



GME RESOURCES LTD

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31 July 2003

BY EMAIL

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

Dear Sir

ISSUE OF SHARES TO CLEAR DEBTS TO ENTITIES RELATED TO DIRECTORS

In order to preserve the Company's cash the Directors of the Company have resolved to clear the debts to Director related entities by issuing shares in the Company to these entities. These debts relate to the normal consulting fees and other services provided to the company by the Directors and some of these date back to August 2001. Accordingly it was resolved to issue the following shares all at 3 cents each to:

Troika Securities Ltd:	6,325,000 shares	\$189,750
Geomett Pty Ltd:	1,030,333 shares	\$ 30,910
Hardrock Capital Pty Ltd:	<u>1,320,000 shares</u>	<u>\$ 39,600</u>
Total	<u>8,675,333 shares</u>	<u>\$260,260</u>

The above issue of shares is subject to and will only be made after the shareholders have in a General Meeting approved it.

Yours faithfully

NIELS J KROYER
Company Secretary