



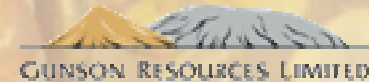
GUNSON RESOURCES LIMITED



***David Harley
Diggers and Dealers***

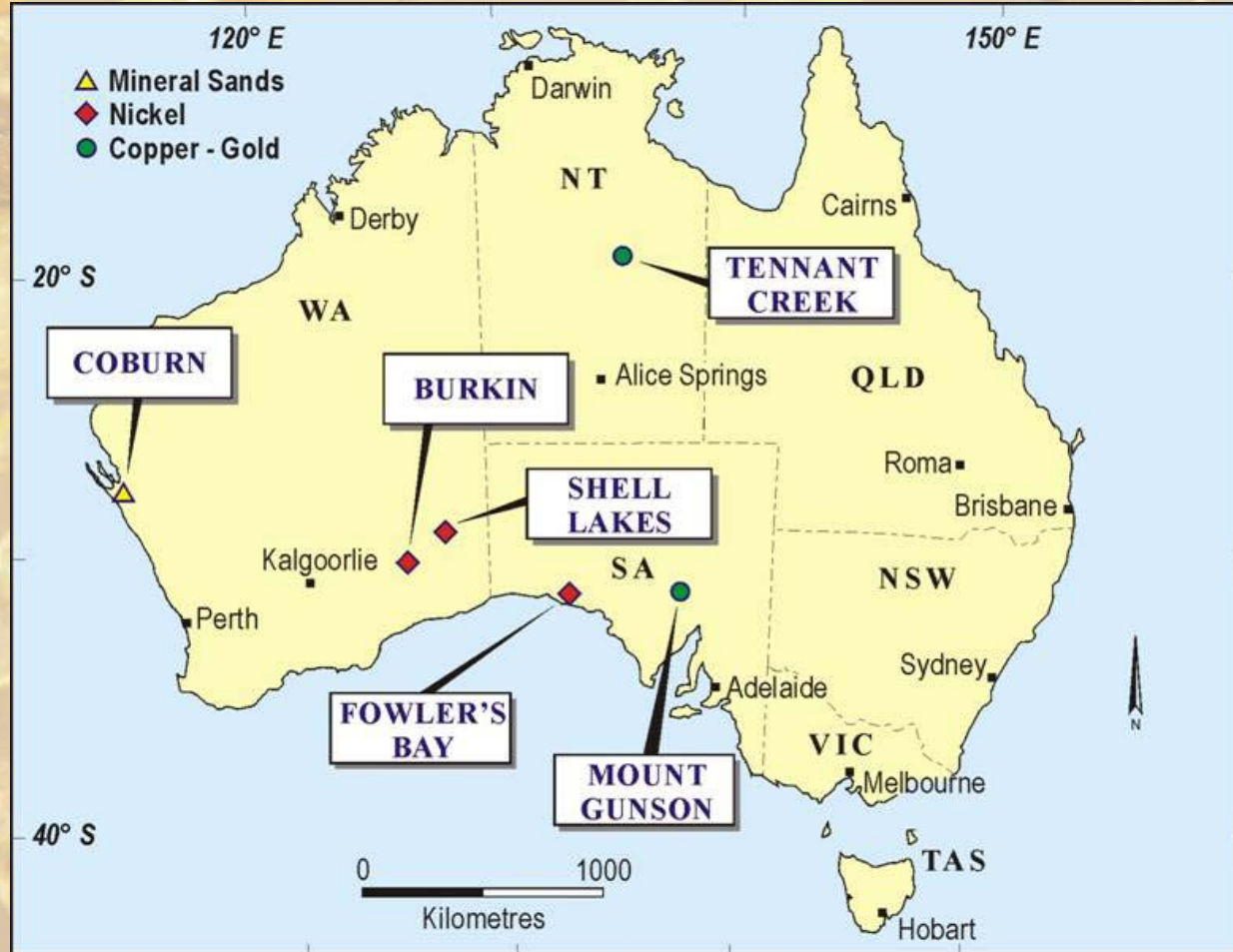
9th August 2005

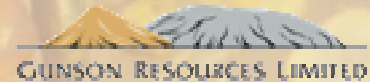
Corporate Summary



• Shares	76.8M
• Unlisted Options	1.3M (20c)
• Cash	\$1.9M
• Share Price	\$0.27
• Market Cap.	\$20.7M
• Substantial Shareholders LUCRF	5.4%

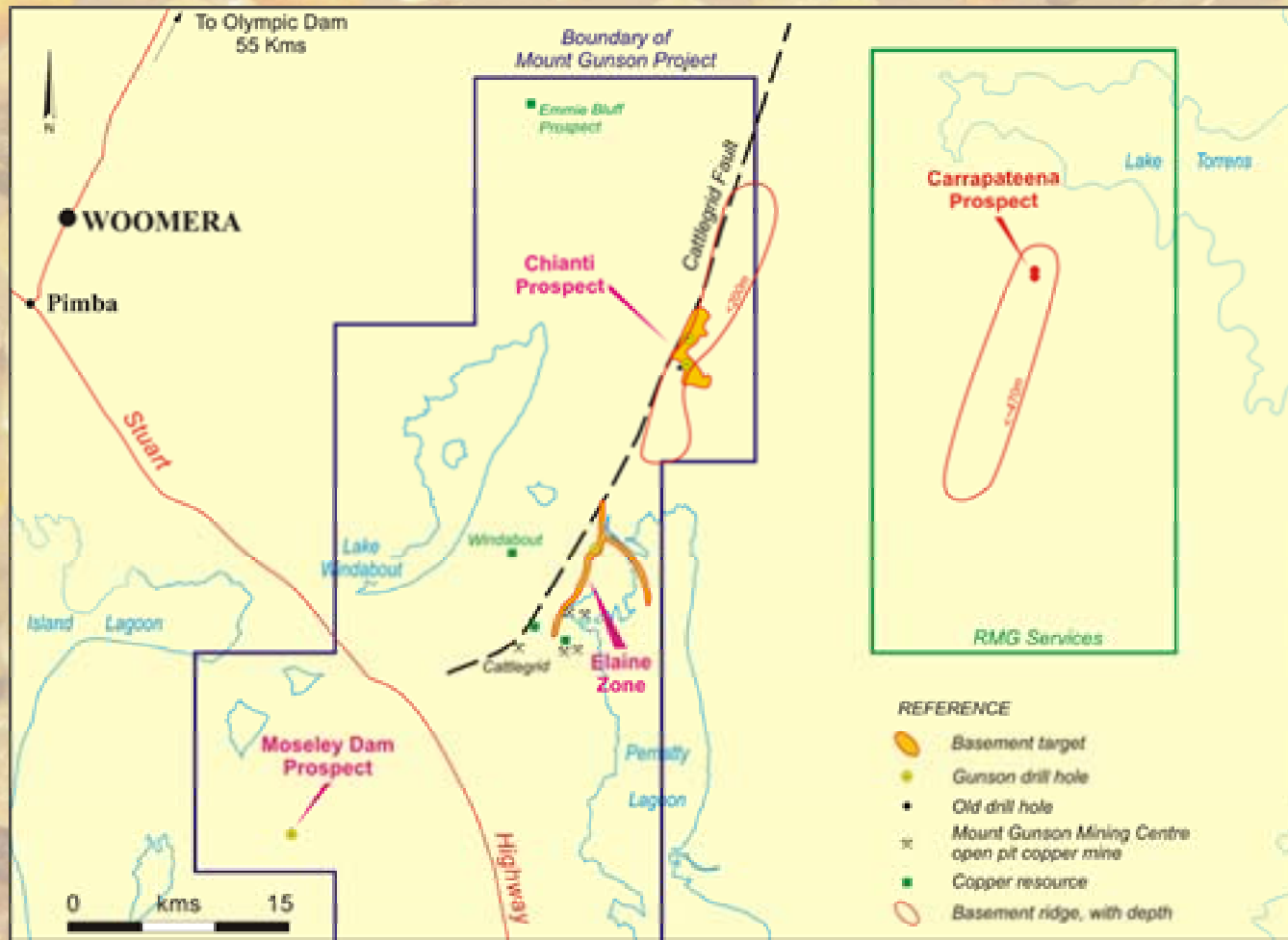
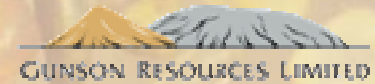
Project Location Map

