# Gutnick Resources NL

ABN 44 009 157 439

## REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2003

### INTRODUCTION

Gutnick Resources N.L. ("Gutnick Resources" or the "Company") is an Australian gold explorer with a dominant land holding in a highly prospective gold province in the Eastern Goldfields of Western Australia. The Company controls in excess of 2,300 square kilometres of this province in its Southern Laverton Tectonic Zone project area ("SLTZ").

The SLTZ covers a suite of greenstone terrains south of Laverton in the structural corridor that hosts the major gold deposits of Sunrise Dam, Wallaby, Granny Smith, Carosue Dam, and Mt Morgans. The Company has completed an extensive geological review of the SLTZ and identified more than 50 exploration targets, all with the potential to deliver a significant gold discovery.

During the September quarter the Company commenced the initial phase of an ongoing aggressive exploration program, with drilling underway in four key areas of Yundamindera, Triumph, Deep Well and Pinjin.

### REVIEW OF OPERATIONS

#### *Yundamindera Gold Project*

Drilling recommenced during the quarter at the Yundamindera Project. The Yundamindera Project is located approximately 30 kilometres south west of the Sunrise Dam gold operation (7.7 million ounce Resource) in an area, which contains structures and lithologies indicative of similar types of deposits.

The Company has now completed approximately 10,000 metres of drilling, including air core and rotary airblast ("RAB") drilling, at the Yundamindera 4 Prospect (Company earning an 80 percent interest).

The following significant intersections were returned from this drilling:

| | Northing | Easting | Width (metres) | Gold Grade (g/t) | From (Metres) | Sample Types |
|---|---|---|---|---|---|---|
| YUNB315 | 6480 | 2480 | 10 | 2.7 | 10 | 1 metre resample |
| YUNB319 | 6480 | 2520 | 19 | 0.95 | 29 | 1 metre resample |
| Including | | | 2 | 3.3 | 38 | |
| YUNB324 | 6400 | 2520 | 27 | 0.8 | 20 | 1 metre resample |
| Including | | | 2 | 5.9 | 24 | |
| YUNB328 | 6320 | 2520 | 17 | 2.3 | 9 | 1 metre resample |
| YUNB329 | 6320 | 2560 | 8 | 1.4 | 40 | 4 metre composite |
| YUNB332 | 6240 | 2560 | 1 | 38.3 | 17 | 1 metre resample |
| | | | 18 | 0.77 | 18 | |
| Including | | | 2 | 2.4 | 29 | |
| YUNB333 | 6240 | 2600 | 20 | 0.4 | 32 | 4 metre composite |
| YUNB353 | 6560 | 2440 | 16 | 0.5 | 4 | 4 metre composite |
| YUNB354 | 6560 | 2480 | 16 | 1.4 | 20 | 4 metre composite |

*Note : Downhole depth and metres are shown and are not necessarily true width.*

Following the completion of this phase of RAB drilling at the Yundamindera 4 prospect, the Company completed a first pass reverse circulation ("RC") drilling program with a view to confirming the width and grade of the near surface mineralisation and to test for extensions of the zone at depth. The Company completed 1,300 metres of RC drilling, with three holes drilled on four lines through the mineralised zone.

The following intersections were returned from this drilling:

| | Northing | Easting | Width (metres) | Gold Grade (g/t) | From (Metres) | Sample Types |
|---|---|---|---|---|---|---|
| YUNC04 | 6480 | 2500 | 13 | 0.88 | 19 | 1m resample |
| Including | | | 2 | 2.3 | 23 | |
| | | | 2 | 1.11 | 28 | |
| YUNC05 | 6480 | 2560 | 28 | 0.42 | 56 | 4m composites |
| YUNC07 | 6320 | 2640 | 24 | 0.8 | 108 | 4m composites |
| Including | | | 8 | 1.19 | 116 | |
| YUNC09 | 6320 | 2540 | 24 | 1.23 | 20 | 4m composites |
| Including | | | 4 | 1.36 | 20 | |
| | | | 8 | 2.82 | 36 | |

