
Release: Immediate

GFG Resources Inc. Closes C\$5 Million Bought Deal Financing

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February 22, 2017, Saskatoon, Saskatchewan, Canada: GFG Resources Inc. (TSX-V: GFG) (OTCQB: GFGSF) (“GFG” or the “Company”) is pleased to announce that it has closed its private placement financing announced on January 31, 2017 for aggregate gross proceeds of C\$5,002,500 (the “Offering”).

The Offering consisted of a total of 4,350,000 common shares (“Common Shares”) of the Company at a price of C\$1.15 per Common Share sold on a bought deal private placement basis through a syndicate of underwriters led by Cormark Securities Inc. and including Macquarie Capital Markets Canada Ltd, BMO Capital Markets and Mackie Research Capital Corporation (collectively the “Underwriters”). In consideration for their services, the Company has paid the Underwriters a cash commission of 6% of the gross proceeds of the Offering.

The net proceeds from the Offering will be used towards the Company’s 2017 exploration drilling program at its 100% controlled Rattlesnake Hills Gold Project in Wyoming, U.S. and for general corporate purposes.

All Common Shares sold under the Offering are subject to a hold period in Canada of four months and one day expiring June 23, 2017.

The Common Shares issued under the Offering 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 accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company in the United States.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

GFG Resources Inc. is a publicly traded precious metals exploration company headquartered in Saskatoon, Saskatchewan, Canada, whose shares trade on the TSX Venture Exchange (GFG) and on the OTCQB (GFGSF). The Company controls 100% of the Rattlesnake Hills Gold Project, a district scale gold exploration project located approximately 100 kilometres southwest of Casper, Wyoming, U.S. The geologic setting, alteration and mineralization seen in the Rattlesnake Hills are similar to other gold deposits of the Rocky Mountain alkaline province which, collectively, have produced over 50 million ounces of gold.

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”) and include, but are not limited to, the proposed use of proceeds from the Offering. 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 assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour, and that the political environment within the United States will continue to support the development of mining projects in the United States. In addition, the similarity or proximity of other gold deposits of the Rocky Mountain alkaline province to the Rattlesnake Hill Gold Project is not necessary indicative of the geological setting, alteration and mineralization of the Rattlesnake Hills Gold Project.

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: actual results of 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.

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