

**BAY RESOURCES LTD.**  
**(a Delaware Corporation)**

**INFORMATION STATEMENT**  
**Date first mailed to Stockholders:**  
**June 6, 2003**

**Level 8**  
**580 St Kilda Road**  
**Melbourne Victoria 3004**  
**Australia**  
**(Principle executive offices of the Company)**

**WE ARE NOT ASKING YOU FOR A PROXY**  
**AND YOU ARE REQUESTED NOT TO SEND US A PROXY**

**BAY RESOURCES LTD.**  
**INFORMATION STATEMENT**  
**INTRODUCTION**

This Information Statement is being furnished to Stockholders of Bay Resources Ltd. a Delaware corporation (the "Company"), pursuant to the requirements of Regulation 14C under the Securities Exchange Act 1934, as amended, in connection with an Action by Written Consent, dated May 22, 2003, of the Stockholders of the Company in lieu of the Annual Meeting of Stockholders of the Company for the year ended June 30, 2002 (the "Written Consent"). A copy of the Written Consent is attached as Exhibit "A" to this Information Statement.

Management of the Company is utilising the Written Consent in order to reduce the expenses and demands on the Company's executives' time necessitated by the holding of a meeting of stockholders, since the only business of such a meeting would be the election of Directors and the Company's major Stockholder, Edensor Nominees Pty Ltd ("Edensor") and certain companies which have some common Directors with the Company representing 63.8% of the issued and outstanding shares of the Company's \$.0001 par value common stock (the "Common Stock") have indicated that they will vote for Management's nominees for election as Directors, thereby ensuring the election of such nominees. See "Vote Required"; "Other Information Regarding the Company – Security Ownership of Certain Beneficial Owners and Management"; and "Directors and Executive Officers". The Company has received executed Written Consents from Edensor and certain companies which have some common Directors with the Company which shall be effective 21 days from the date this Information Statement is first mailed to Stockholders. See "Matters Set Forth in the Written Consent".

Stockholders of record at the close of business on June 2, 2003 are being furnished copies of this Information Statement. The principal executive offices of the Company are located at Level 8, 580 St Kilda Road Melbourne, Victoria, 3004, Australia, and the Company's telephone number is 011 613 8532 2860.

**MATTERS SET FORTH IN THE WRITTEN CONSENT**

The Written Consent contains a resolution electing Management's 5 nominees for Director to serve for a one year term, or until their successors are duly elected and qualified. Management's nominees for Director are Joseph Isaac Gutnick, David Stuart Tyrwhitt, Peter James Lee, David Prentice and Paul Ehrlich. Edensor and certain companies which have some common Directors with the Company, representing 63.8% of the currently issued and outstanding shares of Common Stock, have executed the Written Consent, thereby ensuring the election of Management's nominees as Directors. See "Other Information Regarding The Company – Security Ownership of Certain Beneficial Owners and Management."

Set forth below is a table of the stockholders who have executed the Written Consent and, to the best of the Company's knowledge, the number of shares of Common Stock beneficially owned by such stockholders as of May 22, 2003.

<u>Stockholder</u>	<u>No. of Shares of Common Stock Beneficially Owned</u>	<u>Percentage of Outstanding Common Stock</u>
Gutnick Resources N.L.(1).....	8,949	0.1%
Quantum Resources Limited(1) .....	1,918	0.1%
AXIS Consultants Pty Ltd(1).....	229,489	3.6%
Edensor Nominees Pty Ltd(2) .....	3,751,733	59.2%
Pearlway Investments Pty Ltd(2).....	26,000	0.4%
Joseph I Gutnick(2).....	25,650	0.4%
	<u>4,043,739</u>	<u>63.8%</u>

- (1) Messrs Gutnick, Lee, Prentice, Ehrlich and Dr Tyrwhitt, Management nominees for election to the Board of Directors, are officers and/or Directors of these companies.
- (2) Joseph I. Gutnick, Stera M. Gutnick and members of their family are officers, Directors and principal Stockholders of Edensor and Pearlway.

