



NEWS RELEASE

GLAMIS GOLD LTD.

For Immediate Release

Trading symbol: NYSE, TSX – *GLG*

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GLAMIS GOLD PRODUCTION INCREASES 85 PERCENT; CONTINUED PRODUCTION GROWTH PROJECTED FOR 2006

January 17, 2006 - Reno, Nevada – Glamis Gold Ltd. (NYSE, TSX: GLG) today announced that it produced 434,010 ounces of gold in 2005, an increase of 85 percent compared to 234,433 ounces in 2004. Unaudited total cash costs in 2005 were \$195 per ounce of gold produced.

The 2005 results were driven by a strong first year of commercial production at El Sauzal Mine in Mexico—which exceeded plan by 13 percent—as well as strong performance at Marigold Mine in Nevada. Marlin Mine in Guatemala commenced commercial production in late 2005 and concluded a successful year by contributing nearly 24,000 ounces of gold to the Company’s total production

Looking ahead, the first full year of production at Marlin and continued growth at El Sauzal are expected to drive total 2006 production to approximately 670,000 gold ounces, an increase of 54 percent over 2005. Total cash costs for 2006 are expected to decrease significantly, to between \$160 and \$170 per ounce of gold. Exploration expenditures are forecast at approximately \$25 million, including nearly \$15 million for feasibility and exploration costs at the Cerro Blanco project in Guatemala.

Mine-by-mine production data for 2005 and projections for 2006 are as follows:

<u>Mine</u>	<u>Gold Ounces Produced in 2005</u>	<u>Gold Ounces Projected in 2006</u>
El Sauzal	191,586	217,000
Marigold ¹	137,116	118,000
San Martin	81,450	81,000
<u>Marlin</u>	<u>23,858</u>	<u>254,000</u>
Total	434,010	670,000

¹Glamis’ two-thirds share

“Contrary to the current gold industry trend, our cash costs are headed lower,” said Kevin McArthur, President and Chief Executive Officer. “Coupled with strong metals prices and the significant production increases we continue to achieve, we are well positioned for strong free cash flows in the years ahead. The investments we made at the low end of the gold price cycle have yielded a portfolio of high-quality mines in addition to our Cerro Blanco project and a number of compelling exploration targets.”

Glamis is scheduled to release fourth quarter and 2005 financial results on Monday, February 13.

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 statements 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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