



CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

QUARTER ENDED

DECEMBER 31, 2012

(in Canadian Dollars unless stated otherwise)

(Unaudited)



CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED)

	December 31 2012	September 30 2012
ASSETS		
Current assets:		
Cash	\$ 21,485,820	\$ 24,727,903
Input tax recoverable	515,946	595,189
Prepaid expenses	24,936	28,870
	<u>22,026,702</u>	<u>25,351,962</u>
Non-current assets:		
Property, plant and equipment (Note 3)	136,568	146,453
Exploration and evaluation assets (Note 4)	72,830,048	70,541,902
Total non-current assets	<u>72,966,616</u>	<u>70,688,355</u>
Total assets	<u>\$ 94,993,318</u>	<u>\$ 96,040,317</u>
LIABILITIES		
Current liabilities:		
Trade and other payables	\$ 295,879	\$ 856,531
EQUITY		
Share capital (Note 5)	89,703,697	89,703,697
Contributed surplus	9,992,046	9,759,488
Accumulated other comprehensive loss	(153,433)	(188,773)
Deficit	(4,844,871)	(4,090,626)
Total equity	<u>94,697,439</u>	<u>95,183,786</u>
Total liabilities and equity	<u>\$ 94,993,318</u>	<u>\$ 96,040,317</u>

Subsequent event (Note 5(c))

The accompanying notes form an integral part of these unaudited condensed consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

For the three months ended	December 31 2012	December 31 2011
Expenses:		
General and administrative	\$ 573,681	\$ 334,639
Marketing and public relations	<u>253,232</u>	<u>122,243</u>
	<u>826,913</u>	<u>456,882</u>
Finance income	<u>72,668</u>	<u>-</u>
Net loss for the period	\$ (754,245)	\$ (456,882)
Other comprehensive income (loss):		
Foreign currency translation differences arising on translation of foreign subsidiaries	35,340	(161,238)
Total comprehensive loss for the period	<u>\$ (718,905)</u>	<u>\$ (618,120)</u>
Loss per share basic and fully diluted (Note 5)	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted average number of common shares outstanding	<u>128,288,331</u>	<u>57,255,795</u>

The accompanying notes form an integral part of these unaudited condensed consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

Three months ended	December 31 2012	December 31 2011
Cash provided by (used in) the following activities:		
Operating activities		
Net loss for the period	\$ (754,245)	\$ (456,882)
Items not involving cash		
Stock based compensation	232,558	95,887
Depreciation	1,980	8,046
Net change in non-cash working capital	<u>(477,475)</u>	<u>154,670</u>
Net cash used in operating activities	<u>(997,182)</u>	<u>(198,279)</u>
Investing activities		
Resource property expenditures	(2,236,902)	(1,499,429)
Purchase of property, plant and equipment	<u>(7,999)</u>	<u>(17,550)</u>
Net cash provided by (used in) investing activities	<u>(2,244,901)</u>	<u>(1,516,979)</u>
Financing activities		
Issuance of common shares (net of share issuance costs)	<u>-</u>	<u>4,617,636</u>
Net cash provided by financing activities	<u>-</u>	<u>4,617,636</u>
Net increase in cash and cash equivalents	(3,242,083)	2,902,378
Cash and cash equivalents, beginning of period	<u>24,727,903</u>	<u>1,596,623</u>
Cash and cash equivalents, end of period	<u>\$ 21,485,820</u>	<u>\$ 4,499,001</u>

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)

	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total equity
Balance at October 1, 2011	55,966,665	\$ 18,565,437	\$ 497,038	\$ (227,827)	\$ (1,625,927)	\$ 17,208,721
Net loss	-	-	-	-	(456,882)	(456,882)
Other comprehensive loss	-	-	-	(161,238)	-	(161,238)
Shares issued for cash (net of issuance costs)	3,600,000	4,158,536	136,134	-	-	4,294,670
Stock-based compensation	-	-	159,873	-	-	159,873
Exercise of stock options	1,400,000	459,100	(169,100)	-	-	290,000
Balance at December 31, 2011	60,966,665	\$ 23,183,073	\$ 623,945	\$ (389,065)	\$ (2,082,809)	\$ 21,335,144
Balance at October 1, 2012	128,288,331	\$ 89,703,697	\$ 9,759,488	\$ (188,773)	\$ (4,090,626)	\$ 95,183,786
Net loss	-	-	-	-	(754,245)	(754,245)
Other comprehensive loss	-	-	-	35,340	-	35,340
Stock-based compensation	-	-	232,558	-	-	232,558
Balance at December 31, 2012	128,288,331	\$ 89,703,697	\$ 9,992,046	\$ (153,433)	\$ (4,844,871)	\$ 94,697,439

The accompanying notes form an integral part of these unaudited condensed consolidated financial statements.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. NATURE OF OPERATIONS

GoGold Resources Inc. (the “Company”) is a company domiciled in Canada. The address of the Company’s registered office is #1301-2000 Barrington Street, Cogswell Tower, Halifax, Nova Scotia, B3J 3K1. The Company’s common shares are listed on the Toronto Stock Exchange trading under the symbol GGD. The condensed interim consolidated financial statements of the Company comprise the Company and its subsidiaries. The principal business of the Company is the discovery, exploration and development of gold, silver and copper deposits primarily in Mexico and Canada.