#### **VOTE REQUIRED**

Counterpart copies of the Written Consent evidencing a majority of the outstanding shares of Common Stock, must be received by the Company within sixty days of the earliest dated counterpart copy of the Written Consent received by the Company in order to effectuate the matters set forth therein. As of May 22, 2003 (date of Written Consent), 6,347,089 shares of Common Stock were issued and outstanding, thus, Stockholders representing no less than 3,173,545 shares of Common Stock were required to execute the Written Consent to effect the matters set forth therein. As discussed under "Matters Set Forth in the Written Consent" Edensor and certain companies which have some common Directors with the Company beneficially owning approximately 4,043,739 shares of Common Stock, or 63.8% of the outstanding Common Stock, have executed the Written Consent, thereby ensuring the election of Management's nominees for Directors of the Company. **MANAGEMENT IS NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND MANAGEMENT A PROXY.**

## OTHER INFORMATION REGARDING THE COMPANY

### Security Ownership of Certain Beneficial Owners and Management

The following table sets forth to the best of the Company's knowledge the number of shares beneficially owned as of May 22, 2003, by (i) each of the current Executive Officers and Directors of the Company (ii) each person (including any "group" as that term is defined in Section 13(d)(3) of the Exchange Act) who beneficially owns more than 5% of the Common Stock, and (iii) all current Directors and officers of the Company as a group.

<u>Name</u>	<u>Number of Shares Owned</u>	<u>Percent of Shares (1)</u>
Edensor Nominees Proprietary Limited .....	9,751,733 (2)	79.0%
David Tyrwhitt .....	-	*
Joseph I. Gutnick .....	9,803,383 (3)(4)(5)(6)(7)	79.4%
Stera M. Gutnick .....	9,777,733 (4)(5)(7)	79.2%
Peter Lee .....	-	*
David Prentice.....	-	*
Paul Ehrlich.....	-	*
All officers and directors as a group (7 persons)	9,803,383	79.4%
Delkern Investments Limited.....	3,250,577 (8)	38.9%

\* Represents less than 1% of the outstanding Common Stock

- (1) Based upon 6,347,089 shares outstanding.
- (2) Includes 6,000,000 shares of Common Stock issuable upon exercise of presently exercisable stock options at \$1.00 per share.
- (3) Does not include (i) 8,949 shares of Common Stock beneficially owned by Gutnick Resources N.L. or (ii) 229,489 shares of Common Stock owned by AXIS Consultants Pty. Ltd., or (iii) 1,918 shares of Common Stock beneficially owned by Quantum Resources Limited, companies of which Messrs. Gutnick, Lee, Prentice and Dr Tyrwhitt are officers and/or Directors. They however, disclaim beneficial ownership to those shares.
- (4) Does not include 2,500 shares of Common Stock beneficially owned by the Company.
- (5) Includes 3,751,733 shares of Common Stock and 6,000,000 stock options owned by Edensor Nominees Proprietary Limited and 26,000 shares of Common Stock owned by Pearlway Investments Pty. Ltd. of which Joseph I. Gutnick, Stera M.

Gutnick and members of their family are officers, Directors and principal stockholders.

- (6) Joseph I. Gutnick is the beneficial owner of 25,650 shares.
- (7) Joseph I. Gutnick and Stera M. Gutnick are husband and wife.
- (8) Includes 2,000,000 shares of common stock issuable upon exercise of presently exercisable stock options at \$1.00 per share.

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Pursuant to Section 16(a) of the Securities Exchange Act of 1934, the Company's directors, executive officers and beneficial owners of more than 10% of the outstanding Common Stock are required to file reports with the Securities and Exchange Commission concerning their ownership of and transactions in the Company's Common Stock and are also required to provide the Company with copies of such reports. Based solely on such reports and related information furnished to the Company, the Company believes that in fiscal 2002 all such filing requirements were complied with in a timely manner by all directors and executive officers.

## **ELECTION OF DIRECTORS BY WRITTEN CONSENT**

### **General**

The Certificate of Incorporation of the Company provides that the number of Directors of the Company shall be not less than six nor more than nine as shall be fixed in the By-laws of the Company.

Directors need not be Stockholders of the Company or residents of the State of Delaware. Directors are elected for an annual term and generally hold office until the next Directors have been duly elected and qualified. Directors may receive compensation for their services as determined by the Board of Directors. See "Compensation of Directors and Executive Officers". A vacancy on the Board may be filled by the remaining Directors even though less than a quorum remains. A Director appointed to fill a vacancy remains a Director until his successor is elected by the Stockholders at the next annual meeting of Shareholders or until a special meeting is called to elect Directors.

Currently the Board of Directors consists of five members. Currently serving as Directors are Messrs. Gutnick, Solomon, Lee, Prentice, Ehrlich and Dr Tyrwhitt.

During the year ended June 30, 2002 the Board of Directors held four meetings in person or by Written Consent. All members of the Board of Directors attended more than 75% of the total number of meetings of the Board that they were eligible to attend.

The Board of Directors has no standing committees and acts as its own nominating compensation and internal audit committee.

The executive officers of the Company are appointed by the Board of Directors. There are no family relationships between any Directors or executive officers of the Company.

