



GUNSON RESOURCES LIMITED



***RIU Explorers Conference
Fremantle***



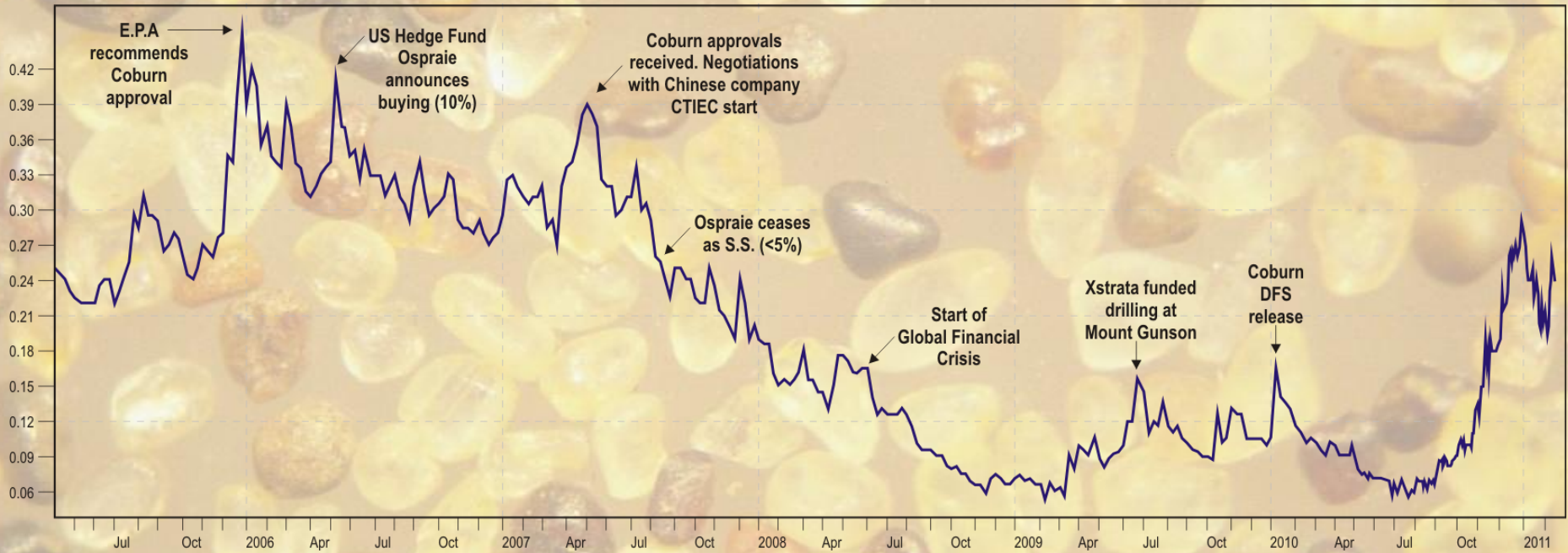
***Alan Luscombe
22nd February 2011***

Corporate Information

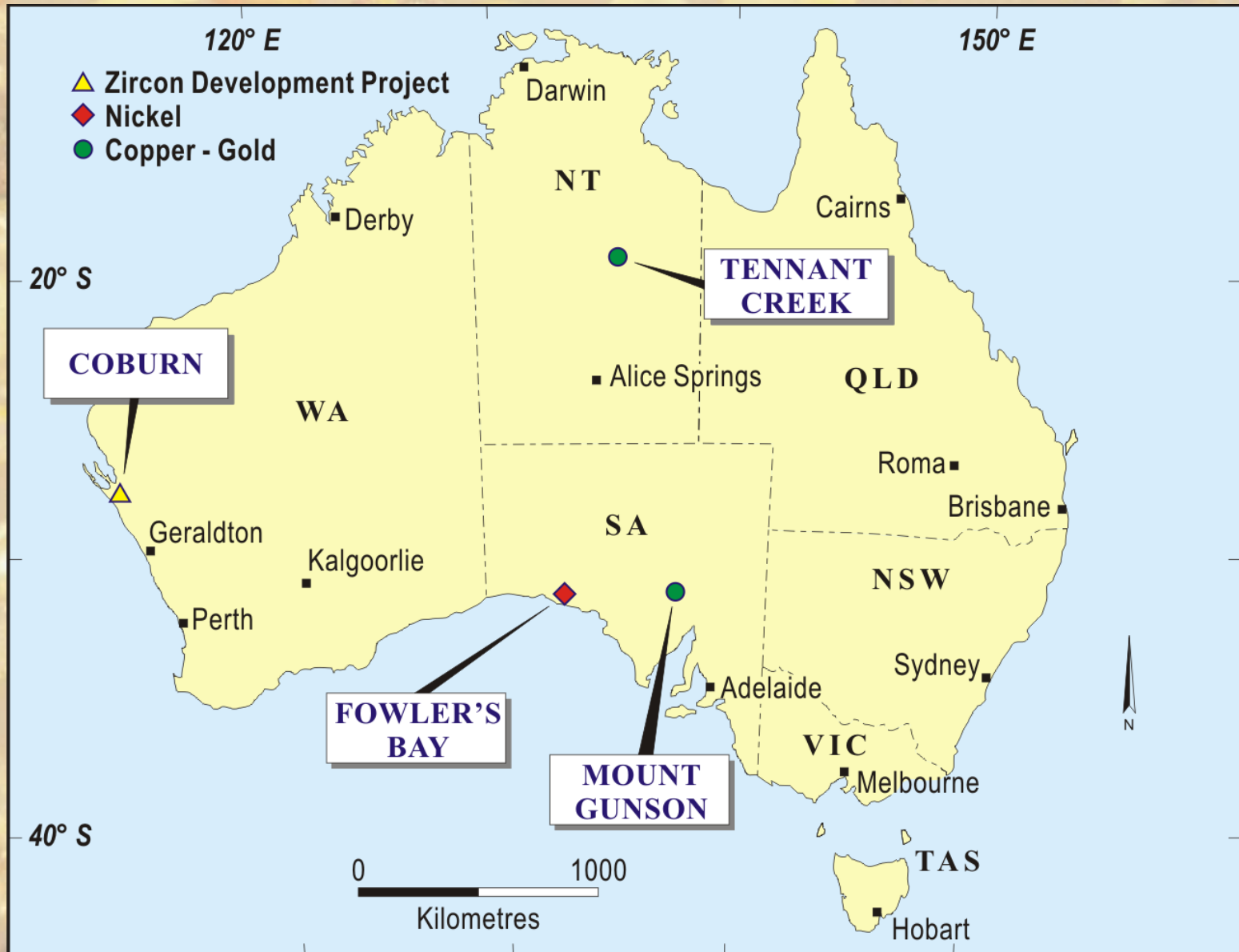
• ASX Code	GUN
• Shares	208.8M
• Options	5M
• Cash	\$5.5M
• Share Price	26c
• Market Cap.	\$54M
• Substantial Shareholders	
Grey Willow	6.8%
John Tilbrook	6.3%
• Shareholders	2400

