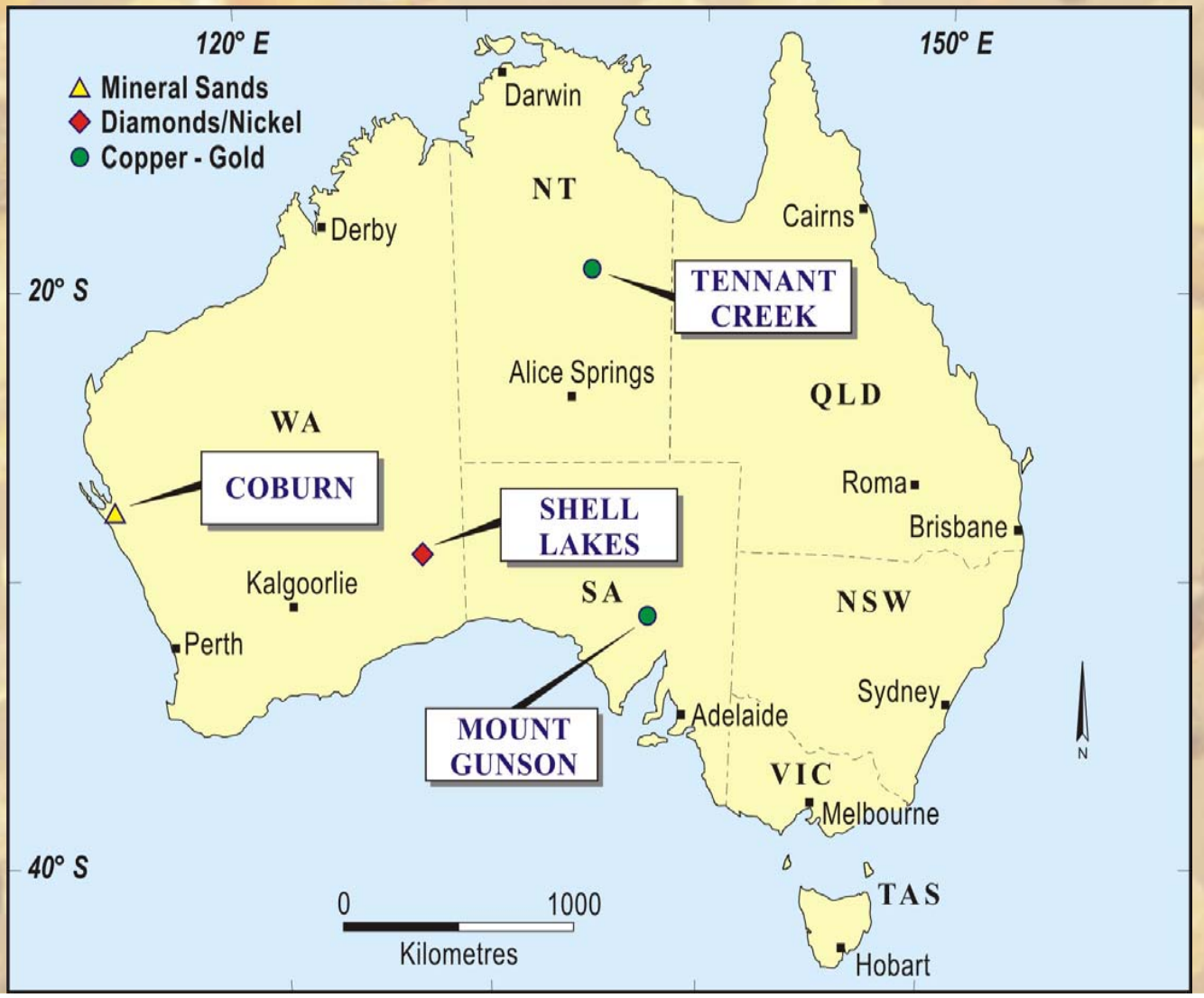
Corporate Summary

GUNSON RESOURCES LIMITED

- Listed May 2000
- Shares 55.9M
- Cash $2.8M
- Share Price $0.20
- Market Cap $11.2M

