



GUNSON RESOURCES LIMITED



David Harley
MINSANDS 2008

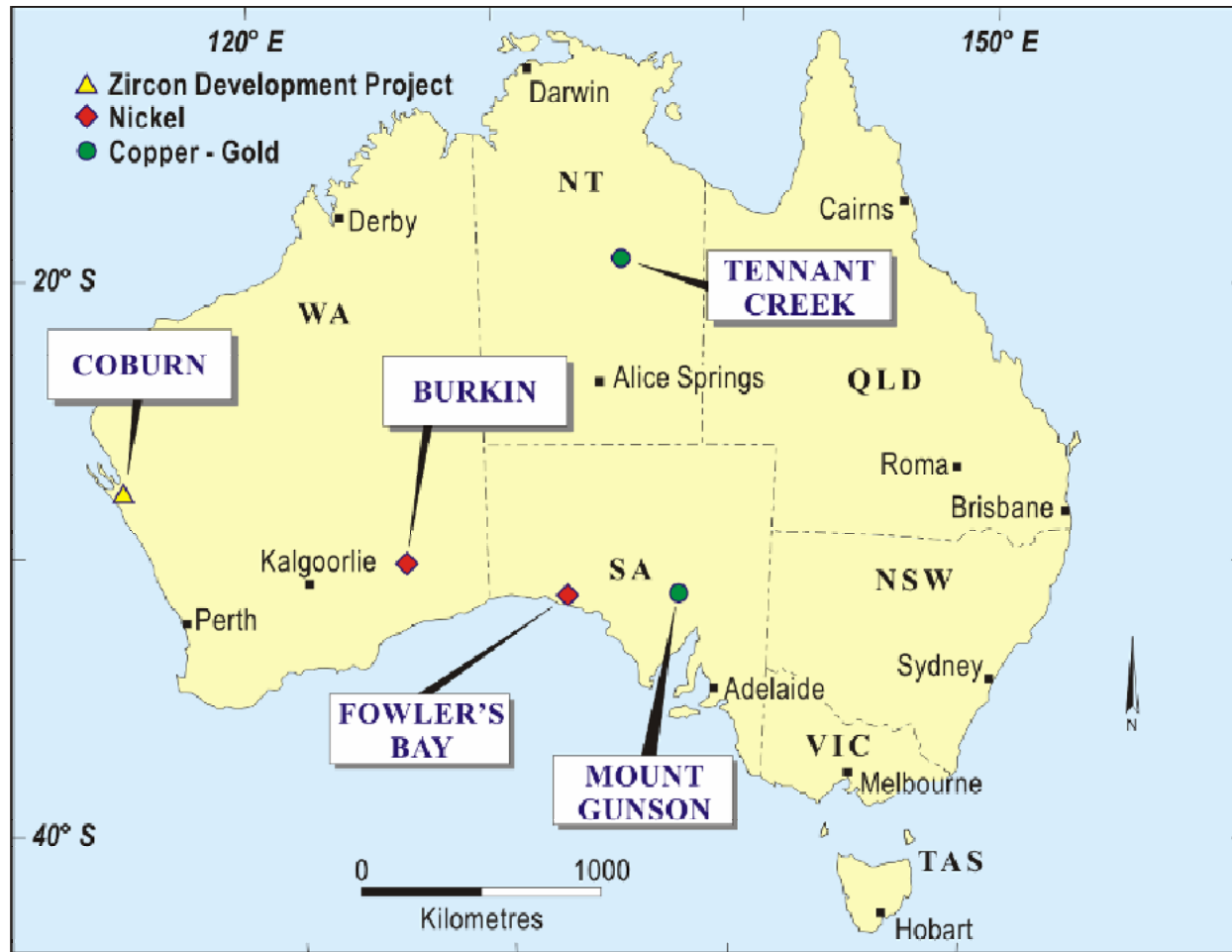
8th May 2008

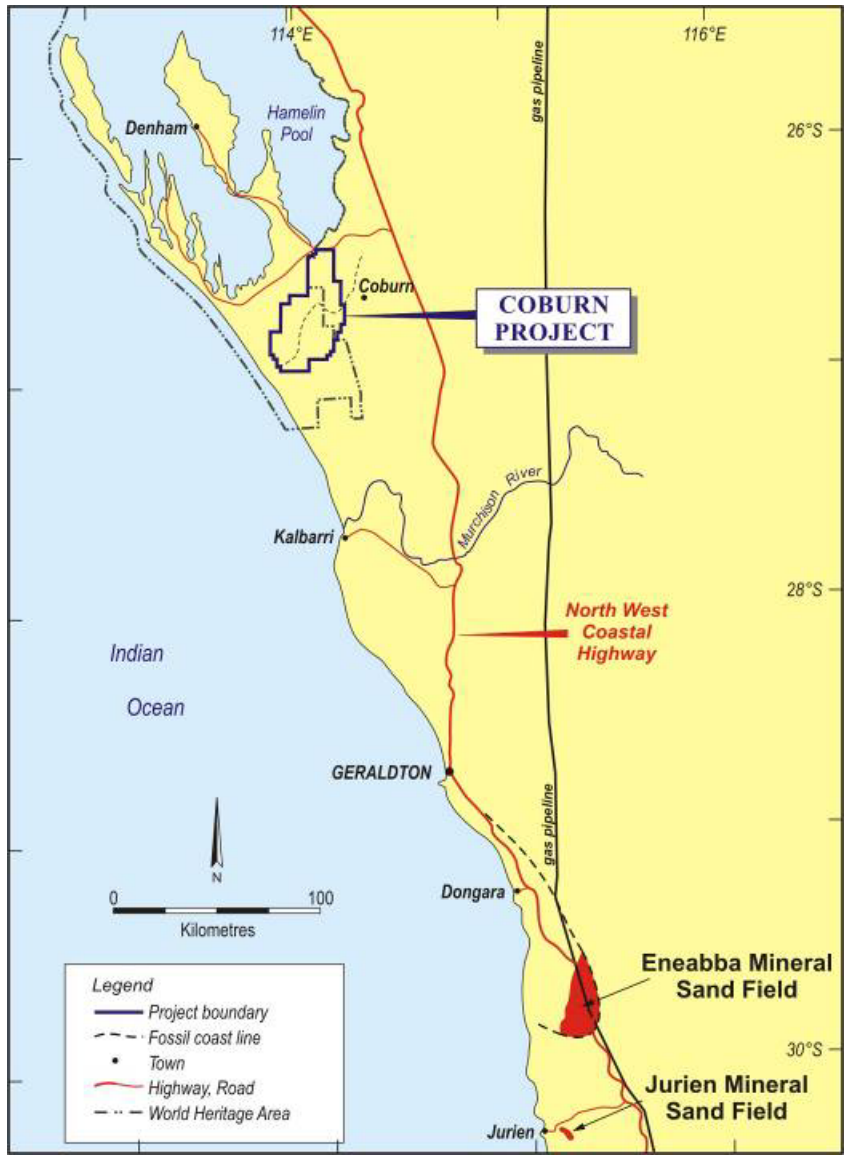
Corporate Summary

- **Shares** **117.7M**
- **Unlisted Options** **3.7M (30/35c)**
- **Cash** **\$1.2M**
- **Share Price** ***17c**
- **Market Cap.** **\$18.8M**
- **No Substantial Shareholders**

