

GOSSAN RESOURCES LIMITED

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(GSS TSX-Venture)
(GSR Frankfurt/Freiverkehr)

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NEWS RELEASE 05-02

Gossan Closes Private Placement Funding

January 26, 2005 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr) has closed a non-brokered private placement consisting of 2,110,000 units totaling \$ 548,600.

Each unit consists of one common share; one-half of one “A” share purchase warrant; and one-half of one “B” share purchase warrant. Each whole “A” warrant shall entitle the holder to acquire one additional common share of Gossan at a price of \$0.35 up until June 15, 2006. Each whole “B” warrant shall entitle the holder to acquire one additional common share of Gossan at a price of \$0.35 up until January 19, 2007. The shares and securities deriving from warrant conversion will have a restricted re-sale period of four months and one day, until May 27, 2005. Officers and Directors subscribed for 90,000 units. The Company will pay finders fees of \$34,000 and 12,000 common shares in relation to this placement.

The net proceeds from the sale of the units will be used to pay for the exploration of mineral resource properties, primarily in Manitoba, and provide working capital for general corporate purposes.

Gossan Resources Limited is engaged in mineral exploration in Manitoba and northwestern Ontario. It has a well-diversified portfolio of properties hosting gold, platinum group and base metals, as well as the specialty metals, tantalum, chromium, titanium and vanadium. The Company also has a large deposit of magnesium-rich dolomite and a silica sand prospect. Gossan trades on the TSX Venture and the Frankfurt/Freiverkehr & Xetra Exchanges and has 17,418,124 shares outstanding (20,883,124 shares fully diluted).

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.