



**GUNSON RESOURCES LIMITED**



**David Harley**  
**Mining 2007 - Brisbane**

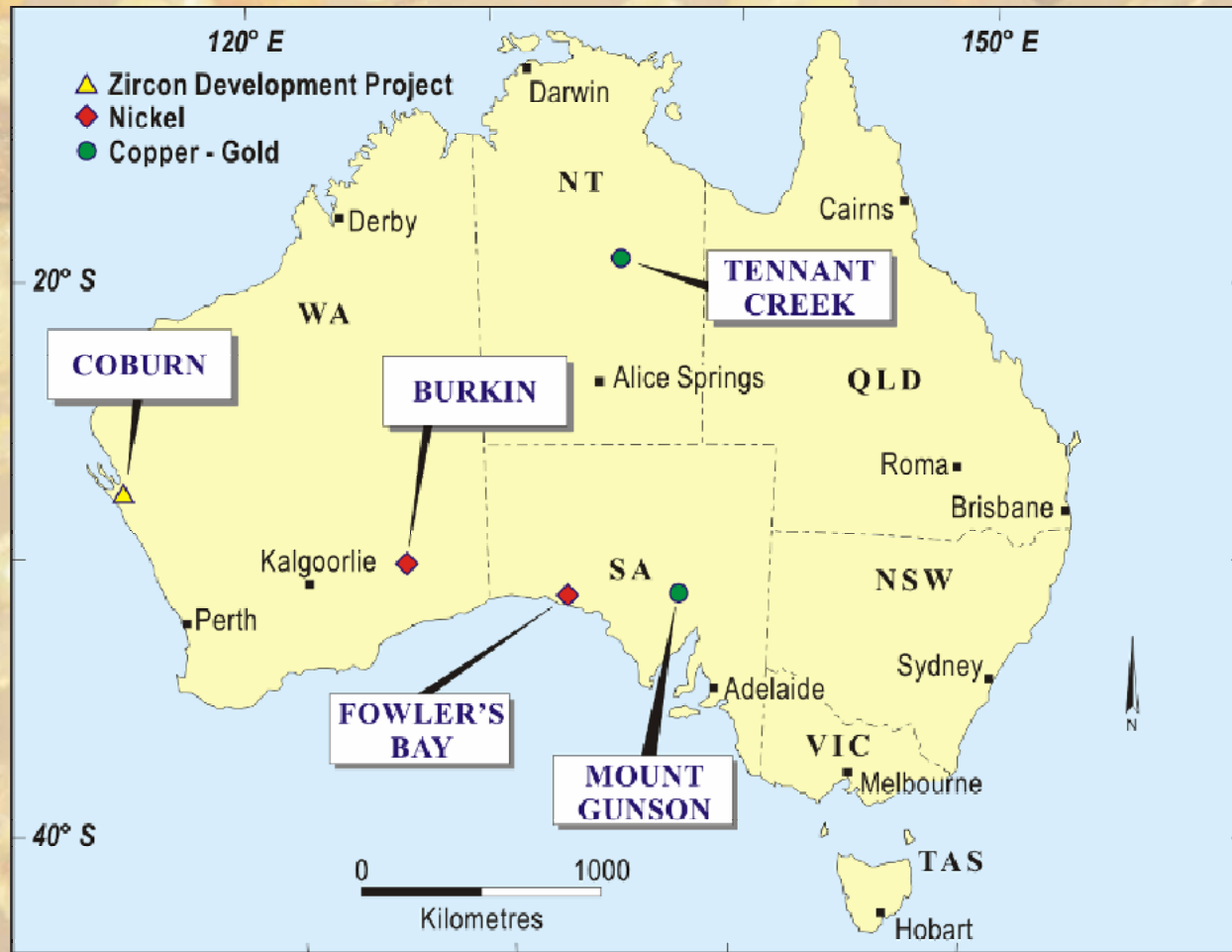
**31<sup>st</sup> October 2007**

# Corporate Summary



- **Shares** **108.7M**
- **Unlisted Options** **3.7M (30/35c)**
- **Cash** **\$1.0M**
- **Share Price** **\$0.22**
- **Market Cap.** **\$23.9M**
- **No Substantial Shareholders (over 5%)**

