MANAGEMENT'S DISCUSSION AND ANALYSIS

For the quarter ended September 30, 2019

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This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations is prepared as at December 11, 2019 and should be read in conjunction with the consolidated financial statements for the year ended September 30, 2019 and the notes thereto for GoGold Resources Inc. (the "Corporation").

The Corporation's consolidated financial statements for the year ended September 30, 2019 have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in thousands of United States dollars ("USD"), with the exception of per ounce costs which are quoted in United States dollars. Additional information relevant to the Corporation's activities can be found on SEDAR at www.sedar.com.

This MD&A contains certain Forward-Looking Statements as disclosed on page 23 of this document, and Non-IFRS measures including cash cost per silver ounce, cash cost per silver equivalent ounce, and all in sustaining cost ("AISC") which are reconciled to IFRS on page 21 of this document.

OVERVIEW

GoGold Resources Inc. is a Canadian company principally engaged in the exploration, development, and production of gold and silver primarily in Mexico. The Corporation's common shares are listed on the Toronto Stock Exchange trading under the symbol GGD.

The Corporation operates the Parral Tailings Project ("Parral") located in the state of Chihuahua, Mexico, and the Los Ricos exploration property ("Los Ricos") located in the state of Jalisco, Mexico.

STRATEGIC UPDATE

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

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

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

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

The Corporation is undergoing a diamond drilling program of HQ size core in conjunction with a field program of geological mapping, sampling and trenching on the property. To date, over 85 holes totalling over 15,000m of HQ size drill core have been completed on the property with two drill machines. The core drilling campaign is focused on defining the mineralized halo around the historical high grade ore shoots as defined by the underground workings and the 65 historical RC drill holes on the property.

The Corporation maintains a healthy balance sheet with good working capital and is in a strong financial position to explore the newly acquired Los Ricos project.

Operational Update

Production in the quarter ending September 30, 2019 ("Q4 2019") was a record 580,711 silver equivalent ounces, compared to 240,939 in the quarter ending September 30, 2018 ("Q4 2018"). Production has increased each quarter for the last year, which is attributed to the increase in stacking of fresh material and recoverable silver equivalent ounces over the past six months. As more of this material comes under leach, it has increased production. Last year, production in Q4 2018 was impacted by a test where material was irrigated on the second life to determine whether compaction of the first lift would be required. The results of the test concluded that compaction of the first lift would be required as without compaction, there is a delay in the recovery of metal from the material processed above on the second lift. Production has increased each quarter since determining how to effectively leach material on the second lift as a result of the completion of the test.

Production for the year was a record 1,781,080 silver equivalent ounces, an increase of 37% from 1,300,046 in 2018, which was the previous record.

Stacking of material was lower in Q4 2019 compared to both Q4 2018 and the previous quarter (June 30, 2019), at 300,263 tonnes, or about 3,300 tonnes per day, as the material which was being stacked during the quarter had clay in it, which takes longer to screen and have properly agglomerated. For the year, stacking in 2019 was comparable to that in 2018, with more fresh tailings placed on the leach pad in 2019 compared to 2018. The increase in fresh tailings was a significant contributor to the increase in production. Management does not foresee any additional rehandling of material in 2020.

Following are key performance indicators of Parral's operations:

Key performance indicator:	**Q4 2018**	**Q1 2019**	**Q2 2019**	**Q3 2019**	**Q4 2019**	**2018**	**2019**
Fresh tailings placed on leach pad	270,837	60,598	477,561	519,643	300,263	748,391	1,358,065
Tailings rehandled	99,751	295,015	1,313	-	-	870,520	296,328
Total tonnes placed and rehandled	370,558	355,613	478,874	519,643	300,263	1,619,061	1,654,393
Recoverable silver equivalent ounces stacked[1,2]	323,000	54,000	640,000	680,000	465,000	869,000	1,839,000
Silver equivalent production (oz)[1]	240,939	325,148	424,210	451,011	580,711	1,300,046	1,781,080
Silver production (oz)	105,623	167,974	288,693	250,073	326,625	774,590	1,033,365
Gold production (oz)	1,665	1,858	1,613	2,281	2,921	6,655	8,673
Cash cost (per silver equivalent oz)[3]	$39.98	$15.80	$10.75	$10.72	$11.62	$18.00	$11.80
Adjusted cash cost (per silver equivalent oz)[3,4]	$7.92	$12.32	$10.11	$10.72	$11.62	$10.20	$11.09
Cash cost (per silver oz)[3]	$68.21	$17.29	$8.37	$7.87	$7.27	$19.49	$9.06
Adjusted cash cost (per silver oz)[3,4]	$1.07	$10.09	$7.39	$7.87	$7.27	$6.24	$7.82
AISC per silver equivalent ounce[5]	$44.55	$20.25	$14.08	$13.61	$13.78	$22.25	$14.82
Adjusted AISC per silver equivalent ounce[4]	$12.50	$16.77	$13.44	$13.61	$13.78	$14.46	$14.11

1. "Silver equivalent production" include gold ounces produced and sold converted to a silver equivalent based on a ratio of the average market metal price for each period. The ratio for each of the periods presented was: Q4 2018 – 81, Q1 2019 – 85, Q2 2019 – 84, Q3 2019 – 88, Q4 2019 – 87.
2. Excluding ounces included in rehandled tailings.
3. Non-IFRS measure, reconciliation on page 21.
4. For comparability purposes, adjusted costs are calculated excluding net realizable value of inventory adjustments to cash production costs, as they are out of period costs. See Page 21.

Cash costs per silver equivalent ounce were $11.62 in Q4 2019, which is a significant decrease from Q4 2018 at $39.98. Q4 2018 included a write down of inventory for ounces which were on the heap leach pad which were deemed to be non-recoverable, the net effect of this was an adjustment of $10,201 included in cash costs in the quarter which resulted in the increased cash costs in 2018. Cash costs in Q4 2019 were up from those in Q2 and Q3 2019, due mainly to the decrease in tonnes stacked in the quarter. On an annual basis, costs were $11.80 per silver equivalent ounce in 2019, compared to $18.00 which was higher due to the inventory write off. Adjusting for this, cash costs were $10.20 in 2018 compared to $11.09 in 2019. Much of the increase is due to an increase in cyanide used during the year, which helped drive an increase in production.

All in sustaining costs ("AISC") were $13.78 in Q4 2019, compared to $44.55 in Q4 2018, with the variance mainly attributed to the inventory write off. AISC for the last three quarters has been fairly consistent, between $13.61 and $14.08. For the year, AISC was $14.82 compared to $22.25 in 2018. Excluding the write off of inventory, AISC was comparable over the years at $14.46 in 2018, compared to 14.11 in 2019.

LOS RICOS

During the year, the Corporation acquired the rights to the Los Ricos concessions as per the details in the Strategic Update section on page 3.

The Los Ricos property is made up of 29 concessions and covers over 22,000 hectares and is home to several historical mining operations. The property is located roughly 100 km northwest of the city of Guadalajara and is easily accessible by paved road. There are 65 historical drill holes on the property from 2003 and 2004, and the majority of them intercepted mineralization from near surface. There are numerous historical underground workings on the property, which date as far back as early Spanish colonial times, but are primarily from operations in the early twentieth century when Marcus Daly Jr., the son of the founder of the Anaconda Copper Company, developed it into a modern mine producing up to 500 tonnes of ore per day by the time it closed in 1930 due to the stock market crash.

Drilling Program

The Corporation is carrying out a diamond drilling program of HQ size core in conjunction with a field program of geological mapping, sampling and trenching on the property. The drilling program on the Los Ricos deposit has focused on testing the top 200 metres of the mineralized zone to determine the potential for surface mining. In mid-October 2019, GoGold completed the Phase 1 diamond drilling program consisting of 10,000 m of HQ size diamond drill core that began in March 2019. The Phase II program has started and a third drill machine was added to the program in October, with a total of over 15,000m drilled to date. This work includes "twinning" selected historical RC drill holes completed by TUMI Resources in 2004; completing new holes on 25m spaced "infill" sections; completing new deeper holes down dip beneath the historical RC drill holes; and testing the strike extension of the deposit to the north of the underground workings. The drilling program is intersecting substantial widths, gold and silver grades.

