GoGold Resources Inc.
Form 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTH PERIOD ENDED DECEMBER 31, 2011

Date and Background

This discussion and analysis of financial position and results of operations is prepared as at March 29, 2012 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the period ended December 31, 2011 for GoGold Resources Inc. (the "Company" or "Corporation"). Those financial statements have been prepared, in Canadian dollars (except as otherwise disclosed), in accordance with International Financial Reporting Standards ("IFRS"). The Corporation's date of transition to IFRS was October 1, 2010. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include the intention to complete an acquisition. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this document. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of the Company to obtain necessary financing; satisfy conditions under any acquisition agreement; satisfy the requirements of the TSX Venture Exchange with respect to an acquisition; consumer interest in the Company's services and products; competition; and anticipated and unanticipated costs. While the Company anticipates that subsequent events and developments may cause its views to change, the Company specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this document. Although the Company has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Corporation. Additional factors are noted under "Risk Factors" in the Company's initial public offering prospectus dated January 20, 2010 and the Company's Filing Statement dated July 9, 2010, a copy of which may be obtained on the SEDAR website at www.sedar.com.

Overall Performance and Company Overview

The Company was incorporated under the *Canada Business Corporations Act* (the "CBCA") on January 18, 2008. The head office and the registered office of the Corporation are located at #1301-2000 Barrington Street, Cogswell Tower, Halifax, Nova Scotia. On January 22, 2010, the Company received final receipts for a prospectus dated January 20, 2010 and became a reporting issuer in the Provinces of British Columbia, Nova Scotia, Alberta and Ontario (collectively, the "Jurisdictions"). The Company completed its initial public offering (the "Offering") to raise gross proceeds of $500,000 on February 8, 2010 and had its common shares listed for trading on the TSX Venture Exchange ("TSXV") as a capital pool company on February 12, 2010, under the symbol GGD.P.

On July 26, 2010, the Corporation closed the acquisition of the Rambler property in Newfoundland and Labrador for the issuance of 250,000 common shares of the Corporation to the vendor and by paying $130,000 ("the Qualifying Transaction"). The vendor retained a net smelter royalty of 2 per cent. The Corporation may at any time purchase one-half of the net smelter royalty for $1-million. The Qualifying Transaction also included the completion of a private placement of 1,666,665 flow through shares priced at $0.30 each for gross proceeds of $500,000. As part of the financing, the Corporation paid a finders fee of 41,666 compensation warrants exercisable at $0.30 for two years from the date of closing and paid a $20,000 due diligence fee. In addition, the Corporation granted 150,000 incentive options to a director. The options are exercisable at a price of $0.30 per share for a period of five years from the date of completion of the Qualifying Transaction and vest immediately. The Corporation's common shares began trading on the TSX Venture Exchange under the symbol GGD on July 30, 2010.

On December 10, 2010, the Corporation announced that it had closed a non-brokered private placement financing for gross proceeds of $6,000,000 comprised of the sale of 24,000,000 common shares at a price of $0.25 per common share (the "Private Placement Financing"). OakRun Precious Metals Fund, Ltd. subscribed for 20,000,000 common shares of the Private Placement Financing resulting in approximately a 49% ownership interest in the Corporation. GoGold obtained shareholder approval for the Private Placement Financing. Also in connection with the Private Placement Financing a finder's fee in the form of an option to purchase 1,000,000 common shares of GoGold at $0.25 per common share for 24 months was paid. The proceeds from the private placement will be used for corporate overhead and as a reserve for asset acquisition investigations, acquisitions and mineral exploration.

On April 13, 2011, the Corporation acquired all of the issued and outstanding shares of Mexican Gold Holdings Corporation Incorporated ("MHC"), a Canadian Corporation (the "MHC Transaction"). MHC and MHC's wholly owned Canadian subsidiary, North American Gold Holdings Corporation Incorporated ("NAHC"), together own 100% of Minera Dorango Dorado S.A. DE C.V., a Mexican Corporation, ("MDD"). MDD is a party to agreements to earn a 100-per-cent interest in five (5) gold and silver properties consisting of a number of Mexican mining concession titles (the "MDD Claims") in Durango, Mexico (the "MDD Agreements").

