

**ENCOURAGEMENT  
IN DRILLING AT THE CHIANTI  
COPPER PROSPECT – MOUNT GUNSON,  
SOUTH AUSTRALIA**

The first hole of the 2007 drilling program at Chianti Prospect, MGD 44, has intersected hematitic Gawler Range Volcanic rocks immediately below the base of the cover sequence at 292 metres. This is the first intersection of Gawler Range Volcanic rocks at Chianti Prospect and is considered to be encouraging for the reasons stated below.

The volcanics at the top of the basement in hole MGD 44 are brecciated and veined by dark grey hematite to 390 metres, then in turn underlain by thinly bedded, locally hematitic and sericitic tuffaceous rocks to 451 metres.

Below this depth, there is a complex mix of chloritised dolerite, intrusive sub volcanic dacites and strongly altered, possible Hiltaba age granite, with a granitic zone containing rounded quartz cobbles up to 8 centimetres across between 589-592 metres. Apart from the zone between 589-592 metres, the granite is not brecciated. The hole was stopped in altered granite at 607 metres.

From a geological point of view, the rocks described above are encouraging, suggesting an interface between near-surface intrusive and extrusive (above surface) volcanics. Such an environment is considered to be more favourable for high tenor copper mineralisation.

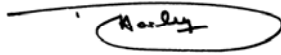
Evidence of high tenor copper mineralisation has been seen previously at Chianti in drill holes MGD 34 and MGP 31 completed in 2006 and 2002 respectively (see attached map). Bornite, a high tenor copper sulphide was observed in both of these holes and MGD 34 intersected 2 metres of 3.4% copper from 549 metres.

No significant copper sulphide mineralisation was observed but the core from MGD 44 has been taken to Adelaide for priority sampling and assay.

The Company is encouraged by the first diamond drill hole of this year's program at Chianti Prospect and looks forward to further drilling currently in progress. Hole MGD 45, the second hole of the Chianti program is being drilled at an angle of 60 degrees west and is currently in cover sequence rocks at 414 metres. It is expected to pass into basement at approximately 500 metres.

The drilling program is being funded by Noranda Pacific Pty Ltd, part of Xstrata Copper, who have the right to earn a 51% interest in the Mount

Gunson Project by spending \$3.5M on exploration within 3 years of 15<sup>th</sup> June 2006.