As of the date of this document, the Corporation has received the results of 84 diamond drill core holes, of which 3 were laid out to "twin" the historical RC drill holes which were completed by TUMI Resources in 2004. The three twinned holes all entered and exited the mineralized zone at similar depths, with two of the

Corporation's drill holes showing gold equivalent grades approximately 70% higher than the historical holes, while the third drill hole showed similar gold equivalent grades.

The drilling program has provided strong results with numerous high grade intercepts as shown below in the table showing all of the Corporation's drilling results to date.

Hole ID	Comment	From (m)	To (m)	Length[1] (m)	Au (g/t)	Ag (g/t)	AuEq[2] (g/t)	AgEq[3] (g/t)
LRGG-19-001	**Main**	**71**	**106.5**	**35.5**	**1.24**	**284.7**	**5.04**	**378**
	HW zone	71	81	10	1.27	249.1	4.59	344.3
	Open Stope[4]	81	82.5	1.5	*	*	*	*
	FW zone	82.5	106.5	24	1.31	317.3	5.54	415.5
	including	91.5	98	6.5	3.32	905.8	15.39	1154.3
LRGG-19-002	**Main**	**26.5**	**54.1**	**27.6**	**1.56**	**159**	**3.68**	**276.0**
	including	28.4	34	5.6	5.52	525	12.52	939.0
LRGG-19-003	**Main**	**145**	**165.4**	**20.4**	**2.21**	**318.7**	**6.45**	**483.8**
	including	145	155.5	10.5	4.26	608	12.36	927.0
	including	146	153.2	7.2	6.17	869.5	17.77	1332.8
LRGG-19-004	**Main**	**96.5**	**99**	**2.5**	**0.04**	**27.2**	**0.4**	**30.0**
LRGG-19-005	**Main**	**121**	**131.8**	**10.8**	**0.19**	**53.8**	**0.91**	**68.3**
LRGG-19-006	**Main**	**107.1**	**132**	**25**	**0.33**	**35.7**	**0.81**	**60.8**
	including	119.7	122.5	2.8	1.41	52.6	2.11	158.3
LRGG-19-007	**Main**	**149.5**	**161.2**	**11.7**	**0.68**	**88.8**	**1.87**	**140.3**
	including	163	169.1	6.1	0.58	141.9	2.47	185.3
LRGG-19-008	**Main**	**109.4**	**131.7**	**22.4**	**4.13**	**182.1**	**6.55**	**491.3**
	including	127.5	130.5	3	25.08	533.9	32.2	2415.0
	and	134.7	147.6	12.9	0.17	31.5	0.59	44.3
LRGG-19-009	**Main**	**34.5**	**55.7**	**21.2**	**7.66**	**1270.2**	**24.6**	**1845.0**
	including	37.8	44.7	6.9	21.97	3717.6	71.54	5365.5
LRGG-19-010	Open Stope[4]	97.5	99	1.5	*	*	*	*
	Main	**99**	**117.8**	**18.8**	**0.37**	**67.9**	**1.27**	**95.3**
	including	102.2	106.7	4.5	0.96	119.5	2.55	191.3
LRGG-19-011	**Main**	**253**	**271.5**	**18.5**	**1.2**	**140.3**	**3.07**	**230.3**
	including	261.8	270.3	8.4	2.16	227.8	5.19	389.3
LRGG-19-012	**Main**	**220.3**	**238**	**17.8**	**0.59**	**82.7**	**1.69**	**126.8**
	including	224.5	238	13.5	0.77	100.4	2.11	158.3
	including	228.5	235.5	7	1.16	131.9	2.92	219.0
LRGG-19-013	**Main**	**163.9**	**179.5**	**15.6**	**0.78**	**194.7**	**3.38**	**253.5**
	including	166	174.8	8.8	1.3	296.5	5.25	393.8
	including	166	168.2	2.2	2.09	331.7	6.52	489.0
LRGG-19-014	**Main**	**204.3**	**218.5**	**14.2**	**1.1**	**126.8**	**2.79**	**209.3**
	including	208.3	216	7.7	1.94	209.3	4.73	354.8
	and	224.5	228	3.5	0.16	26.5	0.51	38.3
LRGG-19-015	**Main**	**23.4**	**40.5**	**17.1**	**0.71**	**67.9**	**1.62**	**121.5**
	including	27	32.6	5.6	1.68	137.2	3.51	263.3

Hole ID	Comment	From (m)	To (m)	Length[1] (m)	Au (g/t)	Ag (g/t)	AuEq[2] (g/t)	AgEq[3] (g/t)
	Open Stope[4]	40.5	43.7	3.2	*	*	*	*
	Main	**43.7**	**54**	**10.3**	**1.19**	**85**	**2.33**	**174.8**
	including	43.7	49	5.3	2.02	138.1	3.87	290.3
LRGG-19-016	**Main**	**80.8**	**85.8**	**5**	**0.52**	**160.6**	**2.66**	**199.5**
	Open Stope[4]	85.8	88.3	2.5	*	*	*	*
	including	91.7	98.1	6.3	2.14	336.7	6.63	497.3
LRGG-19-017	**Main**	**83.2**	**115.2**	**32**	**0.8**	**178.8**	**3.18**	**238.5**
	including	83.2	94.5	11.3	1.46	347.8	6.1	457.5
LRGG-19-018	**Main**	**258.5**	**279.9**	**21.4**	**0.81**	**170.1**	**3.08**	**231.0**
	including	263.2	276	12.9	1.24	262.4	4.74	355.5
	including	268.5	276	7.5	1.78	342.4	6.35	476.3
LRGG-19-019	**Main**	**23**	**27.5**	**4.5**	**1.5**	**196.6**	**4.13**	**309.8**
	Open Stope[4]	27.5	29.7	2.2	*	*	*	*
	Main	**29.7**	**43.5**	**13.8**	**0.63**	**86**	**1.78**	**133.5**
	including	29.7	33.9	4.2	1.52	198.3	4.17	312.8
LRGG-19-020	**Main**	**43.8**	**58.7**	**14.9**	**1.78**	**106.4**	**3.2**	**240.0**
	including	45	52	7	3.48	155.6	5.55	416.3
LRGG-19-021	**Main**	**9**	**16.5**	**7.5**	**0.09**	**18.1**	**0.33**	**24.8**
	Open Stope[4]	16.5	22.5	6	*	*	*	*
	Main	**22.5**	**38.1**	**15.6**	**1.15**	**113.5**	**2.67**	**200.3**
	including	22.5	29	6.5	2.38	236.5	5.54	415.5
LRGG-19-022	**Main**	**170.4**	**193.7**	**23.3**	**1.78**	**201.5**	**4.47**	**335.3**
	including	171.5	181.5	10	3.58	389.6	8.78	658.5
LRGG-19-023	**Main**	**34**	**58**	**24**	**0.61**	**126**	**2.29**	**171.8**
	including	34	48.7	14.7	0.93	200.8	3.61	270.8
LRGG-19-024	**Main**	**25**	**30**	**5**	**0.36**	**30.8**	**0.77**	**57.8**
LRGG-19-025	**Main**	**34.9**	**59.5**	**24.6**	**1.3**	**135**	**3.1**	**232.5**
	including	34.9	50.4	15.5	2	203.3	4.71	353.3
LRGG-19-026	**Main**	**4**	**9.7**	**5.7**	**1.29**	**201.1**	**3.98**	**298.5**
	Open Stope[4]	9.7	11.3	1.6	*	*	*	*
	Main	**11.3**	**29.5**	**18.2**	**0.16**	**34.5**	**0.62**	**46.5**
LRGG-19-027	**Main**	**38.3**	**51**	**12.7**	**1.08**	**169.8**	**3.34**	**250.5**
	including	38.3	45	6.7	1.83	268.1	5.4	405.0
	and	60	65	5.1	0.28	23.4	0.59	44.3
LRGG-19-028	**Main**	**34.5**	**62**	**27.5**	**1.21**	**133.5**	**2.99**	**224.3**
	including	35.1	46	11	2.93	293.9	6.85	513.8
LRGG-19-029	**Main**	**28.5**	**31.5**	**3**	**0.99**	**157.1**	**3.09**	**231.8**
	Open Stope[4]	31.5	34.1	2.6	*	*	*	*
	Main	**34.1**	**34.7**	**0.6**	**1.64**	**300.3**	**5.64**	**423.0**
	Open Stope[4]	34.7	39	4.3	*	*	*	*
	Main	**39**	**41**	**2**	**0.12**	**19.4**	**0.38**	**28.5**

