GoGold Resources Inc

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

QUARTER ENDED

JUNE 30, 2015

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

GOGOLD RESOURCES INC

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited - in thousands of United States dollars)

	June 30 2015	September 30 2014 (*Restated - Note 2*)	October 1 2013 (*Restated - Note 2*)
ASSETS			
Current assets:			
Cash	**$ 1,374**	$ 3,412	$ 30,199
Trade receivables	**1,147**	1,288	-
Input tax recoverable	**5,873**	5,005	331
Prepaid expenses	**1,953**	1,453	94
Inventories (Note 4)	**9,708**	1,509	-
	20,055	12,667	30,624
Non-current assets:			
Property, plant and equipment (Note 5)	**78,062**	81,069	53,014
Exploration and evaluation assets (Note 6)	**40,299**	41,034	25,505
Total assets	**$ 138,416**	$ 134,770	$ 109,143
LIABILITIES			
Current liabilities:			
Trade and other payables	**$ 4,335**	$ 2,852	$ 1,582
Income taxes payable	**148**	134	-
Derivative liability	**-**	597	-
Current portion of long term debt (Note 7)	**22,936**	13,047	1,211
	27,419	16,630	2,793
Non-current liabilities:			
Long term debt (Note 7)	**-**	17,195	12,058
Derivative liability	**-**	-	377
Provision for site restoration	**1,340**	1,473	-
Deferred income taxes	**1,643**	1,977	15
Total liabilities	**30,402**	37,275	15,243
EQUITY			
Share capital (Note 8)	**132,624**	114,685	94,182
Contributed surplus	**7,041**	6,986	10,394
Accumulated other comprehensive loss	**(13,528)**	(9,532)	(2,985)
Deficit	**(18,123)**	(14,644)	(7,691)
Total equity	**108,014**	97,495	93,900
Total liabilities and equity	**$ 138,416**	$ 134,770	$ 109,143

Commitments (Note 12)
Subsequent event (Note 13)

See accompanying notes to the unaudited condensed consolidated financial statements.

GOGOLD RESOURCES INC

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

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

	Three months ended		Nine months ended	
	June 2015	June 2014 *(Restated - see Note 2)*	**June 2015**	June 2014 *(Restated - see Note 2)*
Revenue from mining operations	**$ 7,459**	$ -	**$ 7,498**	$ -
Cost of sales:				
Production costs, except amortization and depletion	**2,640**	-	**2,657**	-
Amortization and depletion	**921**	-	**927**	-
	3,561	-	**3,584**	-
General and administrative	**992**	544	**3,039**	1,989
Operating income (loss)	**2,906**	(544)	**875**	(1,989)
Gain (loss) on derivative liability	**-**	(39)	**220**	(326)
Foreign exchange gain (loss)	**42**	997	**(3,690)**	913
Interest expense	**(686)**	-	**(924)**	-
Warrant incentive program	**-**	(759)	**-**	(759)
	(644)	199	**(4,394)**	(172)
Income (loss) before income taxes	**2,262**	(345)	**(3,519)**	(2,161)
Current income tax (recovery) expense	**148**	-	**14**	-
Deferred income tax (recovery) expense	**-**	-	**(54)**	1,868
	148	-	**(40)**	1,868
Net income (loss) for the period	**$ 2,114**	$ (345)	**$ (3,479)**	$ (4,029)
Items which may subsequently be cycled through profit or loss:				
Foreign currency translation differences arising on translation of foreign subsidiaries	**(1,462)**	2,186	**(3,996)**	(2,052)
Total comprehensive income (loss) for the period	**$ 652**	$ 1,841	**$ (7,475)**	$ (6,081)
Net income (loss) per share (Note 8):				
Basic	**$ 0.01**	$ (0.00)	**$ (0.02)**	$ (0.03)
Diluted	**$ 0.01**	$ (0.00)	**$ (0.02)**	$ (0.03)
Weighted average number of common shares outstanding (Note 8):				
Basic	**162,072,003**	139,916,422	**158,735,697**	135,950,517
Diluted	**167,587,003**	139,916,422	**158,735,697**	135,950,517

See accompanying notes to the unaudited condensed consolidated financial statements.

