GFG Announces Private Placement Financing of up to C$3.0 Million

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SASKATOON, Feb. 17, 2023 - GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) ("GFG" or the "Company") announces a private placement to raise gross proceeds of up to C$3.0 million (the "Offering"). As part of the Offering, the Company is pleased to announce that Alamos Gold Inc. (TSX: AGI; NYSE: AGI) has committed to purchase securities in the Offering to increase their position to a 9.99% interest in the Company upon completion of the Offering.

The Offering will consist of any combination of (i) units of the Company ("Units") at a price of C$0.13 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$0.15 per FT Share; and (iii) premium units of the Company ("Premium Units") at a price of C$0.1866 per Premium Unit, subject to maximum aggregate gross proceeds of C$3.0 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$0.18 for a period of 36 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 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.

Subject to compliance with applicable regulatory requirements and in accordance with National Instrument 45-106 - Prospectus Exemptions ("NI 45-106"), the Units, FT Shares and Premium Units will be offered for sale to purchasers resident in Canada and/or other qualifying jurisdictions pursuant to the Listed Issuer Financing Exemption under Part 5A of NI 45-106. Because the Offering is being completed pursuant to the Listed Issuer Financing Exemption, the securities issued to subscribers in the Offering will not be subject to a hold period pursuant to applicable Canadian securities laws. There is an offering document on Form 45-106F19 related to the Offering that can be accessed under the Company's profile at www.sedar.com and on the Company's website at www.gfgresources.com Prospective investors should read this offering document before making an investment decision.

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.

The funds raised in this Offering will focus on completing an 8,000 - 10,000 metre drill program to infill and expand the Montclerg gold system and test several regional targets on the Goldarm Property that the Company has in its drill target pipeline. Below is a list of highlighted holes drilled by GFG since acquiring the Montclerg Gold Project 14 months ago.

Montclerg Drill Highlights*

- MTC-21-001: 1.56 g/t Au over 27.5 m
- MTC-21-005: 4.82 g/t Au over 26.0 m and 12.32 g/t Au over 5.5 m
- MTC-21-006: 8.35 g/t Au over 7.5 m
- MTC-21-007: 1.40 g/t Au over 33.5 m
- MTC-21-015: 1.32 g/t Au over 31.1 m

- MTC-22-019: 4.38 g/t Au over 5.5 m
- MTC-22-020: 4.95 g/t Au over 8.3 m
- MTC-22-021: 1.51 g/t Au over 21.7 m
- MTC-22-023: 1.60 g/t Au over 70.4 m
- MTC-22-029: 4.98 g/t Au over 7.0 m
- MTC-22-030: 3.40 g/t Au over 15.0 m
- MTC-22-035: 9.85 g/t Au over 16.0 m and 5.26 g/t Au over 9.3 m
- MTC-22-036: 6.67 g/t Au over 6.0 m
- MTC-22-042: 8.46 g/t Au over 5.0 m

*Drill intercepts are presented using a 0.20 g/t Au cut-off and as drilled length. Composites include internal dilution of up to 3.0 m at grades less than 0.20 g/t Au. True width is estimated to be 50 to 90% of drilled length.

The Offering is scheduled to close on or about March 15, 2023 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 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).

Grant of Stock Options
Pursuant to the Company's annual executive compensation program, the Company announced that it has granted stock options to directors, officers, employees and senior consultants to purchase up to an aggregate of 3,350,000 common shares of the Company. The stock options have various vesting periods and are exercisable for a period of five years at a price of $0.15 per common share, being the closing price on February 13, 2023. All options were granted pursuant to the Company's stock option plan.

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.

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, 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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