

GOSSAN RESOURCES LIMITED

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

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NEWS RELEASE 06-15

Gossan Completes Private Placement

October 31, 2006 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr) completed a private placement in two tranches comprised in aggregate of 1,201,000 Units, at \$0.25 per Unit, totaling \$300,250 on October 30, 2006.

Each Unit consisted of one common share and one share purchase warrant exercisable over a two year period at \$0.35 per share. The securities issued under the private placement will be subject to a four-month hold period. Insiders of the Company acquired 18,000 Units. Finders fees of \$ 2,850 are payable on a portion of the placement. The placement closed in two tranches.

The proceeds of the private placement will be used to conduct exploration programs, potential metallurgical work and for general working capital purposes.

On October 31, 2006, Gossan awarded 470,000 incentive stock options to officers and directors of the Company. This award is in compliance with the terms of the Company's Stock Option Plan. All of these stock options are exercisable into common shares at \$0.30 per share with a term expiring in 42 months. The award of these stock options remains subject to the acceptance of the TSX Venture Exchange.

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