GUNSON RESOURCES LIMITED

Gunson Resources Limited

ABN 32 090 603 642

Financial report for the half-year ended

31 December 2012

Corporate directory

Board of Directors

David Craig	Non-Executive Chairman
David Harley	Managing Director
Peter Harley	Non-Executive Director
Garret Dixon	Non-Executive Director

Company Secretary

Ian Gregory

Registered and Principal Office

Level 1, 985 Wellington Street
West Perth, Western Australia 6005

Tel: +61 8 9226 3130
Fax: +61 8 9226 3136
Email: enquiries@gunson.com.au

Postal Address

PO Box 1217
West Perth, Western Australia 6872

Website

Website: www.gunson.com.au

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, Western Australia 6008

Share Registry

Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St George's Terrace
Perth, Western Australia 6000

Tel: +61 8 9323 2000
Fax: +61 8 9323 2033

Stock Exchange

Australian Securities Exchange Limited
Level 2, Exchange Plaza
2 The Esplanade
Perth, Western Australia 6000
ASX Code: GUN

Financial report for the half-year ended 31 December 2012

Contents

Directors' report

The Directors of Gunson Resources Limited ("the Company") submit herewith the financial report for the half-year ended 31 December 2012. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows.

Names of Directors

The names of the Directors of the Company during or since the end of the half-year are:

Mr David Craig
Mr David Harley
Mr Peter Harley
Mr Garret Dixon (appointed 5 September 2012)

Review of operations

Highlights of the Company's activities in the second half of 2012 were as follows:

- ***Coburn Zircon Project - Western Australia***

In August 2012, the Company announced that the Board of POSCO had conditionally approved an investment in the Coburn Zircon Project (Project) as a minority joint venture partner, with Gunson holding 60% equity and management. POSCO's investment is to be within an unincorporated joint venture structure, with Gunson's partner being a special purpose vehicle (POSCO SPV), majority owned by POSCO, with a minority interest held by a Korean resource investment fund. The POSCO SPV is to have a 40% interest in the Project, contributing its proportionate share of mine development funds and ongoing operating costs. It will earn its 40% interest by making a $7 million payment to Gunson and then contributing the first $21 million of Gunson's share of mine development expenditure. Each joint venture party will be entitled to its proportional share of the proposed Project's mineral products.

In September 2012, Front End Engineering and Design (FEED) studies for Project mine construction and a lateral natural gas pipeline were completed which confirmed amongst other things capital costs, operating costs, capital schedule and Project returns. On 28 November 2012, the Company announced that a review of Project operating costs had resulted in a 6.3% reduction in the life of mine estimated annual average operating cost.

A conditional financing agreement with the POSCO SPV, known as the Coburn Joint Venture Agreement (JVA), has been substantially agreed between all parties and is expected to be executed subject only to normal internal approvals and a commercial condition being met by the end of February 2013. The Company announced the results of an Optimisation Study (Study) on 26 February 2013 which improved the Project financial returns. The Study expanded ore production from 2,300 to 3,000 tonnes per hour and annual finished product output by 22%, with unit costs reduced by an average of 14%. The combined effects of optimisation and higher ore throughput reduce the mine life from 23 to 19 years. The Board believes that the results of this Study meet the commercial condition and discussions with the POSCO SPV regarding this matter are in progress.

In summary, the JVA provides for the POSCO SPV to fund approximately 54% of the estimated $202 million capital cost of the Project to earn a 40% participating equity interest in it.

- ***Mount Gunson Copper Project - South Australia***

During the half year, the Company's farm-in partner Noranda Pacific Pty Limited (Noranda), part of the Xstrata Copper Business Unit, completed hole MGD 70 at the Elaine Pinchout Prospect at 998 m. Mineralisation in the hole was weak, confined to rare blebs of the copper sulphide chalcopyrite in carbonate veins within mafic units of the Gawler Range Volcanics. Assay results confirmed the visual estimates, with only four samples returning over 0.1% copper, the highest individual sample being 0.2% copper. Noranda has concluded that the lack of iron oxide copper-gold style alteration and mineralisation suggest that no further drilling of the Elaine Pinchout Prospect is warranted.

Project review and target assessment are the main activities planned for the March 2013 quarter. Noranda has until mid-June 2013 to meet the $10 million farm-in expenditure target to earn a further 24% Joint Venture Interest. Cumulative expenditure to date is approximately $3.4 million short.

- ***Other Exploration Projects***

No drilling was carried out on the Fowlers Bay nickel or Tennant Creek gold-copper projects but detailed exploration targeting of the Fowlers Bay project has been completed. Negotiations with the Central Lands Council regarding two of the Tennant Creek exploration licence applications on aboriginal freehold land, ELAs 23946 and 23949 have reached an advanced stage.

