

Mineral Sands Conference (AJM)



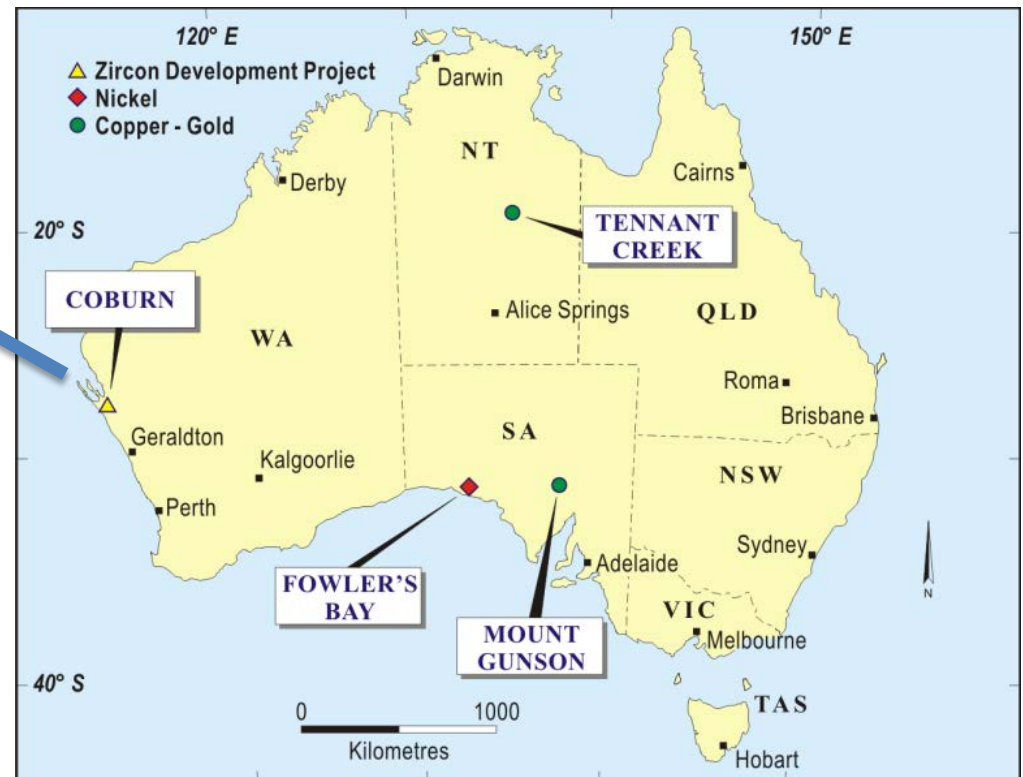
Summary 2012 & Early 2013



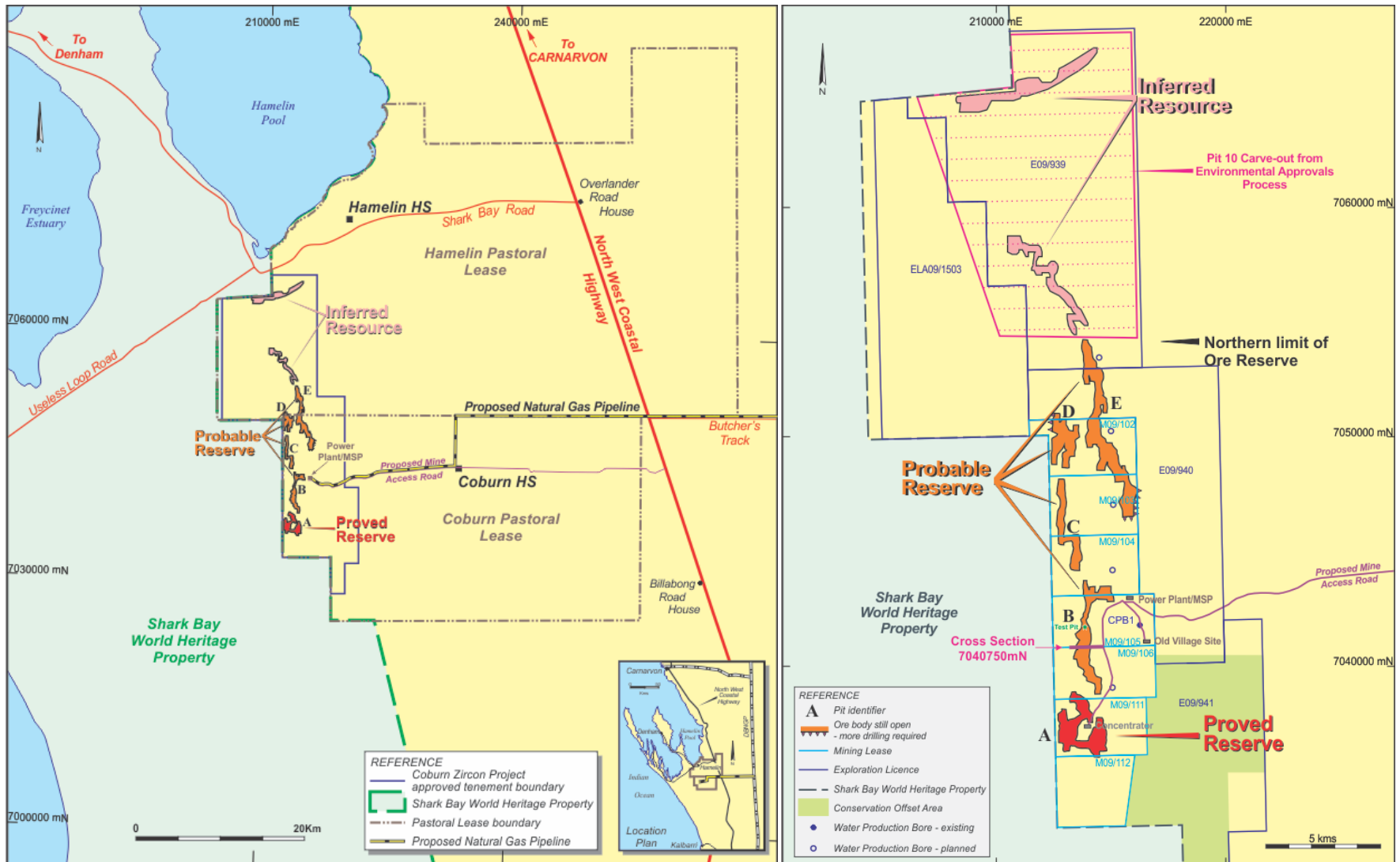
- Strong focus on advancing Coburn. Coburn 97 % of total \$3.3 million net exploration expenditure in 2011/2012.
- Offtake agreement for Coburn chloride ilmenite signed with DuPont on 2 March.
- POSCO conditional Board approval in August 2012 for 40% JV investment in Coburn, shared with Korean resource fund (POSCO SPV).
- POSCO SPV to earn in by funding \$28 million & then its 40% share of capex.
- FEED study announced in September 2012 reveals updated Coburn capex as \$192 million. Construction period cut to 18 months.
- Cost reduction study announced 28 November 2012 reduces Coburn operating costs by 6.3% or \$122 million over mine life. Further reductions likely as work continues.
- POSCO SPV execution of investment agreement conditional on Gunson meeting commercial condition by end February 2013.
- Coburn Optimisation Study results released 26 February 2013. Gunson Board believes commercial condition has been met. Discussions with POSCO SPV in progress .

Coburn Zircon Project Location

- Located on Coburn & Hamelin pastoral leases
- Situated just outside the southeast edge of the Shark Bay World Heritage Property



