



NEWS RELEASE

September 12, 2017

## GGL PROVIDES CORPORATE UPDATE

**Vancouver, British Columbia – September 12, 2017 – GGL Resources Corp. (TSXV: GGL) (the "Company")** is pleased to provide an update on its recent activities. Since early June this year, the Company has been negotiating agreements with Silver Range Resources Ltd. ("**Silver Range**") and Strategic Metals Ltd. ("**Strategic**") to put in place a management and technical team to finance and advance the exploration and development of the Company's portfolio of highly prospective exploration properties on the Providence Greenstone Belt ("**PGB**") in the Northwest Territories ("**NWT**").

### Transaction with Silver Range

On September 6, 2017, the Company signed a Property Option Agreement with Silver Range. Under the terms of this option agreement, the Company retains ownership of the PGB Property and the exploration camp on it. GGL also retains the right to explore for diamonds on the PGB Property. Silver Range will have the optional right to explore GGL's PGB project for all metals and minerals, except diamonds, in return for:

- a cash payment of \$33,200 due on signing of a binding letter of intent (paid);
- issuance of 1,000,000 Silver Range common shares to GGL upon receipt of TSX Venture Exchange acceptance;
- surveying of certain mineral claims so that they can be converted to mining leases;
- a commitment to make mining lease payments for the entire PGB project for at least 12 months;
- a commitment to make annual mining lease payments for all portions of the PGB project it maintains under option in subsequent years; and
- a \$1.0 million milestone payment upon completion of a positive Preliminary Economic Assessment relating to a deposit(s) located within the PGB project.

If Silver Range discovers a deposit(s) with mineral resources that are calculated in a manner consistent with NI 43-101, Silver Range will be granted ownership of claims or mining leases surrounding those deposit(s) in return for a 1% net smelter return royalty payable to GGL on metal or mineral production, excluding diamonds, from those deposit(s). One-half of the royalty can be purchased by Silver Range for \$1.0 million. GGL will retain exploration and development rights for diamonds on any claims or mining leases transferred to Silver Range.

### Share Consolidation

On August 2, 2017, the Company announced a restructuring plan that comprises, amongst other transactions, an alteration to the Company's share structure by consolidating all of the Company's issued and outstanding shares on the basis of one (1) new common share for five (5) old common shares (the "**Consolidation**"). The Consolidation will reduce the 35,484,738 shares of the Company currently issued and outstanding to approximately 7,096,948 shares. The Consolidation is an integral component of the Company's restructuring plan and a condition precedent to the implementation of the plan.

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## **Transaction with Strategic**

Upon completion of the share consolidation, the Company will complete a financing (the “**Private Placement**”) as part of the restructuring plan announced on August 2, 2017. Strategic has agreed to participate in the Private Placement and has signed a binding letter of intent agreeing to purchase \$1,000,000 of the Private Placement. While the purchase price and size of the Private Placement have not been finalized, management anticipates that the post-Consolidation Private Placement will be for up to approximately 15,000,000 Common Shares at a price of approximately \$0.10 per Common Share. With its investment of \$1,000,000 and given the Company’s post-Consolidation capital structure, Strategic will acquire an ownership interest that will result in Strategic becoming a “Control Person” of the Company, as defined by the policies of the Exchange and will own in excess of 20% of the Company’s outstanding Common Shares after closing of the Private Placement.

The proceeds of the Private Placement will be used for general working capital purposes and exploration work on the Company’s diamond properties. Completion of the Private Placement is subject to the approval of the Exchange. Under the policies of the Exchange, shareholder approval is required for an issuance of shares which results in the creation of a new Control Person. Pursuant to the policies of the Exchange, a “Control Person” means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding Voting Shares of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

Strategic, a company listed on the Exchange, intends to participate in the Private Placement by subscribing for approximately 10,000,000 Common Shares. Certain Insiders, Associates or Affiliates of Strategic (the “**Strategic Metals Group**”) may also participate in the Private Placement, which will result in the Strategic Metals Group having control or direction over greater than 20% of the issued and outstanding Common Shares, creating a new “Control Person”. Under the rules of the Exchange, shareholder approval is required by a majority of the votes cast at the Meeting, excluding votes cast by the potential “Control Person”.

