



**GME Resources Limited**  
**ABN 62 009 260 315**

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23 January 2004

The Companies Announcement Office  
Australian Stock Exchange Ltd  
Level 10 Exchange Centre  
20 Bond Street  
SYDNEY NSW 2000

**BY E-MAIL**

Dear Sir

### **NIWEST PURCHASE**

GME Resources Limited is pleased to announce that it is its intention to accept the offer from the Receivers and Managers of Western Metals Limited to acquire the 62% interest in NiWest Limited that it does not already own for a total cost of \$2,715,025. Upon formal acceptance of that offer by the Company within the 90 day offer period, NiWest Limited would then become a wholly owned subsidiary of GME Resources Limited.

The Board is also pleased to announce a one for two renounceable Rights Issue at \$0.08 per share to raise approximately \$4,993,000. The number of shares to be issued and the amount raised is dependent on the amount of any current convertible debts of the Company first being converted into shares.

Grange Securities Limited has committed to fully underwrite the Issue. An Appendix 3B statement is enclosed.

The funds raised will be applied to meet the acquisition cost of the 62% interest in NiWest Limited as well as tidying up the Company's balance sheet and providing for future working capital needs. This will include completing further infill drilling on several of the NiWest Limited high-grade nickel laterite tenements.

There is a period of 90 days for GME to formally accept the offer from the Receivers and Managers and it is planned that the Rights Issue will be completed within this period, nevertheless it was considered prudent to have a standby facility in place in the event of any unforeseen delay.

Accordingly, Retirewise Capital Limited, a major shareholder of GME Resources Limited, has committed to provide a standby facility of up to \$3 million to the Company for this purpose.

The Board has been encouraged by recent reports on the success that Minara Resources Limited has achieved with the production from the Murrin Murrin plant, its demonstrated interest in acquiring NiWest Limited and their stated desire to acquire additional plant feed from third party sources.

Out of its previously announced inferred resource of approximately 128 million tonnes at 1% nickel, NiWest Limited has a high-grade inferred resource of 38.4 million tonnes at a 1.3% grade. The proximity of this higher grade resource to the Murrin Murrin plant means it has the ability to deliver significant financial advantages for both the Murrin Murrin plant and GME Resources Limited particularly as the grade differential between the ore feed to the Murrin Murrin plant and the potential NiWest Limited ore feed increases.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Niels J Kroyer', with a large, stylized flourish extending from the end of the signature.

**NIELS J KROYER**  
Company Secretary

Enclosure: Appendix 3B.

# 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, 1/1/2003.

Name of entity

**GME RESOURCES LIMITED**

ABN

**62 009 260 315**

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   | Ordinary Fully Paid Shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 62,407,500 (to be confirmed depending on conversion of debt and rounding of fractions) |
| 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) | N/A  |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>8 cents each</p>				
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. acquisition of remaining shares (62%) not owned by the Company in NiWest Limited;          2. Exploration costs;          3. Repayment of debt; and          4. working capital</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>To be advised</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">187,222,501 (to be confirmed depending on conversion of debt and rounding of fractions)</td> <td style="vertical-align: top;">Ordinary Fully Paid</td> </tr> </tbody> </table>	Number	+Class	187,222,501 (to be confirmed depending on conversion of debt and rounding of fractions)	Ordinary Fully Paid
Number	+Class				
187,222,501 (to be confirmed depending on conversion of debt and rounding of fractions)	Ordinary Fully Paid				

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)		
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?	No
12 Is the issue renounceable or non-renounceable?	Renounceable
13 Ratio in which the +securities will be offered	One for two
14 +Class of +securities to which the offer relates	Ordinary fully paid
15 +Record date to determine entitlements	To be advised
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17 Policy for deciding entitlements in relation to fractions	Any fraction will be rounded up to the nearest whole number
18 Names of countries in which the entity has +security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Channel Islands, United Kingdom, Hong Kong, Ireland, Israel, Malaysia, Saudi Arabia, Singapore, Taiwan, United States. Their entitlements will sold through Grange Securities Limited.
19 Closing date for receipt of acceptances or renunciations	To be advised

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20	Names of any underwriters	Grange Securities Limited
21	Amount of any underwriting fee or commission	4 %
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	No
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	To be advised
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)	To be advised
29	Date rights trading will end (if applicable)	To be advised
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Through a broker
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Sell either entitlements in full or in part through a broker and accept balance, if any.

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+ See chapter 19 for defined terms.

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

### **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**

*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

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**Entities that have ticked box 34(b)**

38 Number of securities for which  
 +quotation is sought

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39 Class of +securities for which  
 quotation is sought

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40 Do the +securities rank equally in all  
 respects from the date of allotment  
 with an existing +class of quoted  
 +securities?

If the additional securities do not  
 rank equally, please state:

- the date from which they do
- the extent to which they  
 participate for the next dividend,  
 (in the case of a trust,  
 distribution) or interest payment
- the extent to which they do not  
 rank equally, other than in  
 relation to the next dividend,  
 distribution or interest payment

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41 Reason for request for quotation  
 now

Example: In the case of restricted securities, end of  
 restriction period

(if issued upon conversion of  
 another security, clearly identify that  
 other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)		

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+ See chapter 19 for defined terms.

### **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.

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- 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: .....  
Company secretary

Print name: NIELS JOHANNES KROYER

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+ See chapter 19 for defined terms.