



GME Resources Limited
ABN 62 009 260 315

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30 January 2004

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

BY E-MAIL

Dear Sirs

QUARTERLY REPORT FOR DECEMBER 2003

We are re-submitting our December 2003 Quarterly Report.

Yours faithfully

NIELS J KROYER
Company Secretary

Enclosure: Quarterly Report December 2003 & Appendix 5B.



GME RESOURCES LTD

ABN 62 009 260 315

REPORT FOR THE QUARTER ENDING 31 DECEMBER 2003

HIGHLIGHTS

- Company announces intention to exercise pre-emptive right to purchase Western Metals Copper Limited 62% interest in Niwest Limited for \$2.7 million.
- Company announces \$5.0 million fully underwritten renounceable rights issue.
- Company secures \$3.0 million standby credit facility.

CORPORATE REVIEW

NIWEST LTD

Niwest Ltd, controls tenements with a combined resource in excess of 125 million tonnes of laterite nickel grading 1.00% nickel and 0.06% cobalt located nearby the Murrin Murrin plant. GME Resources Limited currently owns 38% interest in Niwest Limited.

Receivers and Managers for Western Metals Copper Limited have notified GME Resources that it has entered into an agreement with Minara Resources Limited to purchase the remaining 62% interest in Niwest for \$2.7 million. Under the terms of the Niwest Shareholder agreement, GME has 90 days to exercise its pre-emptive right to purchase the WMCL interest on the same terms.

After considering the offer the Board of GME Resources Limited has announced its intention to match the offer received from Minara Resources Limited.

GME will fund the acquisition via a one for two renounceable rights issue at \$0.08 per share to raise \$4,993,000. The number of shares to be issued and the amount raised will be dependant on the amount of any convertible debts of the company first being converted into shares. The issue is to be fully underwritten by Grange Securities.

The funds raised will be used to meet the acquisition cost of the 62% interest in Niwest as well as tidying up the company's balance sheet and providing future working capital required to complete further infill drilling on the high grade nickel laterite resources that Niwest holds.

As indicated in the resource table listed below, Niwest Limited has a high grade inferred resource of 40 million tonnes at 1.28% nickel. The proximity of this higher grade resource to the Murrin Murrin treatment plant has the ability to deliver significant financial advantages for both Minara Resources and GME, particularly as the grade differential between the ore feed to the Murrin Murrin Plant and the potential Niwest ore feed increases.

EXPLORATION REVIEW

Resources Status

The total nickel resources are tabulated below on the basis of a 0.7% Ni lower cut-off grade.

Table 1: NiWest Resource for each of the Project areas

Deposit	Category	Tonnes	Ni%	Co%
Mertondale	Inferred	2,982,564	0.98%	0.08%
Murrin Murrin North	Inferred	7,266,519	0.97%	0.08%
Murrin Murrin Hepi	Inferred	5,333,998	1.04%	0.08%
Mount Kilkenny	Inferred	29,830,614	1.00%	0.05%
Waite Kauri	Measured	1,266,800	1.05%	0.05%
1. WAITE KAURI	Inferred	7,180,663	0.96%	0.07%
2. DUCK HILL	3. INFERRE D	4. 4,054, 700	5. 0.96 %	6. 0.12 %
7. MACEY HILL	8. INFERRE D	9. 343,70 0	10. 1.26 %	11. 0.12 %
Eucalyptus Bore	Indicated	54,945,049	1.01%	0.06%
Eucalyptus Bore	Inferred	14,900,000	1.00%	0.06%
Total Combined		128,104,608	1.00%	0.06%

NiWest has also completed a resource calculation at the 0.5%, 0.7% and 1.0% Ni cut-off values and these results are shown below.

Table 2: NiWest Resource at Various Cut-off Grades

Ni Cut-off	Tonnes	Grade Ni	Grade Co
0.50%	227,553,267	0.81%	0.05%
0.70%	128,104,608	1.00%	0.06%
1.00%	40,227,667	1.28%	0.09%

Work programmes and budgets for infill drilling of the high grade nickel resources will be drawn up over the next reporting period.

NiWest continues to negotiate mining lease applications at its Waite Kauri, Eucalyptus and Kilkenny projects through the native title tribunal.

LEONORA-LAVERTON GOLD PROJECTS

GME holds significant areas in the Leonora-Laverton area prospective for gold.

It has undertaken a review of these gold prospects, with a view to increase the exploration activity on them. A number of these properties are now subject to joint venture agreements under which active exploration is occurring.

Linden

P39/3417-3418

The Linden Gold Project encompasses the old Devon and Olympic mines where an inferred resource of 240,000 tonnes grading 7.15 g/t has been calculated by the Company.

Limited exploration was carried out the tenements in the reporting period. A desk top study has been undertaken to evaluated the potential to exploit the Devon ore zone via open pit mining. Work is still progressing on this study.

Leonora East

P37/4106, P37/5330 - 5333, 37/5477
(Medusa Mining earning in)

During the period, Medusa Mining Ltd completed a successful IPO and listing on the ASX. A detailed mapping programme of the tenement was undertaken during the period. Further geochemical survey is recommended as a future work programme.

Other Leonora/Laverton Gold Properties

No substantive field activities were conducted during the quarter on the Company's other gold properties. Expenditure was incurred on tenement administration, studies, information review and reporting.