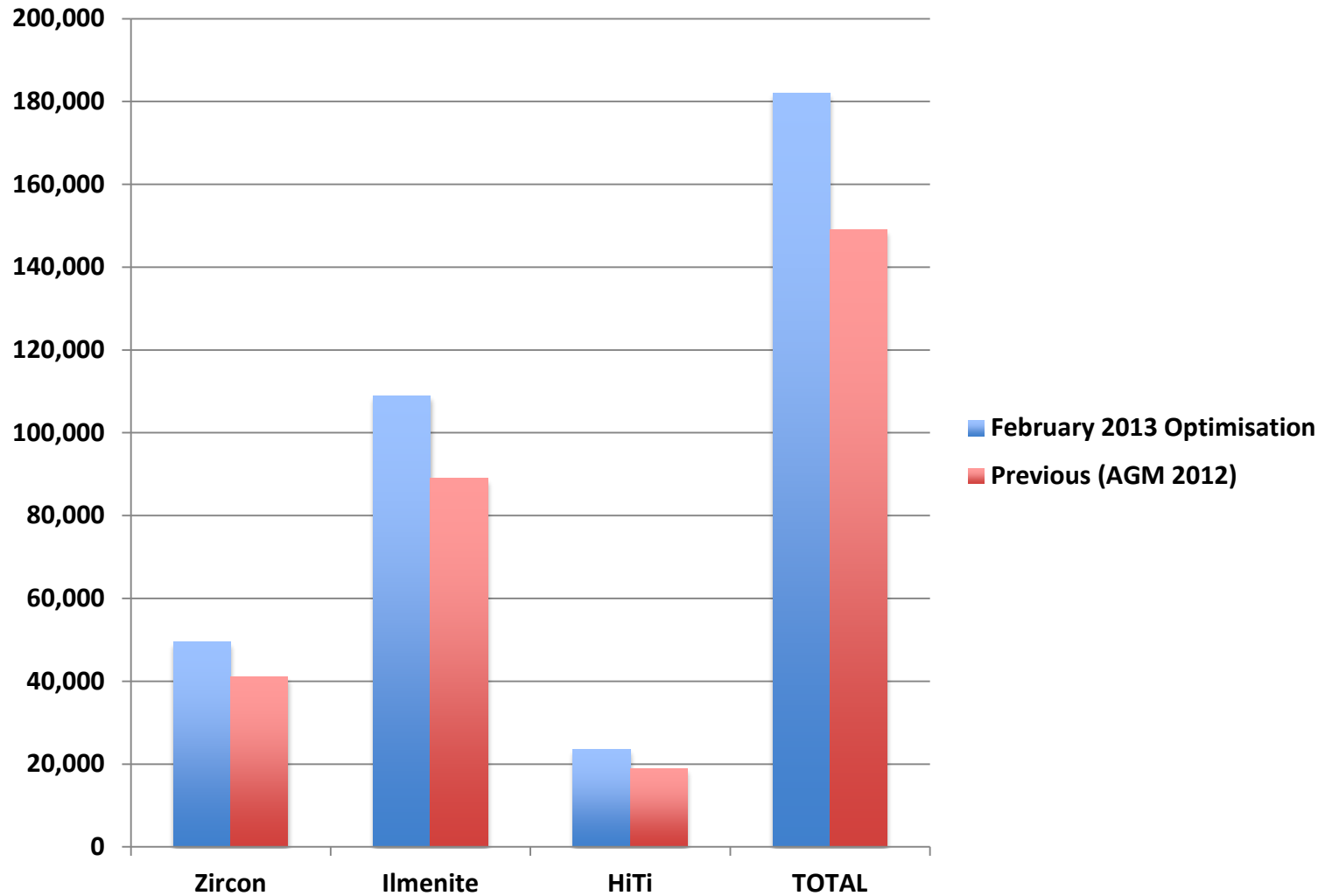
Coburn Zircon Project Local Setting & Mine Plan



- Annual ore production up 34% to 23.4 from 17.5 mtpa.
- Finished product output up 22% to 182,000tpa from 149,000 tpa.
- Unit costs down 14%.
- Mine life down 4 years from 23 to 19.
- NPV up 56% to \$330 M from Sept 2012.
- IRR up 39% to 31.2% from Sept 2012.

Product	February 2013 Optimisation	Latest Previous (AGM 2012)	Product % Revenue *
Zircon	49,500	41,000	65
Ilmenite	109,000	89,000	19
HiTi 90	23,500	19,000	16
TOTAL	182,000	149,000	

