

GoGold Sold 413,073 Silver Equivalent Ounces for Revenue of \$7.1 Million

Trading Symbol: TSX: GGD
Shares Outstanding: 171,376,481

HALIFAX, May 11, 2017 /CNW/ - **GoGold Resources Inc. (TSX: GGD) ("GoGold", "the Company")** is pleased to announce the release of financial results for the quarter ending March 31, 2017. GoGold recorded revenue of \$7.1 million from the sale of 413,073 silver equivalent ounces with a cash cost per silver equivalent ounce of \$9.80 and an operating income of \$1.8 million for the quarter (All amounts are in U.S. dollars).

Financial Highlights for the quarter ending March 31, 2017:

- Revenue of \$7.1 million from the sale of 413,073 silver equivalent ounces, a realized price of \$17.21 per silver equivalent ounce
- Operating income of \$1.8 million
- Cash flow from operations before changes in non-cash working capital of \$2.4 million, or 1 cent per basic share
- Cash cost per silver equivalent ounce of \$9.80
- All in sustaining cost per silver equivalent ounce of \$11.76
- Produced 422,773 silver equivalent ounces

GoGold produced 4,065 gold ounces and 138,179 silver ounces for a total of 422,773 silver equivalent ounces in the quarter ending March 31, 2017. The Company's Parral project contributed 2,008 gold and 137,606 silver ounces for a total of 278,230 silver equivalent ounces. Parral production continues to increase as improvements to the heap leaching process made in November 2016 take effect, with March marking the seventh consecutive month that production has increased. The Corporation expects to see continued increases in production in the near term. The Santa Gertrudis high grade project produced 2,057 ounces of gold and 573 ounces of silver, for a total of 144,543 silver equivalent ounces.

Financial Highlights for the six months ending March 31, 2017:

- Revenue of \$14.0 million from the sale of 827,014 silver equivalent ounces, a realized price of \$16.89 per silver equivalent ounce
- Operating income of \$4.0 million
- Cash flow from operations before changes in non-cash working capital of \$5.2 million, or 3 cents per basic share
- Cash cost per silver equivalent ounce of \$8.25
- All in sustaining cost per silver equivalent ounce of \$10.41
- Produced 826,318 silver equivalent ounces

Summarized Consolidated Financial Information	Three months ended March 31		Six months ended March 31	
(in thousands USD, except per share and per ounce amounts)	2017	2016	2017	2016
Revenue	\$ 7,111	\$ 5,081	\$ 13,967	\$ 8,082
Cost of sales	4,048	3,532	8,705	5,708
Operating income	1,806	631	4,020	363
Net income (loss)	610	(18,131)	1,271	(19,453)
Cash flow from operations, before changes in non-cash working capital	2,404	1,583	5,222	1,732
Basic net income (loss) per share	\$ 0.00	\$ (0.10)	\$ 0.01	\$ (0.12)
Cash cost per silver equivalent ounce ^{1,2}	9.80	6.58	8.25	6.56
All in sustaining cost per silver equivalent ounce ^{1,2}	11.76	9.25	10.41	9.63
Realized silver price ²	17.21	14.56	16.89	14.22

¹Gold is converted using actual market metal price for the period based on the London Fixed price

²Unaudited non-IFRS measure

This news release should be read in conjunction with the condensed consolidated interim financial statements for the quarter ended March 31, 2017, notes to the financial statements, and management's discussion and analysis for the quarter ended March 31, 2017, which have been filed on SEDAR and are available on the Company's website.

Technical information contained in this news release with respect to GoGold has been reviewed and approved by Mr. Bob Harris, P.Eng., who is a qualified person for the purposes of NI 43-101.

CAUTIONARY STATEMENT:

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to exemptions therefrom. This release does not constitute an offer to sell or a solicitation of an offer to buy of any of GoGold's securities in the United States.

This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the future plans and objectives of GoGold, constitute forward-looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of GoGold and its subsidiaries as a going concern, general economic and market conditions, mineral prices, the accuracy of mineral resource estimates, and the ability to satisfy all conditions to funding of the second tranche under the credit agreement. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information.

Important factors that could cause actual results to differ materially from GoGold's expectations include exploration and development risks associated with the GoGold's projects, the failure to establish estimated mineral resources or mineral reserves, volatility of commodity prices, variations of recovery rates and global economic conditions. For additional information with respect to risk factors applicable to GoGold, reference should be made to GoGold's continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, GoGold's Annual Information Form. The forward-looking information contained in this release is made as of the date of this release.

Cautionary non-IFRS Measures and Additional IFRS Measures

The Company believes that investors use certain non-IFRS and additional IFRS measures as indicators to assess mining companies. They are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with IFRS. Non-IFRS and additional IFRS measures do not have a standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other companies.

Additional IFRS measures that are presented on the face of the Company's consolidated statements of comprehensive income include "Operating income (loss)". These measures are intended to provide an indication of the Company's mine and operating performance. "Cash flow from operating activities before changes in non-cash working capital" is a non-IFRS performance measure that could provide an indication of the Company's ability to generate cash flows from operations,

and is calculated by adding back the change in non-cash working capital to "Net cash used in operating activities" as presented on the Company's consolidated statements of cash flows. Per ounce measures are calculated by dividing the relevant mining and processing costs and total costs by the ounces of metal sold in the period. "Cash costs per ounce" and "all-in sustaining costs per ounce" as used in this analysis are non-IFRS terms typically used by mining companies to assess the level of gross margin available to the Company by subtracting these costs from the unit price realized during the period. These non-IFRS terms are also used to assess the ability of a mining company to generate cash flow from operations. There may be some variation in the method of computation of these metrics as determined by the Company compared with other mining companies. In this context, "cash costs per ounce" reflects the cash operating costs allocated from in-process and dore inventory associated with ounces of silver and gold sold in the period. "Cash costs per ounce" may vary from one period to another due to operating efficiencies, grade of material processed and silver/gold recovery rates in the period. "All-in sustaining costs per ounce" include total cash costs, exploration, corporate and administrative, share based compensation and sustaining capital costs. For a reconciliation of non-IFRS and IFRS measures, please refer to the Management Discussion and Analysis dated May 9, 2017, for the quarter ended March 31, 2017, as presented on SEDAR.

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