



G2 GOLDFIELDS AND S2 MINERALS ANNOUNCE CLOSING OF SPIN-OUT OF SANDY LAKE PROJECT

TORONTO, April 9, 2021 – G2 Goldfields Inc. (“G2” or the “Company”) (TSXV:GTWO; OTCQX:GUYGF) and **S2 Minerals Inc.** (“S2”) are pleased to announce that the previously announced spin-out of the Company’s Sandy Lake project into a wholly-owned subsidiary of the Company, S2, by a Plan of Arrangement under the *Canada Business Corporations Act* (the “Arrangement”) has been completed. The Arrangement was effective at 12:01 a.m. (Toronto time) on April 9, 2021 (the “Effective Date”).

Pursuant to the Arrangement, G2 will distribute 100% of the common shares of S2 (the “**S2 Shares**”) it received under the Arrangement to holders (the “**G2 Shareholders**”) of common shares of G2 (the “**G2 Shares**”) on a *pro rata* basis, such that G2 Shareholders will receive one S2 Share for every ten G2 Shares held as of the Effective Date. S2 will also issue rights (“**S2 Rights**”) to the holders of the S2 Shares as of the Effective Date to raise gross proceeds of approximately C\$1.2 million (the “**Rights Offering**”). The S2 Rights will expire at 5:00 p.m. (Toronto time) on May 12, 2021.

As previously announced by G2, the G2 Shares commenced trading on a “due bill” basis on the TSX Venture Exchange (the “**TSXV**”) effective from the opening of markets on April 7, 2021 and will trade on such basis until and including April 14, 2021. Trades of G2 Shares during this time will have a due bill attached, which will allow the purchaser of G2 Shares, rather than the seller of G2 Shares, to receive the distribution of S2 Shares (and S2 Rights) pursuant to the Arrangement even if such trades are settled after the Effective Date. It is expected that effective at the opening of markets on April 15, 2021, the G2 Shares will commence trading on an ex-distribution basis without any due bill entitlement reflecting that the distribution of S2 Shares (and S2 Rights) has occurred.

G2 Shareholders of record as of the Effective Date are entitled to receive S2 Shares in respect of the G2 Shares they hold. No additional action is required by registered G2 Shareholders in order to receive S2 Shares, and they will retain any certificates or direct registration statements representing their G2 Shares. It is expected that DRS statements representing the S2 Shares to which the registered G2 Shareholders are entitled to under the Arrangement will be mailed out on April 14, 2021, together with the Rights Certificates representing the S2 Rights to which they are entitled and a Notice of Rights Offering (the “**Notice**”). Only those shareholders who are resident in Canada will receive a Rights Certificate and a Notice. Non-registered shareholders who are resident in Canada will be sent the Notice and shareholders resident outside of Canada will be sent the Notice and a letter regarding the process pursuant to which such shareholders may be eligible to exercise their S2 Rights.

S2 has applied for a listing of the S2 Shares on the Canadian Securities Exchange (the “**CSE**”) under the trading symbol “STWO”. Any such listing will be subject to S2 fulfilling all of the requirements of the CSE. S2 will provide further guidance at a later date on the timing for any listing of the S2 Shares on the CSE.

Neither the S2 Shares nor the S2 Rights being offered nor the S2 Shares issuable on exercise of the S2 Rights have been or will 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 exercised, offered or sold, as applicable, in the United States or to, or for the account or benefit of, a person in the United States or a U.S. Person (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities of S2 or G2. There shall be no offer or sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification of such securities under the laws of any such jurisdiction.

Early Warning Disclosure

On February 2, 2021, S2 entered into a standby commitment agreement (the “**Standby Commitment Agreement**”) with Patrick Sheridan, the Chairman of G2 and its controlling shareholder, and Dan Noone, the Chief Executive Officer and a director of G2 (together, the “**Standby Purchasers**”) in connection with Rights Offering. The Standby Purchasers agreed, subject to certain terms and conditions, to exercise their Basic Subscription Privilege (as such term is defined in the Standby Commitment Agreement) in respect of all S2 Rights issued to them under the Arrangement, and, in addition thereto, to acquire any additional S2 Shares available as a result of any unexercised S2 Rights (the “**Standby Commitment**”), such that S2 will, subject to the terms of the Standby Commitment Agreement, be guaranteed to issue S2 Shares in connection with the exercise of S2 Rights for aggregate gross proceeds of approximately \$1.2 million. The Standby Purchasers will receive no compensation for providing the Standby Commitment.

