

15 November 2007

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By E-lodgement

No. of pages: 4

**1 FOR 10 ENTITLEMENT ISSUE OF
FULLY PAID SHARES**

The Directors of Gunson Resources Limited (**Gunson** or the **Company**) are pleased to announce a pro rata 1 for 10 non-renounceable entitlement issue (**Entitlement Issue**) of approximately 10,870,142 new fully paid ordinary shares in Gunson (**New Shares**) at 20 cents per New Share to raise up to \$2.17 million.

The proceeds of the Entitlement Issue will be used to fund ongoing work on Gunson's exploration and development projects described in the recently released 2007 Annual Report, in particular the Coburn zircon project, Burkin and Fowler's Bay nickel projects and the Tennant Creek gold-copper project. No funds are required for the Mount Gunson copper project as exploration on this project is presently being fully funded by Xstrata Copper.

KEY TERMS

Nature of offer	Non renounceable Entitlement Issue of up to 10,870,142 New Shares
New Share issue price	20 cents per New Share
Offer ratio	1 New Share for every 10 Existing Shares held on the Record Date
Number of New Shares to be issued	Up to 10,870,142
Amount to be raised under the Entitlement Issue	Up to \$2.17 million

Shareholders who hold ordinary shares in the Company (**Existing Shares**) as at 5.00pm WST on Friday, 23 November 2007 (**Eligible Shareholders**) will be entitled to participate in the Entitlement Issue. All Eligible Shareholders will be offered 1 New Share in the Company for every 10 Existing Shares held by the Eligible

Shareholder, at an issue price of 20 cents per New Share (**Entitlement**). This represents a discount of approximately 7% to the weighted average market price of Gunson's shares over the past three weeks to 14 November 2007, the last day of trading before this announcement.

All New Shares issued under the Entitlement Issue will rank equally with the Existing Shares on issue. The issue of any New Shares to Eligible Shareholders which results in a fraction will be rounded down to the nearest whole New Share.

The Entitlement Issue is not underwritten. If there is a shortfall in acceptances under the Entitlement Issue, Gunson reserves the right to place the shortfall at its discretion.

There is no minimum subscription in respect of the Entitlement Issue. If the full amount of A\$2.17 million is not raised under the Entitlement Issue, Gunson will initiate a placement to sophisticated investors.

KEY DATES

Key dates for the Entitlement Issue are set out below. The dates are indicative only and Gunson reserves the right to vary them, subject to the Corporations Act 2001 (**Act**) and the ASX Listing Rules.

Announcement of Entitlement Issue	15 November 2007
“Ex Date” for Existing Shares ex Entitlement	19 November 2007
Record Date for determining Entitlements to New Shares	5.00 pm WST on 23 November 2007
Entitlement Issue cleansing statement given to ASX	26 November 2007
Invitation to participate in Entitlement Issue and Acceptance Forms Entitlement despatched to Shareholders	26 November 2007
Closing Date and final time for receipt of Entitlement and Acceptance Forms and payment in full for New Shares	5.00 pm WST on 14 December 2007
Issue of New Shares and on-sale cleansing statement given to ASX	No later than 21 December 2007
Holding Statements for New Shares despatched to Shareholders	No later than 24 December 2007

INFORMATION PROVIDED IN RELATION TO ENTITLEMENT ISSUE

The Entitlement Issue is being made without disclosure to investors under Part 6D.2 of the Act, in accordance with section 708AA of the Act.

Shareholders will not receive a prospectus in relation to the Entitlement Issue but will receive a written invitation providing details on how to take up their entitlement under the offer. Any decision to acquire New Shares should only be made after making independent enquiries and consulting relevant professional advisers, such as stockbrokers, financial advisers, accountants or solicitors. Shareholders should have regard to publicly available information about Gunson before deciding whether or not to acquire New Shares. Copies of Gunson's announcements to ASX can be obtained from its website, www.gunson.com.au, or from the ASX website, www.asx.com.au. Gunson's ASX code is GUN.

Information about use of proceeds

It is intended to utilise the monies raised under the Entitlement Issue to fund drilling on the Tennant Creek gold-copper project, geophysical surveys and drilling on the Burkin and Fowler's Bay nickel projects and some continuing pre development work on the Coburn zircon development project.

Gunson's capital structure on completion of the Entitlement Issue

The following table shows the proposed capital structure of Gunson on completion of the Entitlement Issue. The exact number of New Shares to be issued cannot be calculated until Entitlements have been determined following the Record Date.

Shares	Number
Existing Shares on issue at the date of this announcement	108,701,416
New Shares proposed to be issued under the Entitlement Issue	10,870,142
Proposed total shares on issue after the Entitlement Issue	119,571,558
Existing options to acquire shares on issue at the date of this announcement	3,700,000

ADDITIONAL INFORMATION

New shares

New Shares, once issued, will rank equally with Gunson's Existing Shares on issue.