*Note : Downhole depth and metres are shown and are not necessarily true width.*

This mineralised system at Yundamindera 4 has now been defined over a strike length of approximately 400 metres. This zone is located within a north north-west trending structural corridor that extends for approximately 12 kilometres on the Company's tenements, with the Claypan fault system to the west and a sequence of major Banded Iron Formation ("BIF") - bearing sequences to the east. The mineralisation at Yundamindera 4 appears to be hosted by a porphyry unit parallel or sub-parallel to the regional stratigraphy. The porphyry body lies close to a regional shear that defines the western margin of the BIF-bearing sequences.

Yundamindera 4 is one of a number of targets that the Company has identified within the greater Yundamindera Project area and the Company is continuing an aggressive program of RAB drilling to test a number of structurally favourable locations within this structural corridor.

### *Deep Well Gold Project*

Drilling also commenced during the quarter at the Company's Deep Well project located adjacent to and along strike from Son's of Gwalia Limited's Deep South deposit (approximately 200,000 ounces). The Company completed approximately 900 metres of RAB drilling at Deep Well during the quarter. Results from this drilling are expected to be available in the December quarter.

### *Triumph Gold Project*

The Company's Triumph project is located approximately 25 kilometres to the north west of the Company's Saxon Extended gold deposit, and incorporates the historical Triumph mining centre. The Company holds continuous tenure over the entire fifteen-kilometre strike of the Triumph structure. No depth testing of this structure has taken place despite high-grade shallow gold intersections being commonplace.

The Company recognises significant potential for high grade vein style gold mineralisation based upon compilation of historical data.

Drilling completed on the Triumph Line by previous explorers has returned significant results, including;

4 metres @ 7.0 g/t from 12 metres
2 metres @ 18.5 g/t from 22 metres
1 metre @ 61.7 g/t from 24 metres
4 metres @ 11.1 g/t from 20 metres
3 metres @ 7.6 g/t from 20 metres.
4 metres @ 12.6 g/t from 12 metres
2 metres @ 27.0 g/t from 12 metres
1 metre @ 13.3 g/t from 24 metres
2 metres @ 5.2g/t from 14 metres

During the quarter, the Company completed approximately 3,500 metres of RAB and air core drilling within the Triumph project. Results from this drilling are expected to be available in the December quarter.

***Pinjin Gold Project***

The Pinjin project is located approximately 150 kilometres north east of Kalgoorlie and 35 kilometres east of Sons of Gwalia's Carosue Dam operation. It contains the Saxon Extended resource (Company earning 70%), where the Company has identified a resource (independently verified) of approximately 900,000 tonnes at 5.4 g/t for 158,000 ounces. This resource was calculated in July 2001, at a time when gold was trading near its 10 year low, at around USD$260 per ounce.

The Company has now reviewed the previous drilling at Saxon Extended and concluded that there is significant scope to extend the existing resource with further drilling (both along strike and at depth). The average depth of RC drilling in the area of the existing resource is approximately 120 metres.

The following table highlights a number of previously reported intersections from RC drilling completed at Saxon Extended in the last drilling campaigns.

