

# GFG Drills 1.60 g/t Au Over 70.4 m, Continues to Expand Montclerg Gold Project, East of the Prolific Timmins Gold District

7/20/2022

## KEY HIGHLIGHTS:

- Best Main Zone drill intercept to date at Montclerg from hole MTC-22-023 intersecting 1.60 grams of gold per tonne (“g/t Au”) over 70.4 metres (“m”) near surface.
- A second gold zone was intersected in hole MTC-22-023 returning 4.97 g/t Au over 4.8 m.
- Infill hole MTC-22-021 intersected 1.51 g/t Au over 21.7 m and ended in mineralization.
- Significant step-out drilling demonstrates the Montclerg gold system continues for 530 m east and remains open, with assays up to 1.4 m at 3.0 g/t Au.
- In 2022, the Company plans to complete approximately 8,000 - 10,000 m of drilling and a significant surface regional exploration program has been initiated.

SASKATOON, Saskatchewan, July 20, 2022 (GLOBE NEWSWIRE) -- GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) (“GFG” or the “Company”) reports new assay results from its 2022 Phase 1 drill program at the Montclerg Gold Project (the “Project” and/or “Montclerg”), located 48 kilometres (“km”) east of the prolific Timmins Gold District in Ontario, Canada (See Table 1 and Figures 1-3) which has produced over 70 million ounces of gold. The Company’s 2022 Phase 1 program was completed in April and consisted of 4,200 m and 17 drill holes testing multiple targets along the Montclerg gold system. To date, the Company has announced assays results from 12 holes and expects to announce the remaining five holes in the coming weeks.

Today’s assay results from the MC Central and step-out drilling to the east confirmed the continuity and robust character of the gold mineralization at Montclerg. Infill drilling in the MC Central zone returned the broadest

interval drilled by GFG to date of 1.60 g/t Au over 70.4 m and is interpreted to relate to a thickened section of the Upper and Lower Main zones. Step-out drilling validated the Company's thesis that gold mineralization extends to the east by successfully intersecting gold mineralization 530 m east of the MC Central zone. (See Table 1 and Figure 2).

In the second half of 2022, GFG plans to drill an additional 4,000 - 6,000 m at Montclerg and has initiated a significant regional exploration program focused at its Montclerg and Goldarm properties that includes geophysics, till sampling, prospecting and mapping.

"The results from our most recent drill program continue to highlight the potential to significantly expand the Montclerg gold system", stated Brian Skanderbeg, President and CEO of GFG. "The fact that we continue to drill both bulk tonnage and high-grade mineralization gives us confidence that the Montclerg gold system is robust. And with the many underutilized mills nearby, the opportunity to create value for our shareholders increases with every drill hole. We are excited to resume drilling in the third quarter and confident that we can continue to grow the Montclerg gold system as it remains open and underexplored along strike and at depth."

Table 1: Recent Assay Results from Phase 1 2022 Drilling at the Montclerg Gold Project\*

Hole ID	From (m)	To (m)	Length (m)	Au g/t	Zone
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-22-022	31.8	38.8	7.0	0.60	MC Central Upper Main
and	91.7	95.9	4.2	0.78	MC Central Lower Main
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-22-024	368.8	376.5	7.7	0.74	New Unknown
incl.	370.6	372.0	1.4	3.00	
MTC-22-025	280.6	284.0	3.4	1.37	New Unknown

\*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.

#### Technical Commentary of Assay Results

The Company completed 17 holes in its Phase 1 2022 drill program at Montclerg (See Table 1 and Figures 2-3). This 4,200 m drill program was designed to complete infill and step-out holes over a one km segment of the Montclerg gold system. Infill drilling focused on the MC Central panel testing for extensions of the Upper and Lower Main zones and the high-grade Upper and Lower Footwall zones. Step-out drilling tested the MC West, MC East and the CX targets. Detailed analyses of today's assay results are outlined below.