**D N HARLEY  
MANAGING DIRECTOR**

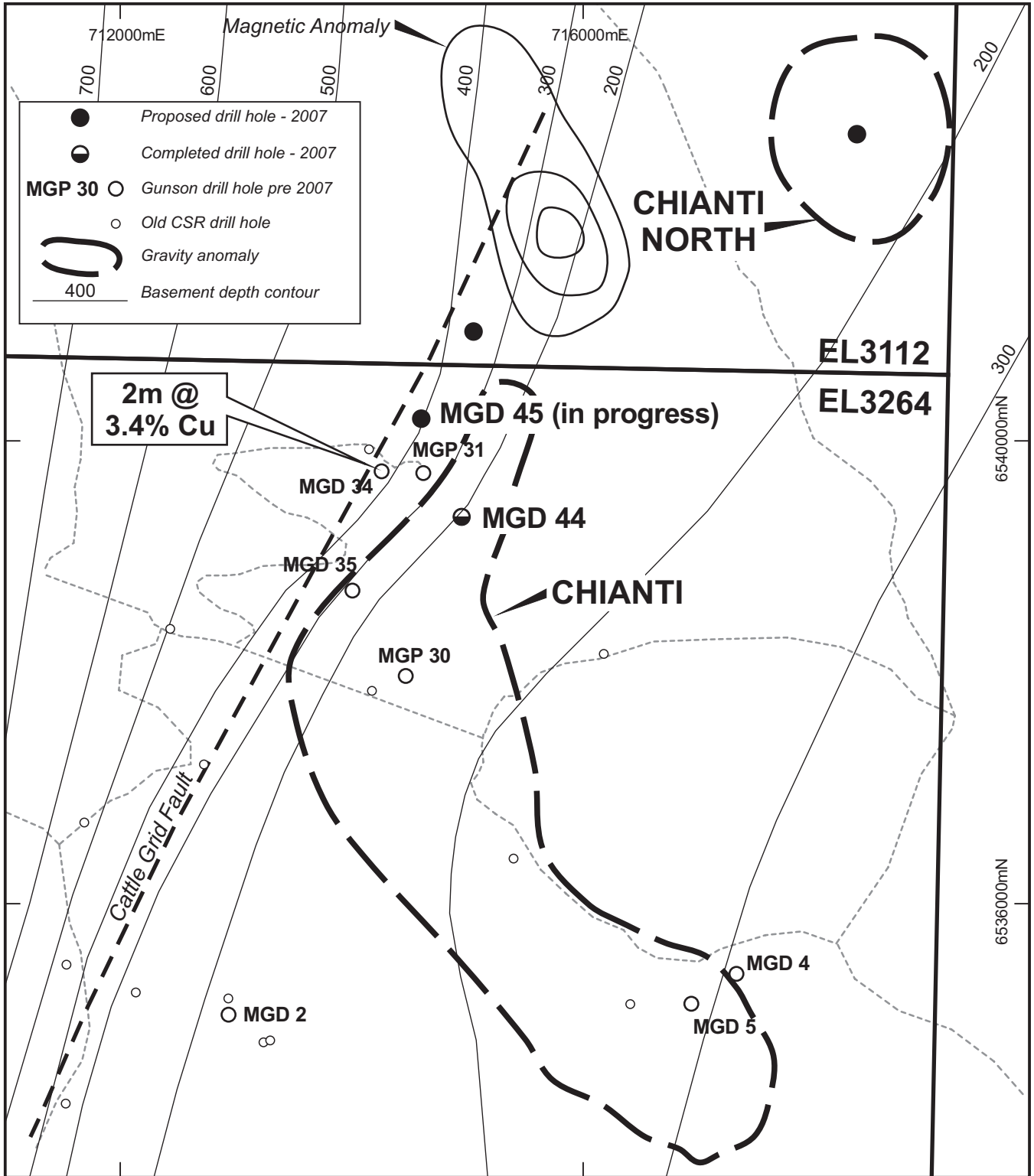
**Attachment:** Chianti Prospects Drilling Program - 2007

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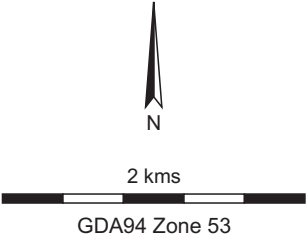
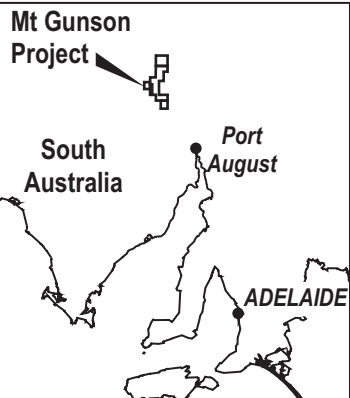
**ATTRIBUTION**

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr D N Harley, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Harley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



**2m @  
3.4% Cu**

- Proposed drill hole - 2007
- ◐ Completed drill hole - 2007
- MGP 30 ◯ Gunson drill hole pre 2007
- Old CSR drill hole
- Gravity anomaly
- 400 Basement depth contour



<b>Gunson Resources Ltd</b>	
<b>MOUNT GUNSON PROJECT</b>	
<b>Chianti Prospects</b>	
<b>Drilling Program - 2007</b>	
Scale : NTS	File : Chianti Prospect Drilling
Date : 3 Apr. 2007	Program 2007 02.cdr