| | Northing | Easting | Width (metres) | Gold Grade (g/t) | From (Metres) | Sample Types |
|---|---|---|---|---|---|---|
| PINC31 | 19915 | 11860 | 16 | 5.2 | 40 | 1m samples |
| PINC72 | 19640 | 11895 | 28 | 4 | 60 | 1m samples |
| PINC53 | 19520 | 11925 | 44 | 4.2 | 25 | 1m samples |
| PINC15 | 19515 | 11855 | 9 | 10.1 | 107 | 1m samples |
| PINC30 | 19470 | 11925 | 8 | 7.9 | 100 | 1m samples |
| PINC7 | 19800 | 11725 | 83 | 2.8 | 151 | 1m samples |
| PINC30 | 19470 | 11925 | 12 | 9.7 | 228 | 1m samples |
| PINC73 | 19440 | 11900 | 20 | 5.6 | 168 | 1m samples |
| PINC35 | 19360 | 11900 | 13 | 7.4 | 70 | 1m samples |
| PINC35 | 19360 | 11900 | 10 | 4.0 | 101 | 1m samples |
| PINC43 | 19315 | 11900 | 8 | 7.2 | 132 | 1m samples |
| PINC43 | 19315 | 11900 | 1 | 34.7 | 160 | 1m samples |
| PINC46 | 19270 | 11900 | 6 | 7.6 | 137 | 1m samples |
| PINC46 | 19270 | 11900 | 3 | 9.2 | 158 | 1m samples |
| PINC57 | 19030 | 11920 | 2 | 2.8 | 82 | 1m samples |

*Note : All results have been reported previously.*
*Downhole depth and metres are shown and are not necessarily true width.*

The Saxon Extended resource is contained within one of a number of prospects that occur along the Pinjin and Anglo Saxon shears within the Joint Venture tenements. The Company believes that, in addition to a potential upgrade of the existing resource at Saxon Extended, there is significant potential to outline additional resources along these shears.

The Company plans to conduct an initial program of approximately 1,200 metres of RC drilling at Saxon Extended during the December quarter, with further RAB and/or RC drilling proposed at other favourable locations along the Pinjin and Anglo Saxon shears.

**CORPORATE**

In July 2003, the Directors of the Company placed 150,000 fully paid ordinary shares at 10 cents and 150,000 options (at no consideration) to an external party pursuant to shareholder approval dated 21 February 2003.

In July 2003, the Company negotiated repayment terms with Anaconda Nickel Limited ("Anaconda") for the loan due to Anaconda. In accordance with repayment terms, payments have been made to Anaconda in July and September 2003. The loan is to be repaid in full by December 2003.

On 29 August 2003, the Company mailed to shareholders a notice of meeting, explanatory statement and experts' report for a general meeting to be held on 30 September 2003 to seek approval to the issue of up to 54,000,000 fully paid ordinary shares at an issue price of 10 cents per fully paid ordinary shares and 54,000,000 options at no issue price (with an exercise price of 10 cents and a latest exercise date of 28 February 2013) to Edensor Nominees Pty Ltd as repayment of a debt to Chevas Pty Ltd of $5,400,000, such issue to be in accordance with the Corporations Act 2001 and ASX Listing Rules and to approve the issue of up to 30,000,000 fully paid ordinary shares at an issue price of 10 cents per fully paid ordinary shares and 30,000,000 options at no issue price (with an exercise price of 10 cents and a latest exercise date of 28 February 2013) to Edensor Nominees Pty Ltd for a cash consideration of $3,000,000, such issue to be in accordance with the Corporations Act 2001 and ASX Listing Rules.

On 5 September 2003, shareholders in general meeting approved the placement of up to 100 million ordinary shares at an issue price of 10 cents together with one option at no issue price, with an exercise price of 10 cents and a latest exercise date of 28 February 2013 for each ordinary share issued and otherwise on the terms and conditions set out in the Appendix A to the Explanatory Statement to shareholders.

Pursuant to the approval on 5 September 2003, the Company announced on 12 September 2003 the allotment of 39 million ordinary shares at 10 cents each and 39 million options expiring 28 February 2013 raising $3.9 million.

On 13 October 2003, the Company, pursuant to shareholders approval received on 5 September 2003 and 30 September 2003, issued

1. 54,000,000 fully paid ordinary shares at a price of 10 cents and 54,000,000 options (at no consideration) with an exercise price of 10 cents and a latest exercise date of 28 February 2013 to Ednsor Nominees Pty Ltd as repayment of a debt of $5,400,000 owing to Chevas Pty Ltd; and

2. 250,000 fully paid ordinary shares at a price of 10 cents and 250,000 options (at no consideration) with an exercise price of 10 cents and a latest exercise date of 28 February 2013.

