CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

QUARTER ENDED

JUNE 30, 2020

(in thousands of United States Dollars unless stated otherwise)
(unaudited)

GoGold

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited - in thousands of United States dollars)

	June 30 2020	September 30 2019
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 17,528**	$ 2,408
Marketable securities (Note 3)	**-**	4,747
Trade receivables	**1,967**	3,272
Input tax recoverable	**5,535**	2,257
Prepaid expenses	**375**	227
Inventories (Note 4)	**9,385**	8,552
	34,790	21,463
Non-current assets:		
Input tax recoverable	**4,772**	8,048
Inventories (Note 4)	**16,711**	18,251
Property, plant and equipment (Note 5)	**26,125**	24,625
Exploration and evaluation assets (Note 6)	**18,471**	12,355
Total assets	**$ 100,869**	$ 84,742
LIABILITIES		
Current liabilities:		
Trade and other payables	**$ 5,720**	$ 6,159
Current portion of long-term obligations (Note 7)	**2,038**	2,139
	7,758	8,298
Non-current liabilities:		
Long-term obligations (Note 7)	**1,846**	1,736
Provision for site restoration	**1,384**	1,348
Derivative liability (Note 11 (d))	**505**	549
Total liabilities	**11,493**	11,931
EQUITY		
Share capital (Note 8)	**163,528**	147,914
Contributed surplus	**10,847**	7,974
Accumulated other comprehensive loss	**(6,118)**	(5,651)
Deficit	**(78,881)**	(77,426)
Total equity	**89,376**	72,811
Total liabilities and equity	**$ 100,869**	$ 84,742

Commitments (Note 12)
Subsequent Event (Note 8 (e))

See accompanying notes to the unaudited condensed consolidated interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(Unaudited - in thousands of United States dollars, except per share amounts)

	Three months ended		Nine months ended	
	June 30 2020	June 30 2019	**June 30 2020**	June 30 2019
Revenue from mining operations	**$ 7,886**	$ 6,383	**$ 25,792**	$ 17,264
Cost of sales:				
Production costs, except amortization and depletion	**5,695**	4,702	**19,652**	12,855
Inventory net realizable value adjustment (Note 4)	**-**	-	**-**	1,489
Amortization and depletion	**706**	1,360	**2,743**	3,832
	6,401	6,062	**22,395**	18,177
General and administrative	**1,231**	1,224	**3,668**	3,500
Operating income (loss)	**254**	(903)	**(271)**	(4,413)
Exploration (Note 6)	**-**	-	**-**	(459)
Finance and accretion costs	**(92)**	(55)	**(302)**	(182)
Foreign exchange gain (loss)	**85**	(104)	**(1,258)**	132
Fair market value (loss) gain on marketable securities	**-**	(2,200)	**280**	2,036
Gain on sale of royalty (Note 3)	**-**	-	**-**	11,837
(Loss) gain on derivative liability	**(273)**	(7)	**44**	(19)
Interest and dividend income	**28**	42	**52**	322
	(252)	(2,324)	**(1,184)**	13,667
Income (loss) before income taxes	**2**	(3,227)	**(1,455)**	9,254
Deferred income tax expense	**-**	-	**-**	(1,890)
Net income (loss)	**2**	(3,227)	**(1,455)**	7,364
Other comprehensive income (loss):				
Foreign currency translation differences arising on translation of foreign subsidiaries which may subsequently be cycled through net income	**603**	279	**(467)**	(69)
Total comprehensive income (loss) for the period	**$ 605**	$ (2,948)	**$ (1,922)**	$ 7,295
Net income (loss) per share (Note 8 (f))				
Basic	**$ 0.000**	$ (0.019)	**$ (0.007)**	$ 0.043
Diluted	**$ 0.000**	$ (0.019)	**$ (0.007)**	$ 0.043

See accompanying notes to the unaudited condensed consolidated interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - in thousands of United States dollars)

