

NEWS RELEASE

December 17, 2020
PR #45 – 2020

Shares Outstanding: 264,429,288
Trading Symbols: TSX: GGD
OTCQX: GLGDF

GoGold Reports Net Income of \$43.1M US for Year Ending September 30, 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 and year ending September 30, 2020 with record annual revenue of \$39.5 million (all amounts are in U.S. dollars) from the sale of 2.2 million silver equivalent ounces which provided cash flow from operations before working capital changes of \$8.7 million.

“Parral had a record production year and a record quarter which generated \$6.5 million US of cash flow, paying for all of our exploration and general and administrative costs. We have one of the largest drilling programs in Mexico and we are currently self funding from operations at Parral. Parral had an excellent year which resulted in a reversal of a previously recorded impairment of \$41.1 million, which really reflects on how strongly that asset is performing now,” Brad Langille, President and CEO stated. “With our \$52.7 million US cash balance and the cash flow from our Parral operation, we are well positioned to continue the rapid advancement of the Los Ricos district.”

Financial Highlights for the year ending September 30, 2020:

- Cash flow from operations before working capital changes of \$8.7 million, including free cash flow from Parral of \$12.6 million
- Net income of \$43.1 million (\$0.21 per share)
- Record revenue of \$39.5 million, an increase of 46%, on the sale of 2.2 million silver equivalent ounces at a realized price per ounce of \$18.00
- Cash of \$52.7 million
- All in sustaining costs of \$14.82 per silver equivalent ounce
- Cash costs of \$12.24 per silver equivalent ounce

At Parral, the project generated \$39.5 million on sales of 2.2 million silver equivalent ounces for the year ended September 30, 2020, which is an increase of 46% compared to the prior year’s \$27.0 million, while costs were similar. All in sustaining costs (“AISC”) were \$14.72 per ounce and cash costs were \$12.24 in 2020, compared to AISC of \$14.82 and cash costs of \$11.80 in 2019.

With the strength of Parral’s operations in the year, at September 30 the Company recorded a non-cash reversal of impairment of \$41.1 million, which was recorded through net income. The Company determined that increased positive cash flows, operational performance, and an increase in metal prices at the Parral project constituted indicators that a previously recorded impairment of \$48.2 million on September 30, 2018 at Parral no longer existed, with the difference attributed to depreciation which would have been recorded had the initial impairment not been recorded.

At Los Ricos, the Company capitalized \$8.3 million to the projects for drilling, exploration and consulting for the year ending September 30, 2020, compared to \$1.8 million in the prior year. This included \$5.5 million at Los Ricos South and \$2.8 million at Los Ricos North. During the year, GoGold drilled 36,100 metres, released assay results for 194 drill holes, and released an initial Mineral Resource estimate at Los Ricos South. The Measured & Indicated Mineral Resource at Los Ricos South includes 63.7 million ounces silver equivalent (“AgEq”) grading 199 g/t AgEq contained in 10.0 million tonnes (“Mt”), with an Inferred Resource of 19.9 million ounces AgEq grading 190 g/t AgEq contained in 3.3 Mt.

Financial Highlights for the quarter ending September 30, 2020:

- Cash flow from operations before changes in working capital of \$5.5 million, including free cash flow from Parral of \$6.5 million
- Net income of \$44.6 million (\$0.21 per share)
- Revenue of \$13.8 million on the sale of 605,723 silver equivalent ounces at a realized price per ounce of \$22.71
- All in sustaining costs of \$14.31 per silver equivalent ounce
- Cash costs of \$11.97 per silver equivalent ounce

Following are tables showing summarized financial information and key performance indicators:

Summarized Consolidated Financial Information <i>(in thousands USD, except per share amounts)</i>	<i>Three months ended Sep 30</i>		<i>Year ended Sep 30</i>	
	2020	2019	2020	2019
Revenue	\$ 13,756	\$ 9,709	\$ 39,548	\$ 26,972
Cost of sales, including depreciation	8,201	8,505	30,597	26,682
Operating income (loss)	4,225	4	3,952	(4,410)
Net income	44,604	751	43,148	8,114
Basic net income per share	0.206	0.004	0.206	0.048
Cash flow from operations before changes in working capital	5,473	1,959	8,749	2,974

Key Performance Indicators¹ <i>(in thousands USD, except per ounce amounts)</i>	<i>Three months ended Sep 30</i>		<i>Year ended Sep 30</i>	
	2020	2019	2020	2019
Total tonnes stacked	417,803	300,263	1,398,633	1,654,393
Silver equivalent ounces sold	605,723	572,435	2,197,579	1,758,307
AISC per silver equivalent ounce ²	\$ 14.31	\$ 13.78	\$ 14.72	\$ 14.82
Cash cost per silver equivalent ounce ²	\$ 11.97	\$ 11.62	\$ 12.24	\$ 11.80
Realized silver price	\$ 22.71	\$ 16.96	\$ 18.00	\$ 15.34

¹Key performance indicators are unaudited non-GAAP measures

²Gold and copper are converted using average market prices

This news release should be read in conjunction with the consolidated financial statements for the year ended September 30, 2020, notes to the financial statements, and management's discussion and analysis

for the year ended September 30, 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.

For further information please contact:

Steve Low, Corporate Development
GoGold Resources Inc.
T: 416 855 0435

Email : steve@gogoldresources.com
Or visit : www.gogoldresources.com

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 December 16, 2020, for the year ended September 30, 2020, as presented on SEDAR.