



GUNSON RESOURCES LIMITED



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AGM 2008

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Presentation Focus



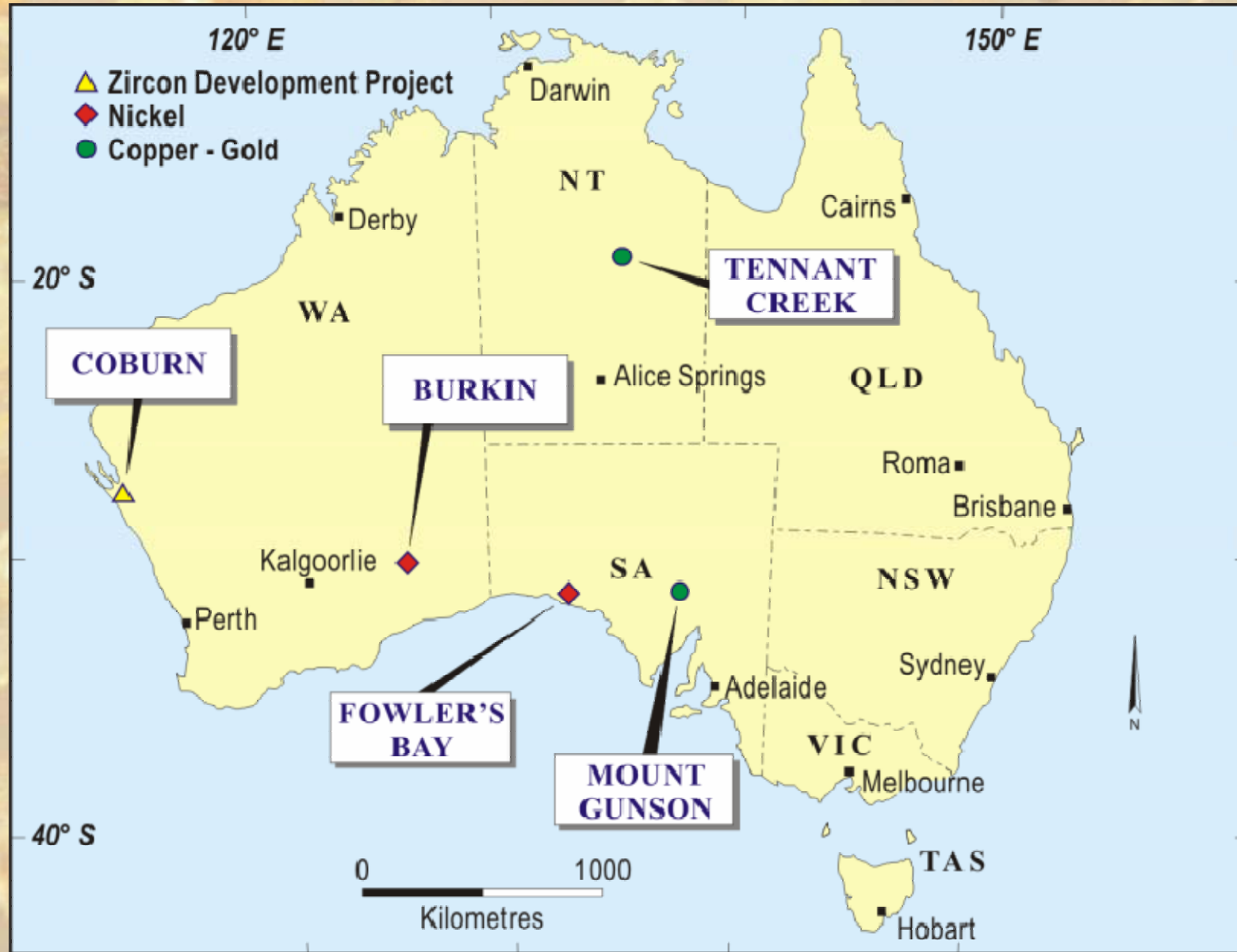
Coburn Zircon Development Project

- Fully permitted for construction
- Ore reserve upgraded to 17.5 year mine life
- Significant recent improvement in financial returns