The terms of the MDD Agreements provide MDD with an option to acquire a 100% interest in the MDD Claims in exchange for the following:

i. a first year payment of US$140,000 (which has been paid);
ii. a total work commitment for all MDD Claims for the first three years of US$900,000 and a total work commitment for years four through eight for all MDD Claims of US$2,650,000; and,
iii. prepayment of future royalties of US$130,000 per annum starting in year three and ending in year eight. The future royalties will be based on a payment of up to US$4.00 per ounce of gold equivalent NI 43-101 compliant mineable reserves ("Reserves"). Any royalty prepayments will be applied against the final royalty payment due. After year eight of the MDD Agreements, MDD has agreed to pay the current optioners of the MDD Claims a royalty of up to US$4.00 per ounce of any additional increase in Reserves after the end of year eight.
iv. MDD may exercise the option to acquire the MDD Claims at any time by paying the total minimum advance royalty or at the end of the eight year period provided all payments above have been made.

In accounting for the MHC Transaction, MHC was not considered a business for accounting purposes as outlined in EIC Abstract 124. The transaction was considered to be an asset acquisition.

The Corporation issued 14,000,000 common shares to the shareholders of MHC and paid cash consideration of $1,100,000. The last closing price of the common shares of the Corporation prior to the closing of the transaction was $0.78 per share. The resulting amount of $10,920,000 pursuant to the share issuance has been included in share capital and acquisition cost for the MDD Claims (also called the "San Diego Project"). The cash payment has been included in the acquisition cost of the project.

As part of the MHC Transaction, the Corporation advanced MHC a total of $195,195 prior to the closing of the transaction. The advance was non-interest bearing and was payable on demand. The Corporation also expended a total of $241,108 during the year ended September 30, 2011 for the purposes of evaluating the MHC Transaction, the MDD Claims and the MDD Agreements. These expenditures have been classified as part of the acquisition cost of the project.

On June 14, 2011, the Corporation announced it had closed an option agreement to acquire additional claims adjacent to the MDD Claims. The terms of the option agreement with the arms-length optioners provide that the Corporation may acquire a 100% interest in these additional claims in exchange for the following:

i. a total payment of US$80,000 (which has been paid).
ii. prepayment of future royalties of US$40,000 per annum starting in year three and ending in year eight. The future royalties will be based on a payment of up to US$4.00 per ounce of gold equivalent NI 43-101 compliant mineable reserves ("Reserves"). Any royalty prepayments will be applied against the final royalty payment due. After year eight of the MDD Agreements, MDD has agreed to pay the optioners of the Claims a royalty of up to US$4.00 per ounce of any additional increase in Reserves after the end of year eight; and,
iii. MDD may exercise the option to acquire the Claims at any time by paying the total minimum advance royalty or at the end of the eight year period provided all payments above have been made.

In addition, the Corporation acquired additional claims adjacent to the existing project through staking.

The payments made for these additional transactions totalled $23,995.

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

	Fiscal year 2012	2013	2014	2015	2016	2017	2018	2019
Work commitments	300,000	300,000	300,000	450,000	450,000	450,000	650,000	650,000
Minimum advance royalty	-		170,000	170,000	170,000	170,000	170,000	170,000
Total	$ 300,000	300,000	470,000	620,000	620,000	620,000	820,000	820,000

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

On December 23, 2011, the Corporation announced that it had closed a non-brokered private placement financing for gross proceeds of $4,500,000 comprised of the sale of 3,600,000 common shares at a price of $1.25 per common share. In connection with this Private Placement, and in accordance with TSX Venture Exchange Policy, the Corporaation paid a finder's fee in the form of options to purchase 180,000 common shares of GoGold and a cash payment equal to 3.5% of the proceeds raised in the Private Placement. The finder's options will expire December 23, 2014.