	Three months ended		Nine months ended	
	June 30 2020	June 30 2019	**June 30 2020**	June 30 2019
Cash provided by (used in) the following activities:				
Operating activities				
Net income (loss) for the period	**$ 2**	$ (3,227)	**$ (1,455)**	$ 7,364
Items not involving cash:				
Amortization and depletion	**706**	1,360	**2,743**	3,832
Accretion	**82**	29	**285**	88
Deferred income taxes	**-**	-	**-**	1,890
Foreign exchange (gain) loss	**(85)**	104	**1,258**	(131)
Loss (gain) on derivative liability	**273**	7	**(44)**	19
Fair market value gain on marketable securities	**-**	2,200	**(280)**	(2,036)
Gain on sale of royalty (Note 3)	**-**	-	**-**	(11,837)
Inventory net realizable value adjustment (Note 4)	**-**	-	**-**	1,489
Stock based compensation	**294**	131	**771**	339
	1,272	604	**3,278**	1,017
Change in non-cash operating working capital(Note 9)	**(749)**	(4,194)	**(42)**	(12,366)
Net cash provided by (used in) operating activities	**523**	(3,590)	**3,236**	(11,349)
Investing activities				
Exploration and evaluation expenditures (Note 6)	**(1,887)**	(1,170)	**(5,686)**	(1,226)
Net proceeds on sale of marketable securities	**-**	2,315	**5,041**	2,494
Net proceeds on sale of royalty (Note 3)	**-**	-	**-**	5,837
Purchase of property, plant and equipment (Note 5)	**(174)**	(284)	**(2,167)**	(864)
Net cash (used in) provided by investing activities	**(2,061)**	861	**(2,812)**	6,241
Financing activities				
Net proceeds on equity issuance (Note 8)	**(171)**	-	**17,244**	-
Proceeds on warrant exercises	**47**	-	**47**	-
Payments of long-term obligations (Note 7)	**(423)**	-	**(2,197)**	-
Net cash (used in) provided by financing activities	**(547)**	-	**15,094**	-
Effect of exchange rate changes on cash	**466**	3	**(398)**	101
Net (decrease) increase in cash and cash equivalents	**(1,619)**	(2,726)	**15,120**	(5,007)
Cash and cash equivalents, beginning of period	**19,147**	5,995	**2,408**	8,276
Cash and cash equivalents, end of period	**$ 17,528**	$ 3,269	**$ 17,528**	$ 3,269

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited - in thousands of United States dollars)

	Number of shares		Share capital		Contributed surplus		Accumulated other comprehensive loss		Deficit		Total equity
Balance at October 1, 2018	171,776,481	$	142,465	$	7,532	$	(5,523)	$	(85,540)	$	58,934
Net income	-		-		-		-		7,364		7,364
Other comprehensive loss	-		-				(69)		-		(69)
DSU exercise (Note 8)	125,000		24		(24)		-		-		-
Stock-based compensation (Note 8)	-		-		339		-		-		339
Balance at June 30, 2019	171,901,481		142,489		7,847		(5,592)		(78,176)		66,568
Balance at October 1, 2019	185,823,461		147,914		7,974		(5,651)		(77,426)		72,811
Net loss	-		-		-		-		(1,455)		(1,455)
Other comprehensive loss	-		-				(467)		-		(467)
Shares issued (Note 8)	36,526,785		15,557		-		-		-		15,557
Stock-based compensation (Note 8)	-		-		771		-		-		771
Warrants exercised (Note 8)	75,250		57		(11)		-		-		46
Warrants issued (Note 8)	-		-		2,113		-		-		2,113
Balance at June 30, 2020	**222,425,496**	**$**	**163,528**	**$**	**10,847**	**$**	**(6,118)**	**$**	**(78,881)**	**$**	**89,376**

See accompanying notes to the unaudited condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS

GoGold Resources Inc. (the "Corporation") is a company domiciled in Canada. The address of the Corporation's registered office is #1301-2000 Barrington Street, Cogswell Tower, Halifax, Nova Scotia, B3J 3K1. The Corporation's common shares are listed on the Toronto Stock Exchange trading under the symbol GGD and the OTCQX market in the United States under the symbol GLGDF. The consolidated financial statements of the Corporation comprise the Corporation and its subsidiaries. The principal business of the Corporation is the exploration, development, and production of silver, gold and copper primarily in Mexico.

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34").

These condensed consolidated interim financial statements do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual consolidated financial statements and accordingly should be read in conjunction with the Corporation's audited consolidated financial statements for the year ended September 30, 2019 prepared in accordance with IFRS.

These condensed consolidated interim financial statements were approved by the directors of the Corporation on August 12, 2020.

b) Changes to accounting policies

Except as described below, these condensed consolidated interim financial statements were prepared using the same accounting policies and methods of computation and are subject to the same use of estimates and judgments, as the Corporation's consolidated financial statements for the year ended September 30, 2019.

Leases ("IFRS 16")
In January 2016, the IASB issued IFRS 16, *Leases*. This standard specifies the methodology to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. This standard replaces IAS 17, *Leases.* On October 1, 2019, the Corporation adopted this standard, which resulted in an increase to property, plant and equipment assets of $1,990 and a corresponding increase in leasing liabilities.

As a result of the adoption of IFRS 16, the Corporation adopted the following accounting policy for leases:

At the inception of a contract, the Corporation assesses whether a contract is or contains a lease based on whether the contract conveys the right to use an asset for a period of time in exchange for consideration. Contracts identified as leases are recognized as a right-of-use asset within property, plant and equipment and corresponding lease liability as an obligation on the statement of financial position on the commencement date of the lease.

