

**FORM 51-102F3  
Material Change Report**

**MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF  
NATIONAL INSTRUMENT NO. 51-102**

**Item 1.                    Reporting Issuer**

GFG Resources Inc. (the "Company")  
202-640 Broadway Ave.  
Saskatoon, SK  
S7N 1A9

**Item 2.                    Date of Material Change**

A material change took place on April 13, 2022

**Item 3.                    Press Release**

On April 13, 2022, a news release in respect of the material change was disseminated by the Company.

**Item 4.                    Summary of Material Change**

The Company announced that it had completed its initial obligations with respect to its option to acquire a 100% interest in the WWCC property, subject to a 2% net smelter return royalty and certain other encumbrances, by issuing an aggregate of 1,016,949 common shares to the optionor.

**Item 5.                    Full Description of Material Change**

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

**Item 6.                    Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

**Item 7.                    Omitted Information**

No information has been omitted.

**Item 8.                    Executive Officer**

Brian Skanderbeg

**Item 9.                    Date of Report**

DATED at Saskatoon, in the Province of Saskatchewan, this 13<sup>th</sup> day of April, 2022.

## SCHEDULE “A”

# GFG Finalizes WWCC Property Acquisition East of the Prolific Timmins Gold District

**April 13, 2022, Saskatoon, Saskatchewan, Canada:** GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) (“GFG” or the “Company”) announces that the Company has completed its initial obligations pursuant to its previously announced definitive agreement (the “**Agreement**”) with International Explorers and Prospectors Inc. (“**IEP**”) to acquire a 100% interest in the 6,500-hectare WWCC property, subject to certain pre-existing encumbrances (the “**Encumbrances**”) (*See news release dated [February 24, 2022](#)*). In addition, the Company has staked a contiguous 6,800-hectare land package that is adjacent to the WWCC property, and collectively with the Montclerg Gold Project, will be referred to as the Goldarm Property (the “**Property**”).

Brian Skanderbeg, President and CEO of GFG, commented, “We are pleased to finalize the consolidation of WWCC property along with other strategic claims that make up our Goldarm Property. We believe that this area is highly prospective to host gold mineralization and fits with our skill set of unlocking value in underexplored properties and our vision to find the next Timmins gold mine. The consolidated property is strategically located along major structural corridors, with four mills and multiple producing gold mines within a 30 km radius. With control of over 30 km of strike, we are well positioned to implement our regional exploration strategy and are well financed to execute aggressive exploration programs in 2022.”

The consolidated Goldarm Property consists of approximately 15,000 hectares and covers over 30 kilometres (“**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 (**See Figures 1 and 2**). The geological setting is analogous to many of the Timmins gold deposits however due to the lack of outcrop and complexity of land ownership, the Property has seen very little exploration. In addition, the Property encompasses other promising structural settings, including those associated with the Carr Porphyry, that host high-grade gold occurrences.

The Encumbrances include net smelter return royalties ranging from 0.25% to 2% on certain mining claims comprising the Property, a back-in right held by a third party to repurchase a 51% interest in certain of the mining claims comprising the Property upon attainment of a specified threshold mineral resource with respect to base metals, and a right of first refusal of a third party to enter into an offtake agreement with respect to certain of the mining claims comprising the Property.

### **Terms of the Agreement**

Under the terms of the Agreement, GFG has a right to earn 100% interest in the WWCC property over a 4-year period, subject to a net smelter return royalty of up to maximum of 2% (the “**IEP royalty**”) and other encumbrances on certain claims, by:

1. The issuance of an aggregate of 1,016,949 common shares of GFG (“**Initial Shares**”), valued at C\$150,000 based on the volume weighted average pricing of such common shares on the TSX Venture Exchange (the “**VWAP**”) for the five trading days immediately preceding the date of announcement of the Agreement, which Initial Shares have been issued;
2. The issuance of common shares of GFG following the anniversary date of the Agreement based on the VWAP for the five trading days immediately preceding the date of each anniversary date (subject to a minimum price of C\$0.12375 per share), as follows:
  1. 12 months following the Effective Date, valued at C\$150,000
  2. 24 months following the Effective Date, valued at C\$200,000