The ability of the Company to continue as a going concern and the recoverability of amounts shown for exploration and evaluation assets are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete exploration and development; and the future profitable production or proceeds from disposition of such properties. These condensed interim consolidated financial statements do not give effect to the adjustments necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements are prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These statements were prepared using the same accounting policies and methods of computation as the Company’s consolidated financial statements for the year ended September 30, 2012.

These condensed interim consolidated 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 Company’s audited consolidated financial statements for the year ended September 30, 2012 prepared in accordance with IFRS as issued by the IASB.

3. PROPERTY, PLANT AND EQUIPMENT

Cost	Furniture and Equipment	Drilling Equipment	Total
At September 30, 2012	\$ 177,345	\$ 489,000	\$ 666,345
Additions	7,999	-	7,999
At December 31, 2012	<u>185,344</u>	<u>489,000</u>	<u>674,344</u>
Accumulated amortization			
At September 30, 2012	\$ 30,892	\$ 489,000	\$ 519,892
Amortization	17,884	-	17,884
At December 31, 2012	<u>48,776</u>	<u>489,000</u>	<u>537,776</u>
Carrying value			
At September 30, 2012	\$ 146,453	\$ -	\$ 146,453
At December 31, 2012	<u>\$ 136,568</u>	<u>\$ -</u>	<u>\$ 136,568</u>

Amortization of \$15,904 (December 31, 2011 - \$5,757) has been recorded as additions to Exploration and Evaluation assets.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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4. EXPLORATION AND EVALUATION ASSETS

	Exploration and Evaluation			
	Rambler	San Diego	Parral	Total
Cost				
At September 30, 2012	\$ 714,848	\$ 21,066,554	\$ 48,760,500	\$ 70,541,902
Additions	-	1,887,962	375,890	2,263,852
Foreign exchange adjustments	-	22,423	1,874	24,297
At December 31, 2012	<u>\$ 714,848</u>	<u>\$ 22,976,939</u>	<u>\$ 49,138,264</u>	<u>\$ 72,830,051</u>
Carrying value				
At September 30, 2012	\$ 714,848	\$ 21,066,554	\$ 48,760,500	\$ 70,541,902
At December 31, 2012	<u>\$ 714,848</u>	<u>\$ 22,976,939</u>	<u>\$ 49,138,264</u>	<u>\$ 72,830,051</u>

The following table summarizes the minimum future financial commitments (in US\$) to keep the agreements in good standing:

	Fiscal year						
	2013	2014	2015	2016	2017	2018	2019
Work commitments	250,000	150,000	150,000	150,000	150,000	150,000	-
Property payments	250,000	-	-	-	-	-	-
Minimum advance royalty	530,000	538,000	538,000	538,000	538,000	538,000	368,000
Total	<u>1,030,000</u>	<u>688,000</u>	<u>688,000</u>	<u>688,000</u>	<u>688,000</u>	<u>688,000</u>	<u>368,000</u>

Note: Excess work commitment expenditures in any given year can be applied against future commitments

5. SHARE CAPITAL

(a) Authorized

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

(b) Issued

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

	Three months ended December 31, 2012		Three months ended December 31, 2011	
	Shares	Ascribed value	Shares	Ascribed value
Balance, beginning of period	128,288,331	\$ 89,703,697	55,966,665	\$ 18,565,437
Shares issued for cash	-	-	3,600,000	4,158,536
Stock options exercised	-	-	1,400,000	459,100
Balance, end of period	<u>128,288,331</u>	<u>\$ 89,703,697</u>	<u>60,966,665</u>	<u>\$ 23,183,073</u>

(c) Escrowed shares

Effective January 22, 2013, the Corporation graduated from the TSX Venture Exchange ("TSXV") to the Toronto Stock Exchange ("TSX"). Upon graduation, the escrow release requirements are accelerated. Under the accelerated provisions of the



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TSX agreements, as of January 22, 2013, an additional 7,699,500 common shares were released from escrow and there are a total of 37,218,250 common shares and 1,342,500 common share incentive options remaining in escrow.

The comparable number of escrowed Common Shares at September 30, 2012 was 44,917,750.

(d) Finder's stock options

The changes in finder's options during the period ended December 31, 2012 and 2011 were as follows:

	December 31, 2012		December 31, 2011	
	Shares	Weighted Average Price	Shares	Weighted Average Price
Outstanding, beginning of period	170,000	\$ 1.25	1,441,666	\$ 0.21
Granted	-	-	170,000	1.25
Exercised	-	-	(1,400,000)	0.21
Outstanding, end of period	<u>170,000</u>	\$ 1.25	<u>211,666</u>	\$ 1.06
Options exercisable, end of period	<u>170,000</u>	\$ 1.25	<u>211,666</u>	\$ 1.06

The 170,000 finder's options outstanding at December 31, 2012 expire on December 23, 2014.