Gunson (GUN)

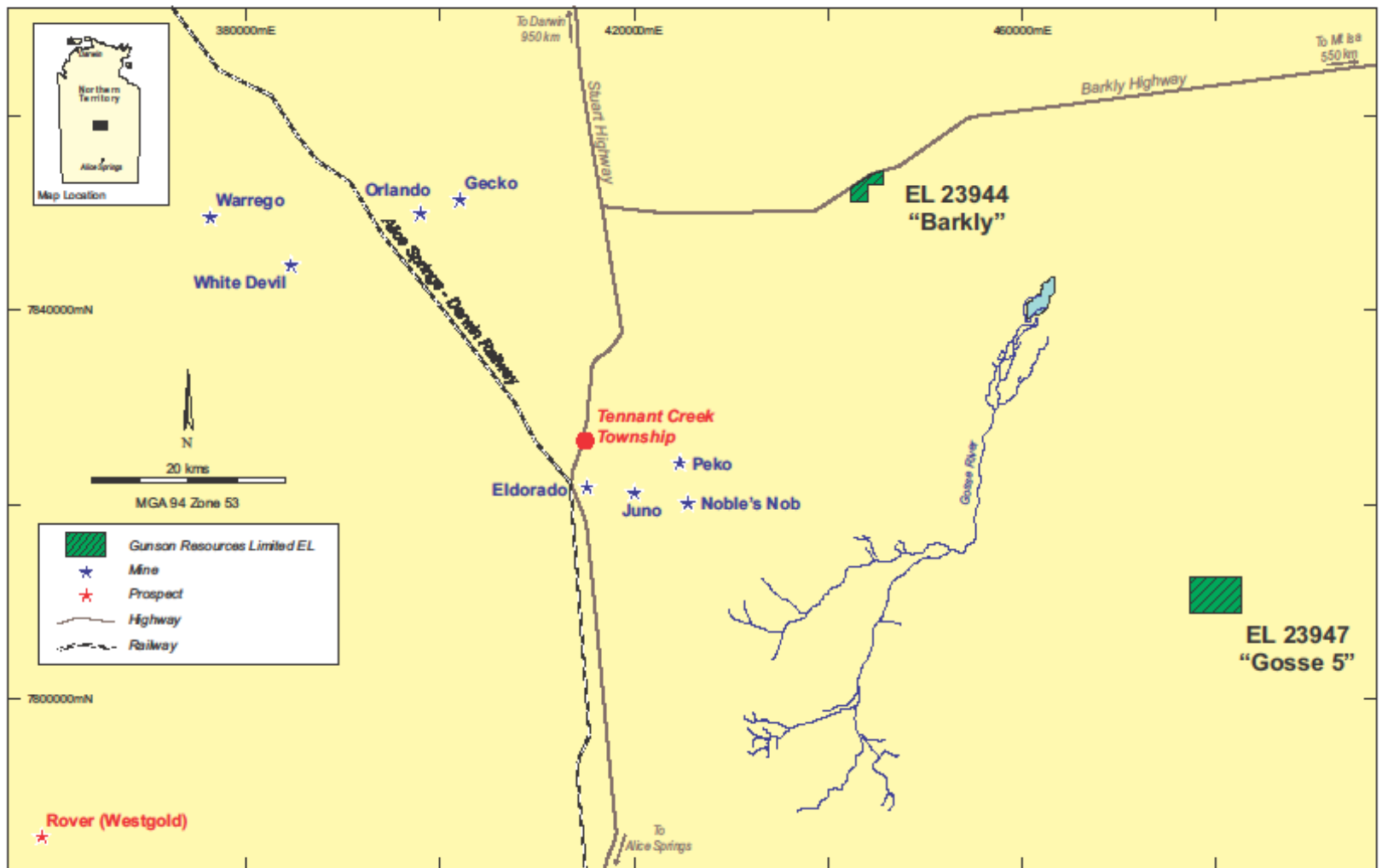
Share Price 2005 – Feb 2011



Project Location Map

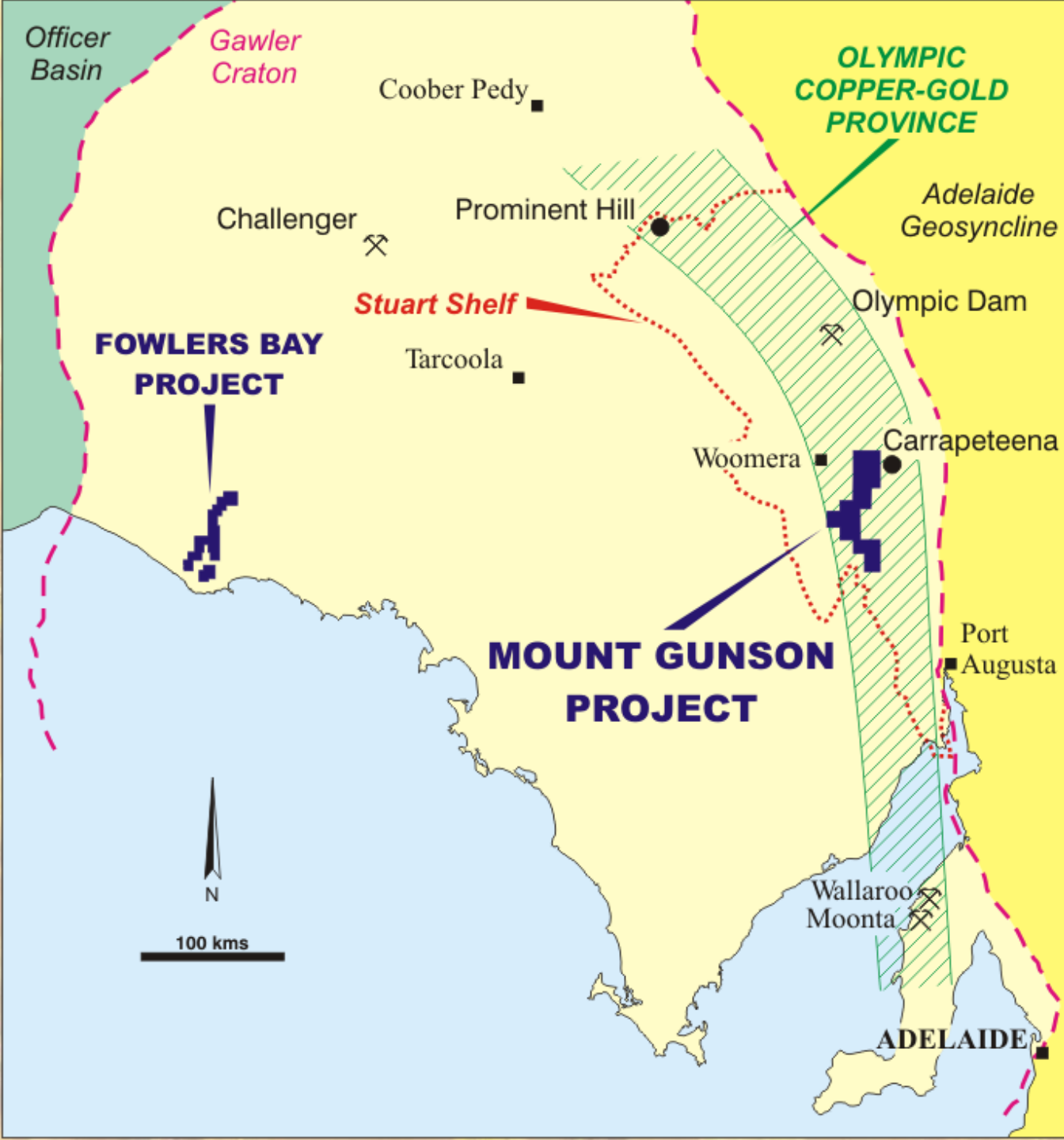


Tennant Creek



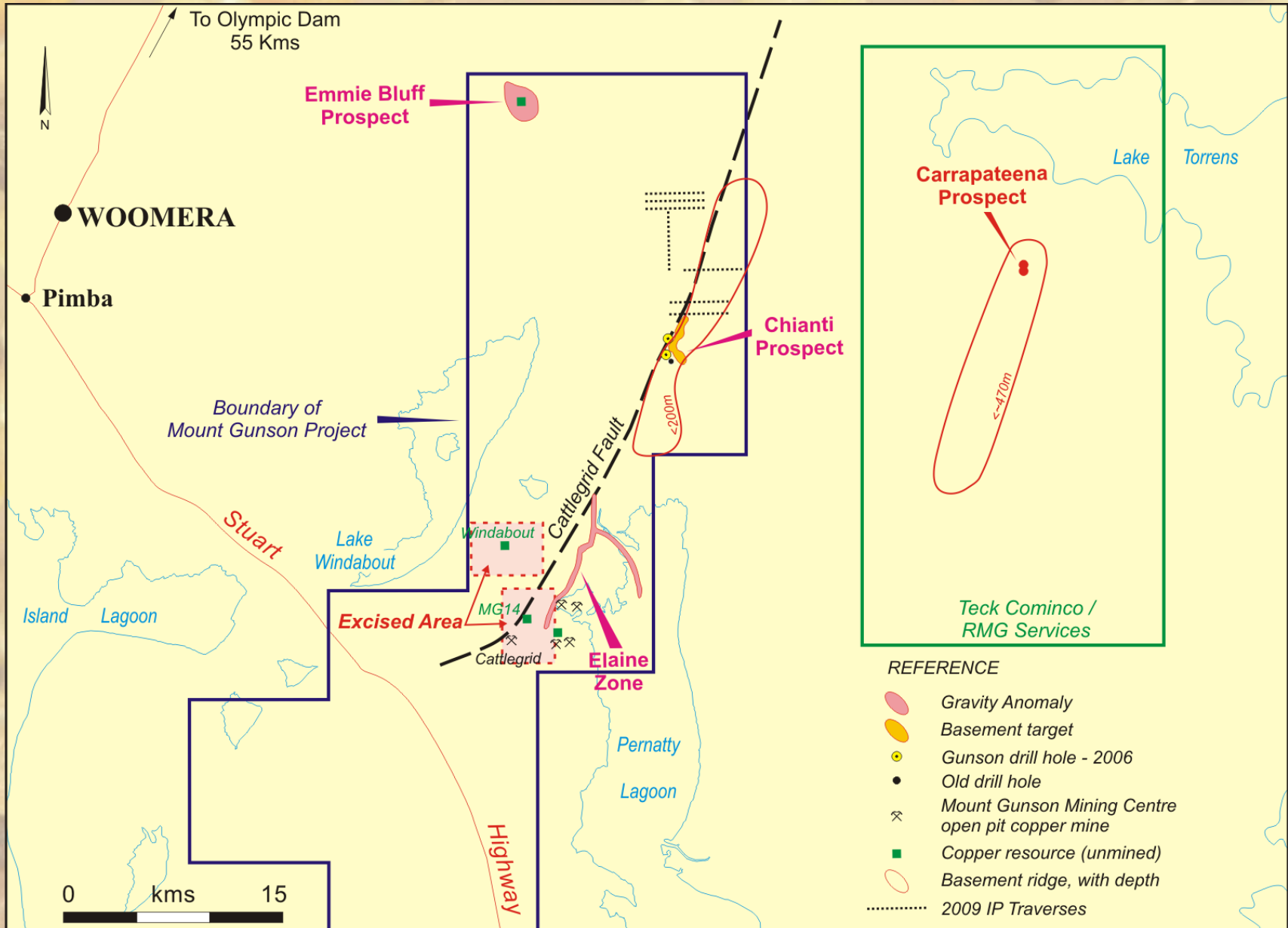
Tennant Creek

- In mid-2003, Gunson applied for exploration licences and gravity and ground magnetic surveys were conducted in late 2003.
- Ongoing negotiations with the Central Land Council to gain access for 4 of the 6 licences commenced in September 2004.
- A gravity survey was completed in March 2009 over the largest of the two two granted exploration licences not affected by CLC negotiations. It defined a gravity anomaly approximately 2km long by an average of 600 m wide. Aboriginal heritage clearance for these two areas was received in September 2009.
- In May 2010, a hole designed to test the (Gosse 5) gravity anomaly advanced to 330m before being stopped as there was no obvious source of the gravity anomaly in the drill core.
- An infill gravity survey along the western portion of the Gosse 5 feature was completed in September 2010 and defined a discrete anomaly approximately 1km long, lying in the 100 – 150 m depth range.
- Drilling was delayed due to wet weather, however is now due to commence in April 2011.