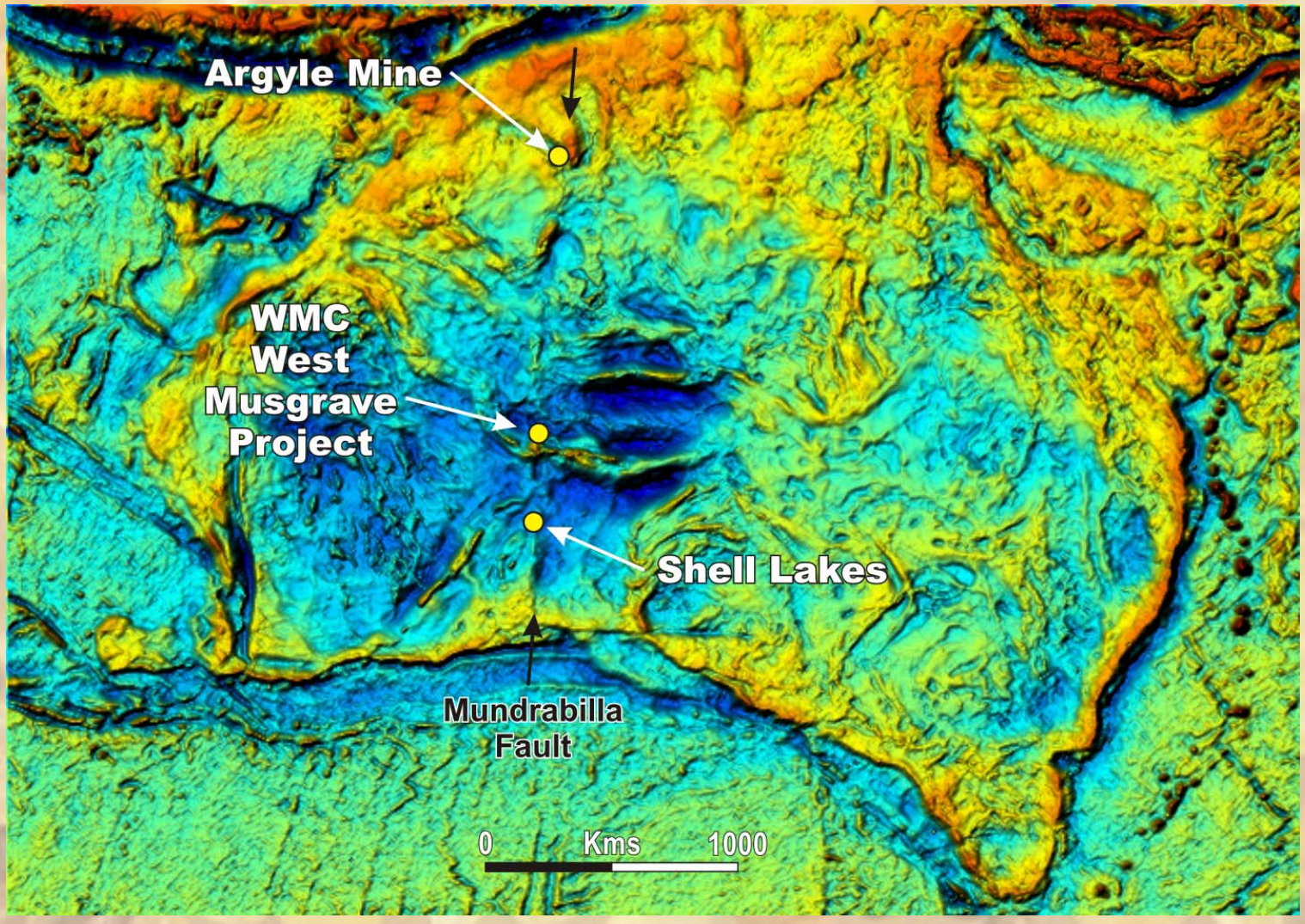
Project Location Map

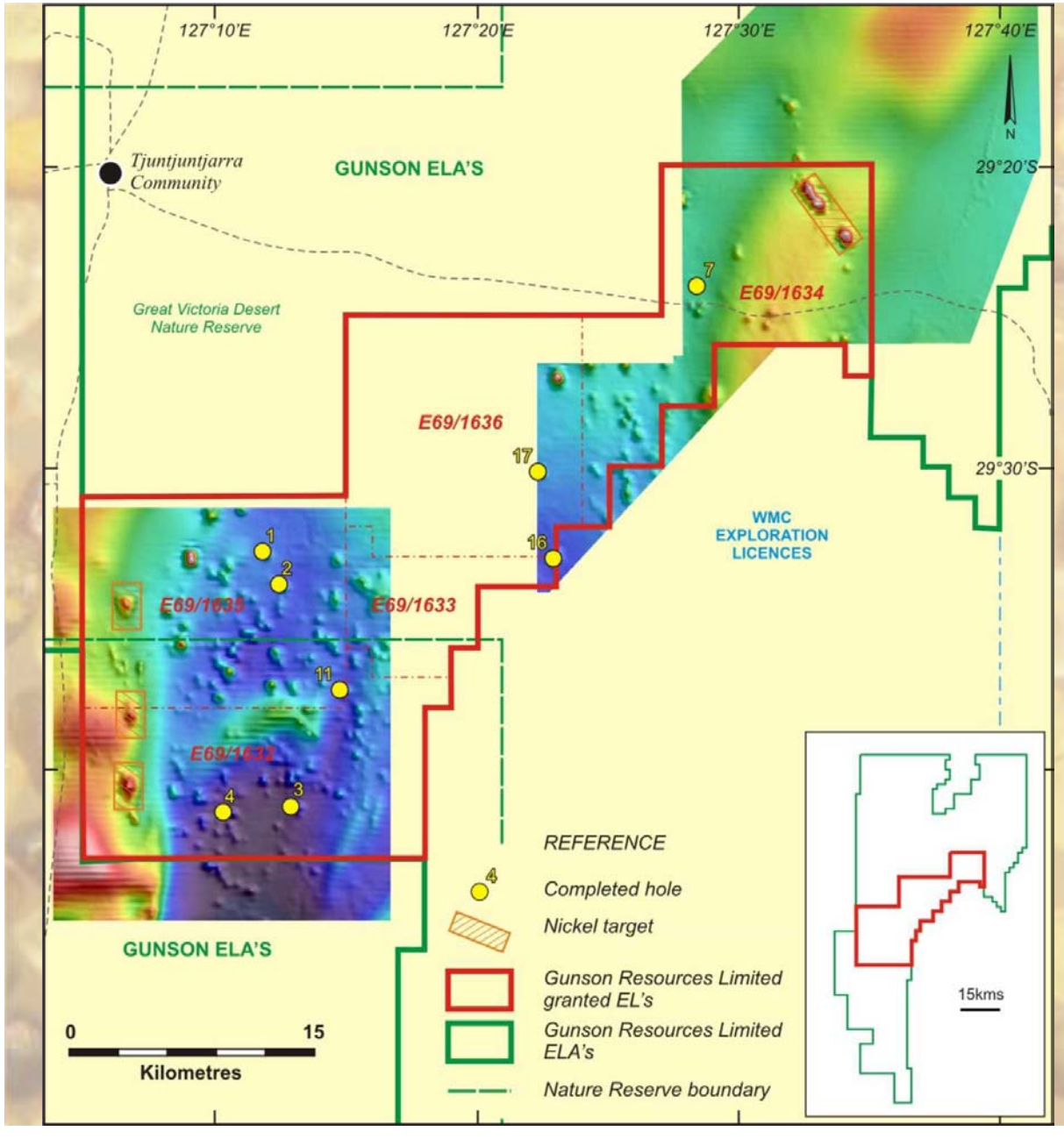
GUNSON RESOURCES LIMITED



Shell Lakes Project

GUNSON RESOURCES LIMITED





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Shell Lakes Project