OTHER REGIONAL PROJECTS**Ilgarari**

M52/539 - 540, EL52/1482

During the quarter the company rationalised the tenement holding in this area. Mining Leases 52/539 - 540 were conditionally surrendered in favour of an amalgamation into EL52/1482. This action will allow the company to consolidate the tenement holding in the area and concentrate on a broader exploration approach to the project.

Stophanis Well

During the reporting period the company disposed of its interest in the Stophanis Well and Clermont Projects.

Limited expenditure was incurred on general administration.

OTHER ACTIVITIES

During the quarter a number of new prospects were reviewed, however none of these met the Company's requirements.

The Board continues to review new opportunities for the Company.

So far as it relates to ore and mineralisation within NiWest Tenements this report is based on information compiled by Mr Steven Goertz, a member of the Australian Institute of Mining and Metallurgy and who has had more than five years experience in the field of activity being reported on. This report accurately reflects the information compiled by that member.



MICHAEL PERROTT
CHAIRMAN

Date: 29 January 2004

TENEMENT DIRECTORY

Mining tenements held at 31 December 2003 are as follows:

Project	Tenements	Interest at Beginning of Quarter	Interest at End of Quarter
Abednego West	P39/2690 – 2691 converted to MLA39/427 P39/3732-33, 3735-3741, 3743-3751 converted to MLA39/823, 824, 825	20% 20%	20% 20%
Chain Bore	P37/4490, 4616-4618 converted to MLA37/581	100%	100%
Ghan Well	EL39/679, P39/4049	100%	100%
Hawks Nest	M38/218, P38/2515 converted to MLA38/683	100%	100%
Ilgarari	M52/539-540 (Conditionally surrendered in favour of E52/1482) EL52/1482	100% 0%	100% 100%
Leonora East	P37/4106 converted to MLA37/566 P37/4807-4811 converted to MLA37/876 P37/5330 - 5333, P37/5477 converted to MLA 37/1059	100% (diluting) 100% 100% (diluting)	100% (diluting) 100% 100% (diluting)
Linden	P39/2974-76 converted to MLA39/500 P39/3417-18 converted to MLA 39/797, 798	10% 100%	10% 100%
Mt Kilkenny	EL39/688 MLA 39/877-879	100% of Non Lateritic Nickel Mineral Rights	100% of Non Lateritic Nickel Mineral Rights
Mount Marven	P39/2753 converted to MLA39/481	100%	100%
Mount Morgans Sth	P39/3347 – 3352 converted to MLA39/703, P39/3353-3356 converted to MLA39/702, P39/3531,3532 converted to MLA39/777	100%	100%
Murrin Murrin (Golden Cliffs)	P39/3172-3175 converted to MLA39/554 P39/3180-3183 converted to MLA39/457	100% 100%	100% 100%
Murrin Murrin (Anaconda)	ML39/426, 456, 552, 553 & 569	Lateritic nickel fee & royalty plus 100% of Non Lateritic Nickel Mineral Rights	Lateritic nickel fee & royalty plus 100% of Non Lateritic Nickel Mineral Rights
Pyke Hill	ELA39/633, P39/4050	100%	100%

LEGEND:

<i>E</i>	<i>Exploration Licence</i>	<i>P</i>	<i>Prospecting Licence</i>	<i>M</i>	<i>Mining Lease.</i>	<i>EPM</i>	<i>Exploration Permit for Minerals</i>
<i>ELA</i>	<i>Exploration Licence Appln</i>	<i>PLA</i>	<i>Prospecting Licence Appln</i>	<i>ML</i>	<i>Mining Lease Appln</i>	<i>EPMA</i>	<i>Exploration Permit for Minera. Appln</i>

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

GME RESOURCES LTD

ABN

62 009 260 315

Quarter ended ("current quarter")

31 DECEMBER 2003

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	100	101
1.2 Reimbursements for exploration and evaluation	-	-
Payments for (a) exploration and evaluation	(3)	(10)
(b) development	-	-
(c) production	-	-
(d) administration	3	(3)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	102	91
Cash flows related to investing activities		
1.8 Payment for purchases of:	-	-
(a) prospects	7	7
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:	-	-
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(18)	(43)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(11)	(35)
1.13 Total operating and investing cash flows (carried forward)	91	55

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	91	55
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		91	55
1.20	Cash at beginning of quarter/year to date	117	153
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	208	208

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	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

After Shareholder's approval at the Company's Annual General Meeting, on 28 November 2003 the Company issued and allotted 8,675,333 shares to distinguish debts totalling \$260,260 to director related entities for normal consulting fees and other services. The consulting fees and other services dated back to August 2001.

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

See 1.25 above

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

N/A

+ See chapter 19 for defined terms.

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
Total	50

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	197	106
5.2 Deposits at call	11	11
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	208	117

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 TENEMENT DIRECTORY		
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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	116,481,667	116,481,667		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,675,333	8,675,333		
7.5 +Convertible debt securities <i>(description)</i>	\$500,000 convertible to shares at an issue price of 6 cents per share at any time before 29/6/2004, with interest payable at 7% per annum			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act 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:Date:
(Company Secretary)

Print name: **NIELS JOHANNES KROYER**

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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+ See chapter 19 for defined terms.