South Australian Copper Belt

Mount Gunson Focus Areas



Mount Gunson Project

Emmie Bluff & Chianti Prospects



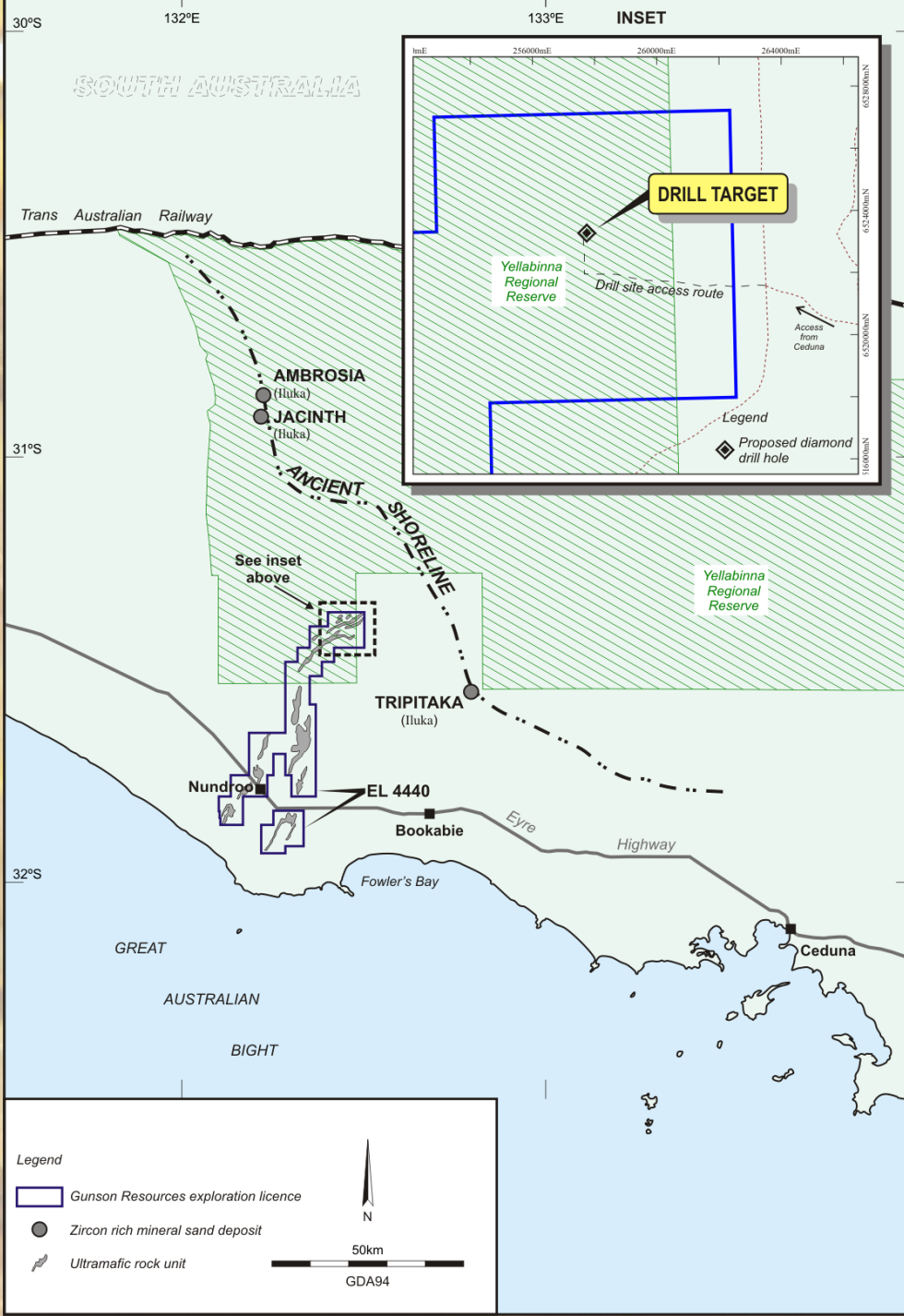
- **Noranda Pacific (Noranda) became Gunson's JV partner in May 2006.**
- **A number of drilling holes and geophysical surveys have been conducted since 2007.**
- **Noranda earned 51% interest in the farm- in tenements in March 2010 and can increase its interest to 75% by spending a cumulative \$10 million by mid June 2013.**
- **Noranda is currently reviewing the results of airborne magnetic and ground magneto-telluric geophysical surveys to select 2011 drilling targets.**

Mount Gunson Project

MG14 and Windabout Prospects



- **Pre Feasibility Study on MG 14 (100% Gunson) completed Oct 2009)**
 - Generates cash surplus of \$A21.5 M per annum over 2 years @67% copper recovery. Higher recovery possible.
 - Pays back capex in <2 years.
 - Once MG 14 exhausted, Windabout deposit 5km to the north could be developed.
 - MG 14 concentrate 30% Cu, 9 oz Ag/t. Low S, U. Cobalt 1.2%, in carrollite. Pure carrollite contains 28.5% Co, 20% Cu, 9.5% Ni.
 - BFS approved
- **Metallurgical test work achieved similar copper recoveries and grades on the MG14 sample as achieved in the prefeasibility study, however cobalt recovery has increased.**
- **As copper smelters appear unwilling to pay for the cobalt content in the copper concentrates, work has started on developing a flow sheet to extract cobalt from the concentrate prior to its sale.**



