

NEWS RELEASE

GFG Resources Drills 0.82 g/t Gold over 99.1 Metres & Provides Summary of 2017 Drill Program at Rattlesnake Hills Gold Project

2/5/2018

2017 Highlights:

Plan map of North Stock and Antelope Basin 2017 drill results and historic drill highlights

Regional map of the Rattlesnake Hills Gold Project

- Step-out drilling significantly expanded the western strike extension at North Stock by 175 metres with holes RSC-189 which intersected three broad zones of mineralization including 0.82 grams per tonne of gold (“g/t Au”) over 99.1 metres (“m”), 0.48 g/t Au over 57.9 m and 0.71 g/t Au over 50.3 m.
- Extended gold mineralization at Antelope Basin 200 metres to the east towards the Cowboy target with an intercept of 0.43 g/t Au over 73.2 m, including 0.61 g/t Au over 36.6 m in hole RSC-184 and 0.52 g/t Au over 19.8 m and 0.60 g/t Au over 9.1 m in hole RSR-026.
- Drill hole RSR-030 extended the discovery at the Cowboy target to the north by 75 metres with an intercept of 0.88 g/t Au over 9.2 m.
- Intercepted broad intervals of gold mineralization in the Middle Ground (RSR-011: 0.88 g/t Au over 18.3 m and 0.59 g/t Au over 53.3 m) between North Stock and Antelope Basin demonstrating the potential to link the two deposits and outline a system that is approximately 1.1 kilometres in length.
- Advancing geological and resource modelling at the Rattlesnake Hills Gold Project to support a maiden National Instrument 43-101 resource estimate in Q2 2018.
- In December, consolidated a significant land position west of the prolific gold district of Timmins, Ontario, with the acquisition of the West Porcupine Property and the Swayze Project and completed a financing of approximately C\$7.0 million.

SASKATOON, Saskatchewan, Feb. 05, 2018 (GLOBE NEWSWIRE) -- GFG Resources Inc. (TSX-V:GFG) (OTCQB:GFGSF) (“GFG” or the “Company”) is pleased to announce the remaining assay results and provide a summary of its 2017 exploration drill program at its 100% controlled, Rattlesnake Hills Gold Project in Wyoming, United States. The 2017 exploration program consisted of 46 holes or 13,783 metres of drilling focused on four brownfield targets and four greenfield targets. The program was designed to take an aggressive approach to expand the areas of known mineralization and to test new targets in the district that have similar geological and geophysical signatures to North Stock and Antelope Basin. Historic drilling and the 2017 brownfield drilling will be incorporated in a maiden

National Instrument 43-101 resource estimate expected to be announced in the second quarter of 2018.

Brian Skanderbeg, President and CEO, commented, "The results from our 2017 drill program met our main objective of expanding the areas of known mineralization and demonstrating the scale of the district. We were successful at significantly expanding the western and southwestern extensions at North Stock by 175 metres and 150 metres, respectively. Drilling in the Middle Ground between North Stock and Antelope Basin continued to outline a sheet of mineralization connecting the two deposits which will have a significant impact in future geological and resource modelling. And at the Antelope Basin deposit, we drilled three holes targeting the eastern flank of the deposit and demonstrated gold mineralization extents at least 200 metres eastward and may link with the Cowboy target. Our focus is now on interpreting the geological data from nearly 100,000 metres of drilling to move ahead with a maiden resource estimate in the second quarter of 2018."

2017 Exploration Key Highlights

North Stock

Step-out drilling on the west side of North Stock returned the most significant assay results from the 2017 program. Drilling expanded the North Stock deposit by 175 metres and is highlighted by newly released hole RSC-189 that returned 0.82 g/t Au over 99.1 m, including 1.30 g/t Au over 54.9 m, 0.48 g/t Au over 57.9 m and 0.71 g/t Au over 50.3 m outlining a broad zone of mineralization over a core length of approximately 360 metres. Mineralization in hole RSC-189 starts at a vertical depth of approximately 35 metres below surface. Previously released holes RSC-188 (0.45 g/t Au over 114.0 m) and RSR-019 (0.95 g/t Au over 22.9 m, including 5.07 g/t Au over 3.1 m) also demonstrate grade continuity within this extension. These results are significant as they successfully tested the breccia zone adjacent to North Stock as well as the contact between the diatreme breccia and the schist. Core logging indicates that strongly potassically-altered heterolithic breccias and mineralized phonolite intrusive contacts are hosting the highest-grade mineralization.

