



NEWS RELEASE 11-08

Gossan Completes \$603,600 Private Placement

December 30, 2011 – **Gossan Resources Limited** (GSS-TSX.V & Frankfurt/Freiverkehr & Xetra – WKN 904435) closed the second tranche and completed a private placement in aggregate of 3,772,500 Units, totaling \$603,600 on December 29, 2011, subject to regulatory approval.

Each Unit consists of one common share and one common share purchase warrant at a price of \$0.16 per Unit. Each warrant entitles the holder thereof to purchase one additional common share of Gossan at an exercise price of \$0.24 per share during the period ending November 29, 2013.

All securities issued in the course of the Offering are subject to a regulatory hold period of four months and one day, and the common shares forming a component of the Unit are also subject to a voluntary hold period for a further 8 months, or one year in total. Insiders acquired 657,500 Units of the private placement for a total of \$105,200. No fees have been paid in regard to the placement of the issue. Proceeds of the Units may be used to complete a proposed investment in East Mining Company (NR-11-05 dated October 24, 2011) and will be used for general working capital purposes. The private placement was closed in two tranches (see NR-11-07 of November 23, 2011).

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, vanadium, titanium, tantalum, lithium, and chromium. The Company also has a large deposit of magnesium-rich dolomite, the world-wide rights to the Zuliani magnesium production process, and a silica sand deposit. Gossan trades on the TSX Venture Exchange and, after the closing of the first tranche of the private placement as set out above, has 33,090,400 common shares outstanding.

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

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This news release includes certain forward-looking statements concerning the future performance of Gossan Resources Limited's business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. Forward-looking statements are frequently identified by such words as "may", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. These forward-looking statements represent

management's best judgment based on current facts and assumptions that management considers reasonable. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and the availability of financing and as described in more detail in the Company's recent securities filings available at www.sedar.com. Actual events or results may differ materially from those projected in the forward looking statements and readers are cautioned against placing undue reliance thereon.

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 release.