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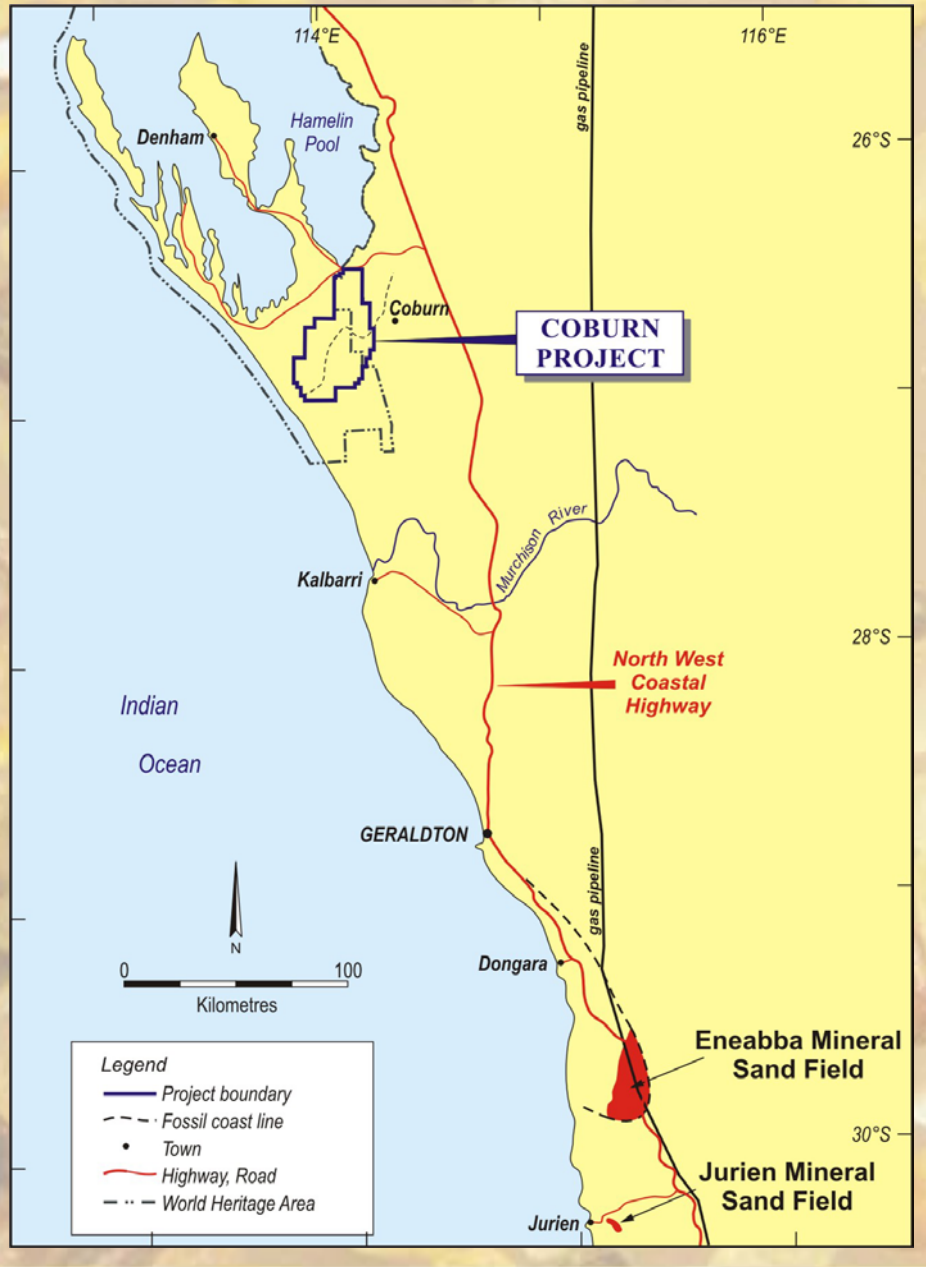
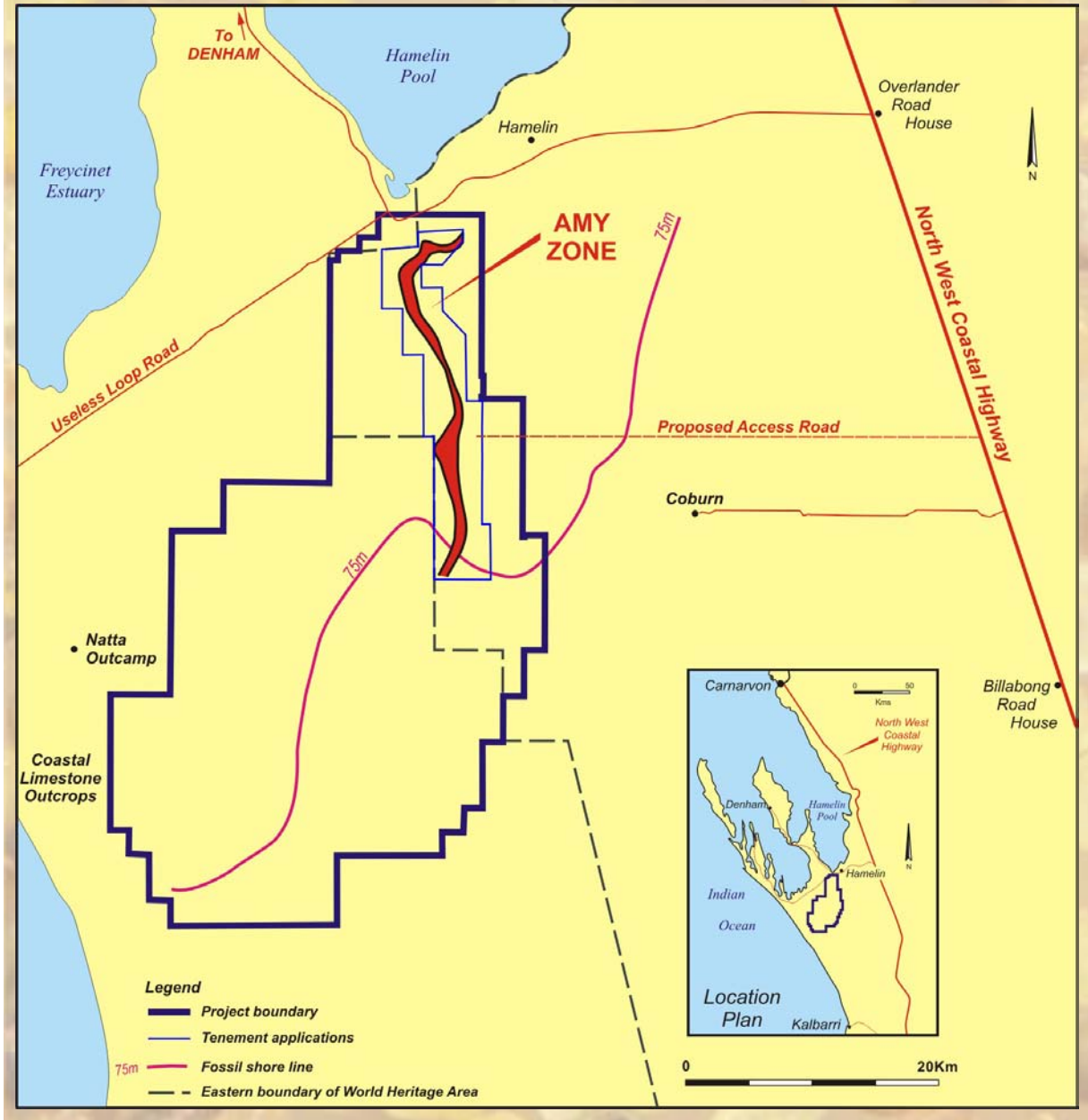
Coburn – Regional Setting





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Coburn Project Amy Zone Orebody