# Project Location Map







# South Australian Copper Belt

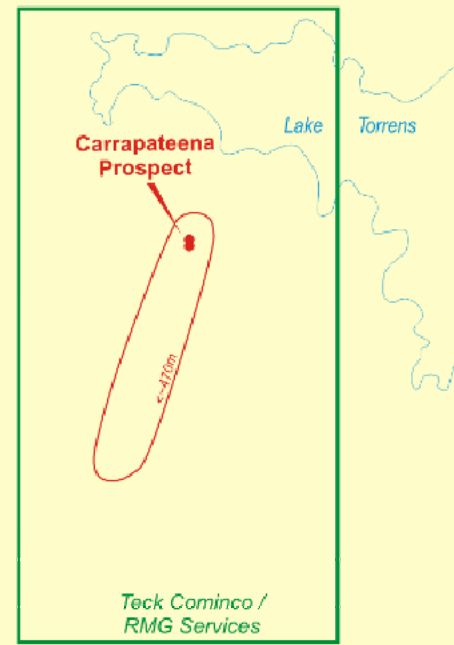
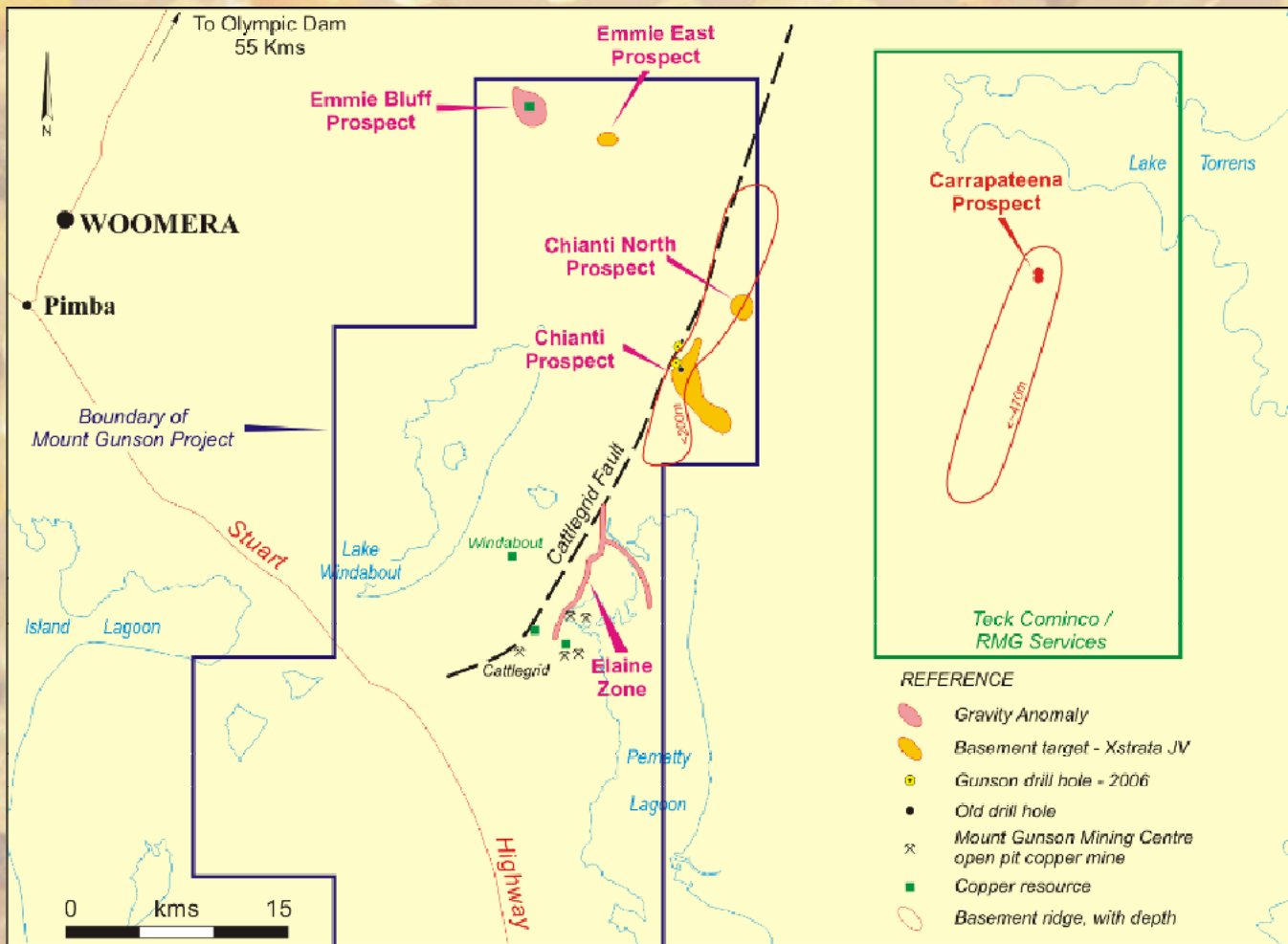
# Mount Gunson JV Terms

