

ASX RELEASE
21st March 2007

DRILLING AT THE MOUNT GUNSON COPPER PROJECT - SOUTH AUSTRALIA

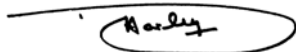
Drilling progress at Emmie East Prospect improved considerably since the Company's announcement last week and hole MGD 42 has been completed in basement rocks at a depth of 1023 metres.

The hole passed through the cover-basement contact at 939 metres, some 240 metres deeper than anticipated. Basement comprised pervasively hematite-altered Gawler Range Volcanics, with occasional flecks of purple-black fluorite, a common accessory mineral in iron oxide associated copper-gold deposits. No sulphides were observed and brecciation is minor and localised.

The basement core will be assayed once it has been sampled in Adelaide next week but there is no evidence in it of the cause of the gravity geophysical anomaly MGD 42 was aimed at. An infill gravity survey to better define the peak of the anomaly in relation to MGD 42 is planned, prior to geophysical modelling to ascertain the case for further drilling.

The next hole in the drilling program described in the Company's release of 13th February, hole MGD 44 at Chianti Prospect, commenced today and basement is expected from approximately 200 metres. The location of this hole in relation to previous drilling at Chianti, including hole MGD 34 which intersected 2 metres of 3.4% copper, is shown on the attached diagram.

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 15th June 2006.



D N HARLEY
MANAGING DIRECTOR

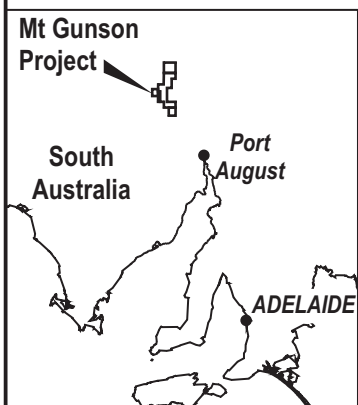
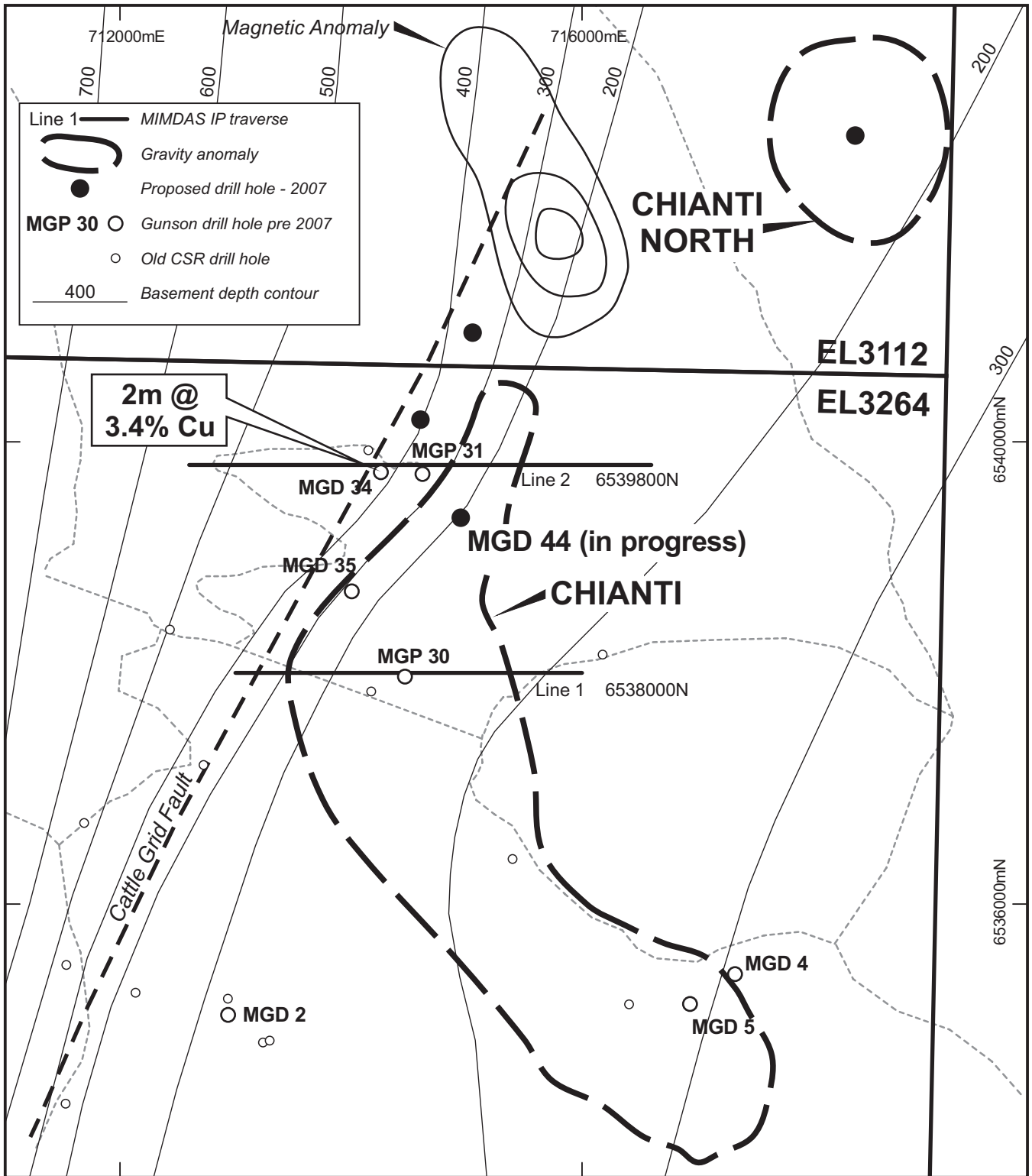
Attachment: Chianti Prospects Drilling Program - 2007

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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.



Gunson Resources Ltd	
MOUNT GUNSON PROJECT	
Chianti Prospects	
Drilling Program - 2007	
Scale : NTS	File : Chianti Prospect Drilling Program 2007.cdr
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