GFG Resources Inc. Announces Private Placement Financing of up to C$2.0 Million

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SASKATOON, Aug. 30, 2022 - GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) ("GFG" or the "Company") announces a private placement to raise gross proceeds of up to C$2.0 million (the "Offering").

The Offering will consist of any combination of (i) units of the Company ("Units") at a price of C$0.11 per Unit; (ii) common shares of the Company that will qualify as "flow-through shares" for the purposes of the *Income Tax Act* (Canada) ("FT Shares") at a price of C$0.13 per FT Share; and (iii) premium units of the Company ("Premium Units") at a price of C$0.16 per Premium Unit, subject to maximum aggregate gross proceeds of C$2.0 million. Each Unit shall consist of one common share of the Company (which shall not be a "flow-through share") 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 (which shall not be a "flow-through share") at an exercise price of C$0.17 for a period of 24 months from the date of issuance. Each Premium Unit shall consist of one FT Share (a "Premium FT Share") and one-half of one Warrant.

If during the exercise period of the Warrants, but after the resale restrictions on the underlying common shares have expired, the closing price of the common shares of the Company is at a price equal to or greater than $0.26 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.

The gross proceeds raised from the sale of the FT Shares and Premium FT Shares 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 Premium Units, will be used for exploration activities on the Company's projects in Ontario as well as for general working capital purposes.

Following two highly successful drill programs (See Table 1 for Assay Highlights) at the Montclerg Gold Project and recent prospecting efforts completed on the Goldarm Property located east of the world-class Timmins Gold District, it is evident that a much more aggressive program is warranted. The funds raised in this Offering will focus on completing a 4,000 - 6,000 metre drill program to infill and grow the Montclerg gold system and test several regional targets that the Company has in its drill target pipeline.

Table 1: Recent Highlights of Assay Results from the Montclerg Gold Project

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
incl.	63.5	66.0	2.5	8.42	
incl.	65.4	66.0	0.6	26.90	
incl.	71.5	74.0	2.5	4.30	
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	MC Main Upper Footwall
incl.	112.6	116.0	3.4	6.37	
MTC-22-020	22.4	34.1	11.7	1.07	MC Central Upper Main
incl.	24.6	25.6	1.0	2.01	
incl.	28.0	28.8	0.8	2.43	
incl.	32.0	33.0	1.0	2.16	
and	97.0	105.3	8.3	4.95	MC Main Upper Footwall
incl.	102.8	105.3	2.5	12.83	
MTC-22-021	50.3	72.0	21.7	1.51	MC Central Upper Main
incl.	62.2	64.0	1.8	8.17	
MTC-22-023	17.6	88.0	70.4	1.60	MC Central 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	MC Central Upper Footwall
incl.	131.4	133.2	1.8	7.75	
MTC-22-029	104.4	111.5	7.1	4.98	MC Central 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	MC Central Upper Footwall
incl.	71.0	74.0	3.0	6.21	
incl.	81.9	82.9	1.0	17.50	

*Drill intercepts are presented using a 0.20 g/t Au cut-off and as drilled length. Composites include internal dilution of up to 3 m at grades less than 0.2 g/t Au. True width is estimated to be 50 to 90% of drilled length.

The Offering is scheduled to close on or about September 27, 2022 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 Offering is being made by way of private placement in Canada and such other jurisdictions as the Company may determine. The securities sold will not be offered or sold in the United States, and will each be subject to a hold period expiring four months and one day from their issuance.

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. In Wyoming, the Company has partnered with Group 11 through an option and earn-in agreement to advance the Company's Rattlesnake Hills Gold Project with a technology that could revolutionize the gold mining industry.

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.

Drill intercepts are presented using a 0.20 g/t Au cut-off and as drilled length. Composites include internal dilution of up to 3 m at grades less than 0.2 g/t Au. True width is estimated to be 50 to 90% of drilled length.

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.

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