Hole ID	Comment	From (m)	To (m)	Length[1] (m)	Au (g/t)	Ag (g/t)	AuEq[2] (g/t)	AgEq[3] (g/t)
LRGG-19-030	**San Juan**	**128.7**	**145.5**	**16.9**	**0.54**	**67.8**	**1.45**	**108.8**
	including	138	143	5	1.46	147.9	3.43	257.3
LRGG-19-031	**Main**	**25.5**	**31.7**	**6.2**	**1.17**	**157.8**	**3.27**	**245.3**
LRGG-19-032	**Main[5]**	**38.5**	**56**	**15.5**	**0.53**	**84.2**	**1.66**	**124.5**
	including	38.5	47.2	8.7	0.75	94.3	2.01	150.8
	including	42.3	45	2.7	2.04	216.6	4.93	369.8
LRGG-19-033	**Main[6]**	**31**	**53.5**	**17.1**	**1.59**	**364.2**	**6.45**	**483.8**
	including	31	36.6	5.6	3.81	818.1	14.72	1104.0
	including	43	53.5	10.5	0.52	142.5	2.42	181.5
LRGG-19-034	**Main[7]**	**103.5**	**126**	**20.1**	**0.92**	**177.2**	**3.28**	**246.0**
	Including	105	109.9	4.9	3.41	620.7	11.68	876.0
LRGG-19-035	**Main**	**119.9**	**144.3**	**24.4**	**1.29**	**127.4**	**2.99**	**224.3**
	including	124.7	134.5	9.8	3	258	6.44	483.0
LRGG-19-036	**Main**	**78**	**98**	**20**	**0.28**	**102.9**	**1.65**	**123.8**
LRGG-19-037	**Main**	**73**	**91.6**	**18.6**	**0.33**	**53.7**	**1.05**	**78.8**
	including	76	80.8	4.8	0.77	117.8	2.34	175.5
LRGG-19-038	**Main[8]**	**99.0**	**124.5**	**21.2***	**0.72**	**164.7**	**2.92**	**219.0**
	Including	100.5	110.7	10.2	1.33	302.2	5.36	402.0
LRGG-19-040	**Main[9]**	**42.0**	**63.6**	**17.5***	**0.40**	**115.0**	**1.93**	**144.8**
	including	42.0	46.5	4.5	0.89	281.5	4.64	348.0
LRGG-19-041	**Main[10]**	**97.5**	**126.0**	**23.3**	**1.14**	**115.5**	**2.68**	**201.0**
	including	99.8	105.2	5.5	4.60	398.0	9.91	743.3
LRGG-19-042	**Main[11]**	**28.0**	**58.5**	**29.2***	**0.47**	**69.5**	**1.40**	**105.0**
	including	31.0	37.7	6.7	1.65	223.9	4.63	347.3
LRGG-19-044	**San Juan**	**31.8**	**50.5**	**18.8**	**0.29**	**33.4**	**0.73**	**54.8**
	including	35.5	39.0	4.5	0.50	27.4	0.86	64.5
LRGG-19-045	**San Juan**	**61.0**	**81.0**	**20.0**	**0.59**	**33.7**	**1.04**	**78.0**
	including	67.5	71.0	3.5	2.92	90.9	4.13	309.8
LRGG-19-046	**San Juan**	**99.5**	**135.5**	**36.0**	**0.36**	**62.2**	**1.19**	**89.3**
	including	129.0	134.5	5.5	1.30	220.5	4.24	318.0
LRGG 19-047	**San Juan**	**83.5**	**97.5**	**14**	**0.16**	**23.5**	**0.47**	**35.3**
LRGG 19-047	**San Juan**	**89.1**	**110.1**	**21**	**1.38**	**145.9**	**3.33**	**249.8**
	including	89.1	99	9.9	2.76	258.6	6.21	465.8
	including	91	96	5	4.36	436.2	10.17	762.8
LRGG 19-048	**Main**	**7.9**	**20.1**	**12.2**	**0.1**	**47.3**	**0.73**	**54.8**
	Main	**39.0**	**51.0**	**12.0**	**0.76**	**108.4**	**2.21**	**165.8**
	including	40.2	47.5	7.3	1.02	155.6	3.10	232.5
LRGG-19-050	**San Juan**	**15.0**	**60.3**	**45.3**	**0.39**	**76.3**	**1.41**	**105.8**
	including	37.5	54.2	16.7	0.84	147.4	2.81	210.8
	including	48.0	54.2	6.2	1.01	241.7	4.23	317.3
LRGG-19-051	**San Juan**	**0.0**	**24.0**	**24.0**	**0.40**	**86.4**	**1.55**	**116.3**

