



RESOURCES LIMITED

NEWS RELEASE 10-01

Gossan Concludes Phase III Zuliani Magnesium Process Bench Scale Tests with Excellent Results

April 27, 2010 – Gossan Resources Limited (GSS-TSX.V & GSR-Frankfurt/Freiverkehr & Xetra) reports that recently completed Phase III bench scale results from tests conducted at Process Research Ortech (PRO) confirm that the Zuliani Process produces magnesium metal under atmospheric conditions at exceptionally high raw material efficiencies. In cooperation with PRO, Gossan is now planning Phase IV testing of the Zuliani Process which will increase the experimental scale by over 100 times compared to the Phase III bench scale tests. The preliminary schedule, which remains dependent on the availability of equipment, calls for initial Phase IV testing to begin as early as June 2010.

The table below compares the typical Chinese Pidgeon Process with expected Zuliani Process raw material utilizations based on the latest bench scale test results and FactSage thermodynamic modeling carried out by Dr Pelton of Ecole Polytechnique Montreal. Chinese producers use the Pidgeon Process to supply approximately 80% of the world's magnesium metal.

Kg per kg Mg ingot	Zuliani Process	Chinese Pidgeon Plant***	% Improvement
Ferrosilicon (75%)*	0.81	1.20	32.5%
Calcined Dolomite**	4.40	5.74	23.3%

* ferrosilicon is the reducing agent required for the production of magnesium metal

** calcined dolomite is the Mg containing feed material produced from dolomite ore

*** S. Ramakrishnan, P. Koltun. Resources, Conservation and Recycling 42 (2004) 49-64

At over \$1270 per ton, ferrosilicon represents the single largest cost item in the production of magnesium metal; based on current test and modeling results the Zuliani Process would have a ferrosilicon related cost advantage of more than \$495 per ton of magnesium ingot compared to Chinese produced magnesium. In addition, since the Zuliani Process has demonstrated efficient magnesium production at atmospheric conditions the process avoids the complexities and added costs associated with operating under vacuum as is required by the Chinese Pidgeon Process. Atmospheric magnesium production is also expected to facilitate direct production of molten magnesium metal without the added cost and yield losses associated with melting and refining of solid crude magnesium as produced with the Pidgeon Process.

When all factors are considered including prevailing dolomite & ferrosilicon costs, labor rates, energy prices and overseas freight, the direct cost of magnesium ingot produced with the Zuliani

Process is expected to be 30% less than the direct cost of Chinese magnesium ingot landed in western markets, subject to confirmation of the process at commercial scale.

Based on the extensive bench scale trials and thermodynamic modeling completed to date and the dominance of Chinese Pidgeon Process magnesium, Gossan expects commercialization of the Zuliani Process will provide the Company with a significant operating cost advantage in all international magnesium markets.

Dr. R. Sridhar, Ph.D., and Dr. V. I. Lakshmanan, Ph.D., of Process Research Ortech (PRO) supervised the Phase III Technical Report on the Zuliani Process and have reviewed the technical contents of this press release.

Gossan Resources Limited is engaged in mineral exploration and development 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, an exclusive option to secure the world-wide rights to the Zuliani magnesium production process, and a silica sand deposit. Gossan trades on the TSX Venture and the Frankfurt/Freiverkehr & Xetra Exchanges and has 29,117,900 common shares outstanding.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

For further information, please bookmark www.gossan.ca or contact:

Douglas Reeson, Chairman & CEO
Gossan Resources Limited
Tel: (416) 533-9664
E-Mail: info@gossan.ca