Mount Gunson Copper Exploration Project

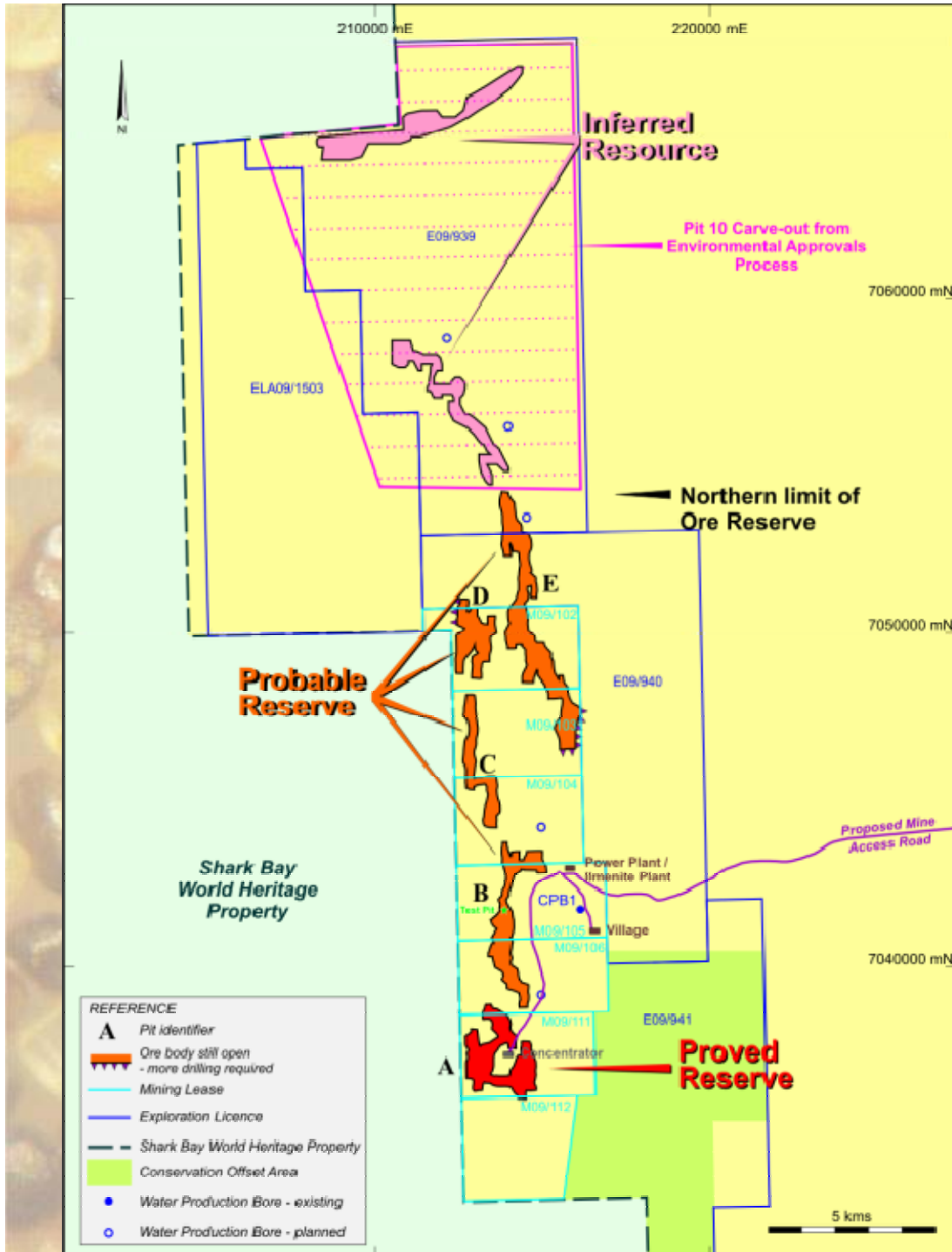
- Feasibility study in progress
- 200,000 tonnes copper metal in situ

Project Location Map



Coburn – Regional Setting





Amy Zone

Ore Reserves & Potentially Mineable Resources

Coburn Heavy Mineral Ore Reserves



Reserve Category	Pit No.	Ore – Million Tonnes	HM Grade (%)	Zircon (%)	Ilmenite (%)	Rutile (%)	Leucoxene (%)
Proved	A	51	1.3	24	46	5	6
Probable	B-E	255	1.2	23	48	7	4
Total		306	1.2	23	48	7	5

Reserve categories above are as per the JORC code. Competent persons for these reserves are given on page 24 of Gunson's 2008 Annual Report.

Coburn Estimated Annual Production



Product	Annual tonnes	Key Specification	% of Revenue
* Zircon	40,000	66% ZrO ₂	66
Ilmenite	84,000	62% TiO ₂	21
* Rutile	9,000	95% TiO ₂	9
* Others	10,300	Leuc, 2ndry Ilmen, Kyanite	4