Amy Zone - Inferred Resource

GUNSON RESOURCES LIMITED

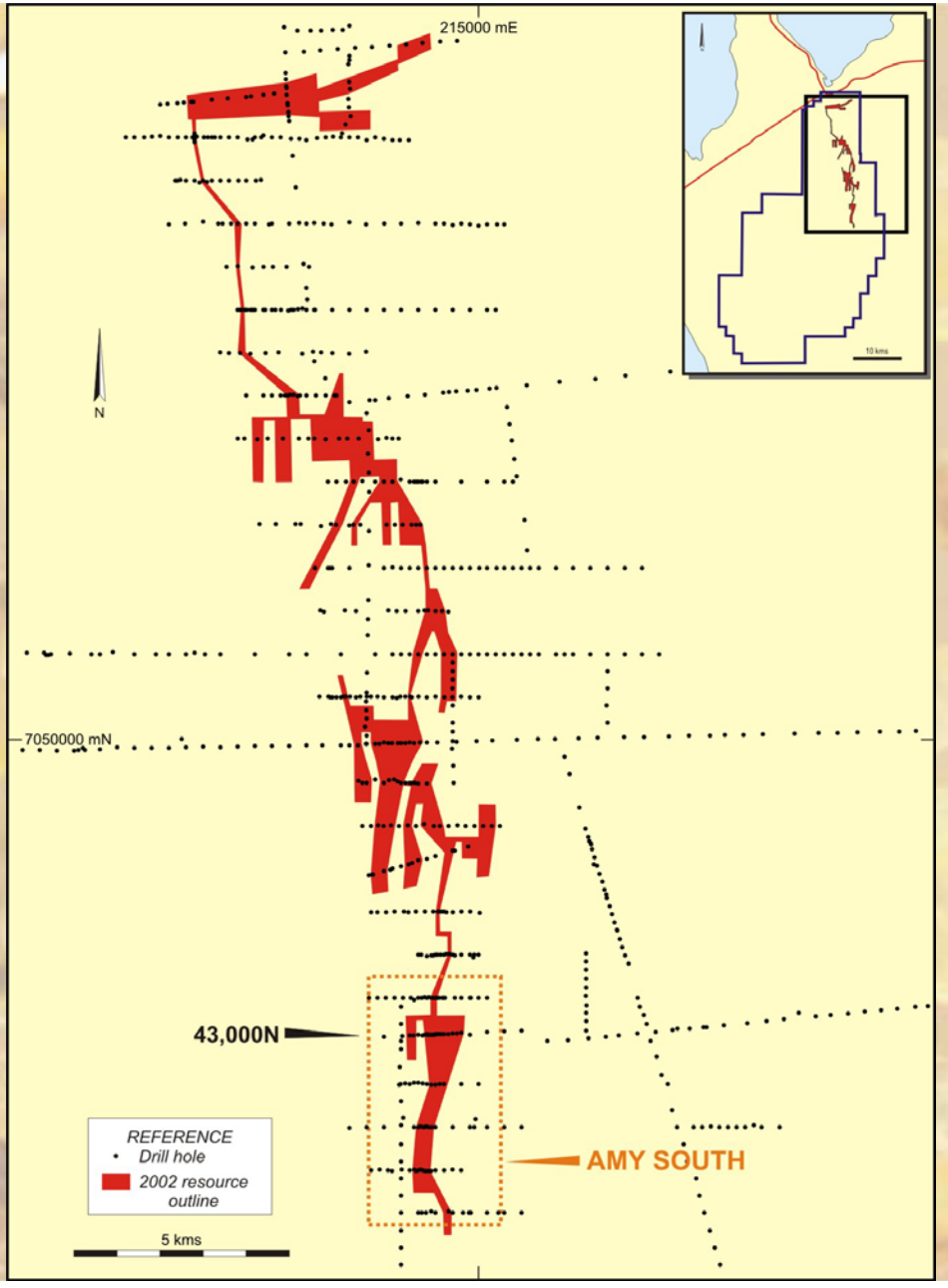
Tonnes:	**516 million**
Grade:	**1.4% HM**
Tonnes HM:	**7 million**
Slimes:	**<3%**
Mineralogy:	**51% Ilmenite**
	22% Zircon
	11% Leucoxene
	4% Rutile
	12% Trash

Grade 60 – 62% TiO_2, premium synthetic rutile feed with low radioactive elements:
Uranium + Thorium < 180 PPM

Study Timetable

GUNSON RESOURCES LIMITED

- **Bankable Study start** — **Jul 2003**
- **Bankable Study completed** — **Early 2004**
- **Funding confirmed** — **Jun 2004**
- **Construction to commence** — **Late 2004**
- **Operations commissioning** — **Late 2005**



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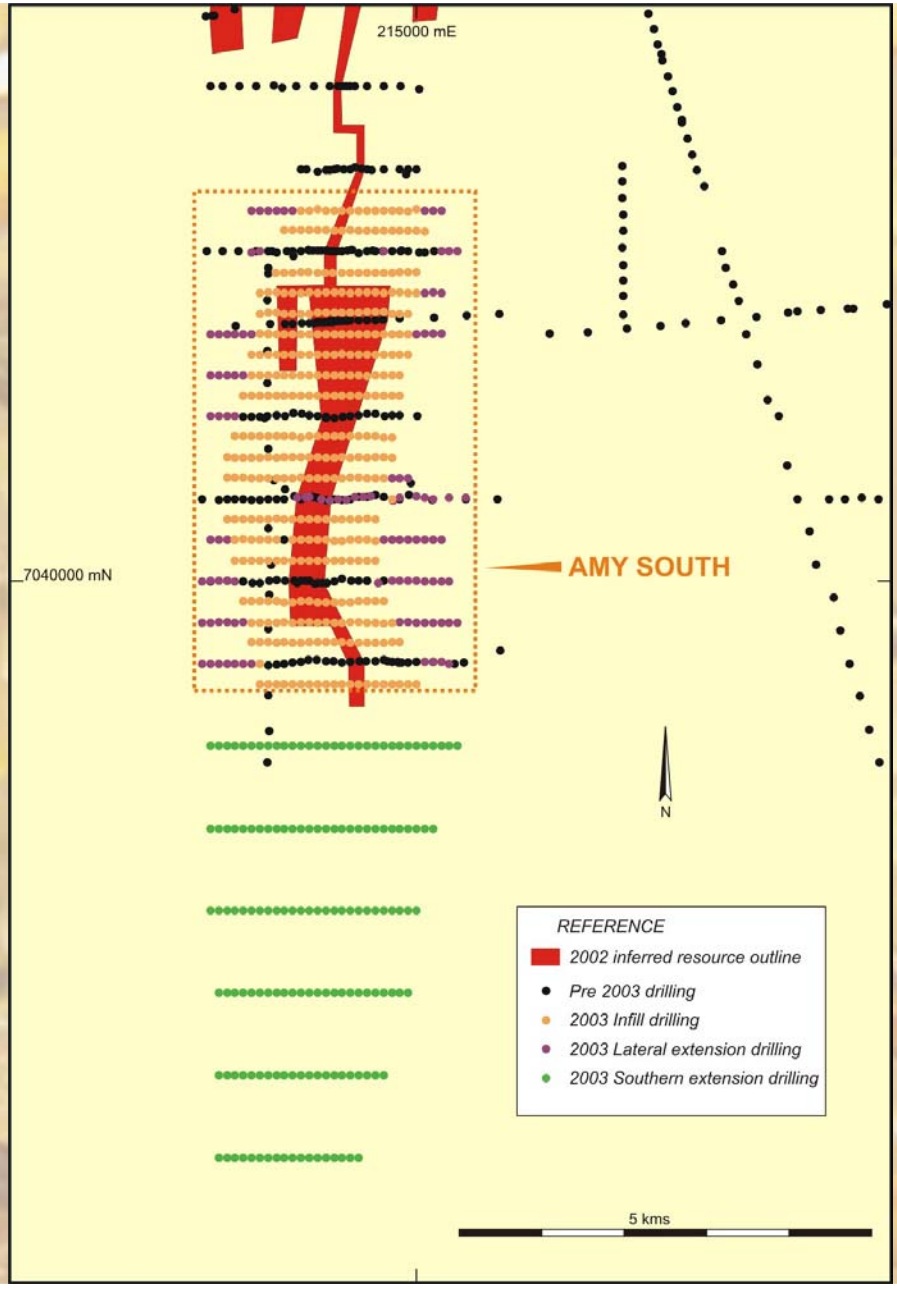
Amy Zone Resource and Amy South