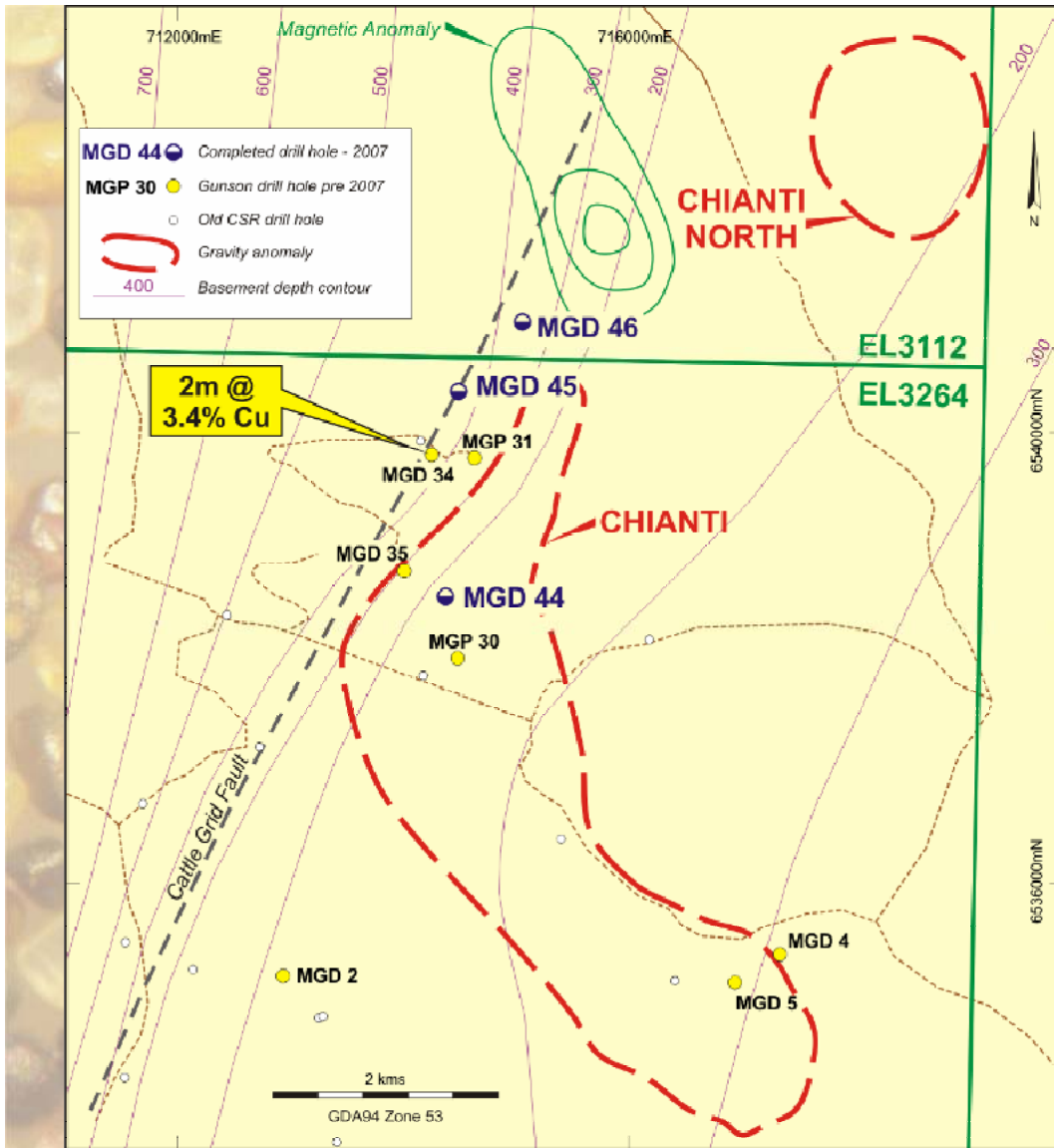


- **Commenced 15<sup>th</sup> June 2006**
- **Xstrata to spend \$3.5M in 3 years for 51% interest**
- **Then another \$6.5M in extra 3 years for additional 24%**
- **Total \$10M in 6 years for 75%**
- **Xstrata has spent \$1.0M to date – must spend \$2.5M in 1.7 years to stay in**
- **Gunson managing exploration**

