

ENFORCEABLE UNDERTAKING

SECTION 93AA

AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION ACT

The commitments in this enforceable undertaking are offered to the Australian Securities and Investments Commission ("ASIC") by:

John Sidney Brown ("Brown")
228 Errard St
Ballarat Vic 3350

1. BACKGROUND

1.1 Tuska Resources NL ACN 079 369 770 ("the Company") was registered on 18 July 1997. Brown and Peter Njegos Bozovic ("Bozovic") have been directors of the Company since 18 July 1997.

1.2 ASIC has undertaken investigations in relation to suspected contraventions of sections 232(2), 232(4), 250N, 999, 1000, 1018, 1307, 1308, 1309 and 1317FA of the Corporations Law ("the Law") arising out of the conduct of Brown, Bozovic and the Company in the period from July 1997 to September 1999 ("the investigations").

1.3 As a result of the investigations ASIC has reason to suspect that Brown has contravened sections 232(4), 250N, 999, 1000, 1018, 1308, 1309 and 1317FA of the Law by reason of the facts set out in part 2 below.

1.4 ASIC has the power pursuant to section 230 of the Law to seek an order prohibiting Brown from managing a corporation (within the meaning of section 91A of the Law) for a specified period.

1.5 ASIC has agreed to accept the commitments in this enforceable undertaking as an alternative to the exercise of the power referred to paragraph 1.4 above.

2. ASIC'S ALLEGATIONS

2.1 Between 17 July 1997 and 28 July 1999 Brown made verbal and written statements and disseminated information about the Company which were false or misleading, namely that:

- a) the Company owned certain mining leases;
- b) the Company would be floated on the Australian Stock Exchange before the end of 1997;
- c) various prominent companies, businesses and professionals had or were continuing to provide professional services to the Company;
- d) the Company had sought and been granted an extension of time in which to hold its annual general meeting by the ASIC;
- e) the Company's financial reports were to be audited by Philip W Ruth.

2.2 At a presentation to potential investors on 17 July 1997 Brown offered for subscription and issued invitations to subscribe for securities in the Company when no prospectus had been lodged with ASIC and no exemption from compliance with any part of Part 7.12 of the Law had been granted and no notices had been lodged with ASIC setting out the details of issued shares.

2.3 Brown failed to ensure that the Company held an Annual General Meeting within 18 months of its registration or at all contrary to section 250N of the Law.

2.4 Brown failed to exercise reasonable care and diligence contrary to section 232(4) of the Law in that he knew or ought to have known that another person had falsified books affecting or relating to the affairs of the Company in that:

- a) on about 16 July 1997 the signature of Philip Ruth had been forged on the Memorandum and Articles of Association of the Company;
- b) on about 29 July 1997 the signature of Philip Ruth had been forged on a financial report/balance sheet relating to the Company

2.5 Brown failed to exercise reasonable care and diligence contrary to section 232(4) of the Law in that he knew or ought to have known that documents were lodged

Handwritten signature and initials, possibly "P. W. Ruth" or similar, written in dark ink.

with the ASIC on behalf of the Company which were false or misleading in a material particular, namely:

- a) on about 21 July 1997 the Memorandum and Articles of Association of the Company were lodged with ASIC when they bore the forged signature of Philip Ruth;
- b) on about 29 July 1997 a financial report/balance sheet relating to the Company was lodged with ASIC when it bore the forged signature of Philip Ruth.

Brown acknowledges the allegations of ASIC referred to above, and accordingly offers the undertakings set out in part 3 below.

3. UNDERTAKING

Pursuant to section 93AA of the Australian Securities and Investments Commission Act Brown undertakes that he will not for a period of three and a half years commencing from the date of this enforceable undertaking.

- 3.1 manage a corporation (within the meaning of section 91A of the Law);
- 3.2 hold himself out in any way as managing a corporation;
- 3.3 make any offers or invitations to invest in securities.

4. ACKNOWLEDGMENTS

4.1 Brown acknowledges that he has had the opportunity to obtain legal advice in relation to the content and effect of this enforceable undertaking.

4.2 Brown acknowledges that ASIC:

- (i) may issue a media release on the execution of this enforceable undertaking referring to such terms that ASIC determines and which led to the execution of the enforceable undertaking;
- (ii) may make this enforceable undertaking available for public inspection; and

J. H. C.
Philip


(iii) may from time to time publicly refer to this enforceable undertaking

4.3 Brown acknowledges that entering into this enforceable undertaking in no way derogates from the rights and remedies available to any person arising from any conduct described in this enforceable undertaking.

4.4 Subject to paragraph 1.5 hereof Brown further acknowledges that entering into this enforceable undertaking in no way derogates from the rights of ASIC relating to or arising from any conduct described in this enforceable undertaking.

4.5 Brown acknowledges that this enforceable undertaking does not exclude the operation of section 229 of the Law.

4.6 Brown acknowledges that this enforceable undertaking has no operative force until accepted by ASIC.



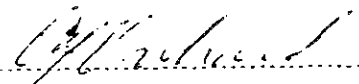
John Sidney Brown



Witness

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

ACCEPTED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION PURSUANT TO SECTION 93AA OF THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT BY ITS DULY AUTHORISED DELEGATE


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Name H. J. RICHARD
Position DIRECTOR ENFORCEMENT (VIC)

This 15th day of December 1999