* Same % for 2013 Optimisation and AGM 2012



Coburn Optimisation Study

Unit Cost Comparison

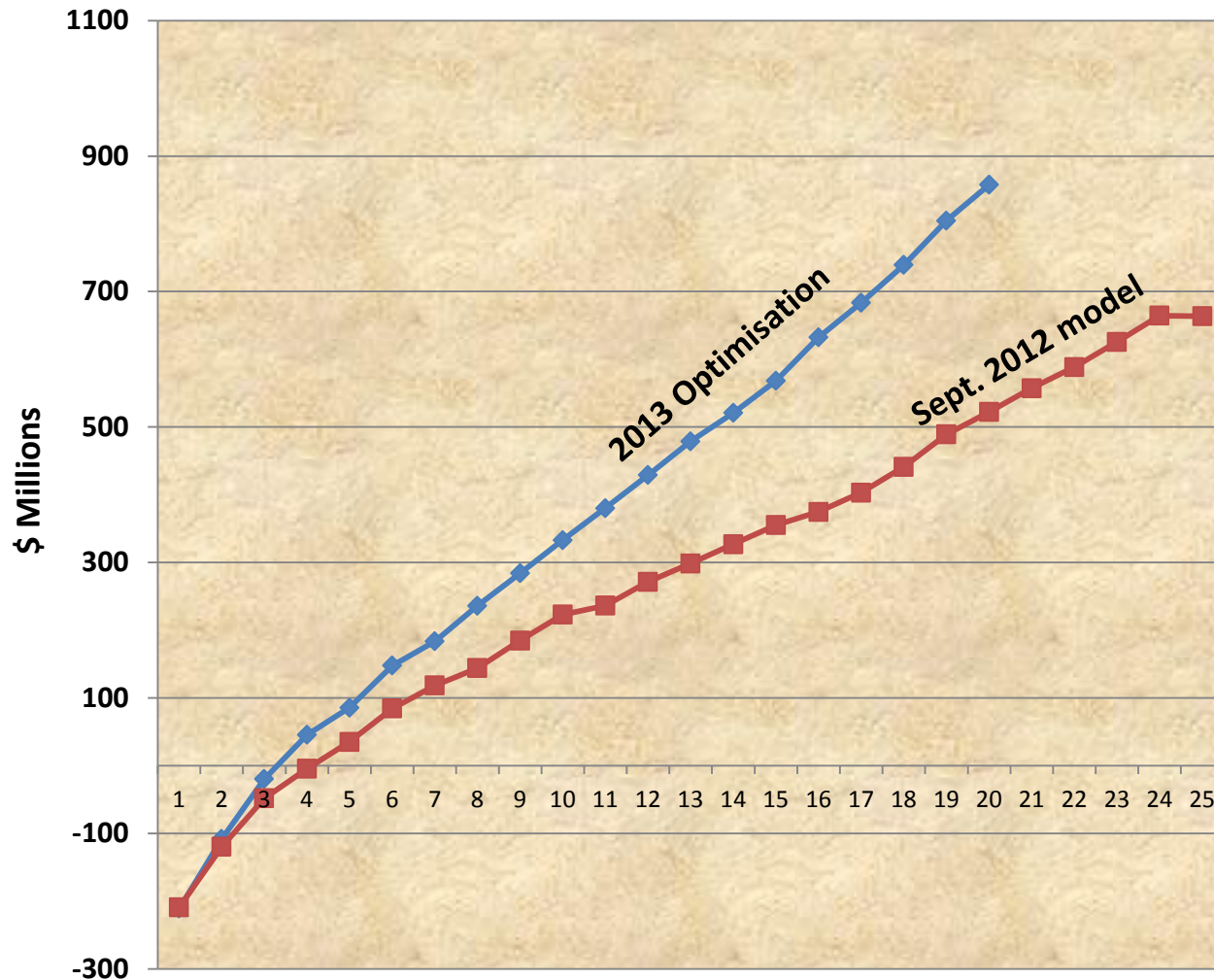


Cost per tonne of ore *	Optimisation	September 2012
Mining	\$2.11	\$2.31
Wet Concentrator	46c	55c
Mineral Separation	32c	45c

