

KEY APPOINTMENT FOR COBURN MINERAL SAND PROJECT

Gunson Resources Limited (**ASX: GUN**) today announced a further key appointment to the Bankable Feasibility Study team for its Coburn Mineral Sand Project in Western Australia. **Mr Stephen Miller**, currently Resident Manager at Iluka Resources Ltd's Eneabba mineral sands mine, will join the team as a Senior Mining Consultant from mid-June.

Mr Miller, a Mining Engineer, has extensive experience at senior levels in the mineral sands industry and spent the past two years as Resident Manager of the Eneabba Mine, located 400 kilometres south of Gunson's Coburn Project in Western Australia's Mid West Region.

He will work directly with the joint managers of the Coburn Project, former Iluka Resources General Manager – Operations, Mr Hamish Bohannon, and former Aquarius Platinum Finance Director, Mr Craig Munro.

Mr Munro said Mr Miller would contribute invaluable operational and development expertise in mineral sands to the Coburn Project as it moved towards development and financing.

Gunson has commenced Stage 1 of a Bankable Feasibility Study on the Coburn Project comprising a comprehensive program of infill drilling at the Amy Zone deposit and a program of metallurgical and mineralogical testwork.

Mr Munro said the current 6,500 metre aircore drilling program at the southern end of the Amy Zone deposit was 85% complete, with approximately 160 of the planned 190 holes completed and the program is on schedule to be finished on the 10th June. Results from the metallurgical testwork should be available by mid June.

Background

The Coburn Project is a proposal to develop an integrated mineral sands project in Western Australia's Mid West region comprising a mining operation located 250 kilometres north of Geraldton and a Mineral Separation Plant (MSP) at Geraldton. The Project is based on a world-class mineral sand deposit containing more than 7 million tonnes of zircon-rich heavy minerals.

Gunson Resources Ltd commenced a Bankable Feasibility Study (BFS) in May 2003 on a project development estimated to cost \$62 million with a view to commencing construction in July 2004 and production by mid-2005.

A preliminary feasibility study has shown that the Coburn Project will generate more than \$1.5 billion in revenue over a 20-year mine life, delivering significant economic benefits for Western Australia's Mid West region including employment opportunities and export revenue.

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