### **Report of the Board of Directors in Lieu of Audit Committee**

The Board of Directors of the Company (in lieu of an Audit Committee) has reviewed and discussed the consolidated financial statements of the Company and its subsidiaries set forth in the Company's 2002 Annual Report to stockholders and at Item 8 of the Company's Annual Report on Form 10-K for the year ended June 30, 2002, with management of the Company and David T. Thompson P.C., independent public accountant for the Company.

The Board of Directors (in lieu of an Audit Committee) has discussed with David T. Thompson P.C. the matters required to be discussed by Statement of Auditing Standards No. 61, "Communication with Audit Committees," as amended, which includes, among other items, matters relating to the conduct of an audit of the Company's financial statements.

The Board of Directors (in lieu of an Audit Committee) has received the written disclosures and the letter from David T. Thompson P.C. required by Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committees" and has discussed with David T. Thompson P.C. their independence from the Company.

Based on the review and discussions with management of the Company and David T. Thompson P.C. referred to above, the Board of Directors of the Company have published the consolidated financial statements of the Company and subsidiaries for the year ended June 30, 2002 in the Company's Annual Report on Form 10-K for the year ended June 30, 2002 and in the Company's 2002 Annual Report to Stockholders.

It is not the duty of the Board of Directors (in lieu of an Audit Committee) to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and in accordance with generally accepted accounting principles; that is the responsibility of management and the Company's independent public accountants. The Board of Directors has relied on (i) management's representation that such financial statements have been prepared with integrity and objectivity and in conformity with generally accepted accounting principles and (ii) the report of the Company's independent public accountants with respect to such financial statements.

Submitted by the members of the Board of Directors

Joseph Isaac Gutnick  
David Stuart Tyrwhitt  
Peter James Lee  
David Prentice  
Paul Lawrence Ehrlich

#### **Nominees for Election as Director**

The following table sets forth certain information with respect to persons nominated by the Board of Directors of the Company for election as Directors of the Company and who will be elected by the Written Consent:

<b><u>Name</u></b>	<b><u>Age</u></b>	<b><u>Position(s) Currently Held with the Company</u></b>
Joseph Gutnick	50	Chairman of the Board, President, Chief Executive Officer and Director
David Tyrwhitt	64	Vice President and Director
Peter Lee	45	Director, Secretary and Chief Financial Officer
David Prentice	38	Director
Paul Ehrlich	44	Director

The Board of Directors knows of no reason why any nominee will be unable or will refuse to accept election. However if any nominees becomes unable or refuses to accept election, the Board of Directors will reduce the number of Directors standing for election and the Written Consent will be revised accordingly.

If elected, all nominees are expected to serve until the 2003 annual meeting of Stockholders or until their successors are duly elected and qualified.

#### **Directors and Executive Officers**

Set forth below are the biographies of each of the Company's current executive officers and Directors (all of whom are Management's nominees for election as directors).

**Joseph Isaac Gutnick.** Mr Gutnick has been the Chairman of the Board, President and Chief Executive Officer of the Company since March 1988. Mr Gutnick has been a Director of numerous public listed companies in Australia specialising in the mining sector since 1980. Mr. Gutnick is Executive Chairman of Tahera Corporation, a company that is listed on Toronto Stock Exchange. He is a Fellow of the Australasian Institute of Mining & Metallurgy and the Australian Institute of Management, and a Member of the Institute of Company Directors in Australia

**David Stuart Tyrwhitt.** Dr Tyrwhitt was appointed a Director of the Company in November, 1996. He is a geologist, holding a Bachelor of Science and Phd degrees and has 39 years experience in mineral exploration and management development and operation of gold mines in Australia. Dr Tyrwhitt is a Director of several public listed companies in Australia in the mining industry.

**Peter James Lee.** Mr Lee has been Chief Financial Officer and Chief Accounting Officer since August 1989 and was appointed a Director of the Company in February, 1996. Mr Lee is a Member of the Institute of Chartered Accountants in Australia and the Institute of Company Directors in Australia, a Fellow of Chartered Secretaries Australia, and holds a Bachelor of Business (Accounting) from Royal Melbourne Institute of Technology. He has over 20 years commercial experience and is currently General Manager Corporate and Company Secretary of several listed public companies in Australia.

**David Prentice.** Mr Prentice has over 13 years experience in the mining industry in both land management and business development. He has extensive experience in managing the commercial aspects of publicly listed exploration and mining companies, including business and project analysis support (playing an active role in the growth of companies by assisting with the identification and analysis of potential acquisition opportunities), negotiating and managing land access and Joint Venture agreements and managing legislative compliance (including Native Title, Environmental and Mining legislation across Australia).