The Company also issued 2,000 fully paid ordinary shares following the exercise of 2,000, 30 April 2012 options.

On 30 October 2003, pursuant to shareholders approval received on 5 September 2003, The Company issued 1,500,000 fully paid ordinary shares at a price of 10 cents and 1,500,000 options (at no consideration) with an exercise price of 10 cents and a latest exercise date of 28 February 2013. An Appendix 3B is attached.

The Company wishes to advise that for the purposes of ASIC Class Order CO 02/1180, there is no information of the kind that would be required to be disclosed under subsection 713(5) of the Corporations Act 2001 if a prospectus were to be issued in reliance on section 713 in relation to an offer of the securities.

*The technical information in this report has been reviewed and approved by Dr. David Tyrwhitt who is a member of the Australasian Institute of Mining and Metallurgy and has 40 years experience in the industry.*

*Attached is a copy of the Company's Mining Exploration Entity Quarterly Report in accordance with Listing Rule 5.3.*

J.I. Gutnick

J I GUTNICK
Chairman and Managing Director
October 31, 2003

*Rule 5.3*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

| |
|---|
| GUTNICK RESOURCES N.L. |

| ABN | Quarter ended ("current quarter") |
|---|---|
| 44 009 157 439 | 30 September 2003 |

## Consolidated statement of cash flows

| | | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|---|
| **Cash flows related to operating activities** | | | | |
| 1.1 | Receipts from product sales and related debtors | | | |
| 1.2 | Payments for | (a) exploration and evaluation | (241) | (241) |
| | | (b) development | - | - |
| | | (c) production | - | - |
| | | (d) administration | (210) | (210) |
| 1.3 | Dividends received | | - | - |
| 1.4 | Interest and other items of a similar nature received | | (9) | (9) |
| 1.5 | Interest and other costs of finance paid | | - | - |
| 1.6 | Income taxes paid | | - | - |
| 1.7 | Other (provide details if material) | | 47 | 47 |
| | **Net Operating Cash Flows** | | (413) | (413) |
| | **Cash flows related to investing activities** | | | |
| 1.8 | Payment for purchases of: | (a) prospects | - | - |
| | | (b) equity investments | - | - |
| | | (c) other fixed assets | - | - |
| 1.9 | Proceeds from sale of: | (a) prospects | - | - |
| | | (b) equity investments | - | - |
| | | (c) other fixed assets | 11 | 11 |
| 1.10 | Loans to other entities | | - | - |
| 1.11 | Loans repaid by other entities | | - | - |
| 1.12 | Other (provide details if material) | | - | - |
| | **Net investing cash flows** | | 11 | 11 |
| 1.13 | Total operating and investing cash flows (carried forward) | | (402) | (402) |

+ See chapter 19 for defined terms.

| | | | |
|---|---|---|---|
| 1.13 | Total operating and investing cash flows (brought forward) | (402) | (402) |
| | **Cash flows related to financing activities** | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 3,644 | 3,644 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | 3,822 | 3,822 |
| 1.17 | Repayment of borrowings | (7,000) | (7,000) |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other (provide details if material) | - | - |
| | **Net financing cash flows** | 466 | 466 |
| | **Net increase (decrease) in cash held** | 64 | 64 |
| 1.20 | Cash at beginning of quarter/year to date | 942 | 942 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | **Cash at end of quarter** | 1006 | 1006 |

## Payments to directors of the entity and associates of the directors
## Payments to related entities of the entity and associates of the related entities

| | | Current quarter $A'000 |
|---|---|---|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 36 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

-

## Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

## Financing facilities available

*Add notes as necessary for an understanding of the position.*

| | | Amount available $A'000 | Amount used $A'000 |
|---|---|---|---|
| 3.1 | Loan facilities | Refer attached details | Refer attached details |
| 3.2 | Credit standby arrangements | - | - |

