240,979</b>	-
	Grade (grams per tonne)	<b>3.227</b>	-	<b>3.47</b>	-
	Gold ounces produced	<b>42,185</b>	-	<b>130,222</b>	-
	Total cash cost per ounce	<b>\$168</b>	-	<b>\$148</b>	-
	Total production cost per ounce	<b>\$286</b>	-	<b>\$263</b>	-
San Martin Mine:	Ore tonnes processed	<b>1,331,611</b>	1,435,348	<b>4,223,261</b>	4,227,495
	Waste tonnes mined	<b>967,202</b>	651,284	<b>3,041,337</b>	2,122,190
	Grade (grams per tonne)	<b>0.733</b>	0.822	<b>0.669</b>	0.788
	Gold ounces produced	<b>19,315</b>	23,985	<b>65,037</b>	75,329
	Total cash cost per ounce	<b>\$309</b>	\$207	<b>\$280</b>	\$190
	Total production cost per ounce	<b>\$414</b>	\$303	<b>\$385</b>	\$287
Marigold Mine (66.7%):	Ore tonnes mined	<b>1,164,996</b>	1,508,192	<b>3,814,481</b>	4,565,341
	Waste tonnes mined	<b>6,222,070</b>	5,951,472	<b>17,885,668</b>	15,574,754
	Grade (grams per tonne)	<b>0.873</b>	0.617	<b>0.872</b>	0.789
	Gold ounces produced	<b>29,035</b>	23,889	<b>98,374</b>	63,283
	Total cash cost per ounce	<b>\$276</b>	\$198	<b>\$225</b>	\$198
	Total production cost per ounce	<b>\$372</b>	\$280	<b>\$318</b>	\$278
Rand Mine (in reclamation):	Gold ounces produced	-	3,025	-	11,315
	Total cash cost per ounce	-	\$255	-	\$250
	Total production cost per ounce	-	\$300	-	\$294

**Financial Data:**

Working capital	<b>\$25.7</b>	\$ 27.4	<b>\$ 25.7</b>	\$ 27.4
Cash provided from operations	<b>\$14.8</b>	\$ 8.1	<b>\$ 53.5</b>	\$ 23.5
Net earnings	<b>\$ 1.6</b>	\$ 2.8	<b>\$ 12.0</b>	\$ 14.8
Basic earnings per share	<b>\$0.01</b>	\$ 0.02	<b>\$ 0.09</b>	\$ 0.11
Average shares outstanding	<b>131,536,071</b>	130,654,678	<b>131,178,760</b>	130,457,868

**Glamis Gold Ltd.****Consolidated Balance Sheets**

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

	September 30, 2005 (unaudited)	December 31, 2004
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 20.1	\$ 27.0
Accounts and interest receivable	3.4	2.8
Inventories	27.6	25.7
Prepaid expenses and other	1.8	1.3
	<b>52.9</b>	56.8
Mineral property, plant and equipment, net	624.2	542.3
Other assets	14.0	14.2
	<b>\$ 691.1</b>	<b>\$ 613.3</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 24.5	\$ 24.8
Site closure and reclamation costs, current	0.7	0.9
Taxes payable	2.0	3.7
	<b>27.2</b>	29.4
Site closure and reclamation costs	10.4	7.6
Long-term debt	80.0	30.0
Future income taxes	88.7	86.0
	<b>206.3</b>	153.0
<b>Shareholders' equity</b>		
Share capital		
Authorized:		
Unlimited (2004 – 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:		
132,259,344 (130,863,953) common shares	490.5	472.7
Contributed surplus	11.2	16.5
Deficit	(16.9)	(28.9)
	<b>484.8</b>	460.3
	<b>\$ 691.1</b>	<b>\$ 613.3</b>