Summary of Quarterly Results (in $)

	Revenue	**Expenses**	**Net Loss**	**Working Capital**	**Total Assets**	**Shareholder Equity**	**Loss per Share**
December 31, 2011	**0**	**456,882**	**456,882**	**4,884,168**	**21,588,174**	**21,335,144**	**.01**
September 30, 2011	**0**	**451,948**	**451,948**	**2,136,460**	**17,467,344**	**17,208,721**	**.01**
June 30, 2011	**0**	**307,390**	**307,390**	**4,298,585**	**17,764,730**	**17,686,049**	**.01**
March 31, 2011	**0**	**208,211**	**208,211**	**6,591,813**	**7,210,452**	**7,096,442**	**.00**
December 31, 2010	**0**	**349,889**	**349,889**	**6,757,365**	**7,049,964**	**7,017,190**	**.01**
September 30, 2010	**0**	**236,272**	**236,272**	**945,206**	**1,231,714**	**1,186,228**	**.01**
June 30, 2010	**0**	**77,605**	**77,605**	**724,807**	**802,981**	**749,807**	**.01**
March 31, 2010	**0**	**123,992**	**123,992**	**802,412**	**833,558**	**827,412**	**.01**

Results of Operations

The Corporation is carrying out exploration on the San Diego property which to date has focused on drilling the Breccia Hill area (San Diego North); sampling, trenching and mapping the Chispa De Oro area (San Diego East); and, mapping and sampling other areas of the 70,987 hectare property. The Corporation has now also completed the Phase I programme at the Rambler project in Newfoundland and is finalizing data received and an updated National Instrument 43-101 report regarding the property.

During the three month period ended December 31, 2011 and 2010, the Corporation earned no revenue. During the three month period ended December 31, 2011, the Corporation incurred general and administrative expenses of $306,899. The comparative figure for the prior year was $339,605. During the three month period ended December 31, 2011, the Corporation also incurred regulatory expenses of $27,740 and marketing and public relations expenses of $122,243. The corresponding expenses for the previous year period were $5,395 and $4,889. The increase in the marketing and public relations expenses is due to an increased level of trade show attendance and marketing efforts due to the increased business activity and exploration on both the San Diego and Rambler projects. The Corporation also incurred a foreign currency loss arising from translation of foreign subsidiaries during the period of $161,238 (2010 - $nil).

These expenses resulted in a net loss prior to the foreign currency translation loss for the three months ended December 31, 2011 of $456,882 (2010 - $349,889). Total comprehensive loss for the period was $618,120 (2010 - $349,889).

Exploration Activities

The following table summarizes the exploration and acquisition costs incurred for the year ended December 31, 2011 on both projects:

	Rambler Project	San Diego Project	Total
	Amount ($)	Amount ($)	Amount ($)
Property acquisition costs:			
Balance September 30, 2011	199,960	12,512,981	12,712,941
Additions September 30, 2011 to December 31, 2011:	-	(79,813)	(79,813)
Balance September 30, 2011	199,960	12,433,168	12,633,128
Deferred property exploration costs:			
Balance September 30, 2011	437,615	1,417,147	1,854,762
Additions September 30, 2011 to December 31, 2011:			
Assays	22,075	243,150	265,226
Survey and geophysics	-	4,412	4,412
Drilling and site work	74,959	696,735	771,694
Geological and consulting	47,050	33,026	80,076
On site accommodation	1,330	16,707	18,036
Equipment rental and fuel	7,086	83,530	90,616
Technical and professional	-	77,455	77,455
Trenching and field work	2,922	(2,535)	388
Management and administration	2,070	251,092	253,162
Total additions	157,492	1,403,574	1,561,065
Balance deferred exploration costs December 31, 2011	595,107	2,820,720	3,415,827
Total	795,067	15,253,888	16,048,955

Note: the decrease in acquisition cost for San Diego is due to a reclassification of costs

San Diego Project

Exploration work on the San Diego project has focused on trenching and drilling the Chispa De Oro and the Breccia Hill Open Pit targets.

On January 31, 2012, the Corporation released mapping, sampling and trenching results from the Chispa De Oro (San Diego East) target confirming gold and silver mineralization on surface for over 2,000 metres.

Highlights of the most recent surface trenches include SDL-630 with 36 metres of 0.99 gram per tonne gold equivalent, SDL-648 with 86 metres of 0.83 g/t gold equivalent, SDL-655 with 22 metres of 4.26 g/t gold equivalent and SDL-772 with 34 metres of 1.78 g/t gold equivalent. A 2,000-metre-by-750-metre area of the 3,000-metre-by-1,000-metre alteration zone has been mapped and assayed to date. Exploration at Chispa De Oro is focused on a network of high-sulphidation feeder zones and structures within a 3,000-metre-by-1,000-metre mineralized alteration zone.