Additional drilling around the North Stock deposit in 2017 focused on expanding gold mineralization to the southwest. Results from hole RSR-013 (0.49 g/t Au over 19.8 m) and hole RSR-014 (0.88 g/t Au over 27.4 m and 0.36 g/t Au over 76.2 m) successfully extended gold mineralization by 150 metres.

The Company will continue to prioritize drilling in the North Stock area in 2018 as it remains open to the west and southwest.

Middle Ground

The Middle Ground area, between North Stock and Antelope Basin, continues to be an area of interest as drilling has outlined a thick zone of gently west-dipping mineralization. The results suggest the potential to link the two deposits over a distance of nearly 1.1 kilometres. Highlights from this area include previously reported RSR-011

(0.59 g/t Au over 53.3 m, including 0.70 g/t Au over 25.9 m) and new results from RSR-033 (0.32 g/t Au over 38.1 m). Additional drilling will be planned for this area in 2018 with a goal to prove continuity of mineralization in the Middle Ground area between Antelope Basin, North Stock and the western extension of the North Stock deposit.

Antelope Basin & Cowboy Target

The drill program at Antelope Basin was focused on testing the east flank of the deposit and a potential linkage with the 2016 Cowboy discovery. A total of three holes were drilled on the east side of Antelope Basin and five holes to follow-up on hole RSC-185 (0.84 g/t Au over 38.1 m). Each of the three holes drilled toward the east of the Antelope Basin intersected thick zones of gold mineralization with the best hole, RSC-184, returning an intercept of 0.43 g/t Au over 73.2 m, including 0.61 g/t Au over 36.6 m. Hole RSR-026 returned 0.60 g/t Au over 9.1 m and 0.52 g/t Au over 19.8 m before being lost in a mineralized fault zone. These results are significant as they intersected a broad zone of mineralization, hosted in brecciated Precambrian schist, that extends nearly 200 metres east of the quartz monzodiorite dike that hosts gold mineralization at Antelope Basin. Furthermore, drilling to date and modelling indicate a potential link to the Cowboy target, 230 metres to the northeast.

To the northeast at the Cowboy target, five holes were completed with RSR-030 returning 0.88 g/t Au over 9.2 m, 0.28 g/t Au over 24.4 m and 0.24 g/t Au over 38.1 m, extending the Cowboy target 75 metres northeast from the discovery hole RSC-185. Mineralization in this area is associated with potassically-altered, igneous and heterolithic breccia and feldspar porphyry dikes.

Further drilling is warranted to evaluate both the eastern flank of Antelope Basin and the potential continuity with the Cowboy target.

Blackjack

The drill program at Blackjack was designed to test an extensive soil anomaly and several geophysical anomalies. Results from the drilling beneath the soil anomaly were encouraging as holes BJR-001 (0.51 g/t Au over 10.7 m) and BJR-005 (0.79 g/t Au over 18.3 m) indicate mineralization remains open to the west. Hole BJR-002 (0.20 g/t Au over 27.4 m) targeted the east side of the soil anomaly, intersected lower grade material but demonstrated the system remains open towards the east as well. Results and targets will continue to be evaluated to determine the next priority step at Blackjack.

Greenfield Targets

Several greenfield targets were tested including McDougal Gulch, Pronghorn, West 44, North 44 and around the Blackjack area. While the drilling intersected interesting geologic features, results did not return economic intercepts. The Company has several other greenfield targets to test and in 2018 will prioritize the West Baldy and STP targets.

Outlook

In 2018, the Company will continue to advance the Rattlesnake Hills Gold Project with a focus on expanding the brownfield environment and testing several greenfield targets. Over the next several months, the Company's main focus will be to complete geological and resource modelling to support a maiden National Instrument 43-101 resource estimate. The Company expects to announce the resource estimate in the second quarter of 2018.

The Company recently completed the private placement financing of approximately C\$7.0 million (See press release dated January 11, 2018) and the acquisitions of the West Porcupine and Swayze gold properties (See press release dated December 21, 2017). In addition to these transactions, the Company anticipates closing the Arrangement Agreement with Rapier Gold ("Rapier") on or about February 21, 2018. Through these acquisitions, GFG will control approximately 560 square kilometres of highly prospective land in the Abitibi Greenstone Belt west of the prolific Timmins Gold district in Ontario, Canada.