Hole ID	Comment	From (m)	To (m)	Length[1] (m)	Au (g/t)	Ag (g/t)	AuEq[2] (g/t)	AgEq[3] (g/t)
	San Juan	**45.7**	**70.0**	**24.3**	**0.58**	**51.0**	**1.26**	**94.5**
	including	47.8	54.0	6.2	1.67	86.2	2.82	211.5
LRGG-19-052	**San Juan[12]**	**83.5**	**108.0**	**22.5**	**0.32**	**64.4**	**1.18**	**88.5**
	Including[12]	84.5	94.0	7.5	0.87	125.8	2.55	191.3
	Including	91.0	94.0	3.0	0.68	226.6	3.70	277.5
LRGG-19-053	**El Troce**	**130.9**	**141.0**	**10.1**	**1.53**	**164.3**	**3.72**	**279.0**
	Including	135.0	137.8	2.8	5.22	489.5	11.75	881.3
LRGG-19-054	**San Juan[13]**	**25.0**	**43.0**	**16.5**	**0.74**	**93.5**	**1.98**	**148.5**
	Including	37.5	41.6	4.1	2.78	233.1	5.89	441.8
LRGG-19-055	**Main[14]**	**290.1**	**307.5**	**14.4**	**0.58**	**75.1**	**1.59**	**119.3**
LRGG-19-056	**Main[15]**	**296.0**	**325.0**	**26.0**	**0.50**	**185.5**	**2.97**	**222.8**
	including	312.0	316.0	4.0	1.89	920.0	14.16	1,062.1
LRGG-19-057	**Main**	**230.4**	**244.5**	**14.1**	**0.91**	**130.6**	**2.65**	**199.1**
	including	237.8	243.0	5.3	2.14	252.5	5.50	412.8
LRGG-19-058	**El Troce**	**32.3**	**45.0**	**12.8**	**0.16**	**35.7**	**0.64**	**47.8**
LRGG-19-059	**El Troce[16]**	**10.5**	**24.6**	**11.0**	**0.94**	**133.7**	**2.72**	**204.2**
	Including[17]	14.3	19.0	3.5	1.95	277.2	5.65	423.4
LRGG-19-060	**El Troce**	**0.0**	**16.0**	**16.0**	**0.32**	**65.5**	**1.19**	**89.5**
	Including	9.0	12.0	3.0	0.83	161.8	2.98	223.8
LRGG-19-061	**Main[18]**	**324.4**	**349.2**	**18.0**	**0.08**	**54.2**	**0.80**	**60.3**
	including	337.7	340.8	3.1	0.04	108.5	1.49	111.9
LRGG-19-062	**San Juan**	**88.5**	**106.5**	**18.0**	**0.20**	**45.1**	**0.80**	**59.7**
	including	90.0	93.0	3.0	0.63	118.0	2.20	165.3
LRGG-19-063	**Main**	**98.0**	**122.5**	**24.5**	**0.53**	**85.3**	**1.67**	**125.1**
	including	103.5	108.9	5.3	1.90	228.8	4.96	371.6
LRGG-19-064	**Main**	**112.0**	**127.5**	**15.5**	**0.25**	**52.4**	**0.95**	**71.2**
LRGG-19-065	**Main[19]**	276.0	291.0	13.1	0.23	83.9	1.35	101.1
	including	281.0	286.4	5.4	0.50	154.7	2.57	192.4
LRGG-19-066	**San Juan**	**140.5**	**155.5**	**15.0**	**0.32**	**44.8**	**0.91**	**68.5**
LRGG-19-067	**San Juan**	**88.5**	**101.5**	**13.0**	**0.15**	**30.7**	**0.56**	**41.9**
LRGG-19-068	**Main South**	**161.9**	**169.7**	**7.8**	**0.92**	**161.1**	**3.07**	**230.1**
	including	162.8	166.0	3.2	2.14	361.4	6.96	521.7
LRGG-19-069	**San Juan[20]**	**107.0**	**128.5**	**16.3**	**1.11**	**103.0**	**2.48**	**186.1**
	including	120.8	123.8	3.0	3.56	351.2	8.24	618.0
LRGG-19-070	**Main South**	**119.1**	**128.7**	**9.6**	**0.02**	**14.3**	**0.21**	**15.6**
LRGG-19-071	**San Juan**	101.6	120.8	19.2	0.28	53.8	1.00	75.0
LRGG-19-072	**Main South**	101.6	120.8	19.2	0.28	53.8	1.00	75.0
LRGG-19-073	**San Juan[21]**	59.8	96.5	33.5	1.12	116.7	2.67	200.4
	Including	64.5	74.0	9.5	3.01	183.9	5.47	409.9
	Including	86.0	89.0	3.0	1.81	291.4	5.70	427.4
LRGG-19-074	**Main[22]**	346.2	383.9	34.3	0.23	62.6	1.06	79.8

Hole ID	Comment	From (m)	To (m)	Length[1] (m)	Au (g/t)	Ag (g/t)	AuEq[2] (g/t)	AgEq[3] (g/t)
LRGG-19-075	**Main South**	153.8	160.0	6.2	0.23	15.3	0.43	32.4
LRGG-19-076	**San Juan**	106.5	145.0	38.5	0.73	123.4	2.38	178.2
	including	122.4	128.2	5.8	1.70	260.3	5.17	387.5
	including	136.0	142.0	6.0	1.58	220.0	4.51	338.5
LRGG-19-077	**San Juan**	112.5	138.5	26.0	1.03	94.5	2.29	171.7
	including	115.5	119.8	4.3	4.28	241.1	7.49	561.9
LRGC-19-001	**Cerro Colorado**	**23.3**	**27.2**	**3.9**	**1.59**	**177.3**	**3.95**	**296.3**
LRGC-19-001	**Cerro Colorado**	**23.3**	**27.2**	**3.9**	**1.59**	**177.3**	**3.95**	**296.3**
LRGC-19-002	**Cerro Colorado**	**0**	**3.5**	**3.5**	**3.27**	**90.4**	**4.47**	**335.3**
LRGC-19-003	**Cerro Colorado**	**2**	**8.5**	**6.5**	**1.38**	**39**	**1.9**	**142.5**
LRGC-19-004	**Cerro Colorado**	**6.5**	**18**	**11.5**	**1.28**	**107.2**	**2.71**	**203.3**
	including	7.3	11	3.7	3.36	294.6	7.29	546.8
LRGC-19-005	**Cerro Colorado**	**30**	**37**	**7**	**0.18**	**11.5**	**0.33**	**24.8**
	and	43.5	56.5	13	0.12	16.4	0.34	25.5
LRGC-19-006	**Cerro Colorado**	**0**	**11.5**	**11.5**	**0.56**	**10.3**	**0.7**	**52.5**
LRGC-19-007	**Cerro Colorado**	**53.8**	**56**	**2.2**	**0.28**	**27.3**	**0.64**	**48.0**
	and	68.5	77	8.5	0.06	15.7	0.27	20.3

1. Not true width
2. AuEq converted using a silver to gold ratio of 75:1
3. AgEq converted using a gold to silver ratio of 75:1
4. Voids from historical underground workings, no sample
5. Excludes 2.0m of open stopes from historical underground workings
6. Excludes 5.4m of open stopes from historical underground workings
7. Excludes 2.4m of open stopes from historical underground workings
8. Excludes 4.3m of open stopes from historical underground workings
9. Excludes 4.1m of open stopes from historical underground workings
10. Excludes 5.2m of open stopes from historical underground workings
11. Excludes 1.4m of open stopes from historical underground workings
12. Excludes 2.0m of open stopes from historical underground workings
13. Excludes 1.5m of open stopes from historical underground workings
14. Excludes 3.0m of open stopes from historical underground workings
15. Excludes 3.0m of open stopes from historical underground workings
16. Excludes 3.1m of open stopes from historical underground workings
17. Excludes 1.8m of open stopes from historical underground workings
18. Excludes 6.8m of open stopes from historical underground workings
19. Excludes 1.9m of open stopes from historical underground workings
20. Excludes 5.3m of open stopes from historical underground workings
21. Excludes 3.3m of open stopes from historical underground workings
22. Excludes 3.5m of open stopes from historical underground workings

Process

The diamond drill core (HQ size) is geologically logged, photographed and marked for sampling. When the sample lengths are determined, the full core is sawn with a diamond blade core saw with one half of the core being bagged and tagged for assay. The remaining half portion is returned to the core trays for storage and/or for metallurgical test work.

The sealed and tagged sample bags are transported to the ActLabs facility in Zacatecas, Mexico. ActLabs crushes the samples and prepares 200-300 gram pulp samples with ninety percent passing Tyler 150 mesh

(106µm). The pulps are assayed for gold using a 50 gram charge by fire assay (Code 1A2-50) and over limits greater than 10 grams per tonne are re-assayed using a gravimetric finish (Code 1A3-50). Silver and multi-element analysis is completed using total digestion (Code 1F2 Total Digestion ICP). Over limits greater than 100 grams per tonne silver are re-assayed using a gravimetric finish (Code 8-Ag FA-GRAV Ag).

Quality assurance and quality control ("QA/QC") procedures monitor the chain-of-custody of the samples and includes the systematic insertion and monitoring of appropriate reference materials (certified standards, blanks and duplicates) into the sample strings. The results of the assaying of the QA/QC material included in each batch are tracked to ensure the integrity of the assay data. All results stated above have passed the Corporation's QA/QC protocols.