The right-of-use asset is initially measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made before the commencement date, less any lease incentives received, any initial direct costs, and restoration costs expected to be incurred. The right-of-use asset is subsequently amortized on a straight-line basis over the lease-term. The corresponding lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the Corporation's incremental borrowing rate. Lease payments include any fixed payments, variable payments that are dependent on an index or a rate in effect at the time of commencement, amounts expected to be paid under residual value guarantees, and the exercise of a purchase option that are reasonably expected to be exercised. The lease liability is subsequently measured at amortized cost using the effective interest method.

The Corporation has elected to apply the following practical expedients in accounting for leases:

(Unaudited - in thousands of United States dollars unless otherwise stated)

i) Separable components

The Corporation has elected not to separate non-lease components from lease components and to account for each lease component and associated non-lease component as a single lease component.

ii) Short-term and leases of assets of low-value

For each class of underlying asset, the Corporation has elected to recognize the exemption for leases with a term of 12-months or less. The recognition exemption for leases of assets of low-value has been applied on a lease-by-lease basis and is comprised of office equipment. Such items are charged to general and administrative expenses over the term of the agreement as payments are made.

The following is a reconciliation of operating lease commitments as at September 30, 2019 under IAS 17 to the lease liability under IFRS 16 on October 1, 2019:

Operating lease commitments as disclosed on September 30, 2019	$ 1,728
Additional lease commitments due to inclusion of renewals on October 1, 2019	1,000
Discounted using the incremental borrowing rate at October 1, 2019	(738)
Lease liability as at October 1, 2019	$ 1,990

3. MARKETABLE SECURITIES AND SALE OF ROYALTY

On November 7, 2018, the Corporation closed the sale of a 2% net smelter royalty on the Santa Gertrudis project for $12,000 to Metalla Royalty and Streaming Ltd (“Metalla”), of which $6,000 was paid in cash and the balance was settled by 10,123,077 common shares of Metalla. Metalla is traded on the TSX-V Exchange under the symbol MTA. The market price on the closing date was CAD $0.78 per common share for a total value of $6,000 which, after transaction costs of $163, resulted in net proceeds and an equivalent pre-tax gain of $11,837, of which the cash portion was $5,837. The Metalla shares were subject to a four month hold period, which expired on March 7, 2019.

The Corporation recognized a gain on the fair market value of marketable securities of $280 (2019 - $2,036) during the nine months ended June 30, 2020, and a loss of $2,200 during the quarter ended June 30, 2019. The Corporation recorded net proceeds on sale of marketable securities of $5,041 (2019 - $2,494) during the nine months ended June 30, 2020, and $2,315 during the quarter ended June 30, 2019. The Corporation was fully divested of all Metalla shares on December 18, 2019. At September 30, 2019, the Corporation held 4,761,500 Metalla shares and the market price was CAD $1.32 per share.

4. INVENTORIES

	June 30, 2020	September 30, 2019
Current:		
Supplies inventory	$ 1,035	$ 1,341
In process inventory	7,705	6,854
Finished goods inventory	645	357
	9,385	8,552
Long term:		
In process inventory	16,711	18,251
	$ 26,096	$ 26,803

The amount of inventory included in cost of sales for the three months ended June 30, 2020 was $6,401 (2019 – $6,062), and for the nine months ended was $22,395 (2019 - $18,177). An assessment of the net realizable value of in process inventory was completed, and no adjustments were required, at June 30, 2020. This assessment was completed for the three and nine months ending June 30, 2019 and resulted in a reduction of inventory carrying value $Nil and $1,489, which included adjustments to amortization and depletion of $Nil and $242.

(Unaudited - in thousands of United States dollars unless otherwise stated)

5. PROPERTY, PLANT AND EQUIPMENT

Cost	Plant & Equipment	Mining Properties	Total
At September 30, 2019	$ 47,940	$ 57,560	$ 105,500
IFRS 16 – Leases adoption (Note 2)	109	1,881	1,990
Additions	1,835	29	1,864
Reclamation obligation adjustments	-	166	166
At June 30, 2020	**$ 49,884**	**$ 59,636**	**$ 109,520**

Accumulated Amortization and Impairment	Plant & Equipment	Mining Properties	Total
At September 30, 2019	$ 26,476	$ 54,399	$ 80,875
Amortization and depletion	2,332	188	2,520
At June 30, 2020	**$ 28,808**	**$ 54,587**	**$ 83,395**

Net Carrying Value	Plant & Equipment	Mining Properties	Total
At September 30, 2019	$ 21,464	$ 3,161	$ 24,625
At June 30, 2020	**$ 21,076**	**$ 5,049**	**$ 26,125**