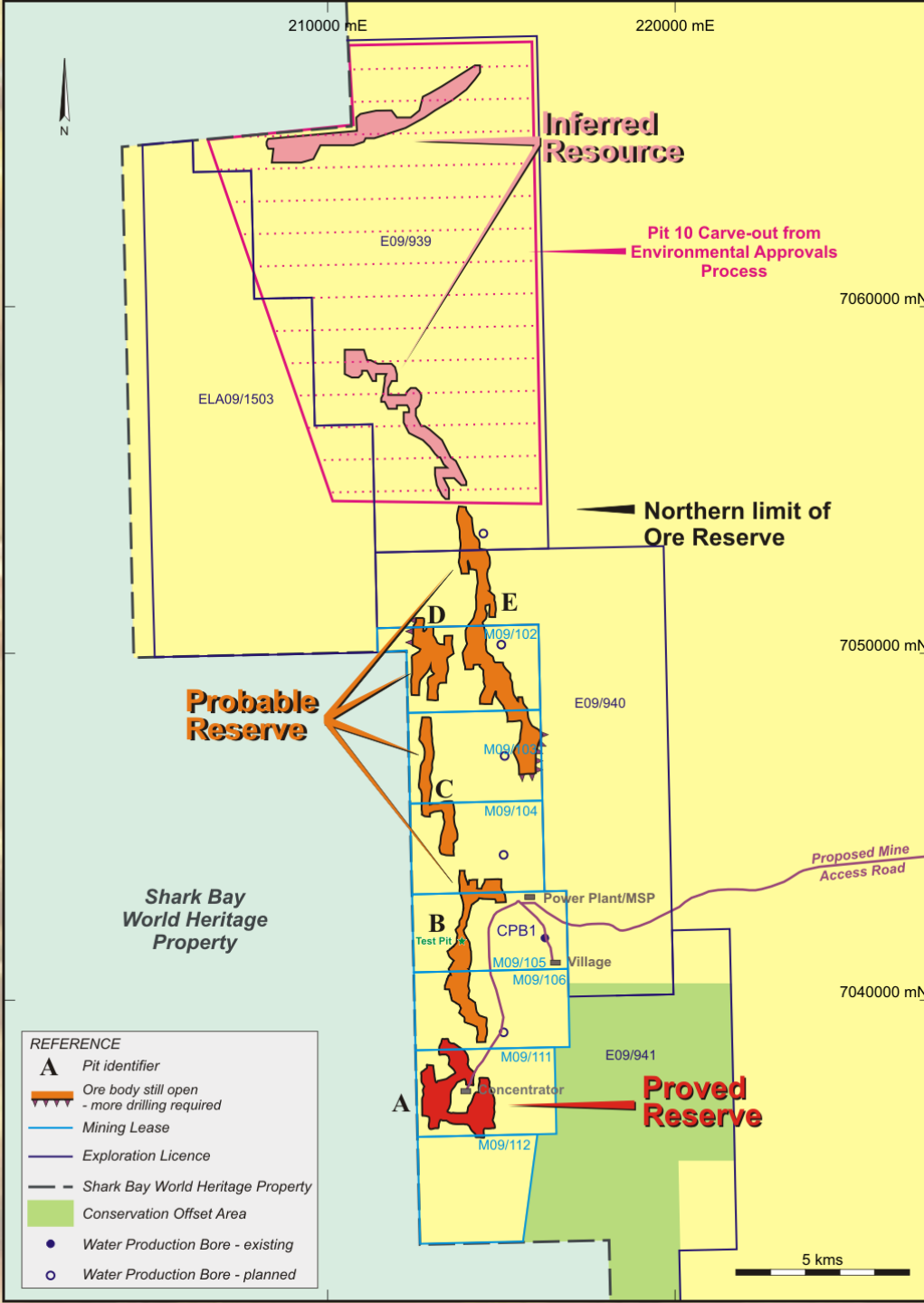
Fowlers Bay Drill Target

Fowlers Bay

- **Fowlers Bay comprises a 700 square kilometre exploration licence located about 150 kilometres west of Ceduna.**
- **The exploration target is two promising nickel sulphide deposits determined by airborne TEM anomalies and ground TEM surveys.**
- **The magnetic anomalies are interpreted to be prospective based on widely scattered drill holes completed by previous explorers.**
- **The drilling programme was approved in July 2010, however was delayed until an anthropologist determined that there were no aboriginal sites of interest and that a drilling program would not impact native title.**
- **Drilling is to commence in March.**



Coburn Regional Setting



Amy Zone

Ore Reserves & Inferred Resources

Coburn Environment



Coburn Heavy Mineral Ore Reserves



Reserve Category	Pit No.	Ore Mt	HM Grade (%)	Zircon (%)	Ilmenite (%)	Rutile (%)	Leucoxene (%)
Proved	A	53	1.3	24	46	5	6
Probable	B-E	255	1.2	23	48	7	4
Total		308	1.2	23	48	7	5

Strip ratio 0.6 t overburden to 1 tonne ore

Global Greenfields Development Projects with significant zircon



<u>Under Construction</u>	TiO ₂ UNITS *	ZIRCON *	Zircon Rank	TiO ₂ : ZIRCON
Nil				
<u>Recently Completed DFS</u>				
Senegal (Min Deposits)	337	80	1	4.2
Coburn (Gunson)	69	40	2	1.7

Note: Corridor Sands (BHPB) and Toliara (Exxaro) shelved in 2009.