## Estimated cash outflows for next quarter

| | | $A'000 |
|---|---|---|
| 4.1 | Exploration and evaluation | 500 |
| 4.2 | Development | - |
| | **Total** | **500** |

# Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | | Current quarter $A'000 | Previous quarter $A'000 |
|---|---|---|---|
| 5.1 | Cash on hand and at bank | 1,006 | 942 |
| 5.2 | Deposits at call | - | - |
| 5.3 | Bank overdraft | - | - |
| 5.4 | Other (provide details) | - | - |
| | **Total: cash at end of quarter** (item 1.22) | 1,006 | 942 |

## Changes in interests in mining tenements

| | | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|---|---|---|---|---|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | | See Attached | | |
| 6.2 | Interests in mining tenements acquired or increased | | - | | |

+ See chapter 19 for defined terms.

## Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

| | | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|---|---|---|---|---|
| 7.1 | **Preference +securities** | - | - | - | - |
| 7.2 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions | -<br>- | -<br>- | -<br>- | -<br>- |
| 7.3 | **+Ordinary securities** | 94,907,586 | 94,907,586 | - | - |
| 7.4 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs | 39,150,000<br>- | 50,010,000<br>- | $0.10<br>- | $0.10<br>- |
| 7.5 | **+Convertible debt securities** *(description)* | - | - | - | - |
| 7.6 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted | -<br>- | -<br>- | -<br>- | -<br>- |
| 7.7 | **Options** (description and conversion factor) | 330,000<br>13,716,713<br>13,571,422<br>50,010,000 | -<br>13,716,713<br>-<br>- | *Exercise price*<br>$1.875<br>$1.25<br>$0.20<br>$0.10 | *Expiry date*<br>24 March, 2010<br>22 September, 2010<br>30 April, 2012<br>28 February 2013 |
| 7.8 | Issued during quarter | 39,150,000 | - | $0.10 | 28 February 2013 |
| 7.9 | Exercised during quarter | - | - | - | - |
| 7.10 | Expired during quarter | - | - | - | - |
| 7.11 | **Debentures** *(totals only)* | - | - | | |
| 7.12 | **Unsecured notes** *(totals only)* | - | - | | |

## Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: (Company Secretary) Date: 31 October 2003

Print name: Peter J. Lee

## Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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# Mining exploration entity quarterly report

## GUTNICK RESOURCES N.L.
## ABN 44 009 157 439

## For the Quarter Ended 30.09.2003
## (referred to in this Statement as the "Current Quarter")

## Additional Information

### Item 1.7 Other

During the September Quarter monies received for GST refund of $47,000.

### Item 1.23 Payments to Other Entities

Some of the Directors of the Company are also Directors of AXIS Consultants Pty. Ltd. ("AXIS"). The Company paid AXIS $178,400 during the quarter ended 30 September 2003 for administration and other services rendered. The Company does not consider AXIS to be a related party.

### Item 3.1 Loan facilities

Mr. Gutnick has confirmed that based on the Company's present and projected cash flows (and anticipated support from its financiers over that time) he should have access to sufficient funds to be in a position to assist the Company to meet its commitments. Mr. Gutnick has invited the Company, as and when funds are required, to apply to him for relevant funds. Mr. Gutnick will then, at his absolute discretion, determine whether he is willing or able to assist the Company..

### Item 7.7 Options

**Listed**
13,716,713 options maturing September 22, 2010 at an exercise price of $1.25 per option. Each option will convert into one ordinary share.

**Unlisted**
330,000 options maturing on March 24, 2010 issued under the employee share option plan have an exercise price of $1.875 per option. Upon exercise each option will convert into one fully paid ordinary share. These options cannot be exercised until after March 24, 2003 and only at this time, if the Company's share price on the ASX has increased by a factor of 20% over the share price at the date the options were issued.