To be sold fob Australia

* 81,000 tpa of non-magnetic concentrate shipped to China

Large Global Greenfields Development Projects



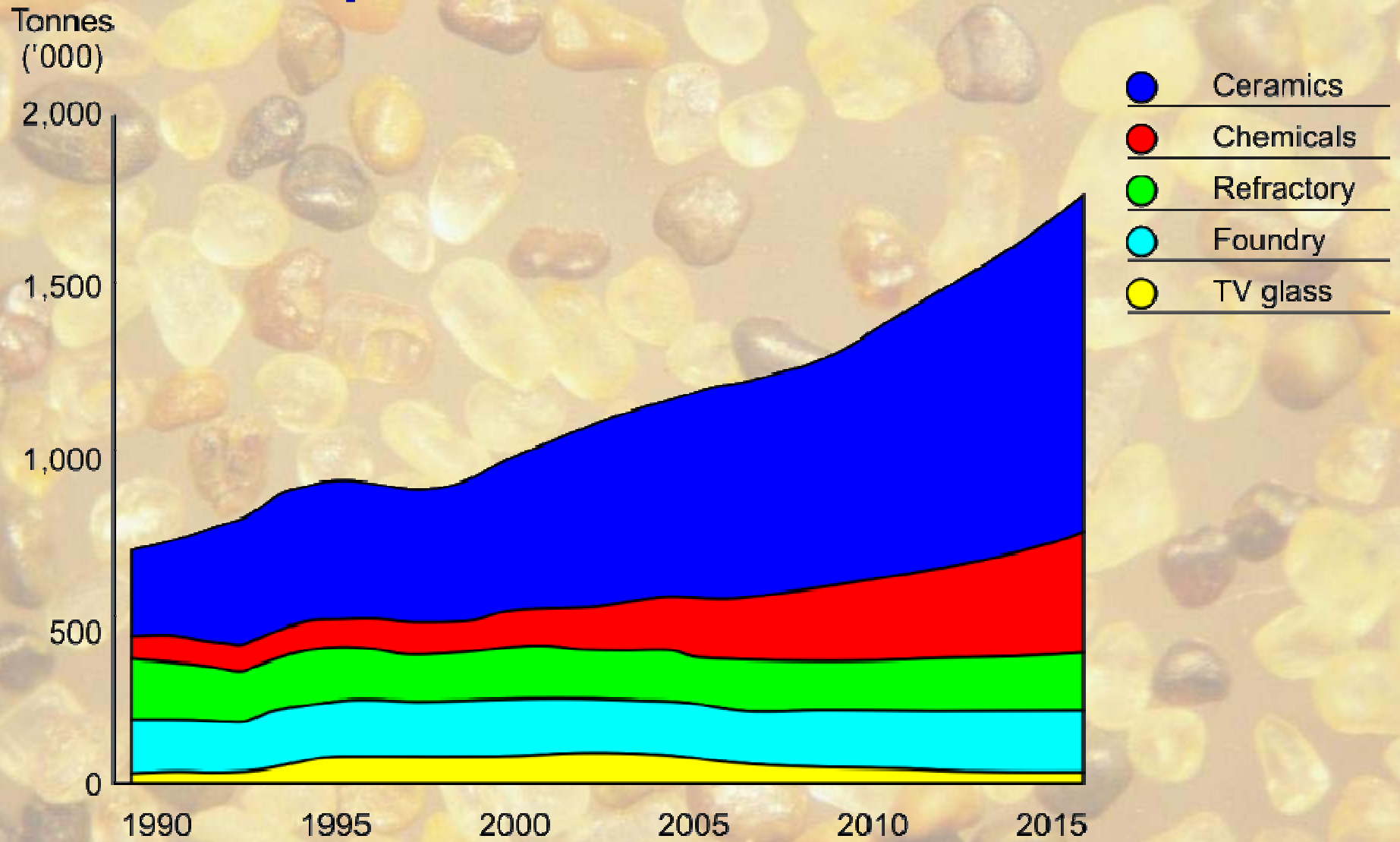
<u>Under Construction</u>	TiO ₂ UNITS *	ZIRCON *	Zircon Rank	TiO ₂ : ZIRCON
Madagascar (Rio Tinto)	470	25		18.8
Eucla Basin (Iluka)	110	300	1	0.4
<u>Completed BFS</u>				
Kwale (Tiomin)	In Force Majeure	37		6.2
Senegal (Min Deposits)	11 #	80	2	4.0+
Corridor (BHPB)	215	20		11.0
Coburn (Gunson)	60	40	3	1.6

Australia

Africa

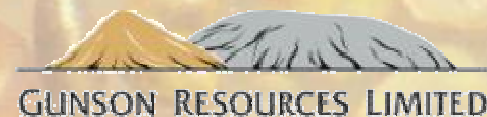
* ,000 tonnes per annum # Ilmenite excluded + Ilmenite included