GoGold Resources Inc

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - in thousands of United States dollars)

For the nine months ended	**June 30 2015**	June 30 2014 *(As Restated - See Note 2)*
Cash provided by (used in) the following activities:		
Operating activities		
Net loss for the period	**$ (3,479)**	$ (4,029)
Items not involving cash		
Stock based compensation	**184**	219
Deferred taxes	**(54)**	1,937
Amortization and depletion	**927**	35
Gain (loss) on derivative liability	**(220)**	326
Warrant incentive (Note 8)	**-**	759
Interest expense	**211**	-
Foreign exchange loss (gain)	**3,690**	(913)
	1,259	(1,666)
Net change in non-cash working capital	**(7,478)**	(1,406)
Net cash used in operating activities	**(6,219)**	(3,072)
Investing activities		
Exploration and evaluation expenditures	**(5,130)**	(3,313)
Net cash consideration on Animas acquisition	**-**	(4,854)
Purchase of property, plant and equipment, net of sales credits	**144**	(29,589)
Net cash used in investing activities	**(4,986)**	(37,756)
Financing activities		
Principal payments on senior secured debt (Note 7)	**(7,828)**	-
Proceeds from senior secured debt (Note 7)	**-**	14,889
Proceeds on exercise of warrants (Note 8)	**951**	8,359
Proceeds on exercise of options (Note 8)	**185**	-
Issuance of common shares (net of share issuance costs) (Note 8)	**16,194**	-
Net cash provided by financing activities	**9,502**	23,248
Net increase (decrease) in cash and cash equivalents	**(1,703)**	(17,580)
Foreign exchange impact on cash	**(335)**	(496)
Cash and cash equivalents, beginning of period	**3,412**	30,199
Cash and cash equivalents, end of period	**$ 1,374**	$ 12,123

See accompanying notes to the unaudited condensed consolidated financial statements.

GOGOLD RESOURCES INC

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited - in thousands of United States dollars – As Restated, See Note 2)

	Number of shares		Share capital		Contributed surplus		Accumulated other comprehensive loss		Surplus (Deficit)		Non-controlling interest		Total equity
Balance at October 1, 2013	132,981,894	$	94,182	$	10,394	$	(2,985)	$	(7,691)	$	-	$	93,900
Net loss	-		-		-		-		(4,029)		-		(4,029)
Other comprehensive loss	-		-		-		(2,052)		-		-		(2,052)
Stock-based compensation (Note 8)	-		-		302		-		-		-		302
Warrant incentive program (Note 8)	-		-		759		-		-		-		759
Warrant exercise (Note 8)	6,571,125		12,757		(4,398)		-		-		-		8,359
Acquisition of Animas Resources (Note 8)	5,786,841		5,805		-		-		-		1,953		7,758
Acquisition of NCI in Animas (Note 8)	1,149,339		1,470		-		-		(366)		(1,953)		(849)
Balance at June 30, 2014	146,489,199	$	114,214	$	7,057	$	(5,037)	$	(12,086)	$	-	$	104,148
Balance at October 1, 2014	147,831,030	$	114,685	$	6,986	$	(9,532)	$	(14,644)	$	-	$	97,495
Net loss	-		-		-		-		(3,479)		-		(3,479)
Other comprehensive loss	-		-				(3,996)		-		-		(3,996)
Stock-based compensation (Note 8)	-		-		286		-		-		-		286
Warrant exercises (Note 8)	737,473		1,447		(118)		-		-		-		1,329
Option exercises (Note 8)	170,000		298		(113)		-		-		-		185
Shares issued, net of issuance costs (Note 8)	13,333,500		16,194		-		-		-		-		16,194
Balance at June 30, 2015	162,072,003	$	132,624	$	7,041	$	(13,528)	$	(18,123)	$	-	$	108,014

See accompanying notes to the unaudited condensed consolidated 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. The consolidated financial statements of the Corporation comprise the Corporation and its subsidiaries. The principal business of the Corporation is the discovery, exploration and development of gold, silver, and copper deposits primarily in Mexico.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These consolidated financial statements do not give effect to the adjustments necessary to the carrying values and classification of assets and liabilities should the Corporation be unable to continue as a going concern.