For the three and nine months ended June 30, 2020, amortization and depletion expense includes amounts of $57 (2019 - $366) and $223 (2019 - $844) which were previously included in inventory. Trade and other payables at June 30, 2020 include $62 related to property, plant and equipment (September 30, 2019 - $366). Disclosures related to right of use assets are shown in the following table:

Right of Use Assets	Plant & Equipment	Mining Properties	Total
Net Carrying Value – June 30, 2020	$ 84	$ 1,751	$ 1,835
Net Carrying Value – September 30, 2019	-	-	-
Amortization and depletion:			
Three months ended June 30, 2020	8	45	53
Nine months ended June 30, 2020	25	130	155

6. EXPLORATION AND EVALUATION ASSETS

On March 25, 2019, the Corporation acquired the rights to an agreement which provided the option to acquire 100% of the concessions of the Los Ricos project (the "Option Agreement"). Los Ricos is comprised of 29 concessions located in Jalisco state, Mexico. As consideration, the Corporation made a cash payment of $523 on April 1, 2019, and monthly payments totaling $60. Expenditures for exploration activities on the project prior to acquisition of the Option Agreement totalling $459 were expensed, as the Corporation did not hold the legal rights to the concessions.

(Unaudited - in thousands of United States dollars unless otherwise stated)

On August 15, 2019, the Corporation acquired the 29 concessions and terminated the Option Agreement through various agreements (the "Concession Agreements"). Consideration for the Concession Agreements consisted of $500 in cash upon signing, $3,220 which is non-interest bearing and payable in monthly instalments over 24 months beginning on September 15, 2019, and 9,046,968 common shares of the Corporation to be delivered in equal instalments over 24 months beginning on September 15, 2019.

In addition to the Concession Agreements, the Corporation acquired the existing 2% net smelter return royalty, through an agreement (the "NSR Agreement"), on the Los Ricos project for cash consideration payable of $1,000, which is non-interest bearing and paid in equal instalments over 36 months beginning September 15, 2019, and 4,875,012 common shares of the Corporation to be delivered in equal instalments over 18 months beginning on September 15, 2019.

All common shares for the Concession Agreements and NSR Agreement were issued on August 15, 2019 in the name of the vendors and were held in escrow for benefit of the vendor and will be released to the vendors in line with the instalment schedule discussed above. The closing share price on that date was CAD $0.52 and the CAD:USD exchange rate was 1.331, providing a total share consideration value of $5,439.

As part of the Corporation's ongoing program of consolidation of concessions along the Los Ricos project's mineral trend, an additional concession was acquired on the Los Ricos project on November 21, 2019 for cash and trade payables consideration of $361. On April 7, 2020, the Corporation entered into an agreement to acquire ownership of 49% of 5 additional concessions from an arm's length seller for cash consideration of $225. The Corporation also acquired an option to acquire the remaining 51% by paying cash consideration of $210 on February 18, 2022, with an acceleration provision available to the Corporation by providing 180 days notice or 60 days notice should certain objectives be completed.

On October 4, 2019, the Corporation entered into agreements with external consultants to act as a liaison with local concession holders in the Corporation's ongoing program of consolidation of concessions along the Los Ricos project's mineral trend. In addition, the consultants will provide environmental services, community relations, and aide in surface rights negotiations. As consideration for these services, the Corporation made a payment of $160 on signing, and will make payments of 81,250 common shares and $25 per month for four years, contingent on the consultants providing the agreed upon services.

A summary of the Los Ricos project for the nine months ending June 30, 2020:

	Balance
Balance at September 30, 2019	$ 12,355
Share consideration to consultants	428
Concession acquisitions – cash and accounts payable	586
Cash and accounts payable additions	5,102
Balance at June 30, 2020	**$ 18,471**

Trade and other payables at June 30, 2020 include $378 related to exploration and evaluation assets. (September 30, 2019 - $372).

(Unaudited - in thousands of United States dollars unless otherwise stated)

7. LONG TERM OBLIGATIONS

Details of the remaining long term obligations at June 30, 2020 and the total annual payments are provided below:

	Concession & NSR		*Leases*		*Total*	
Current:	**Principal**	**Discounted Amount**	**Principal**	**Discounted Amount**	**Principal**	**Discounted Amount**
June 30, 2021	$ 1,693	$ 1,619	$ 435	$ 419	$ 2,128	$ 2,038
Long term:						
June 30, 2022	560	547	435	372	995	919
June 30, 2023	56	55	418	342	474	397
Subsequent to June 30, 2025	-	-	1,000	530	1,000	530
	616	602	1,853	1,244	2,469	1,846
Total	**$ 2,309**	**$ 2,221**	**$ 2,288**	**$ 1,663**	**$ 4,597**	**$ 3,884**

(a) Concession Agreement and NSR Agreement

The remaining obligations related to the Concession Agreements and NSR Agreement, as per the details in Note 6, are recorded at the discounted amount based on estimated timing of payment and are being accreted to the principal amount over the estimated term using the effective interest method with an effective average interest rate of 5%. The Los Ricos concessions have been pledged as security for the remaining obligations.