As a result of the Arrangement, (i) Mr. Sheridan acquired ownership and control of 3,508,907 S2 Shares and 3,508,907 S2 Rights, entitling him to acquire 3,508,907 S2 Shares, which represents 27.7% of the issued and outstanding S2 Shares on an undiluted basis and 43.4% on a partially diluted basis, and (ii) Mr. Noone acquired ownership and control of 738,230 S2 Shares and 738,230 S2 Rights, entitling him to acquire 738,230 S2 Shares, which represents 5.8% of the issued and outstanding S2 Shares on an undiluted basis and 11.0% on a partially diluted basis. Prior to completion of the Arrangement, Messrs. Sheridan and Noone did not beneficially own or control any securities of S2.

If each of Mr. Sheridan, together with his joint actor, and Mr. Noone, and all other holders (“**S2 Shareholders**”) of S2 Shares exercise their Basic Subscription Privilege in the Rights Offering, Mr. Sheridan’s ownership and control of S2 will remain at 27.7% and Mr. Noone’s will remain at 5.8%. If no other S2 Shareholders, other than the Standby Purchasers, exercise their S2 Rights to acquire S2 Shares, and each of the Standby Purchasers acquires the maximum number of S2 Shares pursuant to the Rights Offering, Mr. Sheridan will have ownership and control of an aggregate of 11,222,079 S2 Shares following completion of the Rights Offering, representing 44.3% of the issued and outstanding S2 Shares and Mr. Noone will have ownership and control of an aggregate of 5,680,725 S2 Shares following completion of the Rights Offering, representing approximately 22.4% of the issued and outstanding S2 Shares.

Each S2 Right is exercisable into an S2 Share upon payment of \$0.10. If all other S2 Shareholders exercise all S2 Rights issued to them under the Rights Offering, then Mr. Sheridan’s total subscription amount will be \$350,890.70 and Mr. Noone’s will be \$73,823.00. If no other S2 Shareholders, other than the Standby Purchasers, exercise their S2 Rights to acquire S2 Shares, and each of the Standby Purchasers acquires the maximum number of S2 Shares pursuant to

the Rights Offering, then Mr. Sheridan's total subscription amount will be \$ 771,317.20 and Mr. Noone's will be \$494,249.50.

The S2 Shares were acquired pursuant to the Arrangement because each of the Standby Purchasers is an S2 Shareholder and will be held for investment purposes. The Standby Purchases agreed to provide the Standby Commitment to ensure the successful completion of the Rights Offering. After completion of the Rights Offering, each of the Standby Purchasers may increase or decrease his beneficial ownership of S2 Shares or other securities of S2 in accordance with applicable securities legislation.

A copy of the Early Warning Report for each of the Standby Purchasers will appear on S2's SEDAR profile and may also be obtained by calling S2's office at 416.628.5904. S2's office is at 141 Adelaide Street West, Suite 1101, Toronto, Ontario M5H 3L5.

About G2 Goldfields Inc.

G2 Goldfields Inc. is focused on the discovery of large gold deposits in the Guiana Shield. The Company owns a 100% interest in a past gold producing mine, as well as a regional portfolio of highly prospective projects.

About S2 Minerals Inc.

S2 Minerals Inc. is a Canadian mineral exploration company and holds the Sandy Lake project in Ontario. The Sandy Lake project comprises approximately 167,000 acres of contiguous mineral claims in the Sandy Lake Archean Greenstone Belt, located approximately 140 miles north of Red Lake, Ontario. S2 beneficially holds a 100% interest in the mineral rights to approximately 137,000 acres, and will hold a 50.1% interest in the approximately 15,000 acres of the "Weebigee Joint Venture" claims and a 50% interest in a further 15,000 acres of the Southern Block claims in joint ventures with Goldeye Explorations Limited, now part of Treasury Metals Inc., upon completion of the transfer process. It is expected that over time, S2 may add new Canadian-focused exploration stage projects to its portfolio.

All scientific and technical information in this news release has been prepared under the supervision of Dan Noone (CEO of G2 Goldfields Inc. and S2 Minerals Inc.), a "qualified person" within the meaning of National Instrument 43-101. Mr. Noone (B.Sc. Geology, MBA) is a Member of the Australian Institute of Geoscientists.

For further information please contact:

Dan Noone
CEO
+1.416.628.5904
Email: d.noone@g2goldfields.com

Forward-Looking Statements

This news release contains certain forward-looking statements, including, but not limited to, statements with respect to the Rights Offering, the "due bills" trading dates, the listing of the S2 Shares on the CSE and transfer of the joint venture. Wherever possible, words such as "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict" or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's

current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. The Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither the 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.