## **Special Meeting of Shareholders to be held on September 15, 2017**

A Special Meeting of Shareholders will be held on September 15, 2017 to pass two resolutions:

- A special resolution to approve the share consolidation; and
- An ordinary resolution to approve the creation of a new Control Person.

### ***Share Consolidation***

Approval of the share consolidation must be effected by a special resolution of the shareholders, which must be passed by a majority of not less than two-thirds ( $\frac{2}{3}$ ) of the votes cast by the shareholders represented at the meeting in person or by proxy. The Company will ask the shareholders at the meeting to pass a special resolution to approve the Consolidation. The Consolidation is also subject to TSX Venture Exchange (the “**Exchange**”) approval and will take effect upon receipt of such approval or on such other date as to be determined by the Board. The number of outstanding stock options and warrants of the Company will similarly be adjusted by the Consolidation ratio, and the exercise prices adjusted accordingly.

### ***Creation of a New Control Person***

Approval of the creation of a new Control Person must be effected by an ordinary resolution, which requires the approval of a simple majority (>50%) of the votes cast by the shareholders represented at the

meeting in person or by proxy. The Company will ask the shareholders at the meeting to pass an ordinary resolution to approve the creation of a new Control Person.

### **Survey Work at Zip Camp on PGB Property**

The Zip Camp was used by a field crew of two geologists, three surveyors and a helicopter pilot for a work program on the PGB Property located near Providence Lake, NWT, from August 24 to September 9, 2017. A total of 11 claims were surveyed to take to lease: GGL 49; 50; 62 to 66; 307; 312; 316; and 500. Silver Range's PGB Property (resulting from the Property Option Agreement) encompasses approximately 100km north-south extent of the Providence Greenstone Belt. Geological work was focussed on four showings on the PGB Property: King John; Lord Cache; Black Smoker; and Noble Count. Two blocks of claims were staked using the helicopter: 1 single unit covering the Black Smoker (BS1); and 4 units (PGB 1 - 4) in an area that resulted from the Company previously dropping claims around the Zip Camp area.

Graham Eacott, interim Chairman and CEO, commenting on the transactions with Strategic and Silver Range, said: "We are very pleased to welcome the Strategic Metals Group as our controlling shareholder. Strategic is a project generator at a very large scale and currently has interests in more than 130 properties assembled by an accomplished exploration team utilizing a proprietary database. Through project farm-outs, investments, and royalty sales, Strategic has grown its cash and shareholdings to more than \$35 million. Strategic conducts ongoing research and exploration to maintain a portfolio of high quality exploration projects that span a wide range of commodities and deposit types. Strategic seeks partners to advance its projects, a number of which are permitted for large-scale drilling and meet the requirements of a qualifying listing property.

We are also pleased to have entered into a Property Option Agreement with Silver Range whereby GGL grants Silver Range the sole, exclusive and irrevocable right and option to acquire a one hundred percent (100%) interest in certain mineral claims and mining leases on the Providence Greenstone Belt for certain considerations. The transaction with Silver Range has already resulted in a continuation of surveying and claim staking on the PGB Property.

In the last few years we have been constrained in advancing our portfolio of high quality exploration properties and drill-ready targets because of a lack of funding. Strategic will bring in a new management and technical team that will provide stability and financing to ensure that GGL can continue as a going concern and continue its exploration activities. The Board of Directors and management are unanimous in their belief that the transactions with Silver Range and Strategic, and the share consolidation, are in the best interests of the Company."

On behalf of the Board of Directors,

*"Graham Eacott"*

Graham Eacott  
Interim Chairman and CEO

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***Caution concerning forward-looking information***

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