(b) Lease obligations

Upon adoption of IFRS 16 – Leases, as per Note 2, the Corporation recorded an obligation for the land lease for the Parral project, which provides the Corporation the use of the land where the Parral heap leach and processing facilities are located until February 2028, with the Corporation's option to extend until February 2033, which the Corporation intends to exercise. Annual payments of $400 are required to be made until 2023, with an additional $500 paid in 2028 and 2029 to exercise the option. The lease is non-interest bearing and discounted using the effective interest method with an effective average interest rate of 5%. There are no restrictions or covenants included in the land lease.

The Corporation also recorded a lease obligation for the rental of the corporate office in Halifax, which is an annual obligation of $39, paid monthly, until 2022, which is non-interest bearing and discounted using the effective interest method with an effective average interest rate of 5%. There are no restrictions or covenants included in the office lease.

The Corporation had no short-term leases nor low-value leased assets in the three and nine months ending June 30, 2020.

8. SHARE CAPITAL

(a) Authorized

An unlimited number of common shares, without nominal or par value.

(Unaudited - in thousands of United States dollars unless otherwise stated)

(b) Issued

The following table summarizes the changes in issued common shares of the Corporation:

	Shares	Value
Balance October 1, 2018	171,776,481	$ 142,465
Shares issued on exercise of DSUs	125,000	24
Balance June 30, 2019	171,901,481	$ 142,489
Balance October 1, 2019	185,823,461	$ 147,914
Shares issued, net of issuance costs	35,714,285	15,129
Shares issued on exercise of Warrants	75,250	57
Shares issued to external consultants (Note 6)	812,500	428
Balance June 30, 2020	**222,425,496**	**$ 163,528**

On February 25, 2020, the Corporation closed a bought deal whereby a syndicate of underwriters purchased 35,714,285 units at a price of $0.70 CAD per unit, with each unit consisting of one common share of the Corporation and one half-warrant. As explained in section (e) below, the initial allocation of the proceeds allocated to the common shares and the warrants in the quarter ended March 31, 2020 was based on a provisional estimate of fair value. During the quarter ending June 30, 2020, management finalized the valuation using a binomial model to value the warrants, resulting in a $332 reduction to the amount allocated to the warrants and an increase to share capital, which was recorded in the current period. The common shares were valued at $0.62 CAD per share and the half-warrants were valued at $0.08 CAD, the details of which are provided in section (e) below. The net proceeds for the equity financing were $17,244 while the net proceeds attributed to the common shares, after share issuance costs of $1,571, were $15,129.

(c) Incentive stock options

The Corporation has a rolling 10% incentive stock option plan (the "Plan") under which options to purchase common shares of the Corporation may be granted to directors, officers, employees and consultants of the Corporation. The number of common shares subject to options granted under the Plan is limited to 10% of the issued and outstanding common shares of the Corporation and no one person may receive in excess of 5% of the outstanding common shares of the Corporation at the time of grant (on a non-diluted basis).

Under the Plan, the terms and conditions of each grant of options are determined by the Board of Directors. Options are granted at a price no lower than the market price of the common shares as defined in the Plan which is the five day weighted average of the Corporation's common shares prior to the date of grant rounded up to the nearest cent. Options granted under the Plan typically vest over a three year period, although the vesting period is at the Board of Directors' discretion. All options outstanding have a three year vesting period.

The changes in incentive stock options during the nine months ended June 30, 2020 and 2019 were as follows:

	June 30, 2020		June 30, 2019	
	Number of incentive options	Weighted average exercise price	Number of incentive options	Weighted average exercise price
Opening balance	7,675,000	CAD $ 0.55	4,365,000	CAD $ 0.96
Granted	3,150,000	0.70	4,175,000	0.27
Expired	-	-	(865,000)	1.26
Closing balance	10,825,000	CAD $ 0.59	7,675,000	CAD $ 0.55
Exercisable	4,506,667	CAD $ 0.72	2,556,667	CAD $ 1.01

(Unaudited - in thousands of United States dollars unless otherwise stated)

The following table summarizes information concerning outstanding and exercisable incentive stock options at June 30, 2020:

	Outstanding		**Exercisable**	
Expiry date	Number of options	Exercise price (CAD $)	Number of options	Exercise price (CAD $)
December 23, 2020	1,625,000	1.20	1,625,000	1.20
March 27, 2022	820,000	0.75	820,000	0.75
March 27, 2023	1,005,000	0.45	670,000	0.45
December 28, 2023	3,050,000	0.22	1,016,667	0.22
March 29, 2024	825,000	0.40	275,000	0.40
June 21, 2024	300,000	0.45	100,000	0.45
August 27, 2024	50,000	0.70	-	-
December 23, 2024	3,150,000	0.70	-	-
	10,825,000	CAD $ 0.59	4,506,667	CAD $ 0.72