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

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

	Three months ended		Nine months ended	
	September 30, 2005	2004	September 30, 2005	2004
	(unaudited)		(unaudited)	
<b>Revenue</b>	<b>\$41.1</b>	\$ 21.0	<b>\$131.9</b>	\$ 61.3
<b>Costs and expenses:</b>				
Cost of sales	<b>21.3</b>	10.6	<b>60.5</b>	29.8
Depreciation and depletion	<b>11.0</b>	4.5	<b>34.2</b>	12.9
Exploration	<b>2.9</b>	0.7	<b>5.4</b>	2.6
General and administrative	<b>1.8</b>	1.5	<b>9.9</b>	5.5
Stock-based compensation	<b>1.8</b>	-	<b>3.6</b>	0.1
Other operating expenses	<b>0.9</b>	0.2	<b>1.8</b>	0.6
	<b>39.7</b>	17.5	<b>115.4</b>	51.5
<b>Earnings from operations</b>	<b>1.4</b>	3.5	<b>16.5</b>	9.8
Interest and other income	<b>1.4</b>	0.1	<b>2.0</b>	8.5
<b>Earnings before income taxes</b>	<b>2.8</b>	3.6	<b>18.5</b>	18.3
Provision for income taxes:				
Current	<b>0.7</b>	-	<b>3.8</b>	1.2
Future	<b>0.5</b>	0.8	<b>2.7</b>	2.3
	<b>1.2</b>	0.8	<b>6.5</b>	3.5
<b>Net earnings</b>	<b>\$ 1.6</b>	\$ 2.8	<b>\$ 12.0</b>	\$ 14.8
Earnings per share:				
Basic	<b>\$0.01</b>	\$0.02	<b>\$0.09</b>	\$0.11
Diluted	<b>\$0.01</b>	\$0.02	<b>\$0.09</b>	\$0.11
Weighted average common shares outstanding:				
Basic	<b>131,536,071</b>	130,654,678	131,178,760	130,457,868
Diluted	<b>132,299,338</b>	132,195,173	131,799,632	131,987,315

**Consolidated Statements of Deficit**

(Expressed in millions of U.S. dollars)

	Three months ended		Nine months ended	
	September 30, 2005	2004	September 30, 2005	2004
	(unaudited)		(unaudited)	
Deficit, beginning of period	<b>\$(18.5)</b>	\$(37.8)	<b>\$(28.9)</b>	\$(36.7)
Adjustment for stock-based compensation	-	-	-	(13.1)
Net earnings	<b>1.6</b>	2.8	<b>12.0</b>	14.8
Deficit, end of period	<b>\$(16.9)</b>	\$(35.0)	<b>\$(16.9)</b>	\$(35.0)

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

	Three months ended		Nine months ended	
	September 30, 2005	2004	September 30, 2005	2004
	(unaudited)		(unaudited)	
<b>Cash flows from operating activities</b>				
Net earnings	\$ 1.6	\$ 2.8	\$ 12.0	\$ 14.8
Non-cash items:				
Depreciation and depletion	11.0	4.5	34.2	12.9
Future income taxes	0.5	0.8	2.7	2.3
Loss (gain) on sale of properties and investments	(0.9)	-	(1.2)	(6.9)
Stock-based compensation	1.8	-	3.6	0.1
Other	0.8	-	2.2	0.3
	<b>14.8</b>	8.1	<b>53.5</b>	23.5
Changes in non-cash operating working capital:				
Accounts and interest receivable	(1.6)	(1.2)	(0.5)	(3.5)
Taxes recoverable/payable	(0.3)	-	(2.4)	-
Inventories	(1.8)	(2.9)	(2.3)	(6.0)
Prepaid expenses and other	(0.2)	(1.8)	(0.4)	(2.5)
Accounts payable and accrued liabilities	3.6	(4.4)	0.5	15.3
Site closure and reclamation expenditures	(1.3)	(0.5)	(2.7)	(1.6)
Net cash provided by operating activities	<b>13.2</b>	(2.7)	<b>45.7</b>	25.2
<b>Cash flows from (used in) investing activities</b>				
Purchase of mineral property, plant and equipment, net of disposals	(39.9)	(51.1)	(112.0)	(144.3)
Net proceeds from (used in) sale (purchase) of investments and properties	(0.2)	-	0.4	13.3
Other assets	(0.7)	(1.3)	0.5	(1.3)
<b>Net cash used in investing activities</b>	<b>(40.8)</b>	(52.4)	<b>(111.1)</b>	(132.3)
<b>Cash flows from financing activities</b>				
Proceeds from long-term debt	15.0	-	50.0	-
Proceeds from issuance of common shares	7.9	0.3	8.5	3.4
<b>Net cash provided by financing activities</b>	<b>22.9</b>	0.3	<b>58.5</b>	3.4
Increase (decrease) in cash and cash equivalents	(4.7)	(54.8)	(6.9)	(103.7)
Cash and cash equivalents, beginning of period	24.8	77.2	27.0	126.1
Cash and cash equivalents, end of period	<b>\$ 20.1</b>	\$ 22.4	<b>\$ 20.1</b>	\$ 22.4
Supplemental disclosure of cash flow information:				
Cash paid (received) during the period for:				
Interest, net of interest amounts paid and capitalized (note 3)	\$ (0.2)	\$ (0.2)	\$ (0.2)	\$ (0.9)
Taxes	\$ 1.0	-	\$ 5.8	\$ 0.1
Non-cash financing activities:				
Shares received on sale of mineral property rights	-	-	-	\$ 0.7