13,571,422 options maturing April 30, 2012 at an exercise price of $0.20 per option. The options are exercisable any time after January 1, 2003. Each option will convert to one fully paid ordinary share.

50,010,000 options maturing February 28, 2013 at an exercise price of $0.10 per option. The options are exercisable any time after January 1, 2004. Each option will convert to one fully paid ordinary share.

## Events Subsequent to End of Quarter

Pursuant to shareholder approval received on 30 September 2003, the Company has issued 54 million fully paid ordinary shares at an issue price of 10 cents and 54 million options at no issue price, an exercise price of 10 cents amd a latest exercise date of 28 February 2103 to Edensor Nominees Pty Ltd as repayment of a debt of $5.4 million due to Chevas Pty Ltd.

The Company has issued 1,500,000 fully paid ordinary shares at an issue price of 10 cents and 54 million options at no issue price, an exercise price of 10 cents amd a latest exercise date of 28 February 2103, pursuant to shareholder approval received on 5 September 2003,to professional investors.

GUTNICK RESOURCES NL

ACN 009 157 439

CHANGES IN INTERESTS IN MINING TENEMENTS

6.1 Interests in mining tenements relinquished, reduced or lapsed

| Tenement reference | Nature of Interest (note(4)) | Interest at beginning of quarter | Interest at end of quarter |
|---|---|---|---|
| **EDJUDINA** | | | |
| E 31/437 | Forfeited | 100.00% | 0.00% |
| E 31/438 | Forfeited | 100.00% | 0.00% |
| E 31/461 | Forfeited | 100.00% | 0.00% |
| **HEADQUARTERS** | | | |
| P 15/4333 | Forfeited | 100.00% | 0.00% |
| **KARONIE NORTH** | | | |
| E 28/1046 | Forfeited | 100.00% | 0.00% |
| E 28/1047 | Forfeited | 100.00% | 0.00% |
| E 28/1048 | Forfeited | 100.00% | 0.00% |
| E 28/1049 | Forfeited | 100.00% | 0.00% |
| **KOOKYNIE** | | | |
| P 40/1084 | Surrendered | 100.00% | 0.00% |
| **MELITA** | | | |
| E 37/350 | Surrendered | 100.00% | 0.00% |
| E 37/597 | Surrendered | 100.00% | 0.00% |
| E 40/169 | Forfeited | 100.00% | 0.00% |
| **MINERIE** | | | |
| P 39/4060 | Forfeited | 100.00% | 0.00% |
| **MT GEORGE** | | | |
| P 37/5941 | Surrendered | 100.00% | 0.00% |
| P 37/5942 | Surrendered | 100.00% | 0.00% |
| **MURRIN MURRIN** | | | |
| E 39/742 | Surrendered | 100.00% | 0.00% |
| **PINJIN** | | | |
| E 31/263 | Forfeited | 0.00% | 0.00% |
| E 31/469 | Forfeited | 100.00% | 0.00% |
| **ROTHSAY** | | | |
| E 59/1020 | Surrendered | 100.00% | 0.00% |
| P 59/1550 | Surrendered | 100.00% | 0.00% |
| P 59/1551 | Surrendered | 100.00% | 0.00% |
| P 59/1552 | Surrendered | 100.00% | 0.00% |