The compensation cost for the incentive stock options granted during the nine months ended June 30, 2020 and 2019 have been determined based on the fair value of the options at the date of grant using the Black-Scholes option pricing model with the following assumptions:

Option grant date	Dec. 23, 2019	Jun. 21, 2019	Mar. 29, 2019	Dec. 28, 2018
Options granted	3,150,000	300,000	825,000	3,050,000
Exercise price	CAD $ 0.70	CAD $ 0.45	CAD $ 0.40	CAD $ 0.22
Risk-free rate	1.65%	1.40%	1.52%	1.93%
Expected volatility of share price	60.81%	59.04%	55.98%	55.98%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Expected life of each option	5 years	5 years	5 years	5 years
Weighted average grant date fair value	CAD $ 0.31	CAD $ 0.19	CAD $ 0.16	CAD $ 0.10

The expected volatility was determined based on the historical share price volatility from the date of the grant over a period of time equal to the expected life of the option. The expected forfeiture rate was nil.

(d) Deferred share units

The Corporation has a deferred share unit ("DSU") plan as an alternative form of compensation for employees, officers, and directors of the Corporation. Each DSU entitles the participant to receive one common share of the Corporation issued from treasury upon redemption. The maximum number of common shares that are issuable under the DSU plan is 6,500,000. DSUs vest over a 3-year period from grant date, although the vesting period is at the Board of Directors' discretion.

The changes in DSUs for the nine months ended June 30, 2020 and 2019 were as follows:

	June 30, 2020	June 30, 2019
Opening balance	2,025,000	475,000
Granted	1,825,000	1,650,000
Exercised	-	(125,000)
Closing balance	3,850,000	2,000,000
Exercisable	816,667	150,000

(Unaudited - in thousands of United States dollars unless otherwise stated)

Following is a summary of the DSUs outstanding at June 30, 2020:

Grant date	Number of DSUs	Fair value at grant date	Compensation cost over 3-year vesting term	Unrecognized portion of compensation cost
March 27, 2018	450,000	CAD $ 0.425	$ 143	$ 12
December 28, 2018	1,450,000	0.215	245	57
June 21, 2019	100,000	0.395	29	11
August 27, 2019	25,000	0.620	11	6
December 23, 2019	1,825,000	0.630	845	576
	3,850,000	CAD $ 0.444	$ 1,273	$ 662

The Corporation has recorded total stock based compensation during the three and nine months ended June 30, 2020 of $294 (2019 - $131) and $771 (2019 - $339).

(e) Warrants

In connection with the bought deal which closed on February 25, 2020 as per section (b) above, the Corporation issued 17,857,143 warrants which entitle the holder to acquire one common share of the Corporation at a price of CAD$0.85 and expire on February 25, 2022. Should the weighted average price of the common shares of the Corporation exceed CAD$1.20 for a period of 10 consecutive trading days (the "Acceleration Trigger"), the Corporation may, at its option, elect to accelerate the expiry of the warrants by providing notice to the holders, in which case the warrants will expire on the date specified in the notice which shall not be less than 30 calendar days following delivery of such notice.

The amount of proceeds from the bought deal initially allocated to the warrants and recorded in contributed surplus was $2,447 based on a provisional estimate of fair value. During the quarter ending June 30, 2020, management finalized the valuation using a binomial model, resulting in a revision to the amount allocated to the warrants to $2,115. The $332 change in estimate was recorded as a reduction to contributed surplus and an increase to share capital. The fair value of the warrants at the date of grant was calculated using the following assumptions:

Warrant grant date	Feb. 25, 2020
Warrants granted	17,857,143
Exercise price	CAD $ 0.85
Expected volatility of share price	64.00%
Expected dividend yield	0.00%
Expected life of each warrant	2 years
Weighted average grant date fair value	CAD $ 0.157

In the three months ending June 30, 2020, 75,250 warrants were exercised at an average market value of CAD$0.99. 17,781,892 warrants were outstanding at June 30, 2020.

Subsequent to quarter end on July 22, 2020, the Corporation announced that an Acceleration Trigger had occurred, and the warrant expiration date was accelerated to August 31, 2020. For the period from June 30, 2020 to August 11, 2020, a total of 2,082,263 warrants were exercised for cash proceeds of $1,330.