Subsequent events

There has not been any matter or circumstance, other than that referred to below, that has arisen since the end of the half year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

(i) On 15 February 2013, the Company announced that it had placed 950,000 shares to a UK investor at 6.5 cents.

(ii) On 26 February 2013, the Company announced the results of an Optimisation Study (Study) on the Coburn Zircon Project which improved financial returns. The Study expanded ore production from 2,300 to 3,000 tonnes per hour and finished product output by 22%, with unit costs reduced by an average of 14%. The combined effects of optimisation and higher ore throughput reduce the mine life from 23 to 19 years. Capital costs have increased to $202 million in order to enable the expanded production base.

(iii) On 14 March 2013, the Company announced the results of a Share Purchase Plan (SPP) commenced on 19 February 2013 with an offer price of 6.5 cents. The SPP closed on 12 March 2013 with the issue of 13,223,121 shares for total gross proceeds of $859,500. At the same time the Company announced that it had placed 3,000,000 shares to a substantial shareholder at 6.5 cents, for a fund raising of $195,000.

Auditor's independence declaration

The auditor's independence declaration as required under s.307C of the *Corporations Act 2001* is included on page 3 and forms part of the Directors' Report for the half- year ended 31 December 2012.

Signed in accordance with a resolution of Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors

D Harley
Managing Director
15 March 2013
Perth, Western Australia

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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

15 March 2013

Gunson Resources Limited
The Board of Directors
Level 1, 985 Wellington Street
West Perth WA 6005

Dear Sirs,

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF GUNSON RESOURCES LIMITED

As lead auditor for the review of Gunson Resources Limited for the half-year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Gunson Resources Limited during the period.

C Burton

Chris Burton
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF GUNSON RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gunson Resources Limited, which comprises the statement of financial position as at 31 December 2012, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Gunson Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gunson Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Gunson Resources Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphases of Matter

Without modifying our conclusion, we draw attention to the matter discussed in Note 1 to the half year financial statements. There is uncertainty as to the recoverability of the exploration and evaluation expenditure assets of Gunson Resources Limited. The recoverability of the exploration and evaluation expenditure assets is dependent upon the successful development and commercialisation of the underlying areas of interest or their sale. This material uncertainty may cast doubt about the company's ability to realise the asset at the values stated in the statement of financial position. Our conclusion is not modified in respect of this matter.

We draw attention to the matter discussed in Note 1 to the half year financial statements. The company will have to seek additional funding if it is to continue as a going concern, repay its debts and carry out its exploration and evaluation activities. If the company is unable to obtain additional funding it may cast significant doubt about the company's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. Our conclusion is not modified in respect of this matter.

BDO Audit (WA) Pty Ltd

BDO

C Burton

Chris Burton
Director

Perth, Western Australia
Dated this 15th day of March 2013

Directors' declaration

In the Directors' opinion:

(a) the financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the half year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Harley

D Harley
Managing Director
15 March 2013
Perth, Western Australia

Statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2012

	Note	31 Dec 2012 $	31 Dec 2011 $
Other income	2	-	10,990
Investment revenue		44,756	110,612
Employee benefits expense		(193,887)	(225,050)
Depreciation and amortisation expense		(1,850)	(2,146)
Share based payment expense		(44,583)	(142,667)
Other expenses		(695,034)	(349,111)
Finance costs		(8,539)	-
Loss before income tax		**(899,137)**	**(397,186)**
Income tax benefit		71,150	-
Loss for the period		**(827,987)**	**(597,372)**
Other comprehensive income for the period, net of income tax		**-**	**-**
Total comprehensive loss for the period		**(827,987)**	**(597,372)**
Loss attributable to:			
Owners of Gunson Resources Limited		**(827,987)**	**(597,372)**
Loss per share:			
Basic (cents per share)		(0.36)	(0.29)
Diluted (cents per share)		n/a	n/a

Notes to the financial statements are included on pages 11 to 14.

Statement of financial position as at 31 December 2012

	Note	31 Dec 2012 $	30 Jun 2012 $
Current assets			
Cash and cash equivalents		405,071	1,920,143
Trade and other receivables		766,598	600,777
Total current assets		**1,171,669**	**2,520,920**
Non-current assets			
Property, plant and equipment		28,238	28,294
Exploration and evaluation expenditure	3	31,384,177	28,902,943
Other assets		484,675	484,676
Trade and other receivables		1,231,313	1,231,313
Total non-current assets		**33,128,403**	**30,647,226**
Total assets		**34,300,072**	**33,168,146**
Current liabilities			
Trade and other payables		670,524	818,082
Borrowings		509,670	501,131
Provisions		32,276	23,579
Total Current liabilities		**1,212,470**	**1,342,792**
Non-current liabilities			
Provisions		90,557	84,905
Total non-current liabilities		**90,557**	**84,905**
Total liabilities		**1,303,027**	**1,427,697**
Net assets		**32,997,045**	**31,740,449**
Equity			
Contributed equity	4	40,051,044	38,011,044
Reserves	5	1,575,961	1,531,378
Accumulated losses		(8,629,960)	(7,801,973)
Total equity		**32,997,045**	**31,740,449**

Notes to the financial statements are included on pages 11 to 14.