End-use Trends for Zircon Consumption 1990 - 2015



Source: TZMI

Zircon Demand by Region, 2007



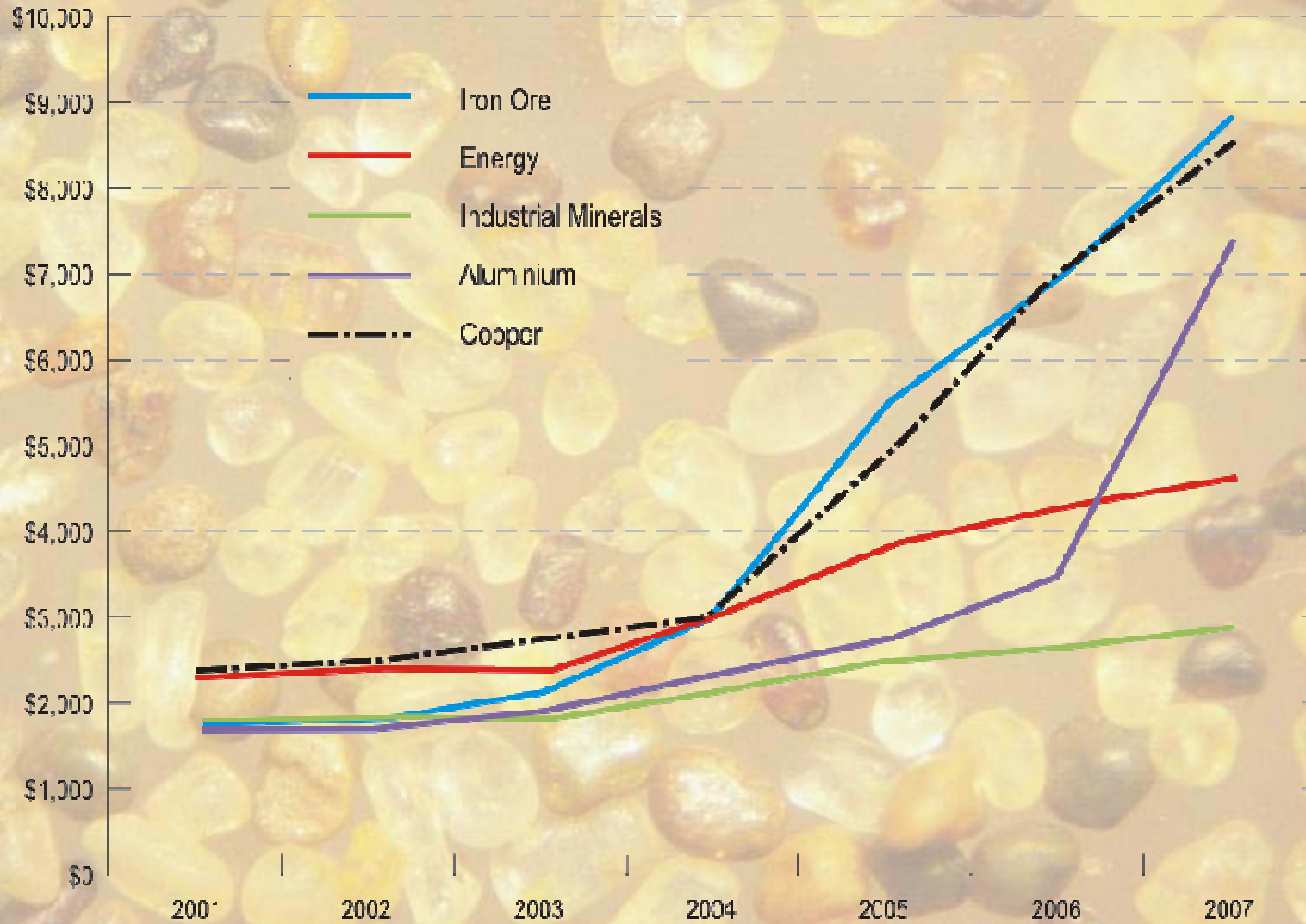
● Europe	30%
● China	30%
● Other Asia-Pacific	16%
● North America	12%
● Japan	5%
● Other countries	7%

Source: TZMI

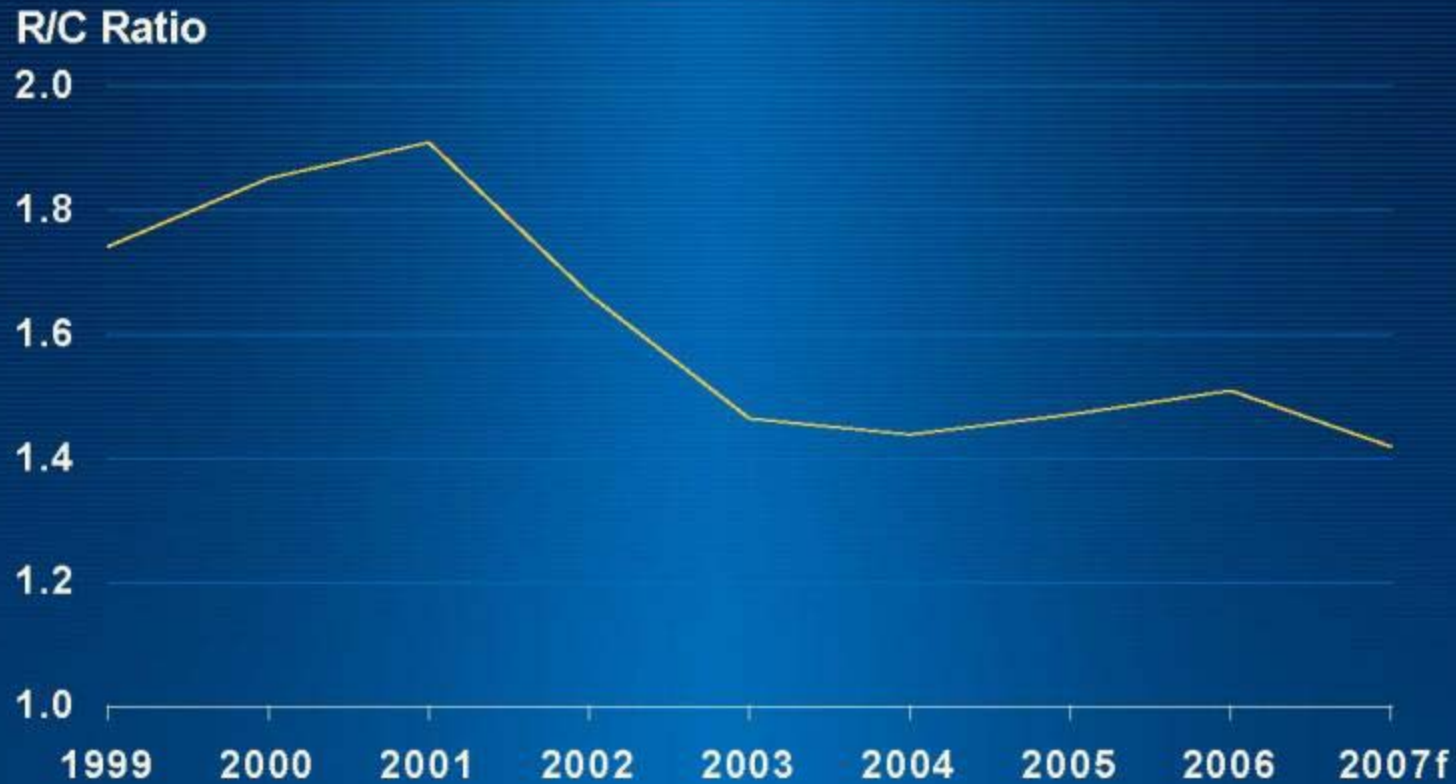
Rio Tinto – Gross Turnover by Business Unit 2000-2007



