

GFG Resources Completes Acquisition of Rapier Gold

2/28/2018

SASKATOON, Saskatchewan, Feb. 28, 2018 (GLOBE NEWSWIRE) -- GFG Resources Inc. (TSX-V:GFG) (OTCQB:GFGSF) ("GFG" or the "Company") and Rapier Gold Inc. (TSX-V:RPR) ("Rapier") are pleased to announce the completion of the previously announced plan of arrangement (the "Arrangement") whereby GFG acquired all of the issued and outstanding shares of Rapier. The Arrangement was an integral part of the Company's recent land consolidation west of the prolific gold mining district of Timmins, Ontario. With the completion of this transaction, GFG now controls 700 square kilometres ("km²") of highly prospective district scale gold assets in tier one mining jurisdictions in Ontario and Wyoming.

Brian Skanderbeg, President and CEO of GFG, commented, "We are very pleased to complete the Rapier acquisition and welcome all Rapier shareholders and stakeholders. Our recent land consolidation in Ontario leverages our skill set and complements our strategy to control district scale gold projects that are highly prospective and located in tier one mining jurisdictions. We are excited about the discovery potential within this gold belt and will immediately begin to aggressively advance and explore our new 565 km² land package."

Under the terms of the Arrangement, all of Rapier's issued and outstanding common shares were exchanged on the basis of 0.15 of a GFG common share for each one Rapier common share. Upon closing of the Arrangement, GFG has 87,202,697 common shares outstanding, of which approximately 17% will be held by former Rapier shareholders. Rapier common shares are expected to be delisted from the TSX Venture Exchange effective at the close of market on February 28, 2018.

Full details of the Arrangement and certain other matters are set out in the management information circular of Rapier dated January 11, 2018 (the "Information Circular"). A copy of the Information Circular can be found under Rapier's profile on SEDAR at www.sedar.com. Rapier shareholders who have questions or who may require assistance with the completion of the letter of transmittal are advised to contact TSX Trust Company, the depository

for the Arrangement, by telephone (toll-free) at 1-866-600-5869 or by email at TMXInvestorServices@tmx.com.

In the coming weeks, the Company will provide an outline for its 2018 exploration plans in Ontario and Wyoming.

With the completion of the newly consolidated west Timmins land package, the Company welcomes all shareholders and stakeholders to access detailed information on the Pen Gold (defined as the Pen Gold and West Porcupine Gold properties) and Dore Gold (previously the “Swayze Gold Project”) projects along with an updated presentation and fact sheet, at its website www.gfgresources.com

Subject to the acceptance for filing of applicable regulatory authorities, and in order to preserve its cash on hand, the Company has agreed to issue a total of 121,021 GFG common shares at the price of \$0.415 per share in satisfaction of debts owing by Rapier to a creditor of Rapier in the aggregate amount of \$50,223.83.

Qualified Persons

Brian Skanderbeg, P.Geo. and M.Sc., serves as President and CEO of GFG, and is a “qualified person” within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr. Skanderbeg has reviewed and approved the information contained in this news release.

About GFG Resources Inc.

GFG Resources is a North American 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. The Company also owns 100% of two large and highly prospective gold properties west of the prolific gold district of Timmins, Ontario, Canada. The Ontario properties are comprised of the 44,500-hectare Pen Gold Project (including the West Porcupine property) and the 12,000-hectare Dore Gold Project.

For further information, please contact:

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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, 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.