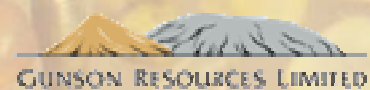
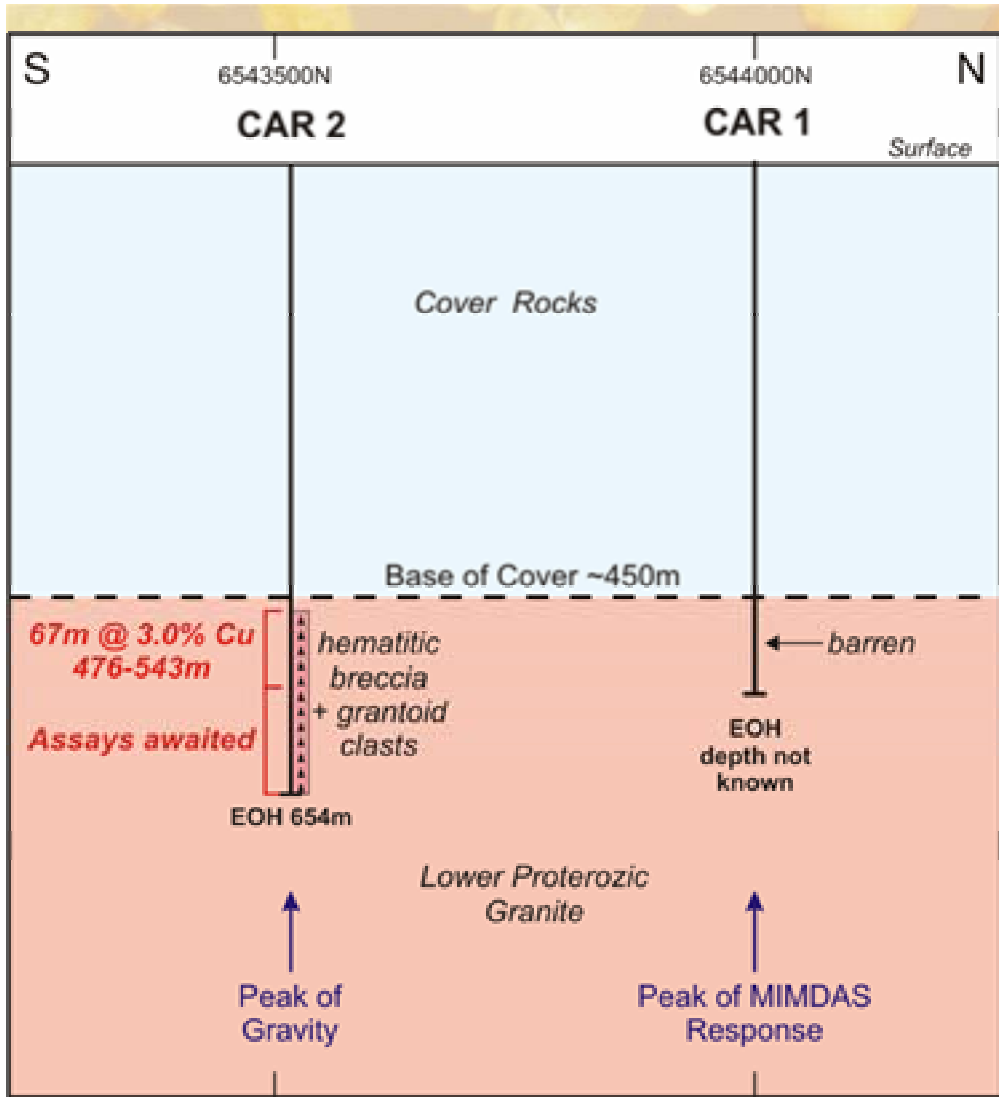