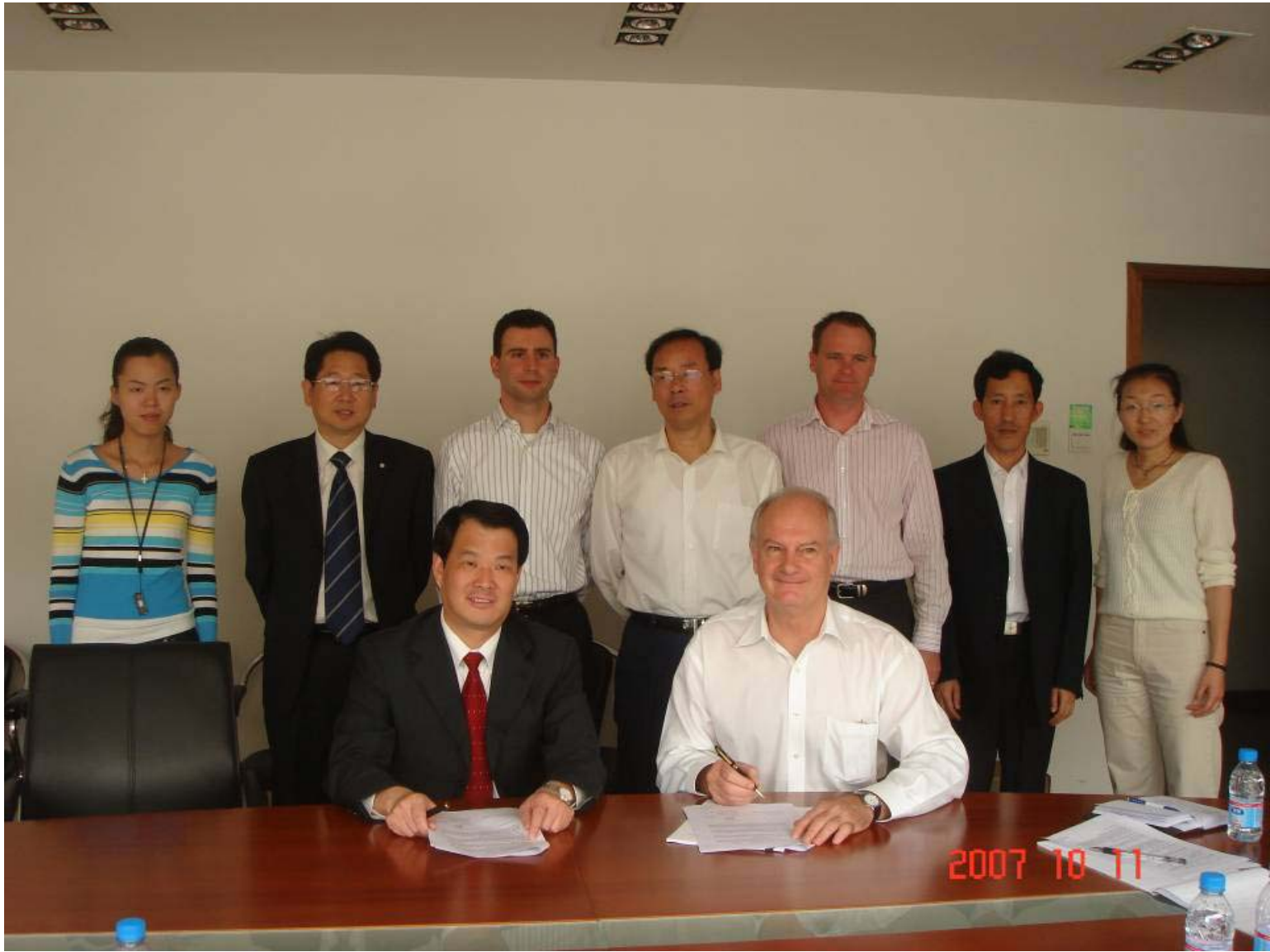
*** 53% of price in May 2007**

Project Location Map





Coburn – Regional Setting



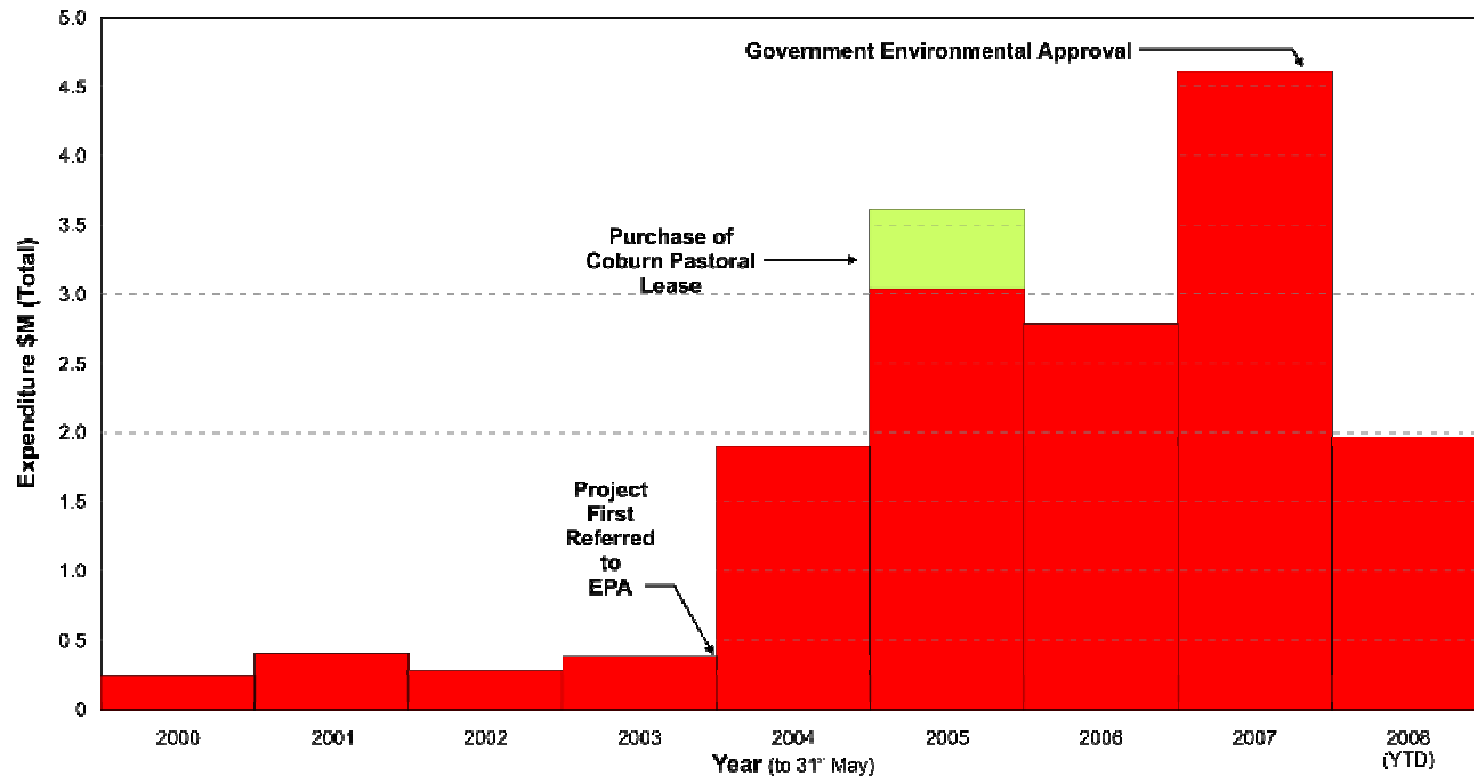
Coburn – Progress Since Minsands 2007