* Includes power costs

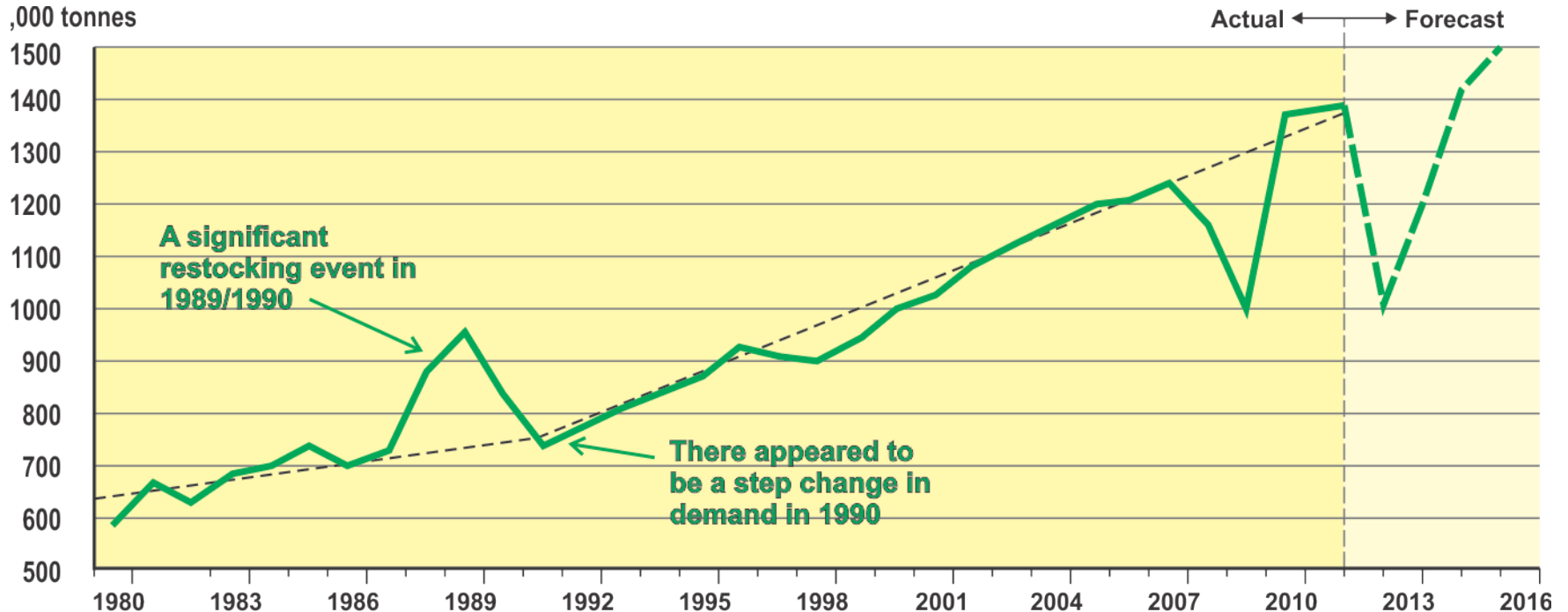
Coburn Optimisation Study

Comparative Operating Cashflows



Coburn Zircon Project

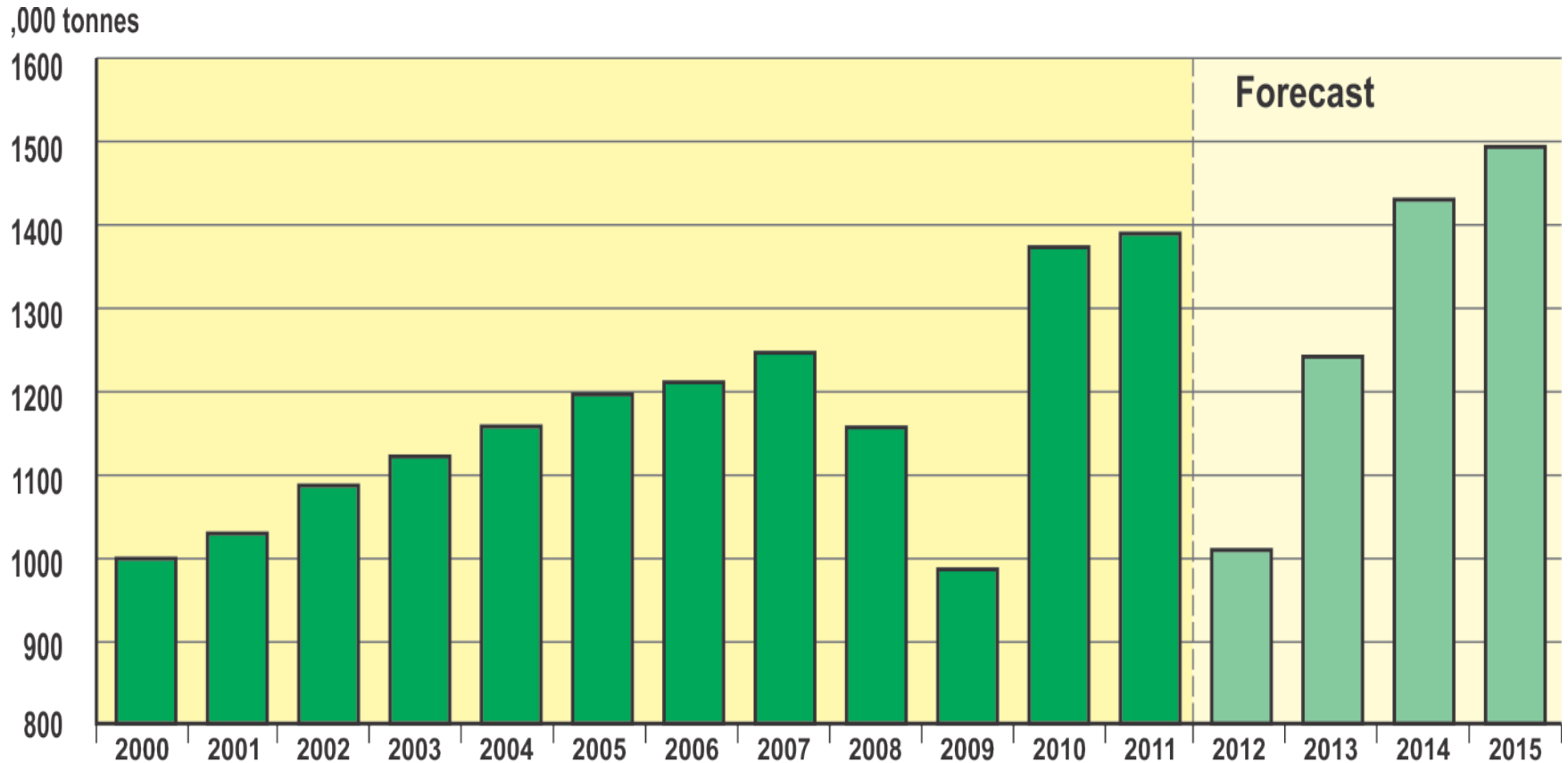
Global Zircon Consumption, Actual & Forecast 1980-2015



