

NEWS RELEASE

GFG Provides Update on Rattlesnake Hills Gold Project Option Agreement with Newcrest

4/3/2020

SASKATOON, Saskatchewan, April 03, 2020 (GLOBE NEWSWIRE) -- GFG Resources Inc. (TSX-V: GFG) (OTCQB: GFGSF) ("GFG" or the "Company") reports it has been advised by Newcrest Resources Inc., a wholly-owned subsidiary of Newcrest Mining Limited (ASX: NCM) ("Newcrest") of its decision to withdraw from the option and earn-in agreement for the Rattlesnake Hills Gold Project (the "Project") in Wyoming, United States. The Project remains 100% owned and controlled by GFG.

Since September 2018, Newcrest has invested approximately US\$5.0 million in exploration expenditures on the Project which included over 4,000 metres ("m") of drilling, extensive reprocessing and modelling of regional and local geophysics, hyperspectral scanning of historic core and the application of machine learning technology to generate a new deposit-scale alteration and targeting model.

"We are grateful to have been able to work with Newcrest's world-class team over the past 18 months," stated Brian Skanderbeg, President and CEO. "Their investment, modelling, target analysis and drilling programs have added significant value and understanding to the Project. Over the coming months, we will initiate a strategic review to identify the best path forward to advance the Project with the objective of maximizing shareholder value."

Brian Skanderbeg added, "While we evaluate strategic options for the Rattlesnake Hills Gold Project, we continue to explore our Pen Gold Project located 40 kilometres west of the Timmins Gold District. We are in the process of completing our final drill hole from the 2020 Phase 1 drill program and will provide a program update along with initial assay results shortly."

The Rattlesnake Hills Gold Project:

The Rattlesnake Hills Gold Project is a 135 square kilometres district scale gold exploration project located in central

Wyoming approximately 100 kilometres southwest of Casper. The Project is centrally located within a roughly 1,500-kilometre-long belt of alkalic intrusive complexes that occur along the eastern side of the Rocky Mountains from Montana to New Mexico.

The Project has approximately 95,000 m of historic drilling which has outlined three significant zones of alteration and precious metal mineralization that are associated with Eocene age alkalic intrusions at North Stock, Antelope Basin and Blackjack. The majority of the drilling has focused on near surface, open pit targets in the North Stock and Antelope Basin area with highlights that include intercepts(1) of 1.85 grams of gold per tonne ("g/t Au") over 236.2 m hole length; 4.20 g/t Au over 77.7 m hole length; 2.08 g/t Au over 150.9 m hole length and 0.82 g/t Au over 99.1 m hole length. In addition to the outlined zones of mineralization, the Company believes that the district is highly prospective and has outlined several kilometre-scale greenfield targets that have never been drill tested. These greenfield targets were generated from the Company's geophysical and geochemical programs and host strong similarities to the North Stock and Antelope Basin systems.

(1) Gold intervals reported are based on a 0.20 g/t or 0.50 g/t Au cutoff. Weighted averaging has been used to calculate all reported intervals. True widths are estimated at 60-100% of drilled thicknesses.

About GFG Resources Inc.

GFG Resources 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 owns 100% of the Pen and Dore gold projects, two large and highly prospective gold properties west of the prolific gold district of Timmins, Ontario, Canada. The Pen and the Dore gold projects have the same geological setting that hosts most of the gold deposits found in the Timmins Gold Camp which have produced over 70 million ounces of gold(2). 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.

(2) Gold mineralization hosted in the Timmins Gold Camp is not necessarily indicative of the mineralization hosted on the Company's properties.

For further information, please contact:

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Qualified Persons

Brian Skanderbeg, P.Geo. and M.Sc., President and CEO, is the Qualified Person for the information contained in this press release and is a Qualified Person within the meaning of National Instrument 43-101. Mr. Skanderbeg has reviewed the sampling and QA/QC procedures and results thereof as verification of the sampling data disclosed above and has approved the information contained in this news release.

Quality Analysis and Quality Control

The quality analysis and quality control measures utilized by Evolving Gold Corp. in respect of the historical drilling data disclosed above included the following: drill hole intervals were weighted averages with each assay interval weighted according to the core length. Rigorous quality assurance and quality control procedures were implemented including routine insertion of internal standard reference materials, certified reference materials, blank material and duplicate samples from both crush and pulp material. Gold assays were completed by SGS Canada Inc. in Toronto, using a 30-gram charge, fire assay, with an ICP finish. SGS Canada laboratory in Toronto is ISO accredited.

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, the future price of gold, success of exploration activities and metallurgical test work, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of exploration work, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. 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 Canada and the United States will continue to support the development of mining projects in Canada and the United States. In addition, the similarity or proximity of other gold deposits to the Rattlesnake Hill Gold Project, the Pen Gold Project and the Dore Gold Project is not necessary indicative of the geological setting, alteration and mineralization of the Rattlesnake Hills Gold Project, the Pen Gold Project and the Dore 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 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 assumes no obligation to update any forward-looking statements, except as required by applicable laws.



Source: GFG Resources Inc.