

COMPLETION OF INITIAL 2010 DRILL HOLE AT MOUNT GUNSON

The initial drill hole of the 2010 drilling program at Mount Gunson, MGD 57, was stopped at 1,243m on 6th March. This hole was designed to test the 1.2km by 800m apparent conductivity high defined by TEM geophysical surveys around Emmie Bluff Prospect during the second half of 2009, as shown on the attached diagram, Figure 1.

MGD 57 intersected two zones of copper sulphide mineralisation, the first in the cover sequence within the Tapley Hill Formation between 393-435m and the second in the basement from 1,158m. The top of the basement is at 960m.

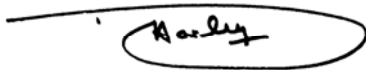
Mineralisation in the Tapley Hill Formation is best developed at the top of this rock unit but below this, minor copper sulphides were also observed. Due to the fine grained nature of the sulphides present, visual estimates of copper grade were difficult to make and the whole interval from 393-435m has been submitted for assay, with results expected by the end of March 2010.

Copper mineralisation in the basement was rare in a mixed granite-meta dolerite zone from 960-1,157m, thought to be equivalent in age to the Donnington Suite granites in the basement at Chianti Prospect on the eastern side of the Mount Gunson Project. Below 1,157m, dark magnetite rich metasediments with varying intensity of copper mineralisation were intersected, the best being a 5m interval of massive magnetite-pyrite-chalcopyrite from 1,158-1,163m. MGD 57 was stopped in magnetite-pyrite rich metasediments with no visible copper sulphides.

Core from the mineralised basement below 1,157m will be submitted for assay next week, with results expected in April. Down hole IP and TEM geophysical logging of MGD 57 is in progress, to detect potential zones of higher conductivity away from the hole, where better grades of copper mineralisation could be present. The logging should be completed by the end of this week, allowing the drill rig to be moved some 37 km to the south to commence metallurgical drilling on the MG 14 and Windabout copper prospects as part of the Bankable Feasibility Study that commenced late last year.

The drilling at Emmie Bluff Prospect is being funded by Noranda Pacific Pty Limited, a company within the Xstrata Copper Business Unit. Noranda has the right to earn a 51% interest in the Mount Gunson Project by spending \$3.5 million on exploration by 15th June 2010. Once payment for the drilling of MGD 57 has been made, it is expected that Noranda will have reached its initial earn-in target and its alternatives after this point are outlined in Gunson's December 2009 quarterly report, section 2.2.

The MG 14 and Windabout deposits were excised from the Noranda farm-in agreement in June 2009.



D N HARLEY
MANAGING DIRECTOR

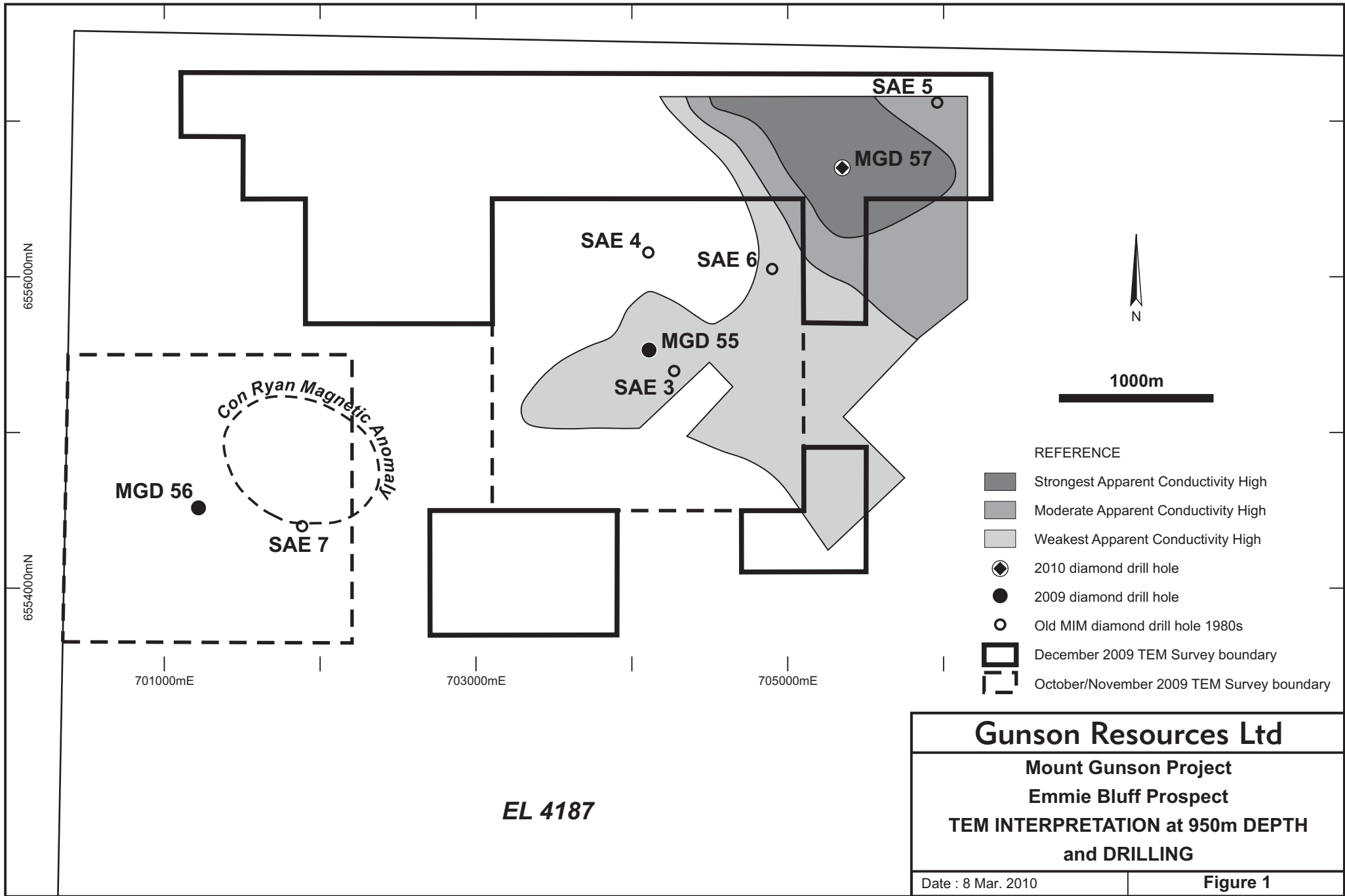
Figure 1 Emmie Bluff Prospect – TEM Interpretation and Drilling

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ATTRIBUTION

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr D N Harley, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Harley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



- REFERENCE
- Strongest Apparent Conductivity High
 - Moderate Apparent Conductivity High
 - Weakest Apparent Conductivity High
 - 2010 diamond drill hole
 - 2009 diamond drill hole
 - Old MIM diamond drill hole 1980s
 - December 2009 TEM Survey boundary
 - October/November 2009 TEM Survey boundary

Gunson Resources Ltd	
Mount Gunson Project	
Emmie Bluff Prospect	
TEM INTERPRETATION at 950m DEPTH	
and DRILLING	
Date : 8 Mar. 2010	Figure 1

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