The rights and obligations attached to shares in Gunson are:

- set out in Gunson's Constitution which may be examined free of charge by appointment between 9.00 am and 5.00 pm on normal business days at the registered office of Gunson at Level 2, 33 Richardson Street, West Perth, WA 6005; and
- in certain circumstances, regulated by the Act, the ASX Listing Rules and the general law.

Dividends

The Company is not currently paying dividends.

Foreign shareholders

Shareholders with registered addresses outside of Australia and New Zealand are not eligible to participate in the Entitlement Issue.

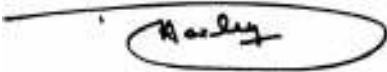
Enclosure

An Appendix 3B is enclosed.

Enquiries

Enquiries about the Entitlements Issue should be directed to the Company Secretary, Ian Gregory, on mobile number 0419 961 926 or Gunson's share registry, Computershare Investor Services Pty Limited on 1300 557 010 (within Australia) or (618) 9415 4000 (outside Australia).

Yours faithfully

A handwritten signature in black ink, appearing to read "D N Harley", is enclosed within a hand-drawn oval.

**D N HARLEY
MANAGING DIRECTOR**

Attachment: Appendix 3B

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

GUNSON RESOURCES LIMITED

ABN

32 090 603 642

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|-----------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 10,870,142 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | N/A |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Issued shares will rank equally with existing shares on issue.</p>				
<p>5 Issue price or consideration</p>	<p>\$0.20 cents per share.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The monies raised will be used to fund ongoing work on Gunson's exploration and development projects described in the recently released 2007 Annual Report, in particular the Coburn zircon project, Burkin and Fowler's Bay nickel projects and the Tennant Creek gold-copper project.</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>No later than 24 December 2007.</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="721 1369 997 1394">Number</th> <th data-bbox="1002 1369 1265 1394">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="721 1400 997 1430">119,571,558</td> <td data-bbox="1002 1400 1265 1461">Ordinary fully paid shares.</td> </tr> </tbody> </table>	Number	+Class	119,571,558	Ordinary fully paid shares.
Number	+Class				
119,571,558	Ordinary fully paid shares.				

+ See chapter 19 for defined terms.

	Number	+Class						
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; width: 20%;">100,000</td> <td style="padding-left: 10px;">Unlisted options exercisable on or before 16/12/07 at 20 cents per share.</td> </tr> <tr> <td style="text-align: center;">1,800,000</td> <td style="padding-left: 10px;">Unlisted options exercisable on or before 30/11/10 at 30 cents per share.</td> </tr> <tr> <td style="text-align: center;">1,800,000</td> <td style="padding-left: 10px;">Unlisted options exercisable on or before 30/11/10 at 35 cents per share.</td> </tr> </table>	100,000	Unlisted options exercisable on or before 16/12/07 at 20 cents per share.	1,800,000	Unlisted options exercisable on or before 30/11/10 at 30 cents per share.	1,800,000	Unlisted options exercisable on or before 30/11/10 at 35 cents per share.
100,000	Unlisted options exercisable on or before 16/12/07 at 20 cents per share.							
1,800,000	Unlisted options exercisable on or before 30/11/10 at 30 cents per share.							
1,800,000	Unlisted options exercisable on or before 30/11/10 at 35 cents per share.							
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividends not yet paid.						

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable.
13	Ratio in which the +securities will be offered	1 new share for every 10 existing shares.
14	+Class of +securities to which the offer relates	Ordinary fully paid shares.
15	+Record date to determine entitlements	23 November 2007.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes.
17	Policy for deciding entitlements in relation to fractions	Fractions will be rounded down.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents	Shareholders with registered addresses outside of Australia and New Zealand are not eligible to participate in the Entitlement Issue.
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	14 December 2007.
20	Names of any underwriters	The issue will not be underwritten.
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	26 November 2007.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	26 November 2007.
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

+ See chapter 19 for defined terms.

30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	26 November 2007.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

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40 Do the +securities rank equally in all
 respects from the date of allotment
 with an existing +class of quoted
 +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next dividend,
 (in the case of a trust,
 distribution) or interest payment
- the extent to which they do not
 rank equally, other than in
 relation to the next dividend,
 distribution or interest payment

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41 Reason for request for quotation
 now

Example: In the case of restricted securities, end of
 restriction period

(if issued upon conversion of
 another security, clearly identify that
 other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 15 November 2007
(Company Secretary)

Print name: Ian Gregory

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+ See chapter 19 for defined terms.