

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM IO-QSB**

(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2003 or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission File Number 0-16097

**BAY RESOURCES LTD.**

(Exact name of Registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organisation)

98-0079697  
(IRS Employer  
Identification No.)

Level 8, 580 St. Kilda Road, Melbourne, Victoria, 3004 Australia  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code 011 (613) 8532 2860

Indicate by check mark whether the Registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No \_\_\_\_\_

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12,13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes \_\_\_\_\_ No \_\_\_\_\_

**APPLICABLE ONLY TO CORPORATE ISSUERS:**

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. There were 6,344,589 outstanding shares of Common Stock as of December 31, 2003.

Transitional Small Business Disclosure Format (Check one) Yes \_\_\_\_\_ No

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## **Item 1. FINANCIAL STATEMENTS**

### **Introduction to Interim Financial Statements.**

The interim financial statements included herein have been prepared by Bay Resources Ltd. ("Bay Resources" or the "Company") without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (The "Commission"). Certain information and footnote disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. These interim financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2003.

In the opinion of management, all adjustments, consisting of normal recurring adjustments and consolidating entries, necessary to present fairly the financial position of the Company and subsidiaries as of December 31, 2003, the results of its operations for the three and six month periods ended December 31, 2002 and December 31, 2003, and the changes in its cash flows for the six month periods ended December 31, 2002 and December 31, 2003 have been included. The results of operations for the interim periods are not necessarily indicative of the results for the full year.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**UNLESS OTHERWISE INDICATED, ALL FINANCIAL INFORMATION PRESENTED IS IN AUSTRALIAN DOLLARS.**

**BAY RESOURCES LTD. AND SUBSIDIARIES**

Consolidated Balance Sheet

December 31, 2003

(Unaudited)

A\$000's**ASSETS**

## Current Assets:

Cash	5
Receivable	<u>3</u>
Total Current Assets	<u>8</u>
Total Assets	<u><u>8</u></u>

**LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)**

## Current Liabilities:

Accounts Payable and Accrued Expenses	148
Short-Term Loan – Affiliate	<u>1</u>
Total Current Liabilities	<u>149</u>
Long-Term Debt - Affiliates	<u>2,063</u>
Total Liabilities	<u>2,212</u>

## Stockholders' Equity (Deficit):

Common Stock: \$.0001 par value 25,000,000 shares authorized, 6,347,089 issued and outstanding	1
Less Treasury Stock at Cost, 2,500 shares	(20)
Additional Paid-in-Capital	25,175
Retained (Deficit)	<u>(27,360)</u>
Total Stockholders' Equity (Deficit)	<u>(2,204)</u>

Total Liabilities and Stockholders' Equity (Deficit)	<u><u>8</u></u>
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The accompanying notes are an integral part of these consolidated financial statements.

**BAY RESOURCES LTD. AND SUBSIDIARIES**  
Consolidated Statements of Operations  
Three and Six Months Ended December 31 2003,  
and December 31, 2002  
(Unaudited)

	Three Months Ended Dec 31 2003 <u>A\$000's</u>	Three Months Ended Dec 31 2002 <u>A\$000's</u>	Six Months Ended Dec 31 2003 <u>A\$000's</u>	Six Months Ended Dec 31 2002 <u>A\$000's</u>
Revenues:	\$-	\$-	\$-	\$-
Costs and Expenses:				
Exploration Expenditure	17	94	26	111
Interest Expense	45	32	85	62
Legal, Accounting & Professional	17	22	27	28
Administrative	76	69	139	126
	<u>155</u>	<u>217</u>	<u>277</u>	<u>327</u>
Loss from Operations	<u>(155)</u>	<u>(217)</u>	<u>(277)</u>	<u>(327)</u>
Income (Loss) before Income Tax	(155)	(217)	(277)	(327)
Provision for Income Tax	-	-	-	-
Net Income (Loss)	<u>(155)</u>	<u>(217)</u>	<u>(277)</u>	<u>(327)</u>
(Loss) Per Common Equivalent Share	<u>\$(.02)</u>	<u>\$(.03)</u>	<u>\$(.04)</u>	<u>\$(.05)</u>
Weighted Number of Common Equivalent Shares Outstanding (in thousands)	<u>6,345</u>	<u>6,345</u>	<u>6,345</u>	<u>6,345</u>