# Mount Gunson Target Areas

GUNSON RESOURCES LIMITED

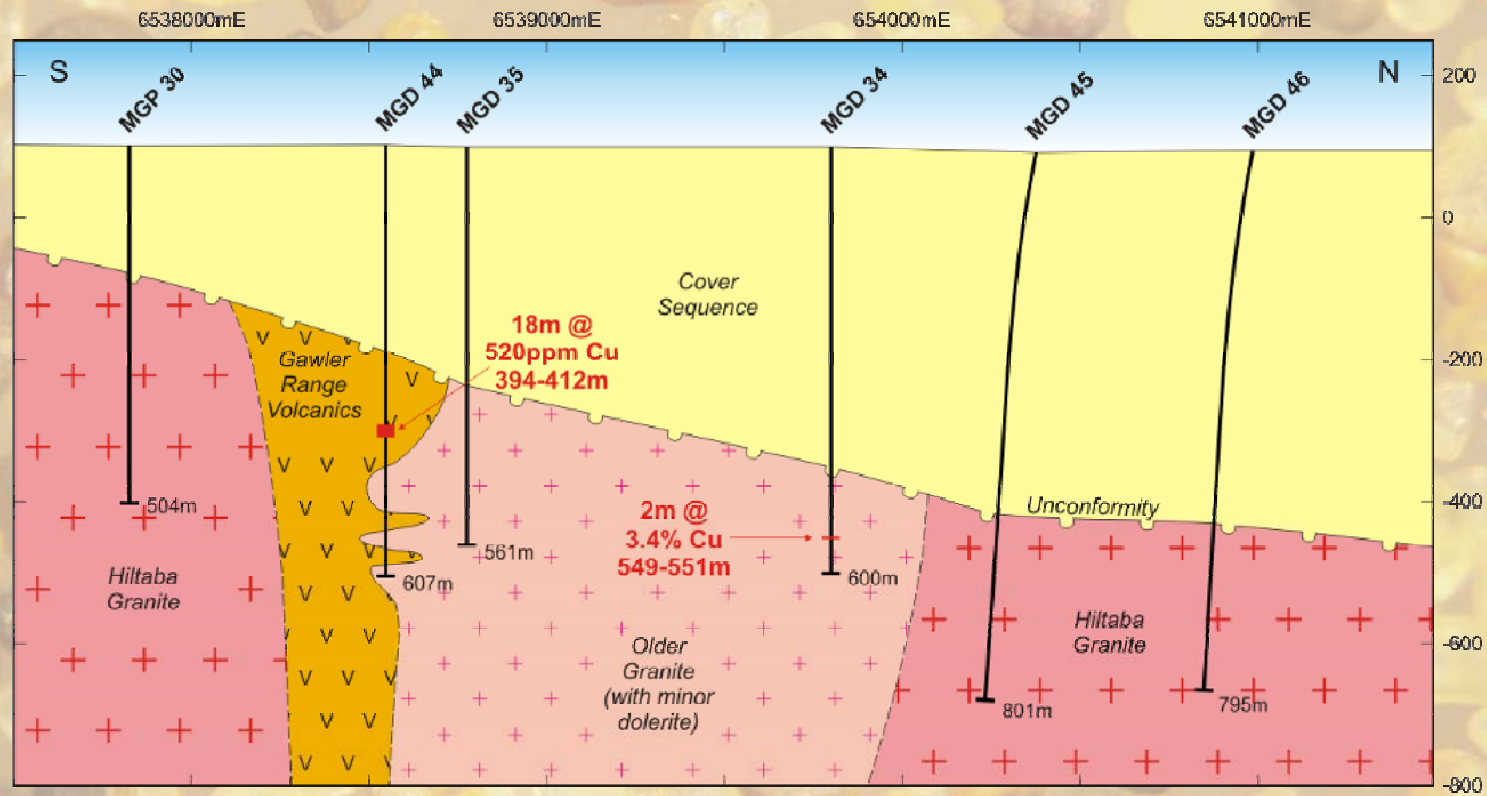




# Chianti Prospect - Plan



# Chianti Cross Section at 714,600mE





## Mount Gunson Copper Resources



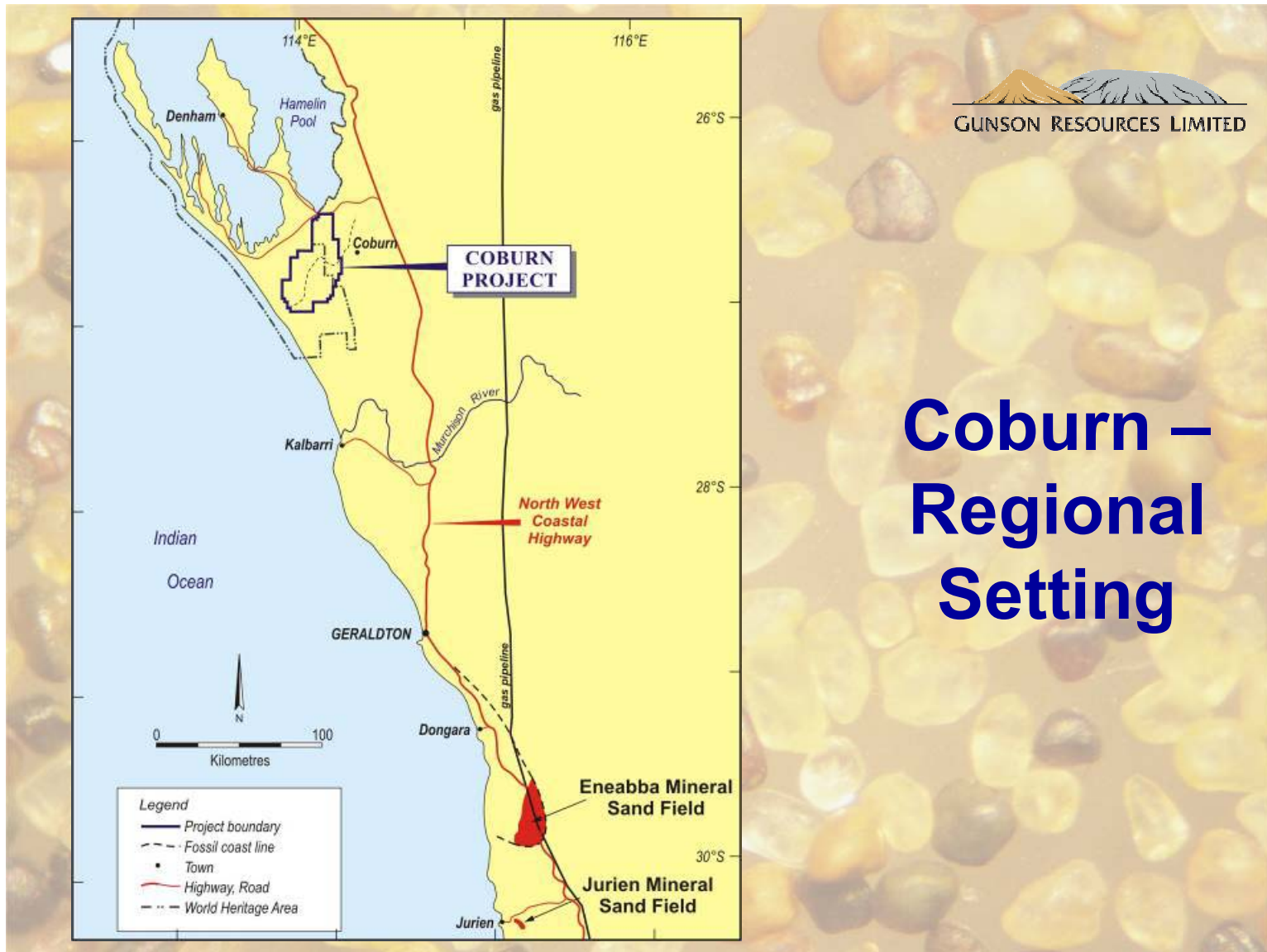
<u>Prospect</u>	<u>Tonnes</u> <u>(M)</u>	<u>% Cu</u> <u>equiv*</u>	<u>Depth</u> <u>(m)</u>
Windabout	18.7	1.8	70
MG 14	1.5	2.3	25
Cattlegrid South	0.7	1.7	65
Emmie Bluff	24.0	2.2	400