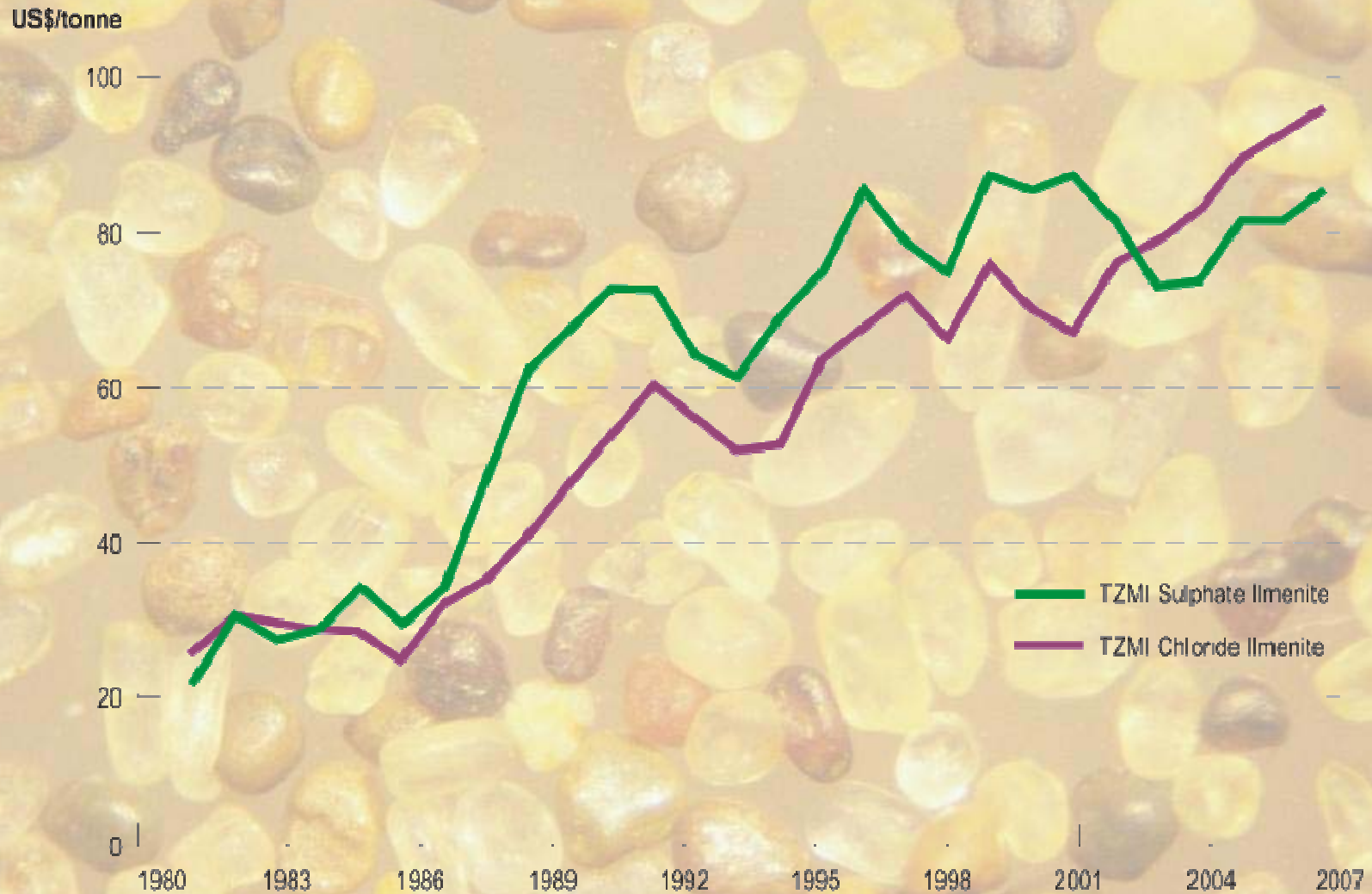
Gross Turnover



Industry average R/C ratio: 1999 - 2007

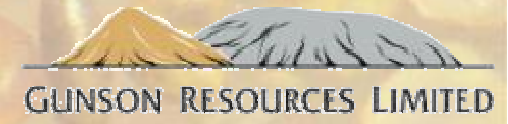


Historical Ilmenite - Nominal FOB Prices



Source: TZMI

Zircon Sand – Nominal FOB Prices



Coburn – Attractions for Investors



- 1. Fully permitted for construction.**
- 2. Long mine life – 17.5 years of JORC ore reserves.**
- 3. Front end engineering done / fully costed.**
- 4. High confidence in product quality & flow sheet.**
- 5. Very tight zircon market due to supply deficit – strong price forecast for 2009.**

Status of Chinese Negotiations



- **The Balloch Group (TBG) engaged in September 2008 to assist in China negotiations.**
