

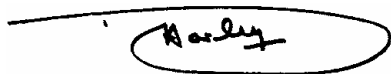
ASX RELEASE
21st May 2004

DRILLING FOR COPPER AT MOUNT GUNSON, SOUTH AUSTRALIA

Following the successful completion of aboriginal heritage surveys earlier this month, drilling of two copper prospects on the western side of the Mount Gunson Project is scheduled to commence on 24th May.

The drilling program will comprise two vertical holes, each designed to approximately 300 metres vertical depth. Both holes will test previously undrilled coincident gravity/induced polarisation geophysical anomalies and soil geochemical anomalies at 23 Mile Tank and Moseley Dam Prospects respectively (Figure 1). The exploration target in each case is stratabound copper mineralisation in the Adelaidean cover sequence similar to that mined in the past by CSR around Mount Gunson.

The program is expected to take approximately 3 weeks from commencement and results should be available by late June.



D N HARLEY
MANAGING DIRECTOR

Investor Enquiries:

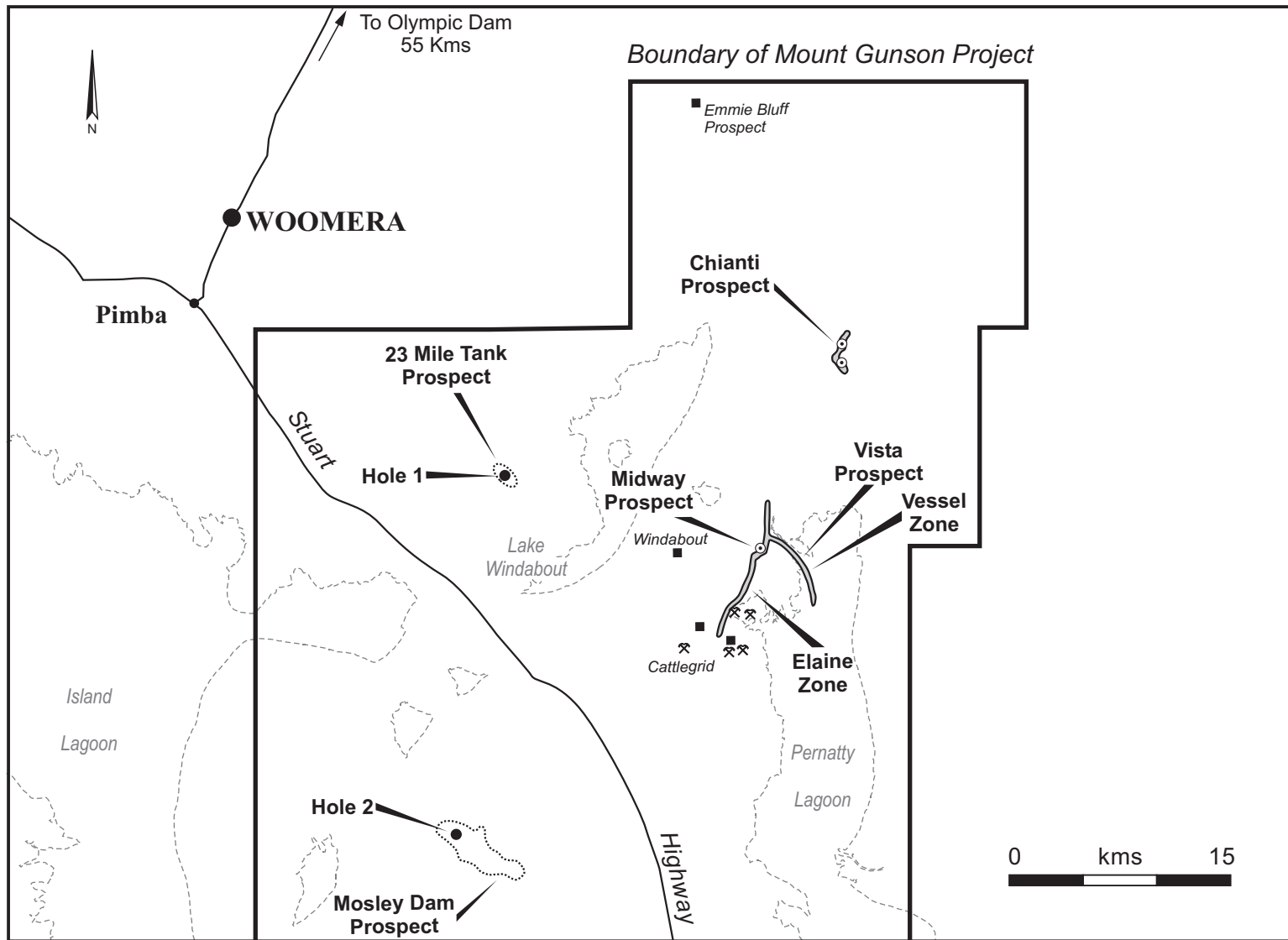
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Attachment





- Figure 1: Mount Gunson – Drilling 2004

ATTRIBUTION

The information contained in this report is based on, and accurately reflects, information compiled by Mr D N Harley, a corporate member of the Australasian Institute of Mining and Metallurgy, who has over five years experience in the field of activity being reported on.



REFERENCE

-  Basement target
-  2004 drill program
-  Pre 2004 drill hole
-  Mount Gunson Mining Centre open pit copper mine
-  Copper resource
-  Gravity anomaly

Gunson Resources Ltd

Figure 1

MOUNT GUNSON - DRILLING 2004

Date : May 2004

File : MG Drilling 2004.cdr