

COR R1

22nd October 2008

Dear Shareholder

ANNUAL GENERAL MEETING

On behalf of the Board of Directors, I am pleased to invite you to the ninth Annual General Meeting of the Company, to be held in The Celtic Club, 48 Ord Street, West Perth at 2.00 pm on Monday, 24th November 2008. A copy of the Notice of Meeting is enclosed and if you are able to attend, please bring this letter with you to facilitate your admission to the Meeting. Registration for shareholders at the Meeting is from 1.45 pm.

If you are unable to attend but wish to vote on any of the resolutions to be put to the Meeting, a proxy form for your use is enclosed with the Notice of Meeting.

A copy of the Company's 2008 Annual Report is available on the website at www.gunson.com.au. At the conclusion of the Meeting, I invite you to join the Directors and senior management for afternoon tea.

Yours sincerely



W H CUNNINGHAM
CHAIRMAN

Enc

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23rd October 2008

Dear Shareholder

ANNUAL REPORT & GENERAL MEETING

1. Annual Report

On behalf of the Board of Directors, I have pleasure in enclosing this year's Annual Report.

You may recall that last year, you elected to receive a copy of the Report and we welcome your interest in keeping abreast of the Company's activities via the Report.

Significant progress has been made on the Coburn zircon and Mount Gunson copper projects during the past year and the strong zircon market has increased the Company's chances of attracting major corporate investors to help fund the proposed Coburn mine.

2. Annual General Meeting

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W H CUNNINGHAM
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