



ABN 32 090 603 642

ASX RELEASE
18th March 2008

**COBURN ZIRCON PROJECT -
VISIT TO CTIEC IN CHINA
6-11th MARCH 2008**

Gunson Resources Limited (ASX Code: GUN, "**Gunson**") visited China from 6th -11th March and is pleased to report on its progress with Chinese company CTIEC towards the development of Gunson's Coburn Zircon Project in Western Australia, the world's third largest zircon development project in terms of projected annual zircon production.

The purpose of Gunson's visit to China was to review CTIEC's turnkey proposal for the construction of the Coburn Zircon Project, along with associated infrastructure in Australia and China and to discuss recent improvements in zircon product quality and recoveries, as reported in Gunson's December 2007 Quarterly Report.

Managing Director David Harley said, "As a major consumer of zircon, CTIEC recognises the value of the Coburn Zircon Project to China's long-term growth and prosperity. My discussions with CTIEC established that further reductions in both the Project capital and estimated operating costs can be realised and these will be reviewed again when a technical delegation from CTIEC visits Gunson in Perth in April. It is my expectation that both CTIEC and Gunson will then progress to a final investment and development agreement by mid 2008."

Investment in the Coburn Zircon Project is a matter of long-term strategic importance to CTIEC who requires a reliable long-term supply of zircon for its new high-technology glass and ceramic factories being built in CTIEC's modern Glass and New Materials High Technology Industrial Park at Bengbu in China. Meanwhile, as the engineering arm of China National Building Material Company (CNBM), CTIEC proposes to build the Coburn Project facilities on a turnkey basis, including a non magnetic mineral separation plant (MSP) in the Bengbu industrial park.

"Recent test work on reducing the titanium dioxide content of the Coburn zircon has been successful and we anticipate making further reductions, which will ultimately enhance the value and quality of our zircon product," Mr. Harley added.

**D N HARLEY
MANAGING DIRECTOR**

Investor enquiries:

Telephone: (08) 9226 3130
Facsimile: (08) 9226 3136
Email: enquiries@gunson.com.au
Website: www.gunson.com.au
Address: PO Box 1217, West Perth
Western Australia 6872
Media: Tony Dawe 0413 322 110