South Australian Copper Belt

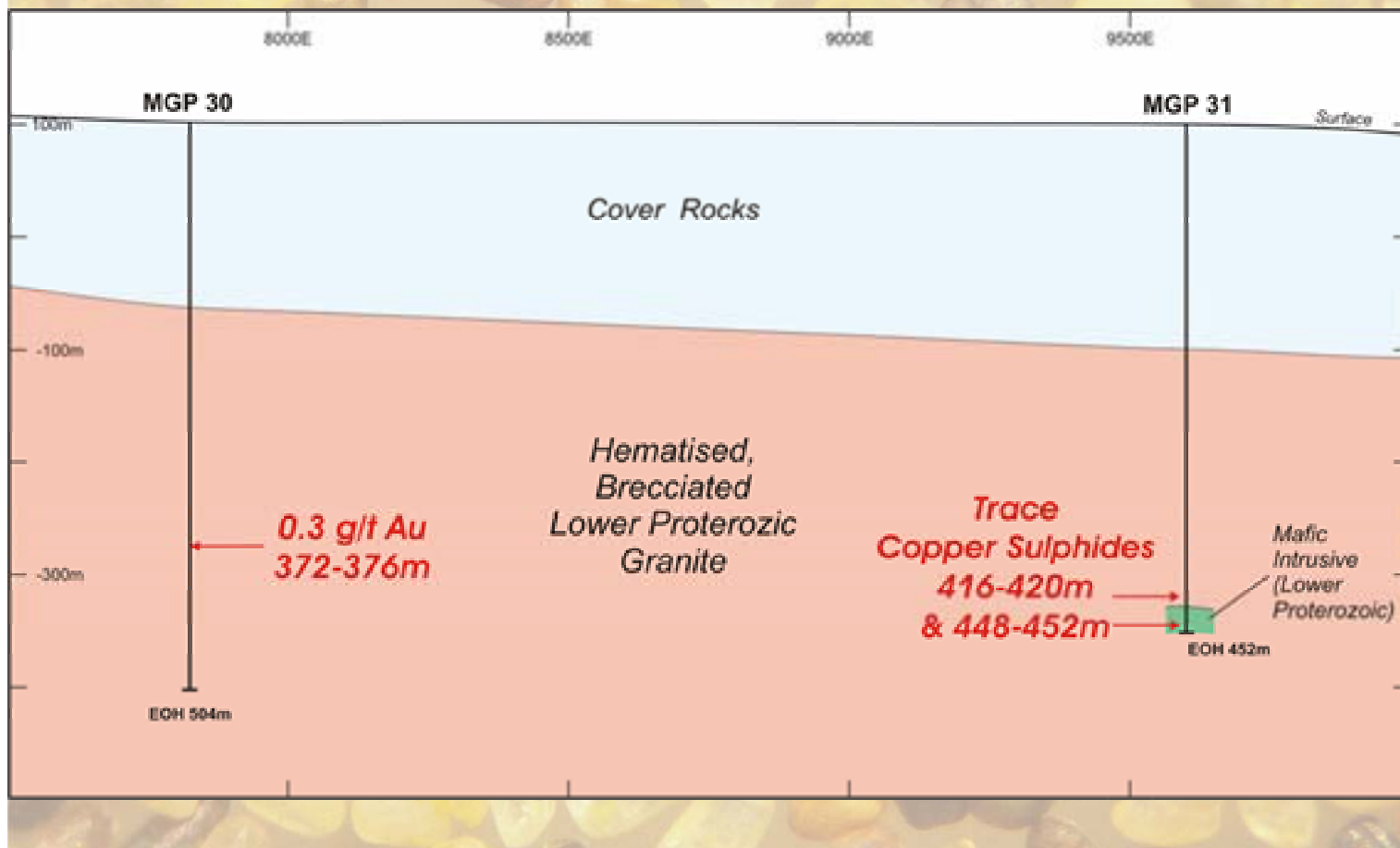
Mount Gunson Target Areas

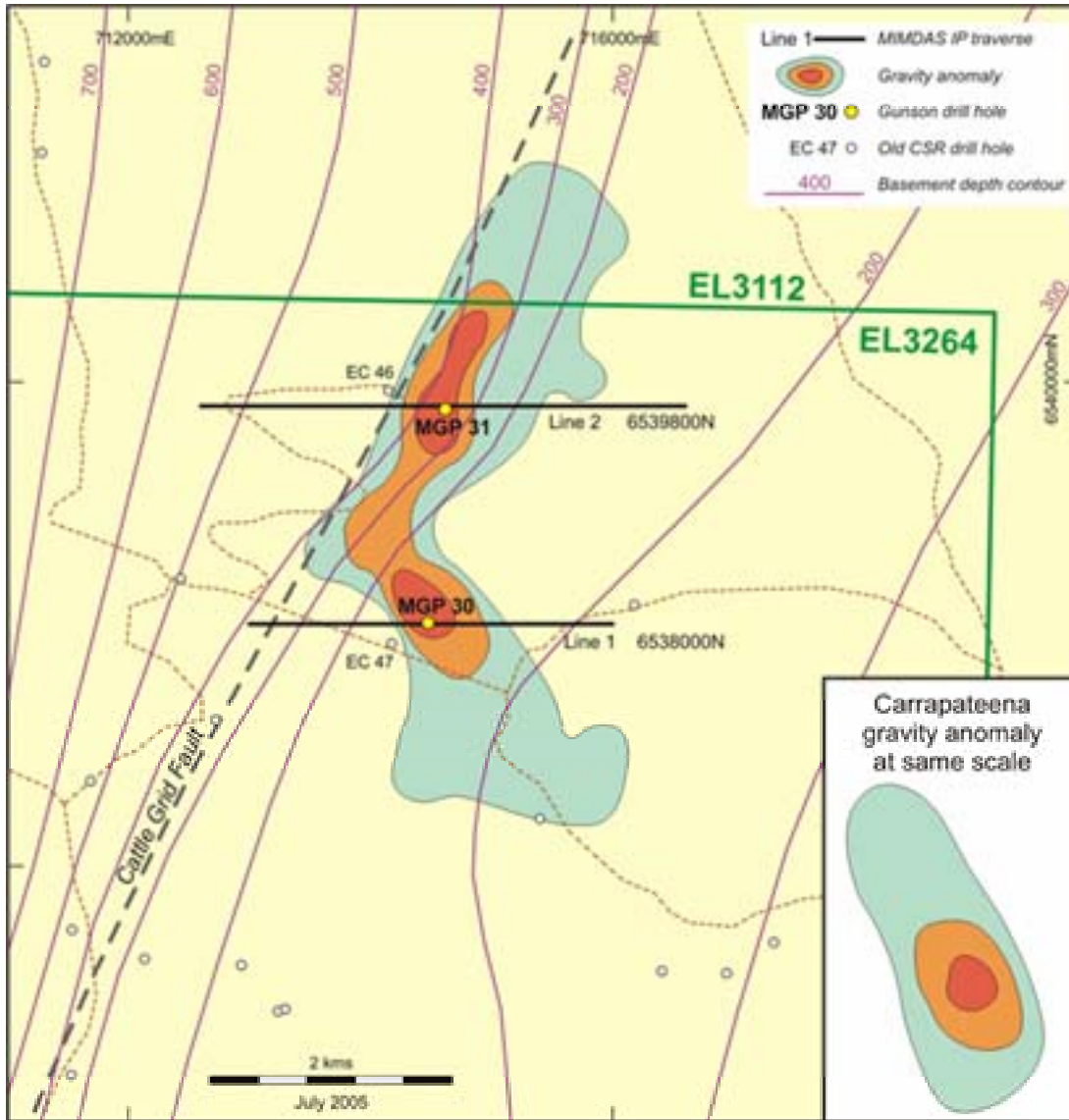




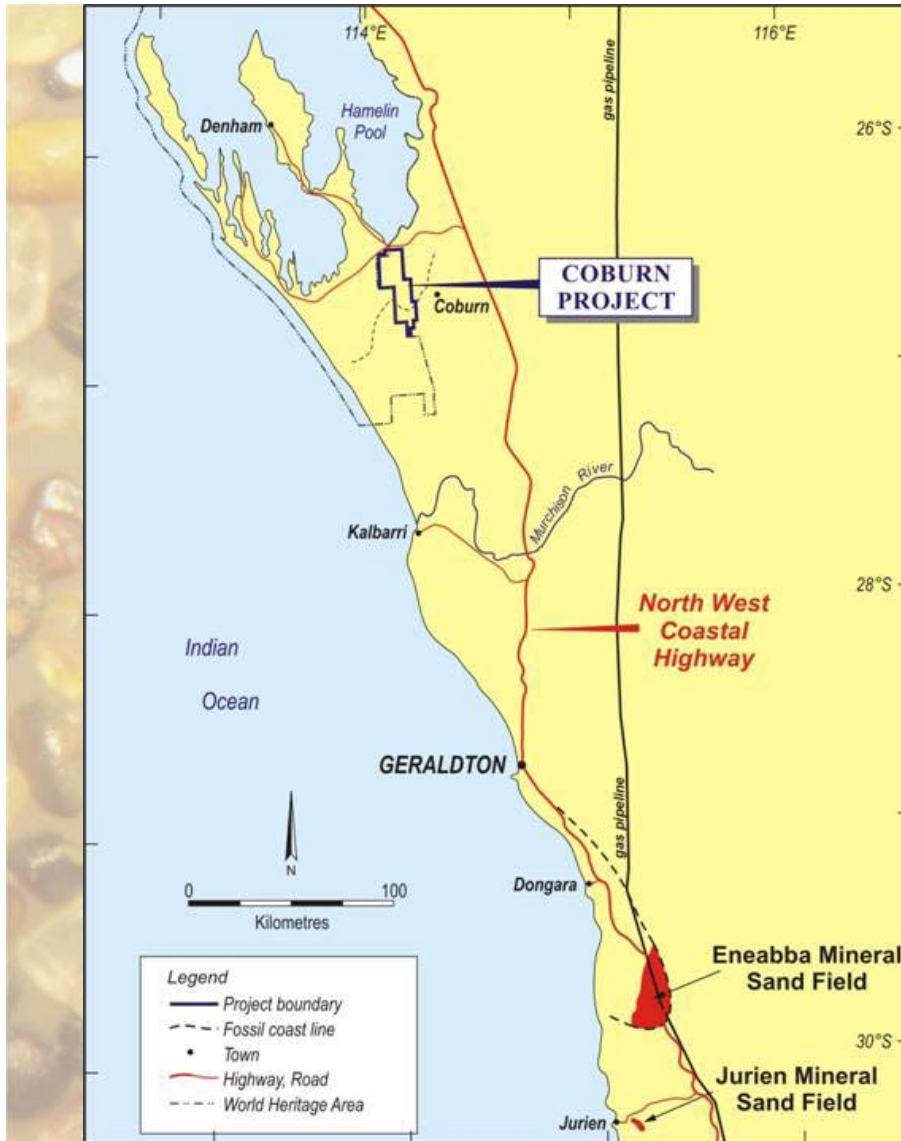
Carrapateena Prospect Cross Section (looking west)

Chianti Prospect – Cross Section (looking west)





Chianti Prospect

