GFG Signs Binding LOI with Patriot Gold to Sell its Rattlesnake Hills Gold Project

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SASKATOON, May 09, 2024 - GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) ("GFG" or the "Company") announces the signing of a binding letter of intent (the "LOI") for the sale of its 100% owned Rattlesnake Hills Gold Project (the "Project") to Patriot Gold Vault Ltd., ("Patriot"). Under the terms of the LOI, which will be formalized by a definitive agreement between the parties within forty-five (45) days (the "Transaction"), Patriot will pay GFG an aggregate consideration of approximately C$3.3 million.

"We are excited to announce our agreement with Patriot for the sale of our Rattlesnake Hills Gold Project," stated Brian Skanderbeg, President and CEO of GFG. "The Patriot team's impressive track record gives us great confidence in their ability to drive the Project forward from both an exploration and development perspective. This deal enhances shareholder value through staged cash payments that strengthen our treasury while minimizing future dilution, as well as equity participation in Patriot that provides exposure to future successes. We will now advance with an undivided focus on our three large scale projects in the prolific Timmins Gold District."

"Patriot Gold Vault is proud to announce the agreement for the purchase of the Rattlesnake Hills Gold Project as our launch asset. Patriot was created to offer leverage to the next gold cycle by creating a liquid, public gold aggregator. Patriot will focus on acquiring resource-ready projects in Tier 1 jurisdictions and drilling them aggressively with the lens of a new gold price paradigm. Much like the Detour and Malartic gold mines, we believe that past producers and historical resources are often constrained by capital and lack of drilling not geology. Despite a robust gold price backdrop, pre-production gold inventories are trading at cycle low multiples, and this is our opportunity," stated Mario Vetro, Co-Founder of Patriot. "We thank the GFG team for their work on this transaction and diligent stewardship of the Project. We look forward to shortly updating the market with further acquisitions."

Transaction Terms
Patriot will acquire a 100% interest in the Project on the following terms:

- Cash payment of C$250,000 to GFG on signing of the binding LOI;
- Cash payment of C$250,000 to GFG upon the execution and delivery of a definitive agreement;
- On closing of the Transaction, Patriot will:
  - Make a cash payment of C$1,200,000 to GFG; and
  - Issue to GFG the greater of 3,000,000 common shares of Patriot (the "Consideration Shares") or $600,000 in value of Consideration Shares based on the volume weighted average trading price of the Consideration Shares for the 20 trading days immediately preceding the Closing Date, or in the event that Patriot is not listed, the value of the Consideration Shares shall be determined by the last financing price of the Patriot shares sold to arm's length investors to Patriot; and
- On the date that is 12 months following the Closing Date, Patriot will pay to GFG a cash payment of C$1,000,000.

Additional Terms

- On closing of the Transaction, Patriot will replace the US$219,000 reclamation bond for the Project, which in turn GFG will recoup.
- If a National Instrument 43-101 resource estimate in the Project reveal a mineral resource of greater than 3,000,000 ounces of gold in a Measured and Indicated or Inferred category, Patriot will pay to GFG a further C$1 per total mineral resource ounce in cash or common shares of Patriot, at the election of Patriot.
- Patriot shall reimburse GFG and cover all costs and expenses relating to the Project incurred from the date this LOI to the Closing Date, up to a maximum of US$228,000.

The closing of the Transaction is expected to occur on or about 120 days following the date of signing of the

Definitive Agreement.

About The Rattlesnake Hills Gold Project
The Rattlesnake Hills Gold Project is a district-scale gold exploration project located in central Wyoming, approximately 100 kilometres southwest of Casper. Geologically, 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, several of which are associated with multiple gold deposits.

The Project has approximately 100,000 metres ("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 mineralization in the North Stock and Antelope Basin deposits 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 Patriot Gold Vault Ltd.
Patriot Gold Vault is a gold mineral resource aggregator whose principal activity is to acquire high quality resource-ready gold assets in Tier 1 jurisdictions. Led by a team of proven technical and financial mining executives, Patriot will focus on increasing asset resources via drilling in Phase 1 and profitably divesting of its assets in Phase 2.

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.

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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, disclosure regarding possible events, the Agreement and proposed activities thereunder (the

"Transaction"), exploration plans for the Project 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 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; that all conditions precedent to the Transaction, including requisite regulatory approval will be fulfilled in a timely manner and on acceptable terms; 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 Transaction not being completed in the event that any of the conditions precedent thereto are not satisfied; 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.