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") as issued by the International Accounting Standards Board (''IASB''). These financial statements were prepared using the same accounting policies, 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, 2014, except as noted in sections b), c) and d) below, as well as in note 3.

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 Corporation's audited consolidated financial statements for the year ended September 30, 2014 prepared in accordance with IFRS as issued by the IASB.

b) Use of estimates and judgments

Identification of functional currency
The functional currency for each entity in the Group is the currency of the primary economic environment in which it operates. Determination of functional currency involves significant judgment in determining the primary economic environment by reviewing sources of financings, expenses, and capital items.

c) Change in functional and presentation currency

These condensed consolidated interim financial statements are presented in United States dollars ("US dollars"). The functional currency of GoGold Resources Inc. is the Canadian dollar. The functional currencies of the Corporation's foreign subsidiaries as of September 30, 2014 was the Mexican Peso. The Corporation determined that the functional currency of the foreign subsidiaries which operate the Parral tailings project changed from the Mexican Peso to the US dollar with effect from October 1, 2014. The foreign subsidiaries included in the change of functional currency were Grupo Coanzamex, S.A. de C.V., Coanzamex Servicios S.A. de C.V., and Servicios de Procesamiento Manufactura y Logistica Coanzamex S.A. de C.V. In making this change in functional currency to the US dollar, the Corporation followed the guidance in IAS 21 *The Effects of Changes in Foreign Exchange Rates* and have applied the change prospectively with the October 1, 2014 statement of financial position translated at the October 1, 2014 exchange rate of 1 Mexican Peso = $0.07447 US Dollar. The change in functional currency was triggered by the ramp up to commercial production and transition of the project from the construction phase to the operations phase, which resulted in the primary economic environment of the Parral subsidiaries becoming predominantly the US dollar.

Commensurate with the change in functional currency, the Corporation changed its presentation currency from the Canadian dollar to the US dollar on October 1, 2014. The change in presentation currency is to better reflect the Corporation's business activities and to improve an investor's ability to compare the Corporation's financial results with other publicly traded businesses in the mining industry. In making this change in presentation currency to the US dollar, the Corporation followed the guidance in IAS 21, and has applied the change retrospectively as if the US dollar had always been the Corporation's presentation currency, as follows:

- Assets and liabilities have been translated into the US dollar at the rate of exchange prevailing at the respective reporting dates;
- The statements of comprehensive loss were translated at the average exchange rates for the respective reporting periods, or at the exchange rates prevailing at the applicable transaction date.
- Equity balances have been translated at the exchange rate prevailing at the date of the transactions; and
- Exchange differences arising on translation were recorded in accumulated other comprehensive income (loss) in shareholders' equity.

The Corporation has presented a third statement of financial position as at October 1, 2013 without the related notes except for the disclosure requirements outlined in IAS 1 *Presentation of Financial Statements*. In addition, certain of the comparative figures on the statement of operations were amended to conform to the current presentation.

The Company translates foreign operations into US dollars (the presentation currency) using the direct method.

d) Property, plant and equipment

Mining Properties

Mining properties include costs transferred from development assets once commercial production has been achieved for the area of interest, and mining properties also includes subsequent costs incurred in further developing the area of interest.

Depletion of mining properties is calculated on the basis of units of production and commences when the mine starts commercial production. Depletion is based on assessments of measured and indicated resources available to be mined by the current production equipment to the extent that such resources are considered to be economically recoverable.