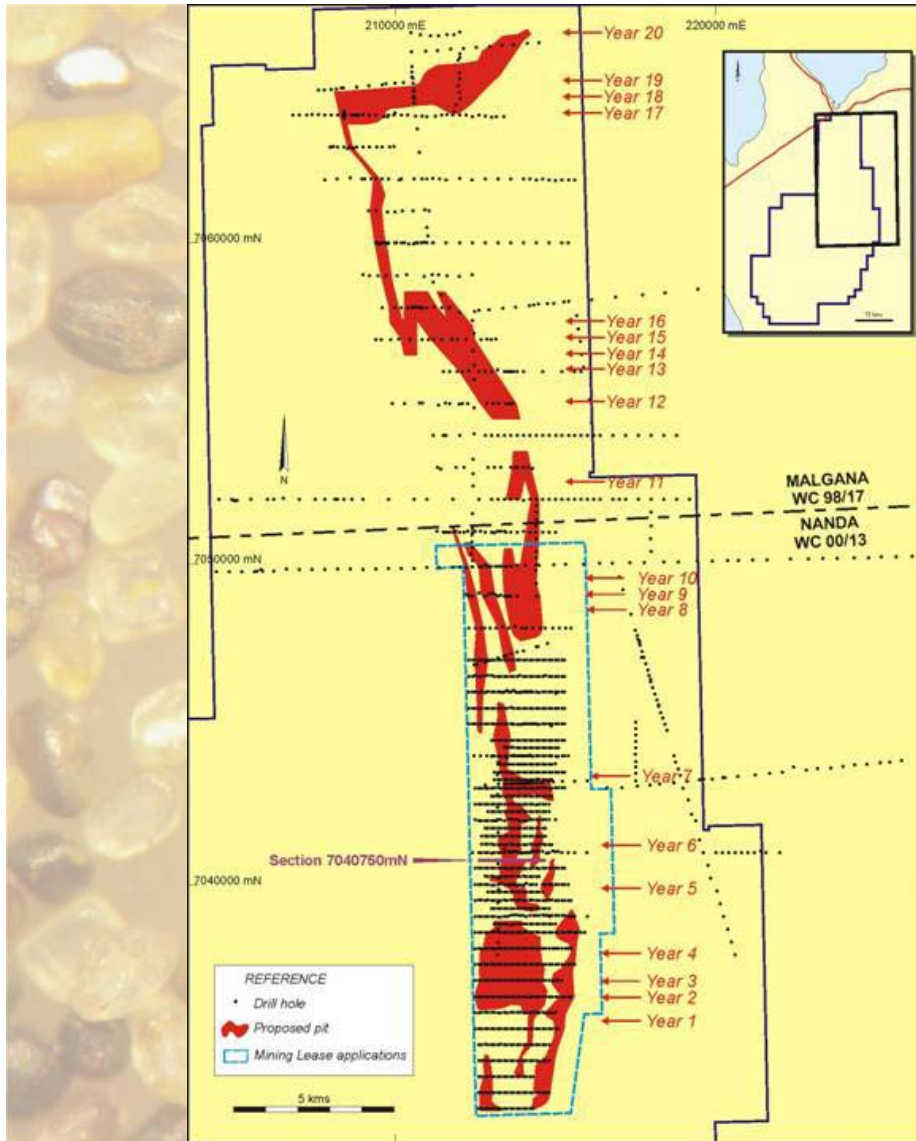


Coburn – Regional Setting



Coburn Amy Zone Mine





Amy Zone Resource and Amy South

Coburn Reserves/PM Resources

Dec 2004



Category	Million Tonnes	Average Grade HM %	Cut-off Grade HM %	Strip Ratio
Probable*	250	1.1	0.8	0.3 : 1
PM Resource	370	1.1	0.8	0.6 : 1
Total	620	1.1	0.8	