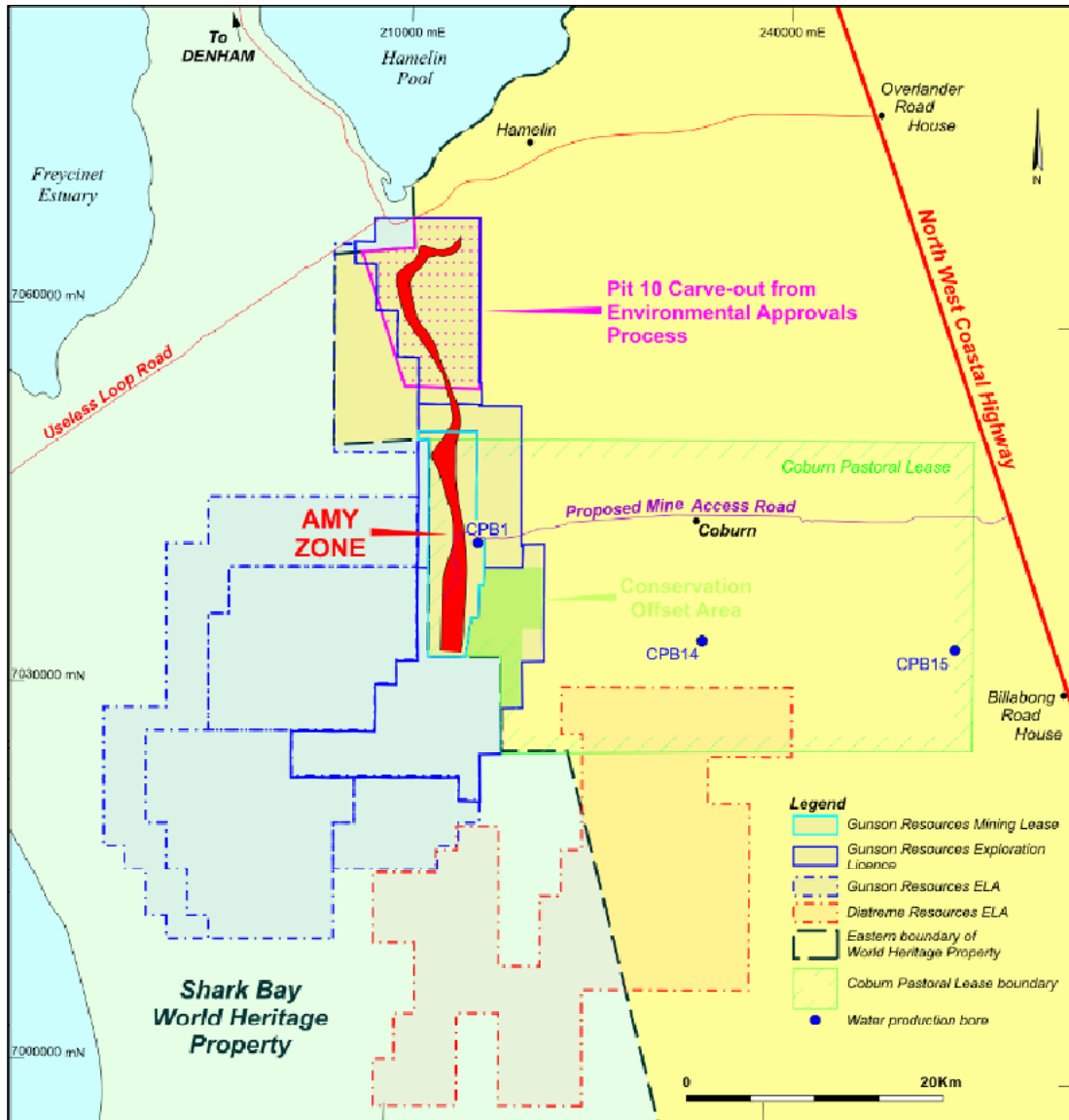
- **Large potential Chinese partner identified (CTIEC).**
- **2 MOU's signed with CTIEC in July & October 2007.**
- **Good strategic fit for CTIEC – Zircon offtake, Equity in source of raw materials, construction work, MSP in China.**
- **Ore reserve increased by 2.5 times.**
- **Mine life up to 17.5 years from 7, all in permitted area.**