3. ACCOUNTING CHANGES AND RECENT PRONOUNCEMENTS

The Corporation adopted the following accounting standards and amendments to accounting standards, effective October 1, 2014:

a) Levies

The IASB issued IFRIC 21, Levies in May 2013, which provides guidance on accounting for levies in accordance with the requirements of IAS 37, Provisions, Contingent Liabilities and Contingent Assets. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation and confirms that an entity recognizes a liability for a levy only when the triggering event specified in the legislation occurs. There was no impact on the Corporation's consolidated financial statements upon the adoption of this standard.

b) Recoverable amount disclosures for non-financial assets

In May 2013 the IASB issued amendments to IAS 36 to reverse the unintended requirement in IFRS 13 Fair Value Measurement, to disclose the recoverable amount of every cash-generating unit to which significant goodwill or indefinite lived intangible assets have been allocated. Under the amendments, recoverable amount is required to be disclosed only when an impairment loss has been recognized or reversed. There was no impact on the Corporation's consolidated financial statements upon the adoption of this standard.

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

4. INVENTORIES

	June 30, 2015	*(As Restated – Note 2)* September 30, 2014
Supplies inventory	$ 905	$ 305
Ore in process inventory	8,468	1,204
Finished goods inventory	335	-
	$ 9,708	$ 1,509

5. PROPERTY, PLANT AND EQUIPMENT

Cost	Plant & Equipment	Mining Properties	Development Assets	Total
At September 30, 2014 *(Restated – Note 2)*	$ 307	$ -	$ 80,882	$ 81,189
Additions, net of metal sales	262	176	(294)	144
Foreign exchange adjustments	(28)	-	-	(28)
Reclassifications	26,145	54,443	(80,588)	-
At June 30, 2015	**$ 26,686**	**$ 54,619**	**$ -**	**$ 81,305**
Accumulated Amortization				
At September 30, 2014 *(Restated – Note 2)*	$ 120	$ -	$ -	$ 120
Amortization and depletion	2,099	1,019	-	3,118
Foreign exchange adjustments	5	-	-	5
At June 30, 2015	**$ 2,224**	**$ 1,019**	**$ -**	**$ 3,243**
Carrying Value				
At September 30, 2014 *(Restated – Note 2)*	$ 187	$ -	$ 80,882	$ 81,069
At June 30, 2015	**$ 24,462**	**$ 53,600**	**$ -**	**$ 78,062**

The Parral Tailings project achieved commercial production on March 1, 2015, resulting in a reclassification from development assets to plant and equipment of $26,145 and mining properties of $54,443. Included in current year additions to development assets is capitalized interest of $1,301 (2014 - $1,712) related to the construction of the Parral Tailings project. Metal sales of $5,876 (2014 - $Nil) which occurred prior to achieving commercial production have been recorded as an offset to additions to development assets. Current year additions to amortization and depletion include amounts of $2,191 (2014 - $Nil) which have been capitalized to ore in process inventory.

6. EXPLORATION AND EVALUATION ASSETS

Cost	San Diego	Santa Gertrudis	Total
At September 30, 2014 *(Restated – Note 2)*	$ 25,029	$ 16,005	$ 41,034
Additions	332	4,900	5,232
Foreign exchange adjustments	(3,443)	(2,524)	(5,967)
At June 30, 2015	**$ 21,918**	**$ 18,381**	**$ 40,299**

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

7. LONG TERM DEBT

	June 30, 2015	*(As Restated – Note 2)* September 30, 2014
Senior secured debt	$ 22,936	$ 30,242
Less: current portion	(22,936)	(13,047)
	$ -	$ 17,195

The senior secured debt bears interest at London interbank offered rate (LIBOR) plus 6.5 per cent, with a minimum rate of 7.5%, with the principal repayable in quarterly instalments over a three-year period commencing in September 2014. On September 30, 2014 an amending agreement was executed which deferred the first principal payment to September 30, 2015, with no other principal payments amended. At June 30, 2015, the minimum rate of 7.5% applied which after taking into consideration all associated financing costs, results in an effective interest rate on the debt of 10.3%. The debt is secured by a first charge over all Company assets.

