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Release: Immediate

GFG Resources Completes Acquisition of West Porcupine and Swayze Properties and First Tranche of Private Placement

December 21, 2017 Saskatoon, Saskatchewan, Canada: **GFG Resources Inc. (TSX-V: GFG) (OTCQB: GFGSF) (“GFG” or the “Company”)** is pleased to announce that further to its press release dated December 11, 2017 it has completed the acquisition of the West Porcupine Property from Probe Metals Inc. (TSX-V: PRB) (**“Probe”**) (the **“West Porcupine Property Acquisition”**) and the Swayze Project from Osisko Mining Inc. (TSX: OSK) (**“Osisko”**) (the **“Swayze Property Acquisition”**). Immediately prior to closing the acquisitions, the Company also closed the first tranche of its non-brokered private placement (the **“Concurrent Financing”**) for gross proceeds of C\$4,228,305.

West Porcupine Property Acquisition

GFG has acquired Probe’s 100% interest in the West Porcupine property, a land package consisting of 198 claims and covering approximately 245 km² located 50 kilometres southwest of Timmins, Ontario, in exchange for the issuance of 6,477,883 common shares of GFG, representing an implied purchase price of approximately C\$3.5 million based on GFG’s 20-day volume weighted average share price (**“VWAP”**) ending December 7, 2017.

Swayze Property Acquisition

GFG has acquired Osisko’s 100% interest in the Swayze property, a land package consisting of 56 claims and covering approximately 120 km² located 40 kilometres from Borden, Ontario, in exchange for the issuance of 1,110,494 common shares of GFG, representing an implied purchase price of approximately C\$600,000 based on GFG’s 20-day VWAP ending December 7, 2017.

Concurrent Private Placement

The Company has completed the first tranche of the Concurrent Financing by way of a non-brokered private placement. Due to higher than expected demand, the Company increased its flow-through common shares offering previously announced (*See news release dated December 11, 2017*) from 3,636,364 to 5,460,555 flow-through common shares at a price of C\$0.55 per share for gross proceeds of C\$3,003,305 (the **“FT Private Placement”**). The Company also issued 2,450,000 units at a price of C\$0.50 per unit for gross proceeds of C\$1,225,000 (the **“Non-FT Private Placement”**), with each unit consisting of one common share and one-half of a common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at an exercise price of C\$0.75 for a period of 24 months following closing. Gross proceeds raised under the FT Private Placement will be used for exploration activities in Ontario that will qualify as “Canadian Exploration Expenses”. Net proceeds raised under the Non-FT Private Placement will be used for exploration activities at the Company’s projects in Wyoming and Ontario as well as for general working capital purposes.

The Company intends to close a final tranche on or about January 11, 2018, for up to the balance of the remaining units of the Concurrent Financing previously disclosed.

The Company paid cash finder's fees to certain arm's length finders of up to 6% of the gross proceeds of the Concurrent Financing. The Concurrent Financing is subject to final approval by the TSX Venture Exchange. The securities issued pursuant to this tranche of the Concurrent Financing are subject to a four month hold expiring on April 22, 2018.

Qualified Persons

Brian Skanderbeg, P.Geo. and M.Sc., serves as President and CEO of GFG, and is a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. Mr. Skanderbeg has reviewed and approved the information contained in this news release.

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.

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About GFG Resources Inc.

GFG Resources is a publicly traded precious metals exploration company headquartered in Saskatoon, Saskatchewan, Canada, whose shares trade on the TSX Venture Exchange (GFG) and on the OTCQB (GFGSF). The Company controls 100% of the Rattlesnake Hills Gold Project, a district scale gold exploration project located approximately 100 kilometres southwest of Casper, Wyoming, U.S. The geologic setting, alteration and mineralization seen in the Rattlesnake Hills are similar to other gold deposits of the Rocky Mountain alkaline province which, collectively, have produced over 50 million ounces of gold.

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 possible events, completion of the second tranche of the Concurrent Financing, 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;; all necessary approvals and consents in respect of the Concurrent Financing, including requisite regulatory, securityholder and court approvals, as applicable, will be obtained in a timely manner and on acceptable terms; and that general business and economic conditions will not change in a materially adverse manner. In addition, the similarity or proximity of other gold deposits of the Rocky Mountain alkaline province to the Rattlesnake Hill Gold Project is not necessarily indicative of the geological setting, alteration and mineralization of the Rattlesnake Hills 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: risks and uncertainties related to the second tranche of the Concurrent Financing not being completed; 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.