Historical Drilling

The historical RC drill holes were completed by Tumi Resources Ltd. between April 2003 and July 2004, which include the following drill holes:

Hole ID	Width (m)	True Width (m)	Au (g/t)	Ag (g/t)	AuEq[1] (g/t)
CMDD-16	4.45	4.17	3.63	473	9.94
CMRC-20	24.00	21.80	1.56	248	4.87
CMRC-30	20.00	16.40	3.20	845	14.47
CMRC-33	18.00	10.30	1.00	160	3.13
CMRC-34	35.00	20.10	1.50	289	5.35
CMRC-46	12.00	11.60	0.68	152	2.71
CMRC-48	28.00	25.40	0.78	93	2.02
CMRC-49	20.00	18.10	2.37	249	5.69
CMRC-51	14.00	10.70	1.05	437	6.88

1. AuEq converted using a silver to gold ratio of 75:1

The quality assurance and quality controls ("QA/QC") programs used by Tumi Resources Inc. in 2003 and 2004 for the core and RC drilling programs are fully described and documented in the NI 43-101 "Summary Report on the Geology and Exploration Programs, Cinco Minas Project" dated August 18, 2004 by John Nebocat, P. Eng., a copy of which is available on SEDAR as filed by Kingsmen Resources Ltd. on Dec 2, 2004. Drilling results in the table above are from the same report. All samples from the drilling programs were analyzed by IPL Laboratories in Vancouver, BC for gold and silver using the fire assay – atomic absorption method; gold values greater than 1000 ppb Au were rechecked by fire assay – gravimetric methods. The QA/QC program also included inserting commercial reference control standard materials for gold and silver along with duplicate check sampling. The results of both the standards and the check samples came out very well with no significant discrepancies.

Trenching

In addition to the drilling program described above, the Corporation completed trenching in other areas of the property, including the Cerro Colorado area, which is approximately 1.5km south of the Main area of the project. Highlights of the trenching program at Cerro Colorado include Composite 2, at an estimated true length of 16.0m and gold equivalent grade of 5.02 g/t, and Composite 5 at a length of 18.0m and gold equivalent grade of 4.45 g/t. (See press release dated May 30, 2019 for full details).

Expenditures

A summary of the additions to the Los Ricos project for the year ended September 30, 2019:

	Cash Paid	Remaining Obligation	Share Consideration	Total
Option Agreement	$ 583	$ -	$ -	$ 583
Concession Agreements	613	2,972	3,534	7,119
NSR Agreement	28	903	1,905	2,836
Drilling and exploration expenditures	1,817	-	-	1,817
Total	**$ 3,041**	**$ 3,875**	**$ 5,439**	**$ 12,355**

Drilling and exploration expenditures include drilling costs for 62 holes totaling 8,919m of HQ size drill core, with assayed results received and reported on 50 drill holes as of September 30, 2019. The remaining obligations above are recorded at the discounted amount based on estimated timing of payment and is being accreted to the principal amount over the estimated term using the effective interest method with an effective average interest rate of 5%. The Los Ricos concessions have been pledged as security for the remaining obligations.

SELECTED ANNUAL INFORMATION

Fiscal Periods ended September 30	2019	2018	2017
Revenues	$ 26,972	$ 21,016	$ 17,045
Cost of sales	26,682	45,294	23,179
General and administrative expenses	4,700	4,134	3,609
Operating loss	(4,410)	(28,412)	(9,743)
Net income (loss) from continuing operations	8,114	(73,245)	(1,402)
Net income from discontinued operations	-	29,552	818
Net income (loss)	8,114	(43,693)	(584)
Basic and diluted net income (loss) per share	0.05	(0.43)	(0.00)
Total assets	84,742	64,556	160,210
Current portion, long term liabilities	-	-	46,309
Total long-term liabilities	-	-	3,271
Cash dividends per common share	-	-	-

The Corporation recorded record revenue of $26,972 attributed to the sale of 1,005,899 silver and 8,752 gold ounces for 1,758,307 silver equivalent ounces, as compared to revenue of $21,016 attributed to the sale of 781,672 silver and 6,933 gold ounces for 1,328,119 silver equivalent ounces in 2018. The increase in number of ounces sold is comparable to the increase in production as described previously. The Corporation realized an average price of $15.24 per silver ounce sold in 2019 as compared to $15.79 in the prior year, and an average price of $1,330 per gold ounce sold in 2019 as compared to $1,251 in the prior year.

Cost of sales were $26,682 in 2019, a decrease from $45,294 in 2018, and included cash costs of $19,508, amortization and depletion of $5,685 and a net realizable value adjustment of $1,489 on inventory. The cash component increased from $13,553 in 2018, principally due to the increase in ounces sold. The prior year included an inventory write down of $13,893 as an assessment was completed regarding the future recoverability of in process inventory. As a result of this analysis, 649,095 silver and 4,377 gold ounces contained in in process inventory were deemed to no longer be recoverable. Inventory adjustments were $12,726 in 2018 compared to $1,489 in 2019, these adjustments are attributed to the carrying value of the inventory plus the future costs to bring the inventory to a saleable state being greater than the net realizable value of the inventory based on an estimate of future metal prices.

General and administrative expenses increased by $566 from $4,134 in 2018 to $4,700 in 2019. Components of the increase include an increase in stock based compensation of $193, from $273 in 2018 to $466 in 2019, as well as increases in non-stock compensation of $329, from $2,285 in 2018 to $2,614 in 2019.

The Corporation generated net income of $8,114 due principally to the $11,837 gain on the sale of the Santa Gertrudis royalty which occurred in November 2018, and a gain of $3,215 on marketable securities. When the Corporation sold the Santa Gertrudis royalty, management elected to take payment half in cash and half in shares of the acquiring company, Metalla Royalty and Streaming Ltd. ("Metalla"), which resulted in the gain on marketable securities. These two items are offset by non-cash tax expense of $1,890 related principally to that transaction, and general and administrative expense of $4,700. Net loss in 2018 was $43,693, consisting mainly of an impairment on the Parral project of $48,157, and operating losses of $28,412, offset by the income from discontinued operations which includes the sale of Santa Gertrudis which occurred in November 2017.

SUMMARY OF QUARTERLY RESULTS

Quarter ending	Revenue	Cost of Sales	General and Admin.	Net Income (Loss) from Continuing Operations	Net Income (Loss) from Discontinued Operations	Net Income (Loss)	Shareholder's Equity	Net Income (Loss) per Share
Sept 30, 2019	$ 9,709	$ 8,505	$ 1,200	$ 751	$ -	$ 751	$ 72,811	$ 0.00
Jun 30, 2019	6,383	6,062	1,224	(3,227)	-	(3,227)	66,568	(0.02)
Mar 31, 2019	7,030	6,678	1,139	2,437	-	2,437	69,386	0.02
Dec 31, 2018	3,850	5,437	1,137	8,153	-	8,153	66,449	0.05
Sept 30, 2018	3,492	25,610	971	(67,915)	(605)	(68,520)	58,934	(0.39)
June 30, 2018	6,289	8,588	1,032	(3,626)	-	(3,626)	127,240	(0.02)
Mar 31, 2018	5,403	5,030	1,083	(41)	-	(41)	130,458	(0.00)
Dec 31, 2017[1]	5,832	6,066	1,041	(1,663)	30,157	28,494	130,808	0.15

[1] The amounts of cost of sales and income from continuing and discontinued operations reported in the quarter ending December 31, 2017 have been revised from the amounts previously reported to reclassify $1,541 of expenses related to the discontinued operations that had been originally reported as part of comprehensive loss.

In Q4 2019, the Corporation recorded revenue of $9,709 on 572,435 silver equivalent ounces sold at an average realized price of $16.96, compared to sales of $3,492 on 241,774 silver equivalent ounces sold at an average realized price of $14.44 in Q4 2018. The 572,435 ounces sold is comparable to the ounces produced in the quarter, while the increase in the average sales price is attributed to the increase in the market price of silver. Market silver prices were $14.99 in Q4 2018, compared to $17.04 in Q4 2019. The difference between the average market price and the average realized price is attributed to the Corporation's offtake agreement.

Cost of sales in Q4 2019 were $8,505, compared to $25,610 in Q4 2018. Components of costs of sales in Q4 2019 included $6,653 of cash, or $11.62 per ounce, and $1,852 of depreciation. Costs in Q4 2018 included the inventory writedown of $13,893, as well as a negative adjustment to the net realizable value of inventory of $4,961. There were no similar adjustments in Q4 2019. General and administrative expenses increased $229 in Q4 2019 to $1,200 compared to $971 in Q4 2018. Components of the increase include professional fees, regulatory attributed to the listing on the OTCQX, compensation, and stock based compensation.