Key Points – CTIEC MOU's

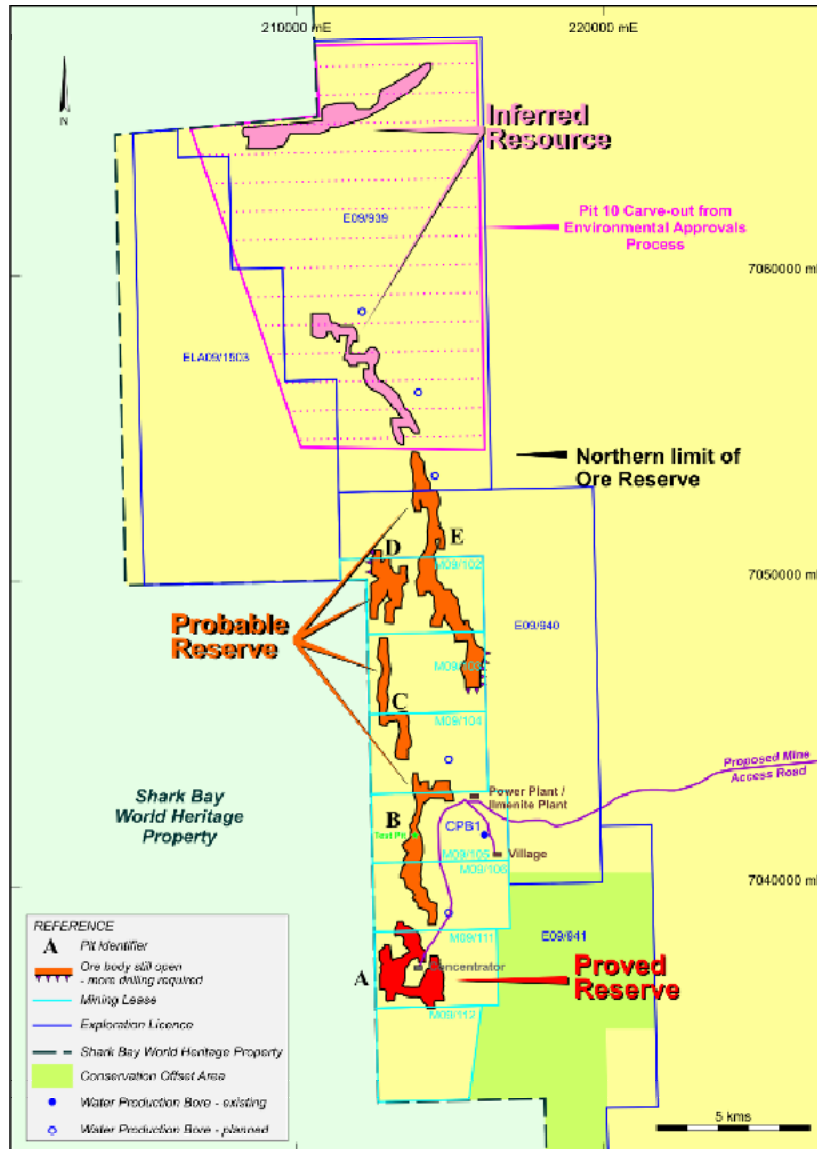
- **CTIEC and Chinese partner to have 40% equity in Coburn.**
- **CTIEC to build project on fixed price turnkey basis.**
- **CTIEC parent to buy 20,000 tpa Zircon.**
- **Non magnetic concentrate to be refined in MSP in CTIEC industrial park at Bengbu, China.**
- **China MSP part of Coburn Joint Venture.**