On February 13, 2012, the Corporation disclosed that it had discovered high-grade gold and silver mineralization on surface in a feeder-breccia zone within the three-kilometre-by-one-kilometre mineralized and altered volcanic sequence at Chispa De Oro. Highlights are 40 metres of 5.81 grams per tonne gold equivalent, 16 metres of 3.36 grams per tonne gold equivalent and 28 metres of 1.34 grams per tonne gold equivalent. The samples were taken in two-metre intervals and are continuous trenches.

On March 22, 2012, the Corporation disclosed initial drill results from its high sulphidation Chispa De Oro target. Highlights include Hole GGS-18 at which intercepted a 110 metre zone containing a 74.45 metre interval of 1.89 g/t AuEq and 54 metres of 1.25% Cu and Hole GGS-20 which intercepted 50 metres of 3.85 g/t AuEq. All three holes drilled intersected gold, silver and copper mineralization over significant widths which may be part of a newly discovered silver, gold, copper, molybdenum porphyry system. GoGold geologists have interpreted that the copper zone intersected may be part of supergene enrichment associated with a copper porphyry and is primarily dominated by chalcocite. The copper zone appears to lie near the bottom and below the oxidized gold and silver zones.

The Corporation believes the initial drilling on the Chispa De Oro 3.5 kilometre by 1 kilometre alteration zone has been very positive and our geologists believe that further drilling will help define the high sulphidation system and may confirm the presence of a porphyry system.

The Breccia Hill target is located 12 kilometers northwest from the current drilling location at Chispa De Oro. The new holes are from the Breccia Hill Open Pit target and previously released drill holes from this target returned up to 84 metres of 2.43 g/t gold equivalent (1.98 g/t Au and 20.5 g/t Ag) and 95 metres of 1.48 g/t gold equivalent. (1.22 g/t Au and 12.1 g/t Ag). Highlights of the new drilling include GGS-12 which returned true width intercepts of 17 metres of .31 AuEq, 36 metres of .64 AuEq including 10 metres of 1.53 AuEq, 8 metres of 2.16 AuEq, 34 metres of 1.09 AuEq and 15 metres of 2.05 AuEq. Hole GGS-13 returned 18.5 metres of 1.00 AuEq and hole GGS-14 returned 17.5 metres of .65 AuEq. Company geologists are encouraged by the fact that drilling results from both the Chispa De Oro target and the Breccia Hill Open Pit target display the same porphyry style characteristics.

The full size and potential of Chispa De Oro’s mineralized area is currently being interpreted by the geological team and further updates will follow as mapping and sampling continues. Should a significant portion be mineralized, San Diego East (Chispa De Oro) has the potential to represent another large bulk tonnage target within the San Diego Project.

San Diego Project Future Plans

The Corporation currently plans to complete a geolphysical survey over the Chispa De Oro target in an attempt to better understand the mineralization in the area. Company geologists also continue to map, sample and drill the area and other prospective areas on the property. Our goal is to demonstrate the potential of this large unexplored region.

Rambler Project

The Corporation is awaiting final results from its drilling and is reviewing an updated NI 43-101 report. The Corporation was informed on October 4, 2011 and has disclosed that it has been awarded a $100,000 grant from the Government of Newfoundland pursuant to the Junior Corporation Exploration Assistance Program (JCEAP). Once the Corporation finalizes and releases the drill results and the updated NI 43-101 report, management will determine next steps with regard to the Rambler project.

Liquidity and Capital Resources

At December 31, 2011, the Corporation had cash and short-term deposits of $4,499,001 (2010 - $668,320). In addition, the Corporation has investments consisting of short-term investments in the amount of $nil (2010 - $275,550) that were held at Schedule “A” Canadian banks and were cashable at any time.

At December 31, 2011, the Corporation had working capital of $4,884,168 (2010 - $6,757,365). For exploration work in Mexico to continue at its current pace, additional capital will be required approximately by end of the 2012 fiscal year. The ability of the Corporation to raise the necessary funds cannot be guaranteed.

