



RESOURCES LIMITED

NEWS RELEASE 17-02

Gossan Defines Coincident Geochemical and Geophysical Drill Targets at Sturgeon Lake Zinc Property

February 27, 2017 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr & Xetra) has received results of a Geobotanical Survey conducted at its Sturgeon Lake Zn-Cu-Au-Ag VMS Property during the Fall of 2016. This Survey provides increased resolution and better definition of metal anomalies over high priority VMS polymetallic drill targets that were previously identified in a VTEM geophysical survey, a soil geochemical survey and a SGH (Soil Gas Hydrocarbon) Survey.

The Sturgeon Lake Zinc Property is located in the zinc-copper-silver-rich polymetallic Sturgeon Lake Greenstone Belt in northwestern Ontario and is comprised of 15 claims totaling 3,344 hectares. The Property is directly along strike and to the east of 6 Volcanogenic Massive Sulfide (VMS) deposits that were mined between 1970 and 1991. Approximately 18.7 million tonnes of ore was mined from these VMS deposits with typical grades of 8.0% zinc, 1.1% copper, 0.8% lead, 120 gpt silver and 0.5 gpt gold. At Gossan's Sturgeon Lake property there are limited mineralized outcrops and this survey provides Gossan with encouraging coincident results in order to design a drill program.

Gossan President, Douglas Reeson, stated, "This new detailed geobotanical survey provides excellent coverage in the target zones and provides better definition of anomalous metal zones coincident with the most prospective geophysical targets. We are highly encouraged by the coincident anomalies, presence of sulfide mineralization, favourable stratigraphy with evidence of strong alteration, and the close proximity on trend with a series of past producing mines. A drill program to test these areas is warranted."

The coincident geophysical and geochemical anomalies occur within the south east strike extension of the Lyon Lake, Creek Zone and Sturgeon Lake past-producing VMS deposits. The target areas are hosted in part within blue quartz-crystal rhyolites with hydrothermal alteration and sulfide mineralization similar to the rhyolites that host the nearby deposits. In further preparation for diamond drilling, Gossan has contracted Geotech Ltd. to carry out Maxwell Modelling of geophysical targets that are coincident with the geochemical anomalies.

Maps of the regional geology and a property map with results from the geobotanical survey can be found at:
<http://www.gossan.ca/projects/pdf/SturgeonLakeRegionalGeology.pdf>
<http://www.gossan.ca/projects/pdf/SturgeonLakeAnomalies.pdf>

The Geobotanical Alder Survey was conducted on 22 lines over 23.4 line kilometres. A total of 444 samples were taken. The geobotanical analyses were conducted by Actlabs. Coincident geochemical anomalies associated with these targets include the highest possible ranking for VMS mineralization by SGH surveys, and zinc and copper metal anomalies from enzyme leach soil surveys. These target zones are further corroborated and better defined by coincident Zn-Au-Ag rich anomalies detected by the recent alder geochemical survey.

Gossan sought and has been permitted for a drill program with up to 20 drill pad locations.

Hamid Mumin, P.Geo., a Gossan Director, is the Company's Qualified Person and he has reviewed and approved the technical contents of this news release.

Gossan will have a booth (2615A) in the Investors Exchange at Prospectors and Developers Convention (PDAC) on Sunday March 5 and Monday March 6 held in the Toronto Convention Centre.

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 high-purity, magnesium-rich dolomite and various financial interests in a frac sand deposit. Gossan acquired a new property in the zinc-rich polymetallic Sturgeon Lake Greenstone Belt in northwestern Ontario which is permitted for a drill program. The Company trades on the TSX Venture and the Frankfurt/Freiverkehr&Xetra Exchanges and currently has 33,170,400 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.

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