Coburn Project Expenditure 2000 – 2008 (8th May)





Coburn Amy Zone Location and Competitor Activity



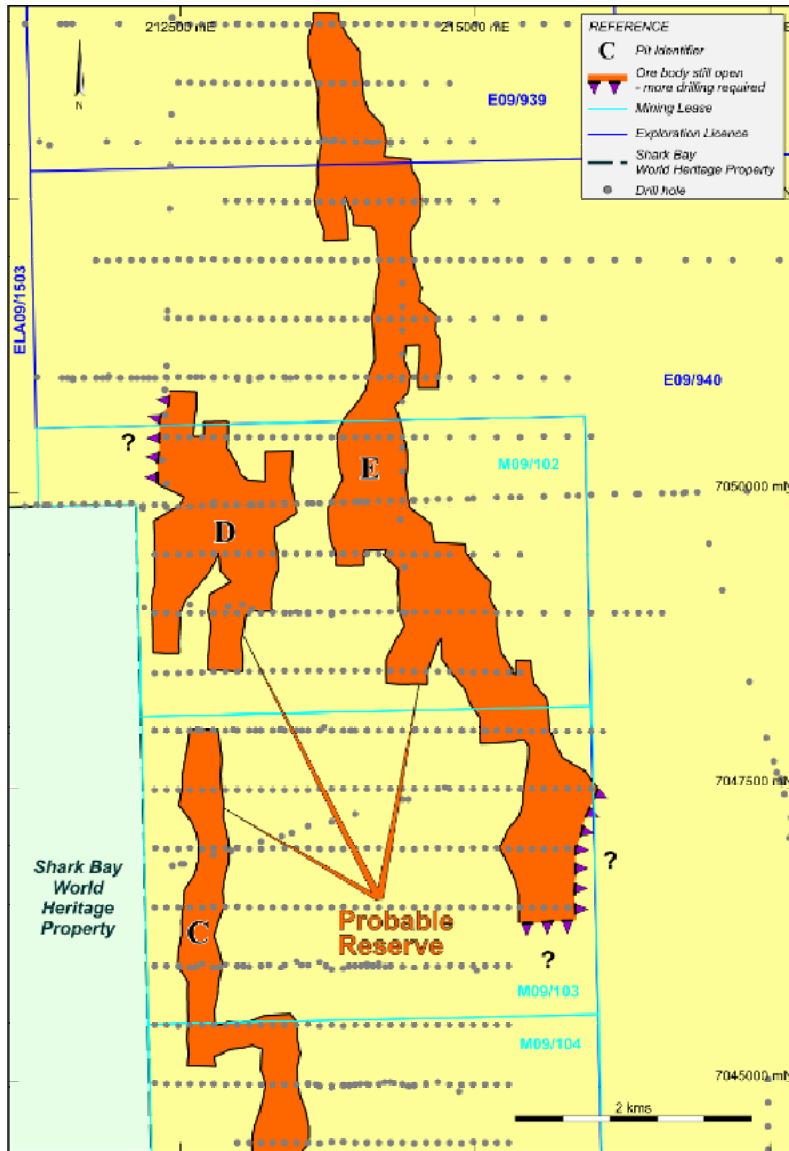
Amy Zone

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

Zircon etc % is % of HM



Coburn - Ore Outlines in Northern Permitted Area

Coburn Estimated Annual Production

Product	Annual tonnes	Key Specification	% of Revenue
* Zircon	42,000	66% ZrO ₂	62
* Zircon (secondary)	4,000		4
Ilmenite	84,000	62% TiO ₂	23
* Rutile	9,000	95% TiO ₂	8
* Leucoxene	8,000	80% TiO ₂	3