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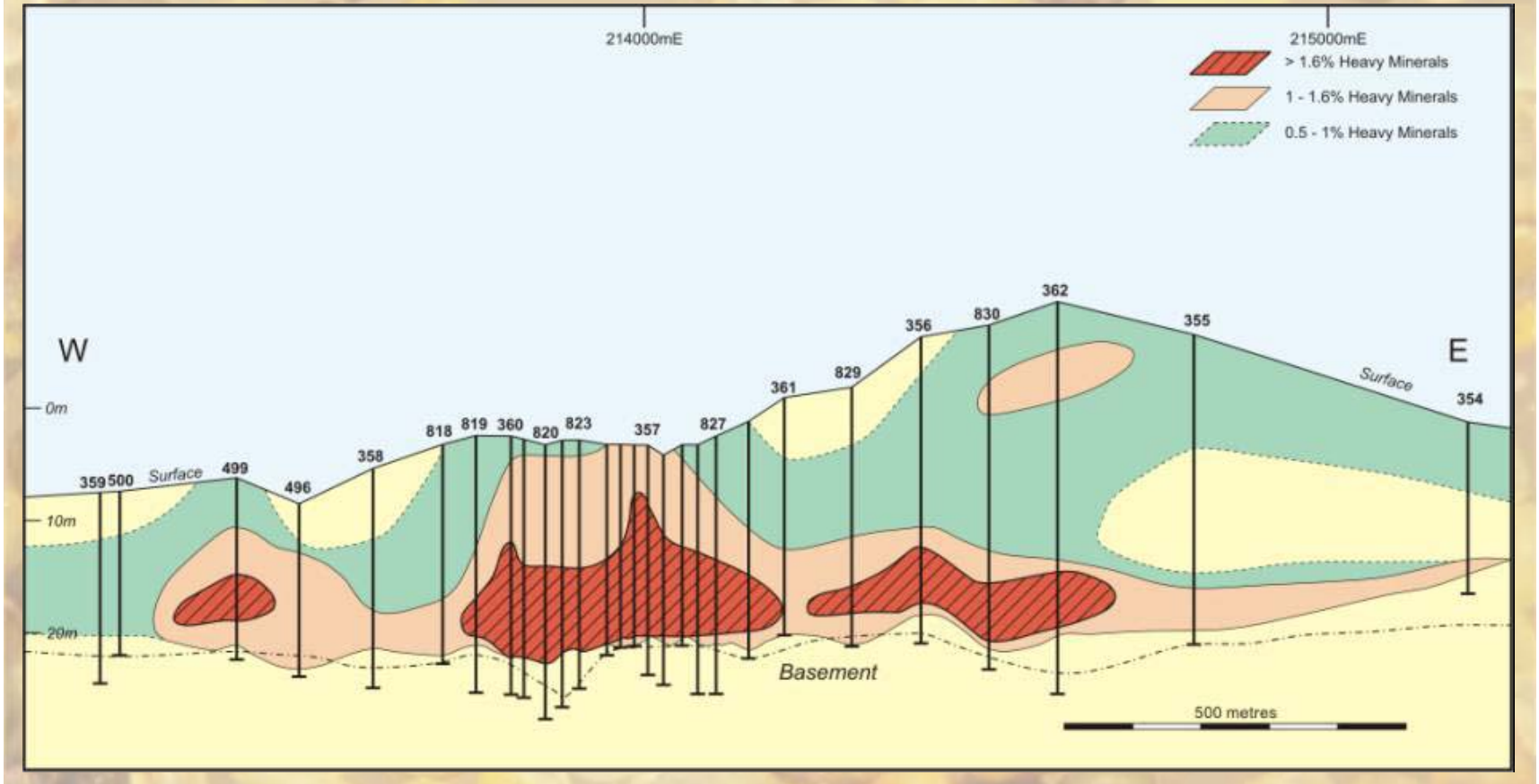
Amy Zone South Drilling 2003