The accompanying notes are an integral part of these  
consolidated financial statements

**BAY RESOURCES LTD. AND SUBSIDIARIES**  
Consolidated Statements of Cash Flows  
Six Months Ended December 31, 2003 and 2002  
(Unaudited)

	<u>2003</u> <u>A\$000's</u>	<u>2002</u> <u>A\$000's</u>
Cash Flows from Operating Activities		
Net Income (Loss)	\$(277)	\$(327)
Adjustments		
Accrued interest added to principal	85	-
Net Change in:		
Receivables	-	-
Accounts Payable and Accrued Liabilities	(9)	99
Short-Term Loan – Affiliate	-	(16)
	(201)	(244)
Cash Flow from Financing Activities		
Net Borrowings from Affiliates	205	245
Net Cash Provided (Used) in Financing Activities	205	245
Net Increase (Decrease) in Cash	4	1
Cash at Beginning of Period	1	-
Cash at End of Period	\$5	\$1
Supplementary Disclosures		
Interest Paid	-	-

The accompanying notes are an integral part of these  
consolidated financial statements

**BAY RESOURCES LTD. AND SUBSIDIARIES**  
Notes to Consolidated Financial Statements  
December 31, 2003

**(1) Organisation**

Bay Resources Ltd. (Bay Resources) is incorporated in the State of Delaware. The principal shareholder of Bay Resources is Edensor Nominees Proprietary Limited (Edensor), an Australian corporation. Edensor owned 78.9% of Bay Resources as of December 31, 2003. During fiscal 1998, Bay Resources incorporated a subsidiary, Baynex.com Pty Ltd (formerly Bayou Australia Pty Ltd), under the laws of Australia. Baynex.com Pty Ltd has not traded since incorporation. On August 21, 2000, Bay Resources incorporated a new wholly owned subsidiary, Bay Resources (Asia) Pty Ltd (formerly Bayou International Pty Ltd), a corporation incorporated under the laws of Australia. In June 2002, the Company incorporated a new wholly owned subsidiary, 4075251 Canada Inc, a corporation incorporated under the laws of Canada. 4075251 Canada Inc is the vehicle that will be used by the Company to undertake exploration activities for gold in Canada.

**(2) Long Term Debt**

	<u>A\$000's</u>
The following is a summary of Bay Resources borrowing arrangements from related entities:	
Loan from Chevas, a corporation affiliated with the President of Bay Resources. Interest accrued at 8.60% - 9.10% (2002: 8.00%-8.75%) which is the ANZ Banking Group Limited rate plus 1% for overdrafts over \$100,000. Repayment of loan not required before December 31, 2004. <sup>(1)</sup>	1,382
Loan from Mr JI Gutnick, President of Bay Resources. Repayment of non interest bearing loan not required before December 31, 2004.	57
Loan from AXIS Consultants, a corporation affiliated with the President of Bay Resources. Interest accrued at 10.10% - 10.60% being the National Australia Bank rate plus 1.5% for overdrafts over \$100,000. Repayment of loan not required before December 31, 2004.	624
	2,063

**BAY RESOURCES LTD. AND SUBSIDIARIES**  
Notes to Consolidated Financial Statements  
December 31, 2003

**(2) Long Term Debt (Cont'd)**

- <sup>(1)</sup> During the year ended June 30, 2000, the Company issued 8,000,000 options to purchase previously unissued stock. The options to purchase shares expire January 20, 2010 and the exercise price is US\$1.00 per share. The options were issued to Edensor, a company affiliated with the President of Bay Resources. Edensor advised the Company in June 2003 that it had sold 2,000,000 options to Delkern Investments Ltd. At December 31, 2003, all 8,000,000 options are outstanding.

**(3) Affiliate Transactions**

Bay Resources advances to and receives advances from various affiliates. All advances between consolidated affiliates are eliminated on consolidation. During each of the six months ending December 31, 2003 and 2002, Bay Resources paid management fees to AXIS Consultants in the amount A\$60,000. At December 31, 2003, the Company owed AXIS Consultants A\$623,707 for services provided in accordance with the Service Agreement. During the six months ending December 31, 2003 and 2002, AXIS Consultants charged interest of A\$27,530 and A\$23,281 respectively on outstanding balances. This entity is affiliated through common management and ownership.