The Corporation also entered into a definitive off-take agreement with the lender, together with the Corporation's indirect wholly owned subsidiary, Grupo Coanzamex SA de CV ("Coanzamex"). Under the off-take agreement, Coanzamex has agreed to sell all of the refined gold and refined silver produced from the Parral Tailings Project, up to an aggregate of 180,000 ounces of refined gold and 18 million ounces of refined silver.

On December 19, 2014, the parties signed a waiver and amending agreement that waived the quarterly debt service ratio covenant until the June 30, 2015 reporting period. In exchange for receiving the waivers and amendments, the Corporation increased the aggregate ounces by 30,000 ounces of refined gold and 3 million ounces of refined silver to the quantities disclosed in the preceding paragraph. The Corporation did not meet its debt service covenant ratio as of June 30, 2015, and as a result the balance of the debt has been recorded as current.

Subsequent to quarter end, on July 21, 2015, the senior secured debt was repaid in full and a new financing agreement was entered into with a Canadian chartered bank, the details of which are fully disclosed in Note 13.

8. 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:

	Shares	Value
Balance September 30, 2013 *(As Restated – Note 2)*	132,981,894	$ 94,182
Shares issued for Animas shares	6,271,299	6,377
Shares issued for Animas warrants	664,881	898
Shares issued for exercise of warrants	6,571,125	12,757
Balance June 30, 2014 *(As Restated – Note 2)*	146,489,199	$ 114,214

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

Balance September 30, 2014 *(As Restated – Note 2)*	147,831,030	$ 114,685
Shares issued, net of issuance costs	13,333,500	16,194
Shares issued for exercise of options	170,000	298
Shares issued for exercise of warrants	737,473	1,447
Balance June 30, 2015	162,072,003	$ 132,624

On December 3, 2014, the Corporation closed a bought deal whereby a syndicate of underwriters purchased 13,333,500 common shares of the Corporation at a price of $1.50 CAD per share for net proceeds, after share issuance costs, to the Corporation of $16.2 million.

The weighted average number of common shares outstanding for the three months ending June 30, 2015 was 162,072,003 (June 30, 2014 – 139,916,422) and for the nine months ending June 30, 2015 was 158,735,697 (June 30, 2014 – 135,950,517).

(c) Finder's stock options

The changes in finder's options during the six months ended June 30, 2015 and June 30, 2014 were as follows, all exercise prices are denoted in Canadian Dollars ("CAD"):

	June 30, 2015			**June 30, 2014**		
	Number of finder's options	Weighted average exercise price	Remaining contractual life (years)	Number of finder's options	Weighted average exercise price	Remaining contractual life (years)
Opening balance	170,000	CAD $ 1.25	0.23	170,000	CAD $ 1.25	1.25
Exercised	(170,000)	1.25	0.23	-	-	-
Closing balance	-	-	-	170,000	1.25	0.48
Exercisable	-	-	-	170,000	CAD $ 1.25	0.48

The market price on the exercise date was CAD $1.50.

(d) 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. 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 3 year period, although the vesting period is at the board of directors' discretion.

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).

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

The changes in incentive stock options during the nine months ended June 30, 2015 and June 30, 2014 were as follows:

	June 30, 2015		June 30, 2014	
	Number of incentive options	Weighted average exercise price	Number of incentive options	Weighted average exercise price
Opening balance	3,515,000	CAD $ 1.22	3,690,000	CAD $ 0.83
Granted	-	-	875,000	1.28
Exercised	-	-	-	-
Closing balance	3,515,000	CAD $ 1.22	4,565,000	CAD $ 0.93
Exercisable	2,623,333	CAD $ 1.18	3,374,584	CAD $ 0.77

The following table summarizes information concerning outstanding and exercisable finder's and incentive stock options at June 30, 2015:

	Outstanding		Exercisable	
Expiry date	Number of options	Exercise price (CAD $)	Number of options	Exercise price (CAD $)
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	835,000	0.90
February 7, 2017	325,000	1.53	325,000	1.53
July 9, 2017	100,000	1.60	-	-
August 20, 2017	325,000	1.54	325,000	1.54
September 17, 2017	150,000	1.60	150,000	1.60
October 9, 2017	350,000	1.40	233,333	1.40
March 1, 2018	150,000	1.26	150,000	1.26
May 16, 2018	125,000	1.30	83,333	1.30
December 9, 2018	450,000	1.00	150,000	1.00
February 12, 2019	100,000	1.50	33,333	1.50
March 17, 2019	325,000	1.60	108,333	1.60
July 9, 2019	50,000	1.60	-	-
	3,515,000	CAD $ 1.22	2,623,333	CAD $ 1.18

There were no stock options granted for the nine months ended June 30, 2015. On January 22, 2015 an agreement was entered into which extended stock options which were set to expire on February 7, 2015 to February 7, 2017. The options' fair value was reassessed both immediately preceding the extension and after the extension, with the resulting charge of $93 recorded through stock based compensation. The Black-Sholes option pricing model was used with the following assumptions:

	Before Extension	After Extension
Exercise price	CAD $ 1.53	CAD $ 1.53
Risk-free rate	0.46%	0.46%
Expected volatility of share price	48.0%	48.0%
Expected dividend yield	0.00%	0.00%
Expected life of each option	0.04 years	2.04 years
Weighted average grant date fair value	USD $ 0.05	USD $ 0.34
Increase in value (325,000 options)		$ 93

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

The compensation charges for the outstanding incentive stock options granted during the nine months ended June 30, 2014 were 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. 9, 2013	Feb. 12, 2014	Mar. 17, 2014
Exercise price	CAD $ 1.00	CAD $ 1.50	CAD $ 1.60
Risk-free rate	1.82%	1.34%	1.31%
Expected volatility of share price	69.6%	63.1%	63.7%
Expected dividend yield	0.00%	0.00%	0.00%
Expected life of each option	5.0 years	3.5 years	3.5 years
Weighted average grant date fair value	CAD $ 0.50	$ 0.69	$ 0.70

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.

The Corporation has recorded total share based payments of $44 during the three months ended June 30, 2015 (three months ended June 30, 2014 - $119), which has been recorded as compensation expense amounting to $26 (2014 - $64) and as additions to exploration and evaluation assets of $18 (2014 -$55). During the nine months ended June 30, 2015, the Corporation recorded total share based payments of $286 (nine months ended June 30, 2014 – $302), which has been recorded as compensation expense amounting to $184 (2014 - $219) and as additions to exploration and evaluation assets of $102 (2014 – $83).

(e) Warrants

At June 30, 2015, the Corporation had 2,000,000 (2014 – 8,176,250) warrants outstanding, including 2,000,000 (2014 – 2,000,000) warrants with an exercise price of CAD $1.50 that expire on September 27, 2015 and nil (2014 -8,176,250) warrants with an exercise price of CAD $1.50 that expired on January 24, 2015.

The changes in warrants during the nine months ended June 30, 2015 and June 30, 2014 were as follows:

	June 30, 2015			**June 30, 2014**		
	Number of warrants	Weighted average exercise price	Remaining contractual life (years)	Number of warrants	Weighted average exercise price	Remaining contractual life (years)
Opening balance	8,045,840	CAD $ 1.50	0.49	14,150,000	CAD $ 1.50	1.41
Exercised	(737,473)	1.50	0.16	(5,973,750)	CAD $ 1.50	0.57
Expired	(5,308,367)	1.50	-	-	-	-
Closing balance	2,000,000	CAD $ 1.50	0.25	8,176,250	1.50	0.57
Exercisable	2,000,000	CAD $ 1.50	0.25	8,176,250	CAD $ 1.50	0.57

The average market price on the days of exercise for the nine months ended June 30, 2015 was CAD $1.63 (June 30, 2014 – CAD $1.55).

