



RESOURCES LIMITED

NEWS RELEASE 17-05

Gossan Receives \$787,356 on Transfer of Manigotagan Frac Sand Property

September 15, 2017 – **Gossan Resources Limited** (GSS-TSX.V & GSR-Frankfurt/Freiverkehr & Xetra) has entered into a revised agreement with Claim Post Resources Inc. whereby it has transferred title to its Manigotagan Frac Sand Property to Claim Post upon receipt of the full outstanding payment due of \$787,356 and an improved & simplified royalty agreement.

Douglas Reeson, President of Gossan, stated, “Gossan has secured a non-dilutive \$787,356 payment; retains advance royalty payments of \$100,000 annually; and holds a substantial production royalty on Claim Post’s Manigotagan Property. Gossan plans to primarily use the sale proceeds to fund a winter drill program on its 100% owned Sturgeon Lake Zinc Property, located in the zinc-copper-silver-rich polymetallic Sturgeon Lake Greenstone Belt in northwestern Ontario.”

The \$787,356 payment is inclusive of the outstanding final property payment of \$430,000, four advance royalty payments of \$50,000 each, and interest thereon from their due dates.

Under the terms of the revised agreement, semi-annual advance royalty payments of \$50,000 each are payable as of June 18th and December 18th of each year. All frac sand produced, sold and paid from the nine Manigotagan leases is subject to a \$1.00 per tonne production royalty payable quarterly and all other products are subject to a \$0.50 per tonne production royalty. Although the royalty is solely payable on production from the Manigotagan leases, the agreement also provides for a minimum production royalty from both the Manigotagan and the adjacent Seymourville properties held by Claim Post, based on their relative mining reserves of frac sand at the time of permitting. Claim Post can acquire one-half of Gossan’s production royalty interest for \$1.5 million during the three years after commencing commercial production and \$2 million for a further two years.

Claim Post recently completed a private placement of \$3.1 million and announced the appointment of two new directors and management changes. On June 13, 2014, Claim Post filed on SEDAR an initial NI 43-101 Inferred Mineral Resource Estimate of 25,959,000 tonnes of high quality silica sand and on December 16, 2014, a positive initial NI 43-101 Preliminary Economic Assessment.

Gossan Resources Limited has acquired a new exploration property in the zinc-rich polymetallic Sturgeon Lake Greenstone Belt in northwestern Ontario which has been permitted for a drill program this winter. Gossan has a broadly diversified legacy 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 a 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 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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