PM = Potentially Mineable

* Amy South



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4 3 2004



Coburn Estimated Annual Production and Prices



Product	Years 1 – 2 (tonnes)	Year 3 onward (tonnes)	Price \$US/Tonne	% of Revenue
Zircon	30,000	60,000	620#	63
Ilmenite	60,000	120,000	85	18
HiTi	15,000	30,000	350	19

Zircon now \$US 750.

Greenfields Development Projects



<u>Under Construction</u>	TiO ₂ UNITS *	ZIRCON *	Rank	TiO ₂ : ZIRCON
Douglas (Iluka)	150 #	100	1	3.5+
Moma (Kenmare)	354	52		6.8
Pooncarrie (Bemax)	170	32		5.3
<u>Completed BFS</u>				
Mindarie (Aust. Zircon)	71	43		1.6
Corridor (WMC)	330	30		11.0
Coburn (Gunson)	99	60	3	1.6
Kwale (Tiomin)	230	37		6.2
<u>In BFS Stage</u>				
Tamil Nadu (Tata)	250	20		12.5
Senegal (Min Deposits)	11 #	75	2	4.0+

Australia

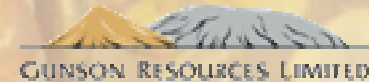
Africa

India

* ,000 tonnes per annum # Ilmenite excluded + Ilmenite included

Coburn Project – BFS 2004

Initial Capital Costs (\$A million)



	BFS	Potential Saving (Resourceinvest 2005)
Site Infrastructure	14.0	
Concentrator	45.7	30%
Pre strip	0.7	
MSP	*	
Bucket Wheel Excavators (2)	11.2	25%
Total Initial Capital	71.6	55.1

** \$A86.3 million cost of MSP not included in the BFS 2004 financial evaluation*

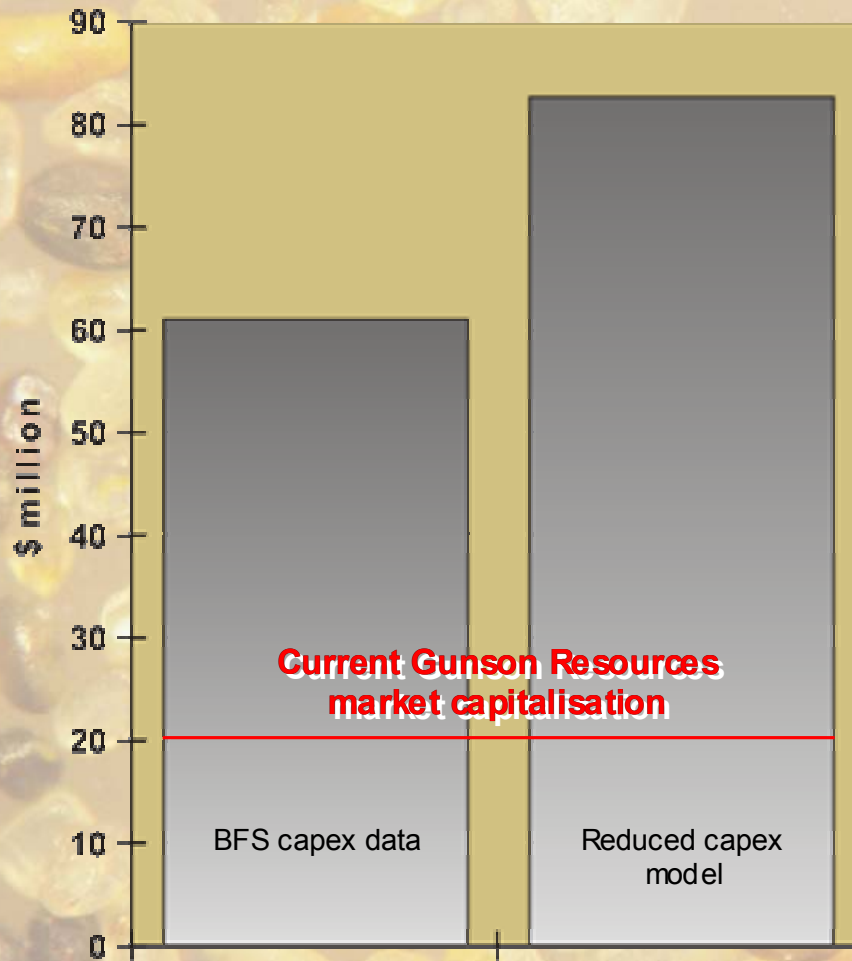
Coburn Project – BFS Capital Model (Resourceinvest – April 2005)#



Operating Cash Surplus	\$433 M
Capital Cost	\$128.5 M *
IRR after tax	19%
NPV (10%)	\$61 M
Exchange rate	\$0.75

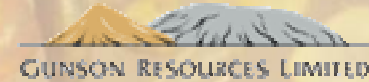
#no gearing

* Reduced Capex Model \$95.5 M



Coburn Project Valuation (Resourceinvest – April 2005)

Coburn Concentrate Mineralogy



MAGNETIC (55 wt%)

89% Ilmenite

10% Leucoxene

1% Zircon

0% Waste

NON MAGNETIC (45 wt%)