**Paul Ehrlich.** Mr Ehrlich is an attorney of 20 years experience in the fields of commercial law and commercial litigation. From 1989 to 2001 Mr Ehrlich was a partner in a national Australian law firm. He has expertise in a range of corporate areas including mergers and acquisition (with an emphasis on public company takeovers, litigation and trade sales), securities law, public raisings, IPO's, government privatisation, corporate reconstructions and the negotiation and drafting of complex contractual and commercial arrangements. Mr Ehrlich specialises in areas of complex corporate litigation and all areas of mining and resource law and project finance.

Mr. Gutnick was formerly the Chairman of the Board, Dr. Tyrwhitt was formerly an independent Director and Mr. Lee was formerly Company Secretary of Centaur Mining & Exploration Ltd., an Australian corporation, which commenced an insolvency proceeding in Australia in March 2001.



## **Executive Compensation**

No officer individually and no group of officers and Directors received any compensation for their services on behalf of or rendered to the Company for the year ended June 30, 2002 other than as noted below.

In accordance with the Service Agreement, the Company paid AXIS Consultants Pty Ltd A\$169,770 for the fiscal year ended June 30, 2002, for services rendered and facilities provided by AXIS Consultants to the Company, including the services of the Company's Chief Executive Officer and Chief Financial Officer

The Board of Directors has established a policy that the Company will not guarantee loans to or accept notes from officers, Directors, or employees of the Company or any members of their families unless such loans or notes are approved by a majority of the disinterested non-employee Directors of the Company who shall determine that such loans may reasonably be expected to benefit the Company.

## **Compensation Pursuant to Plans**

### **Compensation of Directors and Executive Officers**

It is the policy of the Company to reimburse Directors for reasonable travel and lodging expenses incurred in attending Board of Directors meetings. In addition, two of the Non-Executive Directors were paid a total of A\$34,517 for services as a Director.

The services of the Company's Chief Executive Officer and Chief Financial Officer as well as a clerical employee are provided to it on a part-time basis pursuant to a Service Agreement dated November 25, 1988 (the "Service Agreement") by and between the Company and AWI Administration Services Pty. Ltd. ("AWI Admin"). AWI Admin also provides office facilities, equipment, administrative and clerical services to the Company pursuant to the Service Agreement. This Agreement may be terminated by written notice from the parties thereto.

As compensation therefore, the Company pays AWI Admin for the actual cost of such facilities and services plus a maximum service fee of 15%. The Company paid AWI Admin \$169,770 in respect of this Service Agreement for 2002 fiscal year.

## **Stock Options**

On January 20, 2000, the Company issued 8,000,000 options over fully paid shares in the capital of the Company at an issue price of US\$0.01 per option and an exercise price of US\$1.00 per option to Edensor. The options have a term of 5 years with a non-exercise period of 2 years subject to a further board approval for Edensor Nominees Pty Ltd, either directly or indirectly, to exercise options in the case of a further requirement of the Company to raise working capital. On March 22, 2001, the Directors agreed to extend the term of the options from 5 years to 10 years. No options have been exercised. Edensor Nominees Pty Ltd advised the Company on May 5, 2003 that it had sold 2,000,000 of these options.

## Legal Proceedings

There are no pending or to the knowledge of the Company threatened lawsuits involving the Company or officers or Directors of the Company in such capacities.

## Selection of Independent Auditors

The Board of Directors has selected David T. Thomson P.C., certified public accountants, as independent auditor, to audit the accounts of the Company for fiscal 2003. David T. Thomson P.C. served as the independent auditor of the Company in fiscal 2002.

The following table sets forth the aggregate fees billed to the Company for the fiscal year ended June 30, 2002 by the Company's independent accounting firm:

Audit fees	\$6,125
Financial Information Systems Design and Implementation Fees	\$ -
All other fees	\$ -
	<u>\$6,125</u>

EXHIBIT A

BAY RESOURCES LTD

NOTICE PURSUANT TO SECTION 228 OF THE GENERAL  
CORPORATION LAW

To: All Stockholders

1. PLEASE TAKE NOTICE THAT Stockholders owning at least a majority of the outstanding stock of Bay Resources Ltd by written consent with a meeting dated May 22, 2003 have duly adopted the following resolution:

“a resolution approving the election of the following Directors

- ?? Joseph Isaac Gutnick
- ?? David Stuart Tyrwhitt
- ?? Peter James Lee
- ?? David Prentice
- ?? Paul Lawrence Ehrlich

PETER LEE  
Director & Secretary

BAY RESOURCES LTD  
2002 ANNUAL REPORT