\* Co credits factored in @ 15 x Cu

# Mount Gunson Summary



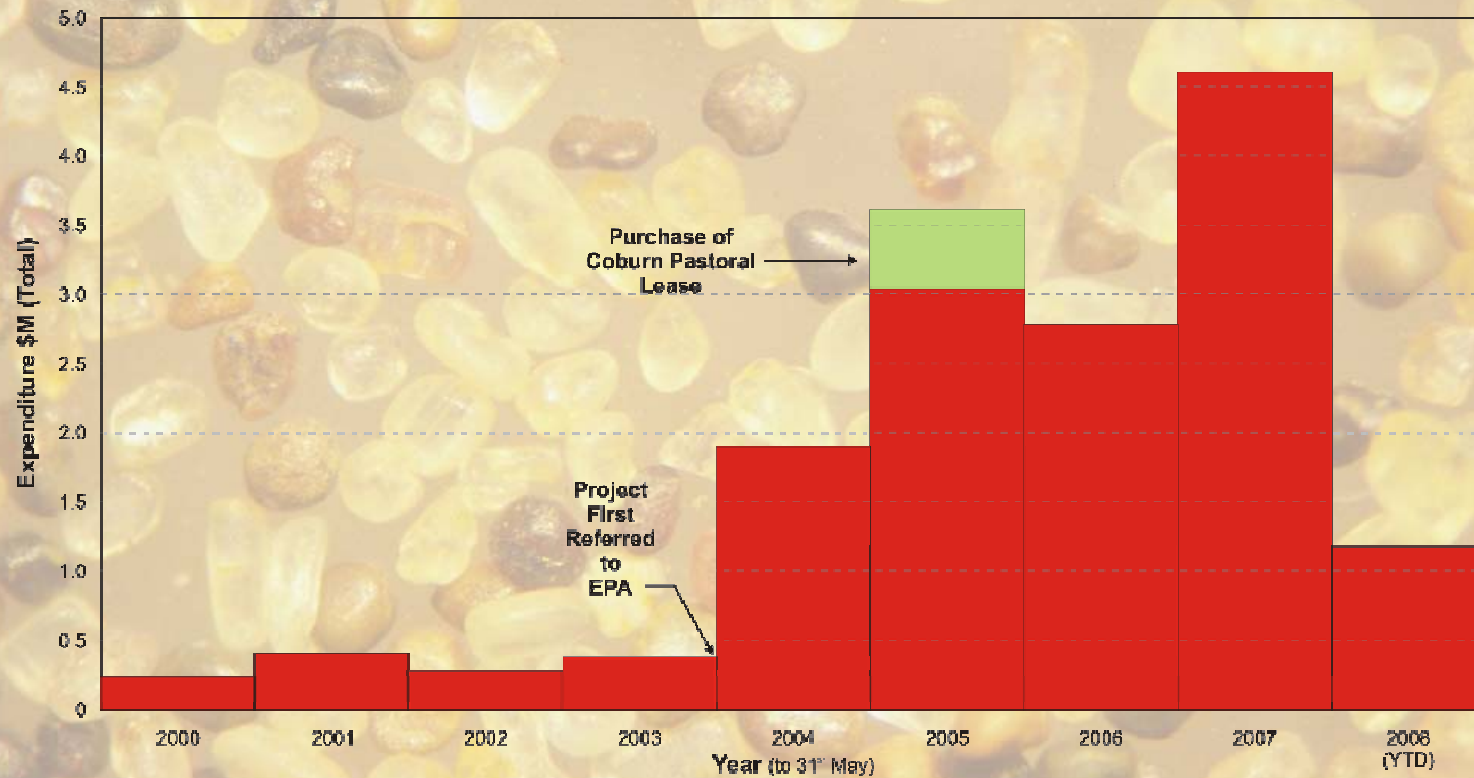
- **Work fully funded by Xstrata Copper.**
- **Xstrata must spend \$2.5M in 1.7 years to stay in.**
- **Drilling for basement Copper-Uranium-Gold targets scheduled for December 2007.**
- **Windabout open pit copper prospect being reviewed. 18.7 M tonnes @ 1% copper, with cobalt/silver credits. 70m depth.**



