



RESOURCES LIMITED

NEWS RELEASE 20-04

Early Warning - Gossan CEO Acquires Units in Gossan Offering

Winnipeg, Manitoba - August 25, 2020 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr & Xetra) (the “**Company**”) has been advised by its CEO, Douglas Reeson, that he has filed an early warning report (the “**Report**”) announcing that he has acquired ownership and control over 200,000 units (each, a “**Unit**”) of the Company at a price of \$0.05 per Unit pursuant to the terms of a private placement offering (the “**Offering**”) of the Company completed on August 21, 2020. Each Unit sold pursuant to the Offering consists of one common share (each, a “**Common Share**”) in the capital of the Company and one-half of one Common Share purchase warrant (each whole warrant, a “**Warrant**”) of the Company. Each whole Warrant is exercisable at a price of \$0.08 per Common Share for a period of two (2) years from the date of issuance.

Prior to the completion of the Offering, Reeson held, directly or indirectly, 6,761,000 Common Shares of the Company and 800,000 stock options of the Company, representing approximately 19.73% of the Company’s issued and outstanding Common Shares on a non-diluted basis and approximately 21.40% of the Company’s issued and outstanding Common Shares on a partially diluted basis. Upon completion of the Offering, Reeson now beneficially owns and controls, directly or indirectly, 6,961,000 Common Shares, 100,000 Warrants and 800,000 stock options, representing approximately 18.36% of the Company’s issued and outstanding Common Shares on a non-diluted basis and approximately 20.25% of the Company’s issued and outstanding Common Shares on a partially diluted basis. The Warrants comprising part of the Units purchased by Reeson pursuant to the Offering contain a blocker provision preventing Reeson from exercising any convertible securities of the Company, in whole or in part, if, after giving effect to such exercise, Reeson would own that number of Common Shares which is 20% or greater of the issued and outstanding Common Shares of the Company, immediately after giving effect to such exercise.

The Units were acquired for investment purposes. Reeson has a long-term view of the investment and may acquire additional securities of the Company either on the open market or through private acquisitions or sell the Common Shares on the open market or through private dispositions in the future, depending upon a number of factors, including but not limited to: general market and economic conditions; personal affairs and estate planning; reformulation of plans; other available investment opportunities; and/or other relevant factors.

For further details relating to the acquisition, please see the Report, a copy of which is available on SEDAR.

Gossan Resources Limited continues to seek new financeable resource projects in Manitoba, Ontario, and throughout North America. The Company holds a broadly diversified portfolio of multi-element properties prospective for hosting base metals and platinum group elements, as well as specialty “green-battery metals”, vanadium, titanium, tantalum, lithium and chromium. Gossan also has a deposit of high-purity, magnesium-rich dolomite, and holds a \$100,000-per-annum advance and production royalty interest in a silica frac sand deposit. All of Gossan’s mineral exploration and development properties are located in Manitoba and Northwestern Ontario. The Company’s most recent focus is the exploration of its Sturgeon Lake Property, located in the zinc-copper-silver rich polymetallic Sturgeon Lake Greenstone Belt of Northwestern Ontario. The Company trades on the TSX Venture and the Frankfurt/Freiverkehr & Xetra Exchanges.

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:

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