During the period ending June 30, 2014, the CAD $1.50 warrants with an expiration date of January 24, 2015 were subject to a warrant incentive program, where the number of common shares issuable upon the exercise of each warrant increased from 1.0 to 1.1. As a result of this, the warrants' fair value was reassessed both immediately preceding and at the beginning of the incentive program period, which was on June 24, 2014, at which point there were 12,150,000 warrants outstanding. The Black-Scholes option pricing model was used with the following assumptions:

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

	Before Incentive Program June 23, 2014	Start Incentive Program June 24, 2014
Effective exercise price	CAD $1.50	CAD $1.36
Risk-free rate	1.09%	1.09%
Expected volatility of the Corporation's share price	51.5%	51.5%
Expected dividend yield	0.00%	0.00%
Expected life of each option	0.6 years	0.6 years
Valuation per option	USD $0.24	USD $0.30
Increase in value attributed to warrant incentive program		USD $0.06
Increase for 12,150,000 warrants		$759

(f) 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 June 30, 2015, Nil options (2014 – 4,735,000) and Nil warrants (2014 – 8,176,250) were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive.

9. RELATED PARTY TRANSACTIONS

Included in general and administrative expense during the three and nine months ended June 30, 2015 are insurance premiums amounting to $Nil and $Nil (2014 - $37 and $79), as well as premiums amounting to $Nil and $Nil (2014 - $23 and $91) capitalized to development assets. These amounts were paid to a corporation where a significant interest was owned by a director of the Corporation. As the director ceased to own a significant interest in the corporation as of July 2, 2014, only insurance premiums paid up to this date are deemed a related party transaction.

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 aggregates San Diego, Santa Gertrudis, and the Parral projects as the Mexico segment and the Corporation's corporate offices as the Canadian segment.

The following tables present information about reportable segments, with June 30, 2014 and September 30, 2014 amounts restated as per Note 2:

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

	Mexico	Canada	Total
For the three months ended June 30, 2015:			
Depreciation	$ 921	$ -	$ 921
Segment net income (loss)	3,800	(1,686)	2,114
Expenditures on non-current assets	1,939	-	1,939
For the three months ended June 30, 2014:			
Segment net loss	$ (34)	$ (311)	$ (345)
Expenditures on non-current assets	12,066	-	12,066
For the nine months ended June 30, 2015:			
Depreciation	$ 927	$ -	$ 927
Segment net loss	2,659	(6,138)	(3,479)
Expenditures on non-current assets	4,986	-	4,986
For the nine months ended June 30, 2014:			
Segment net loss	$ (1,935)	$ (2,094)	$ (4,029)
Expenditures on non-current assets	32,902	-	32,902
Reportable segment assets (June 30, 2015)	$ 137,509	$ 907	$ 138,416
Reportable segment liabilities (June 30, 2015)	6,987	23,415	30,402
Reportable segment assets (September 30, 2014)	$ 132,058	$ 2,712	$ 134,770
Reportable segment liabilities (September 30, 2014)	6,002	31,273	37,275

Included in segment net loss in Canada for the three and nine months ended June 30, 2015 are foreign exchange gains (losses) of $301 and ($2,598) (June 30, 2014 - $997 and $913).

11. FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments:

The fair values of the Corporation's financial instruments are considered to approximate the carrying amounts. Levels 1 to 3 are defined based on the degree to which fair value inputs are observable or unobservable, as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs are based on inputs which have a significant effect on fair value that are observable, either directly or indirectly from market data; and
- Level 3 inputs are unobservable (supported by little or no market activity).

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

The following table provides the disclosures of the fair value and the level in the hierarchy:

	June 30, 2015	*(As Restated – Note 2)* September 30, 2014
	Level 1	Level 1
Cash	$ 1,374	$ 3,412
Trade receivables	1,147	1,288
Trade and other payables	4,335	2,852
Long term debt	22,936	30,242

(b) Capital management:

The Corporation's objective when managing capital is to maintain adequate levels of funding to support the acquisition, exploration and development of resource properties and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through 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 and debt, net of cash as follows:

	June 30, 2015	*(As Restated – Note 2)* September 30, 2014
Shareholders' equity	$ 108,014	$ 97,495
Current and long-term debt	22,936	30,242
	130,950	127,737
Less: cash	(1,374)	(3,412)
	$ 129,576	$ 124,325

(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 gold and silver ("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.