52% Zircon

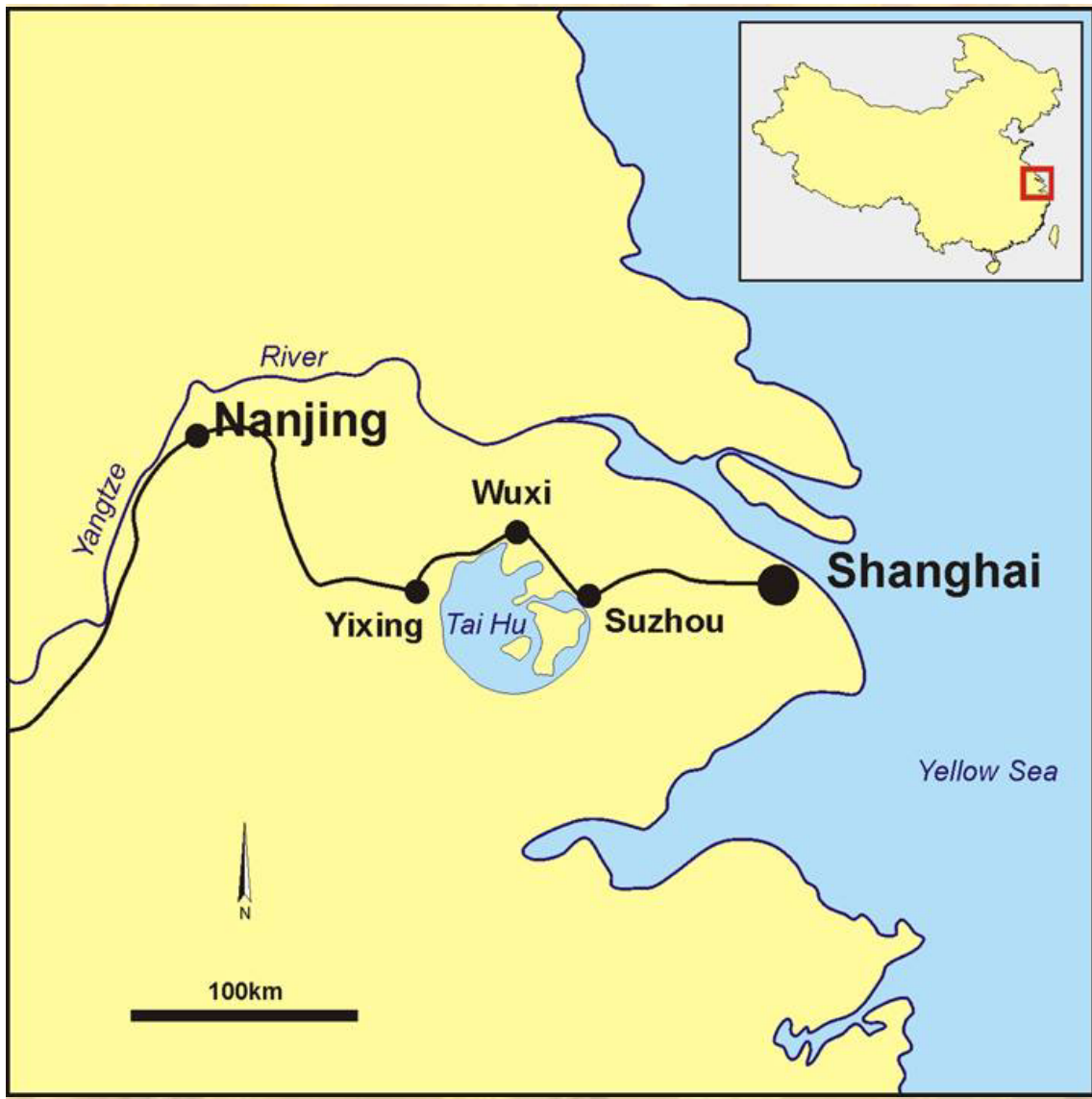
15% Ilmenite

14% Rutile

10% Leucoxene

9% Waste *

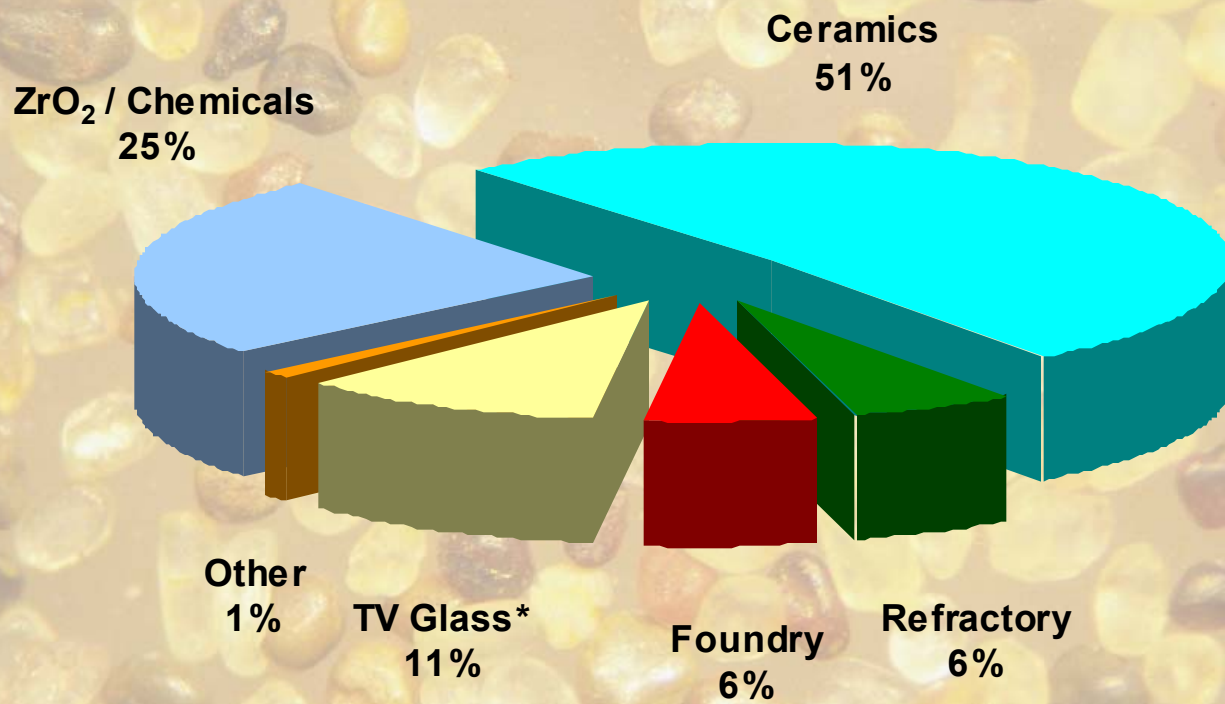
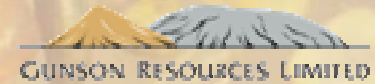
* Overall 4% waste







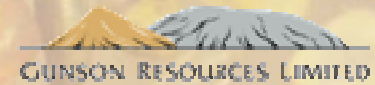
Zircon Market Segments (2004)