Amy Zone South Cross Section

GUNSON RESOURCES LIMITED

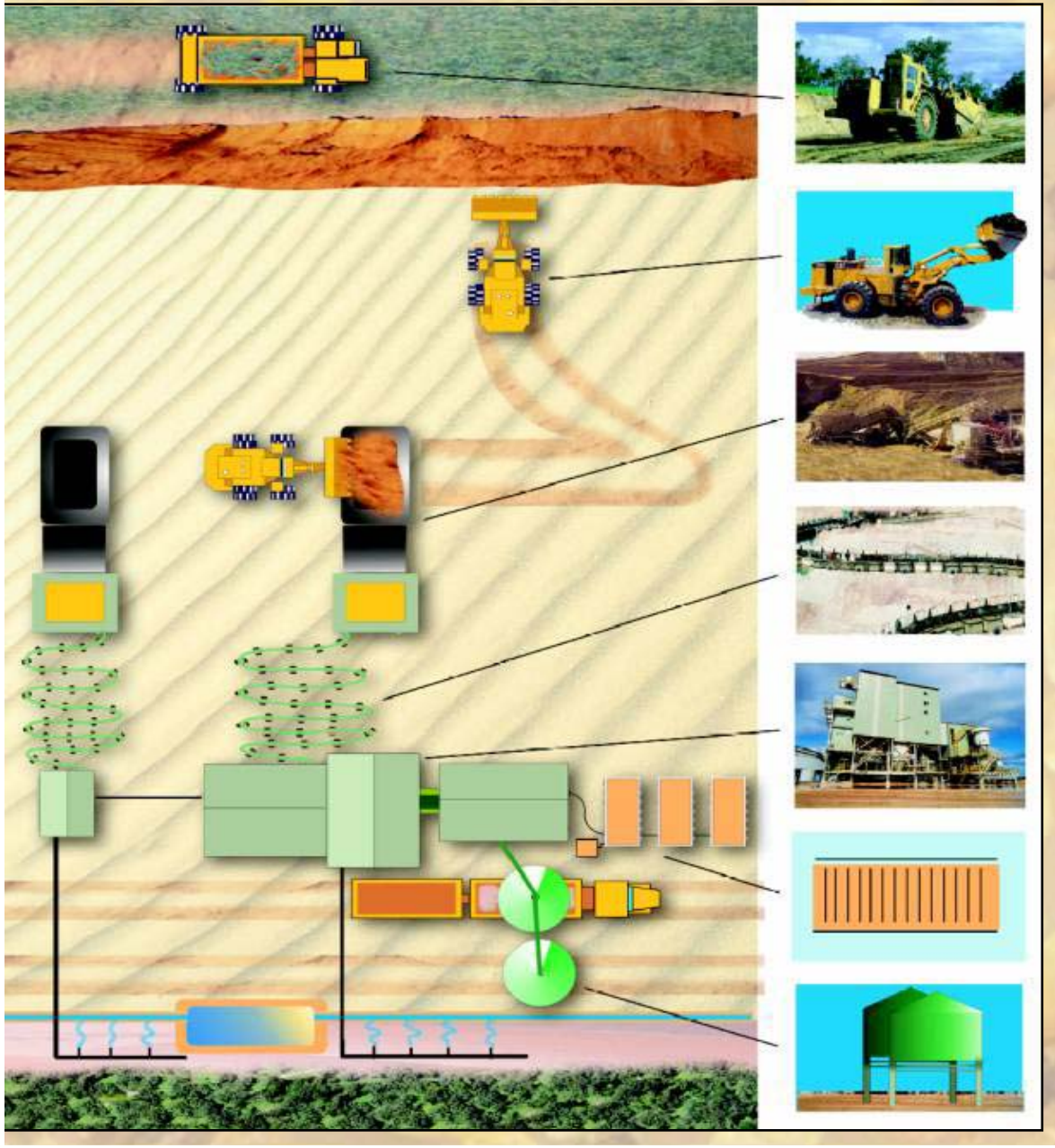


Proposal – Amy Zone Operations

GUNSON RESOURCES LIMITED

- **Mining**
  - Dry mining
  - Mine feed screened to remove induration and roots
  - Slurrying
  - Flexible pipeline to the concentrator
- **Concentrator**
  - Conventional spiral and pumps
  - In pit modular units (3 modules that can easily be moved)
  - Units advance 200m every 8 weeks
- **Tailings Disposal**
  - Wet sand deposition to follow natural landform
  - Water recovery from tails recycled to plant
- **Rehabilitation**
  - Progressive rehabilitation through life of mine
  - Early planning for final decommissioning, rehabilitation and closure

GUNSON RESOURCES LIMITED



Coburn mining, concentrating and rehabilitation operations

Proposal – Amy Zone Operations

GUNSON RESOURCES LIMITED

- Compressed Natural Gas power supply
- Process water supply from local groundwater
- Potable water from desalination (or equivalent)
- Expand production rate from 2,000 tph to 6,000 tph over five years
- Mine life of 20 years

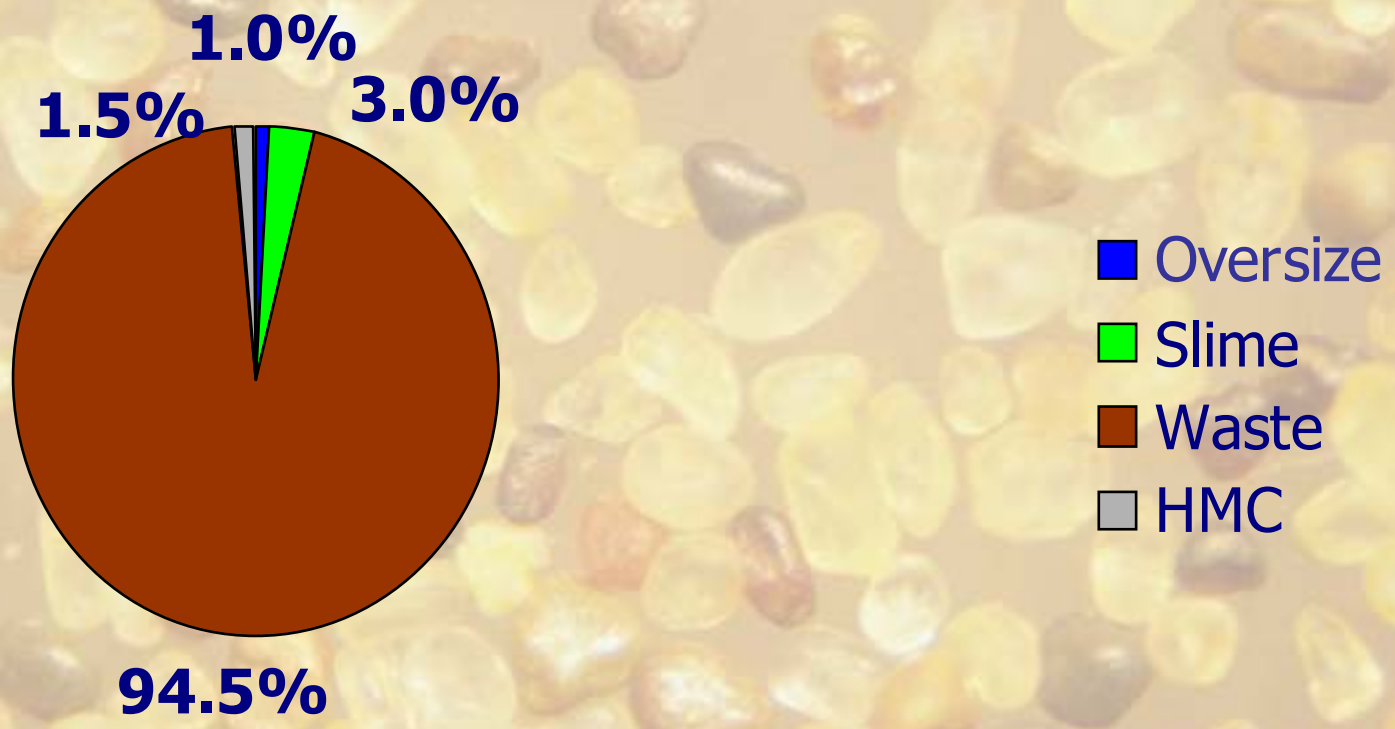
Proposal – Mineral Separation

GUNSON RESOURCES LIMITED

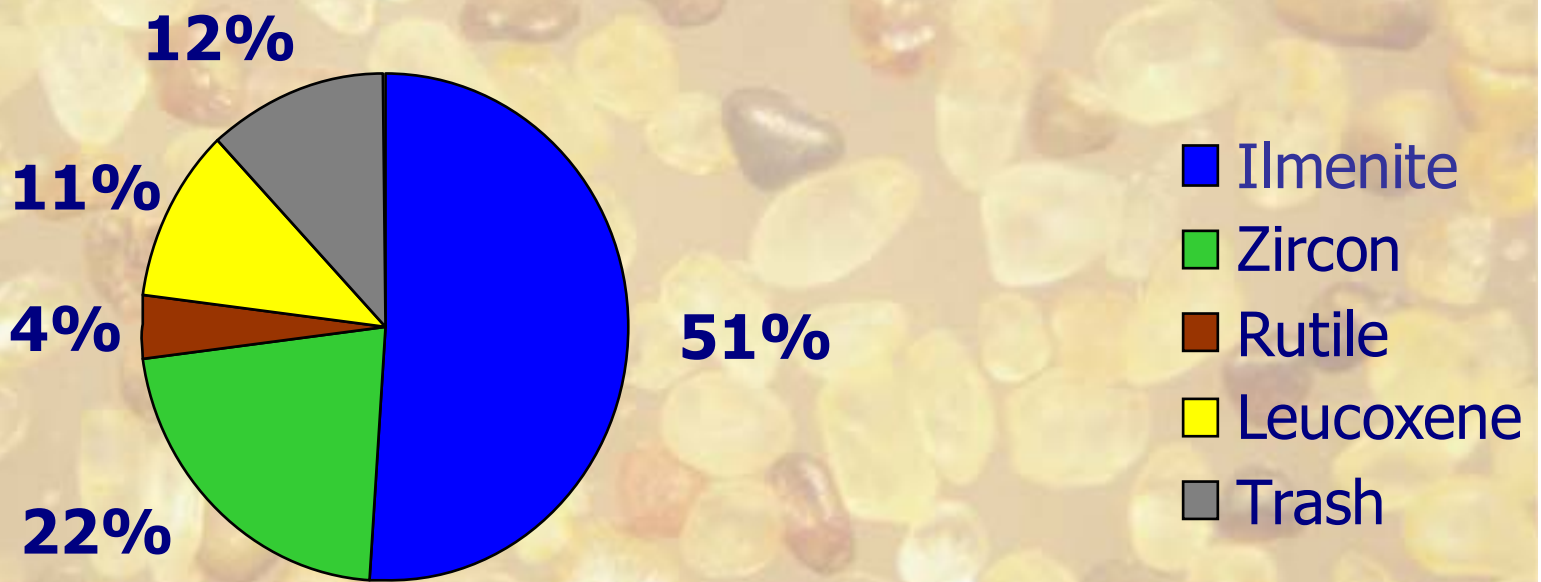
- Concentrate trucked to Geraldton (300 km)
- Mineral separation plant to be located at Geraldton