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

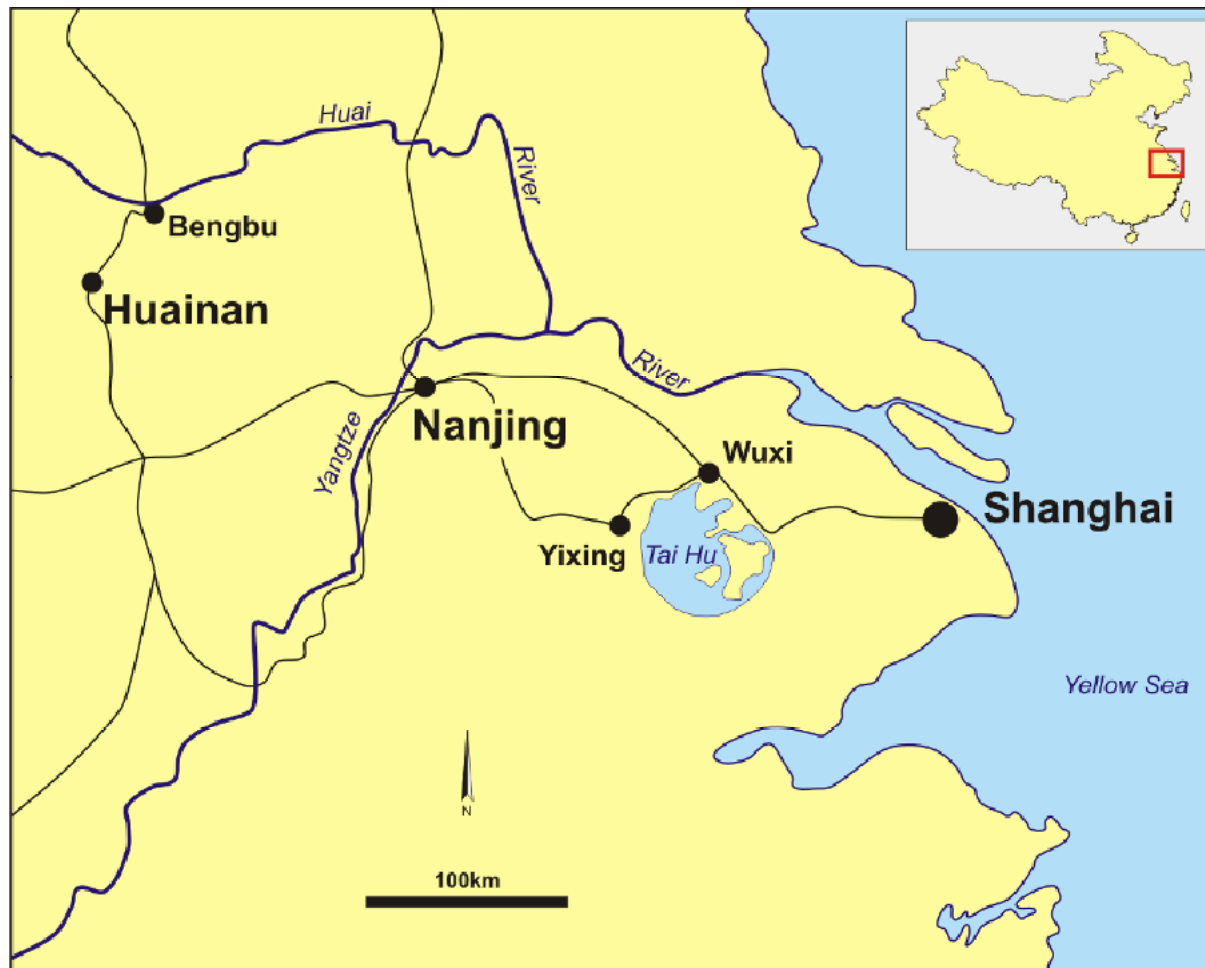
Coburn Non Magnetic Concentrate – Composition *

Zircon	65%
Rutile	12%
Leucoxene / Secondary Ilmenite	21%
Waste	2%
<hr/>	
Total	100%
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This concentrate to be shipped to China
for mineral separation
81,000 tpa