Source: Astron, TZMI

* Cathode-ray tube

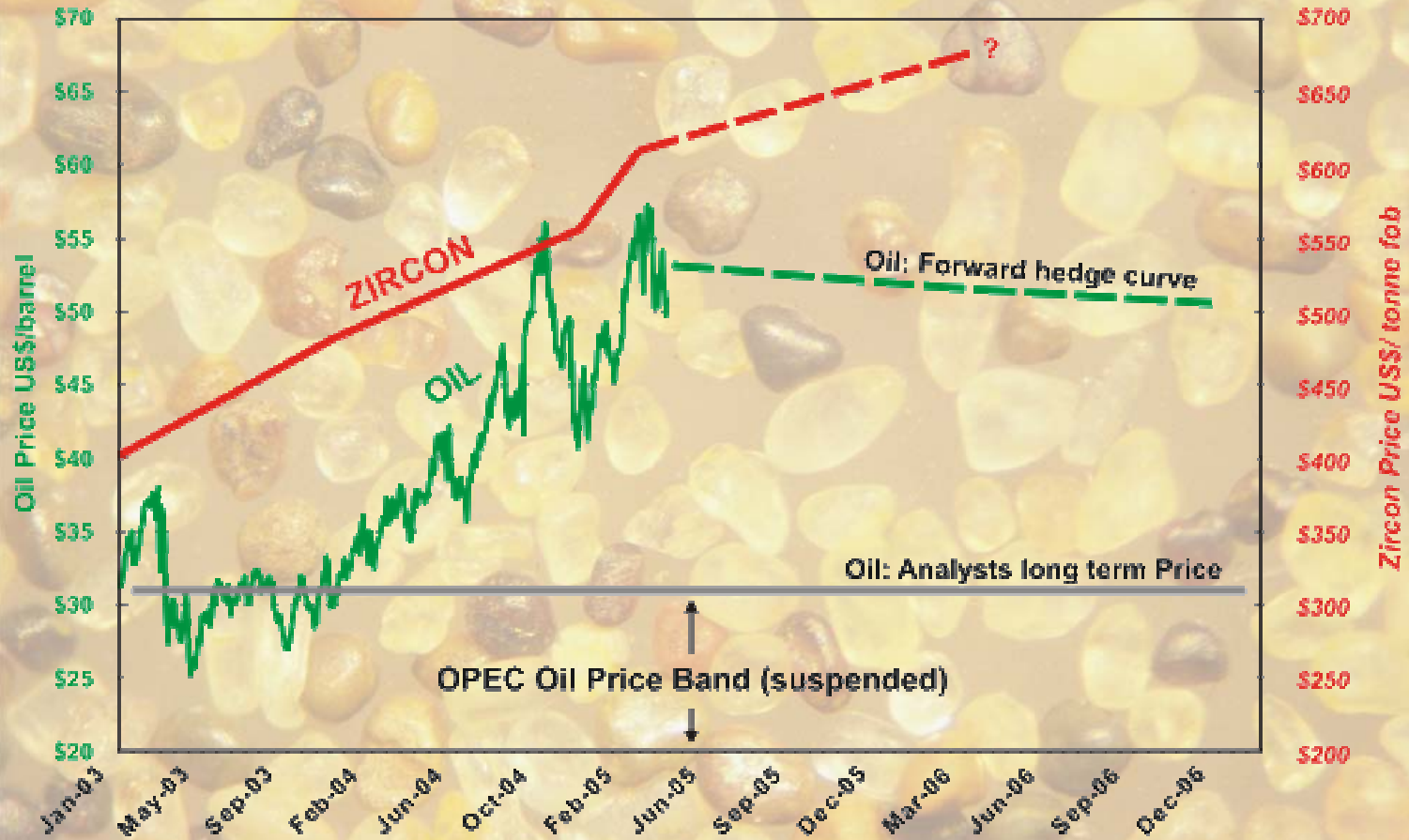
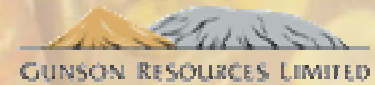
Zircon Market – Segment Growth (1999-2004)



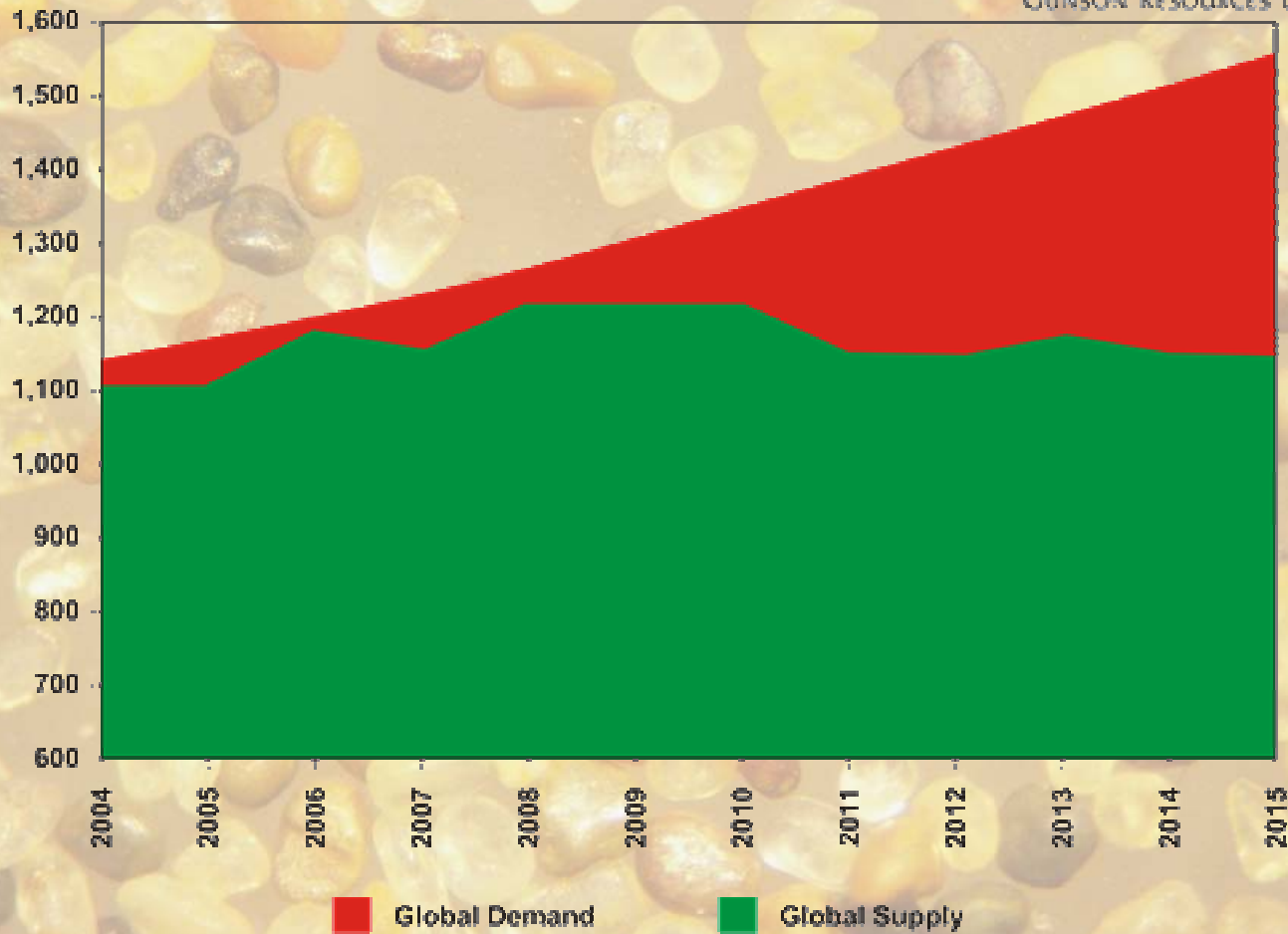
	World Growth %	% due to China
ZrO ₂ /Chemicals	66.7	90.7
Ceramics	32.7	40.3
Refractories	1.9	-
Foundry	-3.6	-
TV Glass*	32.4	83.3

