

GUNSON RESOURCES LIMITED

EL 23947 Gosse 5

Partial Relinquishment Report on Exploration Activities

for the period

14 May 2008 to 13 May 2009

Distribution:

- 1 NTDME
- 2 File: PRO T1-S1 (without appendices)
- 3 H L Paterson (without appendices)

**H L Paterson
September 2009**

TABLE OF CONTENTS

	Page
1 SUMMARY.....	1
2 INTRODUCTION.....	1
3 REGIONAL SETTING.....	1
4 PREVIOUS WORK	1
5 EXPLORATION MODELS	1
6 WORK COMPLETED THIS YEAR.....	2
7 EXPENDITURE TO 13/05/2009	2
8 REFERENCES.....	2



LIST OF FIGURES

Figure 1	Location Diagram	1 : 500,000
Figure 2	Partial Relinquishment Plan	1 : 50,000

APPENDICES

Appendix 1:

Coopes, GA, 2009: Gunson Resources Gosse 5 Gravity Survey,
Unpublished contractor's report to Gunson Resources Ltd, Report 09013.

Appendix 2:

Data File: Daish Gravity 2009 Relinquished Area.txt

1 SUMMARY

Exploration Licence 23947 (Gosse 5) was granted to Gunson Resources Ltd ("Gunson") on 14th May, 2004. Gunson is exploring EL 23947 for copper-gold mineralisation, based on a geological model where mineralisation is hosted by hematite, rather than by magnetite. This is a departure from the traditional style of exploration in the Tennant Creek area, which has focussed strongly on magnetic anomalies.

A group of six of applications was submitted originally. Of these, EL 23944 and EL 23947 have been granted and three applications (ELAs 23946, 23948 and 23949) were refused Consent to Grant by the CLC. The five-year moratorium period for these ELAs commenced on 20th October 2004 (ELs 23946 and 23949) and 5 March 2007 (EL 23948) respectively. The final application, EL 23945, was refused on 8th September 2008.

A comprehensive gravity survey over the entire tenement has been completed during this fifth year of tenure. This work has defined a promising residual gravity anomaly, and planning for drill testing of this feature is in progress.

The area of EL 23947 was reduced from 12 to 6 blocks at the end of Year 5. Figure 1 shows the original area of EL 23947, and Figure 2 shows the portion that was relinquished. This report describes only the work carried out within the relinquished portion of EL 23947.

Exploration expenditure incurred during Year 5 of EL 23947 amounted to \$24,935, of which \$2,659 is attributed to the relinquished portion.

2 INTRODUCTION

Exploration Licence EL 23947 (Gosse 5) was granted to Gunson on 14th May, 2004, for a term of six years, with a minimum expenditure for Year 1 of \$32,500. The exploration licence covers some 38 square kilometres, and is located some 23 km east of the Gosse River, or about 68 km by rough track to the east of Tennant Creek. The regional location is shown on Figure 1, and Figure 2 shows the area that was relinquished from the original tenement.

This report describes work completed on the relinquished portion of EL 23947 during the fifth year of tenure, from 14th May 2008 to 13th May 2009.

3 REGIONAL SETTING

EL 23947 is located on crown land, about 68 km to the east of Tennant Creek. The tenement lies within the Warramunga Basin, which is well-documented by Donnellan *et al* (1999). Available mapping (Donnellan *et al*, 1995) shows that there is no outcrop of Proterozoic units within the EL, but the tenement is interpreted to be underlain by Yungkulungu Formation, possibly under Gum Creek Formation (Cambrian) cover.

Aeromagnetic patterns indicate that the Gosse 5 Prospect area lies on the margin of an elongate area of elevated magnetic response, with indications of structural breaks trending SW-NE across the tenement area. The residual gravity pattern indicates a local gravity high in a 'neck' area between two larger gravity features.

4 PREVIOUS WORK

Exploration work conducted previously in the area has not yet been compiled in detail, but initial indications are that little has been done in this area.

5 EXPLORATION MODELS

Traditional exploration in the Tennant Creek area was based strongly on the association of copper – gold mineralisation with plugs of magnetite with a surrounding alteration halo. Based on its experience on the Stuart Shelf area of South Australia, Gunson has developed a variation of the model for Tennant creek-style mineralisation where the iron oxide host is hematite rather than magnetite.

This means that the focus is on the gravity response, since the magnetic expression may be weak to non-existent. Furthermore, most of Gunson's applications are in areas around the fringe of the main Tennant Creek mineral field, where the prospective lithologies are likely to be covered by younger units. This makes the exploration more challenging, but is believed to afford a better opportunity for discovery of previously unrecognised mineralisation.