MTC-22-021 was designed to test the MC Central Upper Main Zone as well as the Upper Footwall Zone approximately 20 m west of MTC-21-005 which returned 4.82 g/t Au over 26.0 m (See news release dated **February 10, 2022**). The hole intersected a broad zone grading 1.51 g/t Au over 21.7 m and ended in mineralization as the hole was terminated prematurely. The zone consisted of strong sericite altered felsic volcanics with a total of 5% quartz carbonate veins which form parallel as well as oblique to fabric of the felsic volcanic host rock. Veins often contain a strong pyrite and arsenopyrite halo as well as up to 1% fine-grained disseminated sulphides within the wall rock.

MTC-22-022 was drilled to test the extent of the MC Central Upper Main Zone. The hole successfully intersected 0.60 g/t Au over 7.0 m in a silicified felsic volcanic with trace disseminated pyrite throughout as well as 5% irregular veins with strong pyrite and arsenopyrite halos. At the contact between the felsic volcanic and the mafic volcanic a second mineralized zone was intersected and returned 0.78 g/t Au over 4.2 m. The zone consisted of 3% quartz carbonate veins with 1% disseminated pyrite and 3% vein halo arsenopyrite.

MTC-22-023 yielded the best bulk tonnage results thus far on the property intersecting 1.60 g/t Au over 70.4 m in the MC Central Upper Main Zone. The zone is hosted in pervasively sericite altered felsic volcanic, with up to 30% quartz-carbonate veinlets with an average of 2% arsenopyrite and 0.5% Pyrite. MTC-22-023 also intersected the Upper Footwall Zone returning grades of 2.46 g/t Au over 8.7 m, including 7.75 g/t Au over 1.8 m. The footwall host unit consists of strongly ankerite altered mafic volcanic with 2% wispy quartz-carbonate veinlets. Mineralization consisted of fine-grained disseminated pyrite and arsenopyrite of 1-3%.

The MC Central target hosts the Upper Main, Lower Main and Upper Footwall zones as outlined in GFG's April 28th release (See news release dated **April 28, 2022**). MTC-22-021, MTC-22-022 and MTC-22-023 were drilled as step-outs west of section MTC-21-005. These recent results show that infill drilling can increase the width and grade of the zones, illustrated by hole MTC-22-023 which intersected 1.60 g/t Au over 70.4 m. The Upper Footwall Zone which has been historically poorly tested continues to return higher grade mineralization. Hole MTC-22-023 intersected 2.46 g/t Au over 8.7 m, inclusive of 7.75 g/t Au over 1.8 m, showing continuity of this zone to the east. The MC Central target continues to show a robust shallow mineralized package that remains open in a number of directions and GFG will continue to aggressively target this horizon in future drilling campaigns.

MTC-22-024 is a 530 m step-out hole east of the main MC Central target where limited drilling has been completed. This hole tested the entire stratigraphic package and intersected similar lithologies to that seen in the MC Central target. The best results were in mafic volcanics grading up to 0.74 g/t Au over 7.7 m, including 3.0 g/t Au over 1.3 m. This zone is similar in character to the Lower Footwall Zone consisting of light beige-grey, strongly ankerite and sericite altered mafic volcanic. Smokey quartz and quartz-tourmaline veins are associated with fine grained dusting of 10% pyrite and 1% arsenopyrite. The drill hole also intercepted significant porphyry dyking anomalous in gold

and a strongly pyritized basaltic package similar to that which hosts the Croesus Mine to the east. There is no historic drilling further to the east of this drill hole and the Company views prospectivity to the east as very high.

MTC-22-025 is a 370 m step-out hole designed to test the eastern extension of mineralization of the MC Central target. The hole intersected 1.37 g/t Au over 3.4 m in mafic volcanics. The mineralization formed in a weakly brecciated mafic unit with moderate silica carbonate and sericite alteration. Locally up to 10% arsenopyrite and 1-3% blebby pyrite was observed.