Coburn Mineral Sands Ore

GUNSON RESOURCES LIMITED



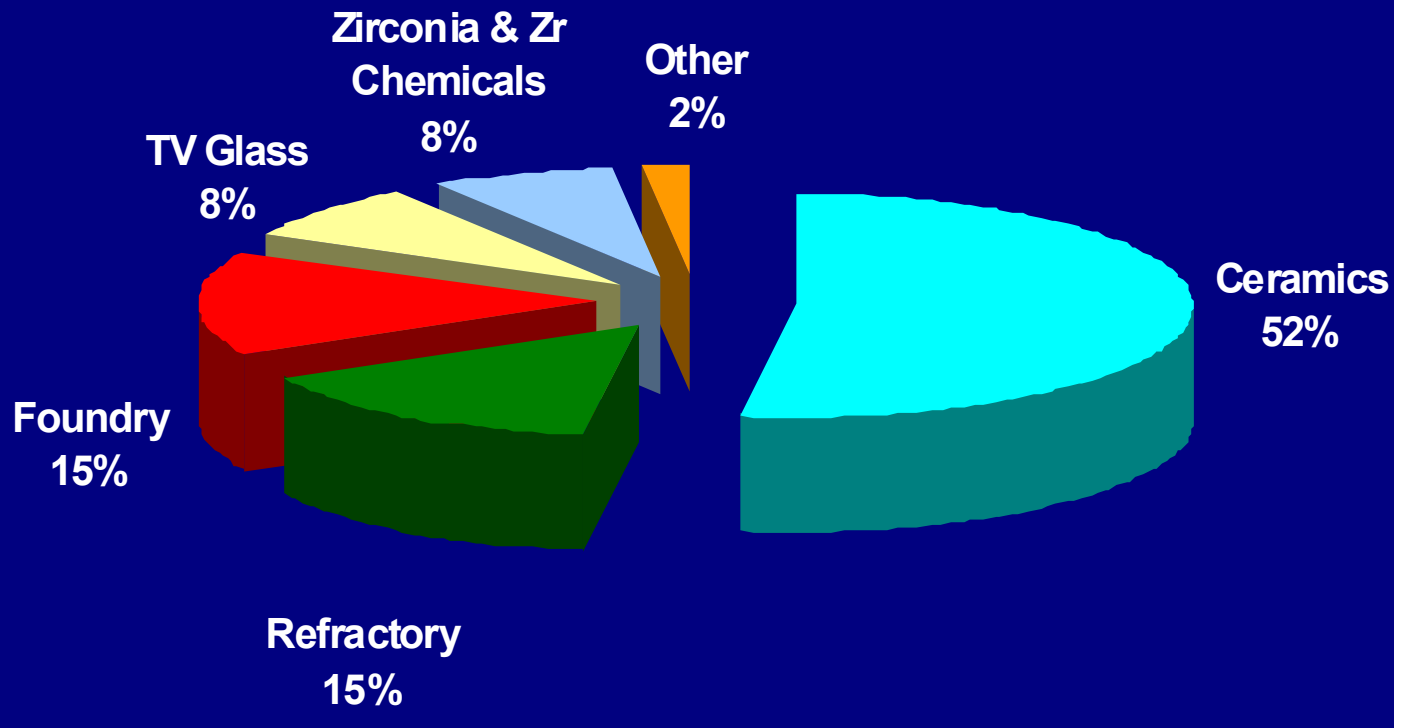
Coburn Heavy Mineral Assemblage



Trash materials made up of up to 61 trace elements

Zircon Consumption by End Use Market 2002

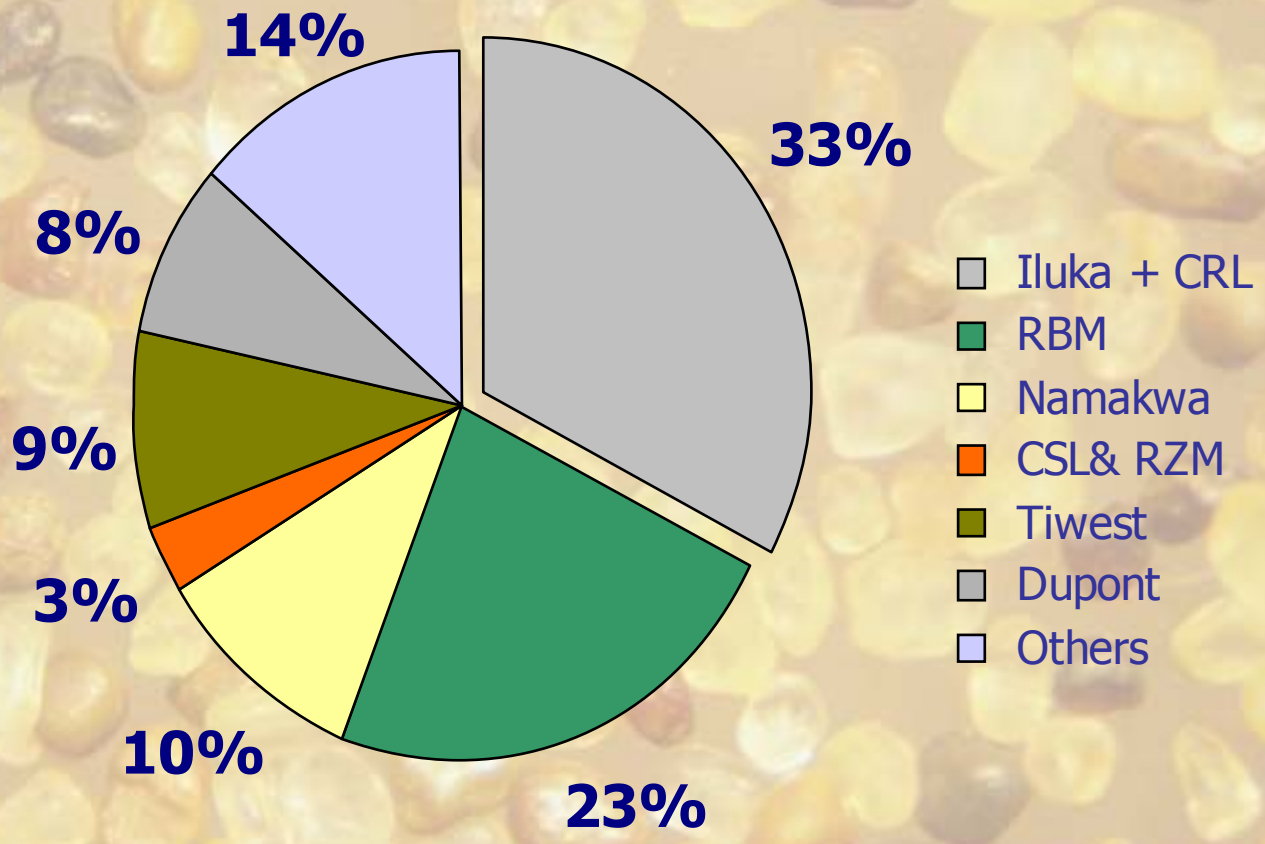
Total Consumption in 2002 ~ 1.1 million tonnes