3. 36 months following the Effective Date, valued at C\$250,000
4. 48 months following the Effective Date, valued at C\$250,000;
3. Spending a minimum of C\$2.0 million in exploration expenditures over 4 years on the WWCC property following the close of the Agreement;
4. GFG will transfer C\$400,000 in assessment credits to IEP within 48 months following the Effective Date;
5. Should GFG make a public announcement of a National Instrument 43-101 (“**NI 43-101**”) compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC property, GFG shall make a one-time payment of C\$1.0 million in cash or, subject to the prior approval of the TSX Venture Exchange, in common shares (based on the VWAP for the five trading days immediately preceding the announcement of such Mineral Resource), at the election of GFG; and
6. Should GFG make a subsequent public announcement(s) of a further NI 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC property and that reside outside a two km radius from any previous announcement, GFG shall make a one-time payment in respect of each such subsequent announcement in the amount of C\$1.0 million, in either cash or, subject to the prior approval of the TSX Venture Exchange, in common shares (based on the VWAP for the five trading days immediately preceding the announcement of such Mineral Resource), at the election of GFG.

**Additional terms:**

1. GFG has the right to accelerate the time periods set forth in the Agreement to acquire the WWCC property.
2. The common shares of GFG issued to IEP shall be subject to a voluntary lock-up pursuant to which a maximum of 5% of the aggregate number of such common shares issued to IEP may be sold or transferred during any given fiscal quarter.
3. GFG has the right to buy-back one-half of the IEP royalty for C\$1.0 million.

The Initial Shares are subject to a statutory hold period expiring on August 14, 2022, and the remainder of the common shares of GFG issuable to IEP will also be subject to a customary four month hold period.

IEP is a private company, the insiders of which consist of Lionel Bonhomme, Peter Colbert and James White.