- Global consumption increase 1991-2011 averages 3% per annum.
- Severe dips in 2009 and 2012 way below trend.
- Strong rebound to trend forecast in 2013-2015.

Coburn Zircon Project

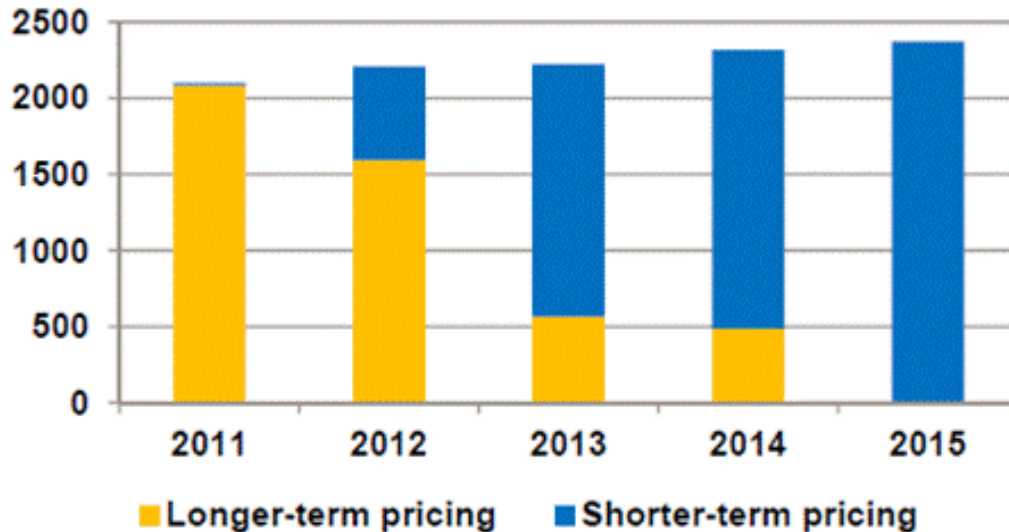
Zircon Demand 2000 - 2015



Source: Companies, J.P. Morgan estimates

Titanium Dioxide Pricing – Chloride Slag a New Industry Benchmark?