* Cathode-ray tube

Oil and Zircon price curves 2003 - 2006

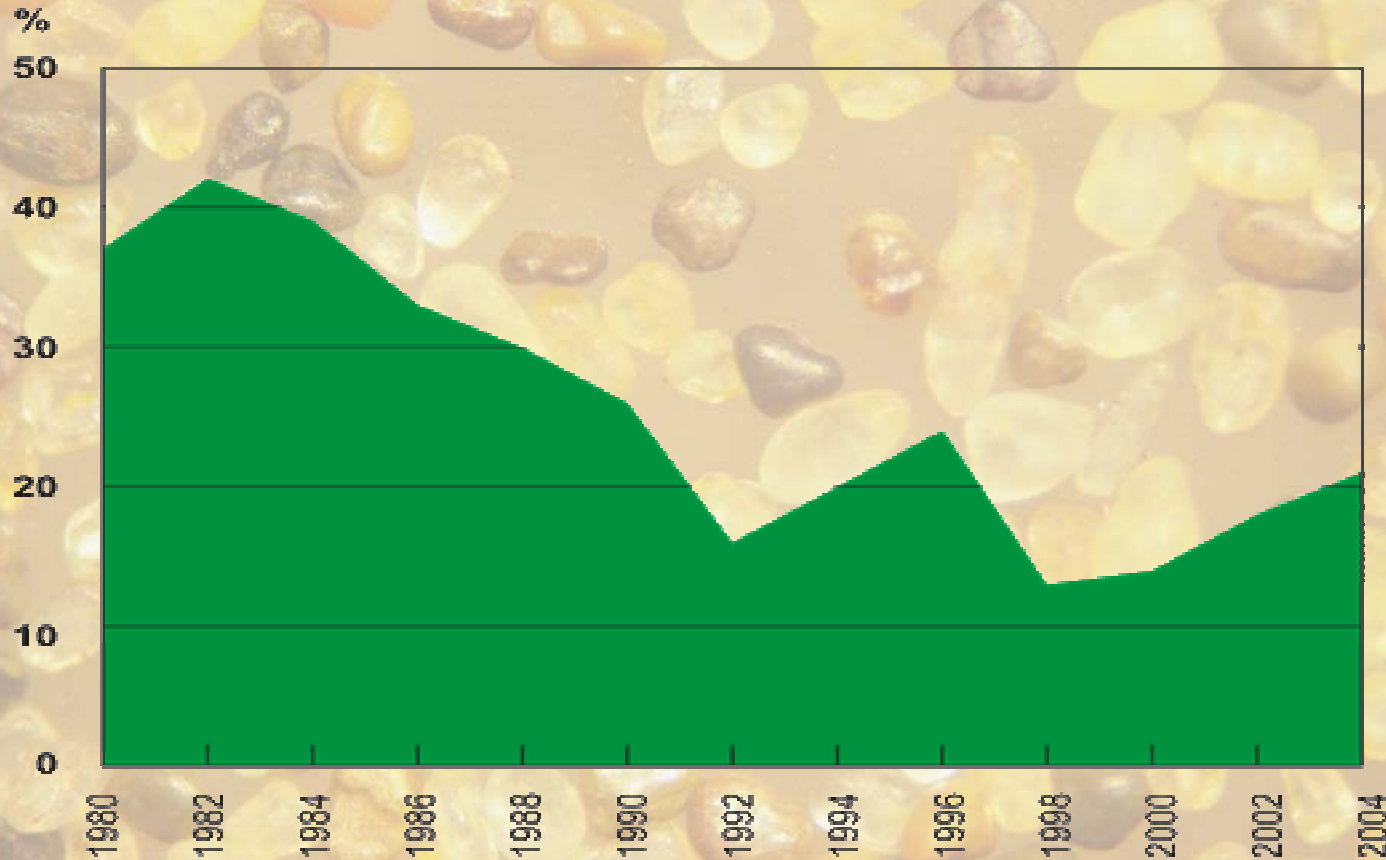
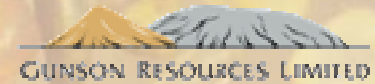


Zircon Market Outlook



Source: Iluka Resources, 2005

Eneabba – % of World Zircon Production 1980-2004



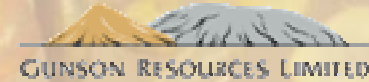
Source: TZMI Mineral Sands Report, March 2005

Coburn Project Schedule 2005 - 2006




	2005		2006			
	Q3	Q4	Q1	Q2	Q3	Q4
Public Review Period						
Proponent Response						
EPA Report to Minister						
Minister's Decision						
Offtake Contracts						
Equipment Supply Contracts						
Construction Contracts						
Financial Closure						
Construction			←			→
Commissioning						↔

Conclusions



- **Coburn on track for first production in late 2006.**
- **Permitting and financing to be completed late 2005.**
- **Coburn is the third largest zircon development project in the world.**
- **Drilling for copper at Mount Gunson near end September.**



GUNSON RESOURCES LIMITED



***David Harley
Diggers and Dealers***

9th August 2005