Following the closing of the Rapier transaction, the Company will outline its 2018 exploration plans for both its Wyoming and Ontario assets.

Table 1: Recent Results from the 2017 Drill Program at the Rattlesnake Hills Gold Project.

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Hole ID	From (m)	To (m)	Length (m)*	Au (g/t)	Cut Off (g/t)	
RSC-187	no significant intervals					
RSC-189	incl.	38.1	137.2	99.1	0.82	0.20
		50.3	105.2	54.9	1.30	0.50
		150.9	208.8	57.9	0.48	0.20
		295.7	329.2	33.5	0.22	0.20
		352.0	402.3	50.3	0.71	0.20
RSC-190	incl.	242.3	298.7	56.4	0.22	0.20
		274.3	281.9	7.6	0.36	0.50
RSC-191	incl.	320.0	350.5	30.5	0.17	0.20
		368.8	449.6	80.8	0.34	0.20
		426.7	449.6	22.9	0.53	0.50
RSR-012		221.0	228.6	7.6	0.34	0.20
		248.4	332.2	83.8	0.17	0.20
RSR-013	incl.	25.9	45.7	19.8	0.49	0.20
		36.6	42.7	6.1	1.03	0.50
RSR-020	no significant intervals					
RSR-021	no significant intervals					
RSR-022	no significant intervals					
RSR-023	no significant intervals					
RSR-024	no significant intervals					
RSR-025	no significant intervals					
RSR-026		29.0	38.1	9.1	0.60	0.20
		166.1	185.9	19.8	0.52	0.20
RSR-027		214.9	248.4	33.5	0.25	0.20
		292.6	312.4	19.8	0.22	0.20
		239.3	245.4	6.1	0.33	0.20
RSR-029	no significant intervals					
RSR-030	incl.	115.8	125.0	9.2	0.88	0.20
		115.8	120.4	4.6	1.54	0.50
		179.8	195.1	15.2	0.18	0.20
		214.9	236.2	21.3	0.24	0.20
		249.9	265.2	15.2	0.25	0.20
	incl.	280.4	289.6	9.1	0.31	0.20
		306.3	330.7	24.4	0.28	0.20
		327.7	330.7	3.1	1.01	0.50
		367.3	405.4	38.1	0.24	0.20
RSR-031		150.9	175.3	24.4	0.13	0.20
		196.6	204.2	7.6	0.45	0.20
RSR-032		172.2	193.6	21.3	0.21	0.20
RSR-033	incl.	149.4	153.9	4.6	0.44	0.20
		245.4	283.5	38.1	0.32	0.20
		278.9	281.9	3.1	0.62	0.50
RSR-034	incl.	80.8	91.4	10.7	0.30	0.20
		80.8	83.8	3.1	0.75	0.50
RSR-035	incl.	39.6	79.3	39.6	0.20	0.20
		89.9	131.1	41.1	0.16	0.20
		147.8	172.2	24.4	0.23	0.20
		207.3	272.8	65.5	0.31	0.20
		222.5	230.1	7.6	0.82	0.50
RSR-037	no significant intervals					
RSR-038	no significant intervals					

*Gold intervals reported in the above table are based on a 0.20 g/t or 0.50 g/t Au cutoff and may include waste or low-grade intervals of up to 9.5 metres. Weighted averaging has been used to calculate all reported intervals. True widths are estimated at 60-100% of drilled thickness.

Figure 1: To view a plan map of North Stock and Antelope Basin 2017 drill results and historic drill highlights, click here:

https://www.gfgresources.com/files/doc_news/2018/02/GFG-Resources_Fig-1_RSH_2017_DDH_Plan-

Map_02052018.jpg

Figure 2: To view a regional map of the Rattlesnake Hills Gold Project, click here:

https://www.gfgresources.com/files/doc_news/2018/02/GFG-Resources-RSH_Regional-Target-Map-2017-Fig-2.jpg

Table 2: To view a complete list of 2017 exploration results, click here:

https://www.gfgresources.com/files/doc_news/2018/02/GFG-Resources_Table-2_Complete-List-of-2017-Drill-Assays_02052018_FINAL.pdf

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.

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 24,463 hectare West Porcupine gold property and the 12,000 hectare Swayze gold property.

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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 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 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.