

NEWS RELEASE

GFG Announces Private Placement Financing of up to C\$3.3 Million

2/23/2024

NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRE

SASKATOON, Saskatchewan, Feb. 23, 2024 (GLOBE NEWSWIRE) -- GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) ("GFG" or the "Company") announces a private placement to raise gross proceeds of up to C\$3.3 million (the "Offering"). As part of the Offering, the Company is pleased to announce that Alamos Gold Inc. (TSX: AGI; NYSE: AGI) has committed to purchase securities in the Offering to maintain their position at a 9.99% interest in the Company upon completion of the Offering.

The Offering will consist of any combination of (i) units of the Company ("Units") at a price of C\$0.085 per Unit; (ii) flow-through units of the Company ("FT Units") at a price of C\$0.10 per FT Unit; and (iii) premium units of the Company ("Premium Units") at a price of C\$0.1216 per Premium Unit, subject to maximum aggregate gross proceeds of C\$3.3 million. Each Unit shall consist of one common share of the Company and one-half of one share purchase warrant, with each whole share purchase warrant (a "Warrant") entitling the holder thereof to acquire one additional common share of the Company at an exercise price of C\$0.13 for a period of 36 months from the date of issuance. Each FT Unit and each Premium Unit shall consist of one common share of the Company that will qualify as a "flow-through share" for the purposes of the Income Tax Act (Canada) (a "FT Share") and one-half of one Warrant.

If during the exercise period of the Warrants the closing price of the common shares of the Company is at a price equal to or greater than C\$0.13 for a period of 10 consecutive trading days, GFG will have the right to accelerate the expiry date of the Warrants by giving notice, via a news release, to the holders of the Warrants that the Warrants will expire on the date that is 30 days after the issuance of said news release.

Subject to compliance with applicable regulatory requirements and in accordance with National Instrument 45-106 – Prospectus Exemptions (“NI 45-106”), the Units, FT Units and Premium Units will be offered for sale to purchasers resident in Canada and/or other qualifying jurisdictions pursuant to (i) the “accredited investor” and other available exemptions under NI 45-106; and (ii) with respect to the sale of up to 9,411,764 Units, the Listed Issuer Financing Exemption under Part 5A of NI 45-106. With respect to the portion of the Offering that is being completed pursuant to the Listed Issuer Financing Exemption, the securities issued to subscribers will not be subject to a hold period pursuant to applicable Canadian securities laws. With respect to the balance of the Offering, the securities issued to subscribers will be subject to a statutory hold period of four months and one day from the closing date. There is an offering document on Form 45-106F19 related to the portion of the Offering that is being completed pursuant to the Listed Issuer Financing Exemption that can be accessed under the Company’s profile at www.sedar+.ca and on the Company’s website at www.gfgresources.com. Prospective investors should read this offering document before making an investment decision.

The gross proceeds raised from the sale of the FT Shares comprising the FT Units and Premium Units will be used for exploration activities in Ontario that will qualify as “Canadian Exploration Expenses” (within the meaning of the Income Tax Act (Canada)). The net proceeds raised from the sale of the Units and the Warrants comprising, in part, the FT Units and Premium Units, will be used for exploration activities on the Company’s projects in Ontario as well as for general working capital purposes.

The funds raised in this Offering will focus on completing a 5,000 – 7,000 metre drill program to infill and expand the Montclerg and Aljo gold systems (see Table 1 for highlighted assay results). In addition, the Company is planning an aggressive summer field campaign to follow-up on new orogenic gold and VMS targets at the Dore Gold Project that have been generated out of the recent regional till survey completed in Q4 2023. The goal is to advance the best targets to drill-ready status by Q4 2024 for first-pass drill testing. The Company is also active in applying new targeting concepts at its 475 km² Pen Gold Project west of Timmins.

Table 1: Goldarm Drill Highlights from 2021-2023

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)	Zone
MTC-21-001	62.5	90.0	27.5	1.56	Upper Main
and	126.0	166.5	40.5	0.78	Lower Main
incl.	130.8	138.0	7.3	2.20	
MTC-21-004	39.8	64.0	24.2	0.73	Upper Main
and	75.7	86.1	10.4	1.24	Lower Main
incl.	81.0	85.1	4.1	2.37	
and	230.5	246.0	15.5	1.23	Lower Footwall
incl.	241.7	245.0	3.3	3.09	
MTC-21-005	86.0	112.0	26.0	4.82	Upper Footwall
incl.	94.3	96.1	1.8	15.96	
and	103.8	109.3	5.5	12.32	
and	118.9	120.6	1.7	11.29	
MTC-21-006	98.3	105.8	7.5	8.34	Upper Footwall