- **TBG have introduced well credentialed potential investors and construction contractors.**
- **CTIEC advised that Gunson will not accept them as the general construction contractor.**
- **Gunson confident of attracting investor(s) by early 2009.**

Summary - Coburn

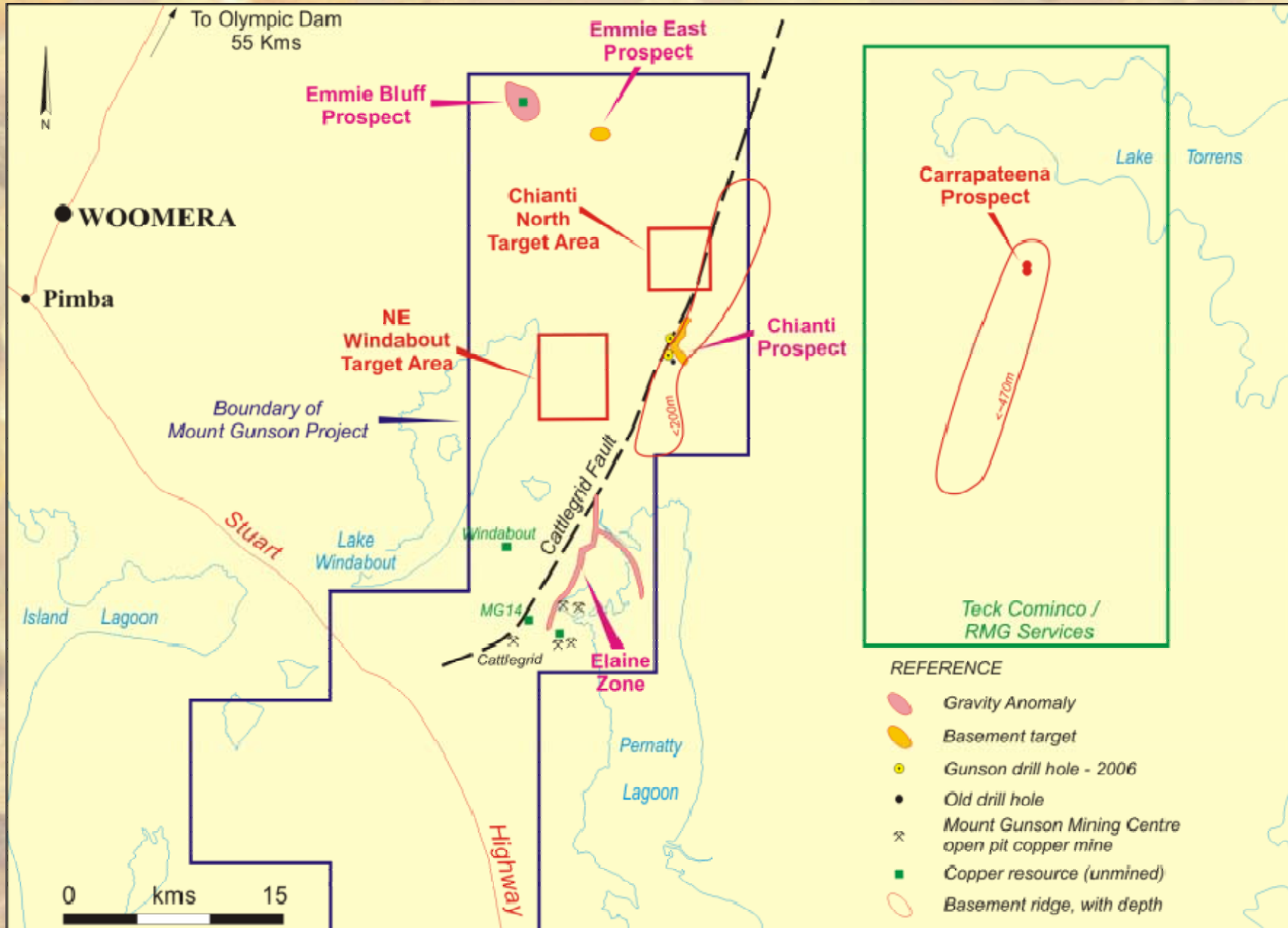


- **Coburn is currently the third largest greenfield zircon development project in the world.**
- **Estimated financial returns doubled due to improved metallurgical recoveries and increased \$US zircon price/decreased exchange rate with \$US.**
- **58 week construction period estimated.**
- **Very tight zircon market due to global supply problems.**