In addition to the commitments pertaining to the San Diego project as described above, the Corporation has a commitment in respect of its operating lease on its premises in Halifax which expires August 31, 2013. In Durango, Mexico, the Corporation’s subsidiary has entered into a lease for office space which terminates January 31, 2013. As of December 31, 2011, these commitments require total payments, including estimated common expenses, of $56,107 (2010 - $56,096).

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

Legal services were provided by a former officer of the Corporation. The cost of these services during the three months ended December 31, 2011 was $60,939 (2010 - $49,172).

Included in general and administrative and prepaid expense for the three months ended December 31, 2010 are insurance premiums amounting to $8,453 (2010 - $2,500) paid to a company owned by a director of the Company.

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.

Critical Accounting Estimates and Significant Accounting Policies

Share-based payments

The Company issues equity-settled share-based payments to certain employees and third parties outside the Company. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. Fair value is measured using the Black-Scholes pricing model and requires the exercise of judgment in relation to variables such as expected volatilities and dividend yields based on information available at the time the fair value is measured.

Identification of functional currency

The functional currency for each entity in the Corporation is the currency of the primary economic environment in which it operates. Determination of functional currency involves significant judgment. The Corporation reconsiders the functional currency of its entities if there is a change in the underlying transactions, events and conditions which determine their primary economic environment.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Taxation

The Company's accounting policy for taxation requires management's judgment in assessing whether deferred tax assets and certain deferred tax liabilities are recognized on the balance sheet. Deferred tax assets, including those arising from tax loss carry-forwards, capital losses and temporary differences are recognized only where it is considered probable that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, mineral prices, reserves, operating costs, restoration and rehabilitation costs, capital expenditure, dividends and other capital management transactions.

Judgments are also required about the application of income tax legislation. These judgments and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognized on the balance sheet and the amount of other tax losses and temporary differences not yet recognized. In such circumstances, some or all of the carrying amount of recognized deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the income statement.

Conversion to International Financial Reporting Standards ("IFRS")

Effective February 2008, the Accounting Standards Board announced that publicly accountable entities would be required to prepare financial statements in accordance with IFRS for interim and annual financial statements for periods beginning on or after January 1, 2011. The transition date of January 1, 2011 required the restatement into IFRS for comparative purposes of amounts previously reported under Canadian GAAP by the Company for the year ended September 30, 2010, including a revised opening balance sheet as at October 1, 2010.

IFRS is based on a conceptual framework that is similar to Canadian GAAP, however, significant differences exist in certain areas of presentation, recognition, measurement and disclosure. While the adoption of IFRS did not have a material impact on reported cash flows, it did have a material impact on the statements of financial position and statements of comprehensive loss. The impact of these differences on the October 1, 2010 opening statement of financial position, as well as the September 31, 2011 and December 31, 2011 statements of financial position have been disclosed in the condensed interim consolidated financial statements. In addition, the impact of these differences on the statements of comprehensive loss for the period ended December 31, 2010 and year ended September 30, 2011 have been disclosed in the condensed interim consolidated financial statements.

Impact of IFRS on the Statements of Financial Position, Loss and Comprehensive Loss

The following is a discussion of the accounting standards that had a significant financial statement impact on the Company's opening statement of financial position and statements of loss and comprehensive loss.

1) IFRS 1, First-Time Adoption of IFRS:

IFRS 1 – First-time adoption of IFRS sets forth guidance for the initial adoption of IFRS. Under IFRS 1, the standards applied are retrospectively at the transitional statement of financial position date with all adjustment to assets and liabilities taken to retained earnings unless certain exemptions are applied. The Company has applied the following exemptions to its opening statement of financial position dated October 1, 2010.

• Business combination election – The election allows the Company to adopt IFRS 3(R) prospectively from the date of transition.

• Cumulative translation differences – The election enables the Company to deem the cumulative translation difference to be zero at the transition date.

• Arrangements containing a lease - The election allows the Company to determine whether an arrangement existing at the date of transition to IFRS contains a lease on the basis of facts and circumstances existing at that date rather than at the inception of the arrangement

2) Presentation of expenses by function

In preparing its IFRS statement of comprehensive income for the year-ended September 30, 2010 and for the three months ended December 31, 2010, the Company made various reclassifications to present expenses by function rather than by nature as presented under Canadian GAAP.