(f) Earnings (loss) per share

Basic earnings (loss) per share is calculated based on the weighted average number of shares outstanding during the period. Diluted earnings per share is based on the assumption that stock options and DSUs have been exercised on the later of the beginning of the period and the date granted. As of June 30, 2020, 5,645,000 options (2019 – 4,625,000) and 17,781,892 warrants were excluded from the computation of diluted loss per share because their effect would have been anti-dilutive. The weighted average basic and diluted number of shares outstanding are as follows:

(Unaudited - in thousands of United States dollars unless otherwise stated)

	Three Months Ended		Nine Months Ended	
	June 30, 2020	**June 30, 2019**	**June 30, 2020**	**June 30, 2019**
Weighted average number of shares:				
Basic	222,189,161	171,793,148	202,640,787	171,781,976
Diluted	229,577,252	172,852,050	208,801,761	172,400,816

9. SUPPLEMENTAL CASH FLOW INFORMATION

Change in non-cash operating working capital:

	Three months ended		Nine months ended	
	June 30 2020	June 30 2019	**June 30 2020**	June 30 2019
Change in non-cash operating working capital:				
Trade receivables	**$ 283**	$ 366	**$ 1,305**	$ (1,709)
Input tax recoverable	**(224)**	(884)	**(1,632)**	(751)
Prepaid expenses	**65**	4	**(192)**	(99)
Inventories	**38**	(4,805)	**484**	(11,466)
Trade and other payables	**(911)**	1,125	**(7)**	1,659
	$ (749)	$ (4,194)	**$ (42)**	$ (12,366)

10. SEGMENTED INFORMATION

The Corporation's reportable segments are consistent with the Corporation's geographic regions in which the Corporation operates. In determining the Corporation's segment structure, the Corporation considered the basis on which management reviews the financial and operational performance and whether any of the Corporation's mining operations share similar economic, operational and regulatory characteristics. The Corporation considers the Parral project and the Los Ricos project as the Mexico segment and the Corporation's corporate offices as the Canadian segment.

The following table presents information about reportable segments:

	Mexico	**Canada**	**Total**
For the three months ended June 30, 2020:			
Amortization and depletion	$ 706	$ -	$ 706
Segment net (loss) income	1,124	(1,122)	2
Expenditures on non-current assets	2,061	-	2,061
For the three months ended June 30, 2019:			
Amortization and depletion	$ 1,360	$ -	$ 1,360
Segment net (loss) income	(81)	(3,146)	(3,227)
Expenditures on non-current assets	1,454	-	1,454
For the nine months ended June 30, 2020:			
Amortization and depletion	$ 2,743	$ -	$ 2,743
Segment net income (loss)	956	(2,411)	(1,455)
Expenditures on non-current assets	7,853	-	7,853

(Unaudited - in thousands of United States dollars unless otherwise stated)

	Mexico	Canada	Total
For the nine months ended June 30, 2019:			
Amortization and depletion	$ 3,832	$ -	$ 3,832
Segment net (loss) income	(4,096)	11,460	7,364
Expenditures on non-current assets	2,090	-	2,090
Reportable segment assets (June 30, 2020)	$ 84,419	$ 16,450	$ 100,869
Reportable segment liabilities (June 30, 2020)	10,629	865	11,494
Reportable segment assets (September 30, 2019)	$ 78,563	$ 6,179	$ 84,742
Reportable segment liabilities (September 30, 2019)	11,103	828	11,931

11. FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments:

The following table provides the disclosures of the fair value and the level in the hierarchy for financial instruments valued at fair value through profit or loss on a recurring basis.

	June 30, 2020		September 30, 2019	
	Level 1	Level 2	Level 1	Level 2
Marketable securities	-	-	$ 4,747	-
Derivative liabilities	-	$ 505	-	$ 549

For derivative contracts, the Corporation performs valuations internally and calculates a debt valuation adjustment or a credit valuation adjustment by considering the risk of nonperformance by the counterparties and the Corporation's own credit risk. Valuations are based on forward rates considering the market price, rate of interest and volatility, and take into account the credit risk of the financial instrument, and are therefore classified within Level 2 of the fair value hierarchy.

(b) Capital management:

The Corporation's objective when managing capital is to maintain adequate levels of funding to support the acquisition, exploration and operation of resource properties and maintain the necessary corporate and administrative functions to facilitate these activities. These activities are primarily funded through operations, equity financing and debt. Future financings are dependent on market conditions and there can be no assurance the Corporation will be able to raise funds in the future. The Corporation invests all capital that is surplus to its immediate operational needs in high interest savings accounts.