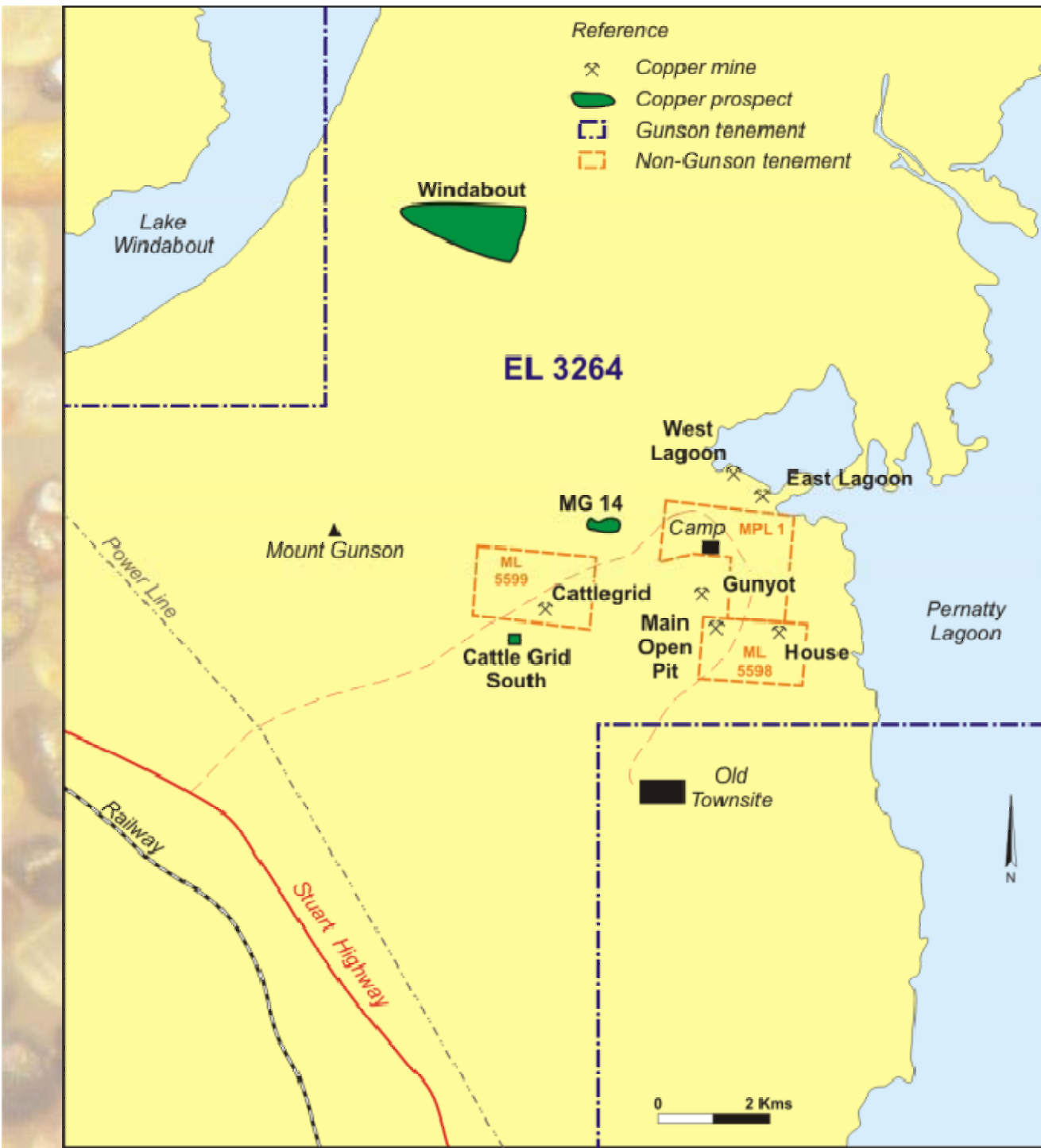


South Australian Copper Belt

Mount Gunson Copper Prospects



Mount Gunson – Shallow Copper Deposits



Mount Gunson Copper Resources



<u>Prospect</u>	<u>Tonnes (million)</u>	<u>% Cu</u>	<u>% Co</u>	<u>Depth (m)</u>	<u>Contained Copper (t)</u>
Windabout ✱	18.7	1.0	0.05	70	187,000
MG 14 ✱	1.1	1.7	0.04	25	18,700
Cattlegrid South •	0.7	1.7	-	65	11,900
Emmie Bluff •	24.0	1.3	0.06	400	312,000

Resource categories above are as per the JORC code, shown as symbols in the left hand column, ✱ for indicated, • for inferred.