3) Flow-through shares

In accordance with IFRS interpretations, the premium received on flow through shares represents the value of the liability relating to the transfer of income tax credits foregone and owing to investors upon renunciation. The liability has been reclassified from equity to other liability and is reversed at the time that renunciation of costs occurs. Under Canadian GAAP, renunciations related to flow-through shares results in an increase in deferred taxes payable and a decrease in equity. Under IFRS, the related tax expense has been charged through profit or loss in the period of renunciation. In March 2011, the Company fully renounced expenditures relating to its 2010 flow through share issuance. Under Canadian GAAP, the estimated deferred income tax impact was charged to share capital. Under IFRS, the related balance was reallocated to deferred income tax expense and recognized through profit or loss in the period.

4) Functional currency and foreign operations

IFRS requires that the functional currency of each entity in the consolidated Company be determined separately in accordance with IAS 21 – Foreign exchange and should be measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Company's presentation currency is the Canadian dollar (CAD). Under IFRS, the results and financial position of all Company entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the
Company's presentation currency are translated into the presentation currency as follows:

• Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;

• Income and expenses for each income statement are translated at the average rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

• All resulting exchange differences are recognized as a separate component of equity. As a result of the application of the translation rules contained in IAS 21, non-monetary assets, which includes property, plant and equipment and exploration and evaluation assets, will change with a corresponding adjustment to the foreign currency translation reserve.

5) Share-based payments

Under IFRS, where incentive stock options are granted to a person considered a consultant and not an employee, the fair value of the options must be determined by management as the value of services expected to be received. The value produced by the Black-Scholes calculation is not considered an accurate determination of fair value. After reviewing all grantees who were granted options by the Corporation to date, one grantee was determined to be a consultant rather than an employee.

Furthermore, under IFRS, options are accounted for using graded vesting with forfeitures estimated on the grant date and trued up to actual periodically. Under Canadian GAAP, the Corporation accounted for options using cliff vesting and only accounted for forfeitures as they occurred. Furthermore, under IFRS, the requirements related to transactions with employees are also applied to transactions with individuals who provide services similar to services provided by an employee, which includes non-executive directors.

Under Canadian GAAP, the requirements related to transactions with employees apply only when an individual is consistently represented to be an employee under the law.

Control Activities

For all changes to policies and procedures that have been identified, the effectiveness of internal controls over financial reporting and disclosure controls and procedures has been assessed and any changes have been implemented. In addition, controls over the IFRS changeover process have been implemented, as necessary. The Corporation has identified and implemented the required accounting process changes that resulted from the application of IFRS accounting policies and these changes were not significant. The Corporation applied its existing control framework to the IFRS changeover process. All accounting policy changes and transitional financial position impacts were subject to review by management and the Audit Committee of the Board of Directors.

Information Technology and Systems

The IFRS transition project did not have a significant impact on the Corporation's information systems for the convergence periods.

Post-Implementation

The post-implementation phase will involve continuous monitoring of changes in IFRS in future periods. We note that the standard-setting bodies that determine IFRS have significant ongoing projects that could impact the IFRS accounting policies that we have selected. In particular, we expect that there may be additional new or revised IFRS's or IFRIC's in relation to consolidation, joint ventures, financial instruments, hedge accounting, discontinued operations, leases, employee benefits, revenue recognition and stripping costs in the production phase of a surface mine. We also note that the International Accounting Standards Board is currently working on an extractive industries project, which could significantly impact our financial statements primarily in the areas of capitalization of exploration costs and disclosures. We have processes in place to ensure that potential changes are monitored and evaluated. The impact of any new IFRS's and IFRIC Interpretations will be evaluated as they are drafted and published.

Financial Instruments and Other Risks

The Corporation's financial instruments consist of cash, short-term deposits, deposits, accounts receivable, accounts payable and accrued liabilities. Management does not believe the financial instruments held by the Corporation expose it to any significant interest, currency or credit risks. The fair market value of these financial instruments approximates their carrying values, unless otherwise noted.

Development and exploration of resource properties involves risks, many of which are outside the Corporation's control. At this stage in the Corporation's development it relies on equity financing for the funds to explore its property and potentially develop any resource that may be found. Future financing could be affected by many factors outside the Corporation's control such as market or commodity price changes and general economic conditions. The Corporation does not have sufficient funds from its current financial resources to put any resource in commercial production. There is no assurance such financing will be available to the Corporation when required, or that it will be available on acceptable terms.