6 WORK COMPLETED THIS YEAR

During the fifth year of tenure, a comprehensive gravity survey has been completed over EL 23947. This work has defined an extensive residual gravity anomaly which warrants drill testing. The survey comprised 347 new data points, with an initial grid at 400 X 200 m spacing and an infill pattern of 200 X 100 m spacing. As indicated on Figure 2, 37 of the data stations were within the relinquished area. Details of the complete field survey are provided in the attached report by Coopes (2009).

Planning for drill-testing of the gravity feature on the retained portion of EL 23947 is in progress, and an application for an Authority Certificate has been lodged with AAPA.

7 EXPENDITURE TO 13/05/2009

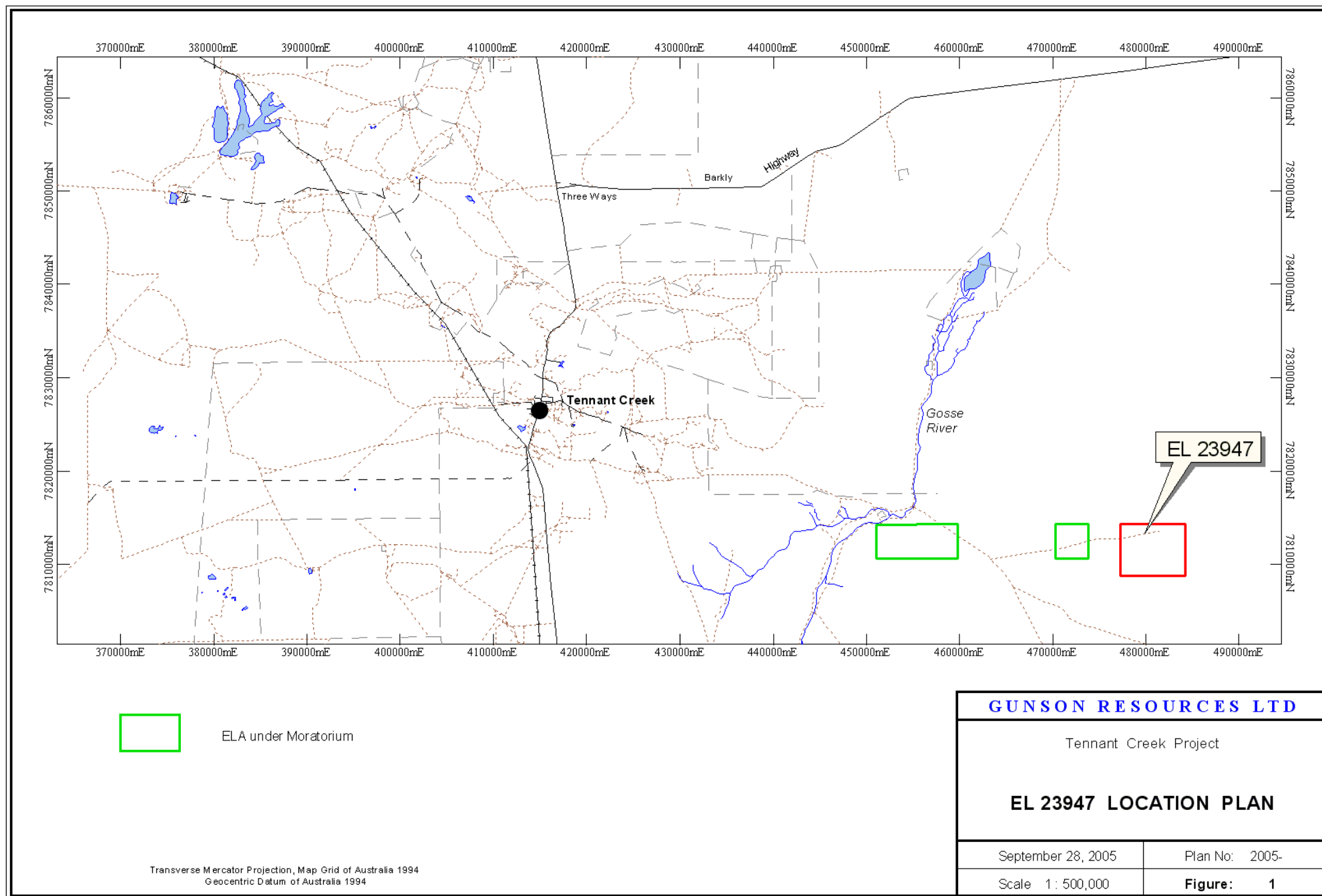
YEAR 5 (Relinquished Area only):