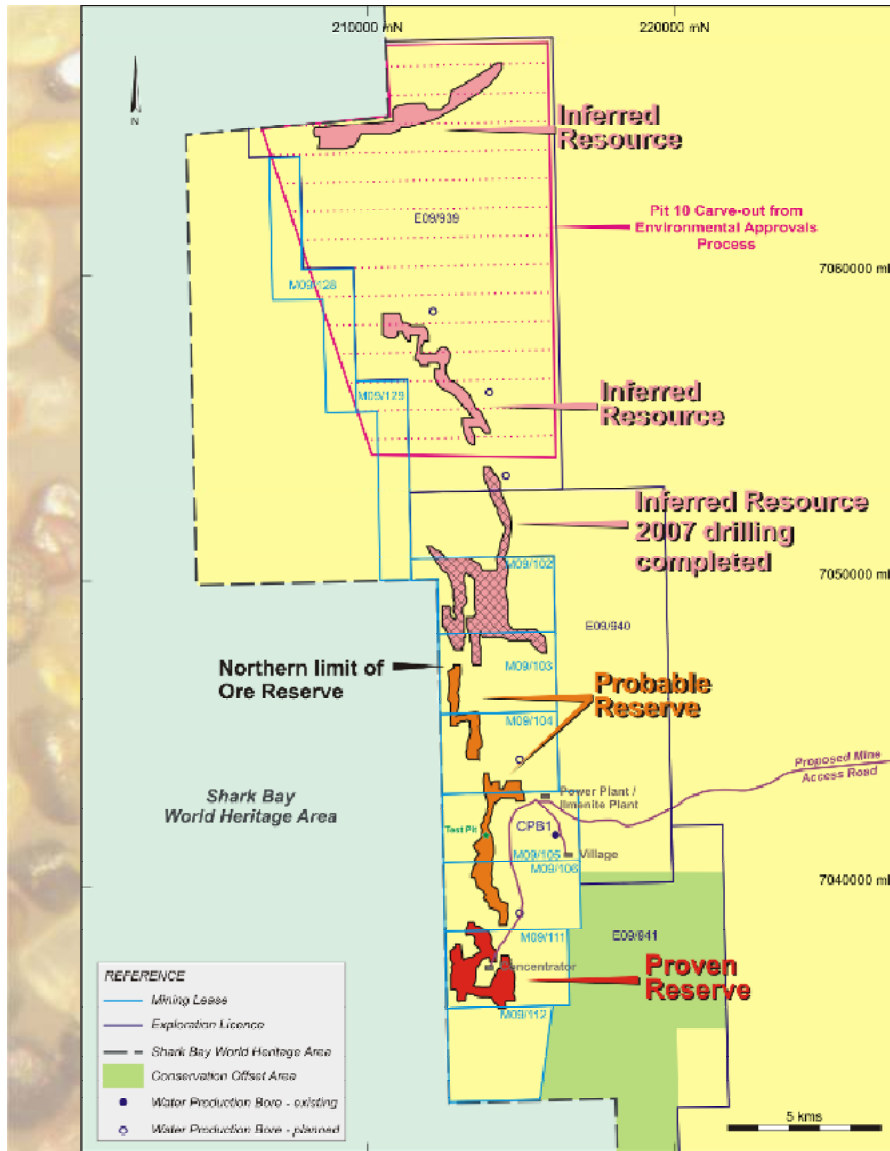
# Coburn – Regional Setting



# Coburn Project Expenditure 2000 – 2007 (30<sup>th</sup> September '07)







## Amy Zone

## Ore Reserves & Potentially Mineable Resources

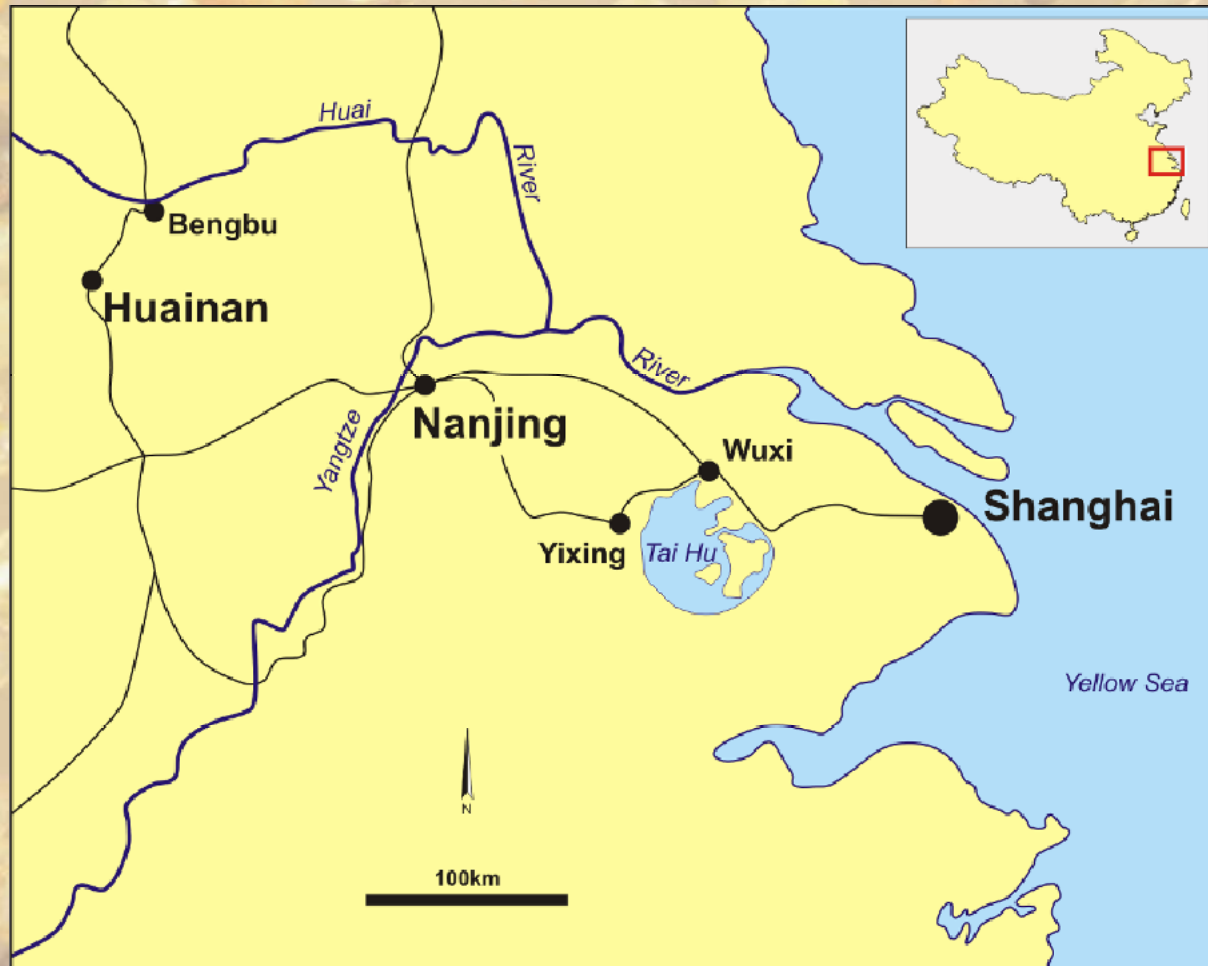
## Coburn Estimated Annual Production



Product	Annual tonnes	Key Specification	% of Revenue
*Zircon	38,000	65% ZrO <sub>2</sub>	66
Ilmenite	74,000	62% TiO <sub>2</sub>	19
*HiTi	17,000	84% TiO <sub>2</sub>	15

