

NEWS RELEASE

May 7, 2020
PR #21 – 2020

Shares Outstanding: 222,187,746
Trading Symbols: TSX: GGD
OTCQX: GLGDF

GoGold Reports \$1.9M US Free Cash Flow for Quarter Ending March 31, 2020

Halifax, NS – GoGold Resources Inc. (TSX: GGD) (OTCQX: GLGDF) (“GoGold”, “the Company”) is pleased to announce the release of financial results for the quarter ending March 31, 2020 with revenue of \$8.6 million (all amounts are in U.S. dollars) from the sale of 567,013 silver equivalent ounces which provided cash flow from operations of \$1.9 million.

“The Company’s operations generated \$1.9 million USD of cash flow, net of general and administrative expenses, in the quarter. Parral had another record production quarter, which covered corporate general and administrative expenses and the majority of our exploration expenditures at Los Ricos,” Brad Langille, President and CEO stated. “With our \$19.1 million cash balance and the cash flow from our Parral operation, we are well positioned to execute on our Los Ricos project.”

Financial Highlights for the quarter ending March 31, 2020:

- Cash flow from operations of \$1.9 million
- Revenue of \$8.6 million, at a realized price per ounce of \$15.19
- Record production of 600,697 silver equivalent ounces, an increase of 42% from prior year
- Cash of \$19.1 million, an increase from \$2.4 million at September 30, 2019
- All in sustaining costs of \$15.10 per silver equivalent ounce
- Cash costs of \$12.33 per silver equivalent ounce

Summarized Consolidated Financial Information <i>(in thousands USD, except per share amounts)</i>	Three months ended Mar 31		Six months ended Mar 31	
	2020	2019	2020	2019
Revenue	\$ 8,613	\$ 7,030	\$ 17,906	\$ 10,881
Cost of sales, including depreciation	\$ 7,885	\$ 6,678	\$ 15,995	\$ 12,114
Operating loss	\$ (687)	\$ (787)	\$ (526)	\$ (3,508)
Net (loss) income ^{1,2}	\$ (1,993)	\$ 2,437	\$ (1,458)	\$ 10,591
Basic net (loss) income (loss) per share	\$ (0.010)	\$ 0.014	\$ (0.008)	\$ 0.062
Cash flow from operations	\$ 1,910	\$ (4,560)	\$ 2,697	\$ (7,764)

1. Net loss in the quarter ended March 31, 2020 includes foreign exchange losses of \$1,567.

2. Net income in 2019 includes a \$3.8M gain on the fair market value of marketable securities in the three months ended March 31 and a gain of \$11,837 on the sale of the Santa Gertrudis royalty for the 6 months ended March 31.

Key Performance Indicators ¹	Three months ended Mar 31		Six months ended Mar 31	
	2020	2019	2020	2019
<i>(in thousands USD, except per ounce amounts)</i>				
Total tonnes stacked	366,808	478,874	698,087	834,487
AISC per silver equivalent ounce ²	\$ 15.10	\$ 14.08	\$ 14.85	\$ 16.43
Cash cost per silver equivalent ounce ²	\$ 12.33	\$ 10.75	\$ 12.43	\$ 12.58
Realized silver price	\$ 15.19	\$ 14.77	\$ 15.95	\$ 14.56

1. Key performance indicators are unaudited non-GAAP measures

2. Gold is converted using actual realized prices

This news release should be read in conjunction with the interim condensed consolidated financial statements for the quarter ended March 31, 2020, notes to the financial statements, and management's discussion and analysis for the quarter ended March 31, 2020, which have been filed on SEDAR and are available on the Company's website.

Technical information contained in this news release with respect to GoGold has been reviewed and approved by Mr. Bob Harris, P.Eng., who is a qualified person for the purposes of NI 43-101.

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CAUTIONARY STATEMENT:

The securities described herein 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 or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to exemptions therefrom. This release does not constitute an offer to sell or a solicitation of an offer to buy of any of GoGold's securities in the United States.

This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Parral tailings project, the Los Ricos project, future operating margins, future production and processing, and future plans and objectives of GoGold, constitute forward looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of GoGold and its subsidiaries as a going concern, general economic and market conditions, mineral prices, the accuracy of mineral resource estimates, and the performance of the Parral project. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information.

Important factors that could cause actual results to differ materially from GoGold's expectations include exploration and development risks associated with the GoGold's projects, the failure to establish estimated mineral resources or mineral reserves, volatility of commodity prices, variations of recovery rates, the effects of the global COVID-19 pandemic, and global economic conditions. For additional information with respect to risk factors applicable to GoGold, reference should be made to GoGold's continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, GoGold's Annual Information Form. The forward-looking information contained in this release is made as of the date of this release.

Cautionary non-GAAP Measures and Additional GAAP Measures

Note that for purposes of this section, GAAP refers to IFRS. The Company believes that investors use certain non-GAAP and additional GAAP measures as indicators to assess mining companies. They are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with GAAP. Non-GAAP and additional GAAP measures do not have a standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other companies.

Additional GAAP measures that are presented on the face of the Company's consolidated statements of comprehensive income include "Operating income (loss)". These measures are intended to provide an indication of the Company's mine and operating performance. "Cash flow from operating activities before changes in non-cash working capital" is a non-GAAP performance measure that could provide an indication of the Company's ability to generate cash flows from operations, and is calculated by adding back the change in non-cash working capital to "Net cash used in operating activities" as presented on the Company's consolidated statements of cash flows. Per ounce measures are calculated by dividing the relevant mining and processing costs and total costs by the tonnes of ore processed in the period. "Cash costs per ounce" and "all-in sustaining costs per ounce" as used in this analysis are non-GAAP terms typically used by mining companies to assess the level of gross margin available to the Company by subtracting these costs from the unit price realized during the period. These non-GAAP terms are also used to assess the ability of a mining company to generate cash flow from operations. There may be some variation in the method of computation of these metrics as determined by the Company compared with other mining companies. In this context, "cash costs per ounce" reflects the cash operating costs allocated from in-process and dore inventory associated with ounces of silver and gold sold in the period. "Cash costs per ounce" may vary from one period to another due to operating efficiencies, grade of material processed and silver/gold recovery rates in the period. "All-in sustaining costs per ounce" include total cash costs, exploration, corporate and administrative, share based compensation and sustaining capital costs. For a reconciliation of non-GAAP and GAAP measures, please refer to the Management Discussion and Analysis dated May 6, 2020, for the quarter ended March 31, 2020, as presented on SEDAR.