The Corporation generated net income of $751 in Q4 2019, which is principally attributable to the gross profit from Parral's operations of $1,204 and a gain on the market value of marketable securities of $1,180, offset by general and administrative expenses of $1,200, foreign exchange losses of $201, and a loss on the market value of the derivative liability of $178. In the quarter ending September 30, 2018, an assessment of the carrying value of the assets of Parral was completed, resulting in an impairment of $48,157, which, combined with the operating losses outlined above, contributed to the net loss of $68,520.

Shareholders' equity was $72,811 at September 30, 2019 compared to $66,568 at June 30, 2019, due to comprehensive income for the period of $691, stock based compensation of $126 and the shares issued for the Los Ricos acquisition.

LIQUIDITY AND CAPITAL RESOURCES

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 funds from operations. 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.

Cash Flows

Cash flows (to) from:	Sept 30, 2019	Sept 30, 2018
Operating activities before change in non-cash working capital	$ 2,974	$ 3,038
Non-cash working capital	(14,838)	(19,540)
Operating activities	(11,864)	(16,502)
Investing activities	5,918	73,597
Financing activities	-	(53,477)
Effect of foreign exchange	78	52
Net (decrease) increase in cash and cash equivalents	**$ (5,868)**	**$ 3,670**

The Corporation generated cash from operations before changes in non-cash working capital of $2,974 in 2019 compared to $3,038 in 2018. In 2019, changes to non-cash working capital of $14,838 included a build in inventory at Parral of $11,963, as well as an increase in input tax recoverable of $2,956. 2018 changes to non-cash working capital were $19,540, and included a decrease in trade and other payables of $10,354 and inventory build of $7,912.

Investing activities in 2019 included the net cash proceeds of $5,837 from the sale of the Santa Gertrudis royalty as well as the sale of marketable securities of $4,582, offset by additions to Parral of $1,806 related principally to the SART plant, as well as $2,695 related to exploration and evaluation at Los Ricos. The $73,597 cash inflows from investing activities in 2018 included the net cash proceeds from the sale of Santa Gertrudis of $76,770, offset by additions to Parral of $3,173. There were no financing activities in 2019, and 2018 included $54,000 of repayment debt offset by proceeds from warrants of $523 for net outflows of $53,477.

Working Capital

A summary of the Corporation's working capital is as follows:

	Sept 30, 2019	Sept 30, 2018
Current assets	$ 21,463	$ 18,721
Current liabilities	(8,298)	(3,818)
Working capital	**$ 13,165**	**$ 14,903**

Working capital decreased in the period due to the change in cash as described above, increases to current liabilities associated principally with Los Ricos as well as Parral, and offset by an increase in trade receivables and marketable securities. The working capital of $13,165 is expected to be sufficient to fund the operations and exploration activities of the Corporation for the upcoming twelve months.

Contractual Obligations

The Corporation has the following minimum annual commitments for the next five years:

	2020	2021	2022	2023	2024
Corporate office rent	$ 39	$ 39	$ 39	$ 11	$ -
Minimum royalty and land payments, Parral	1,006	1,006	1,006	1,006	606
Parral processing equipment obligations	318	-	-	-	-
	$ 1,363	$ 1,045	$ 1,045	$ 1,017	$ 606

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

Outstanding Share Data

As at September 30, 2019, the Corporation had a total of 185,823,461 common shares issued and outstanding with a carrying amount of $147,914, 7,675,000 stock options, and 2,025,000 deferred share units issued and outstanding. At September 30, 2019, 13,274,189 common shares were held in escrow for benefit of the vendors of Los Ricos and will be released to the vendors in line with the instalment schedule discussed in the Strategic Update section on page 3. Comparative figures for September 30, 2018 were 171,776,481 common shares with a carrying amount of $142,465, 4,365,000 stock options, and 475,000 deferred share units issued and outstanding.

As of the date of this document, there were 186,067,211 common shares, 7,675,000 stock options, and 2,025,000 deferred share units issued and outstanding.

Off-Balance Sheet Arrangements

At the date of this document, the Corporation had no material off-balance sheet arrangements.

Critical Accounting Estimates and Change in Accounting Policies

Accounting Estimates

The preparation of the consolidated financial statements requires the Corporation's management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Judgment is used mainly in determining whether a balance or transaction should be recognized in the consolidated financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. However, judgments and estimates are often interrelated. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements as well as estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Asset acquisitions:
The Corporation applies judgment in determining whether the exploration and evaluation assets it acquires are considered to be asset acquisitions or business combinations. Key factors in this determination are whether reserves have been established; whether the project is capable of being managed as a business by a market participant, and the nature of the additional work to convert resources into reserves. The Corporation has considered all exploration and evaluation assets acquired to date to be asset acquisitions.

Commercial production:
The Corporation makes judgments about which indicators to consider when evaluating whether a project has reached commercial production, which may impact the timing and amount of amortization and depletion, the amount of revenue recognized, as well as operating expenses recognized.

Estimate of recoverability for non-financial assets:
Events or changes in circumstances may give rise to significant impairment charges or reversals of impairment in a particular year. In accordance with the Corporation's accounting policy, each non-financial asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment, which would include a significant decline in the asset's market value, decline in resources and/or reserves as a result of geological re-assessment or change in timing of extraction of resources and/or reserves which would result in a change in the discounted cash flow obtained from the site, and lower metal prices or higher input cost prices than would have been expected since the most recent valuation of the site.

If any such indication exists, a formal estimate of recoverable amount is determined and an impairment loss recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating unit is measured at the higher of fair value less costs of disposal and value in use.

Value in use is generally determined as the present value of the estimated future cash flows, but only those expected to arise from the continued use of the asset in its present form and its eventual disposal. Present values are determined using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value less costs of disposal is determined based on the present value of estimated future cash flows from each long-lived asset or cash generating unit. The assumptions used in determining the fair value less costs of disposal are typically life of mine plans, long-term commodity prices, discount rates, foreign exchange rates, and net asset value multiples.

Future cash flow estimates are based on expected production and sales volumes, mineral prices (considering current and historical prices, price trends and related factors), reserves, operating costs, restoration and rehabilitation costs and future capital expenditures.

Exploration and evaluation assets:
Management is required to apply judgment in determining whether technical feasibility and commercial viability can be demonstrated for mineral properties. The technical feasibility and commercial viability is based on management's evaluation of the geological properties of an ore body based on information obtained

through evaluation activities, including metallurgical testing, resource and reserve estimates and economic assessment whether the ore body can be mined economically. Once technical feasibility and commercial viability of a mineral property can be demonstrated, exploration costs will be assessed for impairment and reclassified to property, plant and equipment and subject to different accounting treatment.

Identification of functional currency:
The functional currency for the Corporation and each of its subsidiaries 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 considering the currency and economic factors that mainly influence sales prices, production and operating costs, financing and related transactions.

Inventory – in process:
The Corporation makes estimates of gold and silver recoverable from tailings stacked on leach pads in the determination of the carrying amount of in process inventory. The quantities of recoverable gold and silver placed on the leach pads are reconciled to the quantities of gold and silver actually recovered (metallurgical balancing), by comparing the estimate of contained ounces placed on the leach pads to actual ounces recovered. The nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time. The ultimate recovery of gold and silver from a leach pad, and the timing of the recovery, will not be known until the leaching process is completed. Leach pad recovery estimates are used in the determination of the Corporation's inventories.

Inventory – valuation:
The Corporation values inventory at the lower of cost and net realizable value. The calculation of net realizable value relies on forecasted metal prices, forecasted exchange rates, and estimated costs to complete the processing of in process inventory.

Provisions for site restoration:
The Corporation makes estimates for the timing and amount of future cash flows required to settle the Corporation's reclamation provisions. These estimates require extensive judgment about the nature, cost and timing of the work to be completed, and may change with future changes to costs, environmental laws and regulations and remediation practices. In view of uncertainties concerning environmental rehabilitation, the ultimate costs could be materially different from the amounts estimated.