The capital of the Corporation consists of items included in shareholders' equity net of cash as follows:

	June 30, 2020	September 30, 2019
Shareholders' equity	$ 89,375	$ 72,811
Less: cash	(17,528)	(2,408)
	$ 71,847	$ 70,403

(c) Financial risks:

The Corporation's financial risk exposures and the impact on the Corporation's financial instruments are summarized below:

Commodity price risk
The profitability of the Corporation's mining operations will be significantly affected by changes in the market price for silver, gold and copper ("Metal"). Metal prices fluctuate on a daily basis and are affected by numerous factors beyond the Corporation's control. The supply and demand for Metal, the level of interest rates, the rate of inflation, investment decisions by large holders of Metal, including governmental reserves, and the stability of exchange rates can all cause significant fluctuations in Metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems, and political developments. The Corporation has an off-take agreement for minimum quantities representing substantially all of the production of the Parral project whereby the selling price for gold and silver is based on the respective market prices for the commodities using the lowest quoted market price over a certain period of time prior to and following the respective transaction date. Management estimates that this agreement represents a 2% to 4% reduction in the realized price for gold and silver from spot market pricing.

Credit Risk
The Corporation's credit risk is primarily attributable to cash, input tax recoverable and trade receivables. Input tax recoverable consists of harmonized sales tax due from the Federal Government of Canada of $176 and value added tax from the Federal Government of Mexico of $10,131. Exposure on trade receivables is limited as all receivables are with one customer who the Corporation has strong working relationships with and is a reputable large international company with a history of timely payment. Management believes the risk of loss with respect to financial instruments consisting of cash, input tax recoverable and trade receivables to be low.

Foreign Currency Risk
The Corporation's major purchases are transacted in Canadian dollars, US dollars, and Mexican Pesos. The Corporation funds certain operations, exploration and administrative expenses in Mexico using US dollar and Mexican Peso currency converted from its Canadian and US dollar bank accounts held in Canada. As GoGold Resources Inc., the parent corporation, has a functional currency of Canadian dollars, net liabilities held in US dollars are affected by foreign exchange fluctuations and will affect the Corporation's net income. At June 30, 2020, GoGold Resources Inc. had net monetary assets in US dollars of $4,808 (September 30, 2019 – $81), for which a 10% change in US exchange rates would change net income by approximately $481. At June 30, 2020, the Corporation had net monetary assets in Mexican Pesos of approximately $7,647 (September 30, 2019 – $4,868), for which a 10% change in Mexican Peso exchange rates would change net income by approximately $765.

Interest Rate Risk
The Corporation has cash balances and the current policy is to invest excess cash in Canadian bank high interest savings accounts, with excess cash held in CAD, USD, or MXN based on future spending requirements and consensus foreign exchange estimates. The Corporation has no interest bearing liabilities.

Liquidity Risk
The Corporation's general objective when managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2020, the Corporation had cash balances of $17,528, current input tax recoverable of $5,535, and trade receivables of $1,967 for settling current liabilities of $7,758, liquidity is expected to be sufficient to fund the operations of the Corporation for the next twelve months.

COVID-19 Risk
On March 11, 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", was classified as a global pandemic, which has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity and capital markets have also experienced significant volatility and weakness. The governments have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government's interventions.

In March 2020, the Corporation implemented procedures including employee education, monitoring of symptoms, and increased sanitization, as well as employees working remotely when possible. On April 2, 2020, the Corporation announced that the Mexican federal government mandated all non-essential businesses temporarily suspend activities due to COVID-19. As Parral is a heap leach operation, essential processes including operation of pumps to maintain solution balance continued, while non-essential services were temporarily suspended in line with the government mandate. At the Los Ricos project, drilling was temporarily suspended to ensure the safety of the Corporation's employees and contractors in compliance with the government's mandate.

On June 3, 2020, the Corporation announced that the Mexican federal government decreed that mining had been deemed an essential service, and the Corporation resumed drilling at Los Ricos and returned to full operation at Parral. The temporary suspension did not have a significant impact on either project. However, the duration of the outbreak and economic impacts are uncertain and there may be impacts in the future on the Corporation's operations and cash flows, the Corporation's ability to raise financing or the pricing of such financing.

(d) Derivatives:

The Corporation, through its subsidiary Coanzamex, has an agreement with the Municipality of Parral, Mexico ("Town") to mine and process tailings material for precious metal recovery. The Corporation makes payments of $48 per month to the Town which varies based on the average market silver price, with payments continuing until tailings are completely mined. As the monthly royalty payment increases based on the average market silver price, from a minimum of $48 per month to a maximum of $88 per month, this obligation is accounted for as an embedded derivative liability. The fair value of the liability has been accounted for using a Monte Carlo simulation based on the spot price of silver at June 30, 2020 of $17.85 (September 30, 2019 - $17.26), as well as the historical volatility of silver market prices. The fair value of the liability under this method at June 30, 2020 was $505 (September 30, 2019 - $549).

12. COMMITMENTS

The Corporation has commitments for the Parral project of $606 per year for the life of the project, which includes the monthly payments to the Town as disclosed in Note 11 (d).