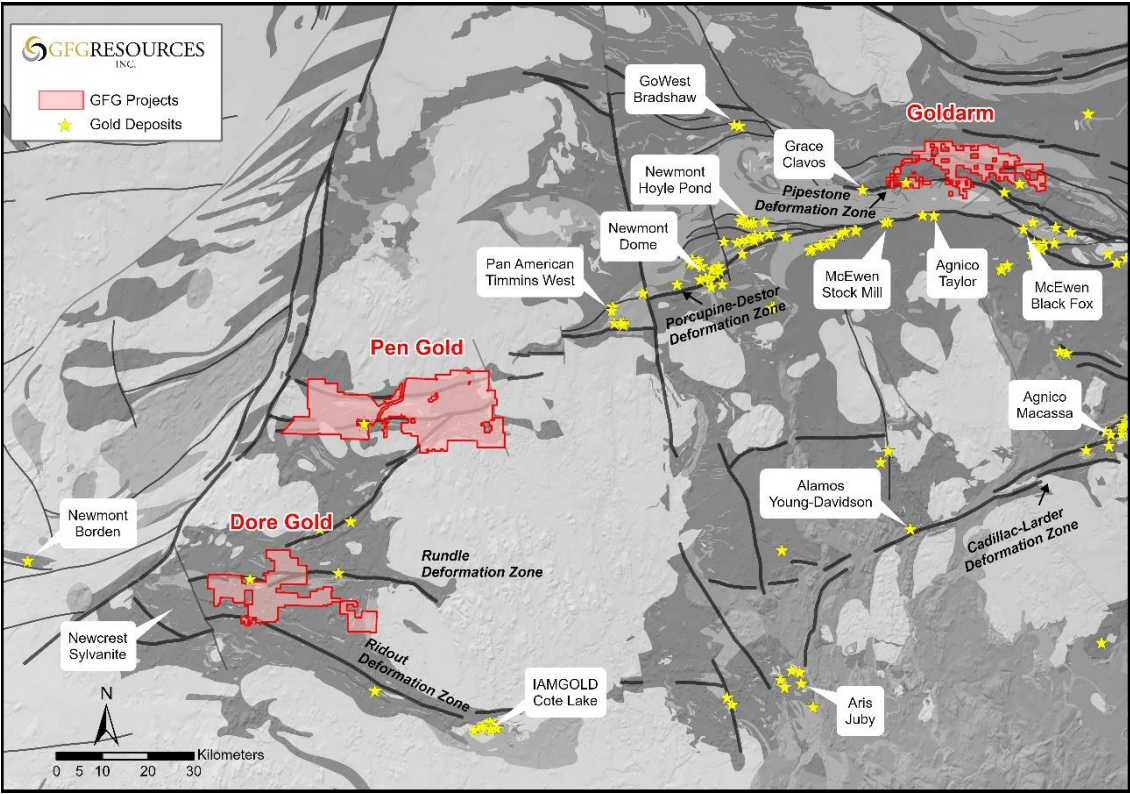
**Outlook**

In 2022, the Company plans to complete approximately 10,000 metres (“m”) of drilling on its Timmins portfolio with an emphasis on the Montclerg Gold Project. To date, the Company has drilled nearly 4,000 m of drilling at the Montclerg Gold Project and anticipate completing the Phase 1 2022 drill program by mid-April. In addition to the 2022 drill programs, GFG will continue additional regional exploration activities and drill target development across the Goldarm Property and the Pen Gold Project. The regional programs will include airborne geophysics, sonic till sampling and data compilation. Meanwhile, assay results are pending for the remaining five holes from the maiden 2021 drill program and the Company expects to report these results in the coming weeks.

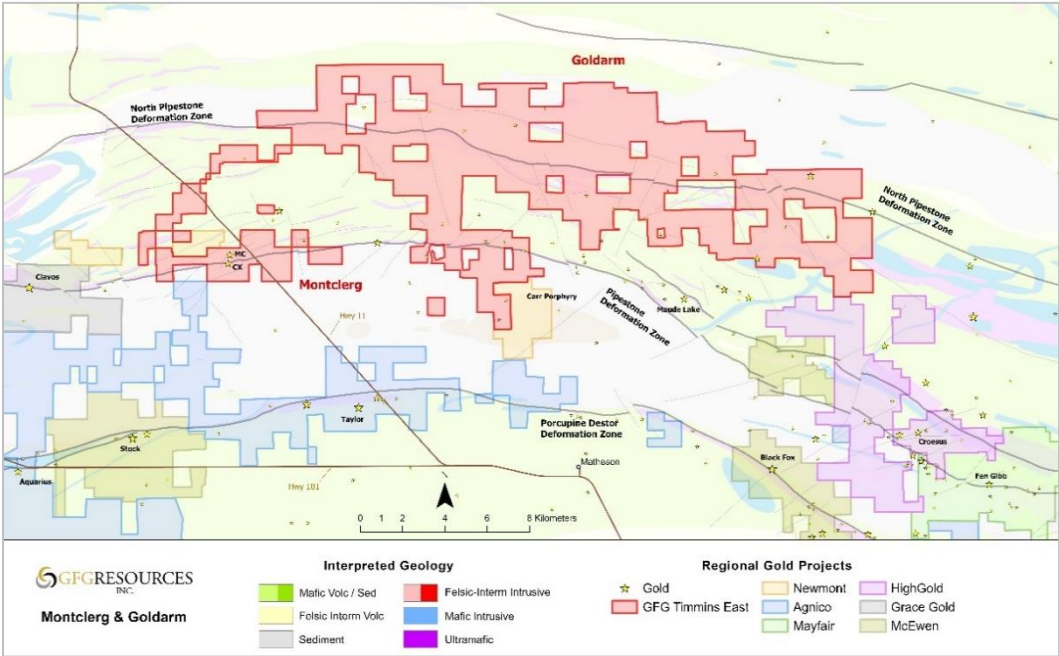
Following the successful initial test work that exceeded recovery rate expectations at the Rattlesnake Hills Gold Project (“**RSH Project**”) (See news release dated [March 15, 2022](#)), the Company’s option partner, Group 11 Technologies Inc. (“**Group 11**”), will proceed to conduct further in-situ 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 to include additional laboratory tests, additional drill tests and related project permitting.

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



**Figure 2: Timmins East Regional Map of the Goldarm Property**



## **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 kilometres 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.

### ***For further information, please contact:***

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or

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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 its properties, 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.