

**CTIEC CHAIRMAN VISITING PERTH FOR COBURN
DISCUSSIONS AND ATTENDANCE AT STATE DINNER
FOR CHINESE PRESIDENT**

The Chairman of China Triumph International Engineering Company Ltd (“CTIEC”) Mr. Peng Shou is visiting Perth this week to attend meetings with potential zircon producer Gunson Resources Limited and will attend the State Dinner for Chinese President, Mr Hu Jintao.

Managing Director David Harley, who will also be attending the State Dinner with Mr Peng, said CTIEC is one of the world’s top 200 international engineering design firms chosen by the Engineering News Record and its business covers many parts of the world. CTIEC’s visit to Western Australia marks an important event in the development of the Coburn Zircon Project and is evidence of the good relationship between Gunson and CTIEC.

Mr Harley said, “Mr Peng, in addition to being Chairman of CTIEC, is President of the China Non-metallic Industry Association and a director of the International Glass Society. His presence in Western Australia is recognition of the fact that Gunson and CTIEC are moving towards agreement to develop Gunson’s Coburn Zircon Project.

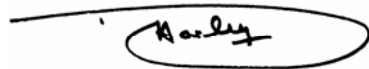
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Background

In July 2007, Gunson and CTIEC, on behalf of its parent company China National Building Materials, signed a Memorandum of Understanding (MoU) to discuss joint development of the Coburn Zircon Project. The MoU includes provision for:

- *A subsidiary of CNBM to acquire a minority equity position in the Project (up to 40%)*
- *Offtake agreement to purchase 20,000 tonnes of zircon per annum*
- *Gunson to appoint CTIEC as General Contractor for construction of the Coburn Project*
- *The construction of a mineral separation plant in China*

The Coburn Zircon Project is expected to produce 38,000 tonnes of zircon per annum over a mine life of approximately 20 years.



**D N HARLEY
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