



NEWS RELEASE 10-07

## **Gossan Acquires Control of The Claims Network Inc.**

November 5, 2010 – **Gossan Resources Limited** (GSS-TSX.V & Frankfurt/Freiverkehr & Xetra – WKN 904435) has entered into an agreement to acquire an additional 19% equity interest in The Claims Network Inc., a service provider to the property and casualty insurance industry. As the largest shareholder, Gossan will hold a 66% equity interest in The Claims Network Inc.(TCN) giving Gossan a controlling stake in TCN, subject to an existing shareholders’ agreement and closing of the secondary share purchase.

TCN is a web-based enterprise engaged in providing the insurance industry with contents loss valuations, on-site claims reporting of losses, and content claims software. The company utilizes an extensive proprietary database of product specifications and price information. Selected audited financial information is provided below:

	2007	2008	2009
Total Revenue	\$ 900,565	1,259,121	1,967,897
Net Income after tax	83,152	157,611	298,271
Return on Sales	9.2%	12.5%	15.2%
Working Capital	\$ 259,569	426,479	721,584

Douglas Reeson, President of Gossan commented, “This additional equity purchase gives Gossan control over TCN’s future evolution and brings Gossan a step closer to realizing significant value from a non-core asset, just as TCN is beginning to generate significant profits and cash flow.”

TCN has representatives across Canada that can be dispatched to loss sites to take immediate inventories of damaged contents. In terms of its assessment services, the Company values insurance claims losses using its highly trained staff and its extensive proprietary data library of product specifications and price information. TCN has also initiated marketing to insurance companies in the USA.

TCN’s innovative software has allowed insurance claims to be resolved and settled much faster than traditional methods. This helps insurance companies to control their costs and improves customer service to their policy holders.

Barry Bisset, President of The Claims Network stated, “Gossan has been a dependable and steadfast shareholder and its management has played an important role in the expansion and development of TCN’s business. We look forward to Gossan’s ongoing involvement in TCN.”

In the year to date, the insurance industry has experienced a lower volume of reported claims which has been reflected in TCN's current results. For the nine-months to September 30, 2010, TCN's total revenue was \$1,389,434 as compared to \$1,467,611 in the comparative period in 2009. Working capital was \$958,776 at September 30, 2010.

Gossan originally invested \$455,000 in The Claims Network in 2002. Gossan currently accounts for its investment in TCN using the equity method, resulting in a carrying value of \$406,683 at June 30, 2010, as previously reported in Gossan's financial statements.

The Claims Network Inc. is a Winnipeg-based service provider to the property and casualty insurance industry. With representatives across Canada and an extensive proprietary database of product specifications and price information, TCN provides the insurance industry with contents loss valuations and on-site claims reporting of losses.

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.

**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](http://www.gossan.ca) and [www.theclaimsnetwork.com](http://www.theclaimsnetwork.com) or contact:

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