	incl.	98.3	101.0	2.7	15.04	
MTC-21-007		65.4	95.6	31.1	1.40	Upper Main
	and	108.0	131.0	23.0	1.11	Lower Main
MTC-21-009		45.0	60.0	15.0	1.23	Upper Main
MTC-21-010		79.5	106.5	27.0	1.05	Upper Main
	incl.	89.6	100.5	10.9	1.84	
MTC-22-015		24.0	57.5	33.5	1.32	MC West
	incl.	24.0	28.7	4.7	5.15	
MTC-22-018		52.0	57.9	5.9	3.51	MC West
	incl.	53.9	56.0	2.1	7.93	
MTC-22-019		112.6	118.1	5.5	4.38	Upper Footwall
	incl.	112.6	116.0	3.4	6.37	
MTC-22-020		22.4	34.1	11.7	1.07	Upper Main
	and	97.0	105.3	8.3	4.95	Upper Footwall
	incl.	102.8	105.3	2.5	12.83	
MTC-22-021		50.3	72.0	21.7	1.51	Upper Main
	incl.	62.2	64.0	1.8	8.17	
MTC-22-023		17.6	88.0	70.4	1.60	Upper Main
	incl.	35.2	42.0	6.8	2.43	
	incl.	76.2	81.0	4.8	4.97	
	and	124.5	133.2	8.7	2.46	Upper Footwall
	incl.	131.4	133.2	1.8	7.75	
MTC-22-029		104.4	111.5	7.1	4.98	Upper Footwall
	incl.	104.4	107.6	3.2	7.02	
	incl.	110.4	111.5	1.1	7.79	
MTC-22-030		71.0	86.0	15.0	3.40	Upper Footwall
	incl.	71.0	74.0	3.0	6.21	
	also incl.	81.9	82.9	1.0	17.50	
MTC-22-031		285.2	292.6	7.4	2.78	Lower Footwall
	incl.	290.3	292.6	2.3	7.83	
	and	300.4	302.0	1.6	4.59	Lower Footwall
MTC-22-034		79.5	94.6	14.5	1.37	Lower Main
	incl.	85.2	86.8	1.6	3.97	
	and	161.7	171.0	9.3	5.26	Upper Footwall
	incl.	163.9	168.3	4.4	10.77	
MTC-22-035		72.0	85.2	13.2	2.31	Lower Main
	incl.	77.0	82.1	5.1	4.07	
	and	125.3	141.3	16.0	9.85	Upper Footwall
	incl.	130.3	137.8	7.5	14.99	
MTC-22-036		79.0	85.0	6.0	9.63	Upper Footwall
	incl.	80.5	84.0	3.5	15.40	
MTC-22-039		79.8	83.3	3.3	4.32	Upper Footwall
	incl.	80.7	83.3	2.6	5.74	
	and	88.0	98.3	10.3	3.95	
MTC-22-041		76.2	81.0	4.8	4.89	Upper Footwall
	incl.	81.0	80.1	1.1	14.40	
MTC-22-042		96.4	119.0	22.6	1.48	Lower Main
	and	307.3	312.3	5.0	8.46	Lower Footwall
	incl.	309.3	312.3	2.0	16.40	
ALJ-22-002		62.1	75.0	12.9	3.03	
	incl.	67.5	68.1	0.6	59.80	
	and	79.0	93.9	14.9	1.32	
	incl.	85.3	86.2	0.9	10.90	
	and	101.0	105.3	4.3	6.58	
	incl.	103.2	104.2	1.0	27.40	
MTC-23-048		88.0	92.1	4.1	4.10	Upper Footwall
	incl.	89.8	92.1	2.3	6.30	
MTC-23-054		73.1	81.2	8.1	9.97	Upper Footwall
	incl.	75.9	78.9	3.0	16.95	
MTC-23-057		254.5	256.8	2.3	2.25	
	and	346.0	348.7	2.7	10.21	Lower Footwall
	incl.	346.0	347.5	1.5	16.20	
	and	375.5	376.7	1.2	2.42	Lower Footwall
	incl.	375.5	376.2	0.7	3.84	
MTC-23-059		424.2	437.0	12.8	4.79	Lower Footwall
	incl.	424.2	432.3	8.1	6.37	
	incl.	428.0	432.3	4.3	10.05	
MTC-23-060		63.1	88.0	24.9	1.05	Upper Main
	and	95.7	137.5	41.8	0.92	Lower Main
MTC-23-062		72.4	85.2	12.8	3.09	Upper Main
	incl.	74.0	76.9	2.9	9.76	
ALJ-23-004		6.5	20.8	14.3	0.95	Aljo Mine
	and	125.7	132.0	6.3	3.65	
		130.9	132.0	1.1	18.4	
	and	350.5	354.0	3.6	13.35	
	incl.	350.5	351.9	1.4	32.94	
ALJ-23-011		4.5	15.6	11.1	0.57	Aljo
	and	59.6	78.6	19.0	1.39	
	incl.	59.6	60.4	0.8	9.11	
	and	86.2	103.7	17.5	1.86	
	incl.	88.4	92.0	3.6	4.98	