Credit Risk
The Corporation's credit risk is primarily attributable to cash, input tax recoverable and trade receivables. Cash consists of funds on deposit in accounts with a Canadian Schedule I bank. Input tax recoverable consists of harmonized sales tax due from the Federal Government of Canada of $142 and value added tax from the Federal Government of Mexico of $5,731. Exposure on trade receivables is limited as all receivables are with the lender who has provided the Corporation with senior secured debt as detailed in Note 7. Management believes that the risk of loss with respect to financial instruments included in cash, input tax recoverable and trade receivables to be low.

Foreign Currency Risk
The Corporation's major purchases are transacted in Canadian, US dollars, and Mexican Pesos. The Corporation funds certain operations, exploration and administrative expenses in Mexico on a cash call basis using US dollar and Mexican Peso currency converted from its Canadian and US dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is not significant to its long term operations and therefore does not hedge its foreign exchange risk. As GoGold Resources Inc., the parent corporation, has a functional currency of Canadian dollars, net liabilities held in US dollars will be affected by foreign exchange fluctuations and will affect the Corporation's net loss. At June 30, 2015, GoGold Resources Inc. had net monetary liabilities in US dollars of $22,311 (September 30, 2014 - $30,242), for which

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

a 10% appreciation in US exchange rates would affect net loss by approximately $2,311. The fact that all future Metal revenues are transacted in US dollars aides in mitigating this. At June 30, 2015, the Corporation had net monetary assets in Mexican Pesos of approximately $2,051 (September 30, 2014 - $4,135), for which a 10% appreciation in Mexican Peso exchange rates would reduce net loss by approximately $205.

Interest Rate Risk
The Corporation has cash balances and interest-bearing debt. The Corporation's current policy is to invest excess cash in Canadian bank high interest savings accounts. The Corporation periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. A 10% increase or decrease in the LIBOR interest rate would have no effect on the senior secured debt interest as detailed in Note 7 due to the agreement requiring a minimum of 7.5% interest to be paid. This debt was paid out subsequent to period end, as per Note 13.

Liquidity Risk
The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2015, the Corporation had cash balances of $1,374 (September 30, 2014 - $3,412) for settling current liabilities of $27,419 (September 30, 2014 - $16,630). Of the Corporation's current financial liabilities, $4,335 (September 30, 2014 - $2,852) have contractual maturities of 30 days and are subject to normal trade terms, and $22,936 (September 30, 2014 - $13,047) are the current portion of long term debt due within one year as per the details in Note 7. Subsequent to period end, the Corporation received $50,000 in financing and paid out the current debt as per the details in Note 13, which ensured there would be sufficient liquidity to fund current operations as well as development of assets.

12. COMMITMENTS

The Corporation, through its subsidiary Coanzamex, has an option agreement with the Municipality of Parral, Mexico (“Town”) to mine and process tailings material for precious metal recovery. The Town is entitled to a 12% net profits interest ("NPI") after the deduction of costs and capital depreciation as well as a $30 per month property payment to the municipality, which increases to $45 per month in 2016. There are no other royalties due or payable on the Project.

The following table summarizes the minimum future financial commitments over the next five years to keep the San Diego, Parral, and Santa Gertrudis projects in good standing:

	2015	2016	2017	2018	2019
Work commitments - San Diego	$ -	$ 178	$ 178	$ 178	$ 8
Minimum royalty and rent of land - Parral	255	940	940	940	940
Work commitments - Santa Gertrudis	39	188	188	188	188
	$ 294	$ 1,306	$ 1,306	$ 1,306	$ 1,136

13. SUBSEQUENT EVENT

Subsequent to period end on July 21, 2015, the Corporation entered into a $50 million senior secured credit agreement with a Canadian chartered bank. The revolving agreement has a term of 3 years and bears interest at a variable rate equal to LIBOR plus 2.00% to 3.25%, which varies based on the Corporation’s debt leverage ratio. An initial draw of $26 million was received on July 21, 2015, of which a portion was used to retire the current senior secured debt as set out in Note 7.