Statement of changes in equity

for the half-year ended 31 December 2012

	Issued Capital $	Equity-settled employee benefits reserve $	Accumulated losses $	Total $
Balance at 1 July 2012	**38,011,044**	**1,531,378**	**(7,801,973)**	**31,740,449**
Comprehensive income for the year				
Loss for the period	-	-	(827,987)	(827,987)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half-year	**-**	**-**	**(827,987)**	**(827,987)**
Transactions with owners in their capacity as owners				
Issue of shares	2,088,000	-	-	2,088,000
Share issue costs	(48,000)	-	-	(48,000)
Recognition of share-based payments	-	44,583	-	44,583
Balance at 31 December 2012	**40,051,044**	**1,575,961**	**(8,629,960)**	**32,997,045**
Balance at 1 July 2011	**35,611,044**	**1,335,211**	**(6,983,803)**	**29,962,452**
Comprehensive income for the year				
Loss for the period	-	-	(597,372)	(597,372)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half-year	**-**	**-**	**(597,372)**	**(597,372)**
Transactions with owners in their capacity as owners				
Recognition of share-based payments	-	142,667	-	142,667
Balance at 31 December 2011	**35,611,044**	**1,477,878**	**(7,581,175)**	**29,507,747**

Notes to the financial statements are included on pages 11 to 14.

Statement of cash flows
for the half-year ended 31 December 2012

	31 Dec 2012 $	31 Dec 2011 $
Cash flows from operating activities		
Payments to suppliers and employees	(691,991)	(652,060)
Other income	-	10,990
Interest received	38,162	93,103
Net cash used in operating activities	(653,829)	(547,967)
Cash flows from investing activities		
Payments for exploration and evaluation	(2,658,175)	(1,091,518)
Payments for property, plant and equipment	(1,793)	(2,396)
Proceeds from other investments	-	2,000,000
Net cash (used in)/provided by investing activities	(2,659,968)	906,086
Cash flows from financing activities		
Proceeds from issues of shares	2,088,000	-
Payment for share issue costs	(48,000)	-
Payment for funding facility establishment fees	(241,275)	-
Net cash provided by financing activities	1,798,725	-
Net (decrease)/ increase in cash and cash equivalents	**(1,515,072)**	**358,119**
Cash and cash equivalents at the beginning of the period	1,920,143	1,233,448
Cash and cash equivalents at the end of the period	**405,071**	**1,591,567**

Notes to the financial statements are included on pages 11 to 14.

Notes to the financial statements for the half-year ended 31 December 2012

1. Significant accounting policies

Statement of compliance

The half-year financial statements are a general purpose financial statement prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting'*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 '*Interim Financial Reporting'*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements made by Gunson Resources Limited during the half-year period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The half-year financial report was authorised for issue by the Directors on 15 March 2013.

Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2012 annual financial report for the financial year ended 30 June 2012, except for the impact of the Standards and Interpretations described below. Theses accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2012, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2012.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

This interim financial report was approved by the Board of Directors on 15 March 2013.

Significant accounting judgements and key estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these half-yearly statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2012.

Exploration and Evaluation Expenditure

There is uncertainty as to the recoverability of the deferred exploration and evaluation expenditure assets of Gunson Resources Limited. The recoverability of the deferred exploration expenditure assets is dependent upon the successful development and commercialisation of the underlying asset of interest or their sale. This material uncertainty may cast doubt about the Company's ability to realise the asset at the values stated in the statement of financial position.

Going Concern

As at 31 December 2012, the Company has a working capital deficit of $40,801 (current assets less current liabilities). The Company had cash on hand at 31 December 2012 of $405,071.

The Company has trade and other payables at 31 December 2012 of $670,524. Excluding other current assets there was insufficient cash on hand at 31 December 2012 to meet the trade and other payables commitments.

The Company also has office lease and exploration expenditure commitments.

The operating commitments of the Company will require further funding in the next twelve months.

The Company has met its working capital commitments by successfully completing a gross $859,500 Share Purchase Plan and a share placement of $195,000 both announced on 14 March 2013.

The Directors are satisfied that the Company continues to operate as a going concern by raising further funds as required and base this view on the following factors:

- the Company's ability to continue to manage its working capital; and
- the Company's demonstrated ability to raise capital as required.

There are a number of inherent uncertainties about the achievement of the Company's future plans including but not limited to:

- finalisation of a joint venture agreement with POSCO SPV;
- managing the Company's working capital requirements;
- raising additional funds via debt or equity as and when required; and
- instability in the debt and equity markets.

