GLENEAGLE
GOLD LIMITED
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217-219 Stirling Highway, Claremont WA 6010
PO Box 138, Claremont WA 6910

MEMORANDUM

Attention: Marian Tang

Date: 23 July 2003

C.C:

Reference:

From: Ian Prentice

Subject: *Updated statement of commitments*

Statement of commitments for Gleneagle Gold Limited based on actual funds raised under the Prospectus dated 30 May 2003.

In the two years after listing on ASX the funds raised from the Issue will be applied as follows:

Use of Funds	**Actual Subscription**
Pre-Offer cash and receivables	478,000
Total raised in the Offer	4,540,600
Total Funds available	**5,018,600**
Exploration expenditure (refer Section 5)	2,059,602
Acquisition costs of tenements (including stamp	1,020,000
Expenses of the Issue, including broker fees	455,900
Amount set aside for environmental bonds	1,050,000
Additional working capital	433,098
Total	**5,018,600**

Regards

Ian Prentice

Ian Prentice
Managing Director – Gleneagle Gold Limited