Chevas Pty Ltd, a company associated with the President of the Company, Joseph Gutnick, has provided loan funds to enable the Company to meet its liabilities and has paid certain expenses on behalf of the Company. At June 30 2002, the Company owed Chevas A\$783,743. During the six months ending December 31, 2002, Chevas loaned a further A\$206,525 and charged A\$38,772 in interest to the Company on the loan account. At June 30, 2003, the Company owed Chevas A\$1,239,315. During the six months ending December 31, 2003, Chevas loaned a further A\$85,209 and charged A\$57,775 in interest to the Company on the loan account. At December 31, 2003 the Company owed Chevas A\$1,382,299

During fiscal 2002, Tahera Corporation incurred certain exploration and administration costs in Canada on behalf of the Company amounting to A\$36,365 and this amount was owing to Tahera at June 30, 2002. During the six months ending December 31, 2002 Tahera incurred further exploration and administration costs in Canada on behalf of the Company amounting to A\$38,147. During the six months ending December 31, 2002, Tahera did not charge the Company interest on amounts outstanding. At June 30, 2003, the Company owed Tahera A\$1,361. During the six months ending December 31, 2003 Tahera incurred further exploration and administration costs in Canada on behalf of the Company amounting to A\$9,130. During the six months ending December 31, 2003, Tahera did not charge the Company interest on amounts outstanding. At December 31, 2003, the Company owed Tahera A\$1,339, which is included in short-term loan - affiliate in the accompanying balance sheet. Mr. JI Gutnick, the President of the Company, ceased to be the President and Chairman of Tahera



**BAY RESOURCES LTD. AND SUBSIDIARIES**  
Notes to Consolidated Financial Statements  
December 31, 2003

**(3) Affiliate Transactions (Cont'd)**

in October 2003 and the Company's principal stockholder, Edensor Nominees Pty Ltd., of which Mr. Gutnick is a director and shareholder, ceased to be a major stockholder of Tahera in October 2003.

During the year ended June 30, 2003, Mr JI Gutnick paid certain amounts owing to Tahera on behalf of the Company and at December 31, 2003, the amount of A\$56,557 was owing to Mr Gutnick.

Quantum Resources Limited ("QR") incurred certain costs on behalf of the Company amounting to A\$43,941 (US\$29,308) in respect to the Company's activities in Tibet China as a result of QR's contacts in China. This amount remains outstanding and is included in accounts payable and accrued expenses at December 31, 2003

**(4) Going Concern**

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles, which contemplates continuation of Bay Resources as a going concern. However, Bay Resources has sustained recurring losses and has a net working capital deficiency which raises substantial doubts as to its ability to continue as going a concern. Bay Resources anticipates that it will be able to defer repayment of certain of its short term and long-term loan commitments until it has sufficient liquidity to enable these loans to be repaid or other arrangements to be put in place. In addition Bay Resources has historically relied on loans and advances from corporations affiliated with the President of Bay Resources. Based on discussions with these affiliate companies, Bay Resources believes this source of funding will continue to be available. Other than the arrangements noted above, Bay Resources has not confirmed any other arrangement for ongoing funding. As a result Bay Resources may be required to raise funds by additional debt or equity offerings in order to meet its cash flow requirements during the forthcoming year.

**(5) Income Taxes**

Bay Resources files its income tax returns on an accrual basis. Bay Resources should have carry forward losses of approximately US\$18.8 million as of June 30, 2003 which will expire in the years 2004 through 2022. Bay Resources will need to file tax returns for those years having losses on which returns have not been filed to establish the tax benefits of the net operating loss carry forwards. Due to the uncertainty of the availability and future utilization of those operating loss carry forwards, management has provided a full valuation against the related tax benefit.

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION**

### **FUND COSTS CONVERSION**

The consolidated statements of operations and other financial and operating data contained elsewhere here in and the consolidated balance sheets and financial results have been reflected in Australian dollars unless otherwise stated.