Should the Company not be able to manage the inherent uncertainties referred to above, including sourcing additional working capital as and when required, there would be significant uncertainty as to whether the Company would be able to meet its debts as and when they fall due and thus continue as a going concern. The Directors are confident that they will be able to complete any future required fund raising.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts or classifications of liabilities that might be necessary should the Company not be able to continue as a going concern.

2. Other income

	31 Dec 2012 $	31 Dec 2011 $
Joint venture management fees *	-	10,990
Rebates and other income	-	-
	-	10,990

* Management of the Mount Gunson Joint Venture was transferred to Xstrata Copper on 1 January 2012.

3. Exploration expenditure evaluation

	31 Dec 2011 $	30 Jun 2012 $
Carried forward expenditure	28,902,943	25,662,823
Capitalised during the period	2,481,234	3,274,792
Impairment of exploration expenditure (i)	-	(34,672)
	31,384,177	28,902,943

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining tenements.

(i) No impairment expense has been recognised for the half-year ended 31 December 2012. An amount of $34,672 was recognised for the year ended 30 June 2012 as a result of the abandonment of certain tenements within the Company's projects.

4. Issued Capital

Fully paid ordinary shares

Issued capital as at 31 December 2012 amounted to $40,051,044 (238,254,823 fully paid ordinary shares).

Fully paid ordinary shares	**December 2012**		**June 2012**	
	Number of shares	**$**	**Number of shares**	**$**
Balance at beginning of year	220,854,823	38,011,044	208,854,823	35,611,044
Share placement issued at 20 cents per share on 6 February 2012	-	-	12,000,000	2,400,000
Share placement issued at 12 cents per share on 31 August 2012	17,400,000	2,088,000	-	-
Share issue costs	-	(48,000)	-	-
Balance at the end of period	238,254,823	40,051,044	220,854,823	38,011,044

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in the proceeds on winding up of the Company in proportion to the number of shares held.

Share options on issue

As at 31 December 2012, the Company had 5,850,000 share options on issue (30 June 2012: 5,850,000) exercisable on a 1:1 basis for 5,850,000 shares (30 June 2012: 5,850,000) at various exercise prices. During the half-year ended 31 December 2012, no options were converted into shares (30 June 2012: nil) and no options expired (30 June 2012: 800,000).

5. Reserves

	31 Dec 2012 $	**30 Jun 2012** $
Balance at beginning of period	1,531,378	1,335,211
Recognition of share-based payments (i)	44,583	196,167
Balance at end of period	1,575,961	1,531,378

The equity-settled employee benefits reserve arises on the grant of share options to executives, employees, consultants and advisors. Amounts are transferred out of the reserve and into issued capital when the options are exercised.

(i) Total expenses arising from share-based payment transactions recognised during the half-year ended 31 December 2012 as part of employee benefit expense was $44,583 (30 June 2012: $196,167).

6. Segment information

The Company operates in one business segment and one geographical segment, namely the mineral exploration industry in Australia only. AASB 8 '*Operating Segments*' states that similar operating segments can be aggregated to form one reportable segment. Also, based on the quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. However, none of the other operating segments currently meet any of the prescribed quantitative thresholds and as such do not have to be reported separately. Gunson Resources Limited has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenues and results of this segment are those of the Company as a whole and are set out in the statement of profit or loss and other comprehensive income. The segment assets and liabilities of this segment are those of the Company and are set out in the statement of financial position.

7. Contingencies and commitments

There has been no significant change in commitments and contingent liabilities since the last annual reporting date.

8. Related party transactions

Remuneration arrangements of key management personnel are disclosed in the annual financial report. Arrangements with related parties continue to be in place. For details of these arrangements, please refer to the 30 June 2012 annual financial report.

Key management personnel continue to receive compensation in the form of short term employee benefits, post-employment benefits and share-based payments.

Mr Garret Dixon was appointed as a Non-Executive Director on 5 September 2012 and in accordance with the Company's remuneration policy receives an annual salary of $54,500.

9. Dividends

No dividends were paid or declared for the half-year ended 31 December 2012 and the Directors have not recommended the payment of a dividend.

10. Subsequent events

There has not been any matter or circumstance, other than that referred to below, that has arisen since the end of the half year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

(i) On 15 February 2013, the Company announced that it had placed 950,000 shares to a UK investor at 6.5 cents.

(ii) On 26 February 2013, the Company announced the results of an Optimisation Study (Study) on the Coburn Zircon Project which improved financial returns. The Study expanded ore production from 2,300 to 3,000 tonnes per hour and finished product output by 22%, with unit costs reduced by an average of 14%. The combined effects of optimisation and higher ore throughput reduce the mine life from 23 to 19 years. Capital costs have increased to $202 million in order to enable the expanded production base.

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