GUTNICK RESOURCES NL

ACN 009 157 439

CHANGES IN INTERESTS IN MINING TENEMENTS

6.1 Interests in mining tenements relinquished, reduced or lapsed

| Tenement reference | Nature of Interest (note(4)) | Interest at beginning of quarter | Interest at end of quarter |
|---|---|---|---|
| P 59/1553 | Surrendered | 100.00% | 0.00% |
| P 59/1554 | Surrendered | 100.00% | 0.00% |
| **SAVANNAH** | | | |
| E 31/453 | Forfeited | 100.00% | 0.00% |
| **WHITEHEADS** | | | |
| M 27/152 | Surrendered | 0.00% | 0.00% |
| M 27/217 | Forfeited | 0.00% | 0.00% |
| M 27/327 | Forfeited | 0.00% | 0.00% |
| **WOMBOLA** | | | |
| P 26/2965 | Surrendered | 100.00% | 0.00% |
| **YERILLA** | | | |
| E 31/463 | Forfeited | 100.00% | 0.00% |
| **YINDANA** | | | |
| E 28/920 | Forfeited | 100.00% | 0.00% |
| E 28/921 | Forfeited | 100.00% | 0.00% |
| **YUNDAMINDERA** | | | |
| E 39/776 | Forfeited | 100.00% | 0.00% |
| E 39/780 | Forfeited | 100.00% | 0.00% |
| E 39/782 | Forfeited | 100.00% | 0.00% |
| E 39/784 | Forfeited | 100.00% | 0.00% |

*Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

Gutnick Resources N.L.

ABN

44 009 157 439

We (the entity) give ASX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

| | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | (i) Fully paid ordinary shares (GKR)<br>(ii) Options (GKROB) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (i) Fully paid ordinary shares – 1,500,000<br>(ii) Options – 1,500,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (i) Fully paid ordinary shares rank equally with existing ordinary shares on issue<br>(ii) Options have an exercise price of 10 cents and a latest expiry date 28 February 2013 |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | (i) Fully paid ordinary shares rank equally from date of allotment<br>(ii) If options are exercised, they will rank equally with ordinary shares from date of allotment of the ordinary shares. |
| 5 | Issue price or consideration | 10 cents per ordinary share with attaching option at no consideration. |
| 6 | Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets) | Exploration, new project generation, working capital, and debt retirement |
| 7 | Dates of entering +securities into uncertificated holdings or despatch of certificates | 7 November 2003 |

8 Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)

| Number | +Class |
|---|---|
| 150,859,586 | Ordinary Shares |
| 13,716,713 | Options maturing 22/09/2010 |
| 105,960,000 | Options maturing 28/02/2013 |

+ See chapter 19 for defined terms.

| | | Number | +Class |
|---|---|---|---|
| 9 | Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable) | 330,000<br><br>13,569,422 | Options expiring 24/03/2010<br><br>Options expiring 30/04/2012 |

| | | |
|---|---|---|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A |

## Part 2 - Bonus issue or pro rata issue

| | | |
|---|---|---|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the +securities will be offered | N/A |
| 14 | +Class of +securities to which the offer relates | N/A |
| 15 | +Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br>Note: Security holders must be told how their entitlements are to be dealt with.<br>Cross reference: rule 7.7. | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |

| | | |
|---|---|---|
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | N/A |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | N/A |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do +security holders sell their entitlements *in full* through a broker? | N/A |
| 31 | How do +security holders sell *part* of their entitlements through a broker and accept for the balance? | N/A |

| | | |
|---|---|---|
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Despatch date | N/A |

# Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities
(*tick one*)

(a) ☑ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*(If the additional securities do not form a new class, go to 43)*

*Tick to indicate you are providing the information or documents*

35 ☑ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☑ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

*(now go to 43)*

## Entities that have ticked box 34(b)

| | | |
|---|---|---|
| 38 | Number of securities for which +quotation is sought | |
| 39 | Class of +securities for which quotation is sought | |
| 40 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | |
| 41 | Reason for request for quotation now<br><br>Example: In the case of restricted securities, end of restriction period<br><br>(if issued upon conversion of another security, clearly identify that other security) | |

| | | Number | +Class |
|---|---|---|---|
| 42 | Number and +class of all +securities quoted on ASX (*including* the securities in clause 38) | | |

*(now go to 43)*

+ See chapter 19 for defined terms.

## All entities

### Fees

43 Payment method (tick one)

☐ Cheque attached

☐ Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

☐ Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ............................................ Date: 31/10/03
(Company Secretary)

Print name: Peter J Lee