



AUSTRALIAN STOCK EXCHANGE



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FACSIMILE MESSAGE

To:	Australian Stock Exchange Limited
Facsimile:	1300 300 021
From:	D N Harley
Date:	5 th April 2001
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Subject:	MOUNT GUNSON COPPER PROJECT

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Please find attached an announcement regarding Billiton's decision to fund further drilling at the Mount Gunson Project.

D N HARLEY
Managing Director

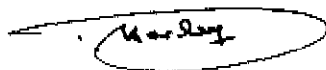
**ASX RELEASE****BILLITON ELECTS TO FUND FURTHER DRILLING
AT THE MOUNT GUNSON COPPER PROJECT**

Billiton Exploration Australia Pty Ltd has advised that it has exercised its right to fund further drilling at the Mount Gunson Copper Project by initiating the Mount Gunson Joint Venture, effective from 9 April 2001.

A new phase of drilling for Olympic Dam-style mineralisation along the promising 10 kilometre Elaine Zone geophysical anomaly is scheduled to commence shortly after Easter. This program will comprise four deep diamond drill holes at several locations along Elaine Zone, as shown in the attached diagram, Figure 1. The first of these holes will be collared some 200 metres east of hole MGD 26 reported earlier this year, to test the possibility of a 100 metre wide ore zone interpreted between MGD 26 and an old CSR drill hole, EC21 (Figure 2).

The total cost of the four hole exploration program is estimated to be \$675,000 and it is expected to be completed by September. If the results of the drilling are sufficiently encouraging, a further \$425,000 has been budgeted to cover an additional three drill holes to be completed by the end of 2001.

The Company is pleased that Billiton has elected to fund further drilling of the Elaine Zone, which has the potential for a major copper deposit which would satisfy Billiton's investment criteria for a high-volume, low cost and long life mining operation. Billiton has the right to earn a 70% interest in the Project by spending \$6 million over a five year period from 9 April 2001, after which Gunson Resources may elect to be carried into production with a 20% interest.

**D N HARLEY
MANAGING DIRECTOR****5th April 2001****Investor Enquiries:**

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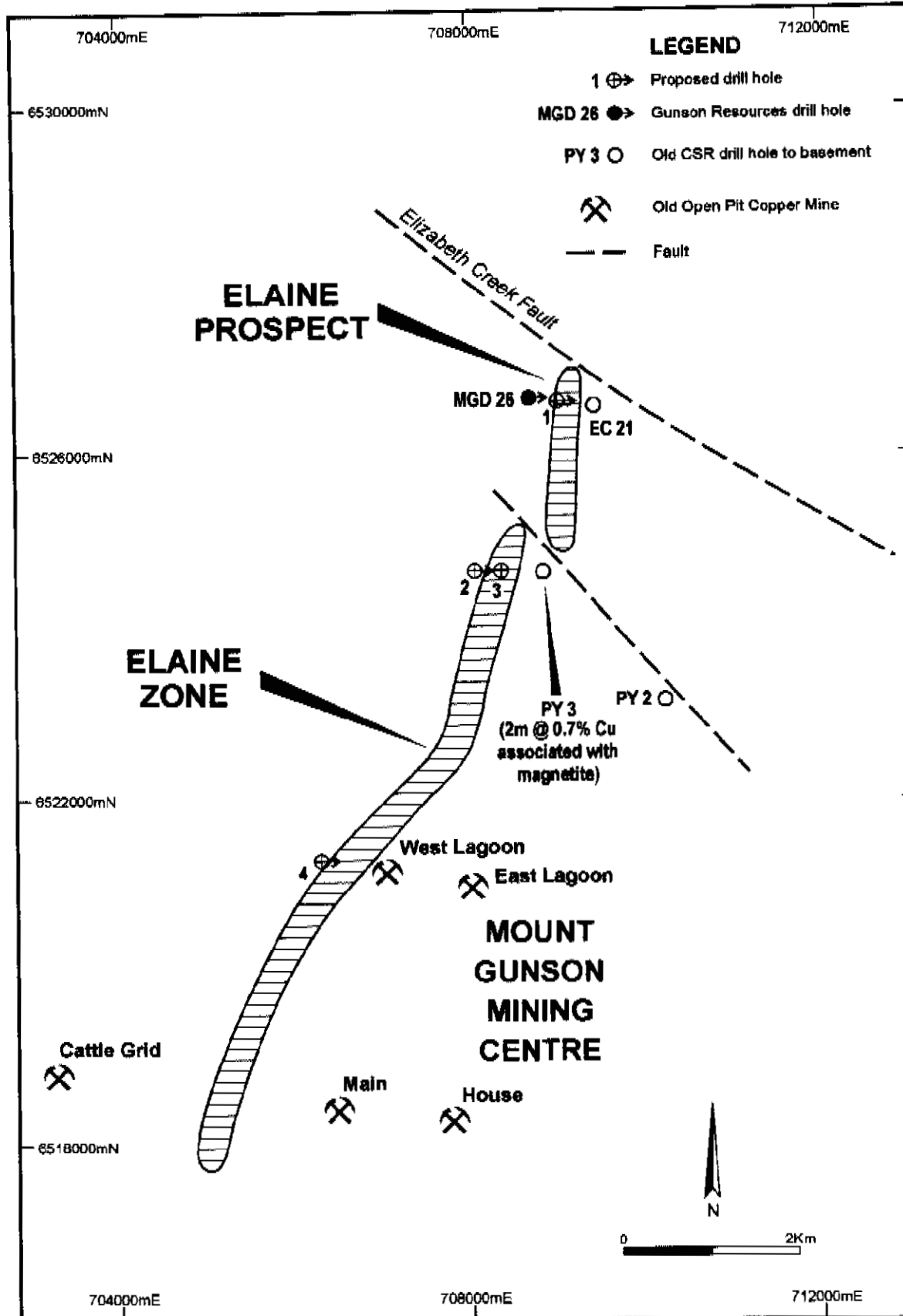
Attachments:

Figure 1 Mount Gunson Project
Proposed Drill Holes
Figure 2 Elaine Prospect -
Next Drill Hole

Gunson Resources Limited

Figure 1

MOUNT GUNSON PROJECT - PROPOSED DRILL HOLES



Gunson Resources Limited

Figure 2

MOUNT GUNSON PROJECT - ELAINE PROSPECT : NEXT DRILL HOLE