Australia

Africa

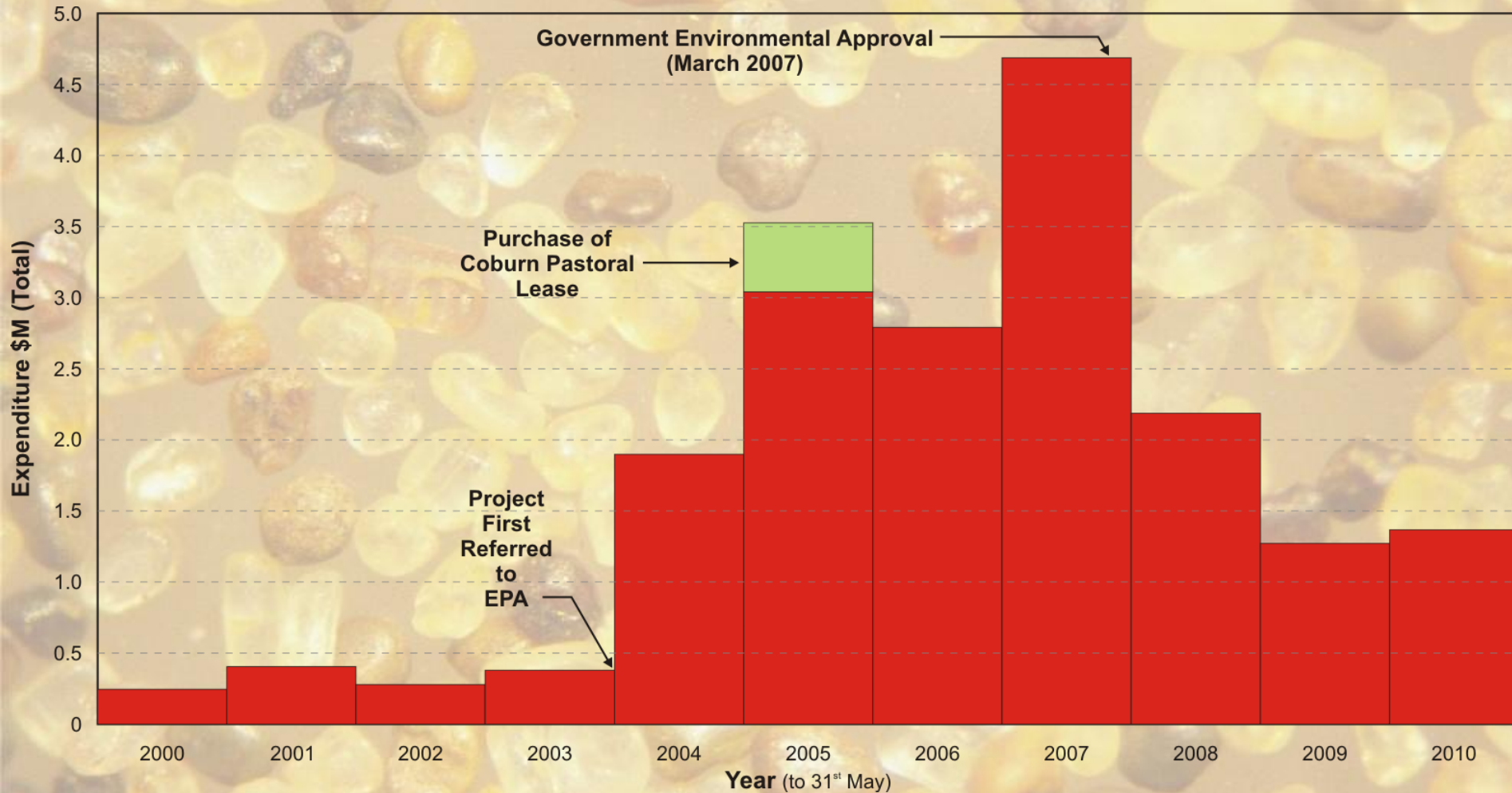
* ,000 tonnes per annum

Estimated Annual Mineral Production

Product	Annual tonnes	Key Specification	% of Revenue
Zircon	40,000	66% ZrO ₂	67
Ilmenite	90,000	61% TiO ₂	18
Rutile	9,000	95% TiO ₂	10
Leucoxene	7,000	90% TiO ₂	5

