



ASX RELEASE

14th July 2010

**COBURN ZIRCON PROJECT
APPOINTMENT OF CORPORATE ADVISOR**

Gunson Resources Ltd ("Gunson") is pleased to announce that it has appointed RFC Corporate Finance Ltd ("RFC") to assist Gunson with discussions with potential strategic funding and product offtake partners for the Coburn Zircon Project (the "Project") and the consideration of other value realisation and recognition alternatives for the Project.

RFC is a specialist corporate advisory business focused on the natural resources sector. It has substantial expertise and experience in advising on project funding transactions, with specific mineral sands experience.

As previously announced, several parties with significant financial resources and industry experience have expressed indicative interest in the Project partnership opportunity and are currently reviewing the detailed Project information. These parties have been attracted by the opportunity to secure a long term supply of quality zircon and titanium mineral products against the backdrop of growing demand for these products and relatively constrained supply from existing projects.

Leading global mineral sands marketing consultancy TZMI reported on 30th June 2010 that the investment climate and market fundamentals have become increasingly more buoyant in the mineral sands sector in recent months. Further, TZMI commented that more favourable market conditions and forecast price increases over the next few years should provide an investment environment that supports the advancement of new projects, for the first time in many years.

The Coburn Zircon Project is located primarily on granted Mining Leases near the coast in the Mid West region of Western Australia and is fully permitted for development. The main mineralised zone consists of a thick horizon of zircon-rich heavy mineral sands within unconsolidated sand dunes. The low waste to ore ratio and low slimes content supports low cost and low risk mining and processing methods. Gunson announced the results of a Definitive Feasibility Study on the Project on 7th January 2010, which suggested positive economics and a mine life of over 20 years.

**D N HARLEY
MANAGING DIRECTOR**

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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.