Additional detail on risks and uncertainties is discussed in the prospectus dated January 20, 2010 and the filing statement dated July 9, 2010. Both documents can be found on SEDAR.

Outstanding Share Data

As at December 31, 2011, the Corporation had a total of 60,966,665 common shares issued and outstanding with a recorded value of $23,183,073.

On December 10, 2010, the Corporation announced that it had closed a non-brokered private placement financing for gross proceeds of $6,000,000 comprised of the sale of 24,000,000 common shares at a price of $0.25 per common share.

On December 21, 2010, the Corporation granted options to acquire 800,000 common shares of the Corporation at a price of $0.30 per share to a consultant. The options had an expiry date of December 21, 2012 and vested immediately. All of these options were exercised on February 3, 2011 for cash proceeds of $240,000.

On April 13, 2011, the Corporation announced it had closed the MHC Transaction described above. The Corporation issued 14,000,000 common shares to the shareholders of MHC.

On February 12, 2010, the Corporation granted 1,450,000 incentive stock options to directors, officers, advisors which vested immediately and reserved 50,000 options for charitable organizations. On July 15, 2011, 250,000 of these options were exercised by a former officer of the Corporation for cash proceeds of $25,000.

In connection with the Private Placement Financing a finder's fee in the form of an option to purchase 1,000,000 common shares of the Corporation at $0.25 per common share for two years from the date of closing has been paid. Subsequent to year end, the 1,000,000 finder's options were exercised on October 21, 2011 for cash proceeds of $250,000.

Pursuant to the completion of the Corporation's initial public offering, the Corporation's Agent was granted non-transferable options to purchase 400,000 common shares at a price of $0.10 per common share. Subsequent to year end on November 14, 2011, these options were exercised for cash proceeds of $40,000.

On December 23, 2011, the Corporation announced it had closed a non-brokered private placement financing for gross proceeds of $4,500,000, which comprised the sale of 3,600,000 common shares at a price of $1.25 per share. In connection with this private placement, and in accordance with TSX Venture Exchange Policy, the Corporation paid a finder's fee in the form of a warrant to purchase the number of common shares of GoGold equal to 5.0% of the number of shares subscribed for in the private placement (excluding those shares subscribed for by insiders, which totalled 200,000) and a cash payment equal to 3.5% of the proceeds raised in the private placement (also excluding the shares subscribed for by insiders). The majority of the proceeds from the Private Placement will be used to advance the San Diego property in Durango, Mexico. The Private Placement is subject to approval by the TSX Venture Exchange and closing.

On March 2, 2012, Sigorex Management GmbH exercised 50,000 options of a total 100,000 held at an exercise price of $0.85 per common share for cash proceeds of $42,500. The remaining options expire on November 2, 2012.

On March 22, 2012, 41,666 finder's options were exercised at an exercise price of $0.30 per common share for cash proceeds of $12,499.80. These finder's options were granted in connection with the flow through financing completed as part of the Corporation's qualifying transaction on July 26, 2010.

As of the date of this document, the Corporation has 61,058,331 common shares issued and outstanding and 63,878,331 fully diluted.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that material information is gathered and reported to senior management to permit timely decisions regarding public disclosure. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

TSX Venture-listed companies are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational

Instrument MI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) processes to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

Investor Relations Activities

In addition to the contractual arrangement with Sigorex Management GmbH to provide investor relations services in Europe, the Corporation announced on February 7, 2012 that it had retained the Florida-based firm of Michael Baybak & Co., Inc. ("MBC") as a consultant to provide institutionally oriented investor relations services. MBC will be paid a monthly fee of $6,500 (USD) plus expenses, for the initial twelve month term of the agreement, cancellable upon 30 days notice in writing at any time after the first six months of service. The agreement may be renewed by mutual consent following the completion of the initial term. In addition, the Corporation also agreed to grant 325,000 incentive stock options to Michael Baybak, exercisable at a price of $1.53 for a period of three years. The options will vest quarterly over a period of 12 months.

Other Information

Additional information regarding the Company is available on SEDAR at www.sedar.com.

Dated: March 29, 2012