The mineralization observed in holes MTC-22-024 and MTC-22-025 show the same stratigraphy and indeed similar styles of mineralization in the mafic volcanics that is seen in the MC Central target. A more significant drill program is warranted and will be a focus of future drill programs.

#### Outlook

The remaining five drill holes from the Phase 1 2022 program are currently being processed and the Company expects to report these results in the coming weeks. For the remainder of 2022, the Company plans to complete an additional 4,000 - 6,000 m of drilling at the Montclerg Gold Project and has initiated its regional exploration programs and drill target development across the Goldarm Property. The regional surface programs include airborne geophysics, sonic and conventional till sampling programs, prospecting, mapping and data compilation. To aid in the Company's surface programs, GFG has also partnered with Metal Earth to drive a variety of regional initiatives designed to better understand the belt scale architecture and gold potential of the Pipestone Deformation Zone where the Company's hold over 200 square km.

Following the successful initial metallurgical test work that exceeded recovery rate expectations at the Rattlesnake Hills Gold Project ("RSH Project") (See news release dated **March 15, 2022**), the Company's option partner, Group 11 Technologies Inc. ("Group 11"), will proceed to conduct further in-situ recovery analyses and data review. The technical review will further assess the amenability and recovery rates for extracting gold using an eco-friendly water-based solution. Next steps to advance the RSH Project in H2 2022 are to include additional laboratory tests, large diameter drill testing and related project permitting. A more detailed update on activities at Rattlesnake Hills will be provided as they are available.

Figure 1: Regional Map of GFG Gold Projects in the Timmins Gold District

<https://www.globenewswire.com/NewsRoom/AttachmentNg/22449ab8-851e-45e8-b7f2-56197888da55>

Figure 2: Montclerg Gold Project Plan View Map

<https://www.globenewswire.com/NewsRoom/AttachmentNg/a79482b7-6836-44b9-bd27-056b7709a89b>

Figure 3: Montclerg Gold Project Cross Section Map of MC Central Zone

<https://www.globenewswire.com/NewsRoom/AttachmentNg/3ebc7de4-075d-4bd5-a7af-45d25d0ba466>

#### About the Montclerg Gold Project

The Montclerg Gold Project is part of the recently consolidated Goldarm Property which consists of more than 15,000 hectares and covers over 30 km of the prospective Pipestone and North Pipestone deformation zones which hosts multiple gold deposits and mines in one of the most prolific gold districts in the world. The Project is strategically located east of the prolific Timmins Gold Camp and is surrounded by significant infrastructure (See Figure 1). The Project consists of patented and unpatented mining claims that cover 10 km of the highly prospective Pipestone Deformation Zone.

#### 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 historical and 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.

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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 Company’s future exploration plans with respect to its property interests and the timing thereof, the prospective nature of the projects, 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 Company’s projects is not necessary indicative of the geological setting, alteration and mineralization of the Rattlesnake Hills Gold Project, the Goldarm Property, 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; availability of capital, 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.

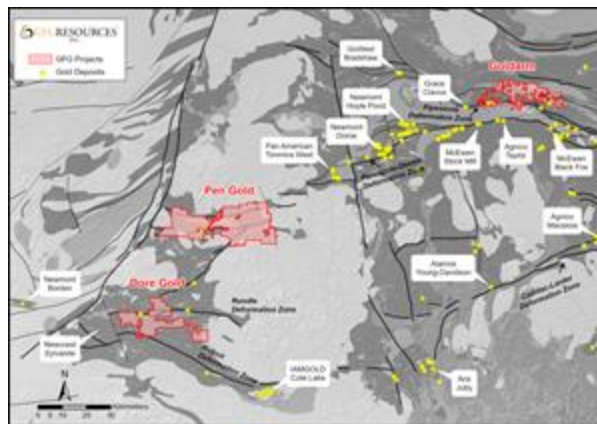
Although GFG has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements 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.

Figure 1: Regional Map of GFG Gold Projects in the Timmins Gold District



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Figure 2: Montclerg Gold Project Plan View Map