Share-based payments:
The Corporation issues equity-settled share-based payments to certain employees, directors, and third parties outside the Corporation. Equity-settled share-based payments issued to employees are measured at fair value (excluding the effect of nonmarket 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. Share-based payments issued to third parties are measured at the fair value of the goods or services received except when the fair value cannot be determined reliably, they are measured at the fair value of the equity instruments granted.

Taxation:
The Corporation's accounting policy for taxation requires management's judgment in assessing whether deferred tax assets are recognized on the statement of financial position. 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 statement of financial position 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 statement of operations.

Change in Accounting Policies

The Corporation adopted the following accounting standards during the year:

Financial Instruments ("IFRS 9")
The Corporation adopted IFRS 9, which replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"), beginning on October 1, 2018, the mandatory effective date. IFRS 9 includes a revised model for classifying financial assets, which results in classification according to a financial instruments' contractual cash flow characteristics and the business models under which they are held. The Corporation has adopted IFRS 9 on a modified retrospective basis in accordance with the transitional provisions of IFRS 9. As such, comparative figures have not been restated, and the adoption of the standard did not result in a change in carrying value of any of the Corporation's financial instruments upon transition.

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial recognition. The adoption of the expected credit loss impairment model did not have a significant impact on the Corporation's financial statements.

An equity investment that is held for trading is measured at fair value through profit or loss. For other equity investments that are not held for trading, the Corporation may irrevocably elect to designate them as fair value through other comprehensive income. This election is made on an investment-by-investment basis.

The Corporation's financial instruments are accounted for as follows under IFRS 9 as compared to the previous policy in accordance with IAS 39:

	IAS 39	IFRS 9
Cash and cash equivalents	Loans and receivables	Amortized cost
Trade receivables	Loans and receivables	Amortized cost
Marketable securities	Available-for-sale	Fair value through profit or loss
Trade and other payables	Other financial liabilities	Amortized cost
Derivative financial instruments	Fair value through profit or loss	Fair value through profit or loss

As a result of the adoption of IFRS 9, the Corporation's accounting policy for financial instruments has been updated as follows:

The Corporation recognizes financial assets and financial liabilities on the date the Corporation becomes party to the contractual provisions of the instruments. A financial asset is derecognized either when the Corporation has transferred substantially all the risks and rewards of ownership of the financial assets or when cash flows expire. A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

The Corporation classifies and measures financial assets and liabilities on initial recognition as described below:

- Cash and equivalents include cash, term deposits, treasury bills and money market investments with original maturities of less than 90 days and are classified as and measured at fair value through profit or loss.

- Trade receivables are classified as and measured at fair value through profit or loss using the effective interest method less any allowance for impairment.
- Marketable securities, including equity instruments, are designated as fair value through profit or loss and are recorded at fair value on settlement date, net of transaction costs. Subsequent to initial recognition, changes in fair value are recognized in income.
- Derivative financial instruments are recorded at fair value through profit or loss. Subsequent to initial recognition, changes in estimated fair value at each reporting date are recognized through profit or loss. The fair value of derivative financial instruments is based on forward rates considering the market price, rate of interest and volatility and takes into account the credit risk of the counterparty.
- Trade and other payables, term loans and long term debt are classified and measured at amortized cost. A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Revenue from Contracts with Customers ("IFRS 15")
The Corporation adopted IFRS 15 on October 1, 2018, the mandatory effective date, using the modified retrospective approach. IFRS 15 replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers, and SIC 31 Revenue – Barter Transactions Involving Advertising Services. Under the modified retrospective approach, the Corporation recognizes transition adjustments, if any, in retained earnings on the date of initial application (October 1, 2018), without restating the financial statements on a retrospective basis. Accordingly, the comparative information for prior periods have not been restated and the information presented for fiscal 2018 reflects the requirements of IAS 18, IAS 11, and the related interpretations.

IFRS 15 contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized, which the Corporation has used in reviewing its contracts with customers. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control requires judgment.

As a result of the adoption of IFRS 15, the Corporation's accounting policy for revenue recognition has been updated as follows:

Revenue from the sale of gold and silver contained in doré or precipitate is recognized when contracts with customers have been identified, performance obligations in the contract have been identified, transaction price is reasonably estimable, transaction price is allocated to the performance obligations in the contract, and performance obligation in the contract is satisfied. Generally, the performance obligations of the contract are met once shipments are received by the customer. Revenue is measured at the fair value of the consideration received or receivable and may be subject to adjustment once final weights and assays are determined.

On adoption of IFRS 15, trade receivables increased by $305 and finished goods inventory decreased by $305. There were no material differences recognized on the adoption of this standard.

Amendments to Share-based Payments ("IFRS 2")
The Corporation adopted the amendments to IFRS 2, Share-based Payments, effective October 1, 2018, with no impact on the condensed consolidated interim financial statements.

The Corporation has not adopted the following standard, as it is not yet effective for the year ending September 30, 2019:

Leases ("IFRS 16")
In January 2016, the IASB issued IFRS 16, *Leases*. This standard specifies the methodology to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring

lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. This standard replaces IAS 17, *Leases.* The standard is effective for annual reporting periods beginning on or after January 1, 2019 with early adoption permitted. Based on management's analysis completed to date, the estimated impact of adopting this standard will be an increase to property, plant and equipment assets of $2,184, and a corresponding increase in leasing liabilities.

Financial Instruments and Other Risks

Financial Instruments

The following table provides the disclosures of the fair value and the level in the hierarchy for financial instruments recorded at fair value:

	September 30, 2019		September 30, 2018	
	Level 1	Level 2	Level 1	Level 2
Marketable securities	$ 4,747	-	-	-
Derivative liabilities	-	$ 549	-	$ 352

For derivative contracts, the Corporation obtains a valuation of the contracts from counterparties of those contracts or performs valuations internally. The Corporation assesses the reasonableness of these valuations through internal methods and third party valuations. The Corporation then calculates a debt valuation adjustment or a credit valuation adjustment by considering the risk of nonperformance by the counterparties and the Corporation's own credit risk. Valuations are based on forward rates considering the market price, rate of interest and volatility, and take into account the credit risk of the financial instrument, and are therefore classified within Level 2 of the fair value hierarchy.

Risk

The Corporation is exposed to a number of risks and uncertainties that are common to other mineral exploration and development companies. The mining industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks.

Additional detail on risks and uncertainties is discussed in the Corporation's Annual Information Form dated December 20, 2018, a copy of which may be obtained on the SEDAR website at www.sedar.com, as well as other continuous disclosure materials filed from time to time with Canadian securities regulatory authorities.

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. Input tax recoverable consists of harmonized sales tax due from the Federal Government of Canada of $54 and value added tax from the Federal Government of Mexico of $10,250. Exposure on trade receivables is

limited as all receivables are with one customer who the Corporation has strong working relationships with and is a reputable large international company with a history of timely payment. Management believes the risk of loss with respect to financial instruments consisting of cash, input tax recoverable and trade receivables to be low.

Equity Price Risk
The Corporation is exposed to equity price risk through its marketable securities. A 10% change in the market value of its marketable securities would change net income by approximately $475.

Foreign Currency Risk
The Corporation's major purchases are transacted in Canadian dollars, US dollars, and Mexican Pesos. The Corporation funds certain operations, exploration and administrative expenses in Mexico using US dollar and Mexican Peso currency converted from its Canadian and US dollar bank accounts held in Canada. As GoGold Resources Inc., the parent corporation, has a functional currency of Canadian dollars, net liabilities held in US dollars are affected by foreign exchange fluctuations and will affect the Corporation's net income. At September 30, 2019, GoGold Resources Inc. had net monetary assets in US dollars of $81 (September 30, 2018 – $7,047), for which a 10% change in US exchange rates would change net income by approximately $8. At September 30, 2019, the Corporation had net monetary assets in Mexican Pesos of approximately $4,868 (September 30, 2018 – $6,255), for which a 10% change in Mexican Peso exchange rates would change net income by approximately $488.