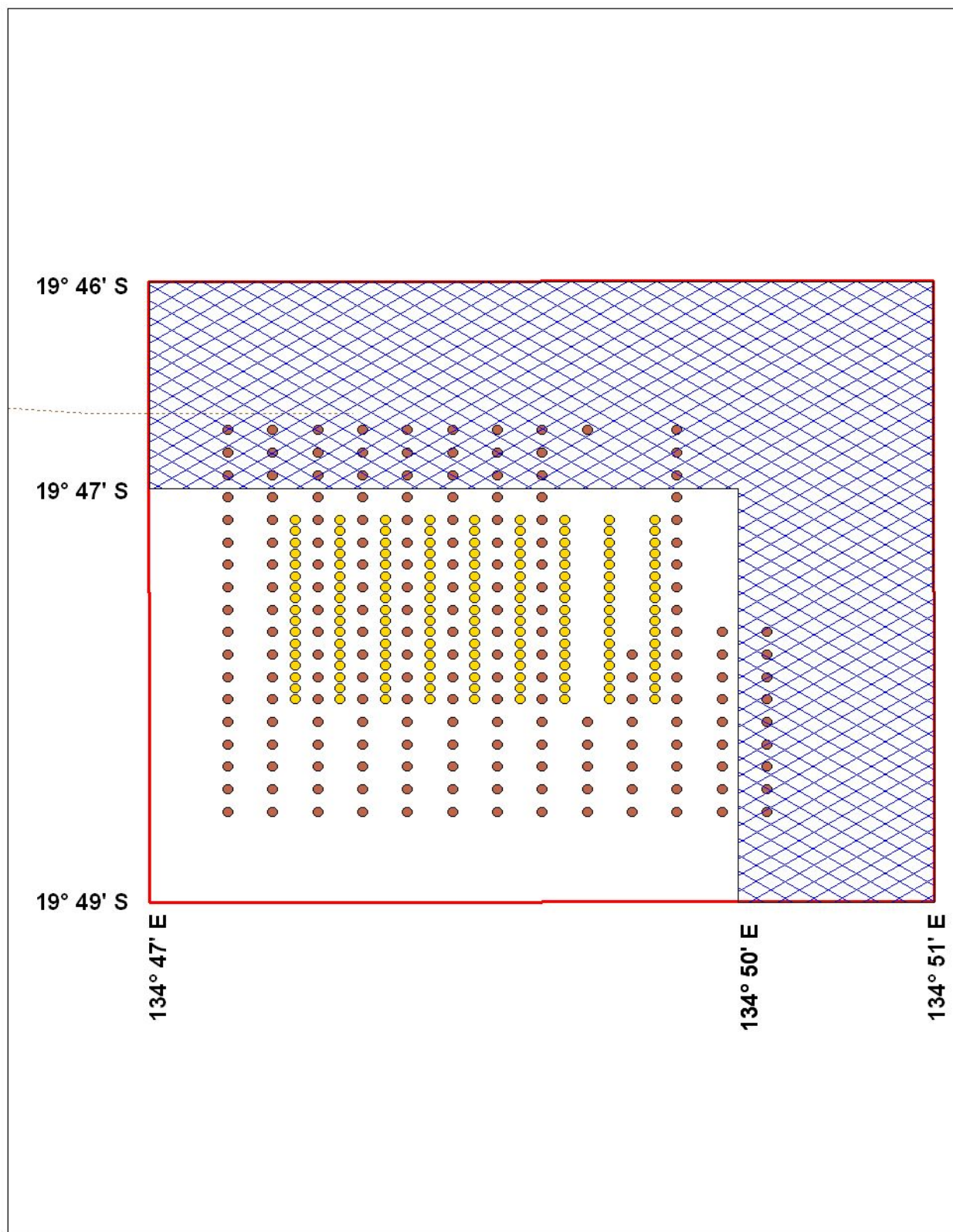
Category	TOTAL
Gravity survey	\$1194
Geophysical interpretation	\$589
Exploration management	\$386
Rent, rates, government charges	\$455
Superannuation	\$35
TOTAL YEAR 5	\$2,659

8 REFERENCES

Donnellan, N., Hussey, K.J., and Morrison, R.S. 1995: Explanatory Notes, Flynn 5759, Tennant Creek 5758.
NT Geological Survey, 1:100,000 Geological Map Series.

Donnellan, N., Morrison, R.S., Hussey, K.J., Ferenczi, P.A. and Kruse, P.D. 1999: Explanatory Notes, Tennant Creek SE 53-14.
NT Geological Survey, 1:250,000 Geological Map Series.





Area relinquished



Gravity survey data points

Transverse Mercator Projection, Map Grid of Australia 1994
Geocentric Datum of Australia 1994

GUNSON RESOURCES LTD

Tennant Creek Project

EL 23947 Tennant Creek

**PARTIAL RELINQUISHMENT
PLAN**

September 25, 2009

Plan No: 2009-

Scale 1 : 50,000

Figure: 2