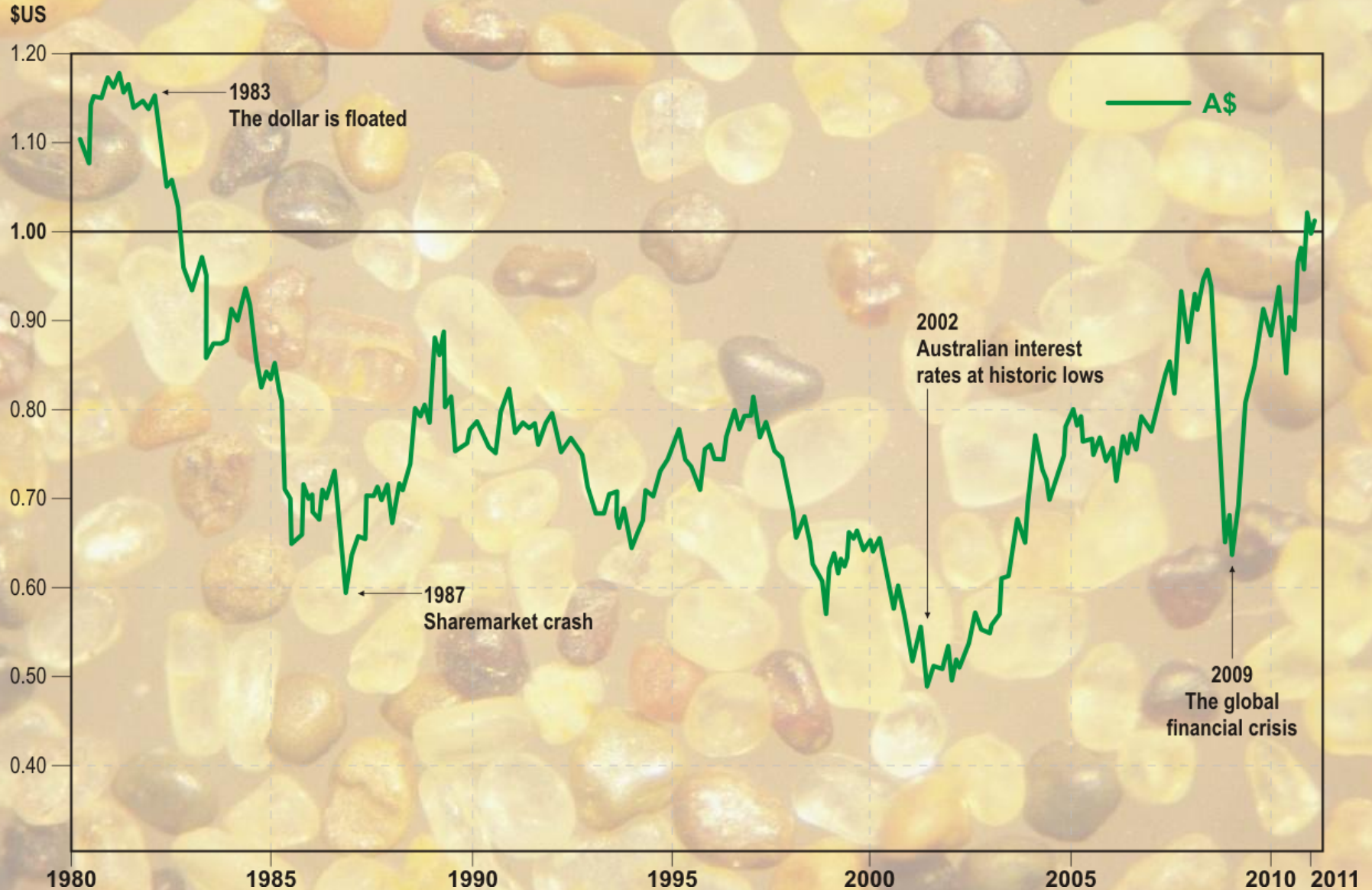
All Products to be sold *fob* Australia

Coburn Project Expenditure 2000 – 2010

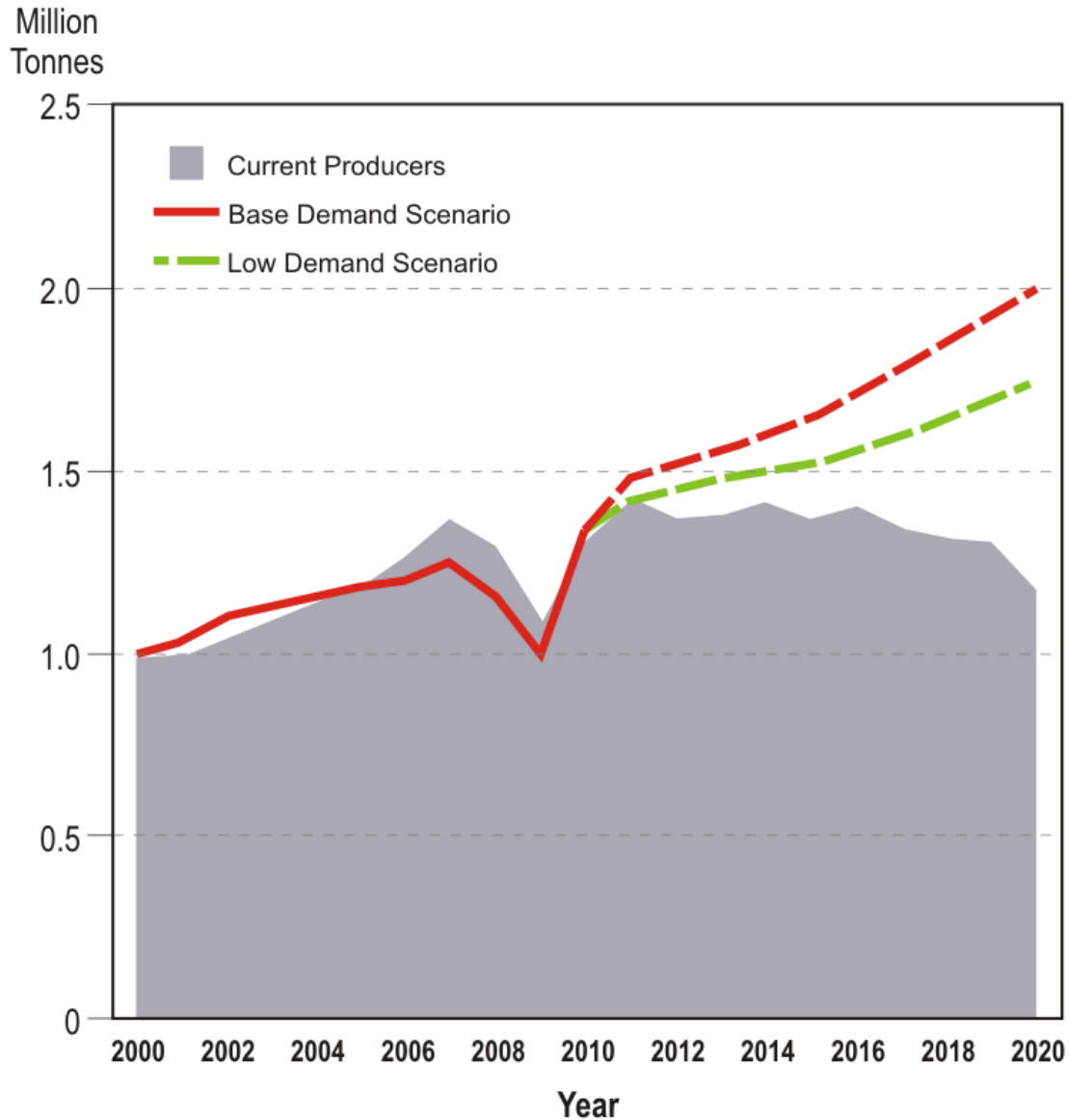


Australian Dollar vs US Dollar

Dec 1983 – Feb 2011

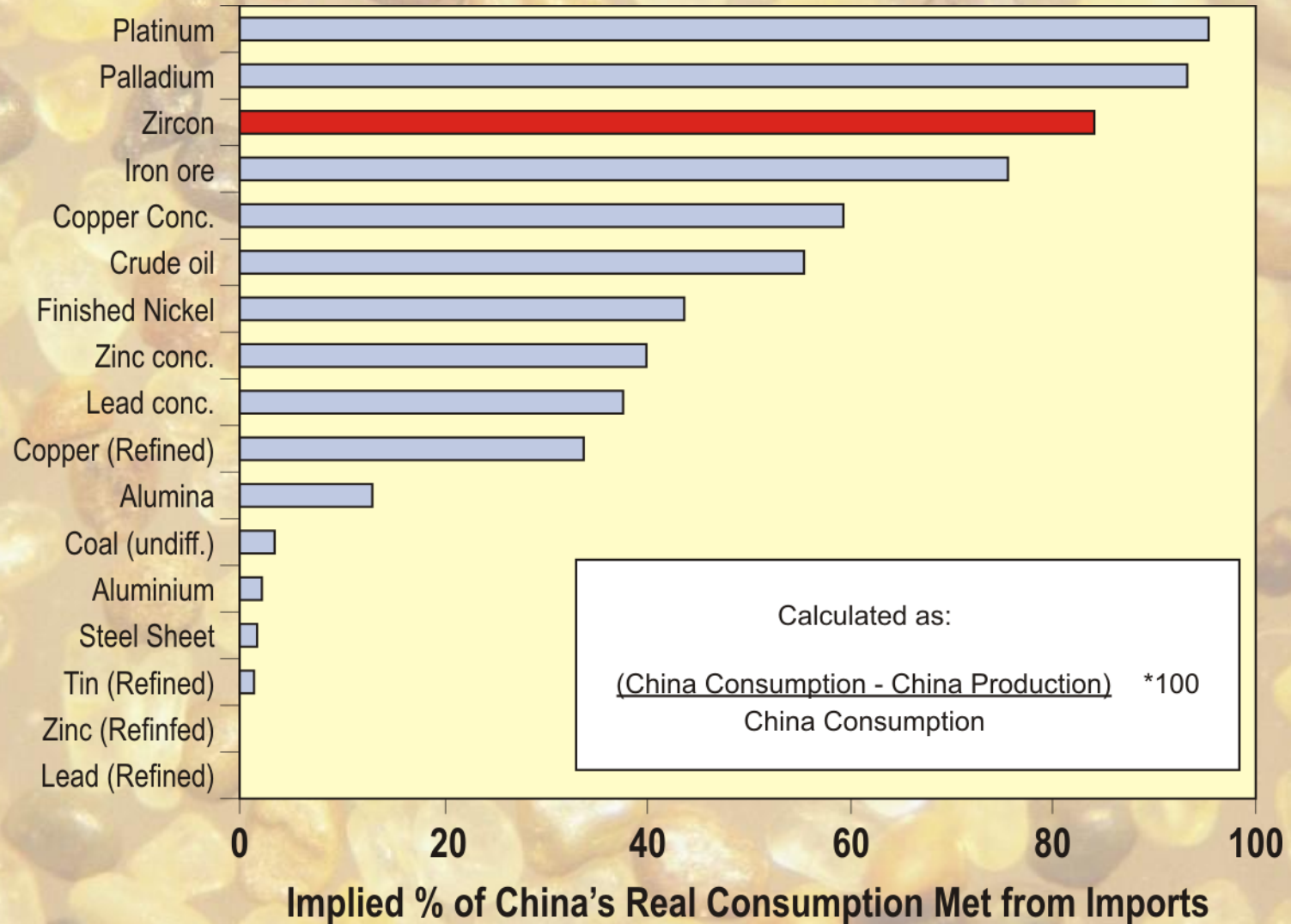


Global Zircon Supply & Demand

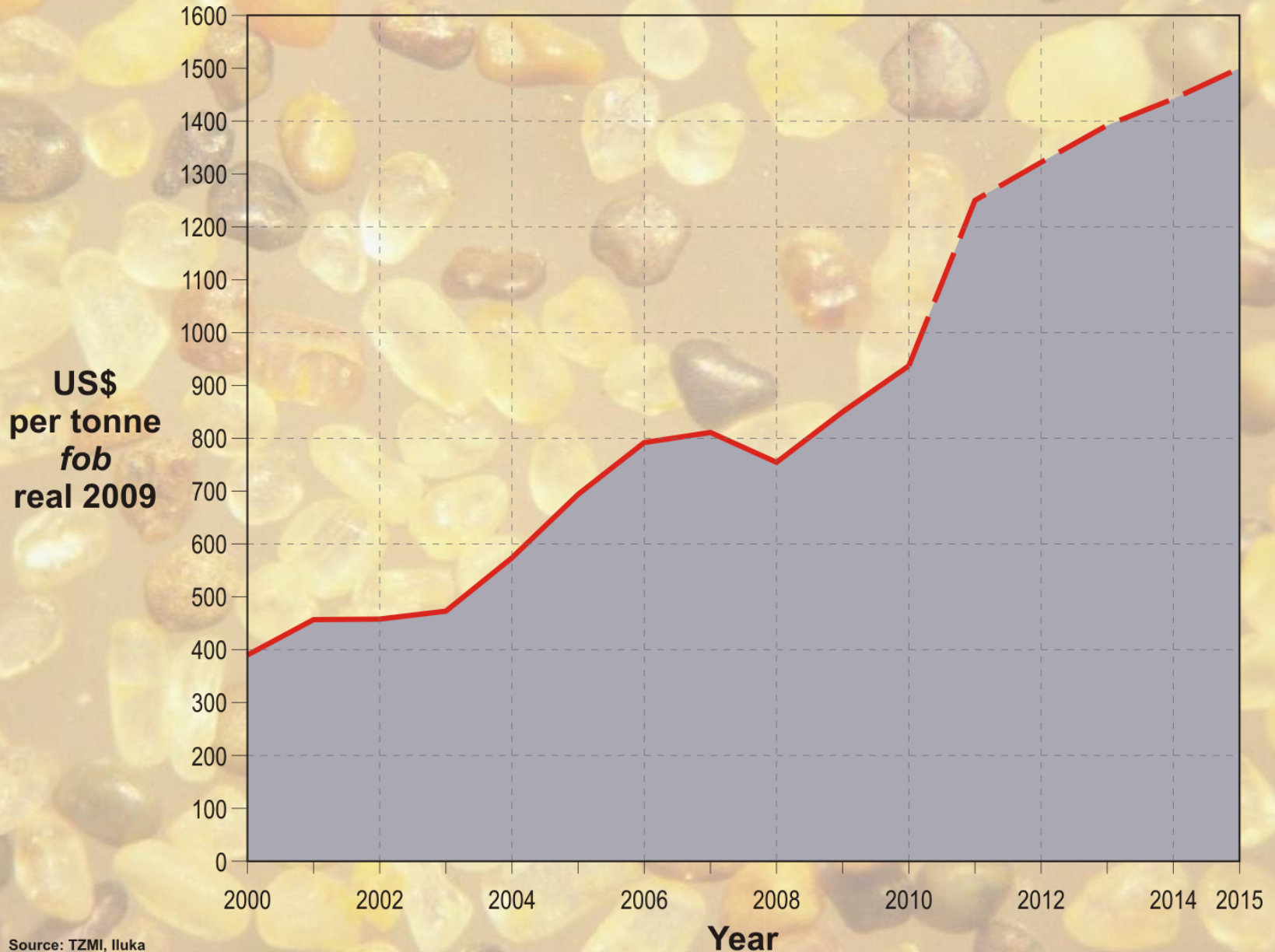


Source: Iluka, November 2010

China's Raw Material Import Dependency in 2009



Actual & Forecast Zircon Prices 2000 - 2015



Coburn DFS Financial Summary

(Real \$A millions)



	DFS Jan 11 Update	DFS Oct 10 Update	DFS Jan 10	BFS Jan 04
Total Revenue	2,249	2,086	2,189	1,336
Total Operating Costs	1,291	1,288	1,310	776
Net Operating Margin	958	798	879	560
Capital Cost	169	169	169	128
IRR before tax/financing	21.2%	16.4%	16.8%	15.4%
NPV (8%)	216	141	163	73
Exchange Rate (\$US to \$A)	1.0	85c	72c	70c

Coburn Conclusions

- **Coburn ready for construction, once finance available.**
- **It is one of only two significant mineral sand development projects in the world with completed detailed feasibility studies.**
- **Currently seeking a minority (40%) investment partner.**
- **No committed offtake.**
- **Eighty-five (85) week construction period.**
- **Several candidates reviewing the investment opportunity. RFC Corporate Finance assisting the process.**
- **Current zircon supply squeeze to become acute from 2012.**

Conclusions



- **Coburn zircon project requires financing, however can be producing in 18 months.**
- **Coburn has potential as a long term source of zircon in a stable environment.**
- **Coburn zircon production can only partially offset the forecast demand/supply shortfall from 2012.**
- **Several candidates reviewing the investment opportunity. RFC Corporate Finance assisting the process.**
- **Mount Gunson (MG14 & Windabout) Copper BFS in progress.**
- **Strong exploration upside. Fowlers Bay drilling starts this month & Xstrata funded drilling at Mount Gunson in March 2011.**

Attribution and Forward Looking Statements



The information in this presentation which relates to exploration results, mineral resources, ore reserves and financial projections is based on data compiled by Mr David Harley, Managing Director of the Company. Mr Harley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 this information in the form and context in which it appears.

This presentation contains forward-looking statements that are subject to risk factors with exploration for and developing mineral deposits. Forward-looking statements include predictions of timing, cost and reserve estimates, plans and expectations that are expressed in good faith and believed to have a reasonable basis. However, such statements are subject to a range of variables over which the Company has little control, such as the availability of service providers, commodity prices, exchange rates, political and operational risks, statutory approvals and judicial outcomes.

The Company does not accept any obligation to release publicly any revisions to “Forward Looking Statements” to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.