

# GOSSAN RESOURCES LIMITED

404 - 171 Donald Street  
Winnipeg, Manitoba  
Canada R3C 1M4  
(GSS TSX-Venture)  
(GSR Frankfurt/Freiverkehr)

Phone: (204) 943-1990  
Toll Free: (800) 462-4283  
Fax: (204) 942-3434  
E-mail: info@gossan.ca  
Website: www.gossan.ca

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NEWS RELEASE 07-07

## **Gossan Closes \$2.8 Million Private Placement**

May 18, 2007 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr) has closed a non-brokered private placement financing of \$2,800,000 comprising the sale of 7,000,000 Units at \$0.40 per Unit.

Sprott Asset Management Inc. was the principal placee acquiring 5,000,000 Units as portfolio manager.

Each Unit consists of one common share and one-half of a share purchase warrant. A whole warrant is exercisable over a one year period at \$0.60 per share and callable in certain circumstances if the Company's shares trade at or above \$0.90 for 20 consecutive trading days. Insiders of the Company participated in the placement for 105,000 Units. Finders fees of 7% cash (\$158,760) and 7% warrants (396,900 finders warrants) to purchase common shares at \$0.40 per share for a one year period are payable to Integral Wealth Securities Limited on a portion of the placement. The securities issued under the private placement are subject to a four-month hold period. The TSX Venture Exchange has approved the placement.

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 and minor metals, tantalum, lithium, chromium, titanium and vanadium. The Company also has a large deposit of magnesium-rich dolomite and a silica sand prospect. Marathon PGM has recently optioned Gossan's nickel-PGM property on the Bird River Sill. Gossan trades on the TSX Venture and the Frankfurt/Freiverkehr & Xetra Exchanges and has 28,787,900 common shares outstanding ( 38,676,576 shares fully diluted).

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For further information please contact:      Douglas Reeson, Chairman & CEO  
Gossan Resources Limited  
Tel: (204) 943-1990

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