Interest Rate Risk
The Corporation has cash balances and the current policy is to invest excess cash in Canadian bank high interest savings accounts. The Corporation has no interest bearing liabilities.

Liquidity Risk
The Corporation's general objective when managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2019, the Corporation had cash balances of $2,408, marketable securities of $4,747, input tax recoverable of $2,257, and trade receivables of $3,272 for settling current liabilities of $8,298, liquidity is expected to be sufficient to fund the operations of the Corporation for the next twelve months.

Derivatives

The Corporation, through its subsidiary Coanzamex, has an agreement with the Municipality of Parral, Mexico ("Town") to mine and process tailings material for precious metal recovery. The Corporation makes payments of $48 per month to the Town which increases based on the market average silver price, with payments continuing until tailings are completely mined. As the monthly royalty payment increases based on the market average silver price, from a minimum of $48 per month to a maximum of $88 per month, this obligation is accounted for as an embedded derivative liability. The fair value of the liability has been accounted for using a Monte Carlo simulation based on the spot price of silver at September 30, 2019 of $17.26 (September 30, 2018 - $14.31), as well as the historical volatility of silver market prices. The fair value of the liability under this method at September 30, 2019 was $549 (September 30, 2018 - $352).

NON-IFRS MEASURES

The following provides a reconciliation of cash cost per silver equivalent ounce, cash cost per silver ounce net of gold credits, and all in sustaining costs per silver equivalent ounce to the unaudited condensed consolidated interim financial statements. Cash costs and all in sustaining costs are calculated in line with guidance provided by the World Gold Council in November 2018. These non-IFRS measures are used as these terms are typically used by mining companies to assess the level of gross margin available 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 Corporation compared with other mining companies.

Cash Cost Reconciliation	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2018	2019
Production costs, except amortization and depletion	$ 2,942	$ 3,342	$ 4,812	$ 4,702	$ 6,652	$ 13,553	$ 19,508
Net realizable value adjustment	7,981	1,132	357	-	-	12,726	1,489
Less: non-cash portion of NRV adjustment	(1,258)	(188)	(54)	-	-	(2,377)	(242)
Cash costs	9,665	4,286	5,115	4,702	6,652	23,902	20,755
Silver equivalent ounces sold	241,774	271,211	475,921	438,740	572,435	1,328,119	1,758,307
Cash cost per silver equivalent ounce	**$39.98**	**$15.80**	**$10.75**	**$10.71**	**$11.62**	**$18.00**	**$11.80**
Net realizable value cash adjustment on inventory[1]	(7,750)	(944)	(303)	-	-	(10,349)	(1,247)
Adjusted cash cost	1,915	3,342	4,812	4,702	6,652	13,553	19,508
Adjusted cash cost per silver equivalent ounce[1]	**$7.92**	**$12.32**	**$10.11**	**$10.71**	**$11.62**	**$10.20**	**$11.09**
Cash costs, per above	9,665	4,286	5,115	4,702	6,652	23,902	20,755
Gold sales	(1,792)	(2,019)	(2,507)	(2,769)	(4,343)	(8,671)	(11,638)
Total cash costs, net of gold sales	7,873	2,267	2,608	1,933	2,309	15,231	9,117
Silver ounces sold	115,426	131,119	311,602	245,706	317,472	781,672	1,005,899
Cash cost per silver ounce, net of gold credits	**$68.21**	**$17.29**	**$8.37**	**$7.87**	**$7.27**	**$19.49**	**$9.06**
Net realizable value cash adjustment on inventory[1]	(7,750)	(944)	(303)	-	-	(10,349)	(1,247)
Adjusted cash cost, net of gold sales	123	1,323	2,305	1,933	2,309	4,882	7,870
Adjusted net cash cost per silver ounce[1]	**$1.07**	**$10.09**	**$7.39**	**$7.87**	**$7.27**	**$6.24**	**$7.82**
Cash costs, per above	9,665	4,286	5,115	4,702	6,652	23,902	20,755
General and administrative costs	971	1,137	1,139	1,224	1,200	4,134	4,700
Sustaining capital expenditures	104	41	417	14	6	1,385	478
Accretion expense	32	29	29	29	29	127	116
All in sustaining costs	10,772	5,493	6,699	5,969	7,887	29,548	26,049
Silver equivalent ounces sold	241,774	271,211	475,921	438,740	572,435	1,328,119	1,758,307
AISC per silver equivalent ounce	**$44.55**	**$20.25**	**$14.08**	**$13.61**	**$13.78**	**$22.25**	**$14.82**
Net realizable value cash adjustment on inventory[1]	(7,750)	(944)	(303)	-	-	(10,349)	(1,247)
Adjusted all in sustaining costs	3,022	4,549	6,396	5,969	7,887	19,199	24,802
Adjusted AISC per silver equivalent ounce[1]	**$12.50**	**$16.77**	**$13.44**	**$13.61**	**$13.78**	**$14.46**	**$14.11**

1. Adjusted costs are calculated excluding net realizable value adjustments to inventory to provide a comparison to prior quarters for costs associated with the quarter and exclude the adjustment which includes out of period costs.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Corporation, including its consolidated subsidiaries, is made known to the Corporation's certifying officers. The Corporation's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Corporation's disclosure controls and procedures as at September 30, 2019, in compliance with NI 52-109, and have concluded that these controls and procedures are effective.

The Corporation's management, under the supervision of its Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Corporation's Chief Executive Officer and Chief Financial Officer have used the 2013 Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of the Corporation's internal control over financial reporting as at September 30, 2019, in compliance with NI 52-109, and have concluded that these controls and procedures are effective.

FUTURE OUTLOOK

The Corporation intends to focus on increasing production and efficiently operating Parral, continuing with the drilling program at Los Ricos, and intends to continue investigating projects that meet its criteria of being advanced, capable of producing at a low all-in cost, and of being developed in a short time frame.

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 Corporation 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 or disposition or financing transaction, the Corporation's plans for its mineral projects, and reference to the Corporation's internal forecasts. 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 Corporation to obtain necessary financing, satisfy conditions under any acquisition agreement, or satisfy the requirements of the Toronto Stock Exchange with respect to an acquisition; consumer interest in the Corporation's services and products; competition; and anticipated and unanticipated costs. The forward-looking statements contained in this document are made as of the date of this document and the Corporation does not undertake to update publicly or revise the forward-looking information contained in this document, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. These forward-looking statements should not be relied upon as representing the Corporation's views as of any date subsequent to the date of this document. Although the Corporation 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. Factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements include exploration and development risks, the failure to establish estimated mineral resources or mineral reserves, volatility of commodity prices, variations of recovery rates and global economic conditions. 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 Corporation's Annual Information Form for the year ended September 30, 2019, a copy of which may be obtained on the SEDAR website at www.sedar.com, as well as other continuous disclosure materials filed from time to time with Canadian securities regulatory authorities.

Any financial outlook or future-oriented financial information in this document, as defined by applicable securities legislation, has been approved by management of the Corporation as of the date of this document. Such financial outlook or future-oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this document.

Technical Information

Mr. Robert Harris, P. Eng, who is a qualified person as defined by National Instrument 43-101, *Standard of Disclosure for Mineral Projects*, is responsible for, and has reviewed and approved, the scientific and technical information contained in this document pertaining to Parral.

Mr. David Duncan, P. Geo. who is a qualified person as defined by National Instrument 43-101, *Standard of Disclosure for Mineral Projects*, is responsible for, and has reviewed and approved, the scientific and technical information contained in this document pertaining to Los Ricos.

Other Information

Additional information regarding the Corporation, including the Corporation's Annual Information Form dated December 20, 2018, is available on SEDAR at www.sedar.com.

Dated: December 11, 2019