\* Shipped to China in non-magnetic concentrate

# Shanghai District, China

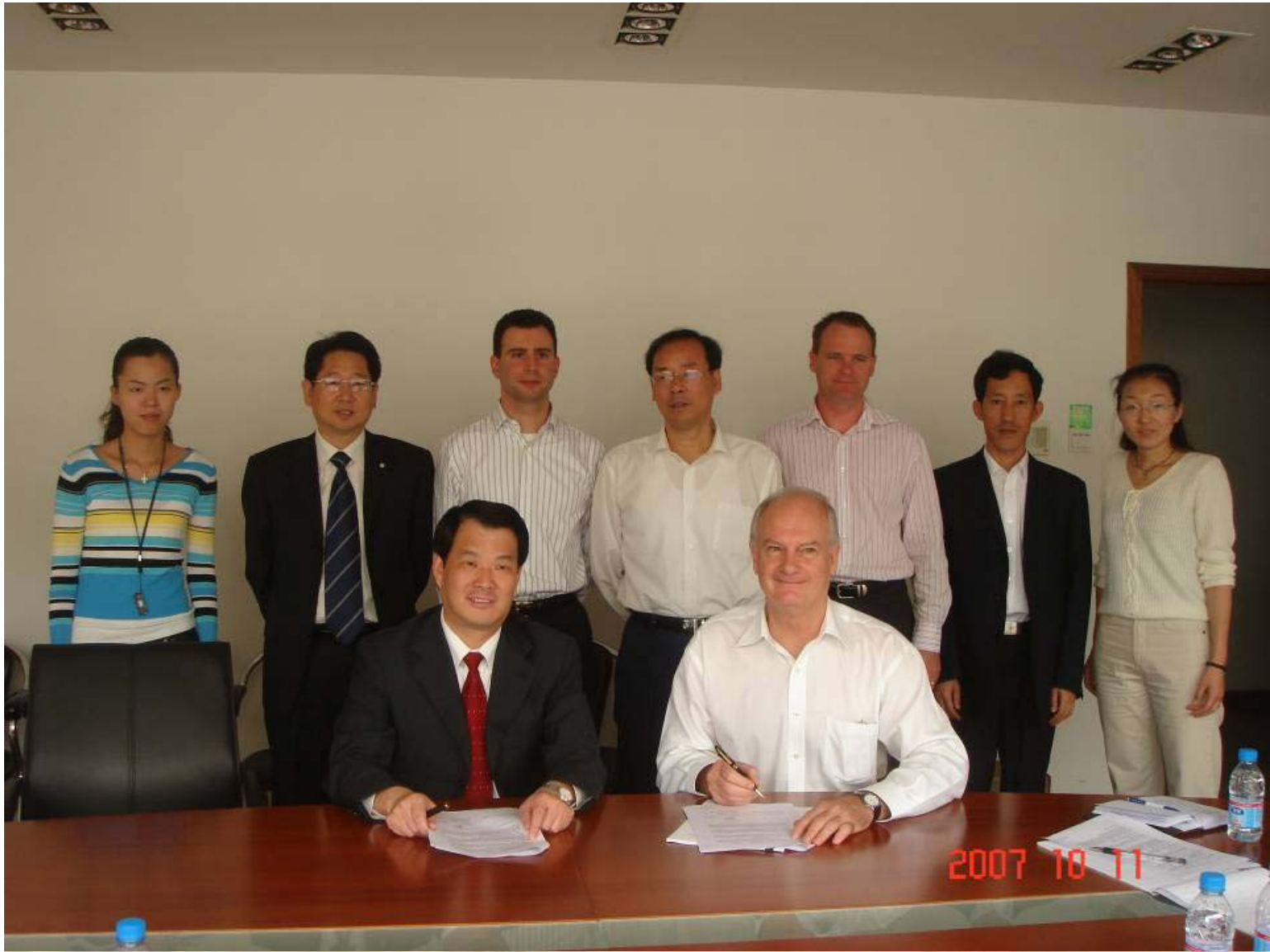














# **MOU's with CTIEC – July and October 2007**



- **CTIEC is the engineering arm of China National Building Materials (CNBM) 36% listed on Hong Kong Stock Exchange.**
- **CNBM and a Bengbu power supply company to take combined a 40% interest in Coburn.**
- **CNBM to offtake 20,000 tonnes Zircon p.a.**
- **Non magnetic minerals to be separated at Bengbu (MSP).**
- **CTIEC to be turnkey contractor for the whole project subject to 40% investment and offtake.**
- **Draft legally binding Outline Agreement covering the commercial, legal and management structure being reviewed – aim is to sign by end 2007.**
- **Aim is to commence construction early 2008.**
- **Production early 2009, after 58 week construction period.**



# Global Greenfields Development Projects



<u>Under Construction</u>	TiO <sub>2</sub> UNITS *	ZIRCON *	Rank	TiO <sub>2</sub> : ZIRCON
Mindarie (Aust. Zircon)	50	30		1.6
Madagascar (Rio Tinto)	470	25		18.8
<u>Completed BFS</u>				
Kwale (Tiomin)	In Force Majeure	37		6.2
Senegal (Min Deposits)	11 #	80	1	4.0+
Corridor (BHPB)	215	20		11.0
Coburn (Gunson)	60	38	2	1.6

**Australia**

**Africa**

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

## Conclusions - Coburn



- **Two MOUs with Chinese company CTIEC signed July and October 2007**
  - CTIEC parent and a Bengbu power company to take 40% interest.
  - Offtake for 53% of zircon production
  - CTIEC to build Project on fixed price, “turnkey” basis.
  - Aiming for legally binding agreement by end 2007.
  - If agreement concluded, start construction early 2008, production early 2009.

## **Conclusions – Other Projects**



- **Mount Gunson Copper Project activity to accelerate**
  - **Drilling of basement copper-uranium-gold targets scheduled for December, 2007.**
  - **Review of 18.7M tonne open pit Windabout Prospect in progress.**
  - **Xstrata Copper sole funding, must spend \$2.5M in 1.7 years to stay in.**
- **Burkin nickel/gold – aeromagnetic survey Nov. 2007**
- **Tennant Creek gold/copper – drilling early 2008**





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