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NEWS RELEASE 06-03

Drill Program Underway At Gossan's Bird River Sill Property

February 27, 2006 – Gossan Resources Limited (GSS-TSX.V & GSR-Frankfurt/Freiverkehr) is pleased to report that North American Palladium Ltd.'s wholly-owned subsidiary, Lac des Iles Mines Ltd. ("LDI"), has a diamond drill program underway on the Bird River Sill Property. The program is investigating several priority targets that were defined earlier this winter in a 37.8 line-km, deep penetrating, large loop, surface pulse DEEP EM survey along 2.6-km of the Sill on the Page and Peterson Blocks. The drill program is expected to encompass a minimum of 6-8 holes and assay results are expected by the end of March.

The Property, encompassing 6,870 hectares (16,975 acres), covers over 21 kilometres of the Bird River Sill Complex. Locally, about 500 to 600 metres thick, the Bird River Sill is a differentiated gabbroic complex, which trends east-west, dips steeply to the south and is subdivided into a basal ultramafic, a transitional and an upper mafic series. This complex carries significant concentrations of palladium and platinum along with nickel, copper, zinc and chromite. The Bird River Property is located about 40 km east of Lac Du Bonnet, Manitoba and, along the Sill, approximately 6 km west of Mustang Minerals' Maskwa Deposit.

Under the terms of an Option and Joint Venture Agreement, LDI can earn an undivided 50% interest in the Bird River Property by spending \$2.5 million on exploration and making cash payments of \$400,000 to Gossan by August 30, 2008. Thereafter, LDI can earn a further 15% interest by completing a bankable feasibility study and an additional 10% interest, to a total 75% interest, by arranging project financing. Under the terms of the Agreement, LDI must incur an aggregate of \$1,000,000 of exploration expenditures (including expenditures incurred to date) by August 30, 2006 and continue to make semi-annual cash payments of \$50,000. As this winter's unusually mild weather conditions significantly delayed the scheduled start of the current drill program, Gossan has granted LDI an extension of the next payment date, from February 28, 2006 to March 30, 2006.

North American Palladium Ltd. (PDL-TSX & PAL-Amex) is Canada's only primary producer of palladium and is the owner/operator of the Lac des Iles Mine located northwest of Thunder Bay, Ontario. Bruce W. Mackie, Vice President – Exploration of North American Palladium Ltd. is LDI's Qualified Person supervising the work being carried out on the Bird River Property

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 19,630,901 shares outstanding (25,313,678 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.