The following table shows the average rate of exchange of the Australian dollar as compared to the US dollar during the periods indicated:

6 months ended December 31, 2002 A\$1.00 = U.S. \$.5650  
6 months ended December 31, 2003 A\$1.00 = U.S. \$.6802

### **RESULTS OF OPERATION**

#### **Three Months Ended December 31, 2003 vs. Three Months Ended December 31, 2002.**

Costs and expenses decreased from A\$217,000 in the three months December 31, 2002 to A\$155,000 in the three months ended December 31, 2003. The Company's financial statements are prepared in Australian dollars (A\$). Since December 31, 2002 the A\$ compared to the United States dollar (US\$) has appreciated by 20%. A number of the costs and expenses of the Company are incurred in US\$ and the conversion of these costs to A\$ means that the comparison of December 2003 to December 2002 does not always present a true comparison. The increase in expenses is a net result of:

- a) an increase in interest expense from A\$32,000 for the three months ended December 31, 2002 to A\$45,000 for the three months ended December 31, 2003 as a result of the increase in long term debt of the Company required to fund the Company's operations
- b) a decrease in legal accounting and professional expense from A\$22,000 for the three months ended December 31, 2002 to A\$17,000 for the three months ended December 31, 2003 as a result of the increase in accounting fees in the three months ending December 31, 2003 following the change in independent accountants compared to the three months ending December 31, 2002, a further increase in independent accountants fees as a result of work required on subsidiary companies financial statements, both of which were offset by an over accrual for independent accountants fees for the year ended June 30, 2003. In addition, legal fees were higher in the current quarter in relation to work undertaken in respect to the Company's share register. There was no comparable work in the comparable quarter of the prior year. In the prior comparable quarter of 2002 the Company incurred legal fees in respect to negotiations in Tibet in respect to a potential acquisition of exploration interests and there was no comparable work in the current period.
- c) an increase in administrative costs including salaries from A\$69,000 in the three months ended December 31, 2002 to A\$74,000 in the three months ended December 31, 2003 as a result of the costs of engaging a consultant to undertaken business development and investor relations work for the Company. There was no comparable cost in the prior comparable quarter.

- d) a decrease in the exploration expenditure expense from A\$94,000 for the three months ended December 31, 2002 to A\$17,000 for the three months ended December 31, 2003. During the current quarter, there was less exploration planning being undertaken as the Company was awaiting the grant of rights to explore on the land it has made application for in the Committee Bay Greenstone Belt. In the prior comparable period, the Company commenced exploration activities in Canada for the first time. In addition, in the comparable quarter in the prior year, the Company pegged land in the Committee Bay Greenstone Belt for exploration purposes and incurred costs in monitoring those applications.

As a result of the foregoing, the loss from operations decreased from A\$217,000 for the three months ended December 31, 2002 to A\$153,000 for the three months ended December 31, 2003.

The net loss was A\$153,000 for the three months ended December 31, 2003 compared to a net loss of A\$217,000 for the three months ended December 31, 2002.

#### **Six Months Ended December 31, 2003 vs. Six Months Ended December 31, 2002.**

Costs and expenses decreased from A\$327,000 in the six months December 31, 2002 to A\$277,000 in the six months ended December 31, 2003. The Company's financial statements are prepared in Australian dollars (A\$). Since December 31, 2002 the A\$ compared to the United States dollar (US\$) has appreciated by 20%. A number of the costs and expenses of the Company are incurred in US\$ and the conversion of these costs to A\$ means that the comparison of December 2003 to December 2002 does not always present a true comparison. The increase in expenses is a net result of:

- e) an increase in interest expense from A\$62,000 for the six months ended December 31, 2002 to A\$85,000 for the six months ended December 31, 2003 as a result of the increase in long term debt of the Company required to fund the Company's operations
- f) a decrease in legal accounting and professional expense from A\$28,000 for the six months ended December 31, 2002 to A\$27,000 for the six months ended December 31, 2003 as a result of the increase in accounting fees in the six months ending December 31, 2003 following the change in independent accountants compared to the six months ending December 31, 2002, a further increase in independent accountants fees as a result of work required on subsidiary companies financial statements, both of which were offset by an over accrual for independent accountants fees for the year ended June 30, 2003. In addition, legal fees were higher in the current six month period in relation to work undertaken in respect to the Company's share register. There was no comparable work in the comparable six month period of the prior year. In the prior comparable six month period of 2002, the Company incurred legal fees in respect to negotiations in Tibet in respect to a potential acquisition of exploration interests and there was no comparable work in the current period.
- g) an increase in administrative costs including salaries from A\$126,000 in the six months ended December 31, 2002 to A\$139,000 in the six months ended December 31, 2003 as a result of the costs of engaging a consultant to undertaken business development and investor relations work for the Company. There was no comparable cost in the prior comparable quarter.

