

# GOSSAN RESOURCES LIMITED

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

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NEWS RELEASE 06-13

## **Gossan Completes First Tranche of Private Placement**

October 2, 2006 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr) closed the first tranche of a private placement of 1,085,000 Units, totaling \$271,250 on September 29, 2006, subject to regulatory approval. On September 26, 2006, the Company announced a proposed non-brokered private placement financing of up to \$500,000 comprising the sale of up to 2,000,000 Units at \$0.25 per Unit, subject to regulatory approval and closing.

Each Unit consists of one common share and one share purchase warrant exercisable over a two year period at \$0.35 per share. The securities to be issued under the private placement will be subject to a four-month hold period. Insiders of the Company intend to participate in an amount not exceeding 25% of the proposed placement. Finders fees may be payable on a portion of the placement, subject to regulatory approval. The placement may close in tranches.

The proceeds of the private placement will be used to conduct exploration programs, potential metallurgical work and for general working capital 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 19,719,901 shares outstanding, excluding the above noted financing (24,118,677 shares fully diluted).

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For further information please contact:

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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.**