**Rio Tinto Legacy Contracts
2011-2015
(from Investec, September 2012)**



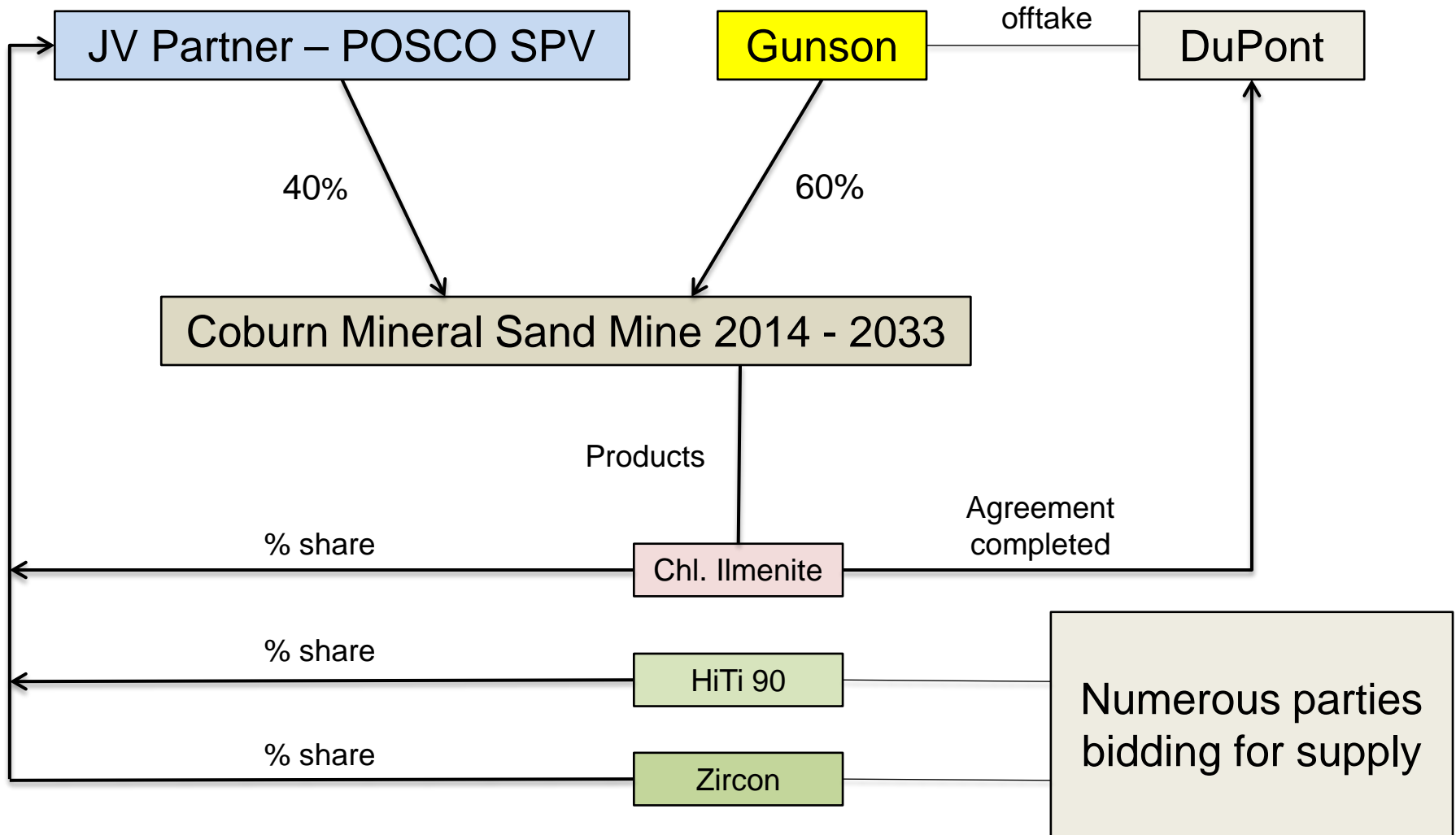
Source: Rio Tinto

**Investec Expected Average
Chloride Slag Prices
2011-2014**

Year	\$US/tonne
2011	440
2012	730
2013	975
2014	1,750

- Titanium dioxide consumption linked to GDP growth in emerging economies.
- Current chloride slag price \$US 1,250 to \$US 1,300 per tonne.

Coburn Zircon Project Joint Venture Model



- Gunson's view: POSCO SPV commercial condition has been met.
- Final negotiations on Coburn JVA financing agreement in progress.
- Debt finance to follow, conditional on JVA execution.
- Equity raising to follow debt finance.
- Long-term zircon price \$US 1,715*, ilmenite \$US 338+, HiTi 90 \$US 1,430+.

* TZMI forecast

+ Gunson forecasts based on current chloride slag price from slide 11