The charge for the finder's options was 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:

	December 31
	<u>2011</u>
Dividend yield	0%
Expected volatility	97%
Risk free interest rate	0.99%
Expected life	3.0 years
Weighted average grant date fair value	\$0.759

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, unless the expected life assumption is greater than the trading history for the shares, in which case the entire trading history for the shares through the date of the grant was used as a basis for estimating expected volatility.

(e) 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. Under the Plan, the terms and conditions of each grant of options are determined by the Board of Directors. Incentive stock options are generally exercisable for a maximum period of three to five years from the grant date and have vesting periods of 18 months to three years as determined by the Corporation's Board of Directors. Options are granted at a price no lower than the market price of the common shares at the time of the grant.

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).



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The changes in stock options during the period ended December 31, 2012 and 2011 were as follows:

	December 31, 2012		December 31, 2011	
	Shares	Weighted Average Price	Shares	Weighted Average Price
Outstanding, beginning of period	3,115,000	\$ 0.73	2,365,000	\$ 0.45
Granted	350,000	1.40	-	-
Expired	(50,000)	0.85	-	-
Outstanding, end of period	<u>3,415,000</u>	\$ 0.79	<u>2,365,000</u>	\$ 0.45
Options exercisable, end of period	<u>2,128,750</u>	\$ 0.48	<u>1,480,000</u>	\$ 0.18

The following table summarizes information concerning outstanding and exercisable finder's and incentive stock options at December 31, 2012:

Expiry date	Outstanding		Exercisable	
	Number of incentive options	Exercise price	Number of incentive options	Exercise price
December 23, 2014	170,000	1.25	170,000	1.25
February 7, 2015	325,000	1.53	243,750	1.53
February 12, 2015	1,200,000	0.10	1,200,000	0.10
July 26, 2015	150,000	0.30	150,000	0.30
February 15, 2016	80,000	0.80	80,000	0.80
July 8, 2016	835,000	0.90	417,500	0.90
August 20, 2017	325,000	1.54	-	-
September 17, 2017	150,000	1.60	37,500	1.60
October 9, 2017	350,000	1.40	-	-
	<u>3,585,000</u>	<u>0.81</u>	<u>2,298,750</u>	<u>0.54</u>

The compensation charge for the outstanding incentive stock options granted during the period was 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:

	October 9 2012
Dividend yield	0%
Expected volatility	86%
Risk free interest rate	1.37%
Expected life	5.0 years
Weighted average grant date fair value	\$0.90

The expected volatility was determined based on the historical share price volatility as of the date the options were granted.

(f) Warrants

The Corporation issued 12,150,000 warrants in connection with the Absolute Transaction in July 2012. Each warrant is exercisable into one GoGold share at an exercise price of \$1.50 until January 24, 2015. As at December 31, 2012 12,150,000 warrants remained outstanding.



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The charge recorded in contributed surplus for the warrants was determined based on the fair value of the warrants at the date of issue using the Black-Scholes option pricing model with the following assumptions:

	Warrants issued July 27, 2012
Risk-free rate	1.29%
Expected volatility of the Corporation's share price	89%
Expected dividend yield	0%
Expected life of each option	2.5
Fair value per option	\$0.714

The expected volatility was determined based on the historical share price volatility as of the date the options were granted.

(g) Earnings per share

Basic earnings 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 finder's options have been exercised on the later of the beginning of the period and the date granted. As of December 31, 2012, 3,585,000 options (2011 – 2,576,666) and 12,150,000 (2011 – Nil) warrants were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive.

6. RELATED PARTY TRANSACTIONS

Included in general and administrative expense during the period ended December 31, 2012 are insurance premiums amounting to \$19,999 (2011 - \$8,454) paid to a corporation in which a director of the Corporation has a significant interest.

The transactions were in the normal course of operations and were measured at the exchange amounts, which are the amounts agreed to by the related parties.

7. SEGMENTED INFORMATION

The Company's reportable segments are consistent with the Company's geographic regions in which the Company operates. In determining the Company's segment structure, the Company considered the basis on which management reviews the financial and operational performance and whether any of the Company's mining operations share similar economic, operational and regulatory characteristics. The Company aggregates both the San Diego and Parral exploration projects as the Mexico segment and the Company's Canadian property and corporate offices as the Canadian segment.

The following tables present information about reportable segments:



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(UNAUDITED)

For the period ended December 31, 2012:	Mexico	Canada	Total
Interest revenue	\$ -	\$ 72,667	\$ 72,667
Depreciation	-	1,968	1,968
Segment net income (loss)	-	(754,245)	(754,245)
Expenditures on non-current assets	2,296,148	-	2,296,148
For the period ended December 31, 2011:			
Depreciation	\$ -	\$ 8,046	\$ 8,046
Segment net income (loss)	-	(456,882)	(456,882)
Expenditures on non-current assets	1,341,937	157,492	1,499,429
Reportable segment assets at December 31, 2012)	\$ 72,658,614	\$ 22,334,704	\$ 94,993,318
Reportable segment liabilities at December 31, 2012)	50,832	245,110	295,942
Reportable segment assets (September 30, 2012)	70,398,889	25,641,428	96,040,317
Reportable segment liabilities (September 30, 2012)	557,373	299,158	856,531