*Drill intercepts are presented using a 0.20 g/t Au cut-off and as drilled length with a minimum 0.5 gram-metre product. Composites include internal dilution of up to 3 m at grades less than 0.2 g/t Au. Included intervals are calculated using a 3 g/t cut-off at a minimum 5 gram-metre product unless otherwise stated. True width is estimated to be 50 to 90% of drilled length.

The Offering is scheduled to close on or about March 22, 2024 and is subject to certain conditions, including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange.

The Company may pay finder's fees on a portion of the Offering of up to 6% of the aggregate gross proceeds raised. The finder's fees shall be paid in accordance with applicable securities laws and the policies of the TSX Venture Exchange.

It is anticipated that certain directors, officers and other insiders of the Company will acquire Units under the Offering. Such participation will be considered to be "related party transactions" within the meaning of TSX Venture Exchange Policy 5.9 (the "Policy") and Multilateral Instrument 61-101-Protection of Minority Security Holders in Special Transactions ("MI 61-101") adopted in the Policy. The Company intends to rely on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Offering as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves interested parties, is expected to exceed 25% of the Company's market capitalization (as determined under MI 61-101).

This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States unless an exemption from such registration is available.

About GFG Resources Inc.

GFG is a North American precious metals exploration company focused on district scale gold projects in tier one mining jurisdictions, Ontario and Wyoming. In Ontario, the Company operates three gold projects, each large and highly prospective gold properties within the prolific gold district of Timmins, Ontario, Canada. The projects have similar geological settings that host most of the gold deposits found in the Timmins Gold Camp which have produced over 70 million ounces of gold. The Company also owns 100% of the Rattlesnake Hills Gold Project, a district scale gold exploration project located approximately 100 km southwest of Casper, Wyoming, U.S.

All scientific and technical information contained in this press release has been prepared under the supervision of Brian Skanderbeg, P.Geo. President, CEO and Director of GFG, a qualified person within the meaning of National Instrument 43-101.

Sampling protocols, quality control and assurance measures and geochemical results related to historic drill core samples quoted in this news release have not been verified by the Qualified Person and therefore must be regarded as estimates. Potential quantity and grade are conceptual in nature. There has been insufficient exploration to define a mineral resource on any of the Company's properties, and it is uncertain if future exploration will result in any such property being delineated as a mineral resource.

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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 release.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained in this news release constitute "forward-looking information" within the meaning of applicable Canadian securities laws and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (referred to herein as "forward-looking statements"). Forward-looking statements include, but are not limited to, disclosure regarding the completion of the Offering and potential gross proceeds to be raised pursuant thereto, the receipt of all applicable regulatory approvals, the prospective nature of the Company's property interests, exploration plans and expected results, conditions or financial performance that is based on assumptions about future economic conditions and courses of

action; planned use of proceeds, expenditures and budgets and the execution thereof. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate” or “believes”, or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results, “may”, “could”, “would”, “will”, “might” or “will be taken”, “occur” or “be achieved” or the negative connotation thereof.

All forward-looking statements are based on various assumptions, including, without limitation, the expectations and beliefs of management, the receipt of applicable regulatory approvals, availability of financing, the assumed long-term price of gold, that the current exploration and other objectives concerning its mineral projects can be achieved and that its other corporate activities will proceed as expected; that the current price and demand for gold will be sustained or will improve; the continuity of the price of gold and other metals, economic and political conditions and operations; the prospective nature of the Company's properties, availability of financing, and that general business and economic conditions will not change in a materially adverse manner.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of GFG to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks and uncertainties related to the completion of the Offering as presently proposed or at all, the failure to obtain all applicable regulatory approvals; actual results of current exploration activities; environmental risks; future prices of gold; operating risks; accidents, labour issues and other risks of the mining industry; delays in obtaining government approvals or financing; and other risks and uncertainties. These risks and uncertainties are not, and should not be construed as being, exhaustive.

Although GFG has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. In addition, forward-looking statements are provided solely for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of our operating environment. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements in this news release are made as of the date hereof and GFG assume no obligation to update any forward-looking statements, except as required by applicable laws.

Source: GFG Resources Inc.