



RESOURCES LIMITED

NEWS RELEASE 10-02

Gossan Undertakes Silica Sand Marketing Study

May 5, 2010 – **Gossan Resources Limited** (GSS-TSX.V & Frankfurt/Freiverkehr & Xetra – WKN 904435) has retained World Industrial Minerals of Arvada, Colorado, to conduct a marketing study for its high-purity Manigotagan silica sand. The study will include a comparison of chemical assay data and physical specifications from the Manigotagan deposit in Manitoba to specifications of various end uses including proppant fracturing sand, glass, construction, metallurgical flux and other markets. The study will provide product price and market size data along with potential customers and competitors within economically transportable distances for each product type.

Manigotagan silica sand has potential uses in foundries and smelters; in the production of float or container glass; in construction; and in the oil & gas industry as frac sand. Silica sand from the property has been subjected to a variety of tests that indicate it is of a high purity with few contaminants and that it is similar to the silica sands previously quarried at nearby Black Island. A composite of 19 samples, returned a silica content of 94.2% without sizing or treatment. Sizing, washing or other simple treatments significantly improve the purity.

Gossan has completed a series of tests on various sized sub-samples of Manigotagan silica sand and the results have exceeded all of the minimum standards for frac sand used by the oil and gas industry. This analysis, known as Proppant Testing, was conducted by PropTester Inc. of Cypress, Texas originally using the American Petroleum Institute's standards and more recently ISO standards. Testing for use as frac sand in the Spring of 2009, conducted by PropTester Inc., resulted in samples of 20/40 mesh silica sand meeting ISO standards for quality 20/40 mesh Proppant – class ISO 7K Proppant. Samples of 30/50 mesh silica sand also achieved ISO standards for quality 30/50 mesh Proppant – class ISO 6K Proppant. Subsequently, improvements were made in the sample preparation process with the result of consistent ISO 8K and 9K Proppant ratings for the 20/40 and 30/50 mesh fractions. In addition, testing has been expanded to include the 40/70 and 70/140 mesh fractions which have been consistently rated ISO 9K Proppant.

Drilling at Manigotagan has been successful in outlining substantial zones of silica sand with a thickness exceeding 5 metres and ranging to over 15 metres. These two zones, with lengths known to exceed 400m and 600m, are both open on one or more sides. The deposit mainly consists of white silica sand, however some coloured sands have been encountered. Gossan conducted a 26-hole sonic drill program in May of 2008 and a 23-hole program in December 2006 which consisted of both core and auger drilling. Two shallow pits were excavated at the east end of the property in June of 2007.

G. Ryan Cooke, P.Geo., Gossan's Lead Director – Exploration is the Company's Qualified Person and he has reviewed and approved the technical contents of this news 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, 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.

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