- d) a decrease in the exploration expenditure expense from A\$111,000 for the six months ended December 31, 2002 to A\$26,000 for the six months ended December 31, 2003. During the current half year, there was less exploration planning being undertaken as the Company was awaiting the grant of rights to explore on the land it has made application for in the Committee Bay Greenstone Belt. In the prior comparable period, the Company commenced exploration activities in Canada for the first time. In addition, in the comparable quarter in the prior year, the Company pegged land in the Committee Bay Greenstone Belt for exploration purposes and incurred costs in monitoring those applications.

As a result of the foregoing, the loss from operations decreased from A\$327,000 for the six months ended December 31, 2002 to A\$277,000 for the six months ended December 31, 2003.

The net loss was A\$277,000 for the six months ended December 31, 2003 compared to a net loss of A\$327,000 for the six months ended December 31, 2002.

### **Liquidity and Capital Resources**

As of December 31, 2003 the Company had short-term obligations of A\$149,000 comprising accounts payable, accrued expenses and a short term loan from an affiliate and long term debt of A\$2,063,000.

The Company anticipates that it will be able to defer repayment of certain of its short-term loan commitments, until it has sufficient liquidity to enable these loans to be repaid, of which there can be no assurance. In addition the Company has historically relied upon loans and advances from affiliates to meet a significant portion of the Company's cash flow requirements which the Company believes, based on discussions with such affiliates, will continue to be available during fiscal 2004.

Other than the arrangements above the Company has not confirmed any further arrangements for ongoing funding. As a result the Company will be required to raise funds from additional debt or equity offerings in order to meet its cash flow requirements during the forthcoming year.

The Company will require substantial additional capital over the next year in order to satisfy existing liabilities and to provide funding to achieve its current business plan. Failure to obtain such capital could adversely impact the Company's operations and prospects.

**Cautionary Safe Harbor Statement under the United States Private Securities Litigation Reform Act of 1995.**

Certain information contained in this Form 10-QSB is forward looking information within the meaning of the Private Securities Litigation Act of 1995 (the "Act") which became law in December 1995. In order to obtain the benefits of the "safe harbor" provisions of the act for any such forwarding looking statements, the Company wishes to caution investors and prospective investors about significant factors which among others have affected the Company's actual results and are in the future likely to affect the Company's actual results and cause them to differ materially from those expressed in any such forward looking statements. This Form 10-QSB report contains forward looking statements relating to future financial results. Actual results may differ as a result of factors over which the Company has no control including, without limitation, the risks of exploration and development stage projects, political risks of development in foreign countries, risks associated with environmental and other regulatory matters, mining risks and competition and the volatility of gold and copper prices, and movements in the foreign exchange rate. Additional information which could affect the Company's financial results is included in the Company's June 30, 2003 Form 10-K on file with the Securities and Exchange Commission.

### **Item 3. CONTROLS AND PROCEDURES**

The Company's Chief Executive Officer and Chief Financial Officer conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-14 as of the end of the period covered by this report. Based upon that evaluation, such officers concluded that our disclosure controls and procedures are effective to ensure that information is gathered, analyzed and disclosed on a timely basis.

Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II

### OTHER INFORMATION

#### Item 1. LEGAL PROCEEDINGS

Not Applicable

#### Item 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

The Company has agreed to a change in the terms of the options held by Edensor Nominees Pty Ltd by the inclusion of the following clause 4:

- (a) The options may be exercised, in whole at any time or in part from time to time, commencing on January 21, 2002 and prior to 5:00 P.M., New York City time, on the Expiry Date January 20, 2010 by the Holder:
- (i) by the surrender of this option certificate (with the subscription form at the end hereof duly executed) at the address set forth on the option certificate hereof, together with proper payment of the Aggregate Option Price, or the proportionate part thereof if the options are exercised in part, with payment for Options made by certified or official bank check payable to the order of the Company; or
  - (ii) by the surrender of this option certificate (with the cashless exercise form at the end hereof duly executed) (a "Cashless Exercise") at the address set forth on option certificate. Such presentation and surrender shall be deemed a waiver of the Holder's obligation to pay the Aggregate Option Price, or the proportionate part thereof if the Options are exercised in part. In the event of a Cashless Exercise, the Holder shall exchange its Options for that number of Option Shares subject to such Cashless Exercise multiplied by a fraction, the numerator of which shall be the difference between the then Current Market Price Per Share of Common Stock and the Per Share Option Price, and the denominator of which shall be the then Current Market Price Per Share of the Common Stock. For purposes of any computation under this Section 1(a), the then Current Market Price shall be based on the trading day prior to the Cashless Exercise.

The then "Current Market Price" per share (the "Current Market Price") as of any date shall be deemed to be the last sale price of the Common Stock on the trading day prior to such date or, in case no such reported sales take place on such day, the average of the last reported bid and asked prices of the Common Stock on such day, in either case on the principal national securities exchange on which the Common Stock is admitted to trading or listed, or if not listed or admitted to trading on any such exchange, the representative closing bid price of the Common Stock as reported by the National Association of Securities Dealers, Inc., Automated Quotations System ("NASDAQ"), or other similar organization if NASDAQ is no longer reporting such information, or, if the Common Stock is not reported on NASDAQ, the high per share bid price for the Common Stock in the over-the-counter market as reported by the National Quotation

Bureau or similar organization, or if not so available, the fair market value of the Common Stock as determined in good faith by the Company's Board of Directors.

**Item 3. DEFAULTS UPON SENIOR SECURITIES**

Not Applicable

**Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

Not Applicable

**Item 5. OTHER INFORMATION**

Not Applicable

**Item 6. EXHIBITS AND REPORTS ON FORM 8-K**

- | (a) | <u>Exhibit No.</u> | <u>Description</u>  |
|-----|--------------------|---|
|     | 31.1               | Certification of Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act  |
|     | 31.2               | Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act  |
|     | 32.1               | Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002 |
|     | 32.2               | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002 |
- (b) The Company did not file any Report on Form 8-K during the three months ended December 31, 2003.



(FORM 10-QSB)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned the reinto duly authorised.

BAY RESOURCES LTD.

By:



Joseph I. Gutnick  
Chairman of the Board, President and  
Chief Executive Officer  
(Principal Executive Officer)

By:



Peter Lee  
Peter Lee, Director, Secretary and  
Chief Financial Officer  
(Principal Financial Officer)

Dated February 11, 2004

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
31.1	Certification of Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002

**CERTIFICATION PURSUANT TO  
SECURITIES EXCHANGE ACT RULE 13A-14(a)**

I, Joseph Gutnick, Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Bay Resources Ltd. ("Registrant");
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - (b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986]
  - (c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
  - (d) disclosed in this quarterly report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors:

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information and;
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 11, 2004



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Name: Joseph I. Gutnick  
Title: Chairman of the Board, President  
and Chief Executive Officer

**CERTIFICATION PURSUANT TO  
SECURITIES EXCHANGE ACT RULE 13A-14(a)**

I, Peter Lee, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Bay Resources Ltd. ("Registrant");
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - (b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986]
  - (c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
  - (c) disclosed in this annual report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors:

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 11, 2004



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Name: Peter Lee  
Title: Director, Secretary and  
Chief Financial Officer

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-QSB of Bay Resources Ltd. (the "Company") for the three months ended December 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "report"), the undersigned, Joseph Gutnick, Chief Executive Officer of the Company, certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: February 11, 2004



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Joseph I. Gutnick  
Chairman of the Board, President and  
Chief Executive Officer

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-QSB of Bay Resources Ltd. (the "Company") for the three months ended December 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "report"), the undersigned, Peter Lee, Chief Financial Officer of the Company, certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: Febraury 11, 2004



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Peter Lee  
Director, Secretary and  
Chief Financial Officer