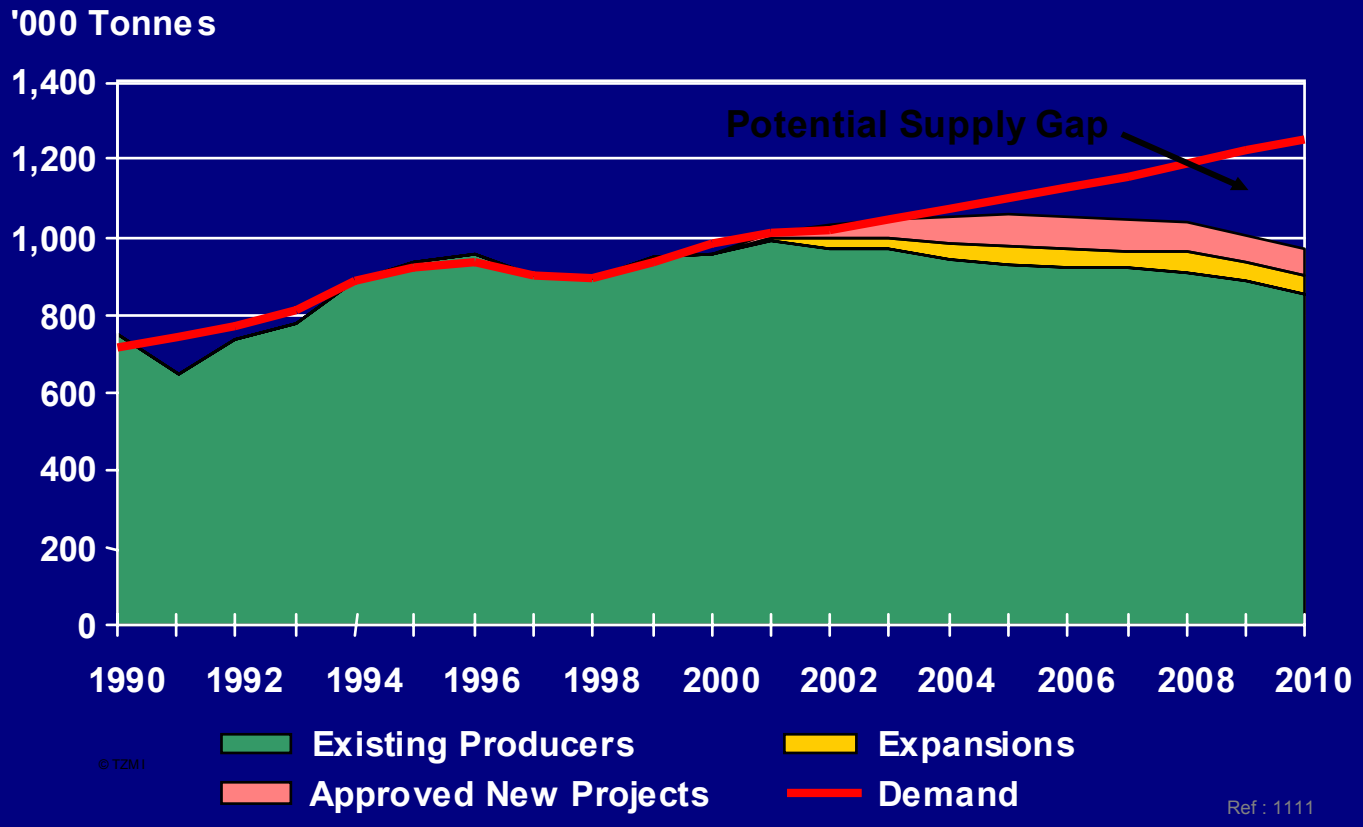
May 1st 2003

Zircon Producers

GUNSON RESOURCES LIMITED



Zircon Supply/Demand Outlook to 2010



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May 1st 2003

Preliminary Revenue, Cost and Return Estimates

GUNSON RESOURCES LIMITED

Total revenue	$1,405 M
Total operating costs	$1,007 M
Operating cash surplus	$399 M
Cost / tonne HMC	$157
IRR after tax	23%
NPV (8%)	$64 M
Exchange Rate	$0.65

Coburn
Initial Capital Costs

GUNSON RESOURCES LIMITED

• Site Infrastructure	$1.2 M
• Concentrator	$21.4 M
• Pre Strip etc	$3.8 M
• Mineral separation plant	$25.7 M
Sub Total	$52.1 M
• 20% EPCM/Contingency	$10.0 M
Total	$62.1 M

Dry Mining
Production & Revenue

GUNSON RESOURCES LIMITED

PRODUCTION & REVENUE MIX - Life of Mine			
PRODUCT	**PRODUCT VALUE**	**PRODUCT MIX**	**REVENUE MIX**
ILMENITE	US $80 /Tonne	63.2%	28.8%
ZIRCON	US $400 /Tonne	25.6%	54.1%
RUTILE	US $450 /Tonne	6.4%	16.3%
LEUCOXENE	US $165 /Tonne	4.8%	4.5%

Grade 60 – 62% $Ti0_2$, premium synthetic rutile feed with low radioactive elements:
Uranium + Thorium < 180 PPM

Environmental Process

GUNSON RESOURCES LIMITED

- **Risk Assessment**
  - flora, fauna studies done
  - phase 1 of stakeholder consultations done
  - referred to EPA, EA
- **EPA/EA set guidelines for EIS**
- **EIS started**
- **EIS to be completed mid 2004**

Conclusions

GUNSON RESOURCES LIMITED

- Coburn BFS in full swing, due for completion early 2004
- Total revenue estimated at $1.4 Billion (54% from Zircon), operating cash surplus $400 M
- Attractive finanical returns, low capital costs
  - NPV $63.8M
  - IRR after tax 23%
- Excellent diversified exploration portfolio for further growth