Competent persons for these resources are given on page 24 of Gunson's 2008 Annual Report.



Feasibility Study – MG14

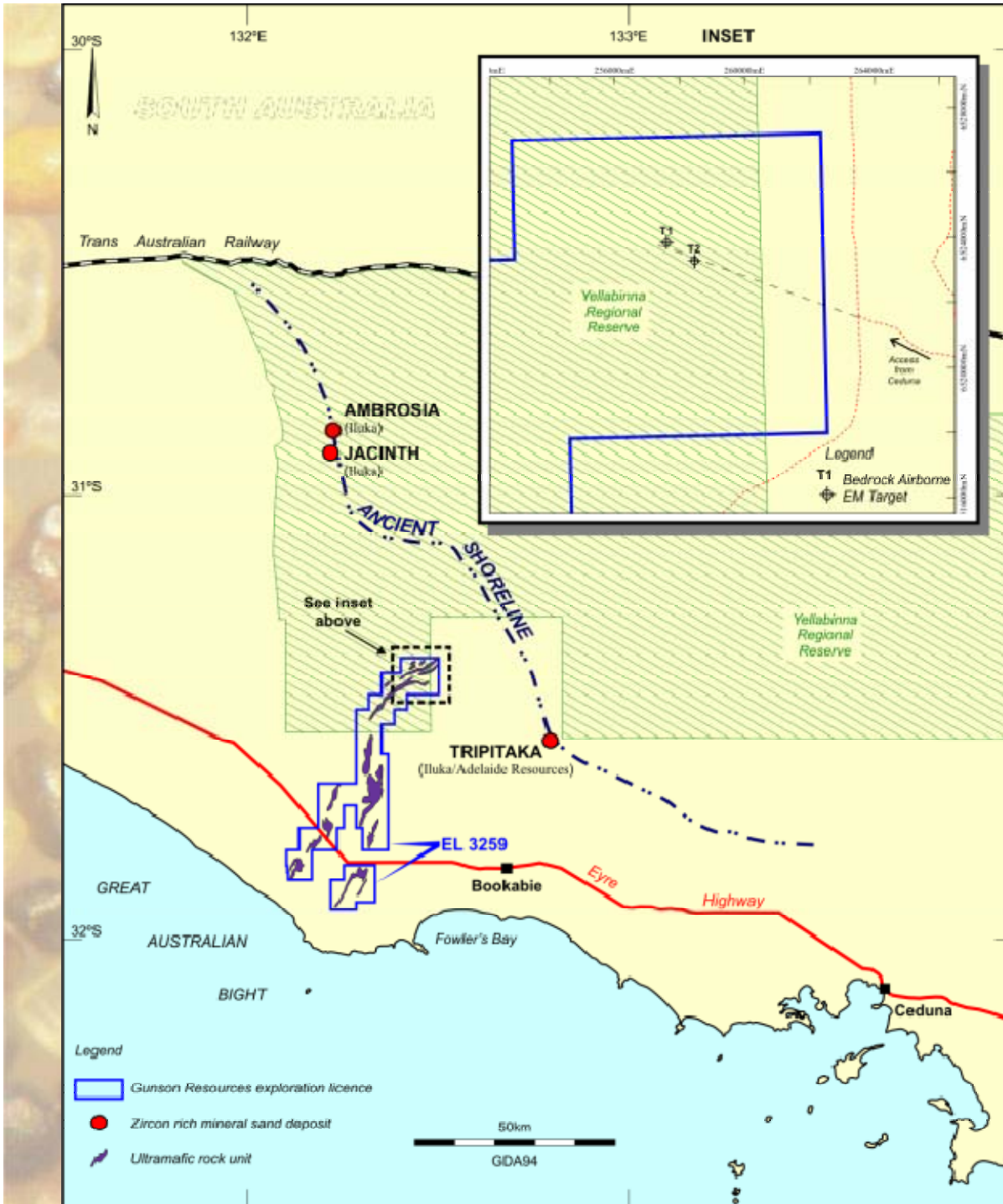


- **Commenced April 2008**
- **1.1M tonnes @ 1.7% Cu, depth 25m**
- **Windabout 187,000t Cu @ 70m**
- **Mines Trust to partner Gunson**
- **Drilling completed late July 2008**
- **Metallurgical test work in progress**

Summary – Mount Gunson



- **Low capital/operating cost production potential**
- **Feasibility study due for completion mid 2009**
- **Xstrata Copper keen to continue funding deep exploration**



Fowler's Bay Project

Conclusions



- **Fully permitted zircon development project at Coburn with strong interest from potential Chinese partners.**
- **Good strategic fit for Chinese – zircon offtake in a very tight market and good financial returns.**
- **Shallow, undeveloped copper resources at Mount Gunson. 200,000 tonnes copper metal in situ (excluding Co credits).**
- **Strong exploration upside – copper, nickel, gold.**



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