*** from 2007 drilling bulk sample**

Shanghai District, China















Large Global Greenfields Development Projects

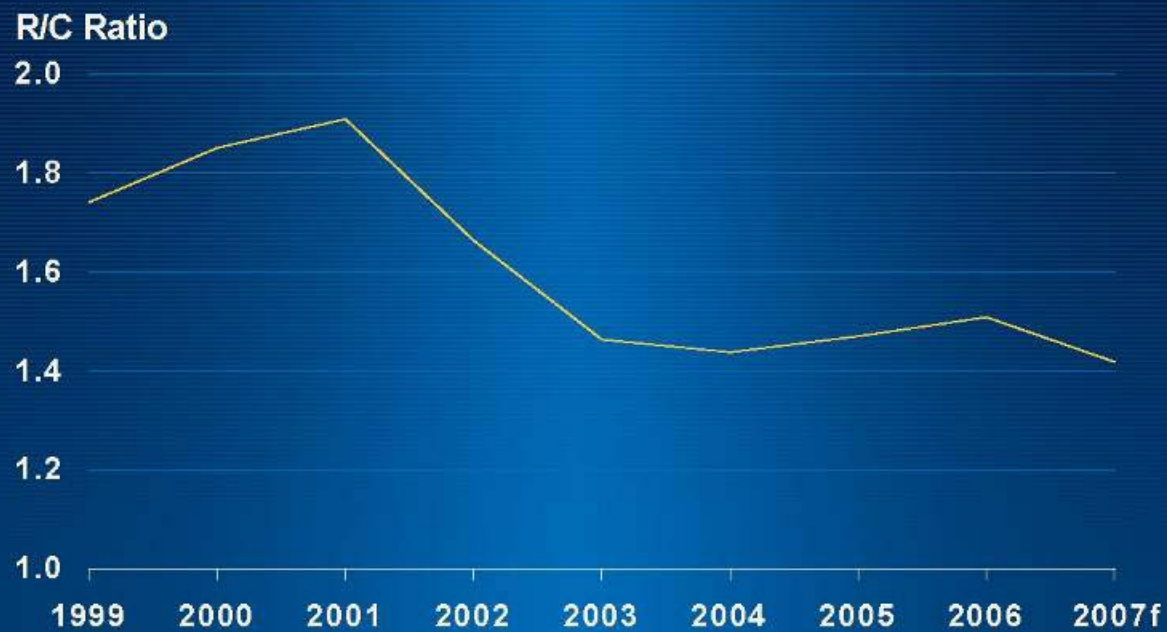
<u>Under Construction</u>	TiO ₂ UNITS *	ZIRCON *	Rank	TiO ₂ : ZIRCON
Madagascar (Rio Tinto)	470	25		18.8
<u>Completed BFS</u>				
Eucla Basin	110	300	1	0.4
Kwale (Tiomini)	In Force Majeure	37		6.2
Senegal (Min Deposits)	11 #	80	2	4.0+
Corridor (BHPB)	215	20		11.0
Coburn (Gunson)	60	42	3	1.6

Australia

Africa

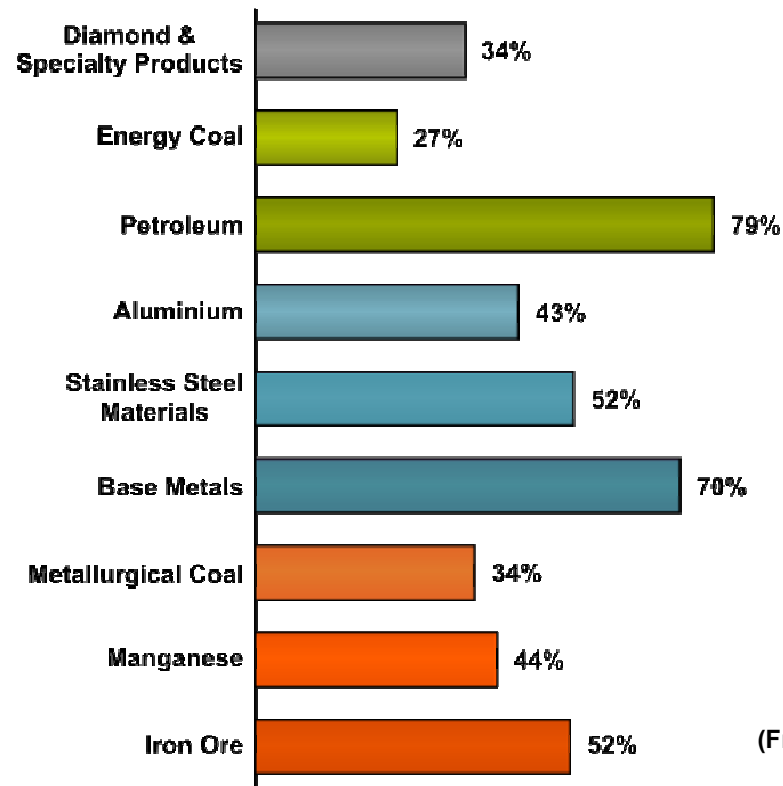
* ,000 tonnes per annum # Ilmenite excluded + Ilmenite included

Industry average R/C ratio: 1999 - 2007



Cash Operating Margins – BHP Billiton

Underlying EBITDA Margin (Calendar Year 2007)



(From BHP Billiton Presentation
5 March 2008)

Conclusions - Coburn

- **Permits for construction granted March 2007.**
- **58 week construction period estimated.**
- **Financing awaits CTIEC negotiations.**
- **Coburn is currently the third largest greenfield zircon development project in the world.**



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