Gossan Drilling Intersects Footwall of VMS Systems Similar to Nearby VMS Deposits at its Sturgeon Lake Property

Winnipeg, Manitoba--(Newsfile Corp. - July 5, 2018) - Gossan Resources Limited (TSXV: GSS) (FSE: GSR) has completed a preliminary drill program totaling 741 metres at its Sturgeon Lake Property in northwestern Ontario. Two of four completed drill holes intersected significant separate widths of footwall style hydrothermal alteration with abundant stringer, semi- and near-massive-sulphides of pyrrhotite and pyrite with minor copper and up to 0.46% zinc indicative of VMS type systems in two separate areas.

The geology and alteration encountered appears similar to that of the nearby historic Lyon Lake, Sturgeon Lake, Creek and Sub-Creek ore bodies. Each of the two drill holes (SLG-18-01A, SLG-18-04) was collared within a wide zone of alteration and sulphide mineralization, and requires step-back drilling to test the full width of the zone, as well as along strike drilling to test the extent of the two target areas. The two other drill holes intersected a third target area with significant widths of intercalated sulphidic and strongly graphitic tuffs with abundant pyrrhotite and anomalous zinc mineralization up to 0.29%.

Gossan is strongly encouraged by the latest drill results and is planning follow-up exploration programs that include detailed ground-based gravity surveys to help locate the zones of greatest massive sulphide accumulation. A winter drill program will follow-up on the results of the completed drilling and planned gravity surveys, and continue with the program of testing high-priority targets within the project area that had previously been delineated by coincident VTEM and geochemical surveys.

Gossan has staked additional ground along strike. The property has been expanded from 3,088 hectares to 4,276 hectares.

Douglas Reeson, President of Gossan stated, "We have strong evidence that we intersected the footwall zones of VMS type systems similar to those of the neighbouring past producing mines. Additional surface exploration is planned before resuming the drill program."

Gossan's Sturgeon Lake Property lies directly along strike and to the east of six historic VMS deposits. Four distinct high-priority, multi-parameter volcanogenic massive sulphide (VMS) target areas have been identified on the property. Management believes its Sturgeon property has the potential to host a significant zinc-copper-silver-rich VMS deposit, similar to those mined from 1970 to 1991 in the Sturgeon Lake base-metal camp which accounted for approximately 18.7 million tonnes of ore, with average grades of 8.0% zinc, 1.1% copper, 0.8% lead, 120 g/t silver and 0.5 g/t gold.

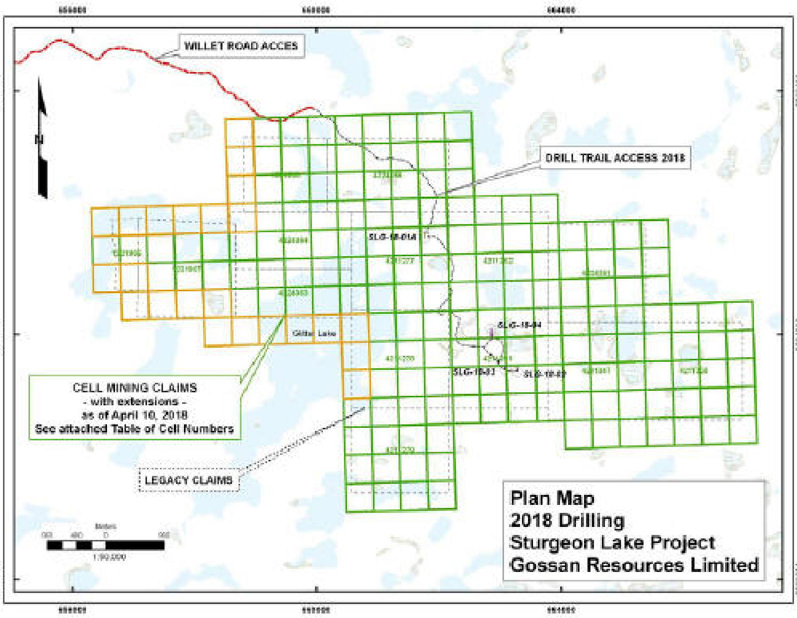

Figure 1: Plan Map 2018 Drilling Sturgeon Lake Project Gossan Resources Limited

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/2380/35679_gossan1_en.jpg

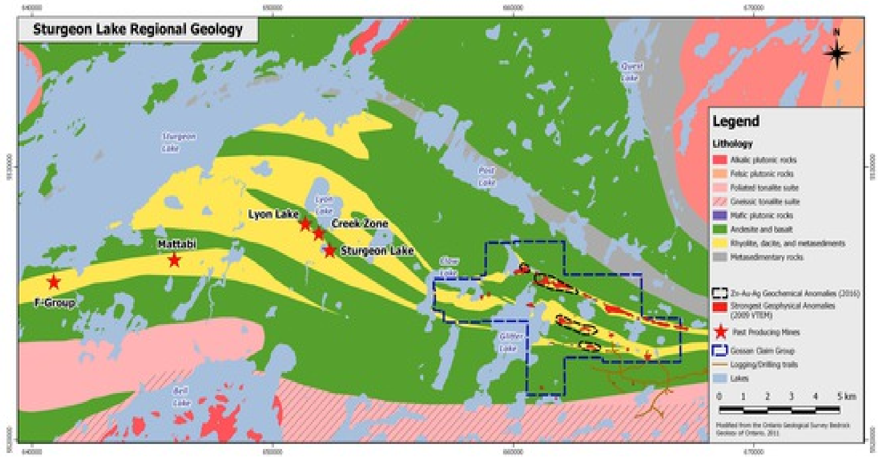

Figure 2: Sturgeon Lake Regional Geology

To view an enhanced version of Figure 2, please visit:
http://orders.newsfilecorp.com/files/2380/35679_a1530765542932_66.jpg

http://www.gossan.ca/projects/pdf/SturgeonLakeRegionalGeology.pdf

Quality Control and Quality Assurance of Results (QA/QC)

A total of 380 samples were submitted for assay and geochemical analysis including a total of 16 standards and 12 blanks that were inserted for quality control purposes. The results obtained from AGAT Labs represent a level of quality satisfactory to Gossan's management. Samples were analyzed using a Sodium Peroxide Fusion digestion and gold was analyzed using standard fire assay methods.

Dr. Hamid Mumin P.Geo., Director of Gossan, Qualified Person under National Instrument 43-101 reviewed and approved the scientific and technical data presented in this press release.

About Gossan

Gossan Resources Limited has a broadly diversified portfolio of multi-element properties prospective for hosting gold, platinum group elements and base metals, as well as specialty "green-battery metals", vanadium, titanium, tantalum, lithium and chromium. Gossan also has a large deposit of high-purity, magnesium-rich dolomite, and holds a $100,000-per-annum advance and production royalty interest in a frac sand deposit. All of Gossan's mineral exploration and development properties are located in Manitoba and Northwestern Ontario. The Company's main focus is the exploration of its zinc-rich polymetallic Sturgeon Lake Property, located in the Sturgeon Lake Greenstone Belt of Northwestern Ontario. The Company trades on the TSX Venture and the Frankfurt/Freiverkehr &Xetra Exchanges and currently has 33,580,400 common shares outstanding.

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

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